

**MINUTES
TOWN OF PITTSBORO
BOARD OF COMMISSIONERS
REGULAR MEETING
TUESDAY, MAY 27, 2008
7:00 PM**

Mayor Randy Voller called the meeting to order at 7:04 p.m. and requested a brief moment of silence.

ATTENDANCE

Members present: Mayor Randy Voller, Commissioners Pamela Baldwin, Clinton E. Bryan, III, Hugh Harrington, and Chris Walker.

Absent: Commissioner Gene T. Brooks, absence excused.

Staff present: Bill Terry, Town Manager, Paul S. Messick, Jr., Town Attorney, David Monroe, Planner, John Poteat, Public Works Director, Paul Horne, Assistant Planner, and Alice F. Lloyd, Town Clerk.

APPROVAL OF AGENDA

Motion made by Commissioner Walker seconded by Commissioner Bryan to approve the Agenda as submitted.

Vote Aye-4 Nay-0

CONSENT AGENDA

The Consent Agenda contains the following items:

1. Approve minutes of the May 12, 2008 regular meeting.
2. A request to amend Section 14.7 of the Major Transportation Corridor regulations of the Zoning Ordinance. Schedule a public hearing for July 28, 2008 at 7:00 p.m.
3. Petition of Sufficiency for Annexation of Habitat for Humanity Property.

Mayor Voller stated the Consent Agenda needed to be modified: 1) add an item regarding a resolution concerning Motorcycle Awareness Month; and 2) the Pittsboro Mural Day.

Motion made by Commissioner Baldwin seconded by Commissioner Harrington to approve the consent agenda as modified to increase Resolution for Motorcycle Awareness Month and the Pittsboro Mural Project.

Vote Aye-4 Nay-0

REGULAR MEETING AGENDA

Citizens Matters

Max G. Cotten, 132 Pittsboro Elementary School Road, Pittsboro, said the Town had accepted two grants for parks in 2006 and in accepting those grants they had committed the Town to creating a capital improvements fund to complete the two parks that were proposed. He said the two grants, totaling \$500,000 each, in his opinion would not complete the projects. Mr. Cotten stated that meant the Town would have to provide the necessary funding to complete the parks. He recommended that the Town attempt to transfer the park south of Town to the County for several reasons: 1) the County is in a better position to complete that park; 2) the park was 3 miles out and it would be some time before the Town limits would reach that far; and 3) the cost of constructing the park and the cost of operating the park would be tremendous.

Mr. Cotten said if the County would not accept the park, it was his opinion that it would be wise to release the grant funds back to the grantors. He said he did not believe the Town could afford the two parks, noting the one located in Town would be expensive enough. Mr. Cotten said perhaps the committee who had reviewed the park had believed there was an agreement between the County and Town, because in the records of that application was a copy of the County's Master Plan and it referred to the project.

PUBLIC HEARING

Motion made by Commissioner Walker seconded by Commissioner Bryan to go into public hearing.

1. Manager's Recommended Budget for Fiscal Year 2008-2009.

Manager Terry stated that the recommended budget was presented two weeks ago, and subsequently the Board had held a work session on that document. He said the only changes to the document were the removal of one police vehicle in the amount of \$32,000, and that the cost of Workers' Compensation as well as lapsed salary was re-estimated.

Public Comments:

Max G. Cotten provided written comments, highlighted as follows:

- I. Water and Sewer Rates
 - a. Proposed schedule is an improvement, but minimum users were still paying for water and sewer they were not using. He suggested a combination administration fee plus charge per gallon used.
- II. Use of Powell Bill Funds for Salaries, Benefits, and Purchase of Equipment
 - a. Though allowed by law, he was concerned the Town was not properly maintaining streets.
- III. Increase in Solid Waste Fee

- b. Should not occur. Suggested renegotiating the contract to cut in half the number of recyclable collections per month.

IV. Manager's Add List

- a. All items have merit and have his support. However, some are of greater importance and should be funded:
 - i. Check valve replacement – protection of water supply, treated water flowing back into river could result in assessment of fines by the State.
 - ii. Laboratory analysis – Manager's justification is sufficient; however, it should be emphasized that proper treatment of water and sewer is essential; required monitoring and testing beyond training and expertise of the operators.
 - iii. Total Organic Carbon (TOC) Analyzer – Manager's justification is sufficient; however, the Board had been told by several knowledgeable persons that the Haw River contained contaminants which unless removed increased the probability of TTHM's forming in the treated water.
 - iv. Employment of Engineer – creating this position is critical if Pittsboro and its ETJ grow as projected.

V. Personal Concerns

- a. Repairs to the Community House – the longer the repairs are delayed the more expensive they will become. This item needs attention.
- b. Contracts with Hobbs Upchurch – not found in the budget. Unless they have been cancelled, they will have to be deducted from the Enterprise Fund Balance, estimated to be in excess of \$500,000.

Mayor Voller asked what Mr. Cotten was referring to in Item II regarding Powell Bill funds. Mr. Cotten said he was not seeing any maintenance of the streets, such as resurfacing and needed repairs, and his point was that if the funds were used for other items then the resurfacing and needed repairs would not get done. He noted that Hillcrest had been ignored for a number of years until it had to be completely redone.

Mayor Voller said there were a lot of roads that were rural sections to the Town's roads that had no curb and gutter but instead had ditch lines, and those roads experienced difficulty when people drove over onto the grass because there was little support on that last 6 inches of pavement, causing cracks and failures. He said that made them difficult to maintain. Mayor Voller stated the Powell Bill Fund had grown from \$84,000 in 2004-05 to \$105,000 last year to \$110,000 this year. Mr. Cotten said his point was not to use those funds for salaries and equipment. He said he was not saying not to purchase the equipment, but to use Powell Bill funds only for maintaining the streets.

Mayor Voller asked Manager Terry to respond to Mr. Cotten's comment regarding the contracts with Hobbs Upchurch. Manager Terry stated that was reflected in the capital projects but was not shown in the operating budget. He said Mr. Cotten was correct that they had outstanding contracts which would have to be paid for out of the Capital Reserve Fund.

L. A. Voller stated that from 2004-05 to present the Town had been able to increase its revenues by approximately 53.7% in the General Fund, but had a decrease in the Enterprise Fund of about 43%. He stated many were aware that there were towns and cities throughout the country experiencing problems this year and for the next few years to come because of the mortgage crisis. Mr. Voller stated that the recommended budget anticipated that all the revenues obtained this year and for the next few years would be spent. He said the Town now had a budget surplus of about \$2 million, and it would be wise for the Town to be careful in how it spent its money, noting they did not need to spend all of the revenues being received primarily through growth, which would begin to slow. Mr. Voller said in the next 2 to 3 years he did not anticipate that the sales of houses would be as brisk as in the past, and therefore the revenue would not be as high. He said the Town Board would be wise to consider the budget and see what could be done to reduce some of that anticipated spending.

Specifically, Mr. Voller said he highly disagreed with Mr. Cotten about hiring an Engineer at this time, since virtually all of the growth had pretty much occurred with the huge subdivisions already built or approved. He said he understood there would be other engineering work that would be required, but one engineer would not be able to handle the work required. Mr. Voller said there was an engineering firm in Town that had done a good job, and there were others in the area just as good. He said by hiring an Engineer you would be making that a fixed cost, thereby providing little opportunity to reduce it.

Mr. Voller said the anticipated analyst for the lab was not needed, as he believed the work load would not require a full-time analyst. He asked that the Board reconsider that recommendation. Mr. Voller said he was leery of hiring new employees at this time when he did not believe the revenue would grow. He said he also had not seen in the budget a projection of what was anticipated next year and for several years out. Mr. Voller asked how you could make an intelligent decision of what your budget would be today if you did not know what your revenue was anticipated to be in the coming years. He cautioned the Town Board to be very careful in their analysis before they hired any new employees.

Mayor Voller said they did not have a surplus of \$2 million, and asked Manager Terry to comment. Manager Terry said that money was the Fund Balance required by the Local Government Commission, noting the requirement was that a minimum of at least 8% of the operating budget be held in Fund Balance. He stated they had two Fund Balances, one in the General Fund and one in the Enterprise Fund. Manager Terry said the Fund Balance at the end of the last fiscal year in the General Fund was \$2.2 million, and in the Enterprise Fund it was \$2.7 million.

2. Request by Yassine Ouchchy to rezone 506 West Street from O&I to C-2.

Planner Monroe stated Mr. Ouchchy had requested a rezoning of property adjacent to property he owned at the corner of NC 87 and US 64 West. He stated the Planning Board had concluded that rezoning would improve the condition of the property and offer Mr. Ouchchy a better opportunity to serve his customers. Planner Monroe stated the Planning Board was recommending that the rezoning be approved.

Public Comments:

Yassine Ouchchy, Chapel Hill, stated all he wanted to do was to expand his business and improve service to his customers. He stated that the new driveway and parking would provide better ingress and egress for his business, adding the rezoning would provide him a better opportunity to compete as a small business.

Mayor Voller said this rezoning would help Mr. Ouchchy to serve his clients and the Town, and provide a safer atmosphere. Mr. Ouchchy said that was correct.

3. Petition by Habitat for Humanity to annex the Leach Tract on E. Cornwallis.

Planner Monroe stated the Board had recently approved an SUP for a Planned Unit Development for a Habitat project, and the Town limit line by a sectioned piece of their property at an angle. He said the property to the south, Potterstone Village, had been annexed, and it was a condition of the Planned Unit Development that annexation occur. Planner Monroe said Habitat was complying with that requirement by making the application for annexation at this time.

Patrick Bradshaw, 128 Hillsboro Street, an attorney representing Chatham Habitat for Humanity, stated that Habitat was simply trying to satisfy one of the conditions of the SUP by requesting the annexation. He pointed out to the Board that they would be coming back before the Board in all likelihood fairly soon, stating that the Town limit ran across the property diagonally but also across the property on nearby Anthony Street diagonally, and there had been some confusion as to whether some of those people south of that line were within the Town limits or not. Mr. Bradshaw said some or all were receiving Town services, and perhaps paying taxes to the Town. He said if the balance of the Leach property was annexed, that would leave a “doughnut hole” of unannexed property on Anthony Street, and Habitat was trying to organize those people to come in with a request for voluntary annexation. So, he said, they may be coming back soon with that request.

Mayor Voller said in essence what they were doing was satisfying the requirement of the SUP.

Motion made by Commissioner Bryan seconded by Commissioner Baldwin to close the Public Hearing.

Vote Aye-4 Nay-0

Mayor Voller said Mr. Bradshaw had said there were some lots on Anthony Street that may or may not be in the Town limits, and asked if Attorney Messick had any comment. Attorney Messick said he did not know if that was the case.

Manager Terry stated there were in fact some lots there that had been paying Town taxes and receiving in-Town services for quite a few years, but were not in fact in the Town limits. He said some of the residents had discovered the error and were attempting to correct the situation. Manager Terry said one resident had actually started the process to try to get her tax dollars refunded.

Commissioner Harrington asked how many lots they were talking about. Mr. Bradshaw stated it was all or part of six lots.

Mayor Voller asked if those lots were part of Cornwallis Heights, and asked how old that development was. He said if they were getting Town services, then annexation must have been requested 20 to 30 years ago, and the map was just never changed. Mr. Bradshaw responded the development was at least 40 to 50 years old.

Mayor Voller asked was this another case where there could be people who believed they were living in Town and had voted in elections. He said that was disheartening and it needed to be addressed. Manager Terry stated that the Town's boundary was a zigzagged line and there were certain neighborhoods where some adjusting needed to be done.

Attorney Messick said in the Town's defense, in 1787 they knew where the Town's boundaries were, and in the 1880's they also knew where the boundaries were. He said since then there had been increases to the Town's boundaries through annexations, and on paper it was not really an issue. He said the problem was when you had developments come in that were in Town or out of Town, that sometimes the Town had not been very well equipped to keep up with that.

Commissioner Harrington said they did supply Town services, so how big a deal would it be to just involuntarily annex those areas. Attorney Messick said if not for the moratorium, then perhaps that could have been done. Commissioner Harrington said it was only six lots, and for all practical purposes they were either in the Town or on the boundary, so it should be easy to take care of.

Mayor Voller said he believed the area was annexed many years ago and the map never showed the line as being shifted. He said they may not have to annex it if they could determine they had been annexed some time ago. Mayor Voller said if the reverse was true, then those people had been receiving Town services at reduced rates for 50 years, so they could not expect to receive a refund in taxes. Manager Terry stated those people were paying taxes and were receiving Town services for those taxes, but they definitely needed to get the matter cleaned up.

OLD BUSINESS

1. Manager's Update on Capital Projects

Manager Terry provided a few highlights of the status of capital projects, noting projects on his handout had been categorized as "Completed," "Under Construction," and "In Planning."

Completed

- The Community House facility condition assessment was completed at a cost of \$1,500, and Heery International of Raleigh who was retained to do that work has presented a report to the Board on May 12, 2008. Manager Terry stated that about \$65,000 of repairs had been identified in the building, including replacement of old windows as well as some ADA accessibility issues.

Under Construction

- Credle Street Basin Rehabilitation Project – Phase I - The project is about 95% complete, and they were now going through the punch list. Project should be completed by May 30.
- Wastewater Treatment Plant Operational Effectiveness Analysis – A contract has been awarded to Stearns and Whexler of Raleigh, and their findings are to be presented to the Board at its June 9 meeting. Manager Terry stated that they had scheduled a meeting to review the draft report with the consultant on Thursday, May 29.

In Planning

- Disinfection Byproducts Reduction Project – A preliminary report had been received from Dr. Mark Edwards and he expected a final report by the middle of June. Manager Terry stated the Board had been provided a copy of that preliminary report.
- 3M Reclaimed Water System Project – They were currently working on the required revisions to the agreement between the Town and 3M regarding the scope of work, particularly the use of wastewater plant effluent in the place of "reclaimed" water. Revisions to the agreement are planned to be completed by February, 2009.

Commissioner Harrington stated that recently the Board had voted to invite experts on issues of chloramination to come and speak to the Board and offer opinions and answer questions, and asked for the status of that. Manager Terry stated they had made some preliminary contacts and expected something to be scheduled later in the summer.

Commissioner Baldwin said once the information was received regarding the tests being conducted at the Wastewater Treatment Plant, would they then be mostly on track so that the Town would not be assessed fines by the State in September. Manager Terry said he believed they were still on schedule, noting they were in design and were about 50% complete. He said it was not a virtual certainty that the Town would be fined, but it had been brought to their attention that progress had to have been made in order to not be fined. Manager Terry said he was optimistic that they would be able to show a good faith effort in that regard due to their progress.

Commissioner Harrington said related to the TTHM reduction and showing a good faith effort, he knew it was not an uncommon practice to actually activate carbon directly to the sedimentation basin to help get out some of the total organic carbons. He said Chatham County did that, and asked had the Town ever done that, ever considered doing that, or would ever do that again to keep the TTHMs down during warm weather. Public Works Director John Poteat stated they were not set up to do that, but believed they were on track with Hobbs Upchurch with what was planned.

Commissioner Harrington said he understood it was a very simple process of just adding powder or activated carbon directly to the water. He said it was low-tech and fairly cheap. Mr. Poteat said their reduction was good at the present time, and he would have to talk with Frank Efird about that. He said as Mr. Efird had explained earlier, the reductions were at fairly high rates, and therefore he did not know how much extra reduction activated carbon might give them. He said they were willing to look into that.

Commissioner Harrington said if they could actually remove the total organic carbons, then their water would store better. Mr. Poteat said he would be happy to get more information on that for the Board.

Mayor Voller asked when that could come back to the Board. Mr. Poteat said at the next Board meeting.

Manager Terry said he believed that was a question for Hobbs Upchurch, and they could make that inquiry. He said he did not recall that being a part of their solution.

Commissioner Harrington stated he talked with David Hughes with the County, and he had remarked it was a common, seasonal thing the County did in the summer. Manager Terry said the only down side was that it was adding particulates to the water and that may be an issue regarding the frequency and the clogging of the filters. He said he would inquire as to why Hobbs Upchurch did not do that.

Commissioner Harrington said Hobbs Upchurch was asked about the chloramination part of that, and he believed they should include that process. He said it only took adding the carbon particulates, so it did not require engineering evaluation. Commissioner Harrington said it was a very cheap and relatively simple option that they should at least consider.

Mayor Voller said he believed the County Commissioners had just last week approved a loan to Pittsboro regarding the 3M project. Manager Terry said he hoped that was true and would check into it.

Regarding the Credle Street project, Mr. Poteat said he expected the project to be completed this week. He said they expected a 30% inflow reduction in that system, but it may be a few months before they could accurately tell what difference that system had made.

Mayor Voller stated he had noticed one difference in the St. Bart's Church area, where you used to see a cloudy residue in the creek, but it was not there anymore and that told him the system

was working. Mr. Poteat said they had found a line that was made of terra cotta and when heavy equipment had run over it, it had started to fall apart. He said some work had been done on that line and they had discovered that some sewage was leaking into the creek, but that had now been corrected. Mr. Poteat said a stream restoration had taken place there about a year and a half ago. Mayor Voller agreed the project would have a big impact on water quality. Mr. Poteat agreed.

2. Community House Task Force

Manager Terry introduced Paul Horne, who had joined the Town last week and was beginning work on the Community House project. He said the Board had convened a Task Force to deal with issues related to the Community House, and it was now appropriate for the Board to appoint a Board member to serve on that Task Force.

The Board held a quick discussion as to who would become the Board's representative on the Task Force and whether or not an alternate would be appropriate.

Motion made by Commissioner Bryan seconded by Commissioner Baldwin to appoint Commissioner Brooks to serve on the advisory board for the Community House Task Force, with Commissioner Harrington to serve on the Task Force as an alternate if necessary.

Vote Aye-4 Nay-0

3. Connection of Springdale Drive and Fox Chapel Road

Commissioner Baldwin asked Planner Monroe to respond to the issue about the possibility of utilizing the bond to open up Springdale Drive. Planner Monroe said the offer of a bond had been made by the lender in the amount of \$20,000 to indemnify the paving of the road if necessary. He said there was a bond for Phase 9 of Chatham Forest but it did not cover opening up Fox Chapel Road and Springdale Drive. Commissioner Baldwin said then essentially it could not be used. Planner Monroe responded that was correct.

Commissioner Baldwin said then the issue came down to funding, so at this point would it be funded by the developer or funded by the Town, or would it possibly be funded through assessment of benefiting property owners upon a petition.

Commissioner Harrington said the problem he saw with that was determining who the benefiting property owners were.

Commissioner Baldwin said the other issue is if the Town were paying for the opening it would mean utilizing dollars from other taxpayers to benefit a specific area, and she did not believe that was fair to the entire Town by opening a portion of a street that would benefit only those living in that area. And, she said, they could not force the developer to open it or to pay for it, and that was where they stood now.

Commissioner Baldwin said they had received an updated proposal from Voller Realty and Construction which noted that the NCDOT had requested that the opening be done by the Town,

and had offered that only one of the turn lanes might be done. Planner Monroe stated he had spoken to the District Engineer who indicated he would consider delaying the improvements if they had a guarantee that the improvements would be completed. He said the District Engineer, Mr. Blakely, had indicated that he would be willing to consider reducing the length of the lanes being required, and would give the Town time to get the improvements done if the Town would guarantee in writing that the improvements would be completed.

Commissioner Harrington asked what the time factor might be. Planner Monroe said he estimated as much as six months.

Commissioner Harrington said he did not know if the developer would cover the cost of paving, but was pleased that they did have in writing that there would be traffic calming devices, and to him that was moving in the right direction. He said he did not see why they could not do just the southbound turning lane, since they would have the roundabout and the traffic narrowing. Commissioner Harrington asked was it Planner Monroe's opinion that NCDOT would still require the northbound turning lane, but only that it could be delayed. Planner Monroe stated he believed that Mr. Blakely had "drawn a line in the sand."

Commissioner Harrington said he had heard from neighbors that wanted their tax dollars to pay for it and those that did not want their tax dollars to pay for it. He said he wanted to see this resolved, and did not believe that they could compel anyone to pay for anything short of a special assessment, which would be very tricky.

Commissioner Harrington asked about seeking clarification on how the process would work defining the area and getting at least 50% of the residents to sign an agreement to pay at least 50% of the cost. He said the Town would have to pay the other 50%.

Commissioner Baldwin said that would be a step in the right direction. Manager Terry said that would mean the Town would pay 50% or \$35,000, and his question was how much it would cost to establish and administer a special assessment to collect that \$35,000.

Commissioner Harrington said his sense was that those who lived closest to the road would benefit the most, and others would not want to pay the assessment. He said it would take a lot of work to get only half the money, and he believed it would not be worth the effort.

Mayor Voller said unless you were doing a special assessment for water and sewer it was hard to delineate the benefits of the road since it would be used by so many people. Town Attorney Messick said assessments were typically used for streets and sidewalks.

Commissioner Bryan welcomed Mr. Horne aboard, and asked him if in his opinion \$20,000 would pave that road. Mr. Horne said he was not familiar with the situation and could not answer. Manager Terry commented that Mr. Horne was a Planner and not an engineer, but the estimate had been provided to David Hughes by an Engineer. Mayor Voller said the estimate was a couple of years old and had been \$10,000, so they had doubled it.

Attorney Messick said they had yet to make the determination that paving was needed, and it was clear that some work had to be done. He said the question was who would make the determination as to whether the work was needed and who would pay for that work.

Mayor Voller said Mr. Cotten had wanted the paving done immediately, but if you got a lot of traffic on an existing road you should pave it after you sealed it from damages, not before. Manager Terry stated this was the first time he recalled seeing the 2-year delay in paving, and would like to talk to the Engineer about that. He said perhaps he had misunderstood the purpose of the repaving, noting he assumed they were repaving because of a failing surface. Manager Terry said the idea was to provide an extra thickness of pavement to give the road additional strength to carry the additional traffic load.

Commissioner Harrington said he would like to request that they get confirmation on that. Manager Terry said he would also check with David Hughes regarding the original intent of the paving, whether it was for strengthening or just reconditioning the surface.

Mayor Voller said part of the reason he had given the Board information on different communities' for planning purposes regarding tax revenues and the three projects that were driving their revenues was that some of those residents, such as in Powell Place and Potterstone, had a legitimate expectation that if they invest tax revenues in the County and the Town over many years, there would be a return. He said some of that return was police and fire protection, but at some point the Town had to decide what that return would be. Mayor Voller said those were legitimate questions, especially from the County side, since they pay twice to the County what they paid to the Town, but they were not getting police or fire protection, and schools did not encompass all of that money. He said those were all things the Board needed to be thinking about, and that was why he had provided the information.

Commissioner Harrington said that infrastructure associated with new development should always be paid by that new development. He said he hoped the Board would always have the foresight to ensure that happened. Commissioner Harrington said he would not request that this go into the budget because it was a capital improvements project and there were other items that were of more importance.

Commissioner Harrington asked if there was any grant monies from DOT that could help support this project. Planner Monroe responded they did ask DOT to consider the construction of the center turn lane on Hillsboro Street all the way to Powell Place. He said the ranking in the TIP did not qualify that project for funding through the year 2015.

Mayor Voller said it was very difficult to get DOT to fund such projects; however, if the Town were to request grant monies for appearance, beautification, pedestrian and other improvements it could possibly be successful and would improve the entryway into the Town.

Commissioner Walker stated he did not believe that taxpayers ought to pay for this, but there was always the option of putting it on a referendum and letting the taxpayers decide. Several Board members agreed.

Motion made by Commissioner Walker seconded by Commissioner Bryan to table the issue until a future meeting and continue to work toward a solution and to look at all options including a possible referendum.

Commissioner Harrington asked about a bond on the referendum. Attorney Messick said he was not sure you could have a preferred question on a ballot.

Manager Terry said he was not sure this project was large enough for a bond issue, but he would research that. He said for clarification, the referendum would ask the question should the Town pay or should the Town not pay the cost of \$75,000 or \$80,000 to do the necessary work.

Commissioner Harrington said conceivably, but he would not make a motion for the Town to pay for this tonight, although he was willing for the Town to pay something.

Commissioner Bryan said if they were going to do something like that, then the full Board needed to be present.

Commissioner Baldwin agreed they did need to find a solution, and reiterated that the particular narrow area that joined Springdale and Fox Chapel was not actually a public street because the Town had not accepted it. She said she would like to consider a bond, but either way they needed to resolve the issue.

Vote Aye-4 Nay-0

Bonnie Iverson, 241 Belmont Road, and President of the Homeowners Association for Chatham Forest, asked when the next time was that homeowners could come and speak on this issue. She said they were not allowed to speak tonight, and she believed a lot of issues were not considered, such as who would use the road, where the money would come from, and who was responsible for those roads. Ms. Iverson said she would like those issues addressed yet again, because the Board continued to forget the people who made up a large part of the tax base today, although they would not be the only ones using that road. She said the Board had voted more than once to open the road, and they needed action rather than more discussion.

Mayor Voller said the rule was that issues to be discussed during the public comments period was for items not on the agenda. He said if she would like to speak, he had no problem recognizing her before or after discussion if the Board agreed, or, she could submit materials to Manager Terry to be presented to the Board from as many people as she would like if the issue was on the agenda. Mayor Voller said the rules were not meant to prevent information from being presented to the Board for the public good, so unless there was some objection from the Board he would recognize her or anyone else to speak to the Board. The Board agreed to allow speakers to be recognized.

Ms. Iverson provided some information on the people who would benefit from that road other than the residents. She said it would be a cut-through for many especially as more commercial activity was added in the area. Ms. Iverson said opening that road would ease back-up traffic coming into Town during rush hour going towards the circle and the west end of Town. She said

she was disheartened at the lack of progress on the issue and the tabling of it yet again with no progress.

Commissioner Harrington said he believed she was right, and the reason they could not do a special assessment was because so many different people would use the road.

Elsa Teruel, 253 Bellemont, said ever since she had been living in Chatham Forest they had continually been given different reasons as to why the road was not opened. She asked when they would come to a point that progress was made.

Commissioner Harrington asked Ms. Teruel to clarify what she meant by “different reasons.” Ms. Teruel said one was the question of how many people would benefit from the road opening, as well as the paving of the road, the signage of the road, the sidewalks needed in Springdale, the turn lanes, and the roundabout. She said nothing was being done even though the developer had made some concessions. Ms. Teruel asked how many more meetings were needed to decide.

Commissioner Harrington responded the primary reason for him was who would pay for it, and he was very pleased to see they did have an offer from the developer that benefited the Town to do some of the improvements at a substantial cost. He said the question now was would the Town pay for the turning lanes.

Commissioner Baldwin said when they had originally approved opening Springdale it was stipulated that they would do what DOT required them to do. She said the question had always been funding and how to pay the approximate \$92,000. Ms. Teruel said she understood the issue of funding, but reiterated how many more meetings would be needed to open the road. She said she would not like to see Springdale opened until everything necessary was done to keep the people in Springdale happy.

Mayor Voller said he understood Ms. Teruel’s concern, noting that one day Bellemont Station would be built and traffic would be coming by her house. Ms. Teruel said she did not have a problem with the fact that, the streets were public, but believed they needed to be fair at both ends.

NEW BUSINESS

1. Manager’s Recommended Budget for Fiscal Year 2008-2009.

Manager Terry suggested this would take some time, and perhaps the others items under New Business could be heard first. The Board agreed by consensus.

2. Request by Yassine Ouchchy to rezone 506 West Street from O&I to C-2

Motion made by Commissioner Baldwin seconded by Commissioner Bryan to approve the rezoning subject to the Planning Board’s recommendations.

Vote Aye-4 Nay-0

3. Petition by Habitat to annex the Leach Tract on E. Cornwallis

Motion made by Commissioner Walker seconded by Commissioner Baldwin to table that request until a proper resolution was prepared and a revised map provided.

Vote Aye-4 Nay-0

Recess

Motion made by Commissioner Walker seconded by Commissioner Baldwin to recess the meeting for five minutes.

Vote Aye-4 Nay-0

Reconvene

Motion made by Commissioner Walker seconded by Baldwin to go back into regular session.

Vote Aye-4 Nay-0

1. Manager's Recommended Budget for Fiscal Year 2008-2009.

Manager Terry stated his only introductory remark was that item #2, the check valve replacement, was included under Capital Projects, so that item under the "Add" list could be eliminated.

Commissioner Walker stated he was comfortable with keeping the tax rate the same, with the 6% increase on the tipping fee for the landfill, and with the water and sewer rates on a graduated scale. He said he was pleased with the budget as a whole.

Commissioner Bryan read Commissioner Gene Brooks' comments into the record, as follows:

"I support the following:

- a 2 cent per \$100 property tax reduction;
- a 5% increase in salaries as opposed to a 10% increase;
- reduction in benefits and an increase in deductions in our insurance program to reduce cost;
- the recommended increase in water rates plus additional funds to improve water quality and upgrades for existing sewer plant;
- no Town Engineer at this time. Why not elevate John Poteat to a more management-like position and hire an assistant to handle the day-to-day operation like work schedules, etc.;
- check valve replacements; and
- the piece of equipment recommended by Mr. Efird – Total Organic Carbon (TOC) Analyzer.

These are the items I feel the strongest about."

Commissioner Walker said he certainly agreed with Commissioner Brooks regarding the health insurance, noting those costs needed to be looked at carefully. Town Clerk Alice Lloyd noted she had checked today and they had gotten the costs down to a 30% increase and they were working to get more. She said dental insurance had gone up only 9%, and life insurance had not gone up at all. Ms. Lloyd said they hoped to get proposals from other companies on Thursday or Friday, and possibly negotiate a better rate.

Commissioner Harrington asked what kind of revenue would be lost if they did make that tax reduction suggested by Commissioner Brooks. Mayor Voller said about \$31,000 per penny, so about \$62,000. Commissioner Harrington said regarding the hiring of an Engineer, things might slow down but commercial development would continue, and he believed they needed an Engineer on staff. He said that was good preparation for the future, and it was a reasonable thing to include in the budget.

Manager Terry stated they had done some estimates on the cost of office space for an Engineer and had included that figure in the budget. He said he agreed that hiring a young Engineer with just a few years experience would be a good investment, and having that person in a place so he/she could be mentored by others with more experience would be a plus.

Mayor Voller said they would want the Engineer in a position so he/she could get their seal as part of the growth opportunity, and tended to agree that they should hire an Engineer now so that they would have time to provide training before they faced major growth pressures from particular areas. Manager Terry said the position would be partially funded through the General Fund and partially through the Enterprise Fund for the first year. Mayor Voller stated having a young, eager Engineer they could train would be a big positive, although the lack of experience would be a negative. Manager Terry said they could overwhelm such a person if they were not careful, noting an Engineer could review new development plans, deal with DOT, work with the Powell Bill, work with engineering consultants and associated contracts, and the like. He said the Engineer could also be a project manager.

Mayor Voller stated although he respected Commissioner Brooks' position on wanting to cut taxes, he believed the taxes should stay as they were. He asked did anyone have a comment on Commissioner Brooks' recommendation to reduce the increase in salaries from 10% to 5%.

Commissioner Baldwin said she agreed with the recommended budget as proposed by Manager Terry.

Commissioner Bryan said the proposal was to increase salaries by 5%, with another 5% in a 40(k) plan. He suggested 2.5% for the 401(k) plan, which would give them somewhere to go over the next few years. Commissioner Walker and Commissioner Baldwin agreed.

Mayor Voller asked if everyone was happy with the water rates as adjusted. There was no disagreement from the Board. Manager Terry stated their scale was moderate as compared to others.

Mayor Voller said at the last meeting the Board had talked about putting some of the surplus into the Fund which would require a budget amendment during the course of the year to access the funds, and he would like the Board to think about setting aside some funds or a category that could be amended for grants that could be pursued to invest in the downtown and in transportation. He said he believed the Town needed to take the lead in getting bus service from either TTA or UNC to Pittsboro so that Pittsboro citizens could cut back on fuel costs. He said Pittsboro could be used as a hub to link Siler City, Sanford and other places. Mayor Voller said he also believed they should potentially look at hiring a Grants Writer, noting other municipalities had done that and the position had paid for itself with the first few grants received. He said the County had hired a grants writer who had garnered several new grants, and Cary had hired a Grants Writer who had gotten \$4 million for Cary last year alone. So, he said, just because Pittsboro was a small town did not mean they could not think about those things and compete. Manager Terry agreed that Pittsboro could compete for grants if they had someone who could devote the necessary time.

Manager Terry said so far, the only changes to the recommended budget were removal of one vehicle, some changes to insurance costs, and the check valve was included.

Commissioner Baldwin stated she needed clarification to Mr. Cotten's comments regarding the contracts for Hobbs Upchurch. Manager Terry said they were included in the part of the budget for capital reserves, and that is where the funds would be paid from. He said it was not in the operating budget because it was for capital construction.

Motion made by Commissioner Walker seconded by Commissioner Baldwin to instruct Manager Terry to leave the base budget as is.

Vote Aye-4 Nay-0

Manager's Add List:

Manager Terry stated he had heard a consensus of the Board to begin the 401(k) at 2.5%. The Board agreed by consensus. Manager Terry stated the next item was the check valve replacement, which had already been included in the budget. He said the next item was a truck for a mechanic.

Commissioner Walker stated Manager Terry had indicated he had a duplication and had a reduction in the police budget for a vehicle, but that police vehicle was more than the truck for the mechanic. He asked could that be included in the budget. Manager Terry said if the truck was put in the budget it would be putting back less than was taken out. The Board agreed by consensus to add the truck for the mechanic if it could be done through the budget and not from reserves. Manager Terry said you would be mixing the General Fund with the Enterprise Fund, noting the truck was for the Water and Sewer Department. He said the truck could be paid for from the Enterprise Fund Fund Balance. The Board agreed by consensus.

Commissioner Walker said he was okay with the cost of the server replacement and web site development.

Mayor Voller said he was very much in favor of that, noting they needed to improve their information technology. He said he wanted to take the County up on their offer of cooperating with their IT people. Mayor Voller said that would give them the best value for the \$44,000 budgeted. Manager Terry stated the funds were budgeted in Administration for Information Technology and would be paid for out of the General Fund.

Commissioner Walker agreed, noting he was fine with setting the maximum at \$44,000. Commissioner Baldwin agreed as well.

Commissioner Walker said since they had saved some funding from the police vehicle, would that savings offset some other expenditure. Manager Terry responded yes.

Regarding the Laboratory Analyst, Mayor Voller said they had discussed the pros and cons of that position last week.

Commissioner Walker said he had talked with Commissioner Harrington, Mr. Poteat and Mr. Efirm, and one of his concerns was that they were moving forward with chloramination. He said when they did that they had to be absolutely sure of their chemical doses. Commissioner Walker said he was more inclined to favor adding a Laboratory Analyst than he was an Engineer because the key to chloramination was having the chemicals exact. Mr. Poteat stated he believed that even with routine testing, this position was needed unless the Board wanted to continue to contract it out. He said contracting it out would be very difficult, because when they moved to chloramination they would need to test five times a week.

Commissioner Walker said that the savings in contract costs would offset some of the salary for this new position.

A brief discussion took place among the Board regarding possible savings in the water and wastewater treatment categories.

Mayor Voller said what they would see was an increase in efficiency. Mr. Poteat said with certified testing there were checks and balances to make sure you were doing the right thing in the correct way. But, he said wastewater treatment plant operators did not usually have such a background or knowledge to do the type of testing required.

Mayor Voller said the way he saw it was that they were actually getting some of that money back, so they would only have to budget the difference if the position was added. But, he said, that difference had a huge value as far as running the plant and the perception of the public that the Town was taking proactive steps rather than reacting to what the State had said to them. He said having their own Laboratory Analyst would be very important to the Town.

Commissioner Harrington asked how other plants operated. Mr. Poteat replied that Mebane had its own lab person, as did many others. He said there were those, like Pittsboro, that contracted for those services.

Manager Terry said if the Board wanted to add that position, he would revise the budget to show salary and equipment costs, and the savings associated with no longer contracting out the service. He said they could also budget the position for nine months for the coming year rather than twelve, for an additional cost savings. Manager Terry said he could bring those numbers back to the Board at the June 9 meeting.

Commissioner Harrington said he agreed they should definitely fund that position, but wondered if they should possibly look at hiring someone on a contract basis, or even hiring someone part-time to start. Manager Terry said they could certainly look at that. Commissioner Harrington said someone could be hired that worked for an engineering firm, which would mean the Town would not have to pay the cost of benefits for that person since that would be paid by their firm.

The Board agreed by consensus to add the Laboratory Analyst to the budget.

Regarding the Total Organic Carbon, the Board agreed by consensus to include that in the budget.

Regarding the Engineer position, Commissioner Walker said his response was no at this time, although he believed they were heading in that direction. He said he was still concerned about the slow down in the economy and that needed to be considered. Commissioner Walker suggested looking again at this position in the 2009-2010 budget so that they could better judge growth, sales tax revenues, and other factors during the coming budget year.

Commissioner Bryan said he would agree that they should not hire someone at this time, but agreed they were moving in that direction.

Commissioner Baldwin said they could always revisit that issue when they were not in a serious economic condition.

Commissioner Harrington said he believed they did need such a position, but shared the concern expressed by other Board members. He suggested funding the position, state exactly what they wanted, and if they could not get that then there would be extra funds in the budget. Manager Terry stated this position might make more sense to contract out, such as a 20-hour a week person or someone who was a retired engineer who would work two or three days a week.

Mayor Voller stated there was talent available in the retired population that the County benefited from who had great experience in this area, noting that Bill Summers came to mind he use to run the City of Boston's entire wastewater program and had been sent to Sarajevo to set up a system for the military. He noted Mr. Summers was a Chatham County resident, and he knew of at least one other retired engineer who might be interested in working part-time. Manager Terry stated he would give that idea some thought.

The Board agreed that no one was against hiring an engineer, but were open to considering a contract or part-time engineer, as well as possibly not hiring someone until six months into the fiscal year. Mayor Voller said basically the Board did not want to fully fund that position at this

time, but would consider a part-time or contract employee. Manager Terry stated he would bring information back to the Board on June 9.

Mayor Updates

Mayor Voller had no updates to provide to the Commissioners at this time.

Commissioner Concerns

Commissioner Baldwin said in reference to the tennis courts, she asked that the rules posted on the front be posted on the back side as well. She said her concern was unsupervised children on the courts, noting that on the back side children could reach the latch and let themselves in, and suggested moving the chain up so that it was more difficult to reach. Commissioner Baldwin said she was concerned about children being hit by fast flying tennis balls. Manager Terry said they would work on getting a child-proof latch installed. Commissioner Baldwin noted that the crank on the netting was broken as well, and needed to be replaced or repaired.

Commissioner Harrington said he would like to see a list of the outstanding Hobbs Upchurch contracts, their amounts, and what they were for. He said he also believed that someone from the Town should be at the table during talks of the western intake. Manager Terry said he would look into that. Mayor Voller said they were invited by County Commissioners Barnes and Lucier and he had attended a couple of meetings. He said anyone from the Town, including Commissioners, could attend the meetings, and he could request that they get put on the distribution list. Mayor Voller said someone representing the Town should be at every meeting.

Commissioner Harrington said that after the recent hail storm, there was a lot of debris in the storm drains. He said he had talked with a person about runoff on Brown Street and the runoff from that street into the person's backyard. Commissioner Harrington asked was the Town always responsible for a ditch beside a road. Mr. Poteat stated he and Manager Terry had visited that site, and it appeared that a previous owner had regraded it which caused runoff to move toward the house.

Commissioner Harrington asked was the Town responsible for that ditch. Manager Terry stated the Town was responsible for the right-of-way, but the builder who had built the house had not addressed the drainage of the property.

Commissioner Harrington said there was a right-of-way there, and asked was the Town responsible for the ditch that was in the right-of-way that channeled water from the road.

Mayor Voller said that was a good question.

Commissioner Harrington said his question was if the Town was responsible for catching that water coming off the road.

Mayor Voller said the rules were different for Town streets and DOT streets. He said you could not put water on DOT streets unless the road had been designed to over flood based on storm

events. He said Commissioner Harrington's question was a good one because there was a lot of confusion with people about ditches, particularly in the older part of town. He said the confusion was where the stormwater was coming from and who was responsible for it during big storm events. Mr. Poteat said they had looked at it, and the way the lot was designed it was designed for runoff in the back part of the lot because of the natural swale located there. But when the developer had developed the lot he had mounded the dirt up to keep the water from going where it naturally wanted to go. Mr. Poteat said what he was saying was that normally the Town would be responsible, but in this case when the lot was designed and reconfigured, the Town could not be held responsible because the developer had redirected the water to a different part of that property. He said the developer had then sold the property to someone else, and that person was now coming to the Town for a solution when the person who had developed the land had created the problem.

Manager Terry said from an engineering point of view, the setback on that road was very close and there was not room to put a V-ditch in. He said he believed that a U-shaped ditch would have to be dug with a drainage feature which could prove to be expensive.

Commissioner Harrington said for his own benefit, who was responsible for water that ran off roads. Manager Terry said the short answer was the Town.

Commissioner Harrington said another issue was the cloudy water in Potterstone, and asked had they figured out what had caused that. Mr. Poteat said normally when water was cloudy it was caused by air in the line. He said brownish water was usually caused when hydrants were flushed.

Commissioner Harrington said he believed there was an isolated pocket there that had really brown water at times. He said it may not have anything to do with the Town, but wanted Manager Terry and Mr. Poteat to be aware of that.

Mayor Voller agreed, noting the same people had that issue regularly, and the area was up around Nob Hill. He said they had in the past talked about testing at the main, and what the Town might do.

Commissioner Harrington suggested talking with the residents involved to get more information.

Mayor Voller said there was a question of if there was a water line coming from the street to tap, and there was a small pin hole in it, could that actually change the quality of the water. Mr. Poteat said it could, as could a change in the pressure differential. But, he said, with constant pressure that was not likely. Mr. Poteat said another factor that should always be considered was water softeners, and many times that proved to be the problem. He said in many towns filters had to be changed every six weeks, but in Pittsboro it needed to be changed every week to a week and a half, and most people did not do that.

Mayor Voller stated that was a good point, in that the people in Potterstone needed to be told that their own systems could be contributing to the problem. Manager Terry stated it would be helpful if the Board members could provide him with a few target addresses. Mayor Voller and

Commissioner Baldwin both agreed to do so. Mr. Poteat said they would check into the issue as a precaution in any case to satisfy their own curiosity as well as the Board's.

Mayor Voller suggested starting with the Knobhill area, which was the pocket Commissioner Harrington had referred to.

Commissioner Harrington said one issue he would bring up at the next meeting was that he had talked with someone who had discovered that Atlanta had an open deer season for bow hunting in town. He said the hunters were required to write their names on the arrows so they could be identified. Commissioner Harrington said he would provide more information later.

CLOSED SESSION

Motion made by Commissioner Walker seconded by Commissioner Baldwin to go into Closed Session at 10:00 p.m. pursuant to GS 143-318.11(a) (3) to receive information or discussions with an attorney under the attorney-client privilege.

Vote Aye-4 Nay-0

ADJOURN

Motion made by Commissioner Walker seconded by Commissioner Baldwin to adjourn the meeting at 10:38 p.m.

Vote Aye-4 Nay-0

Randolph Voller, Mayor

ATTEST:

Alice F. Lloyd, CMC, Town Clerk