

MINUTES
TOWN OF PITTSBORO
BOARD OF COMMISSIONERS
REGULAR MEETING
MONDAY, MARCH 9, 2009
7:00 PM

Mayor Randy Voller called the meeting to order at 7:05 p.m. and asked for a brief moment of silence.

ATTENDANCE

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

Staff present: Town Manager Bill Terry, Town Clerk Alice F. Lloyd, Town Attorney Paul S. Messick, Jr., Planner David Monroe, and Finance Director Scott Borrer.

APPROVAL OF AGENDA

Motion made by Commissioner Harrington seconded by Commissioner Baldwin to approve the Agenda as submitted.

Vote Aye-5 Nay-0

CONSENT AGENDA

The Consent Agenda contains the following items:

1. Approve minutes of the February 23, 2009 regular meeting.
2. Appointment of the Chairman of the Pittsboro ABC Board.
3. Motorcycle Awareness Resolution.

Upon a motion by Commissioner Bryan seconded by Commissioner Walker the Board moved to defer Item #2 until such time that they knew who would be serving on that Board.

Vote Aye-5 Nay-0

Upon a motion by Commissioner Walker seconded by Commissioner Bryan the Board moved to approve with Consent Agenda amended to remove item #2.

Vote Aye-5 Nay-0

**A RESOLUTION RECOGNIZING MOTORCYCLE AWARENESS MONTH IS
RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGE**

REGULAR MEETING AGENDA

Citizens Matters

Dee Reid, 590 Old Goldston Road, commended the Board for the two million plus fund balance the Town has.

Mr. Shook, J Henry Hardware, spoke to the board regarding the parking condition on 15-501 South next to his business and also about a 15 minute loading zone being established.

Commissioner Walker said that they did have information in hand that pertained to exactly what he was talking about, noting that Mr. Monroe had handed him an email today regarding that. He said he did not believe they needed to take any action tonight, but Mr. Justice had said there were only a few parking places and either County employees or those doing business with the County were parking there and staying long hours which was impeding potential customers from visiting his business. Commissioner Walker said that Mr. Justice had also asked that the Board take a look at that. Mr. Shook said it was not just potential customers being impeded; it was also sight distance that was being disrupted.

Planner Monroe said that if you looked at the curbing just south of Landco Realty, it was actually already painted yellow and he, too, had witnessed cars parking there for very long periods of time.

Commissioner Walker asked that the Board reach a consensus to turn the issue over to the Town Manager and allow the Police Department and the Planning Department to take a look at the situation and make a recommendation for the next meeting.

Commissioner Harrington stated a related issue was that parking downtown was not enforced in general. He said people generally parked longer than what was acceptable. Manager Terry stated they would try to bring it back at the next meeting, but if some additional research were necessary it may be two meetings from now. Commissioner Harrington said that was acceptable.

The Board agreed by consensus to have the Town Manager look into the issue and report back to the Board as soon as possible.

OLD BUSINESS

1. Manager's Update on Capital Projects.

Mr. Terry provided the following update on Capital projects:

- Disinfection byproducts reduction project – three change orders were in process, including some changes to the valve to increase the capacity of the feed pumps. They were contemplating two other change orders, with #4 relating to changing the

chlorination process from compressed gases to a liquid sodium hypochloride solution and #5 being a backlog of maintenance and repair items.

Mayor Voller asked what would be the results of the chemical change. Mr. Terry said it would provide a higher comfort level for the operators who were working with the chemicals, in that there was a perception that the liquid material was safer to work with than the high pressure gas, and therefore it had a higher hazard potential. He noted it was not an expensive change and had been recommended by Mr. Efir.

Commissioner Harrington asked had they received any additional applications for the open position. Mr. Terry stated that Mr. Poteat had indicated that one additional application had been received, bringing the total to two. He said they would continue to recruit for that position, and reminded the Board that they were recruiting for licensed water plant operators and not trainees and that was not a high density profession. He said it would take some time to fill that position.

Mr. Walker asked if Mr. Terry needed the Board's approval for change orders 4 and 5. Mr. Terry replied no, because the original authorization from the Board had delegated that authority to him.

Mr. Terry continued his update:

- The 4 million gallon per day wastewater treatment project – The EIS was currently being reviewed by the State, and they were optimistic that the review would be completed in the next week or so. The next step would be for the State to notify Hobbs & Upchurch, and copies would be distributed to all the State agencies required to review it. It would take another 45 to 60 days for comments to be provided by those agencies.
- Short-term wastewater treatment plant project – the plan review meeting with Stearns and Wheeler was held, and they were on track. The Finance Officer had scheduled a meeting with the Local Government Commission to introduce the project and have a preliminary dialogue about financing options.

Commissioner Baldwin asked was that project eligible for federal stimulus funding. Mr. Terry stated they had sent two letters to the State nominating projects for federal stimulus funding, and that project had been nominated although it did not exactly fit the criteria.

Commissioner Harrington asked when that project would be shovel ready. Mr. Terry said the recent review meeting was the 30% plan review, so they were about 60 days from being ready to bid.

Commissioner Harrington asked was it a \$1.6 million dollar project. Mr. Terry responded it was about \$2.25 million.

Mayor Voller asked exactly what the definition was of "shovel ready." Mr. Terry stated it was his understanding that referred to projects that were 100% ready, including bid specifications and bid packages ready to advertise. Mayor Voller said this past week he had discussed with Siler City Town Manager Joel Brower plans for the proposed water line to connect Pittsboro and Siler City, and Mr. Brower had said they were speeding that project through but had not done the

plans, but it was considered shovel ready. He said his question was if there was a way they could expand the definition of what was shovel ready considering that that public water line would have been laid with no plans drawn and all done in the field. Mr. Terry stated in effect that was what they had tried to do with the wastewater treatment plant approval. He said if he were asked to define the term it would mean that you had 100% plans and specifications on the shelf and ready to bid. Mr. Terry said that was a catch phrase that many were using but he had seen no official definition of it.

Jay Johnston with Hydrostructures said it was his understanding it meant the permit was in hand. Mayor Voller said there were such things as express permits when you were a developer, and those could be obtained relatively quickly. Mr. Johnston said you could not connect lines between two towns without permits. Mayor Voller said he understood that, but you could actually push the process through by being creative. He said otherwise, they would miss a great opportunity for funding.

Mr. Terry stated he absolutely agreed, and that was why he had nominated the wastewater treatment plant project and why he had asked Mr. Johnston to be present tonight in order to describe a project that was not yet designed but that had been nominated as shovel ready.

Mayor Voller asked the Board if they wanted to push forward with the attempts to get funding, even though the project may not officially meet the criteria as shovel ready.

Commissioner Walker said he believed what the Mayor was saying was to try to get that water line between Siler City and Pittsboro funded by the stimulus money. He said he believed they should contact Mr. Brower and see what they could do to help.

Mayor Voller agreed, noting they may never have the opportunity for such funding again.

Commissioner Harrington asked Mr. Terry would that spread him too thin. Mr. Terry stated it would not be burdensome to contact Mr. Brower via telephone. He added that the deadline for applications had come and gone, and Pittsboro had nominated five projects.

Mayor Voller stated he believed this was only the first round of stimulus funding, so the more projects they put forward the more likely they were to receive some kind of funding.

Commissioner Harrington said he did have a question about financing. He asked when it came time for the Town to make its contribution, who would be the lender. Mr. Terry said there would be a bid process that would involve the Town acquiring the best interest rate from those bidders, so the bids would be sent to all the lending institutions.

Commissioner Harrington said as Commissioner Walker had reminded him it was very difficult in these economic times for municipalities to acquire loans. He asked was there any concern that they may not be able to obtain financing in the worst case that the Town would have to pay for the project. Mr. Terry stated he believed it would not be that difficult to obtain a loan, especially considering the Town's Fund Balance and the Enterprise Fund, both of which was about \$2.5 million. He said one aspect of the project that would make it attractive to a lender was that if

they gave capacity to the two developers who were volunteering to pay their Capital Recovery fees in advance, then the math would indicate that the total amount of fees for the properties they would develop would exceed the amount of the project. He said that would indicate the project would pay for itself, and demonstrating that to a bank would indicate success in acquiring a loan.

Commissioner Walker said that banks were hurting for capital and that had caused the credit crunch. He said they should be prepared when meeting with banks that they would likely be required to deposit perhaps 10% to 25% of the loan amount in that bank for the duration of the loan.

Mr. Terry continued his update:

- Credle Street basin project – this project was nominated for federal stimulus funding, and was the one project that met all the criteria for funding. He said it was designed and on the shelf ready for bid.
- 3M Reuse Water project – the Board at a recent meeting had delegated authority to the Manager to sign all construction documents as the Project Manager. One issue that had come to light was that the federal government had found it necessary to draw down \$500 million from the Clean Water Management Trust Fund to be set aside to balance the budget. Those funds would eventually be returned, but it had had a huge impact on many projects throughout the State. The Chatham County Manager had been working to verify that the last \$250,000 of the Town's Clean Water Management Trust Fund would be forthcoming, but that had now been delayed because of the situation. There was some concern about how that would affect the Town, and he would keep the Board updated.

Mayor Voller said it did not make sense that the \$1.25 million that was allocated in 1999 when the project began would now be in jeopardy. He stated the interest alone on the Trust Fund would have already paid for it, and asked how the federal government could take funds away that should have already been in the Fund since the Town had never received all of it.

Commissioner Brooks said the same way they had taken money from State retirees and DOT and others. Mr. Terry said it was being said that it was a temporary measure, but he admitted he was somewhat worried about it.

Commissioner Brooks said there had been \$249 million in fines that were levied in the State over the last 12 years that were supposed to go to schools, but those funds had somehow disappeared.

Mr. Terry continued his update:

- Improvements on 15-501 at Springdale – this was a new Capital project that had just been added. He had met last week with the developer and the developer's attorney regarding the contract that the Board had approved two weeks ago in an effort to execute that contract. They had been optimistic, but the developer's attorney had been emphatic that the elimination of the \$30,000 payment from the Town was not satisfactory, and proposed an alternative. The developer's attorney was now formulating a revised contract which would include Commissioner Harrington's suggestion that the Town would execute the project and be reimbursed at a later date by the developer, and that that reimbursement would be backed by Letters of Credit. Other features were that the

agreement would be tied in some fashion to the completion of Phase 10 in Chatham Forest to involve a small parcel of land that was north of Park Drive and south of Belmont Ridge and west of Belmont Road that was as yet undeveloped and consisted of about 15-20 lots. The developer's engineer had submitted on February 11 to NCDOT plans and specifications of work to be done at 15-501 and Springdale, and NCDOT had been noncommittal about when those plans might be approved. When the developer's attorney brought back the revised contract, if it was acceptable to the Board his suggestion would be to retain Jay Johnston as the project engineer to prepare the bid and advertisements, and to act as the Town's representative for inspection of the project. Mr. Johnston would of course have to hire an engineer as a subcontractor, since the developer's engineer was the engineer of record for the design. That would address a conflict of interest if the project were administered by a representative of the Town rather than a representative of the developer. Mr. Johnston has agreed to act as the project engineer.

Commissioner Brooks said regarding the 3M project, the State had never committed to providing the Town with any additional allotment at the wastewater plant, and wondered if there was any movement on that. Mr. Terry stated Commissioner Brooks was correct, and it had been reiterated whenever the subject was raised that the State was not likely to do so. He said their logic was that the Town had no guarantee that 3M's usage would be long term since it could move its plant at any time, and the State would be reluctant to allow additional sewer capacity since it could be of a temporary nature.

Commissioner Brooks said that was logical and he did not necessarily disagree with it. He said it certainly was not what they had hoped for. He said since their plant would not treat what it was designed for it would be nice if the State would let that count, since it would not take them beyond what they were supposed to be able to treat. Commissioner Brooks said it seemed to him that it could be designed to help the Town.

Mayor Voller said the State did know that it would be taken out of the ground here, and the only thing that would shut it down would be if 3M deemed it no longer a worthy enterprise, and not because they were going to move the plant.

Commissioner Walker said that Commissioner Brooks had a valid point. Mr. Terry said the best way he could explain it was that every gallon of water they sold was a good thing and their discharge report would change in that they would discharge less water into Roberson Creek and eventually into the Haw River. But, he said, the State would not change the permitting capacity of that plant no matter how much reuse water they spread around the Town.

Mayor Voller said once they had a system with a tank generating pressure, would the State allow them to let users do things like water fields. He said they certainly would have allowed the Toll Brothers to use that capacity to water the golf course, and the only reason it had been an issue was that they did not want to build a retention pond to take wet weather overflow. Mr. Terry said it was his understanding that there were reuse water uses that could count towards a permit that were not permanent in nature, so if they were to identify a reuse customer along that line, such as farmland irrigation or a golf course, they could take that proposal to the State.

Mayor Voller said it seemed that they could work that issue out so they could provide reuse water to those who needed it besides 3M. Mr. Terry said they had gotten special permission to do reuse water because the water was steamed off and there was no human contact with it. He said the State may not allow reuse water to be used for such things as athletic fields where people would come into contact with it.

Commissioner Harrington said looking into the future, if it was reuse water there was probably no question that the State would not allow it. Mr. Terry agreed.

Mayor Voller asked had there been any movement on 3M turning over the land. Attorney Messick responded they had not had any further contact since the last update. Mayor Voller asked was there any reason why 3M would not deed over the property. Mr. Messick said none that he had heard.

Mr. Terry said that from discussions with 3M it was not likely to happen until the contracts were awarded and construction began.

2. Follow-up Report on Urban Archery Deer Season.

Mr. Terry said that the Board had discussed this issue on several occasions, noting that there was a special extension from the State that the Town could apply for that would extend archery season for the culling of the deer population. He stated the deadline to apply was approaching and wanted to determine if the Board was interested in pursuing that. Mr. Terry stated if so, he would need a motion that would authorize him to send a letter to the Executive Director of the Wildlife Resources Commission.

Upon a motion by Commissioner Harrington seconded by Commissioner Walker the Board moved to authorize Mr. Terry to send a letter to the Executive Director of the Wildlife Resources Commission requesting a permit for urban archery deer season.

Commissioner Brooks said he would like to ask Commissioner Harrington and Commissioner Walker to consider amending the motion to include sending notification stating their intentions to the citizens and explaining the guidelines that hunters would have to follow including having written permission from landowners, as well as assurances that the Board would continue to search for other options.

Commissioner Harrington asked would Website information be adequate or did he specifically want posting in the newspaper.

Commissioner Brooks said he would prefer to have both posting on the Website as well as a notice in the newspaper.

Commissioner Harrington accepted the amendment to include notification to citizens via the Town's Website as well as notice in the newspaper to explain how the program would be conducted and how citizen concerns would be addressed.

Mayor Voller said he assumed that the motion was also about safety.

Commissioner Brooks stated he believed Mr. Messick had advised them not to get too involved in that aspect of it. He said his research indicated that the law left the stewardship of the State's wildlife in the control of the NC Wildlife Commission. Commissioner Brooks said there were already ample rules and regulations enforced by the State Wildlife Commission regarding safety without the Town becoming involved. Mr. Messick stated he believed Commissioner Brooks was correct on that.

Commissioner Walker agreed to amend the motion as stated.

Vote Aye-5 Nay-0

John Stevens asked where he could file for written permission to hunt deer.

Commissioner Brooks responded he would need to acquire a permit to hunt, and he would also need to obtain written permission from the property owner where he intended to hunt.

Simon Bogall, 945 Bill Thomas Road, Moncure, said he wanted to thank the Board for going forward with that plan. He said he had recently contracted Lyme disease, and it was likely the largest health issue in Chatham County today. Mr. Bogall said he was proud to see that the Board was willing to take action to reduce the deer population.

NEW BUSINESS

1. Agreement between Chatham County, Town of Pittsboro and Chapel Hill Transit for Express Bus Service between Chatham County and Chapel Hill.

Mr. Terry stated he had been working with Chatham County Manager Charlie Horne and representatives of Chapel Hill Transit regarding this issue, and the item before the Board contained a resolution that if adopted would authorize the Town Manager to execute a contract between the Town, Chatham County, and Chapel Hill Transit to provide express bus service between Chatham County and Chapel Hill and to make minor changes to the contract as long as the cost to the Town did not change. Mr. Terry said the item also contained a budget amendment that would fund the service, with the approximate cost to the Town of \$3,300 per month.

Mayor Voller stated they could actually ask for an amount different from that. Mr. Terry said the Board could approve the resolution as written or it could amend it. He stated in his initial discussions with Mr. Horne he had indicated that \$1,500 seemed to be a reasonable cost to the Town, but in Mr. Horne's discussion with the County Commissioners they had not felt that the Town's contribution at \$1,500 was sufficient. Mr. Terry said the County had suggested a one-third/two-thirds split, but as the Mayor had pointed out the Board could certainly make a counter offer for a lesser amount if they felt that the one-third contribution was more than the Town should pay.

Mayor Voller said it was his understanding that somewhere in the 70/30 or 75/25 range would likely be acceptable to the County, noting he had discussed that with the Chair and Vice Chair of the County Board. But, he said, it would be up to the Town Board to make that request. Mr. Terry said if directed, he could take that offer to the County Board.

Commissioner Harrington said they had talked last week about Lowe's having some reservations about committing to having the bus stop on its property. Mr. Terry said they were making some progress, noting they had gotten past the local manager to the regional manager, and he and Mr. Litchfield would be meeting with the local manager in the next few days to work out some additional details about Lowe's' willingness to have a bus stop as well as any limitations they might want to place on that.

Ricky Spoon said he had talked to Lowe's corporate office, and they had tentatively agreed to put a bus stop/park and ride on the parcel just to the left of the Kentucky Fried Chicken building on the corner.

Mayor Voller said then as a representative and developer of Belmont Station he was in favor of getting a bus stop and park and ride there. Mr. Spoon responded yes, adding he had reminded the corporate office as an incentive that the permission he had given to allow some things on that property could easily be rescinded.

Brian Litchfield, Assistant Director of Chapel Hill Transit, stated he was available to answer any questions the Board might have. He commended the Board for its consideration to provide the service.

Commissioner Harrington asked when the grant related to this service would end. Mr. Litchfield responded there was some flexibility, noting it was originally awarded for 18 months but they had the ability to extend it if progress could be shown. Commissioner Harrington asked was there any provision that if the service was not started by a particular time, that they would lose the grant. Mr. Litchfield replied there was no set date, adding it was all negotiable with the DOT. He added that they had been in discussions with DOT who had so far been amenable to Chapel Hill's schedule. He said they would reach a point where time limits were set, but that had not yet been determined. Mr. Litchfield stated they would make every effort to assure that the grant funds were forthcoming.

Commissioner Baldwin asked, in reference to the location of a bus stop in downtown Pittsboro, where were they anticipating that to be. Mr. Terry said currently they were looking at the south end of the traffic circle, noting it was fairly wide and a bus could make a short stop there without causing traffic to cease moving. He said that did not address the issue of where bus users would park their vehicles. Commissioner Baldwin asked if there were concerns about congestion in that area considering the route times and traffic coming in from Sanford. Mr. Terry said that was always an issue, but when considering other areas that location seemed to make the most sense.

Mr. Litchfield said they could have a bus driver make a trial run through the area during peak times to see what concerns there might be, and they could work with Town staff to address any conditions that might be identified. Mr. Terry said that area of the traffic circle was fairly wide,

and the bus would only be stopped for two to three minutes. Mr. Litchfield said they would set up a schedule that would allow for a stop that would be between 30 seconds and one minute, just enough time to allow people to enter or exit the bus. He said they would make sure that any layover time would take place in the park and ride lot so as not to cause any congestion.

Commissioner Baldwin said regarding the parking at Lowe's, would there be some charge to bus riders parking there. Mr. Spoon responded of course not. Mr. Litchfield of Chapel Hill Transit was not proposing that either, noting that all park and ride lots operated for free.

Commissioner Bryan asked had he done some estimates on how many riders it would take to reach the break-even point. Mr. Litchfield said he could not do the math in his head, but he could tell the Board that based on the public hearings and the market research they had conducted in conjunction with UNC, and based on their experience with similar services, they were estimating an average daily ridership of about 72 people, or 12 riders per trip. He said that was an early estimate and would depend on a number of factors, such as the establishment of a park and ride lot and what the actual fares ended up being. Mr. Litchfield said if you assumed 12 riders per trip and all purchased monthly passes, they would generate about \$15,000 annually in fares, which would be applied to the monthly cost. He pointed out it would be very unusual to find a transportation service in this country that actually broke even, noting that if you were covering about 25% of the cost of the service, then you were doing fairly well.

Commissioner Bryan said there had been an email from Ms. Reid to the Town Clerk with reference made to a clause regarding early termination. He asked would there be penalties for that, and how would that work. Mr. Litchfield stated they had not put anything like that in the contract, noting what they had included was that upon written notification any parties to the contract could terminate the service with 90 days notice.

Mayor Voller said then in summary the grant based on performance was extendable and DOT was flexible with that; that right now they had \$176,000 in grant funding committed with Chapel Hill providing the buses, the operation, and the maintenance; and, that Pittsboro and Chatham County would be picking up the other half in a pro rata share. He said stops/starts would be at Lowe's, downtown, and possibly another stop being developed such as Fearington Village. Mr. Litchfield said what he had said was that DOT tended to be flexible and assumed they would in this case, and that Fearington Village had been aggressive in asking for the service. He said they would like to propose two stops in that area which were open for debate with the residents of that area. Mr. Litchfield added that he had also talked with the new director of the Chatham Transit Network that was already providing a level of service from areas of the County to Chapel Hill, and they had talked about coordinating to provide a mid-day service as well.

Mayor Voller stated Chatham Transit Network had indicated they were very much in favor of the service. He asked what the cost of a monthly pass was projected to be. Mr. Litchfield stated at the present time \$65, which was a discount from the \$3 one-way fare. He said they had also had some preliminary conversations with UNC about providing some form of subsidy for employees who used the service, which would obviously have some impact on ridership.

Commissioner Harrington said he was glad Mr. Litchfield had brought that up, noting he had tried to gauge potential ridership by talking with people who were potential candidates for the service. He said that all the UNC Hospital employees worked 7 to 7 shifts, so the proposed bus schedule would not accommodate them. Commissioner Harrington said a fairly common comment he had heard was that UNC employees would still need to purchase a parking sticker because there would be times they would need to drive their cars to work. He said many had said it was a very good idea, but others were very concerned about having to purchase a parking pass as well as the bus pass. Commissioner Harrington asked was that the type of subsidy that UNC was considering. Mr. Litchfield said there were a number of options that UNC could consider, and he would bring those concerns up to them and have that discussion.

Commissioner Brooks said several times recently he had seen a small bus on various streets in Pittsboro with a UNC Hospitals sign on the side. He said he had also seen another small bus that said UNC Hospital-Siler City. He asked if they were picking up patients in Pittsboro. Commissioner Baldwin said they were picking up patients. Commissioner Brooks said then there was some bus service in Siler City. Commissioner Baldwin said it was mostly the Siler City hospital.

Mayor Voller stated he had talked to the director at Chatham Transit Network and he had explained that they operated a series of vans throughout the County, and he believed their service would be symbiotic with the proposed express service because they would not overlap but would dovetail. Mr. Litchfield said that was his understanding as well.

Mayor Voller said he had done some quick figuring based on the cost of a bus pass, and that based on 72 people riding a month with a \$65 pass, that amounted to \$4,550 a month. He said based on the 18-month pilot program, if they were to achieve that in some period, such as 90 or 120 days, that would mean that the obligation to the partners would be \$5,320 a month, or \$3,724 to the County and \$1,597 to the Town using a 70/30 split. Mr. Litchfield said he would say yes to the 72 riders, but the \$65 pass would have to be divided into two because it was good for the ride to Chapel Hill and then back again.

Mayor Voller said then that would be 36 riders one way, which was a very conservative estimate. Mr. Litchfield agreed, noting they had wanted to assume low ridership since such a service would take time to develop. He said after 12 to 18 months they would be in a good position to predict what ridership would be over the next year if the service was continued, but prior to that there were so many variables it was very difficult to predict.

Commissioner Brooks asked did they anticipate the market for the service would primarily be hospital and UNC employees. Mr. Litchfield said for the most part, and because of people using the service just for things like doctors' appointments they were working with Chatham Transit Network to provide mid-day service at no additional cost so that people would not have to stay all day. He said that was not the market they were after since this was primarily a commuter service.

Mayor Voller said but that had been offered in the agreement put forth by Mr. Terry. Mr. Litchfield said that was correct.

Ann Deupree, 356 Fearington Post, Pittsboro, said that as proposed the service would not meet the needs of the retired population in Fearington because they would not commute daily. She said one thing not yet discussed was they would likely be coming to Pittsboro and not Chapel Hill, noting she came into Pittsboro regularly to work as a volunteer, to shop, and to visit the library. Ms. Deupree said if she was guaranteed a ride home, she would not drive her car. She stated that statistics showed that households using public transit saved an average of \$8,400 yearly, so if the Town looked at the monthly contribution they would be providing to make the service possible, they were potentially saving the residents of Pittsboro a lot of money. Ms. Deupree said with such a service, entrepreneurs might consider positioning themselves in Pittsboro rather than a higher density residential area because people could ride the bus to get to town. She also mentioned that such a service would allow people greater access to the community college. Ms. Deupree asked the Board to seriously consider providing the service to her area.

Walter Coleshill, Fearington Village, said that in Fearington Village every working day there were as many as 460 people working who needed the bus service. He said moreover, the proposed trip times made little sense, because the three trips would not meet the need. Mr. Coleshill said they needed multiple trips to be made throughout the day, from Pittsboro to Chapel Hill and back, for the workers in the Village. He said that in addition, up to 10% of the people who lived in Fearington Village were not retirees but went out to work every day, and those people could benefit from the service as well.

Jim Hinkley, 125 Evergreen Drive, Pittsboro, said that the Board was faced with a great opportunity to improve accessibility for its citizens with only the smallest contribution required from Pittsboro. He said that Chapel Hill Transit had been recognized nationally as one of the best systems in the country for its size community, and believed it was perhaps the best in the State. Mr. Hinkley said he believed the Town needed to contribute whatever amount was needed to make the service work, noting that having such an outstanding transit system nearby that was willing to participate in such a pilot project was a great opportunity.

Mr. Hinkley said the project would afford community access to workers living in Chatham County, and those with or without private vehicles would have the ability to travel by bus to their jobs at UNC or UNC Hospitals. He said he believed participation would be high, noting that contributions for parking by those employees ranged from \$500 to \$720 a year, so they would experience a savings by riding the bus. Mr. Hinkley said another consideration was the reduced traffic on 15-501 and the resulting reduction in air pollution. He said the service was a wonderful idea and would be a very sound investment for the Town's future. Mr. Hinkley said if this pilot project was successful, he was sure it would be emulated by other communities in the Triangle and across the State.

Tim Keim, 96 Cynthia Lane, Pittsboro, said that one thing not yet mentioned was that gas prices would be rising again and he believed more people would begin using the service once that happened. He said that should be kept in mind when talking about ridership. He encouraged the Board to seriously consider participating in the pilot program.

Mayor Voller asked when Mr. Keim worked in Chapel Hill, would he have used the service. Mr. Keim replied absolutely, noting he had worked a regular schedule and it would have been ideal for his situation.

Kevin Russ, 21 Randolph Court, said he was an entrepreneur and an investor, and was setting up a business in Pittsboro. He said he would very much like to see the commuter bus service, and suggested the Board take a look at the MIT Sustainable Cities data on the use of public transportation and the benefits it would provide to the Town. Mr. Russell said he preferred public transportation and if it came to pass he would be using it every day as would his colleagues. He stated he very much supported the service.

Dee Reid, UNC employee residing in Pittsboro, said she wanted to respond to Commissioner Harrington's concerns regarding parking. She said she already rode the bus every day to UNC, but she had to drive 13 miles each way to get to the bus stop, but she was willing to do that because she was saving 10 miles on her roundtrip commute. Ms. Reid said she was saving over \$500 a year in parking costs as well as the additional cost of gas. She said even with all of that, she would rather take the bus directly from Pittsboro, where she could walk or ride her bike to the bus stop or drive to Lowe's and park her car. Ms. Reid said the bus she rides now was packed with only UNC people, adding that UNC required employees who rode the bus to give up their parking permit, hence the \$500 savings. But, she said, UNC also provided alternatives for those days when you would need to have your vehicle available, such as a free parking space once a month as well as a parking garage that allowed an employee to park for \$6 a day. Ms. Reid stated UNC also provided Zip cars that for a \$10 membership fee an employee could rent a car off the UNC campus, gas included, for \$5 an hour. So, she said, there was no fear on her part that she would not be able to do her job because of the bus schedule. Ms. Reid said if she were to become ill during work hours, UNC would provide transportation to the park and ride lot to retrieve her car, so UNC had already responded to every one of her concerns regarding riding the bus to work.

Ms. Reid said she was saving about \$750 a year now, and if she could get on the bus in Pittsboro she would save a great deal more. She reiterated that the bus she rode was always packed, noting many people came from Sanford and Siler City to ride the bus, and would much rather take the bus from Pittsboro so they did not have to drive all the way in to the park and ride lot, thus saving them additional money.

Commissioner Harrington asked if she had said they would make her give up her parking pass if she rode the bus. Ms. Reid stated it was called the Commuting Alternative Program, and usually when you parked in the park and ride lot and rode the bus in, you had to forfeit your campus parking pass. She said you could ride the Southern Village bus to a Chapel Hill parking lot, and you would not be a part of the Commuting Alternative Program and you could keep your parking pass, but to her that was impractical. Ms. Reid stated it was to UNC's benefit to have fewer cars on campus, as well as to Chapel Hill to have fewer cars on town streets, and for that reason they encouraged employees to leave their cars at home ride the bus, and give up their parking passes.

Commissioner Harrington said most of the people he had talked with had said they would have to keep their parking passes. Ms. Reid said but the truth was that they did not because of the alternatives offered.

Claire Kane, Moncure, said that she was not representing UNC, but was very familiar with the Commuter Alternative Program and the parking program and would be happy to answer any questions. She said she administered the transportation programs for the Department of Public Safety at UNC. Ms. Kane said that there were 11,000 cars operated by staff at UNC plus another 5,000 by staff at UNC Hospitals, not including those driven by the almost 30,000 students. She said that 38% of the staff could not park on campus due to lack of space, which equated to 6,215 people. Ms. Kane said that many had opted not to purchase parking passes and used alternative methods. She said Chapel Hill Transit was a great system, and it was arguably the most comprehensive transit service in the country.

Ms. Kane said that environmental sustainability was a commitment made by the University, and by 2050 their goal was to be carbon neutral. She said they were very serious about it and would be taking the steps necessary to achieve that. Ms. Kane said that Pittsboro was a destination and not just an origin for those trips, and the proposed service would allow people to make day trips to Chatham County. She said once the bus service was available, people would be organizing their lives in order to take advantage of it. Ms. Kane said in these economic times, to have the opportunity to help citizens to travel to and from their work and to look for work was unique and should be taken advantage of. She encouraged the Board to act favorably on the proposal.

Mayor Voller said essentially if you road the bus from Pittsboro to Chapel Hill, it was a gateway to the Triangle. He said then people could travel to Hillsborough, Durham, or wherever that bus service traveled. Ms. Kane said that was correct, noting that Chapel Hill Transit's service was a free service to riders with the cost borne through the partnership between the University, Chapel Hill, and Carrboro. She added for those 6,000+ staff using the alternative program, they received a free regional pass.

Mayor Voller said then if you came from Pittsboro to the University, you could ride wherever Chapel Hill Transit traveled free of charge. Mr. Litchfield stated absolutely, noting that if you rode from Pittsboro to campus but that was not your destination, you could then get on the Chapel Hill bus and go basically anywhere in Chapel Hill or Carrboro.

Mayor Voller stated that Bett Essen, the Development Coordinator for Chatham Habitat, had signed up to speak but had to leave. He determined that the Board members had received a copy of Ms. Essen's letter.

Mayor Voller said there were many aspects of this proposal that the Board had to consider, one being the fiduciary responsibility of the Board. He stated they needed to be good stewards and not to make mistakes during these economic times. Mayor Voller said one of the responsibilities of the Board was to make sure they made good decisions and made responsible use of funds. He said he had talked with Mr. Borrer about the Town's Fund Balance, and had asked him for an assessment at this point. Finance Director Scott Borrer responded that they did have a very healthy Fund Balance. He said in terms of this proposal as a short-term obligation, from his

perspective they did have the funds available for the pilot program and it would be spread out over three fiscal years. Mr. Borrer said based on the projection of 72 riders, the cost to the Town would be about \$1.60 per ride.

Mr. Borrer said to put the Fund Balance in perspective, it was over 100%, meaning that the expenses for the 2008 fiscal year was about \$2.2 million and their ending Fund Balance was about \$2.7 million.

Commissioner Harrington said they were coming up on budget season, and quoted from an article in yesterday's Chapel Hill News which said that Orange County was facing an \$8.7 million revenue shortfall and that equaled about 5% of the current year's \$183 million budget and 6.2 cents on the County's property tax. He went on to quote that it may mean that employees may have to be laid off and that the cuts already made would not be enough. Commissioner Harrington asked if Mr. Borrer had any sense about what the Town's shortfall would be. Mr. Borrer said that currently their sales tax revenue was down about 8%, and sales tax accounted for about 15% of their General Fund revenues. He said they were by and large relying upon property taxes for their General Fund revenues. Mr. Borrer said with this being a revaluation year it was difficult to project what the revenue would be.

Commissioner Baldwin said then basically Mr. Borrer was saying he did not see any glaring budgetary concerns in regards to this proposed pilot bus program. Mr. Borrer replied that was correct, reiterating that they did have the Fund Balance to support that program.

Mr. Terry said if the Town used the same 5% shortfall that Orange County experienced, it would not be measured in millions of dollars; it would be about \$150,000. He said the good news was with the large Fund Balance they currently had that amount could be absorbed. Mr. Terry said he would soon be bringing the Board a report that would give them a better picture of how revenues were performing this year as compared to expenses. He said he had seen nothing as yet that was particularly alarming or that had thrown up any red flags for the remainder of this fiscal year.

Mr. Borrer added that the Fund Balance ratio was one of the things that the Local Government Commission looked at for borrowing, and another was the collection rate of property taxes. He said the Town's collection rate was over 98%, which was very strong.

Commissioner Walker read an excerpt from the resignation letter of Laura Blackman, the Orange County Manager, who had resigned this morning. He read: "Dear Employees, I know you understand how a difficult year this will be for the budget....The real problem for the coming year is that most of our revenue sources are declining...The State is beginning to withhold revenue from us because of its budget shortfalls...Things are not looking good for the County or the two school systems which had already been told they too will see a decrease in funds next year...The budget office has estimated the shortfall to be about \$8 million...This will be difficult to absorb without cutting services or staff...The department directors have submitted their budgets with a 10% reduction in operating line items...I'm hoping this 10% cut will be enough given the shortfall we are expecting in revenues...I think the bottom line would be for us to

reduce, eliminate, or delay those services that were important but not as critical as our core services.”

Commissioner Walker said it had been pointed out that the Town had a healthy Fund Balance when looked at as a percentage of the budget, but his main concern was how they spent money. He asked Mr. Borrer was it possible that they would have a 10% shortfall in fiscal year 2008-2009. Mr. Borrer stated that was hard to answer, but yes, it was possible.

Commissioner Walker said the Governor had already said that local governments should reduce their budgets by 9%, and Ms. Blackman was saying 10%, for next year. He asked were they going to have to do the same thing. Mr. Borrer said again, that was very difficult to say. He said they were in a revaluation year and they did not yet know what the Board would set as the tax rate. Mr. Borrer said a month from now it would be easier to answer that question.

Commissioner Walker said but that could be a reality. Mr. Borrer said it could be. Commissioner Walker said the shortfall for this year and next year could be 20%, and the only way to make that up would be to dig into their Fund Balance which would be about \$480,000. He said he was not against public transportation and believed if this program had been offered five years ago when the economy was strong it would have been implemented. Commissioner Walker said he had major concerns at this point about funding anything that was not a core service, and did not believe they were far enough into the budget process to know where they stood or what monies they could spend outside and beyond the core services provided today. He said he could not sleep at night if they had to lay even one employee off because of budget shortfalls or budget cuts because they had funded the bus service.

Commissioner Walker said he would be voting against providing the service because there was too much uncertainty with the economy and the potential for shortfalls. He said until he knew with certainty that there would be absolutely no job loss and no tax increase, he could not support the service.

Mayor Voller said that Commissioner Walker’s comments were very well taken, and understood that he wanted to err on the side of caution. He said he had similar concerns, and had done some research to see how Pittsboro compared to similar-sized communities across the State that provided similar services. Mayor Voller said it turned out that Pittsboro was one of the few municipalities in that range that had enough money in its Fund Balance that it could operate for 700 days even if no additional funds were collected. He said that meant that in the worst case scenario and it was dooms day, they could operate for 700 days with that they now had in Fund Balance.

Mayor Voller said he wanted to reiterate to the Board that it had been established that service to Pittsboro was supported by Chatham County, Chapel Hill Transit, the Chatham-Orange Sierra Club, the Triangle Area Rural Planning Organization, the Metropolitan Planning Organization, the Triangle Planning Organization, the NCDOT, the Chatham County Economic Development Corporation, the Chatham Transportation Network, and many citizens and businesses who had sent in dozens of letters and emails. He said he had spent some time going around Town asking

people if they were in favor of the bus service with a 70/30 or 75/25 split, and had gotten over 84 signatures from people expressing support.

Mayor Voller said he also knew that the developers of Powell Place were interested in the service, and Mr. Terry had been contacted by some realtors. Mr. Terry said he had received a couple of phone calls from real estate offices and they indicated they were receiving questions from homebuyers about public transportation, and one realtor had indicated she believed she had lost some sales because there was no public transportation in Pittsboro.

Mayor Voller said then logically the two identified sites on 15-501 would have the biggest bang, and if more property was sold and more homes built, it would generate more revenue for the Town. He said that the developer of Bellemont Station was present tonight, and believed he was in favor of the service as well. Mr. Spoon stated yes, that it would be a benefit.

Mayor Voller said he knew that the participants of "Reality Check," which included 300 business leaders and elected officials in the Triangle, had included public transit between Pittsboro and Chapel Hill in every one of their 40 different planning exercises. He said he had recently attended a forum where former Governor Hunt had implored the legislators to invest in transit and in rail.

Mayor Voller said the proposed service was a pilot, just like other pilots the Town had undertaken such as the wastewater project, and sometimes they did not go as planned and were cancelled. But, he said, sometimes they would become big successes, and this was their chance to do a pilot that had the potential to become a big success.

Mayor Voller said he had tried to put the program into perspective, so had asked staff how many parcels were in Pittsboro, which was 2060, and of that there were 157 exempt properties which left 1,903 parcels that could be taxed. He said if you looked at this as tax per parcel and not factoring in the value of the parcels, the cost per parcel would be about 5.2 cents per day, or \$1.57 per month, which was less than the cost of a cup of coffee. Mayor Voller said when viewed in that manner, the cost was minimal.

Mayor Voller said he looked at this program as an investment for the Town and something that would pay off. He said if one business developed because of the service, then they would be running ahead. Mayor Voller said in the meantime, they would be providing a service for citizens of Pittsboro and Chatham County. He said he had talked to someone from the Council on Aging who had indicated they had about ten interns from UNC who would ride the service every day. Mayor Voller said that officials in Moore County and Lee County also wanted Pittsboro to get the service, because they could not get a bus to come to them unless it also came to Pittsboro, adding that Siler City had indicated the same.

Mayor Voller implored the Board to engage in the pilot, monitor it closely, and do something for the citizens and the business community that would put Pittsboro on the map. He said the thing to do was to say yes.

John Stevens said that Pittsboro's 90-day termination cost would be \$10,000 at \$3,300 per month.

Mayor Voller said that Mr. Stevens was correct, but believed the Town could probably go back to the County and counter with a lesser figure at \$3,000 or perhaps even \$2,500 per month and get the approval.

Commissioner Walker said he was not against the program, only that the timing was not right.

Commissioner Harrington said the Mayor had done a very good job of selling the program, and asked if he had a sense of when he would need to come back with a recommendation to pull the plug and invoke the 90 day termination.

Mayor Voller said the only way he would make such a recommendation would be after they got the service running and they were in fiscal year of 2009-2010, which was the risk factor that Commissioner Walker had referred to. He said they were near the end of the current fiscal year and funds were available, and if the service began in April or May they were only talking about a couple of months.

Commissioner Harrington said but at what point would he say that the ridership was not worth it.

Commissioner Baldwin said she believed that someone would be continuously monitoring that in that first 60 to 90 day period. Mr. Terry said they would have ridership counts that could be provided to the Board so that they could consider termination if they believed it necessary.

Mayor Voller said that once the bus stops were established and they were at least 120 days into the program, then that would tell them whether or not the service was successful. He said one of the reasons the County wanted participation by the Town was to show a unified front, with the idea that if the Town were not participating then the service would fail because it would appear they were not working together. Mayor Voller said he believed if the service were established as a unified front it had a much better chance of succeeding. He said the financial risk for this year was fairly negligible, and once they got into the next fiscal year they would know what the tax collections were and what the ridership was.

Commissioner Bryan asked what type of timetable they could be assured of and what could they perhaps get the County to contribute.

Mayor Voller said initially it was \$3,300 which he had believed they could not accept, and after talks with the County he had suggested a 75/25 split and believed the County would agree to that, noting he had been able to obtain a "gentleman's agreement."

Commissioner Brooks said he believed that very few people in the country did not see a need for mass transportation, and there was much to be said in favor of it. But, he said, he had heard ever since he had been on the Board that they had to build up their reserves, which they had done, but it had been a long, hard, and tedious effort. Commissioner Brooks said one thing he had not heard mentioned tonight was that regardless of what happened regarding wastewater, the State

was not going to allow the Town to continue to operate the water plant as they had done in the past. He said the rules were getting tighter, and a nationally-recognized expert had told them that even if they went to the ammonia system it may not solve the problems. Commissioner Brooks said he believed they needed to hold tight to every dollar they could because he believed they would eventually need to put it into some type of system to provide water to the community. He said he believed they would have to invest more than they had anticipated, and they did not even know if the State would accept what they were proposing at the wastewater treatment plant. Commissioner Brooks said every dollar they had in reserves may already be committed to providing water and wastewater, and they needed to hold on to it. He said he was not opposed to having a transit system, but they needed to hold on to their reserves.

Mayor Voller said he had spoken to the Town's auditor about that, and she had indicated she believed the transit program was a safe investment. He said they had two funds, one being an Enterprise fund, which was different from the fund they were talking about. Mr. Terry said it was correct that the two funds were separate, but Commissioner Brooks' comments were still valid in that if the Enterprise Fund got in trouble, the Town may be forced to use General Fund money.

Mayor Voller said perhaps, but did he really think for 5 cents a day and based on what they would get out of the service that they were going to go broke.

Commissioner Brooks said he did not think they would go broke, but there were other considerations.

Mayor Voller said even if they did the pilot program for six months, the cost would be minimal. He said those funds were not invested back in an effort to increase the tax base, but the transit program would be. He said if Mr. Spoon or Mr. Perry were able to sell more property then that would generate a larger tax base.

Commissioner Brooks said that was true, but it did not solve the water and wastewater problems.

Mayor Voller said they were in the best scenario they had ever been in with the water and sewer fund because of the stimulus money that was available. He said he understood the trepidation that some may not want to spend the money in these hard economic times, but on the other hand if they were able to provide a service that enhanced the ability to increase the tax base, then he was in favor of it. Mayor Voller said he did not believe it was very difficult to make such a small investment for such a large potential payoff. He said he would like to prevail upon the wisdom of this collective body to look at the program as an investment that had a way out if it proved not to be successful. Mayor Voller said they had the opportunity to provide a much needed and potentially great service and it was a clear investment in the future of the Town, just as much as water and sewer was an investment.

Commissioner Baldwin moved to approve the agreement between Chatham County, the Town of Pittsboro, and Chapel Hill Transit establishing bus service between Chatham County and Chapel Hill, with the stipulation that the Town Manager would go back to the County and renegotiate and reduce the amount the Town was to contribute to the program.

Mr. Terry asked if the Board wanted to negotiate for a 75/25 split. Commissioner Baldwin suggested negotiating for an 80/20 split, and amended her motion to include that figure.

Commissioner Harrington said that would be a full commitment of \$36,000 for an 18-month period, or \$2,000 per month.

The motion was seconded by Commissioner Harrington.

Commissioner Walker said he would be voting no, and the only way he would support it was if they were to delay it until they could look at the overall budget and at that time he would like to see no tax increase, no layoffs, and using no more than \$120,000 in reserves.

Mayor Voller stated he wanted the Board to think very hard about the program, particularly since the cost would be even less if the County agreed to the 80/20 split.

Commissioner Baldwin said she understood Commissioner Brooks' comments, but believed the transit service would help the Town and the citizens throughout the County and perhaps other counties as well in terms of allowing them to commute. She said she was certainly concerned about budgetary issues, but still believed the program would be a good thing for the Town to participate in.

Commissioner Brooks agreed it would be a good thing for Pittsboro for the reasons stated by Commissioner Baldwin. But, he said, like Commissioner Walker he would need to see some figures regarding the upcoming budget before he was willing to support the motion.

Mayor Voller called for the vote.

Vote Aye-2 (Harrington/Baldwin) Nay-3 (Bryan/Brooks/Walker)

Mayor Voller indicated that the motion had failed by a vote of 2 to 3.

Upon a motion by Commissioner Walker seconded by Commissioner Bryan the Board moved to look at this program in regards to the overall budget, with no tax increase, no layoffs, and using no more than \$120,000 in Fund Balance for the fiscal year 2009-2010.

Vote Aye-5 Nay-0

Mayor Voller stated that the first motion had failed, but the second motion had been approved to delay consideration until the overall budget numbers were known. He said the question was whether they could keep the program alive until that time came. Mr. Terry noted that would mean the service would not begin until after the beginning of the new fiscal year, but the budget would be approved prior to July 1 so they would possibly know in late May or early June whether or not it was a budget item that would survive the process. He asked Mr. Litchfield to convey to the grant authority that they were working towards an August 1 start-up, and if they would be willing to hold the grant funds available until that time.

Mayor Voller asked if given the economic times, was it possible that perhaps there would be some understanding on the grant authority's part that they understood the Town's concerns and hold the grant funds for just a few months. Mr. Litchfield said he would make every effort to make that happen. He suggested that it would help if the Mayor or the Manager could provide a letter to the DOT that said the program was something they would be seriously considering at that point in time, and lay out the reasons as discussed tonight. He said he would also like to continue discussions to determine park and ride locations and other issues so that when they did come to June or July and the Board decided to go forward with the program, then they would be in a position to begin the service immediately.

Mayor Voller said by all means continue to move forward, and he and Mr. Terry could provide a communication that stated the Board's motion. The Board agreed by consensus to allow the Mayor and Manager to provide that information to DOT via a letter.

2. Hydrostructures Report on the Hydraulic Evaluation of the Downtown/Courthouse Area. (Jay Johnston, PE)

Jay Johnston, with Hydrostructures, provided a report on the hydraulic evaluation of the downtown and courthouse area just south of the traffic circle and just adjacent to the existing facilities on the traffic circle. He said measurements had shown depressed fire suppression flows. He said he had consulted with the Fire Department, who did hydrant flow testing all over Town every few years and had good data, and he had plugged their numbers into the Town's hydraulic model of the system which he managed, and the yellow blocks on the chart represented areas where the pressure under fire demands was low. Mr. Johnston said that meant that if you opened up a hydrant the residual pressure nearby was very depressed, meaning below the 20 psi prescribed by the State and which was below Code. He said that depressed flow affected the ability to fight a fire.

Mr. Johnston said there were two isolated and distinct areas of low pressure. He said they had submitted a memorandum to the Board explaining that, and concurrently and only by coincidence they had submitted to the Public Water Supply an application for some projects under the stimulus program and had included the findings of this study. Mr. Johnston said one of those findings concerned the water main on West Chatham Street which would connect to a large diameter water main that ran through the left side of the downtown and would then connect back to the center part of Town. He pointed out a red water main that would connect the Potterstone water main to a system of large water mains in another area near Al's Restaurant.

Mr. Johnston said another aspect of the project was to go to about 10 locations at key intersections noted on the smaller map that needed to be dug up and try to determine why the system was not responding in real life the way it did in the model. He said the model system ran well, but it was likely because of the assumption of connectivity which may not really be present. Mr. Johnston said the last mystery to solve was the target area that had brought up the need for this study, the area just south of the traffic circle, which was only about 2,000 feet from the Horton tank and should not be pressure depressed. But, he said, through a variety of staff interviews and old as-built drawings, there was an area between the creek and the school that had

several appurtenances in the water system that prevented flow from Horton back to the north. Mr. Johnson said the Horton tank did not feed the traffic circle.

Mr. Johnston stated that his memo suggested that if he could not solve the pressure problem with connectivity, then they could reverse the situation by having the Horton tank feed the traffic circle. He said if they did that, there were some concerns that would need to be addressed. Mr. Johnston said he believed at some point that demand on the Horton tank had been drawn down so that the tank could be dedicated to Townsend.

Mayor Voller said there also used to be valves that were closed or half-closed in the system as well, and that might contribute to that. Mr. Johnston said there were some valves that were intentionally closed, one in the creek under the bridge, and two check valves in the main lines. He said he had proposed those projects in the public works stimulus applications along with a proposal to replace what was left of the asbestos cement line in the transmission main which was still 10-inch pipe.

Commissioner Walker asked about the red line coming down Hillsborough Street, and asked if that had a direct impact on the lack of fire pressure. Mr. Johnston replied no, that they were two separate issues. Commissioner Walker said whether they got stimulus funding for those projects or not, would he say that they were projects that must be done in order to meet the Fire Code. Mr. Johnston replied absolutely, noting it had been an issue for the Town since the first model had been done. Commissioner Walker said looking at the yellow areas, could he give the Board an idea of what the cost might be assuming they got no stimulus funding. Mr. Johnston responded in paragraph 3.2 of his memo, his estimate was noted at \$90,000 which included construction estimates, contingency, planning, design, and inspection. He pointed out Salisbury Street, which was addressed under paragraph 3.3. Commissioner Walker asked if what was noted in paragraph 3.3 would help address the fire pressure issue. Mr. Johnston replied no, and he would explain later once he went through the memo. Mr. Johnston said paragraph 3.4 was a key feature that would address solving the downtown fire pressures, along with 3.2.

Mayor Voller said all of that would be fed off the Horton tank. Mr. Johnston said actually it would be fed off of the million gallon tank, noting that putting in the blue line noted on the map would provide better hydraulic connectivity between the million gallon tank and the Horton tank.

Commissioner Walker said that would cost \$357,000 if they did not receive the stimulus funding, which was a surprise to the Board and yet another reason to be frugal with the Town's money. Commissioner Walker said they had two sewer plant operations going on, they were undertaking a water plant, and now there was a \$357,000 expenditure that they had not previously known about. He said there was also the issue of the Credle Street basin that had been submitted for stimulus funding, and all of that went back to why he had voted no to the bus program. Commissioner Walker said these issues were much more important to him than a bus system, and if they started raiding funds on the water/sewer side which was more crucial than a bus service, they would likely have to raid the General Fund side as well. He said he wanted the Board members to remember that.

Mr. Johnston pointed out a parcel that was proposed to be developed, noting that at present it did pass Code, but there was another burgeoning area in the same general area and if more demand was added that area would no longer meet Code. He said at present, the system could not feed that entire area.

Commissioner Walker stated the only thing going before his eyes were dollar signs, dollar signs, dollar signs. Ricky Spoon commented that new taxpayers would be in that area. Commissioner Walker said possibly there would be new customers.

Mr. Johnston said the new project proposed took major strides in resolving the issue and may resolve it outright. Referring to paragraph 3.2, he said the first thing would be to dig up those ten locations and see if there was lack of connectivity where there was supposed to be connectivity. Mr. Johnston said if they made that connectivity, they could solve a lot of the problems.

Mayor Voller asked had they ever done an exit interview with the elderly Public Works gentleman that had been with the Town just before they had started Chatham Forest. He said purportedly that gentleman had some knowledge of things that were never on the books. Commissioner Brooks agreed that he certainly should. Mr. Johnston stated he had never met the gentleman although he had heard about him.

Mayor Voller suggested they try to contact him and find out if there was any additional information he could provide. Mr. Terry stated it was a good idea, but that Mr. Johnston would still need to dig the holes to verify what was underground. Mayor Voller said he did not disagree with that, but the more evidence they had the better.

Mr. Johnston said he looked forward to digging those places up so that he would know once and for all exactly what was underground.

Mayor Voller said if he was to replace that asbestos line going all the way up to the million gallon tank, would he just put in a parallel line and leave the original line in place but discontinue using it. Mr. Johnston stated that was what had been done with the last piece that ran from Tank Road up to Lowe's, noting it was parallel to the 16-inch ductile.

Commissioner Walker said he assumed the Mayor was suggesting that because the cost would be less than digging up the other pipe. Mr. Johnston said that was correct, noting they would simply bypass the original line.

Mayor Voller asked where the PRV was in Chatham Forest, and was it balanced to not flow further. Mr. Johnston stated it would flow, but it would not provide supporting pressure. Mayor Voller said if you opened it up, it would be too much pressure. Mr. Johnston said it would be too much flow for just one pipe, and the tank would be out of water in a few hours. Mayor Voller said it seemed to him it was clear that they had to have some alternative to that line. Mr. Johnston said it had been discussed many times to come off of Russell's Chapel Road and then come down Old 87.

Commissioner Walker said they had tried in the past to negotiate that route to take it from Russell's Chapel down to about the 64 Bypass which would have been at no cost to the Town, but obviously that project was in limbo at this point in time. Ricky Spoon stated the issue was that the landowner had said no. Commissioner Walker said then if the Town had to do it, they were looking at an even greater expense.

Commissioner Harrington said looking at where the courthouse was now located, could they permit to build the courthouse. Mr. Johnston said from a public water supply perspective, yes, but he did not think it could pass all the requirements of the Building Code. He said that Pittsboro could give permission to do the project, but it could be a question of whether their insurance auditors would say they could not insure the building because it did not have fire protection.

Commissioner Walker said he assumed they were going to have to have fire sprinkler protection in the new building under the present Code, so without that pressure they could not do it.

Mayor Voller said it would seem that they should try to partner with the County because they were the ones that were affected. Mr. Johnston said he believed they had asked for the County's participation in the past.

Mr. Terry stated that at this point the report was more for the Board's information, noting these were projects that were related to the public water supply. He said as well, he was working on the Capital Projects budget for the upcoming budget cycle, and all the projects discussed tonight would be included in that. Mr. Terry said the message here was that they hoped to get funding through the stimulus package, but if they did not then they would likely see in the upcoming budget some plan to get the work done during the 2009-2010 budget year with or without that stimulus funding.

Commissioner Harrington asked did he have any sense when they would decide on the stimulus funding. Mr. Terry said his guess was that it would not be soon.

Mr. Johnston stated he had visited their Website today and the deadline for final submissions of application packets was March 31, and it had indicated that a list would be generated of priority awardees in April.

Mayor Voller said he would imagine that this could be a priority award considering the amount of infrastructure. He said there was about \$40 million in buildings scheduled to be built that would be affected, and he believed that was a very good argument. Mr. Johnston said the term "shovel ready" would play a big part, which meant there was an authorization to construct, which in turn meant that plans had been drawn and approved and all permits received, but they did not have that for those projects.

Mayor Voller asked what it would take to get something engineered so that it could be hand carried to the Speaker of the House to be expedited. Mr. Johnston stated that might help, noting there was a priority review for every project submitted with stimulus funding written on it, noting it was fast tracked for engineering and review. Mayor Voller said then if the Board

authorized it they could hand deliver it to the State. He said as long as Mr. Johnston could provide him some plans that could be submitted to the water section at the same time that had a good chance of being approved, and then he was willing to sit down with Speaker Hackney.

Commissioner Brooks asked under the current pressure, could Horton school be adversely affected. Mr. Johnston said that Horton School had a very good flow because it was well connected to the Horton tank. He said that Northwood was in a fire suppressed area, and some other projects that were proposed would help that.

Mayor Voller said he would imagine that they needed to get some plans together with all due haste. Mr. Terry stated to do that would require a budget amendment, noting there was no money in the budget to do the design work. He said he could have a budget amendment and a budget ready for the next meeting that would allow Mr. Johnston to do that design work. Mayor Voller said it would have to be done now or later, and if they had a chance at getting the stimulus money then now was the time, particularly if you could make the case that you could not fight a fire in the courthouse. He said that alone would justify moving mountains to get the project done.

Commissioner Baldwin asked what Mr. Terry needed from the Board. Mr. Terry said if the Board wanted him to bring forward a budget amendment at the next meeting to create a budget to begin the design work, then he would need them to provide that direction.

Commissioner Brooks asked that he please notify the County of that situation and suggest that since they would be the major beneficiaries then the Town would appreciate their help in getting that project through.

Mayor Voller asked was there anything that Mr. Johnston needed to get started. Mr. Johnston said if Mr. Terry directed him to get started tomorrow, he would do so.

The Board agreed by consensus to direct Mr. Terry to direct Mr. Johnston to begin the design work now, and to direct Mr. Terry to bring back a budget amendment for the work at the next meeting.

3. Delegation of Authority to Administer Grant Funds and Construction Documents for the 3M Reclaimed Water Project.

Upon a motion by Commissioner Brooks seconded by Commissioner Baldwin the Board moved to approve the resolution delegating authority to administer grant funds and construction documents for the 3M Reclaimed Water Project.

Vote Aye-5 Nay-0

A RESOLUTION DELEGATING AUTHORITY TO ADMINISTER GRANT FUNDS AND CONSTRUCTION DOCUMENT FOR THE 3M RECLAIMED WATER PROJECT IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGE

Mayor Updates

Mayor Voller stated that tomorrow the EDC would make a presentation at a meeting at the Governor's Club. He said that there would be a presentation from the Solid Waste Advisory Board in April to the Board regarding a landfill. Mayor Voller said that the Pittsboro Merchants Association was moving forward with the signs.

Commissioner Concerns

Mayor Voller said he would like the Board to consider approving a motion in support of public transportation if it did not cost the Town anything. He said if the Town had already endorsed the concept, then that would send the message to the County that the Town was serious about providing such a service.

Upon a motion by Commissioner Bryan seconded by Commissioner Baldwin, the Board moved to endorse the concept of the bus pilot program to provide transportation services between Pittsboro and Chapel Hill.

Vote Aye-5 Nay-0

Commissioner Brooks said he was very appreciative of Randall Riggsbee's editorial in last week's newspaper referencing the liquor by the drink referendum to be held in May. He said Mr. Riggsbee had done an excellent job of clarifying the issue.

Commissioner Bryan stated they wanted to be good stewards of the public's dollars, and at the last meeting the Board had voted to replace the Police vehicle which would cost approximately \$28,000. He said it had come to his attention that the Town could purchase a Crown Victoria that had 14,000 miles for about \$14,500. Commissioner Bryan stated that would certainly save the Town some money. Mr. Terry stated he would determine if the new vehicle was already on order. He added they had actually shopped for a used vehicle before bringing the issue before the Board, and the Chief had been told he had to use the money already available. Mr. Terry said they could not find anything that was used that was acceptable and not for the funds on hand, so that was why it had come before the Board.

Mayor Voller stated that Commissioner Bryan was in the auto business, and asked could he locate such a vehicle. Commissioner Bryan stated he had been told they were available, and he would be happy to find out.

Commissioner Bryan said just for community interest he wanted to bring to the Board's attention that the Northwood High School Men's Varsity Basketball Team would be playing in the 2-A State championship game this Saturday at 2:30 at the Dean Dome in Chapel Hill. He stated he did not believe Northwood had ever won a State championship in any category.

The Board agreed by consensus to direct the Town Clerk to prepare a congratulatory resolution for the Northwood basketball team to be considered for adoption at the next meeting.

FYI

1. Hydrostructures Monthly Project Status Report dated February 20, 2009.

MEMORANDUM

To: Town of Pittsboro

From: Hydrostructures, P.A.

Date: February 20, 2009

Subject: Multiple Project Status Report

Chatham Forest Subdivision

- We await a resolution to the additional lots (and associated sewer services) on Park View Drive and the sewer main that were installed without approval of the Town or DWQ authorization.

Chatham County Law Enforcement Center

- The parking expansion and stormwater improvements project has been delayed until Fiscal Year 2009.

Chatham Habitat Home Store Site

- Hydrostructures has been informed by the Town that the owner is waiting for the design of a stormwater BMP (constructed wetland) which is being done by the NCSU Water Quality Group.

Chatham Oak Subdivision

- Water and sewer infrastructure is installed, tested and awaits final approval by the engineer. The road subgrade and stone base is installed and has undergone satisfactory geotechnical testing. The infrastructure portion of this project should be completed by the next issuance of the Monthly Report.

Chatham County Justice Center and Courthouse Area Hydraulics

- Review of the new Chatham County Justice Center continues, particularly with respect to the water system hydraulics in the downtown area. This project sheds light on an ongoing concern with downtown area hydraulics. The engineer and staff are looking closely at this situation and are considering submitting a project to the Drinking Water State Revolving Fund for loan/grant consideration (see below).

Moore's Ridge Subdivision

- The proposed subdivision to the immediate west of the CCCC campus will place a significant demand in the western distribution system, which already has less than ideal hydraulic characteristics, particularly for fire protection. Improvements to the distribution network are required to provide code-worthy hydraulics to the area. These concerns are being bundled into a proposed project to submit to the Drinking Water State Revolving Fund for loan/grant consideration (see below).

Pittsboro Medical Office Park

- We still have not received a revised plan submittal for this project. The primary remaining concern relates to stormwater management and the effect on Sanford Road.

Powell Place Subdivision

- Status is unchanged since last report.

Powell Place Village Center

- Status is unchanged since last report. We are waiting for the engineer's response to our review comments and resubmittal of plans for approval.

3M Reclaimed Water Project

- Bids were received for this project on January 15, 2009 with very good results, all numbers coming in under the engineer's estimates (summaries were previously distributed by the Manager). Administrative procedures are now underway and State approval to award the contracts may be expected by around March 15. Construction would likely begin by April 15, putting construction completion around mid-October, if all things go smoothly.

Stimulus Bill Loans and Grants

- There has been a great deal of communication in the past two weeks regarding loan and grant funding for infrastructure projects. Construction Grants & Loans is instituting a program for sewer projects and Public Water Supply is instituting a program for water projects. The Town of Pittsboro has submitted letters of interest for several projects, of which two appear to be good candidates for funding:

Downtown area hydraulic concerns: A water distribution improvement project that will address low pressure and limited fire flow in the downtown and western distribution areas. This project also may include replacement of the remaining areas of asbestos-cement pipe in the transmission network and addition of a booster pump station to improve service and circulation between the Million Gallon Tank and the Chatham Forest Tank.

Sewer System Rehabilitation: There remains a significant amount of sewer rehabilitation work to be done which were previously identified but not performed due to unavailability of funding. The previous project was funded with a \$200,000 grant from Rural Center and \$200,000 in matching funds from the Town. A significant amount of work was pared out of the project to fit within the available funds. This project perfectly aligns with the funding requirements.

Stormwater Phase 2 Compliance

Hydrostructures has been in communication with the Town Planner regarding Stormwater Phase 2 compliance. The Town will be seeing increasing requirement for program documentation and mapping to comply with this program. We are proposing to provide stormwater system mapping to implement with your existing GIS water and sewer infrastructure mapping.

2. Dee Reid e-mail in support of the Chapel Hill Transit-express Bus service between Chatham County and Chapel Hill.

3. Pittsboro Town Manager's memorandum of February 19, 2008; RE: Nomination of Wastewater System projects for Federal Stimulus Program funding.
4. Pittsboro Town Manager's letter of February 26, 2009; RE: Nomination of Water System projects for Federal Stimulus Program funding.
5. Samir Bahho letter of February 11, 2009; RE: Widening of Highway 15/501 at Springdale Road, Pittsboro, Chatham County.
6. ABC Board Vacancy Notice.

ADJOURN

Motion made by Commissioner Walker seconded by Commissioner Bryan to adjourn the meeting at 10:15 p.m.

Vote Aye-5 Nay-0

Randolph Voller, Mayor

ATTEST:

Alice F. Lloyd, CMC, Town Clerk