



301 W. Main St.
Town Hall
Carrboro, NC 27510

**Town of Carrboro
Meeting Minutes
Town Council**

February 21, 2023

7:00 PM

Council Chambers - Room 110

Present: Mayor Damon Seils, Council Member Susan Romaine, Council Member Barbara Foushee, Council Member Randee Haven-O'Donnell, Council Member Danny Nowell, Council Member Sammy Slade

Absent: Council Member Eliazar Posada

Also Present: Richard White, Town Manager; Wesley Barker, Town Clerk; Nick Herman, Town Attorney

POETRY READING

Poet Laurette Liza Wolff-Francis introduced two students. Guest Poet Djina Alicante-Stuesse read "Won't You Celebrate with Me?" by Lucille Clifton and Guest Poet Sanze Alicante-Stuesse read one of his own poems entitled "What Does it Mean to Be Great?"

RESOLUTION – INVASIVE SPECIES AWARENESS WEEK

Council Member Romaine introduced and summarized the resolution.

A motion was made by Council Member Romaine, seconded by Council Member Haven-O'Donnell, to approve the following resolution:

INVASIVE SPECIES AWARENESS WEEK

WHEREAS, February 20th to 26th, 2023, is National Invasive Species Awareness Week; and

WHEREAS, the spread of invasive species decreases biodiversity, threatens the survival of native plants and animals, and interferes with ecosystem functions; and

WHEREAS, native plant species:

- perform ecosystem functions such as flood mitigation, soil nutrient cycling, and carbon sequestration;
- increase biodiversity and support food webs;
- possess adaptations to local conditions, providing savings on maintenance costs by requiring less water, pesticides, and fertilizers;
- decrease the threat of wildfire by supporting normal levels of fuel loading; and
- represent elements of a region's natural and cultural heritage; and

WHEREAS, the costs of invasive species control and damage remediation reach \$138 billion yearly in the United States; and

WHEREAS, the Town adopted its first ordinance against invasive species in 1999 and, since that date, has prohibited the use of invasive species as a method of complying with Land Use Ordinance provisions for shading and screening, and has disallowed the inclusion of invasive species in any plans submitted in support of a land use permit application; and

WHEREAS, on January 24, 2017, the Town Council accepted the Community Climate Action Plan, which, in part, encourages the protection and enhancement of ecosystems; and

WHEREAS, the Town holds volunteer events to remove invasive species from municipal parks and has updated the Town Code to allow native plantings through managed natural landscapes; and

WHEREAS, The Town has encouraged the use of native species through educational film screenings, outreach events, and pollinator plant and milkweed seed giveaways through the Bee City USA and Mayors' Monarch Pledge initiatives;

NOW, THEREFORE, BE IT RESOLVED that the Town Council recognizes February 20th to 26th, 2023, to be Invasive Species Awareness Week in Carrboro; encourages residents to join in an upcoming effort to support native species and remove invasive species from Wilson Park, Saturday, February 25th, from 1:00 to 3:00 pm and to attend an educational presentation of the Town's ecosystem module on Thursday, February 23rd, from 7:30 to 8:30 pm.

This the 16th day of February 2023.

The motion carried unanimously.

Absent: Council Member Eliazar Posada

PUBLIC COMMENT

No Public Comment

APPROVAL OF MINUTES FROM THE MAY 24, 2022 MEETING

A motion was made by Council Member Foushee, seconded by Council Member Romaine to approve the May 24, 2022 meeting minutes with amendments noted.

The motion carried unanimously.

Absent: Council Member Eliazar Posada

A REQUEST TO AMEND THE 2022-2023 HOME INVESTMENT PARTNERSHIP PROGRAM ANNUAL PLAN

The purpose of this item is to request that the Town Council consider approving a proposed amendment to the 2022-2023 HOME Investment Partnership Program Annual Plan that was approved by the Town Council on June 14, 2022. The Plan amendment would reallocate \$105,000 originally allocated to EmPOWERment, Inc. to acquire a rental unit in Carrboro to instead acquire an affordable rental property in Chapel Hill.

Council Member Haven-O'Donnell asked about what components of environmental review were problematic. Anne-Marie Vanaman, Interim Housing and Community Services Director responded that it was not completed on time and would provide Council Members more detailed information.

A motion was made by Council Member Haven-O'Donnell, seconded by Council Member Nowell, to approve the following resolution:

RESOLUTION APPROVING AN AMENDMENT TO THE FY 2022-2023 HOME INVESTMENT PARTNERSHIP PROGRAM ANNUAL PLAN

WHEREAS, on June 14, 2022, the Carrboro Town Council approved a 2022-2023 HOME Investment Partnership Program Annual Plan for use of \$556,591 to be carried out by the members of the Orange County HOME Consortium; and

WHEREAS, EmPOWERment, Inc. is no longer able to use the awarded funds for the original purpose from their application received and evaluated prior to plan approval; and

WHEREAS, the Orange County HOME Consortium members have identified an alternate HOME project to recommend for funding, requiring an amendment to the current 2022-2023 HOME Investment Partnership Program Annual Plan; and

WHEREAS, the following Amended 2022-2023 HOME Investment Partnership Program Annual Plan will be carried out by the members of the Orange County HOME Consortium:

Recommended Amended 2022-2023 Orange County HOME Program Plan		
	Approved Plan	Amended Plan
Habitat for Humanity – Down Payment Assistance	\$ 167,241	\$ 167,241
Community Empowerment und – IDA Program	\$ 90,000	\$ 90,000
Rebuilding Together of the Triangle – 2 Manufactured Home Replacements	\$ 150,000	\$ 150,000
EmPOWERment – Rental Acquisition in Carrboro	\$ 105,000	\$0
EmPOWERment – Rental Acquisition in Chapel Hill	\$0	\$ 105,000
Administration (10% of HOME Funds, per statute)	\$ 44,350	\$ 44,350
Total	\$ 556,591	\$ 556,591

NOW, THEREFORE, BE IT RESOLVED THAT THE TOWN COUNCIL OF THE TOWN OF CARRBORO:

Section 1. Approves the recommended amended plan for FY 2022-2023 Orange County HOME Program funds.

Section 2. Authorizes this amended plan to be incorporated into the Annual Update to the 2020-2025 Consolidated Plan for Orange County for submission to the U.S. Department of Housing and Urban Development.

Section 3. This resolution shall become effective upon adoption.

This the 21st day of February 2023.

The motion carried unanimously.

Absent: Council Member Eliazar Posada

A REQUEST TO APPROVE AMENDING THE 2021-2022 HOME INVESTMENT PARTNERSHIP PROGRAM ANNUAL PLAN TO ADD THE HOME-ARP ALLOCATION PLAN

The purpose of this item is to request that the Town Council consider amending the 2021-2022 HOME Investment Partnership Program Annual Plan approved by the Town Council on May 4, 2021. The Plan amendment would add the Allocation Plan for \$1,371,401 in HOME Investment Partnerships American Rescue Plan Program (HOME-ARP) funding.

A motion was made by Council Member Foushee, seconded by Council Member Romaine to approve the following resolution:

RESOLUTION APPROVING AN AMENDMENT TO THE
2021-2022 HOME INVESTMENT PARTNERSHIP PROGRAM ANNUAL PLAN
TO INCLUDE A HOME-ARP ALLOCATION PLAN

WHEREAS, on May 4, 2021, the Carrboro Town Council approved a 2021-2022 HOME Investment Partnership Program Annual Plan to be carried out by the members of the Orange County HOME Consortium; and

WHEREAS, in September 2021 the U.S. Department of Housing and Urban Development (HUD) notified the Consortium of an additional one-time award of HOME Investment Partnership American Rescue Plan Program (HOME-ARP) funding in the amount of \$1,371,401 to reduce homelessness and increase housing stability; and

WHEREAS, HUD requires a HOME-ARP Allocation Plan be submitted for the funding as an amendment to the 2021-2022 HOME Investment Partnership Program Annual Plan; and

WHEREAS, Orange County conducted extensive county-wide community engagement and needs analysis to identify priority uses for the funds; and

WHEREAS, based on this engagement and analysis, the Orange County HOME Consortium developed the following HOME-ARP Allocation Plan:

Eligible Use	Amount
Affordable Housing Rental Development	\$1,165,691
Administration (15% of HOME-ARP, per	\$ 205,710
Total HOME-ARP Funds	\$1,371,401

NOW, THEREFORE, BE IT RESOLVED THAT THE TOWN COUNCIL OF THE TOWN OF CARRBORO:

Section 1. Approves the following HOME-ARP Allocation Plan submitted to HUD as an Amendment to the 2021- 2022 HOME Investment Partnership Program Annual Plan.

Section 2. Authorizes this amended plan to be incorporated into the Annual Update to the 2020-2025 Consolidated Plan, for submission to the U.S. Department of Housing and Urban Development.

Section 3. This resolution shall become effective upon adoption.

This the 21st day of February 2023.

The motion carried unanimously.

Absent: Council Member Eliazar Posada

CONSIDERATION OF A MINOR MODIFICATION REQUEST TO THE SPECIAL USE PERMIT-A PROJECT AT 502-A NORTH GREENSBORO STREET

The purpose of this agenda item is to request that the Town Council consider approving a Minor Modification request for the Special Use Permit-A for 502-A North Greensboro Street. If approved, the modification would allow Hope Renovations to place a shipping container on the site for use as office space.

A motion was made by Council Member Foushee, seconded by Council Member Romaine to approve the following resolution:

A RESOLUTION APPROVING A MINOR MODIFICATION TO THE 502-A NORTH GREENSBORO STREET SPECIAL USE PERMIT-A TO ALLOW A SHIPPING CONTAINER TO BE ADDED TO THE SITE TO BE USED AS OFFICE SPACE ASSOCIATED WITH EXISTING MANUFACTURING AND ASSEMBLY USE OF THE PROPERTY

WHEREAS, the Carrboro Town Council approved a Special Use Permit-A for 502-A North Greensboro Street in 1987; and

WHEREAS, Town Staff has determined that this request constitutes a Minor Modification to the Special Use Permit-A; and

WHEREAS, the applicant has met the criteria in the Town's Land Use Ordinance related to Minor Modifications.

NOW, THEREFORE BE IT RESOLVED that the Carrboro Town Council hereby approve the Minor Modification authorizing installation of a shipping container on the site.

This the 21st day of February 2023.

The motion carried unanimously.

Absent: Council Member Eliazar Posada

CONSIDERATION OF A MINOR MODIFICATION REQUEST TO THE SPECIAL USE PERMIT-A PROJECT FOR ESTES PARK APARTMENTS AT 306 ESTES DRIVE

The purpose of this agenda item is to request that the Town Council consider approving a Minor Modification request for the Special Use Permit-A for Estes Park Apartments at 306 Estes Drive. The modification would allow the property owner to construct a new maintenance building, replace the existing dumpster enclosure area, and remove eighteen parking spaces from the site.

Council Member Slade spoke to his concern for missing an opportunity to follow through on the recommendation in the Safe Routes to Schools plan for a connection between Estes Apartments and Pleasant St. He asked if James Czar, the representative of Estes Apartments could relay this interest of the town to Estes Apartment decision-makers and requested that staff follow up with them on how to make this connection happen.

James Czar, Estes Apartment representative, spoke to Council and would follow up with answers to Council Member Slade's questions through staff.

Council Member Romaine followed up with Mr. Czar about a new trash compactor installation and space for recycling. He stated the owner would be coming back to council for a minor modification to handle trash concerns at the site and recycling space will become available once the trash compactor is installed.

A motion was made by Council Member Slade, seconded by Council Member Romaine to approve the following resolution:

A RESOLUTION APPROVING A MINOR MODIFICATION TO THE ESTES PARK APARTMENTS SPECIAL USE PERMIT-A AT 306 ESTES DRIVE TO ALLOW CONSTRUCTION OF A NEW MAINTENANCE BUILDING, REPLACEMENT OF THE EXISTING DUMPSTER ENCLOSURE, AND TO REMOVE EIGHTEEN PARKING SPACES

WHEREAS, the Carrboro Town Council approved a permit for construction of 296 dwelling units at 306 Estes Drive in the early 1970s; and

WHEREAS, Town Staff has determined that the current request constitutes a Minor Modification to the Special Use Permit-A; and

WHEREAS, the applicant has met the criteria in the Town’s Land Use Ordinance related to Minor Modifications.

NOW, THEREFORE BE IT RESOLVED that the Carrboro Town Council hereby approve the Minor Modification authorizing construction of a new maintenance building, replacement of an existing dumpster enclosure, and removal of eighteen parking spaces on the site.

This the 21st day of February 2023.

The motion carried unanimously.

Absent: Council Member Eliazar Posada

A REQUEST TO APPROVE A TOWN CODE AMENDMENT TO PROHIBIT PARKING ON E. WINMORE AVENUE EAST OF JEWELL DRIVE

The purpose of this item is to request that the Town Council consider approving an ordinance amending the Carrboro Town Code to prohibit parking on E. Winmore Avenue from Jewell Drive east to Homestead Road.

Council Member Haven-O’Donnell called on communications and engagement plan to engage with people to find out issues with parking, use of the road, and to also engage with the Youth Advisory Board considering the proximity to the high school.

A motion was made by Council Member Haven-O’Donnell, seconded by Council Member Romaine to approve the ordinance.

Council Member Romaine spoke about the addition of the sixth “No Parking” sign at the intersection of Homestead and East Winmore Avenue and wanted to suggest adding a seventh “No Parking” sign at East Winmore and Atterbury St.

Town Manager confirmed the seventh sign would need to be added to the amendment being passed. Trish McGuire, Planning Director, confirmed there were traffic issues caused by parents waiting to pickup children from school and the language needed to specify location of additional signage.

Council members requested adding an additional section to Section 6 19(b)(1)
“(yy) North side of East Winmore Avenue east of the intersection of Atterbury Street”

A motion was made by Council Member Haven-O’Donnell, seconded by Council Member Romaine to approve the following ordinance with amendment to Section 6 19(b)(1):

AN ORDINANCE AMENDING CHAPTER 6 OF THE CARRBORO TOWN CODE TO INCLUDE: A PARKING PROHIBITION ON EAST WINMORE AVENUE BETWEEN JEWELL DRIVE AND HOMESTEAD ROAD & EAST WINMORE AVENUE AND ATTERBURY STREET

Ordinance No: 7 / FY 22-23

THE CARRBORO TOWN COUNCIL HEREBY ORDAINS:

Section 1. Article IV of Chapter 6, Section 6-19 (b)(1), of the Carrboro Town Code is amended by adding a new subdivision:

(xx) Both sides of East Winmore Avenue from the intersection of Homestead Road to the intersection of Jewell Drive.

(yy) North side of East Winmore Avenue east of the intersection of Atterbury Street.

Section 2. All provisions of any town ordinance in conflict with this ordinance are repealed. Section 3. This ordinance shall become effective upon adoption.

The foregoing ordinance, having been submitted to a vote, received the following vote and was duly adopted this 21st day of February, in the year 2023.

The motion carried unanimously.

Absent: Council Member Eliazar Posada

OTHER MATTERS

ANNUAL COMPREHENSIVE FINANCIAL REPORT (ACFR) AND INDEPENDENT AUDIT FOR FISCAL YEAR ENDED JUNE 30, 2022

The purpose of this agenda item is for the Town's independent auditor, FORVIS LLP, (previously Dixon Hughes Goodman LLP), to present to the Town Council the Annual Comprehensive Financial Report (ACFR) and audit for the fiscal year ended June 30, 2022.

John Cook and Chad Cook, representatives from FORVIS LLP, presented the audit finding report to the Council. The representatives stated they issued a clean audit for the Town for FY 22. No items of non-compliance were found by the audit.

Council Member Slade expressed interest in parking leases being shown individually, or as a total line item, within the next year's budget. Council Member Haven-O'Donnell also expressed interest.

Auditor representatives explained the overall financial summary for FY 22 in comparison to FY 21.

Council Member Haven-O'Donnell requested replacing the final sentence of Section C to:

“The steps in A.1. when implemented and completed are intended to prevent incorrect data reporting in future years' audit.”

A motion was made by Council Member Haven-O'Donnell, seconded by Council Member Nowell to approve the following resolution with amendment to Section C:

**RESOLUTION FOR RESPONSE TO INTERNAL CONTROL WEAKNESSES
FOR FINANCIAL REPORTING AND FINANCIAL PERFORMANCE
INDICATORS OF CONCERN (FPIC) FOR FUND BALANCE REDUCTION AND
LATE SUBMISSION OF AUDIT**

WHEREAS, the Town Council has received a presentation of the Financial Statements and Independent Audit for the Fiscal Year Ended June 30, 2022 from independent auditors, FORVIS, LLP; and,

WHEREAS, the Independent Auditors, FORVIS, LLP, has provided a favorable opinion for the Town's Annual Comprehensive Financial Statements; and,

WHEREAS, the Independent Auditors identified a material weakness in internal controls for financial reporting; and

WHEREAS, this material weakness caused an inaccurate reconciliation of certain asset and liability accounts which required material adjusting journal entries during the audit process to correct these improperly reported balances; and,

WHEREAS, the Independent Auditors have identified two Financial Performance Indicators of Concern that need to be addressed by the Town Council; and,

WHEREAS, it is important that financial reporting be accurate and complete to disclose the financial condition of the Town and for management decision making; and,

WHEREAS, the Auditor's Findings, Recommendations, and Fiscal Matters have been discussed with the Town Manager and Fiscal Officer; and,

WHEREAS, 20 NCAC 03 .0508 requires the governing body to develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters" ("Response) signed by a majority of the members of the governing body; and submit such Response to the Secretary of the Local Government Commission within 60 days after the presentation.

NOW THEREFORE, BE IT RESOLVED by the Town Council of the Town of Carrboro, North Carolina adopts the following response to the Auditor's Findings, Recommendations, and Fiscal Matters for Audit Year Ended June 30, 2022:

- A. Material Weakness: The Schedule of Finding and Question Costs included as a material weakness that errors were identified in the balances provided for certain accounts including, lease related assets and liabilities upon implementation of GASB 87, capital assets, accounts receivable, and accounts payable. These errors resulted in the auditors having to identify numerous adjusting journal entries to correct the improperly reported balances. Recommendation from auditors is that management conduct a thorough review of all balance sheet accounts, across funds, to ensure that the trial balances provided for audit do not contain material errors.

The Council has stressed the importance of consistent processes to accounting staff and will take (or has taken) the following corrective actions:

1. The Finance Director is directed to employ an independent CPA to perform the following:
 - a. Review all balance sheet accounts, across funds;
 - b. Review and evaluate system processes for capital assets, accounts receivable and accounts payable;
 - c. Develop with finance staff procedures for reconciliations of all balance sheet accounts, across funds to ensure that trial balances do not contain errors; and,
 - d. Recommend needed training for the accounting staff.
 2. The above tasks in Item #1 above are to be completed no later than May 31, 2023.
 3. The Finance Director shall report to the Town Council on the outcome of the above by May 31, 2023.
- B. Fund Balance Reduction: To increase fund balance available for appropriation in the General Fund, the Town Council has adopted the following fund balance policy that requires general fund balance between 22.5% and 35.0% of total expenditures. If unassigned fund balance falls below 20.0%, the Town Manager is required to develop and implement a plan to rebuild the balance to 22.5% within one year; or if unassigned fund balance exceeds 35.0%, the Town Manager may set aside an amount in assigned fund balance for transfer to the capital projects fund for future projects (unless the Town

Manager determines it necessary to maintain fund balance at the current level due to existence of other fiscal, economic and/or operating conditions). The percentage of fund balance available on June 30, 2022 is 37.96%. The Town Council is committed to compliance with the provisions of its fund balance policy.

- C. Late Submission of Audit: This is the second consecutive year that the Town has submitted its audit report to the Local Government Commission after the required deadline. Last year the audit was submitted late due to the need for a single audit which was identified in late November 2021 by independent auditor's management review. This year the audit was delayed due to the errors identified in the balances provided for certain accounts including, lease related assets and liabilities upon implementation of GASB 87, capital assets, accounts receivable, and accounts payable. These errors resulted in the auditors having to identify numerous adjusting journal entries to correct the improperly reported balances. The steps in A.1. when implemented and completed are intended to prevent incorrect data reporting in future years' audit.
- D. A copy of this resolution shall be provided to the Town Manager and Finance Director within five days of adoption.
- E. A copy of this resolution shall be provided to the Secretary of the Local Government Commission within 60 days of adoption.

This the 21st day of February 2023.

The motion carried unanimously.

Absent: Council Member Eliazar Posada

AMENDMENT TO INDEPENDENT AUDIT CONTRACT FOR FISCAL YEAR ENDING JUNE 30, 2022

The purpose of this agenda item is to request that the Town Council amend the Town's audit contract to extend the deadline for submission of the audit to the Local Government Commission.

Auditor representatives explained the amendment to the contract.

Council Member Romaine expressed concern about having the last two years' reports turned in late. Auditors explained the GASB standards changed, and staffing issues were somewhat of an issue but does not foresee any issues going forward for FY 23.

A motion was made by Council Member Slade, seconded by Council Member Nowell to approve the following resolution:

A RESOLUTION TO AMEND CONTRACT WITH INDEPENDENT AUDIT FIRM

BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF CARRBORO THAT:

Section 1. The audit contract for the fiscal year ending June 30, 2022 FORVIS, LLP (formerly Dixon Hughes Goodman LLP) is extended from October 31, 2022 to February 28, 2023.

Section 2. The fee amount is increased by \$6,000 from \$61,100 to \$67,100. All other terms and conditions of the original contract are unchanged.

Section 3. The Town Council authorizes the Town Manager to executive the contract amendment in the form specified by the North Carolina Local Government Commission.

This resolution shall become effective upon adoption.

This the 21st day of February 2023.

The motion carried unanimously.

Absent: Council Member Eliazar Posada

MATTERS BY COUNCIL MEMBERS

Council Member Slade inquired about the joint meeting with Town of Chapel Hill and Orange County Board of Commissioners.

Mayor Seils explained there is a public hearing that must be held jointly by the jurisdictions which includes the Towns of Carrboro and Chapel Hill, and Orange County Board of Commissioners related to a zoning request in the southern part of the county that requires all three boards to be present to take action. There must be a quorum of all three boards present and the Clerk has sent out a poll to see when it can take place.

Council Member Slade wanted to know if there could be additional discussion about other issues the jurisdictions need to discuss jointly, i.e., Greene Tract status, housing issues, food council, climate council, and an update on the Orange County Solid Waste Zero-Waste Study.

Mayor Seils stated there will be a summary about the Greene Tract coming out soon. The council needs to schedule a work session about housing issues so Mayor Seils can convey all Council Members' ideas to the other jurisdictions. Mayor Seils will find out about a future Assembly of Governments meeting.

Council Member Foushee reiterated that Black History Month was still being celebrated citing the Alpha Kappa Alpha Knowledge Bowl and Black History Month bike ride.

ADJOURNMENT

A motion was made by Council Member Haven-O'Donnell, seconded by Council Member Foushee to adjourn the meeting.

The motion carried unanimously.

Absent: Council Member Eliazar Posada