

**BUDGET WORK SESSION OF THE CHAPEL HILL TOWN COUNCIL  
WEDNESDAY, MARCH 18, 1998 AT 5:00 P.M.**

Mayor Waldorf called the meeting to order at 5 p.m.

Council Members present were Flicka Bateman, Joyce Brown, Joe Capowski, Pat Evans, Kevin Foy, Lee Pavão, and Edith Wiggins. Council Member Julie Andresen was absent, excused.

Staff members present were Town Manager Cal Horton, Assistant Town Manager Sonna Loewenthal, Assistant to the Manager Ruffin Hall, Interim Parks and Recreation Director Bill Webster, Fire Chief Dan Jones, Deputy Fire Chief Myrle Smith, Assistant Chief Robert Bosworth, Transportation Director Bob Godding, Transportation Analyst Scott McClellan, Parking Superintendent Dennis Garrett, and Deputy Town Clerk Joyce Smith.

**Item 1 - Parks and Recreation Budget**

Interim Parks and Recreation Director Bill Webster stated the County Commissioners had recently approved the Town's request for funding for the Southern Community Park soccer field amenities and the Northern Community Park concession/rest room building.

Mr. Webster indicated there were three key issues, the first of which was to continue to provide current levels of service. He noted it is difficult to hire and retain competent employees due to the current labor market. Mr. Webster said as a result, he proposes to increase the temporary salaries fund in order to keep facilities open and programs staffed. He indicated the changes proposed for FY 98-99 will require at least \$81,000, and possibly more, in additional funding in order to maintain current service levels.

Mr. Webster said the second key issue is proposed department reorganization. He recommended that the vacant Recreation Superintendent position be eliminated, and that an Assistant Center Director with an aquatics background be hired to overview both of the Town's pools and related programs.

Mr. Webster stated the third key issue is the operation of new facilities. He said staff estimates that operation of the Hargraves Gymnasium and the Northern Community Park will require approximately \$107,000 in additional funding, including materials, staffing, supplies, utilities, and other miscellaneous items.

Mr. Webster stated the issue of temporary employee salary is by far the most important issue. When looking at the budget, he asked that the Council also keep in mind that we will have two new large facilities which will require funds for operation.

Council Member Pavão asked if temporary employees tend to come back. Mr. Webster said some temporary employees are loyal and come back year after year, but the return rate at the pool is poor. He indicated one reason is that the pay used to be consistent with fast food restaurants and some

retail stores, but the Town has fallen behind. He noted ~~people~~ who used to be umpires for the Town are now working at businesses such as Walmart.

Council Member Pavão asked what for the average pay ~~figure~~. Mr. Webster said usually around \$6 to \$8 per hour, but some positions such as aquatics instructor, ~~earn~~ around \$12 an hour. He added the minimum we should be paying is \$8 per hour for most ~~positions~~, and in the vicinity of \$10 to \$12 an hour for persons with specific skills, such as lifeguards. Mr. Webster commented he believes lifeguards are now paid \$8 an hour, adding it is ~~becoming~~ increasing difficult to compete in the labor market, and the pool of employees to choose from ~~is~~ becoming smaller and smaller.

Council Member Pavão asked if University students ~~make up~~ a good number of our temporary employees. Mr. Webster answered students are the significant ~~majority~~.

Council Member Bateman asked if the Council could get a ~~figure~~ of how much money is available due to lapsed salary from vacant positions. Mr. Horton ~~said~~ a good portion of these funds have been used, but we would report back to the Council with this ~~information~~.

Council Member Bateman asked if the fee schedule had ~~been~~ increased last year. Mr. Webster answered no, but a formula is used to calculate costs of ~~each~~ program offered. Council Member Bateman asked what the salary would be used for at the Hargraves Gym. Mr. Webster said primarily for desk attendants to staff the desk during operating ~~hours~~, but also for referees, coaches and the like for programs to be offered.

Council Member Capowski commented that UNC student lifeguards make around \$5.50 an hour, and asked why the Town could not attract these students ~~at the~~ Town's current salary rate. Mr. Webster said he did not know, but we have had to advertise ~~multiple~~ times to fill the vacancies at the \$6 to \$8 salary range some of the shifts begin at 5:30 a.m. He said it was clear that money was the major factor in the low number of applicants.

Council Member Bateman said she believes a drawback is ~~that~~ the Town's operating schedule for the pools do not always work for the students, so maybe we ~~should~~ look at revamping the schedule. She remarked that Mr. Webster had worked very hard this ~~year~~ and deserved the Council's thanks. Mr. Horton added that Mr. Webster had been very successful and creative in recruiting interns to work on a temporary basis to keep services at an acceptable ~~level~~. He remarked that we are very close to closing the process for hiring a permanent Parks and Recreation Director.

## Item 2 - Fire Department Budget

Council Member Wiggins commented that the current issue of UNC's Alumni Review features Chief Jones as an "essential member of the University community." She noted that most of the people recognized were members of the University, with very few included from the community itself. Council Member Wiggins congratulated Chief Jones on this recognition.

Fire Chief Dan Jones said the Fire Department was in good shape at this time. He noted staff has spent last 6 to 7 years correcting some deficiencies and have ~~been~~ successful in this. Chief Jones

stated he believes they have raised the level of service to and confidence of the community, and the Fire Department provides quality service to citizens.

Chief Jones gave a brief description of current facilities and their use. He noted staff has completed a number of in-house renovations using the talents of some firefighters and some Public Works employees. Chief Jones stated rest rooms and facilities for female firefighters have been added at Station 1, and renovations are continuing at other facilities. He said some energy efficiency upgrades also are taking place.

Chief Jones offered a general description of current apparatus and maintenance needs. He noted he has submitted a fleet replacement schedule as part of the Capital Improvements Program to the Manager so that they may anticipate future needs over the next 20 years.

In the area of Fire Prevention, Chief Jones stated they had experienced some improvement in that area last year when the Council approved an additional Fire Inspector position. He added work load management in the Fire Prevention Division is working more efficiently.

Chief Jones reported the Fire Department responds to about 3,000 calls per year for emergency services, which range from structure fires to heart attacks to car fires to reports of odors of smoke. He stated we are now seeing about a 10% increase each year in the area of emergency response. Chief Jones noted that two years ago the Department added First Responder services, adding that we now carry automatic defibrillators which enable them to provide a higher level of care for heart attack victims. Chief Jones said this program added about 40% to the Department's emergency services demand.

Chief Jones said a number of major projects are currently in progress: a training facility is a major renovation project currently underway, reflected in the CIP budget; ramp replacements at Stations 2 and 3 included in the CIP budget and necessary due to undermining caused by drainage problems which cause the concrete to break apart; and, a women's restroom and facilities at Station 3 scheduled for next year. Chief Jones stated one project staff have been working on over the last 2 years is developing a computer network for all fire stations to eliminate as much paper as possible, such as incident reports and standard reports. He noted this would also enable the Department to index and retrieve information more efficiently and in greater detail.

Chief Jones stated they are well into the planning of the Southern Area fire station, and are now looking at appropriate sites and developing a time line to meet the Council's objectives. He noted some resource difficulties encountered from year to year, one is their inability to replace smaller equipment. Chief Jones said they must make choices between what is needed and what is needed, causing them to use equipment after its useful life. He noted they do try to make budgeting decision based on a safety priority first, and service delivery second as they relate to budget decisions.

Chief Jones said acquisition of new technology is sometimes difficult for them, noting that technology for emergency services is not cheap, and when acquisition is considered they are forced to cut other items out of their budget in order to acquire the technology. He noted an example is the

new infrared technology that allows firefighters to see through smoke and darkness. Chief Jones stated these devices enhance rescue and firefighter safety, but costs \$24,000 per unit. He stated we have had to put that technology on the back burner even though it would result in safer operations for the firefighter and provide a higher level of service to the citizens.

Chief Jones stated that rescue equipment is also very expensive, and we must often rely on the South Orange Rescue Squad for use of their equipment, which may or may not be available. He said obviously it would be to our advantage to have this equipment in-house for basic and technical rescue operations.

Chief Jones said we have made significant improvements over the last year in fleet maintenance. He noted the mechanic position had been moved to Public Works, but Public Works was now experiencing a shortage of mechanics. Chief Jones stated some maintenance still must be done elsewhere.

Chief Jones noted one major area to bring to the Council's attention is a request for an additional fire unit and staffing. He stated the level of service has not changed since the Weaver Dairy Road Fire Station opened in 1982. Chief Jones said we have had a population increase of 37%, the tax base has increased by 182%, Fire Department response to citizens' requests has increased by 600%, University facilities have increased by 37%, and the number of dwelling units have increased by 42%, all since 1982. Chief Jones said during firefighting activities, they must adhere to the two in, two-out-rule, meaning they must have at all times two fully equipped firefighters ready to enter fire fighting activities during fire operations. He stated this means they must pull two people for standby at any structure fire, which decreases their firefighting capabilities.

Chief Jones remarked they have compared their operation to twelve other similarly-sized organizations and found that Chapel Hill had the fewest firefighters per 1000 population of any of the twelve comparison communities. He said it was their opinion now is the time to consider the addition of an additional fire pumper and the addition of 12 firefighters to address the increasing fire exposure to the community.

Chief Jones emphasized this is a supplemental request to the Fire Department's budget, and should be looked at separately from the new Southern Area fire station. He recommended the addition of a fifth firefighting unit now, in addition to what is necessary for the Southern area fire station.

Council Member Brown asked if the proposed new unit would need twelve additional staff when the Southern fire station is opened. Chief Jones answered yes, explaining that three persons 24 hours a day year round would require twelve additional personnel. Council Member Brown asked where this additional unit and personnel would be housed. Chief Jones said he recommends Station 3 on Elliott Road.

Mayor pro tem Capowski said he admires the courage and skill of Chief Jones' employees, and thanked them for their service. He asked Chief Jones if the Fire Department conducted inspections of the living areas of apartment houses. Chief Jones answered no, because they are considered private residences. He noted they may inspect the public areas of apartment houses, such as the

lobby and elevators, but not the private residences. Mayor pro tem Capowski asked if it would benefit the Fire Department if legislation would allow firefighters to enter private UNC student housing. Chief Jones answered yes, but a number of issues would be raised by that, from who would be responsible if enforcement issues arise to how the work load would be handled.

Mayor pro tem Capowski said when it comes to budget requests, Fire and Police are the highest priorities for him, because of the type of services provided and the risk to employees. He asked if there are any particular State or Town legislation that would benefit the Fire Department. Chief Jones said a number of things could be of benefit, but cost has to be weighed as well as what is achievable and enforceable. Mayor pro tem Capowski asked if there are now or in the foreseeable future any water source problems, such as in flow or pressure. Chief Jones said they are very fortunate in that respect, and are zealous in maintaining a high standard in this area.

Mayor Waldorf asked who has first responder responsibility for Heritage Hills. Chief Jones answered Carrboro, although Chapel Hill does respond as automatic mutual aid.

Council Member Evans said she would like to see the list of the twelve comparison communities Chief Jones spoke of. Chief Jones said that information would be provided. Council Member Evans asked regarding the sites for the Southern Area Fire Station, why the community commercial area on US 15-501 on the left between the two entrances to Southern Village was not included on the list. Chief Jones answered that it was far enough down US 15-501 to the south that it would be no real advantage to locating a site there at that location. Mr. Horton said the GIS system was used to estimate travel times, and the conclusion was reached that at that point the response time would be too great. He added we already own property near that site on the Southern Community Park Site.

Council Member Evans stated she was aware that communities were now keeping copies of bids for new equipment so that other communities could piggy back onto equipment purchases, and noted we should take advantage of this.

Council Member Brown said the Council had discussed growth and how to deal with it, and stated she hoped this would result in a public facilities ordinance to deal with the growth.

Council Member Foy asked what was the projected dollar figure for the Fire Department budget. Chief Jones answered \$2,936,000, which does not include personnel or equipment for the new unit, or the Southern Area fire station. Council Member Foy asked what the projected cost would be if these items were added to the budget. Chief Jones answered twelve firefighters would be \$525,000, and the new unit would be \$300,000, budgeted over a three year period. Council Member Foy stated that the total increase would be about \$600,000 a year. Chief Jones noted that was correct. Council Member Foy asked if the Fire Department had access to any grants. Chief Jones answered that most grant sources dried up around 1986, and he was not aware of any at this time.

Council Member Wiggins asked if the \$2,936,000 included acquisition of new technology or equipment. Chief Jones answered that figure does include a new computer network and some radio replacement, as well as one piece of rescue equipment. Council Member Wiggins asked if these

items would enhance services. Chief Jones answered yes. Council Member Wiggins asked if the Fire Department could provide a supplemental budget that would include some of the items suggested earlier, such as the infrared equipment and other rescue equipment. Chief Jones stated that information would be provided.

Mayor Waldorf asked how they account for the 10% increase in calls for service. Chief Jones said they had seen this trend over the last five to six years. He noted some of it has to do with population, with people becoming more familiar with the availability of emergency services, and the expectation of its use. Chief Jones said additionally, around 30% of call volume is to the University. Mr. Horton added a lot more places have alarm systems now, and do occasionally generate an alarm which must be responded to.

Mayor Waldorf asked Council Member Wiggins exactly what she was requesting. Council Member Wiggins said she was particularly interested in the rescue equipment that must now be borrowed from the South Orange Rescue Squad and the infrared equipment mentioned. Mayor Waldorf asked if the Council wanted to see the work up on these items.

Mr. Horton stated it would be important to look at all the statistics involved as to where we are now, the effects of adding the Southern Area Fire Station, and the population taken in at that time. He said if the Council has an interest in this, a working paper could be produced showing all available options. Chief Jones added they were attempting to identify several options on how to phase these items in rather than doing it all at one time.

Mayor Waldorf asked if the report would focus on costs as well as aspects of the service. Chief Jones answered that was correct.

Mayor pro tem Capowski said the Interim Parks and Recreation Director had noted the difficulty in attracting qualified employees, and asked if the Fire Department was experiencing the same difficulty? Chief Jones said the applicant pool has decreased, and they find themselves "stealing" employees from other fire departments. He stated they have difficulty in recruiting from a diverse workforce, ethnically and racially. Chief Jones said their candidates are predominantly white males. He stated they are working with Alamance Community College to attempt to conduct a Fire Challenge Academy to provide a more diverse workforce to draw from.

### **Item 3 - Transportation Department Budget**

Transportation Department Director Bob Godding stated that FY 97-98 expectations were: a new Memorandum of Understanding with UNC and Carrboro outlining the method of how costs are shared; new services which included UNC Hospital commuter service; a projected decline in federal funding including the elimination of operating assistance and an uncertainty of capital funding for buses; and, a projected expansion in State funding in the Transit 2001 recommendations. He noted the realities for FY 97-98 were: the addition of park/ride services to three lots; the addition of a shuttle to the University's business school; a federal funding increase of about 20% rather than the expected decrease, although operating assistance was eliminated and the

definition of preventive maintenance was redefined as capital; State funds increased for new services; and, total additional unbudgeted operations funds total \$430,000 in unexpected funds.

Mr. Godding stated other issues worthy of note is that the North Carolina Department of Transportation, Transportation Division carried over their FY 96-97 request for buses and approved funding for five replacement buses, a total of \$1,000,000. He added that federal capital funds were approved for buses for UNC, and UNC has requested that Chapel Hill Transit be the recipient of those vehicles, another \$1,000,000 in equipment we had not expected.

Mr. Godding noted new issues for the coming budget are a new Memorandum of Understanding agreement through 1998-99 only; reauthorization of the Intermodal Surface Transportation Efficiency Act; continued State funding for new services: UNC Transportation and Parking Task Force changes including additional transit services and higher parking fees; and annexation and new services, such as transit service to the new Southern Orange Human Services Building and the Seawell School/Homestead Road area. Mr. Godding noted the Transportation Board has discussed this matter, and staff was looking at extending fixed route service to this area beginning in August. He noted other issues are: the continuation of the bus replacement program, with the next replacement scheduled for 2001-2002; continuation of the park/ride lot program; replacement of the Carrboro Plaza lot which will become unavailable to the Town this summer; consideration of the US 15-501 North park/ride project; repaving of the NC 54 park/ride lot; and evaluation of Bus Driver recruitment, including selection, training and retention, and procedures. Mr. Godding stated that they currently have about 40 vacant part-time driver positions, and it is becoming increasingly difficult to meet schedule commitments. He said they have increased their recruitment efforts and are continuing to experience difficulties, due to the low unemployment rate in the area. He stated we must stay competitive in order to compete in the local market.

Mr. Godding stated that in the Parking Division, FY 97-98 Parking Division expectations were the continuation of on-street and off-street parking operations and expanded enforcement activities with an emphasis on residential permit zones. He said ongoing operations are generally stable, but they are experiencing a decline in utilization and productivity in Lots #3 and #5. Mr. Godding said the highest demand is after 6 p.m., after established operating hours.

Mr. Godding noted key Parking Division issues for FY 98-99 are: filling of vacant positions; review of infrastructure needs, such as the paving of Lot #2 (\$90,000); drainage and structural integrity of the Rosemary Street Deck; replacement and upgrading of meters; and alternative configurations for Lots #3 and #5 (\$7,500), such as monthly parking or a pay-on-foot station.

Council Member Foy asked whether we were aware that the Southern Human Services Center would require public transportation services to that facility. Mr. Godding stated yes, but we were not aware of the exact opening date. He said the site was fairly large and the building was centered on the site, and provided awkward transit access. Council Member Foy asked if we knew what services they would require. Mr. Godding said we did have some idea of what would be located there and what their needs might be, but we have not been provided with any detailed information as far as where trips will originate from.

Council Member Brown asked about the \$400,000 in additional operating funding. Mr. Godding stated our agreement with UNC and Carrboro stated that any federal funds must be shared based on the agreed formula. He noted UNC's share would be about 43% with 12% to 13% to Carrboro, with the remainder coming to Chapel Hill.

Council Member Brown asked if we were lacking in personnel because of the low unemployment rate in this area. Mr. Godding answered that was part of it, that they were not getting as many applicants for vacancies as in the past. He said they now supplement advertising by using radio ads as well as print media. Mr. Godding said they are certainly competing with other employers, and over the last year and a half have experienced increasing difficulties in recruitment.

Mayor pro tem Capowski asked if they were far enough along in the budget process to determine if a fare increase is necessary. Mr. Godding answered he does not believe a fare increase will be necessary if federal funding remains stable.

Council Member Evans asked, with federal funding for new services this year, what happens in the second year? She said she believes the Town would then be responsible for the cost. Mr. Godding said funding is somewhat tied to services, that part of the formula for fund distribution is based on revenue vehicle hours. He added that not all costs associated with providing that service are covered. Mr. Godding said regarding State funding for new services, he believes the funding will be on a graduated scale, but the details have not been finalized by the State.

Council Member Evans asked if it is possible to expand the Highway 54 park/ride lot. Mr. Godding said the land was leased from the University under a 20 year lease, and we are 10 years into that lease. He noted it may be possible to expand the lot by asking the University for more land, or we could attempt to extend the lease and ask the federal government for funding to build a parking structure. Council Member Evans said the lot is generally full and more space is needed.

The meeting was adjourned at 6:58 p.m.