



Chatham County, NC

Meeting Minutes

Board of Commissioners

Tuesday, January 20, 2026

6:00 PM

Historic Courthouse Courtroom

Regular Session - 6:00 PM - Historic Courthouse Courtroom

Present: 5 - Chair Amanda Robertson, Vice Chair Franklin Gomez Flores, Commissioner David Delaney, Commissioner Karen Howard and Commissioner Katie Kenlan

CALL TO ORDER

Chair Robertson called the special meeting to order.

INVOCATION and PLEDGE OF ALLEGIANCE

Chair Robertson asked for a moment of silence which was followed by the recitation of the Pledge of Allegiance.

ADJUSTMENTS AND APPROVAL OF REGULAR SESSION AGENDA

Chair Robertson asked for any agenda adjustments.

Commissioner Howard asked that an International Holocaust Resolution be added to the agenda.

Chair Robertson requested the addition of a discussion for a data center moratorium to be added.

Chair Robertson called for a motion to approve the Regular Session agenda as amended.

A motion was made by Vice Chair Franklin Gomez Flores, seconded by Commissioner Karen Howard, that the agenda was approved as amended. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

APPROVAL OF CONSENT AGENDA

Chair Robertson called for a motion to approve the Consent Agenda.

A motion was made by Commissioner Karen Howard, seconded by Vice Chair Franklin Gomez Flores, that the consent agenda was approved. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

[26-0038](#)

Vote to approve the Town of Pittsboro Board of Commissioners appointment of Connie McAdams as an ETJ member of the Town of Pittsboro Planning Board with a term expiring December 31, 2028

Attachments: [Pittsboro Resolution Planning Board ETJ Connie McAdams 12-8-2025](#)

A motion was made by Commissioner Karen Howard, seconded by Vice Chair Franklin Gomez Flores, that the Town of Pittsboro Board of Commissioners appointment of Connie McAdams as an ETJ member of the Town of Pittsboro Planning Board with a term expiring December 31, 2028 was approved. The motion carried by the following vote:

[26-0041](#)

Vote to approve the North Chatham Volunteer Fire Department Firefighter Relief Fund Board of Trustees Appointment of Jason Harris

A motion was made by Commissioner Karen Howard, seconded by Vice Chair Franklin Gomez Flores, that the North Chatham Volunteer Fire Department Firefighter Relief Fund Board of Trustees Appointment of Jason Harris was approved. The motion carried by the following vote:

[26-0033](#)

Vote to adopt a Resolution for NCDOT Road Revision - Cedar Mountain Subdivision

Attachments: [NCDOT Letter - Cedar Mountain Subdivision](#)
[Resolution Cedar Mountain Road 1-20-2026](#)

A motion was made by Commissioner Karen Howard, seconded by Vice Chair Franklin Gomez Flores, that this 2026-1 Resolution for NCDOT Road Revision - Cedar Mountain Subdivision was adopted. The motion carried by the following vote:

[26-0028](#)

Vote to adopt an Interlocal Agreement Resolution with the Town of Cary to Provide Household Hazardous Waste Collection and Disposal for Their Residents Living in Chatham County

Attachments: [Resolution for Interlocal Agreement with Town of Cary](#)
[Chatham Cary and Cary HHW Contract](#)

A motion was made by Commissioner Karen Howard, seconded by Vice Chair Franklin Gomez Flores, that the 26-2 Interlocal Agreement Resolution with the Town of Cary to Provide Household Hazardous Waste Collection and Disposal for Their Residents Living in Chatham County was adopted. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

[26-0029](#)

Vote to adopt an Interlocal Agreement Resolution with the Town of Pittsboro to Provide Household Hazardous Waste Collection and Disposal for Their Residents

Attachments: [Interlocal Agreement Resolution with Town of Pittsboro 1-20-2026](#)
[Agreement with Town of Pittsboro Hazardous Waste Share Fee](#)

A motion was made by Commissioner Karen Howard, seconded by Vice Chair Franklin Gomez Flores, that the 26-3 Interlocal Agreement Resolution with the Town of Pittsboro to Provide Household Hazardous Waste Collection and Disposal for Their Residents was adopted. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

[26-0048](#)

Vote to adopt the Siler City Center for Active Living Renovations Amended Project Ordinance

Attachments: [Project Ordinance Siler City Center for Active Living Renovations amended](#)

A motion was made by Commissioner Karen Howard, seconded by Vice Chair Franklin Gomez Flores, that the Siler City Center for Active Living Renovations Amended Project Ordinance was approved. The motion carried by the following vote:

[26-0031](#)

Vote to approve Fiscal Year 2025-2026 Budget Amendments

Attachments: [January 2026 Budget Amendments](#)

A motion was made by Commissioner Karen Howard, seconded by Vice Chair Franklin Gomez Flores, that the Fiscal Year 2025-2026 Budget Amendments was approved as presented. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

[26-0027](#)

Vote to adopt the 2026 Cape Fear Regional Hazard Mitigation Plan

Attachments: [Adoption of Cape Fear Hazard Mitigation Plan](#)

A motion was made by Commissioner Karen Howard, seconded by Vice Chair Franklin Gomez Flores, that the 2026 Cape Fear Regional Hazard Mitigation Plan was approved. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

[26-0036](#)

Vote to approve Tax Releases and Refunds for December 2025

Attachments: [December 2025 Release and Refund Report](#)
[December 2025 NCVTS Pending Refund Report](#)

A motion was made by Commissioner Karen Howard, seconded by Vice Chair Franklin Gomez Flores, that the Tax Releases and Refunds for December 2025 was approved. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

[26-0037](#)

Vote to receive the Tax Collector's Departmental Report for December 2025

Attachments: [December 2025 Collections Report](#)

A motion was made by Commissioner Karen Howard, seconded by Vice Chair Franklin Gomez Flores, that the Tax Collector's Departmental Report for December 2025 was approved. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

[26-0044](#)

Vote to approve a grant application for NC Department of Environmental Quality Community Waste Reduction and Recycling Grant to add mixed recycling compactors to two collection centers

A motion was made by Commissioner Karen Howard, seconded by Vice Chair Franklin Gomez Flores, that a grant application for NC Department of Environmental Quality Community Waste Reduction and Recycling Grant to add mixed recycling compactors to two collection centers was approved. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

[26-0026](#)

Vote to approve a memorandum of agreement with the Center for Biological Diversity for lessons and program guide for solid waste and recycling with no budgetary impact

Attachments: [Center for Biological Diversity MOA](#)

A motion was made by Commissioner Karen Howard, seconded by Vice Chair Franklin Gomez Flores, that a memorandum of agreement with the Center for Biological Diversity for lessons and program guide for solid waste and recycling with no budgetary impact was approved. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

[26-0032](#)

Vote to approve an agreement with Pictometry International Corporation for aerial photography for \$139,974.42 each year for six years

Attachments: [Pictometry EV Cloud Master Services Agreement](#)

A motion was made by Commissioner Karen Howard, seconded by Vice Chair Franklin Gomez Flores, that an agreement with Pictometry International Corporation for aerial photography for \$139,974.42 each year for six years was approved. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

[26-0034](#)

Vote to approve a legislative request for a text amendment to the Chatham County Zoning Ordinance by Gregory Smith to have the use of Recreational Facilities (gyms, yoga studios, et cetera) as a "P" Permitted use in the Industrial Light (Ind-L) zoning districts

Attachments: [More information from the Planning department website](#)
[Recreational Facilities Ordinance to Approve Zoning Text Amendment](#)

A motion was made by Commissioner Karen Howard, seconded by Vice Chair Franklin Gomez Flores, that the legislative request for a text amendment to the Chatham County Zoning Ordinance by Gregory Smith to have the use of Recreational Facilities (gyms, yoga studios, et cetera) as a "P" Permitted use in the Industrial Light (Ind-L) zoning districts was approved. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

[26-0035](#)

Vote to approve a legislative request to rezone Parcel 5350 being approximately 66.017 acres, located at 3378 Christian Chapel Church Rd., from R-1 Residential to CD-RB Conditional District Regional Business for a recreation facility, Cape Fear Township

Attachments: [More information on the Planning department website](#)
[The Pavilion at New Hope Ordinance Approving Rezoning](#)
[The Pavilion at New Hope Resolution Approving Consistency Statement](#)

A motion was made by Commissioner Karen Howard, seconded by Vice Chair Franklin Gomez Flores, that the legislative request to rezone Parcel 5350 being approximately 66.017 acres, located at 3378 Christian Chapel Church Rd., from R-1 Residential to CD-RB Conditional District Regional Business for a recreation facility, Cape Fear Township was approved. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

End of Consent Agenda

SPECIAL PRESENTATION

[26-0060](#)

Vote to adopt a Resolution celebrating the Haw River Trail 20th year Anniversary

Attachments: [Resolution for Celebrating the 20th Anniversary of Haw River Trail 1-20-2026](#)

Chair Robertson read aloud a Resolution celebrating the Haw River Trail 20th year Anniversary.

Chair Robertson called for a motion to approve the resolution.

A motion was made by Commissioner Katie Kenlan, seconded by

Commissioner Karen Howard, that the 26-4 Resolution celebrating the Haw River Trail 20th year Anniversary was adopted. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

26-0391

Vote to adopt a Resolution honoring International Holocaust Remembrance Day

Attachments: [Resolution for Recognizing International Holocaust Remembrance Day 1-20-2026](#)

Commissioner Howard read aloud the resolution.

Chair Robertson called for a motion to approve the resolution.

A motion was made by Vice Chair Franklin Gomez Flores, seconded by Commissioner David Delaney, that the 26-5 Resolution honoring International Holocaust Remembrance Day was adopted. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

PUBLIC COMMENT SESSION

26-0050

The Public Comment Session is held to give residents an opportunity to speak on any item. The session is no more than thirty minutes long to allow as many as possible to speak. Speakers are limited to no more than three minutes each and may not give their time to another speaker. Speakers are asked to sign up in advance. Comments are always welcome in writing

Attachments: [Click Here To Sign Up For Public Comment](#)

James Garbutt

Good evening, my name's JC Garbutt, I'm a resident of Chatham County, live near Bynum. And I wanted to come this evening to ask that the Board pass an ordinance or a moratorium as soon as possible, putting a hold on AI data centers and crypto mining centers here in Chatham County. And why is this important? Well, as a nation, we are learning more and more about the impact of these rapidly growing AI data centers and crypto mining, and many problems are emerging with these systems. First, AI data centers are very large water users doing some research and exploring, you know, what the actual usage is. Turns out that an average data center is somewhere between a half a million and a million gallons a day, which is equivalent to about 6,000 to 12,000 homes. So that's a pretty impressive and worrisome figure. I mean, those of us who have lived in Chatham County for many years know that water is really a precious resource. We've had droughts, we've had water supply problems, so to add something that's consuming this level of water is really a serious concern. Second, these centers are tremendous users of energy. It's really quite staggering, really. The amount of energy these centers can use is somewhere between the equivalent of 50,000 to 100,000 homes, and that's a massive amount of energy. And one of the questions is, where is this energy going to come from? What is this going to do to residential energy rates? What about the air and water pollution from the systems required to produce

this energy? So, that is the second serious problem. Third serious problem, these facilities produce large amounts of waste, including toxic waste. And some communities have actually discovered their landfills have been filling up with the amount of waste being generated from AI data centers. So that's something that... do we want that? I don't think so. Fourth, these centers really employ very small numbers of people. They're not... if you would even want the center in the first place, but if you're thinking you would want them here for employment, 15, 20, 30 people, maybe that's what they employ. So, it's a very small number of jobs created. So, given the above information and our current struggles, I would say, with rapid development. I would strongly recommend that the board develop an ordinance, preferably an ordinance that's stronger, or at least a moratorium to prevent the construction of AI data centers, crypto mining centers, for the next few years. And this will allow the county and its citizens time to understand you know, the full impact of these centers, and for the industry to mature, which it needs to do. So, running headlong into water, energy, waste problems are not smart, makes no sense whatsoever for Chatham County. We don't need to do this. Thank you.

Vickie Atkinson

JC just said everything that I was going to say, and so I am not going to repeat that. I'm just going to say I'm 100% in agreement with everything he said and just urge you to take action as quickly as possible. Just one little, tiny thing to add. The damage from data centers is extensive, the benefits are few. The North Carolina Environmental Justice Network states that the U.S. South. It's now the epicenter of data center development, with \$200 billion in projects underway. And I'm attaching a brochure. I tried to do it online, but I wasn't able to do that after I'd added my comments, so I'll just give the copy of this from the NCEJN that spells out the hidden costs of data centers in North Carolina. So, we don't need those problems in North Carolina. Act quickly, act durably, and thank you so much for all that you do to preserve the quality of life in Chatham County and to enhance that quality of life. Thank you.

John Wagner

Hello, my name is John Wagner, I live at 210 Jessamine Lane, Pittsboro. When I speak before you, I try and keep to one topic, but I'm going to change that tonight. Because there are two things that I really want to speak about, and I'll keep it brief. One is the data centers. I'll speak more about it at the next meeting, but we don't need them. They are completely unnecessary for Chatham County and for North Carolina, and the amount of destruction that they cause is outrageous. So, I hope that you can do everything in your power to stop them and at least do a moratorium. I think it's really important Chatham County doesn't need it. The second thing is there's been a lot of discussion at previous meetings about the Mitchum site, and the Sissipahaw Village that's, near the Chicken Bridge. And I want to encourage you again to do everything you can. I know that your hands are tied in some ways. But I think the more that you look into our possibilities. The greater the chance is that we'll be able to protect a really important cultural center for the Occaneechi and for Chatham County, so that we don't lose another really valuable archaeological and cultural center. Thank you.

Jeanne Ambrose

Good evening, my name is Jean Ambrose, and I live in the Baldwin Township. I'm also concerned about the possible proliferation of data centers in Chatham County. We must be more protective of our network. Okay, of our natural resources, since these energy-intensive data centers are potential sources of light, noise, water, and air pollution. The Chatham County Government Information Hub provides some tracking tools to monitor goals. The Environment and Land Use category covers preserving agricultural lands and conserving natural resources. That's important because we don't

want to lose more ag land to development. Data centers could locate in the market megasites. However, the availability and affordability of large tracts of agricultural lands will attract big tech companies to consider locating data centers in other parts of the county. So, can Channel County retain its rural character and avoid the creation of data center outlets like those in Northern Virginia and Charlotte, North Carolina? Data centers consume massive amounts of electricity to process data, and water to cool the e-processing components. Notably, crypto mining machines consume even more electricity and emit significantly more heat. What adverse effects will have on the local grid capacity and the water supply, and how much will local utility rates increase to cover these needs? There are two other less-known potential environmental problems associated with data centers. For one, electronics have a limited lifespan, and the rapid turnover of current technologies contributes to the growing electronic waste stream as outdated or worn-out components as these data processing centers are replaced. Can these discarded heavy metals and hazardous waste be disposed of properly? Secondly, chemical contaminants discharged from data centers and industrial manufacturers continue to pollute our environment. The current EPA administration plans to fast-track the review of new, potentially hazardous chemicals used in AI data centers. Chemicals are added to circulating water to prevent corrosion, and F gases, which are fluorinated gases, also known as PFAS gases, are used as refrigerants to cool electronics. To meet this growing demand, Kimmire wants to expand its facilities in North Carolina and West Virginia to increase its production. And the North Carolina Environmental Management Commission is proposing PFAS rules to allow industries to self-monitor and reduce discharge amounts voluntarily. Lastly, in the approved unified development ordinance for Chatham County, the terms computing infrastructure providers or data processors processing specifically covered cryptocurrency mining farms and AI data centers. I urge the Chatham County Board of Commissioners to take a proactive approach. Is that it? Learn how other... Am I done? Okay, learn how other counties and municipalities in North Carolina and across the country are regulating these new types of land uses, and have county zoning ordinances in place for regulating AI data centers and cryptocurrency mining before an application for a large data center project is submitted. And consider a temporary moratorium on AI data centers and cryptocurrency mining to identify zoning ordinance that can minimize the adverse impacts of data centers on the local economy, infrastructure, environment, and public health. And limiting pro... limiting or prohibiting summer, all of these new types of land uses may be warranted as well. Thank you.

Crystal Cavalier-Keck

Good afternoon, when I was on my way over here, I was coming from Siler City. We had some business up in Randleman, and I was just admiring how beautiful it is with all the horse farms and everything. We just fought against a data center in Stokes County last Monday, and, you know, it was approved. We had about 200 residents show up. Because they don't want that data center. It's 1,845 acres out in, I mean, I can't think of the towns. But they didn't want it there. But how the developers have framed the project was an economic necessity, citing projected annual tax revenues for exceeding the land's current agricultural, just value. But we've done some studies about data centers, we've partnered with Duke University, and data centers represent a financially risky and short-sighted foundation for rural tax bases. Across the country, data centers are increasingly overbuilt, rapidly depreciating, and technologically specialized, making them difficult to repurpose if market demand shifts. In about 10 to 15 years, you could shift, and then you're left with a huge building. Energy prices rise, or corporate tenants relocate. Unlike housing, agriculture, or locally owned businesses, these facilities often cannot easily be reused for community benefit once they become obsolete. Counties are being asked to gamble their water and land on an industry that can move on in a decade or two. When data centers age out, what's left behind are

massive concrete shells, degraded landscapes, and long-term infrastructure and environmental liabilities. So, in addition, tax revenue projections frequently fail to account for public costs, including road and infrastructure upgrades, emergency services and fire suppression, long-term water withdrawals and treatment, strain on regional energy grids, and rate payers. From an Indigenous perspective, the true economic stability means thinking seven generations ahead, like I was saying at the midterm site. A short-term revenue spike that leaves future generations with environmental damage and stranded infrastructure is not responsible governance. I really do wish you guys would maybe put a moratorium on that, because what we're seeing across Person County and Stokes County, these large rural communities, are corporations like Microsoft buying up, you know, 1,800 acres of land, and it's leaving communities vulnerable. I just wanted to say that. I didn't know I was coming to say that, but it fits, so thank you guys so much.

This Agenda Item was received and filed

BOARD PRIORITIES

26-0392

Data Center Moratorium Discussion

Chair Robertson introduced a discussion regarding a potential moratorium on data centers in Chatham County. She noted that the topic was added to the agenda following concerns raised by members of the public and shared information gained through her participation in the National Association of Counties (NACo) Environment, Energy, and Land Use Steering Committee. Chair Robertson referenced the experience of Loudoun County, Virginia, where local officials approved multiple data centers before determining that additional regulations were needed to address the industry's impacts. She stated that a proactive review of Chatham County's ordinances would be prudent and expressed appreciation for residents who had initiated discussion of the issue.

Commissioners expressed interest in exploring a moratorium and referenced public comments and correspondence received regarding data center development.

County Manager Bryan Thompson provided background on the County's existing regulatory framework. Thompson explained that data processing centers were added to the Chatham County Zoning Ordinance several years ago as an allowed use within the Heavy Industrial zoning district. Under the current ordinance, data processing centers are permitted by right when connected to public water and wastewater services and otherwise require a Special Use Permit.

Thompson noted that the ordinance does not contain a specific definition for data processing centers nor development standards tailored to the modern data center industry, which has evolved significantly since the ordinance was amended.

Thompson explained that a moratorium is not a permanent ban but a temporary pause on development approvals that allows local government time to evaluate and potentially revise its regulatory framework. Thompson advised that North Carolina statutes permit moratoria but require a public hearing and specific findings, including:

- A statement of the problems or conditions necessitating the moratorium;*
- Alternatives considered and reasons for those alternatives were deemed insufficient;*
- Identification of the development approvals subject to the moratorium;*
- A termination date and justification for the duration of the moratorium; and*
- A statement of actions and a timeline for addressing the identified issues during the moratorium period.*

Staff recommended that any proposed moratorium exceed 60 days, requiring publication of two notices prior to a public hearing. Thompson advised that the County's normal ordinance amendment process, including Planning Board review and public input, would require at least three months, and staff estimated that a reasonable moratorium timeframe would likely be between six and nine months to allow adequate research, drafting, review, and public engagement.

Commissioners discussed the potential duration of a moratorium. Chair Robertson expressed concern that six to nine months might not provide sufficient time to evaluate approaches being used in other jurisdictions and suggest that a longer duration could be appropriate if it allowed the County to develop strong and lasting regulations. Staff noted that a moratorium could be extended through the required public process if additional time became necessary or terminated early if the work was completed sooner.

Commissioners also discussed staff capacity and the workload associated with evaluating data center regulations while preparing for the County's budget season. Thompson indicated that staff would continue assessing available resources and developing recommendations for the Board of Commissioners.

During the discussion, Commissioners acknowledged previous efforts by staff to regulate industrial uses and expressed appreciation for the Planning Department's proactive work in monitoring developments within the data center industry. Chair Robertson noted that NACo's Rural Action Caucus has been examining issues related to data centers nationwide and suggested that the organization could be a valuable resource. Thompson added that Planning staff have been researching best practices and participating in regional discussions through the Central Pines Regional Council regarding data center impacts and regulatory approaches.

When asked about potential challenges associated with pursuing a moratorium, Thompson advised that the County currently has no active data center applications under review, which simplified the process. County Attorney Emily Meeker noted that while legal challenges are always possible, state law authorizes local governments to adopt moratoria when statutory requirements are followed.

Staff advised that February 9 would be the earliest date a public hearing could be held while satisfying statutory notice requirements. Following discussion of Board members' schedules, February 11 was identified as an acceptable date.

A motion was made by Commissioner Karen Howard, seconded by Vice Chair Franklin Gomez Flores, to hold a special meeting at 4:00 p.m. on February 11, 2026 in the Historic Courthouse for the purpose of conducting a public hearing to initiate the process for the Board's consideration of a moratorium on data centers and crypto mining centers. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

[26-0039](#)

Receive the quarterly update on American Rescue Plan Act Funds

Attachments: [ARPA Quarterly Update Presentation](#)

Assistant Budget Director Will Curvin presented the second quarter Fiscal Year 2026 update on the County's American Rescue Plan Act funding, covering the period from

October through December 2025.

Curvin began by reviewing actions taken since the previous American Rescue Plan Act update. Curvin noted that the Board had allocated the remaining balance of American Rescue Plan Act-enabled funds to several projects, including matching funds for parks and recreation trail grants, the Deep River State Trail Feasibility Study, improvements associated with the Haw River State Trail, and support for early childhood programs. He explained that a portion of the General Fund support would be used to sustain programming in Fiscal Year 2027.

Curvin advised the Board that Fiscal Year 2027 would mark the final year of American Rescue Plan Act spending, with federal American Rescue Plan Act funds required to be fully expended by December 31, 2026. He noted that American Rescue Plan Act-enabled funds, which resulted from revenue replacement provisions, are now considered local dollars and are not subject to the federal expenditure deadline.

Looking ahead to the Fiscal Year 2027 budget process, Curvin highlighted several programs and positions currently supported with American Rescue Plan Act funding that would require future funding consideration. These include housing and diversion advocacy positions, Emergency Housing Assistance Program costs, and continued support for early childhood programs.

Curvin reported that approximately 84 percent of the County's direct American Rescue Plan Act allocation had been expended as of December 2025. He stated that the largest remaining American Rescue Plan Act-funded project was the Chatham County Schools HVAC replacement and improvement project. Curvin also reported significant progress on the fire hydrant repair project and indicated the final payment application was expected within the next quarter.

Providing updates on individual projects, Curvin reported that the Department of Social Services Emergency Housing Assistance Program had expended more than \$530,000 since July 2023, providing assistance to eligible participants over the previous two-and-a-half years. Curvin noted that the program is currently funded through American Rescue Plan Act-enabled revenues and would likely require additional General Fund support in Fiscal Year 2027 if continued.

Regarding the fire hydrant repair project, Curvin reported that the contractor had substantially completed the original scope of repairing 60 hydrants and, due to favorable project costs, anticipated repairing an additional six to seven hydrants while remaining within budget.

Curvin also provided an update on the Chatham County Schools HVAC project. Construction activities began during the fall of 2025, and expenditures were expected to increase significantly as equipment purchases progressed. He noted that approximately \$50,000 had already been expended during the first two weeks of January 2026 and explained that the County had requested that schools utilize the full American Rescue Plan Act allocation before drawing on other available capital reserve funds. He stated that American Rescue Plan Act funds would primarily support the purchase of HVAC equipment, while installation costs could be covered through other capital funding sources.

During Board discussion, commissioners asked about resident concerns related to fiber broadband installation projects and reports of utility lines being damaged during construction. Curvin explained that utility location services are generally available

through "Call Before You Dig" programs and stated that contractors are responsible for following required procedures before excavation. If contractors fail to obtain utility locates prior to digging, the responsibility rests with the contractor.

The Board of Commissioners thanked Curvin for the update.

This Agenda Item was received and filed

26-0040

Receive the Fiscal Year 2026 Second Quarter Budget Update

Attachments: [FY26 2nd Quarter Budget Update Presentation](#)

Assistant County Manager Darrell Butts presented the Fiscal Year 2026 Second Quarter Budget Update, reporting on the County's financial position through December 31, 2025. Butts noted that much of the information had recently been reviewed during the Board's budget retreat and reflected six months of financial activity, except for sales tax revenues, which are reported with a collection lag due to the State's distribution schedule.

Reviewing expenditures, Butts explained that a new refunding category appeared in the budget reports as a result of the County's recent bond refunding transaction. Butts credited Finance Officer Roy Lynch and Finance staff for completing the refinancing effort, which is expected to save the County approximately \$1.5 million over the life of the refunded bonds.

Butts noted that employee benefits expenditures appeared slightly higher than the midpoint of the fiscal year because health and dental insurance contributions are periodically transferred to the County's self-insurance fund. Debt service expenditures also appeared elevated due to the timing of principal and interest payments, which occur primarily in November and May.

Butts further explained that operating expenditures were significantly affected by approximately \$20.9 million transferred from the former utility fund following its closure. Those funds are being held pending the completion of audited financial statements before being transferred to TriRiver Water.

When reviewing expenditures by function, Butts noted that administrative expenditures appeared higher than historical averages because they included both the utility fund transfer and the bond refunding transaction. Other expenditure categories remained generally consistent with prior years.

Turning to revenues, Butts reported that most revenue sources were performing as expected. However, intergovernmental revenues were being closely monitored due to anticipated impacts from federal Medicaid reimbursement changes. Butts stated that the County expects annual revenue reductions of approximately \$264,000 affecting services within the Department of Social Services and Public Health. While the full effect is not expected until Fiscal Year 2027, a partial-year impact may occur during the current fiscal year.

Butts reported that permit and inspection revenues continue to reflect slower development activity. Butts reminded the Board that Fiscal Year 2024 permit revenues were unusually high due to the Wolfsped project and continue to affect year-to-year comparisons.

During discussion, a commissioner asked about the miscellaneous revenue category,

noting that it appeared significantly different from prior years. Butts explained that the category includes various revenue sources that do not fit within standard classifications and stated that staff would provide additional details after reviewing the accounts.

Providing an update on development-related revenues, Butts reported that Register of Deeds excise tax revenues were approximately nine percent higher than the same period the previous year. Butts noted that the increase was supported in part by a large property transaction. Building inspection revenues continued to reflect reduced development activity throughout the county, while watershed and environmental health revenues were slightly ahead of the previous year.

When asked about the large property transaction, Butts stated that it involved a land sale but did not have additional details available at the meeting.

Regarding property taxes, Butts reported that property tax collections were approximately 27.4 percent higher than the previous year due largely to the higher tax levy adopted for Fiscal Year 2026. Motor vehicle tax collections were slightly below the previous year but remained within expectations and were projected to meet budget estimates by year-end.

Butts also provided an update on sales tax revenues. Through four months of collections, local sales tax revenues totaled approximately \$9.4 million, representing growth of about 3.5 percent compared to the previous year. Butts noted that sales tax growth has returned to more typical levels following the unusually high growth rates experienced in recent years. Three of the first four collection months exceeded the same months from the prior year, and staff believe the County remains on pace to meet its Fiscal Year 2026 sales tax budget. Butts added that local sales tax growth is currently occurring at a slower rate than statewide growth, which differs from trends observed in recent years.

Regarding Article 46 sales tax revenues, Butts reported that the Fiscal Year 2026 budget totals \$3.2 million, with \$2 million dedicated to school capital projects and \$1.2 million allocated to affordable housing, agricultural preservation, and parks and recreation initiatives. Through four months of collections, approximately \$1.3 million had been received, slightly ahead of the prior year. If current trends continue, revenues are expected to exceed budget projections, and any additional revenue would be allocated to the designated program areas through a future budget amendment.

Butts concluded that overall revenues and expenditures remain generally in line with budget expectations. Staff will continue to monitor development-related revenues, intergovernmental funding changes, and sales tax performance throughout the remainder of the fiscal year.

The Board of Commissioners thanked Butts for the update.

This Agenda Item was received and filed

INTERGOVERNMENTAL RELATIONS REPORT

Intergovernmental Relations Manager Lindsay Ray provided an update on legislative and intergovernmental affairs activities. Ray began by expressing appreciation for the North Carolina Association of County Commissioners, noting that the organization had been a strong advocate for all 100 counties during recent General Assembly committee meetings.

Ray reported that three legislative committees met during the previous week, including the Property Tax Reduction and Reform Committee, a joint committee examining the impacts of H.R. 1 on the Supplemental Nutrition Assistance Program, and a committee reviewing the effects of H.R. 1 on Medicaid. She stated that North Carolina Association of County Commissioners staff provided strong presentations and helped generate meaningful discussion and questions among legislators. Ray also noted that the Association continues to keep counties informed about legislative developments and advises when county participation or advocacy may be beneficial.

Ray reported that North Carolina Association of County Commissioners has convened regular meetings of county government relations professionals from across the state to improve communication and information sharing. Through these meetings, counties are sharing information about legislative issues occurring locally, while the Association provides updates on statewide legislative priorities and developments.

Looking back at recent accomplishments, Ray highlighted the growing collaboration among County departments regarding legislative matters. Ray stated that departments are increasingly communicating legislative concerns and developments as they arise and are actively utilizing the County's legislative tracking system. Ray credited Government Affairs Analyst Brenton for developing the legislative tracker and noted that participating departments can now monitor legislation affecting their operations in real time. Ray remarked that departments have embraced the intergovernmental relations function and are working together effectively to stay informed on legislative issues.

Ray also reported that the County's relationships with members of the local legislative delegation have strengthened significantly. Ray explained that while the County has traditionally reached out to legislators to seek assistance, legislators are now proactively contacting County staff for information and feedback on issues affecting Chatham County. Ray stated that this growing relationship reflects the collaborative work of County staff and demonstrates that legislators value the County's perspective on important issues.

Ray informed the Board that she and County Manager Bryan Thompson were planning to attend the upcoming National Association of Counties conference with commissioners and were working to schedule meetings with congressional representatives and other officials during the event.

During Board discussion, Chair Robertson asked whether staff planned to participate in the North Carolina Association of County Commissioners Legislative Goals Conference process. Ray responded that she intends to attend the conference and will seek participation by other intergovernmental relations staff as appropriate. Ray explained that later in the year staff will survey commissioners regarding legislative priorities, compile and evaluate proposed goals, and bring recommendations to the Board for consideration. Ray noted that those goals will then advance through the North Carolina Association of County Commissioners steering committee process before being considered at the Legislative Goals Conference, where counties from across the state establish North Carolina Association of County Commissioners' legislative agenda.

The Board of Commissioners thanked Ray for the updates.

CLERK'S REPORT

Clerk to the Board Jenifer Johnson reminded the Board of Commissioners of a few upcoming events.

MANAGER'S REPORT

County Manager Bryan Thompson provided several updates to the Board.

Thompson first addressed the discussion regarding a potential archaeological survey associated with the Riverbend subdivision. Thompson reported that staff had contacted an archaeological consulting firm to obtain preliminary information that could help frame future discussions about the project. Staff intends to work with legal counsel and reach out to the property owner to begin preliminary conversations regarding the possibility of an archaeological survey and to discuss various potential scenarios that could arise throughout the process.

Chair Robertson asked for clarification regarding the property owner's participation. Thompson confirmed that any involvement by the property owner would be voluntary. Thompson noted that earlier discussions indicated a willingness by the property owner to engage in those conversations and stated that information obtained from the archaeological consultant would help guide the initial meeting. Thompson added that staff would continue to keep the Board informed as the process advances and noted that the project would eventually require a competitive procurement process through either a Request for Proposals or Request for Qualifications.

Thompson next referenced a discussion from the Board's recent budget retreat concerning parliamentary procedure and Board governance practices. Thompson reported that staff had consulted with County Attorney Emily Meeker and explored the possibility of engaging the UNC School of Government as a resource. Thompson suggested that a presentation from School of Government staff on governance best practices, parliamentary procedures, and approaches used by small governing boards across North Carolina could serve as a useful first step before pursuing additional assistance from a parliamentarian.

Commissioner Delaney expressed support for utilizing School of Government expertise and suggested that the Board receive a presentation followed by an opportunity for questions and discussion regarding possible next steps. Board members discussed whether such a presentation should occur during a regular meeting or a special meeting. Several commissioners expressed support for holding the discussion during a regular meeting to maximize public access and participation.

Thompson stated that staff would explore available options, including scheduling, scope, and potential costs, and would report back to the Board with additional information.

Finally, Thompson advised the Board that he, Assistant County Manager Carolyn Miller, and Assistant County Manager Darrell Butts would be attending the annual Winter Managers Conference in Winston-Salem the following week. Thompson noted that the conference typically provides valuable professional development opportunities and that staff anticipated bringing back information and best practices that could benefit the County.

The Board of Commissioners thanked Thompson for the updates.

COMMISSIONERS' REPORTS

Commissioner Howard reported that she had attended four local Martin Luther King Jr. celebrations and commemorative events over the weekend. Howard stated that the events were particularly meaningful and timely, providing an opportunity to reflect on the diversity of the community and the strength that comes from differing backgrounds, experiences, ages, ethnicities, races, and perspectives. Howard remarked that the celebrations reinforced her belief that communities are strongest when they embrace those differences and expressed optimism that communities can successfully navigate current challenges by working together. Howard noted that the events were both uplifting and inspiring.

Commissioner Gomez-Flores referenced an email received over the weekend regarding sludge fields and related environmental concerns. Gomez-Flores asked whether staff had begun reviewing the matter and whether additional information could be provided regarding the County's authority and potential response options. County Manager Bryan Thompson stated that he had begun initial outreach and that staff would investigate the concerns, including any local regulatory authority and other relevant considerations. Commissioner Gomez-Flores also suggested exploring opportunities to provide educational information to farmers who may consider the use of sludge as a soil amendment. Staff agreed to include that topic in its review.

Commissioner Delaney reported that he had attended a meeting of the North Carolina Association of County Commissioners General Government Steering Committee. Delaney noted that the committee received presentations on affordable housing and related issues. One statistic that stood out to him was that approximately 96 percent of residential properties statewide are located within municipal boundaries. Delaney remarked that the information prompted him to consider how residential development is distributed between incorporated and unincorporated areas within Chatham County and how that information could help guide future collaboration with municipalities on housing issues.

Commissioner Kenlan reported attending the North Carolina Association of County Commissioners General Government Steering Committee meeting. Kenlan found the affordable housing presentations informative, particularly a presentation by Stephanie Watkins-Cruz regarding housing affordability and the current housing landscape. Kenlan stated that he looked forward to continuing his involvement with the committee and noted that Commissioner Howard also attended the meeting.

Kenlan further reported attending several Martin Luther King Jr. celebrations and events throughout the county over the weekend, including gatherings in Bear Creek and Siler City. Kenlan expressed appreciation for the community leaders and residents who participated and emphasized the importance of building connections across the community. Kenlan noted that it was encouraging to see elected officials, judges, and other public leaders participate in those events and engage directly with residents.

Chair Robertson reported that she also attended several Martin Luther King Jr. celebrations and commemorative events during the weekend and found them to be meaningful and uplifting. In addition to attending the annual breakfast event, she participated in community demonstrations around the Historic Courthouse. Robertson also reported meeting with Heather St. Clair of Chatham County Partnership for Children to learn more about the organization's programs, goals, and priorities. She further met with Dr. Lisa Chapman, President of Central Carolina Community College, to discuss child care challenges facing Chatham County and potential partnerships involving local education and community stakeholders. Chair Robertson stated that those conversations were productive and could lead to additional collaboration on child

care solutions.

Robertson also met with Michael Smith, President of the Chatham Economic Development Corporation, prior to the Board's recent budget retreat to discuss economic development priorities and issues affecting the county. Finally, Chair Robertson highlighted the Boys & Girls Club holiday celebration held prior to the Christmas holiday, describing it as a joyful event and encouraging others to attend future celebrations when possible.

CLOSED SESSION

Chair Robertson called for a motion to go into closed session.

[26-0046](#)

Vote to go into closed session pursuant to § 143-318.11(a)(3) to consult with an attorney retained by the County in order to preserve the attorney-client privilege

A motion was made by Vice Chair Franklin Gomez Flores, seconded by Commissioner David Delaney, to go into closed session pursuant to § 143-318.11(a)(3) to consult with an attorney retained by the County in order to preserve the attorney-client privilege. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

[26-0047](#)

Vote to come out of closed session

A motion was made by Commissioner David Delaney, seconded by Vice Chair Franklin Gomez Flores, to come out of closed session. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan

ADJOURNMENT

With no further business, Chair Robertson called for a motion to adjourn.

A motion was made by Vice Chair Franklin Gomez Flores, seconded by Commissioner Katie Kenlan, that the meeting was adjourned. The motion carried by the following vote:

Aye: 5 - Chair Robertson, Vice Chair Gomez Flores, Commissioner Delaney, Commissioner Howard, and Commissioner Kenlan