

MINUTES
TOWN OF PITTSBORO
BOARD OF COMMISSIONERS
JUNE 13, 2005
7:00 P.M.

Mayor Nancy R. May called the meeting to order and gave invocation.

ATTENDANCE

Members present: Mayor Nancy R. May, Commissioners Max G. Cotten, Burnice Griffin, Jr., Clinton E. Bryan, Jr., Gene T. Brooks and Chris Walker.

Other staff present: Manager David Hughes, Clerk Alice F. Lloyd, and Attorney Paul S. Messick, Jr.

AGENDA APPROVAL

Motion made by Commissioner Walker seconded by Commissioner Bryan to approve the agenda as presented.

Vote Aye-5 Nay-0

CONSENT AGENDA

Motion made by Commissioner Walker seconded by Commissioner Bryan to approve the consent agenda.

- Minutes of the May 23, 2005 Board of Commissioners meeting.

Vote Aye-5 Nay-0

CITIZENS MATTERS

None

PUBLIC HEARING

FY 2005-2006 BUDGET

Motion made by Commissioner Walker seconded by Commissioner Bryan to go into a public hearing to consider the proposed FY 2005-2006 Budget.

Vote Aye-5 Nay-0

Commissioner Cotten submitted the following statement regarding his opinion on the proposed budget.

**Position Statement of Max G. Cotten
Regarding
Town of Pittsboro 2005-2006 Budget**

I cannot positively support the budget for the following reasons detailed below.

General Fund

1. The solid waste fee has not been eliminated. This fee added to tax bill is discriminating in that the lower property value the greater the per \$100.00 cost.

For example:

<u>Property Value</u>	<u>Fee</u>	<u>Divided by</u>	<u>Equals Rate per \$100 value</u>
30,000	\$144.00	300	.48
40,000		400	.36
50,000		500	.288
60,000		600	.24
70,000		700	.2057
80,000		800	.18
90,000		900	.16
100,000		1000	.144

2. Sales tax revenue increase appears to be inflated.

3. If revenue neutral rate of .373 is adopted we should use fund balance for major purchases of equipment and services which are one time expenditures.

Enterprise Fund

1. Equalization of rates above minimum has not been accomplished. The results of this will be:

- a. Continued use of capital recovery fees for operation of systems instead of for infrastructure such as improvements at water plant.
- b. Approximately 892 customers **are not** paying their fair share for water and sewer.

PUBLIC COMMENTS:

Hugh Montgomery stated there are a couple of items that since his return to Chatham County he has been attending board meetings. He feels it is incumbent upon him as your former Manager to remind you about.

It is unfortunate that Mr. Hughes does not have his critical thinking through the years as your Manager. This is not a reflection, please.

First item is potable water. The use of ammonia as a disinfectant as submitted in The Wooten Company study is the third such study that has been submitted for the Board's consideration beginning with The Rose Group prior to 2000. The use of ammonia will intensively take the responsibility for the reduction of TTHM formation off the water plant and put it on the distribution system operators. No comments were received from the distribution system operators. He would caution the board before you go into the nuclear option (which truly chloramines will be), that you will contact neighboring municipalities that have dealt with this issue.

Coordination between water plant operators and distribution system operators are critical. With all respect you need to remember that we spent \$30,000 on the creation of a hydraulic model. The model was to be the cornerstone for the extension of the water distribution system out in the potential service area. Contingent has to do with flushing issue. The valve study evolved from the hydraulic model so that we know the critical locations we can manipulate our system should breaks occur. The flushing of hydrants is a key component in keeping the water fresh, to prevent the formation of TTHM out in your distribution system. If you do not use that resource and go strictly to the recommendation of an engineer who is a water treatment specialist. Don't forget your investment in that model. Don't forget that your water distribution system is here this takes place to remove TTHM's.

Review other options before you take the nuclear option.

The second item is the debt retirement fund. Some of you were a part of a very innovative effort to consolidate and refund the Towns indebtedness. It covered 1990's water and sewer lines which are making the growth we are now seeing possible. It was a total savings of \$1.9 million. What is missing in this year's budget is money to the debt retirement account.

He offered his professional services in this area.

Motion made by Commissioner Walker seconded by Commissioner Bryan to go out of public hearing. Vote Aye-5 Nay-0

OLD BUSINESS

There was no old business.

NEW BUSINESS

Conduct a discussion of a possible smoking prohibition ordinance in municipal buildings and vehicles.

Manager Hughes stated he has received several complaints about employees smoking in the ABC store.

Motion made by Commissioner Brooks seconded by Commissioner Walker to prohibit smoking in municipal buildings.

Commissioner Walker asked if this would become an ordinance.

Attorney Messick said yes it would have to be.

Vote Aye-5 Nay-0

Consider a possible lease of approximately 650 acres of property for a wastewater spray irrigation facility. The property is currently owned by Ricky Spoon and is located just north of the proposed River Oaks development.

Commissioner Cotten stated personally he would like to delay this until the next meeting. He has not had time today to do what he feels he should do in research. He has some financial & environmental concerns. Would have to say it is an improvement over the previous one we've looked at.

Commissioner Brooks stated he has concerns that we would be better off if we could own whatever we use. If we want River Oaks, we are going to mess around and lose it if we don't do something pretty soon, in his opinion. His position all the time has been if we don't get it, he doesn't know how in the world we are going to even start to solve some of these water and wastewater problems.

Commissioner Walker stated he could agree with Commissioner Brooks wholeheartedly. We are looking at raising the water bills due to the fact we lost our number one water customer who used 51%. We can tack that loss onto our current customers or we can find new customers, but without sewer it is hard to sell a lot of water.

Mayor May stated we have been talking about this for a year.

Ricky Spoon said he would glad to answer any questions.

Commissioner Walker stated he had two general questions regarding the contract.

#2. Term.term of years beginning – should that not be spelled out to say 10 years.

Attorney Messick said it is a little over ten years, but it should be included.

#8. Sale of Premises. Commissioner Walker’s question was will the renewal option transfer over to the new owner?

Attorney Messick stated the entire contract remains in force.

Commissioner Brooks stated ten years is not a permanent solution to the problem.

Mayor May reminded the board of the money the county has promised for this project.

Commissioner Cotten stated he has an environmental concern about diverting water from Roberson Creek.

Manager Hughes stated DWQ would love for us to move out of Robeson Creek.

Commissioner Brooks asked if Mr. Hughes has had any correspondence with DWQ regarding an environmental assessment.

Manager Hughes stated his response from DWQ was that no environmental assessment is required.

Motion made by Commissioner Walker seconded by Commissioner Griffin to approve the lease with Ricky Spoon.

Commissioner Brooks stated he was having a problem with getting into something of this magnitude without owning the property.

Vote Aye-4 Bryan/Brooks/Griffin/Walker
Nay-1 Cotten

A COPY OF THE LEASE AGREEMENT BETWEEN RICKY SPOON AND THE TOWN OF PITTSBORO IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGES 62-72

COMMISSIONER CONCERNS

Commissioner Walker stated he would like to see the health insurance coverage reduced to the 80/20 plan with Healthsource.

Commissioner Cotten stating that would be going to a plan that will increase the employees' part of prescription drugs. He feels it will be punishing our employees.

Commissioner Brooks stated since we are in a moratorium and we have a highly trained planner, maybe over the next twelve months he can pick out some of the most outdated parts of the ordinances. He knows the ordinances are outdated and need to be updated, but he was wondering if there is anyway town staff and the planning board can do some of the work without spending \$50,000. He is not against the land use plan. He also questioned the goal of the citizen's survey which he did not have that much of an objection to.

After discussion Motion was made by Commissioner Walker seconded by Commissioner Bryan to split the \$50,000 cost over two (2) years.

Vote Aye-5 Nay-0

Motion made by Commissioner Walker seconded by Commissioner Bryan to reduce the health care benefits to the 80/20 plan.

Vote Aye-4 Brooks/Bryan/Walker/Griffin
Nay-1 Cotten

ADJOURNMENT

Motion made by Commissioner Cotten seconded by Commissioner Walker to adjourn.

Vote Aye-5 Nay-0

Nancy R. May, Mayor

ATTEST:

Alice F. Lloyd, CMC, Town Clerk