

MINUTES
TOWN OF PITTSBORO
BOARD OF COMMISSIONERS
REGULAR MEETING
MONDAY, APRIL 13, 2009
7:00 PM

Mayor Randy Voller called the meeting to order at 7:03 p.m. and called 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, Attorney Paul S. Messick, Jr., Planner David Monroe, Assistant Planner Paul Horne, Finance Director Scott Borrer, Utilities Director John Poteat, and Water Treatment Plant ORC Frank Efird.

APPROVAL OF AGENDA

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

Vote Aye-5 Nay-0

CONSENT AGENDA

The Consent Agenda contains the following items:

1. Approve minutes of the March 23, 2009 regular meeting.
2. Resolution declaring April 2009 as Public Health Month in Pittsboro.
3. Supplemental Agreement – US 64 Corridor Study.

Commissioner Harrington said on page 20 of the minutes, he was noted as saying “that Aqua would be paying the true cost of the water rather than the retail cost, noting the true cost would cover depreciation and everything else.” He said what he had in fact said was “that Aqua would be paying the true cost of the water rather than the retail cost, noting the true cost would not cover depreciation and everything else.”

Commissioner Harrington said on the bottom of page 19, he was noted as saying “that chloramination was one step, and another was ozonation...” and what he had said was “chloramination was one step, and another was the possibility of ozonation...”

Motion made by Commissioner Walker seconded by Commissioner Baldwin to approve the Consent Agenda as amended with corrections to the minutes of March 23, 2009 as stated by Commissioner Harrington.

Vote Aye-5 Nay-0

A RESOLUTION DECLARING APRIL PUBLIC HEALTH MONTH IN THE TOWN OF PITTSBORO IS RECORDED IN THE BOOK OF RESOLUTION NUMBER ONE, PAGE 50

64 CORRIDOR SUPPLEMENTAL AGREEMENT IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGE 51-55

REGULAR MEETING AGENDA

Citizens Matters

There were no citizens who expressed a desire to speak at this time.

OLD BUSINESS

1. Manager's Update on Capital Projects.

Manager Bill Terry provided the following update:

- Disinfection Byproducts Reduction Project – project was near completion with the scope of the work to be completed by the end of this week. Frank Efird had completed his training for staff with respect to the chloramination process. John Poteat had commenced face-to-face visits with their most critical customers most affected by the change, including the Dialysis Center and some medical facilities, grocery stores and the like, and those visits would be completed in the next day or so. Later on the agenda they would be discussing the public notice and the information it contained, adding the transition to chloramination should be made sometime in mid-May. They had concluded their recruitment for a new operator and a good candidate had accepted the Town's offer, adding the new employee held a Bachelor's of Science Degree and had the equivalent of a Class A certification in another State and would need to sit for exams in North Carolina in order to be certified.

Mayor Voller asked would that new employee now allow them to transition to 24/7, 365 operations. Mr. Terry replied that would require one more operator to sit for the exams, and Mr. Efird believed that would occur in May.

Commissioner Harrington asked was it the consensus that they should go to 24/7 before using that more complex chemical mix. Mr. Terry responded that was the consensus.

Mr. Terry continued his update:

- Short-term Wastewater Treatment Plant Improvement Project – work was ongoing and they continued to make progress. They expected to get the 60% submittal in the mail this

week. They were currently on schedule to get the bid documents available by the end of May. He had met last week with members of the USDA Rural Development Office and laid out the project, and they had been very encouraging and gave the impression they were anxious for the Town to submit an application for that project, which they had begun to work on.

- Credle Street Basin, Phases 3 and 4 – that project was shovel ready and was one the projects to be considered for stimulus funding.
- Reclaimed Water System Project – all required documents were now in the hands of the State. They had met with the Vickie McConnell with the County to go over all the paperwork surrounding the grants that would pay for the project, and once a couple of questions were answered by the Grants Administrator at Hobbs and Upchurch they would be ready to award the project.
- Pedestrian Planning Grant – the Pedestrian Plan had been reviewed by the Planning Board, and it would come to the Town Board next month.
- Powell Place Park – construction plans and specifications for that project were at the 60% level now, and they were on schedule to advertise bids in late May or early June.
- Improvements on 15-501 at Springdale – they were working with the Town Attorney and the developer's attorney to refine some of the language in the contract and they were cautiously optimistic that they would reach some agreement so that it could come back to the Town Board, hopefully at its next meeting. The issue that was problematic was language that would have required the Town to pre-approve a Phase 10 in the development, and he had not been prepared to ask the Board to agree to that.
- Downtown Area Water System Improvement Project – new project intended to be done through stimulus funding and it had been submitted by the March 31 deadline, and was now under consideration. The Town Board had given approval for Jay Johnston to proceed with the design work, and later tonight they would consider a budget amendment to put the funding in place to design all five elements of that project.

Mayor Voller asked if the Board had a desire to communicate with the County regarding the Downtown Area Water System Improvement Project, in terms of their possible participation in that. He said his thought was that since the improvements were to the area all around the new courthouse, he was suggesting they talk with the County about some form of partnership especially since the project was being considered for stimulus funding. Mr. Terry stated he would be happy to establish some dialogue with the County.

Commissioner Brooks said that time may be of the essence and suggested they ask for a letter of support from Chatham County.

Mayor Voller stated there was an EDC meeting tomorrow, and if the Board authorized it now he would ask the EDC to issue a letter of support immediately, noting they needed as much support as possible because that was a significant economic development issue for businesses and government buildings in the downtown. Mr. Terry stated the County had asked for a list of the Town's projects and the same had been asked of Siler City and Goldston, and the County had prepared a letter in support of all the possible stimulus projects in the County although he did not know who the letter had been directed to. He stated he would contact County Manager Horne and ask for a copy of the letter.

Mayor Voller stated time was of the essence and he would ask that with all good speed they ask for that support tomorrow. Commissioner Brooks agreed, suggesting that they might want to check with Chief District Judge Joe Buckner and any others that might be appropriate to ask for their support, noting the County could not build that courthouse without the Town's water.

The Board agreed by consensus to work together with the County and any other appropriate persons or groups to seek support for the Downtown water project.

Commissioner Baldwin asked regarding the Disinfection Byproducts Reduction Project, was there any check of the pipes for the schools and was there any effect the change would have on the schools. Mr. Poteat responded not yet, but the school system was on the list for a face-to-face visit.

2. Public Notice Regarding Chloramination and Urban Deer Hunting.

Mr. Terry stated those notices were an important communication going out to the public and had now gone through several iterations, and was being offered to the Board for comment.

Commissioner Walker requested that the Board consider adding the note from Commissioner Brooks included in the packet.

Commissioner Brooks stated including that note would address the school issue, and they also had a lot of older homes and businesses and they wanted to make sure that certain targeted groups understood that they could have a problem and needed to take some precautions. Commissioner Baldwin agreed, noting the comments had been well worded.

Commissioner Harrington stated he had a concern about advising people to change their pipes since that had not been proven to be necessary. Commissioner Brooks stated the replacement of pipes was only a suggestion, one he had taken himself by replacing his own pipes.

Mayor Voller asked if the Town Attorney had any concerns about the wording as far as it being a suggestion. Mr. Messick replied that the notice from the Town Manager's Office was policy and the note from Commissioner Brooks was opinion.

Mayor Voller said he would like to add that people should know that the Town was taking the steps that they could but he did not think anyone believed that this would be the solution for generations to come. He stated they were doing what they could, given the regulatory environment they were in, but at some point there would need to be a new plant.

Commissioner Brooks said that should be included in the notice and that the public should be aware of the cost to the Town to move to this new system. He asked what the initial fine would have been from the State if they did not take action. Mr. Terry responded up to \$40,000.

Motion made by Commissioner Walker seconded by Commissioner Baldwin to approve adding to the public notice on chloramination the note from Commissioner Brooks, the long term goals of the Town Board, as well as the costs associated with switching to the new system.

Commissioner Harrington said he was concerned that the additional note may cause undue alarm, although he would not vote against it.

Vote Aye-5 Nay-0

3. Follow-up Report from the Chatham County Affordable Housing Task Force (Amy Powell, Executive Director, Chatham Habitat for Humanity).

Amy Powell stated she was present tonight to discuss specifically the idea of an Intergovernmental Council, which would be an assembly of elected officials from each participating local government. She said they were looking for feedback on the recommendations in the Report, particularly the one regarding the Intergovernmental Council.

Ms. Powell stated the purpose of the Intergovernmental Council was:

- to serve as a forum for discussion of governmental issues of mutual interest and concern,
- to develop and present policy recommendations concerning matters having area-wide significance which may include affordable housing, traffic, parking and public transit, parks and recreation, water supply, stormwater and wastewater issues,
- to promote governmental cooperation and to encourage ongoing communication and cooperation among the Chatham County governmental units, and
- to serve as a vehicle for distribution of information on matters of area-wide concern.

Ms. Powell said that the Intergovernmental Council would strive to promote consensus and cooperation among its members, and would strive to address County-wide issues in a manner mutually satisfactory to all jurisdictions and would respect the autonomy of all member governments.

Commissioner Walker said in reading over the memo from Attorney Bob Hornik, it mentioned the Orange, Durham, and Alamance Counties, but she was talking specifically about Chatham County governments and not including those other municipal governments. Ms. Powell said that was correct, adding that attorneys in the law school clinic had looked at a model that had been used in Orange County so they were commenting on what had been learned from that model and how that model might be applied in Chatham County.

Commissioner Walker said it appeared that there was minimum interest from the other municipalities according to the memo. Ms. Powell said she believed that kind of forum would serve an interest now in Chatham County. She said there were a number of issues that were coming to the fore that would warrant working together.

Mayor Voller asked if it were her belief that that forum could serve as a conduit for addressing workforce housing issues throughout the County. Ms. Powell replied that was correct, noting it would be very difficult to address issue such as that individually.

Mayor Voller said he had been working with the Affordable Housing Task Force for almost 4 years, and the issue was that if you had market-based solutions to work on workforce housing you could not achieve that without the municipal units, and most specifically Pittsboro, being an element of the equation. He said affordable housing would never be accomplished unless they started the dialogue.

Commissioner Walker said he thought some of that had already been started. Mayor Voller said he was correct, because some of the same people were involved.

Commissioner Harrington said as he understood the memo, that group would be taking recommendations back to the various elected boards, and that group would be getting everyone in the same room to discuss the issues, differences, and common goals and exchange ideas. He stated he believed the Intergovernmental Council was a good idea.

Mayor Voller stated they were already members of the Triangle Area Planning Organization and the TJ COG, but that was part of a 6 county consortium which was good for regional issues. But, he said, they did not have a forum specific to Chatham County so that group would be an advantage.

Commissioner Harrington said a disadvantage would be the amount of overlap of issues with such groups as the EDC. Ms. Powell said she would be meeting with the EDC tomorrow and would discuss that point as well as how to work together on the issues.

Mayor Voller asked Mr. Terry if he felt comfortable bringing back a recommendation to the Board regarding this suggestion. Mr. Terry said as mentioned they already had several forums where similar issues were discussed, noting that the EDC was striving for quarterly meetings with all the elected boards in the County, and there was an informal group of mayors and managers that met with County Manager Horne and County Commissioner Chair Lucier on a regular basis. Mr. Terry said the next step perhaps would be that at one of those meetings that this issue be raised, and then come back with ideas of how they might move forward.

The Board agreed by consensus to authorize Mr. Terry to gather additional information and come back to the Board at a later date with a recommendation.

4. Town Park at Powell Place-site plan review.

Planner David Monroe said that the Planning Board had reviewed the site plan at its last meeting and discussed the various design elements involved. He said after the discussion concluded the Planning Board had recommended approval of the site plan.

Mayor Voller asked when the residents of Powell Place and Pittsboro could expect a park on this site. Assistant Planner Paul Horne responded he would guess that to be about a year barring any lag time.

Motion made by Commissioner Walker seconded by Commissioner Baldwin to approve the Powell Place site plan as presented.

Vote Aye-5 Nay-0

5. Third Quarter Financial Report.

Mr. Terry thanked Mr. Borrer for his good work on the financial report, noting that the Board would see that the Town was in good financial condition compared to some of their larger neighbors. He stated the report included a section regarding the possible Chapel Hill-Pittsboro bus service, and because they had sufficient surpluses it was his recommendation that they proceed with that service either this year or next fiscal year.

Commissioner Brooks said before they begin discussion of the report he wanted to say that the report was well done and they had worked long and hard to save money and build up some reserves. But, he said, today he had received a flyer from the League of Municipalities that contained a map of the area which indicated that the sales taxes the Town would receive from the State was predicted to be down 10% from the previous year. Commissioner Brooks said it was shocking to him to hear on an economic report over the weekend that for the first time in the history of the United States, Moody's who was the leading agency for the rating of municipal bonds gave all municipalities in the entire country a negative rating. He said in other words Moody's believed municipal bonds to be a negative investment. Commissioner Brooks said his point was that even though they had reserves they could be wiped out quickly. Commissioner Brooks stated they needed to be very cautious about how they spent money.

Mayor Voller said he appreciated Commissioner Brooks' comments and agreed they should be wise and good stewards of taxpayers' money.

Finance Director Scott Borrer stated he had lived in several states and North Carolina was the first state he had come across that had a level of government such as the LGC in place to insure that municipalities did not have the types of issues come up where it would cause a negative bond rating. He stated the State as a whole was fiscally conservative and they did have those checks in place to prevent catastrophic events from occurring such as what had been seen in California and elsewhere.

Mr. Borrer provided the following highlights from the Third Quarter Financial Report:

- The report reflected the actual receipt of revenues and the actual expenditures for the period and year-to-date.
- Bottom of page 3 reflected the overall status of both the General Fund and the Water and Sewer Fund.
- Page 4 provided specific information broken down into categories for the General Fund and the Water/Sewer Fund, including the collection rate and actual revenues received in relation to budgeted revenues.
- The report attempted to reflect the impact of the current economy on the Town's operations, and one way to do that would be to look at sales tax revenues compared to prior years. At the end of the third quarter the Town had received 65% of its budgeted sales tax year-to-date, and had experienced a 5% decrease in collections compared to the

same period last year. Based on April collections, they were now down about 6.4%. In terms of real dollars, that amounted to about \$20,000.

- Page 5 reflected the expenses in the General Fund, noting that at the end of the period they had expended 67% of the budget.
- In the Water and Sewer Fund, they had collected only 54% of the budgeted revenues.

Commissioner Walker asked how gallons of sewage outpaced gallons of water savings. Mr. Borrer stated the number of gallons billed for sewage was based on the water bills, and they had a number of water customers that were not sewer customers. He said for subsequent reports he would break the figures out so that it was more understandable.

Mr. Borrer continued his presentation:

- Regarding capital spending, they had not yet paid all debt payments for the year so the transfer of funds had not yet been shown.
- At the bottom of page 7 was detail regarding recommendations Mr. Terry had made in his memorandum to the Board.
- Comments were also offered regarding the quarterly report itself and the condition of the Town's finances.

Commissioner Harrington stated that was a well-prepared report and very informative. He asked had he understood Mr. Borrer to say that sales taxes were down 6.5%. Mr. Borrer stated for the month of April thus far, which was not reflected in the third quarter report, sales tax collections were running about 6.4% below the same period last year.

Commissioner Harrington commented on how the month-to-month comparisons were helpful, but wondered why they were so different. Mr. Borrer responded that month-to-month comparisons fluctuated for a couple of reasons, one of which was that they may have a major vendor who could affect the sales tax figures if they were early or late in turning in reports. He said generally speaking they could be down 3, 4, or 5% one month and the next month they could be above what they collected last year for the same period. Mr. Borrer clarified that the report showed the actual amounts collected, noting that the County was down only about 2% but the Town was down about 6% and he was not entirely sure why that was the case. He said his guess was that the amount of retail that had come into being over the last year had had an effect on those numbers. Mr. Borrer said he had found it interesting that the League of Municipalities had predicted an overall 10% decrease in sales tax revenues for the County as a whole yet they were experiencing only a 6% decrease.

Commissioner Harrington asked, regarding water and sewer, if there was any sense of where they would be by the end of the fiscal year. Mr. Borrer stated revenues on a month-to-month basis had increased but were offset by gallons used so it would be interesting to see how that all played out, but he could not make a prediction.

Mr. Terry stated at the present time they were consistently collecting every month more in dollars than they had in comparison to the same months in previous years. So, he said, the mid-year adjustment in rates was allowing them to realize the revenues they had wanted to on the gallons they were selling. He stated he had been perplexed as to why they were not rebounding

faster, and Mr. Borrer had pointed out to him that the gallons used was the phenomenon that had come out of conservation during the recent drought when behaviors had changed in regard to the use of water, and those behaviors had been continued after the drought had ended. Mr. Terry said another factor was that there were businesses that were no longer customers, and all of those factors together had caused a decline in gallons sold. He said they would likely not reach their revenue projections, noting he believed they would be about \$80,000 short on the year. But, he added, until they got further into the spring and saw what the usage was it would be a hard number to nail down.

Mayor Voller asked Mr. Terry how he proposed that they move forward regarding the recommendations, specifically the items noted on the Commissioner's list and the pursuit of a mechanic. Mr. Terry replied that he believed it was a consensus of the Board to recruit a mechanic if it was affordable, and it was his judgment that they could afford it. He said that even though their revenues were down, expenditures were down as well due to their conservative stance so there was some offset there. Mr. Terry said along with the rate adjustment he believed that position would be possible, noting that if the Board allowed recruitment to begin immediately it would likely be late May before someone was hired, so only a couple of thousands dollars designated in the current year budget would need to be expended and the remaining funds could be designated to support the position in the upcoming year.

Mr. Terry said based on the numbers they were seeing and based on the report they had received from the Rural Water Center, he believed they would be bringing the Board in the budget a recommendation for another adjustment in fees, expected to be a minor adjustment only.

Commissioner Brooks stated they needed to move forward with hiring that mechanic as soon as possible, noting that the Wastewater Treatment Plant was in need of that position to improve operations and reduce costs.

Commissioner Brooks moved to authorize the Manager to advertise and recruit for the mechanic position for the Water and Wastewater Treatment Plants.

Commissioner Brooks asked Mr. Poteat if it was true that that position would almost pay for itself due to savings, and could he provide an example of that. Mr. Poteat stated one example was repair to one of the pump stations which had saved between \$2,500 and \$3,000.

Commissioner Harrington said he supposed the mechanic would need to have a truck. Mr. Terry said that position would be moving around quite a bit and would also be moving between the Water Plant and the Wastewater Treatment Plant and would need to carry his tools with him.

Commissioner Bryan seconded the motion.

Commissioner Walker said he wanted to make sure they were proceeding with the mechanic's position as well as Items A – B under #3, which included checking valves on fire hydrants among others, at an estimated cost of \$79,200 to the current budget.

Mayor Voller asked Commissioner Brooks if he was willing to amend his motion to include Items A – B under #3.

Commissioner Brooks agreed to the amendment to his motion, noting that was the cost of doing business. Mr. Terry said he was recommending items A and B now because he believed it was a mistake to have put those small items in the capital budget and they should have been in the departmental supply line item accounts. He said the Powell Bill pavement breaker did not come from the Enterprise Fund, and Mr. Poteat had made a good argument that it was an important tool for a more efficient operation. Mr. Terry said the next few items were items that should not have been in the capital budget but should have been in Utilities maintenance and repair line items. He said as far as capital equipment, he was recommending only the replacement of some trucks in next year's budget.

Commissioner Baldwin asked about the salary of the mechanic's position. Mr. Terry stated it would come from the Public Utility Maintenance Division, which was the Water and Sewer Fund and not the General Fund, and supported by water and sewer fees.

Commissioner Walker asked if the salary for the mechanic could be split between the General Fund and the Enterprise Fund. Mr. Terry replied that would be counter to the direction they had been moving, noting the Enterprise Fund was paying fees to the General Fund to account for time spent on project management, financial management and human resources by the Manager, the Finance Director and the Town Clerk. He said the Board certainly had the authority to subsidize the General Fund from an Enterprise Fund contribution.

Mayor Voller suggested that could be an item that could be decided on later, and asked if he wanted that to be noted during budget deliberations. Commissioner Walker replied yes.

Mayor Voller called for the vote.

Vote Aye-5 Nay-0

Mayor Voller said on page 1 Mr. Terry had noted there was a surplus in the Administration Department for the current year. Mr. Terry stated \$40,000 had been budgeted for computer equipment, and after some conservative shopping they had a surplus of \$24,000. He said should the Board decide to proceed with the transit service it would take Chapel Hill Transit a month to six weeks to get that operation up and running, so what that service would cost until the end of the fiscal year could certainly be absorbed out of the current year's budget using those surplus funds if the Board chose to do so. Mr. Terry said the other option would be to wait and include it as a budget item in the next fiscal year's budget under Contract Services through the Administration Department with the \$24,000 surplus from the current year placed into that line item for the upcoming fiscal year. He said that would still allow him to return to the Board a recommended Administration Department budget for the upcoming fiscal year that was less than the current year because that \$40,000 for computer equipment would not be included.

Commissioner Harrington stated he believed when they had last discussed the transit service the Board had agreed to bring it back up during budget deliberations. Mr. Terry stated they would

bring the Board a base budget that did not include transit, with transit included on the “Add” list for consideration. Commissioner Harrington stated he would prefer to proceed in that manner.

Mayor Voller said what Mr. Terry was suggesting would cost only a couple of thousand dollars this year and it would not overburden the Administration budget for next year because the computer equipment would no longer be there. He said that Commissioner Walker had wisely indicated that he did not want to have to transfer General Fund money to balance the base budget. Mr. Terry said they were not yet ready to bring forward next year’s budget as yet, but there was a high probability that there would be a contribution from Fund Balance to balance next year’s budget. He said as to what that amount would be they could not say at this point, so he could not really answer Commissioner Walker’s concern as yet.

Mayor Voller said if the Board did agree to the transit service, they could still get out of that agreement if they found it necessary. Mr. Terry said that was correct, noting they only had to provide a 90-day notice. Mayor Voller said he would state to the Board once again that they would not be committing to a budget that was beyond that figure of \$79,200 just approved for the new position.

Commissioner Walker stated that topic had not been on the agenda for discussion tonight, and suggested they move on to the next item on the agenda.

Mayor Voller stated he respected that, but that those issues had been mentioned in the Third Quarterly Report and that was why the topic had come up.

6. Pittsboro Downtown Area Water System Improvement Project.

Mr. Terry said that item had been summarized during the update on Capital Projects, noting that pressure issues related to the downtown water supply system had prompted the project. He stated they were pursuing federal stimulus funding for that project and the Town Board had given approval for Jay Johnston to proceed with the design work. Mr. Terry said he was recommending that the Board adopt a budget amendment to put the funding in place for the design work on that project.

Mayor Voller said the overall project cost was about \$1.3 million, and that 20% for design and administration was too high. He said from his experience that figure should be no more than 15% and suggested that the Board direct Mr. Terry to attempt to negotiate that figure to at least 15%. Mr. Terry reminded the Board that they had put the project together rather quickly in order to meet the application deadline for stimulus funding, and that Mr. Johnston had done the best job possible on short notice to define the scope of the project.

Mayor Voller said he was not faulting Mr. Johnston at all, but was pointing out that the percentage might possibly be negotiated down when the contracts came back. Mr. Terry said he would certainly agree to do that. He noted that the budget ordinance amendment would be creating a project budget and setting aside some funds for design work. Mr. Terry stated that some of that work may not get done if the State came back and said they would only agree to certain items, so they were not committing to spending all that money.

Motion made by Commissioner Harrington seconded by Commissioner Baldwin to adopt the budget ordinance amendment and the reimbursement resolution for the Pittsboro Downtown Area Water System Improvement Project.

Vote Aye-5 Nay-0

AN ORDINANCE ESTABLISHING A PROJECT BUDGET FOR THE DOWNTOWN AREA WATER SYSTEM IMPROVEMENT PROJECT IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGE 2

A RESOLUTION DECLARING OFFICIAL INTENT TO REIMBURSE EXPENSES FOR THE DOWNTOWN AREA WATER SYSTEM IMPROVEMENT PROJECT IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGE 56

7. Proposed Jordan Lake Reservoir Water Supply Nutrient Strategy rules.

Mr. Terry stated he had provided the Board with a resolution for consideration related to the proposed Jordan Lake Reservoir Water Supply Nutrient Strategy Rules currently being considered by the General Assembly. He stated his research indicated that approval of the Rules could triple the costs to the Town, and he was not recommending that the Board support those Rules. Mr. Terry stated that the Triangle J Council of Governments (TJCOG) had declined to take a position, Durham had come out against the Rules, but Cary had supported them so there were certainly mixed feelings between the municipalities that were under the TJCOG umbrella.

Mr. Terry said he had discussed the issue with Fred Hobbs, their engineering consultant with Hobbs & Upchurch, and he had candidly said that because of the condition of the lake the Rules would eventually be passed, and based on what the impact would be to the Town it would be better for the Town to agree sooner rather than later because the failure to do so might impede the Town's progress on the Wastewater Treatment Plant. Mr. Terry said that Mr. Hobbs had indicated that there may be a reluctance to add new features to the Jordan Lake watershed until the issue was resolved. He said it was his recommendation that the Board consider not taking a position to either support or oppose the Rules.

Catherine Deininger with the Haw River Assembly said that one thing the Board should really think about was that the municipalities that were under the TJCOG were mainly upstream municipalities and Pittsboro was downstream. She said the proposed Rules would significantly help Pittsboro's water supply, which was the Haw River, and would significantly benefit anyone that was downstream. She agreed that eventually the Rules would be passed and the Town would have to address them.

Ms. Deininger stated that the Town's interest in getting a discharge point into the lake would be slowed down by this process, noting the longer it took to get the Rules passed the longer it would take to get that discharge point and that needed to be taken into consideration. She said because of the work that had been done by NC State University to address some of the stormwater issues with Roberson Creek the Town was a little ahead in getting credits from the State for anything

that was done after 2001. Ms. Deininger said that Pittsboro was going to be under Phase 2 for stormwater, but because Pittsboro had its own impaired water body it would only be a short time before they would have to meet all of those Phase 2 stormwater requirements. She said when that happened the Town would have to do a stormwater program anyway whether or not the Jordan Lake Rules were passed now. Ms. Deininger said if the Town chose not to support the Rules the best course of action would be not to oppose them as suggested by Mr. Terry.

Mayor Voller said that Cary had supported the Rules. Ms. Deininger said that was correct but had placed stipulations on that support as had Carrboro. She said that Chapel Hill had supported the Rules with no stipulations added.

Commissioner Brooks stated the Town was not voting on the Rules, they were voting on whether or not to support the Rules. Ms. Deininger said that her point was that some of the municipalities she had mentioned were not in full support of the Rules but had added modifiers to their support.

Commissioner Walker said what concerned him was the timing of it, noting they had had such a short period of time to review it. He said he had talked with the Town Manager of Graham and they had hired their own engineering firm to try to determine what the cost of retrofitting for stormwater runoff would be to them. Commissioner Walker said the Graham Manager had admitted to him that many of the figures thrown out by some of the larger municipalities were likely over inflated, and they had narrowed their costs down to about \$8 million.

Commissioner Walker said his frustration was that they did not have any idea what those Rules would cost their taxpayers. He said not having that kind of information in front of them did not allow them to support or oppose the Rules, and agreed with Mr. Terry that they did not have enough information to go one way or the other. Commissioner Walker challenged the Board and Mr. Terry to work to determine what the stormwater rules would cost the Town.

Commissioner Brooks stated he would agree with Commissioner Walker, noting it was to their benefit to have clean water in the lake. He said they had seven monitoring sites on Roberson Creek now and believed the Town was doing a much better job in keeping that water clean. Commissioner Brooks said he would support Mr. Terry's recommendation to not take a side on the issue of the Rules.

Mayor Voller asked if the Town was in compliance with a number of the rules in terms of setbacks and the like. Mr. Monroe replied they were in compliance with a few of them and they were making efforts to improve their buffering requirements which would greatly enhance their position in terms of things that would be required of them. He said they planned to have those efforts completed by the end of the year.

Commissioner Brooks stated that Governor Purdue had withheld \$75,000 of Clean Water Management Trust Fund monies that was to come to the Town. Mr. Monroe responded that that funding had been put on hold until the State's budget for the coming year was finalized, meaning that there was a possibility that the funding would eventually be released and come back to the Town.

Commissioner Walker said they had done quite a few things to improve their water, including working with NC State and the two projects that were currently ongoing. He said that Phases 1 and 2 of the Credle Street Basin project was completed, and Phases 3 and 4 were part of the Town's request for stimulus funding. Commissioner Walker stated that project would improve the sewer pipes to keep raw sewage from leaching into the ground and to prevent infiltration of water into the pipes. He said the other project was the 3M project which would also have an effect on Roberson Creek. Commissioner Walker said the Town had done a lot in the last 7 years, even though funding had been an issue.

Mayor Voller said he believed the Board had to consider that at some point there would be Rules that came forward, and that the Board would take wise action on approvals and other policies that would help them comply with those Rules. He said he had believed if the Board took a positive stance on the Rules it would help them as they went forward, but they did not know what the cost of the retrofits would be since there had been no engineering study. Mayor Voller said this had been an ongoing issue for 50 or 60 years, and at some point those people upstream would have to clean up what they were putting into the Haw River at the point source or non-point source and the Town ought to be on the side of requesting them to do what the Town would do if the situation was reversed. But, he said, if the Board did not want to support a position on the Rules at this time then he believed they should ask for more information and do nothing at this point, since voting against it would put them in a bad situation in the future.

Commissioner Walker said he believed they needed to move forward to figure out what the potential costs of the retrofits would be so that when the Rules were passed they would know what the financial impacts would be.

Commissioner Harrington said he believed there was a consensus of the Board not to take a position at this time and that they should begin to determine the costs of retrofitting.

Commissioner Baldwin agreed, noting that they would need to know the estimated costs before they could take a position on the Rules.

Motion made by Commissioner Walker seconded by Commissioner Harrington to table indefinitely consideration of supporting the Jordan Lake Rules and to direct the Manager to begin research to determine what the cost of those Rules would be to the Town by beginning an engineering study.

Mr. Terry suggested a first step might be to contact a municipality that had already conducted a study and ask for a copy, noting it may be very instructive to read what other engineers had already determined.

Commissioner Walker amended his motion to include directing the Manager to try to obtain information from a municipality or municipalities that had already conducted a similar study and obtain a copy of their report. The amendment was accepted by Commissioner Harrington.

Mayor Voller said it would probably be wise to consider the idea of looking at what was already in their Zoning Ordinance and other standards so that they were prepared once the moratorium was lifted. There was general consensus from the Board.

Vote Aye-5 Nay-0

RECESS

Motion made by Commissioner Harrington seconded by Commissioner Walker to recess the meeting for a five-minute break.

Vote Aye-5 Nay-0

RECONVENE

Motion made by Commissioner Harrington seconded by Commissioner Walker to reconvene the meeting.

Vote Aye-5 Nay-0

NEW BUSINESS

The Board agreed by consensus to begin the discussion with Item 2 and to discuss Item 1 at the end of the New Business Agenda.

2. Report on Downtown Information Kiosk (Ms. Leslie Fesperman, Downtown Merchants Association).

Leslie Fesperman stated that one of their goals was to enhance the downtown through various methods, and one of those methods was to place avenue flags at various locations throughout the downtown. She said they were now requesting permission to do that, adding that they were also working with the County to plan and get permission to place an information kiosk in the downtown.

Commissioner Brooks moved to approve the request with the stipulation that they check with Jane Pyle on the Historic District Commission to make sure that the request would not interfere with anything that had been agreed to regarding the historic district that would preclude having those banners. Commissioner Baldwin seconded.

Commissioner Baldwin said Mr. Poteat had made some observations that the avenue flag dimensions did not meet the Town's dimension requirements, so that needed to be considered.

Commissioner Walker stated that the banners were being sponsored by various members of the Merchants Association, and wanted to make sure the banners would not be advertisements of those businesses. Ms. Fesperman said that the businesses that had sponsored the banners would be noted on their Web site and not on the banners themselves.

Mayor Voller stated he believed approval of the request would entail that the Merchants Association comply with any dimensional requirements. Ms. Fesperman stated that was understood.

Vote Aye-5 Nay-0

3. Report on the Grand Trees of Chatham Program (Ms. Stacy Gray).

Stacy Gray stated she wanted to officially request that the Town of Pittsboro write a general letter of support for the Grand Trees of Chatham Program, noting that the County Commissioners would be asked to approve the Program and create the Board at its meeting next Monday. She said support of the program required no financial support whatsoever from the Town, noting they had applied for a grant from the NC Urban and Community Forestry Program and hoped to receive approval in July. Ms. Gray stated should the Board support the Program they would have the opportunity to nominate a member to the Advisory Board as well as interested community members.

Mayor Voller stated the Board had at a previous meeting authorized appointing a staff person to the Board to represent Pittsboro, and what she was asking for now was a letter from the Town supporting their mission. Ms. Gray replied that was correct.

Motion made by Commissioner Walker seconded by Commissioner Baldwin to approve writing a letter of support of the Grand Trees of Chatham Program.

Commissioner Harrington asked would a part of the program be education regarding trees. Ms. Gray replied that was correct. Commissioner Harrington said he had driven through Randolph County last weekend and someone was cutting trees off like bushes and pruning them. He said he would hope that the education this group would provide included how harmful and stressful that action was to trees, noting that such trees would likely die.

Commissioner Brooks asked if a tree were identified that was on private property, would they have any control over that landowner to protect that tree. Ms. Gray replied no, that they would need to get permission from the landowner to even identify that tree as a Grand Tree of Chatham. She said they would mostly be providing education regarding trees in the County. Commissioner Brooks said he would like to see them use their organization to educate power companies and others about the use of herbicides along the sides of roads, noting at times you could ride for several miles and see dead trees where herbicides were sprayed. He stated he had also seen the State spray herbicides on areas between the road and Jordan Lake. Ms. Gray stated their plan was to include in their education the pruning of trees over power lines, frequently done by power companies, and the use of smaller trees that would not grow over ten feet around those power lines.

Vote Aye-5 Nay-0

4. Offer of Donation of \$3,350 to supplement the budget for walking trails in the Pittsboro Town Park Project (Don Lein, President, Chatham Parks Foundation).

Megan Bolejack stated that last September the Town Board had approved a \$1,500 contribution for Active Chatham's 4th Annual Reindeer Run which had been very successful with 123 participants. She said they had a total of \$3,350 that they would like to donate back to the Town to be earmarked as a supplement to the budget for the walking trails in the new Town Park.

Motion made by Commissioner Brooks seconded by Commissioner Bryan to approve the offer of a donation of \$3,350 to supplement the budget for walking trails in the Pittsboro Town Park Project.

Vote Aye-5 Nay-0

5. Appointments to the Pittsboro ABC Board.

Commissioner Bryan said that a little over a year ago the Board had asked Sam Powell and Mack Smith to join Mr. Suggs on the Board, and he had talked with the State about the ABC Board after those persons had joined the Board and the State and been very complimentary of what they had done. He stated he had read Mr. Kelly's resume and believed he would be a fine candidate, but at the time the previous candidates had been nominated Mr. Powell had been nominated for a one-year term and Mr. Smith for a two-year term. Commissioner Bryan said he believed the ABC Board was now headed in the right direction and hesitated to fix something that was not broken.

Mayor Voller asked what the situation was with the terms, noting in the past there had been some issue with the overlapping of terms. Mr. Terry stated that was why some members had been appointed for one year, some for two years, and some for three years, in order to re-establish the appropriate stagger in the terms.

Commissioner Walker said once they achieved that, the terms would be for four years each time an appointment was made. Mr. Terry said that was correct.

Mayor Voller said then what they would do now was appoint one member to a three-year term. Mr. Terry said that was correct.

Commissioner Walker nominated Mr. Powell to a three-year term on the ABC Board. Commissioner Bryan seconded.

Commissioner Harrington said he believed that some things had been broken and agreed that Mr. Sugg had helped to correct those things.

Vote Aye-5 Nay-0

Regarding the ABC Board Chairmanship, Commissioner Bryan said that Mr. Sugg had certainly done a good job as had Mr. Powell and Mr. Smith. He stated he believed it would a good idea for this Board to have an ABC Board member in the Chair's position.

Commissioner Bryan moved to appoint Mr. Powell as Chairman. Commissioner Walker seconded.

Mayor Voller stated that according to the report from the State ABC Board, Pittsboro was ranked second in profitability as the State measured it among the 43 ABC Boards that did not sell mixed beverages. He said that was a huge improvement over the last 8 years. Mayor Voller said out of the entire system, Wake County was the most profitable and Moore County was second, and Pittsboro had gone from 142 on the list to 70. He stated that meant that the current ABC Board had really done a good job to turn things around, and congratulated them on that success.

Mayor Voller stated that the current ABC Board had increased profitability by 860%, and did not know if any other business had ever done that.

Vote Aye-5 Nay-0

6. Report on SB 839/HB 768 – Modernization of the ABC System.

Harry Sugg, current Chair of the ABC Board, said he wanted to begin by presenting to the Town Board the next installment of distribution profits in the amount of \$6,274. He said there were two bills before the Legislature, SB 939 and HB 768, noting if passed those bills would have a drastic affect on the Pittsboro ABC Store and others in the County by requiring elimination of all systems except one within the County. Mr. Sugg said it would require that an ABC Board contract with a private retail distributor and the Pittsboro ABC Board was requesting that the Town Board adopt a resolution opposing those bills, and if adopted that the resolution be forwarded to Speaker Hackney, Senator Bob Atwater, and any other appropriate persons.

Mr. Sugg stated that the NC League of Municipalities had come out in opposition to those bills, noting that the proposed changes would eliminate low-profit ABC stores, and the profitability of an ABC Store had no effect on the State liquor excise tax because those revenues were based on the sales price of the liquor and not on whether a store was profitable or not. He said they sent to the State every month approximately \$10,000 in excise tax. Mr. Sugg said he believed the real reason behind the suggested changes in the State ABC system would require the local ABC Boards to contract with an agency store which were privately owned and operated retail store outlet, which might be a clue to what was really behind the bills.

Mr. Sugg stated he would also call attention to the statements from the NC Association of ABC Boards' lobbyist, who said it should be of concern if those bills were passed. He called attention to items 1, 2, 4, 6, and 8 in the information, noting that if passed the changes would go into effect on July 1, 2011. Mr. Sugg said those mergers would be forced if the local boards were not able to agree to a merger. He stated the bills would also authorize the ABC Commission to develop performance standards, and it was unclear now what those standards would be or what the State was concerned about. Mr. Sugg said it would also require that the ABC Commission could seize all assets of an ABC Board and pursue further action to ensure profitability if the ABC Commission determined that they were not profitable enough.

Mr. Sugg stated that the Pittsboro ABC Board was opposed to the bills because it would move control from the local community to a State agency, and would rob the Pittsboro community of its capability of making a decision as to what was best for the community. He said it would also

move control out of the ABC Board's hands, noting the State could institute any objectives that were in conflict with the Town.

Mr. Sugg said the Town may also lose financial benefits with any merger, noting there was no guarantee in either bill that would ensure financial benefits would continue to the governing bodies that had created the ABC system. He stated that even the County ABC system could be subject to those same issues.

Mr. Sugg said as well, according to the language in the bills if all of the assets of the Pittsboro ABC Store were seized that meant that their property would also be seized.

Mayor Voller suggested that one way to circumvent that would be to turn over ownership of all assets to the Town and then the Town lease them back in perpetuity for \$1, noting the property could not be seized from the Town. He said that was a real risk factor they might have to face should the bills pass.

Commissioner Brooks stated that the property the ABC Store was on and the building was worth in the neighborhood of \$400,000 and perhaps more because of its location. He said he would not want to risk losing that asset.

Mayor Voller agreed that would be a real detriment to the Town Board and Pittsboro citizens if that were to happen, so they really needed to think about how to proceed. Mr. Sugg stated that suggestion could certainly be taken into consideration by the ABC Board. Mayor Voller stated that a long-term lease could be worded to protect the ABC Board's interests and would prevent any assets from being seized. Mr. Sugg agreed.

Mayor Voller said the ABC Board had done a lot of hard work to get them to a point where they were profitable, and very profitable as compared to other ABC Boards, and if the local Liquor by the Drink referendum were to pass in May the ABC Store would become even more profitable. He said if the bills were passed then all of that hard work and profitability would be taken away. Mr. Sugg agreed, noting that another consideration was that the State ABC Commission could say that the Pittsboro ABC Board was not meeting their performance standards and close the store, then contract with some entity to take it over.

Motion made by Commissioner Brooks seconded by Commissioner Walker to adopt the resolution of opposition to SB 839/HB 768, the Modernization of the ABC System.

Vote Aye-5 Nay-0

A RESOLUTION SUPPORTING LOCAL CONTROL OF LOCAL ABC BOARDS AND OPPOSING FORCED MERGERS OF LOCAL ABC BOARDS IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGE 57

Mr. Sugg said that based on their accounting of the books they remained in profit mode. He said they were not sure what that profit would be at year's end but they had maintained an increase in sales every month since last year.

Mayor Voller said he understood they were considering modernizing their point of sale operation which he believed would be a great benefit as time went on. Mr. Sugg stated if the referendum was approved they believed they would need to make an investment to improve the system which would require leasing more modern equipment.

Mayor Voller stated the Town Board appreciated their work, and asked that they be kept informed. He also asked that Mr. Sugg bring back suggestions on how to hedge off losing any assets should the Legislator pass the bills.

7. Ordinance for Identity Theft Prevention Program and Red Flag Rules.

Mr. Borrer stated this item was before the Board as a result of an act by the Federal Trade Commission which required that all financial institutions and its creditors adopt an Identity Theft Prevention Program. He stated they were considered a creditor due to the fact that they provided utility services through water and sewer services and collected revenues for those services. Mr. Borrer said basically what the Program required was that the Town and its staff perform due diligence to safeguard sensitive data provided to them by utility customers, and then also to take a proactive approach to identifying and red flagging warning signs of people coming to the Town to establish an account using someone else's sensitive data.

Mr. Borrer said the Program required adoption before May 1, 2009, and recommended that the Board adopt the ordinance as presented.

Motion made by Commissioner Walker seconded by Commissioner Bryan to adopt the ordinance regarding the Identify Theft Prevention Program and Red Flag Rules.

Vote Aye-5 Nay-0

AN ORDINANCE ADOPTING AN IDENTITY THEFT PREVENTION PROGRAM IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGE 3

TOWN OF PITTSBORO IDENTIFY THEFT PREVENTION PROGRAM AND RED FLAG RULES IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGES 58-67

8. Request to Support Project Graduation 2009.

Motion made by Commissioner Brooks seconded by Commissioner Baldwin to approve the request for support of Project Graduation 2009.

Vote Aye-5 Nay-0

1. Report on Options for Meeting the New Drinking Water Treatment Regulation (Tim Bishop, Heyward Incorporated).

Tim Bishop thanked Commissioner Harrington and the Board for inviting him to speak tonight, noting he had provided an overview of where the Town was now. He said that the Town had a typical conventional treatment plant, noting it was a very good process but certainly had its limitations. He said it was built many years ago under the regulations in place at that time, so what they had to consider today was the age of the facility, noting that the infrastructure was still good, the concrete was still good, and equipment was still good. Mr. Bishop said capacity would have to be looked at in terms of whether it would last the Town another 10, 15, or 20 years. He said then they had to decide that if future capacity was required what they could do to address that as well as the future regulations that were coming up regarding affluent rate that would have to be met. Mr. Bishop said decisions would need to be made as to whether to keep the existing plant, to expand it and upgrade it, or to build an entirely new state-of-the-art facility that would meet future regulations for the next 50 to 100 years. Or, he said, do they purchase the water elsewhere.

Mr. Bishop stated he and Commissioner Harrington had discussed some treatment technologies that might get the Town out of its current situation, noting he was referring to THMs versus TLC. He said he had highlighted some general options in the handout, noting one option would be to change from free chlorine to chloramine which was a good first step. Mr. Bishop said that was a least cost option to try to mitigate the current issues, but there were some implications associated with that. He said you would have to manage the distribution system properly and make sure the chemical mix was appropriate, but he said that treatment scheme would work fine but would have to be evaluated long term.

Commissioner Walker said that Commissioner Harrington and Commissioner Brooks had both talked with him recently about not only doing the chloramination but also going back to the activated carbon process, noting he believed they were on to something. Mr. Bishop stated that carbon worked well for TLC reduction, noting there were several different carbons on the market and they each did something different and came in different forms, and each had other implications. For example, he said, powdered activated carbon was added to the raw water which meant you were adding more solids to the water and even though it was helping to reduce the TLC it would create more sludge because you were adding more product to the raw water.

Mr. Bishop said that carbon was a relatively expensive chemical but then again it worked, so you had to weigh the cost of carbon versus other alternatives, and long term did it make sense to do that. He said the costs would include sludge removal and the cost of hauling that sludge elsewhere. Mr. Bishop said if granulated activated carbon (GAC) were used, that was very similar to the system used now. He said to use GAC you would put it in place of the current filtering process. Mr. Bishop said that process would also reduce the TLC content in the water, but over time that GAC would be spent, and at that point it would all need to be removed from the filters, sent off to be regenerated, and then more GAC purchased. Again, he said, carbon processes worked well but may not be the least cost alternative.

Commissioner Walker said in Pittsboro it seemed that the warmer months were when they really got hammered. He asked would it be worthwhile to use such a process only for May through September. Mr. Bishop said that would absolutely be an option, and agreed that the THMs and TLC started to rise during April and May and running through October and November. He said

they would have to experiment to determine what dosage would be required, noting that if they could get by with 10 to 15 milligrams per liter that would be reasonable but if they had to go 50 to 75 or even 100 then it would not be financially feasible because you would be purchasing carbon every week. Mr. Bishop said that powdered carbon was just like talcum powder in that it was a messy material and could explode so those issues would have to be dealt with if using that material. He said should carbon be considered, a cost analysis would need to be done on the feasibility of that.

Mr. Bishop said another option would be changing the coagulant from alum to ferric as noted on page 1, noting that most plants used alum because it was a low cost coagulant that worked well, but if they changed to ferric TLC reduction would occur much better. He said when coagulating with ferric your concrete basins would be handling a pH of 5 versus a pH of 6.2 to 6.5 which was a big difference long term. Mr. Bishop added that ferric was also more expensive, so you would be adding costs.

Mr. Bishop said that PAC and GAC was another option that was a process of TLC reduction by ion exchange, which added slurry ion exchange media to raw water which attracted the TLC, so it actually reduced or removed the TLC before it got to the treatment plant. He said that process would be up front of the existing facility that would remove much of the TLC. Mr. Bishop said another benefit was that it would significantly reduce the chemicals downstream. He noted that Johnston County had chosen to use that method.

Commissioner Harrington said so that would pre-treat the water before it reached the plant. Mr. Bishop said that was correct. Commissioner Harrington said to do that for Pittsboro's plant, what kind of costs were they talking about. He asked would it be \$1 million, \$2 million or more. Mr. Bishop responded said Johnston County had a 6.75 mgd, and their total project cost was estimated at \$5 million. Mr. Bishop said that would mean that Pittsboro was perhaps looking at 1/3 of that cost.

Mayor Voller asked then the value that provided would be what, exactly. Mr. Bishop said the value would be a reduction in the TLC so you would have a lot better water quality by using your existing facility, and in turn your existing facility should operate better. And, he said, you would have lower chemical costs.

Commissioner Baldwin asked if Johnston County had seen the same type problems that Pittsboro had. Mr. Bishop responded yes, adding that they had looked at several different processes before deciding on the ion exchange method, including membranes and GAC. He said they were on chlorine at present.

Commissioner Walker asked if they would remain on chlorine. Mr. Bishop said they were going to split the system and go back to free chlorine on one side of the system and remain with chlorine on the other side.

Commissioner Walker asked if Johnston County was the sole provider of water to the municipalities. Mr. Bishop stated they provided to Johnston County and Smithfield provided to

the city. He said they had chosen the path that was the least cost option for them, noting the GAC option would have been the most expensive, even more expensive than MIEX.

Mr. Bishop said another option would be an ozone process that oxidized everything in the water, noting that process seemed to be getting a lot of attention lately. He said it was not a complete treatment but was perhaps tops on the list as far as capital costs and operational costs.

Commissioner Harrington said he may have told the Board wrong, because he had thought Mr. Bishop had said that may be something that could be done for one-half million. Mr. Bishop said that process was fairly expensive with even more costs long term.

Commissioner Harrington said then were they talking about even more of a cost with the MIEX process. Mr. Bishop said it depended on the setup, but it would likely be more than the MIEX. Commissioner Harrington said he believed that Cary used the ozone process. Mr. Bishop said that was correct, noting that Cary had ozone generators.

Regarding the use of membranes, Mr. Bishop said his only comment was that membranes would not remove TLC unless you went to a very small pore size to physically remove the TLC. He said that was a very expensive capital cost and a very expensive operational cost. But, he said, there was no doubt it would work and you would have pure water coming out the back end. Mr. Bishop said everyone talked about UV treatments, but UV did not do anything for TLC reduction. He said you could treat TLC at a very high wave length but the power costs to a municipality would be outrageous.

Commissioner Harrington said then the reason not to do the membrane was the cost. Mr. Bishop said typically you would not want to see conventional treated water going onto the membrane, so you would more than likely need to put in an additional filtration process of pre-filters even after the conventional features. He said you would likely go from a cost of about \$2 million to about \$5 million. Mr. Bishop said the other consideration was the energy costs for the increased pumping and high pressures required.

Mr. Bishop said it would perhaps be a good idea to have a workshop at some point and get into the details of advantages and disadvantages of every option, as well as what would be involved with each option including costs. He said what he had provided was an overview of what was out there for consideration, noting that any treatment process would cost money and the more you pay the better treatment you were getting. Mr. Bishop said you would have to weigh how well you wanted to treat the water against what you could afford to pay for that treatment.

Commissioner Baldwin asked if you used the carbon method which would require the periodic removal of sludge, where would you dispose of that sludge. Mr. Bishop said you would have to locate a facility that would take it or would have to get into either a de-watering facility or you would belt press it or centrifuge it and carry it to the landfill. He said that was a good example of peripheral issues when you added processes.

Mayor Voller said the MIEX system would not have that issue. Mr. Bishop said that was correct, noting the only byproduct would be the regeneration process which would be with salt or

sodium bicarbonate which could be discharged. Mayor Voller asked what you would do with the product filtered out with the membranes. Mr. Bishop said that was a different matter because with that process you were removing more than just the TLC. Mayor Voller said then when you treated the water you were creating another hazard that had to be disposed of properly. Mr. Bishop said that was correct.

Mayor Voller asked if Mr. Bishop had a Memorandum of Understanding with other governments connected to Jordan Lake and he was operating this plant, what would be his course of action with a limited budget. Mr. Bishop said what Pittsboro was facing was not uncommon, and he would not want to disregard the existing plant because there was structure in the plant that was likely okay with a few modifications. He said building a whole new plant would get them into environmental impacts, purchasing land, right-of-way issues, and a multitude of other issues that would make it a very long process.

Mayor Voller said what if they used a bio-filtration process, which was what nature used. He said for instance, mushrooms and other plants were already filtering out and asked why couldn't they do that and why weren't others using it. Mr. Bishop said primarily because they were treating so much water a day, about 2 million gallons. He said you would have to have a huge wetland to treat that much water, and then you would have to keep the geese out and keep it maintained, and all kinds of other issues.

Commissioner Brooks said when Pittsboro was in the process of adding carbon they had refurbished the water plant. He said at that time there was tremendous pressure because of citizens who were concerned about the high rate of cancer in the Bynum area. Commissioner Brooks said at that time they had scientists speak to the Board about substantive materials in the Haw River that were carcinogenic and had been referred to as hydrocarbons, and at that time the Town Board was trying to make that situation better. He said some of the industry that likely was creating some of those hydrocarbons were no longer in existence in the Haw River basin, but assuming that they went to some kind of charcoal system and from a strictly health standpoint, would that or would that not be a good thing to do. Mr. Bishop stated he believed charcoal and granulated activated carbon were certainly solutions, and did not believe there would be any concern related to carcinogens.

Commissioner Brooks said he truly believed the Town needed to consider some form of charcoal/carbon system and improve the health of their citizens. He said they had dealt with sludge before and could do it again. Commissioner Brooks said when you thought of the citizens' health he believed it would be cost effective compared to some other options. Mr. Bishop said the base cost with GAC was how long it would last and what it would cost to replace it. He said labor to replace it was also a big cost that had to be considered.

Commissioner Harrington said that the county that was doing the power version was doing it in the summer. He said he was curious as to what they were doing with their sludge since they were doing it seasonally.

Commissioner Baldwin asked if Mr. Efird had any comments. Frank Efird stated that he believed carbon was a great process and granulated activated carbon was perhaps the best way to

go. He said the cost of GAC would be a drawback, noting that Johnston County had used that process for only three months and had to replace the carbon which was a concern for him.

Commissioner Bryan asked if that is what they could expect. Mr. Efirid replied that it seemed to need replacing every three to four months on average, and that would be a big cost.

Commissioner Walker asked if he thought they could get by doing that on a seasonal basis. Mr. Efirid said you had perhaps six months of warm weather so they could experiment with a seasonal basis if the Board wanted to go that route.

Commissioner Harrington said even at \$1.00 a cubic foot the total cost would be only \$1,000 a month. Mr. Efirid said that was just for the carbon and did not include labor or equipment such as the trucks hauling it in.

Mr. Terry asked Mr. Efirid to explain how you would get the carbon in and out. Mr. Efirid stated they would use pack trucks, noting another concern was the storage of the GAC because of its explosive nature. He said it was also a very nasty product that produced a large amount of sludge that would have to be periodically removed. Mr. Efirid said they would have to determine a way to get rid of that sludge, such as the use of ferric sulfate. He said they would have to be concerned that whatever was used was not corrosive to their distribution system.

Mr. Terry said he and Mr. Efirid had talked briefly about the possibility of building a direct pipeline and pumping the sludge elsewhere. Mr. Efirid said that would certainly enhance their capabilities and give them several options as far as helping the Wastewater Treatment Plant. Mr. Terry said if they found some process where they could legally get the sludge to the Wastewater Treatment Plant, then they would need only to get a line to the closest manhole. Mr. Efirid said that was correct, noting they could build a pressurized main from the Wastewater Treatment Plant to the nearest lift station. He said they would still have the sludge but they would handle it in a different way.

Commissioner Harrington encouraged them to come back with a wish list of what they would like to see happen, and put them in order of priority with an estimated cost. He said then it would be on the Town Board to decide what they could do, but at least they would have the options laid out with the long term costs. Mr. Efirid said that some of those numbers were already included in the five-year CIP.

Mayor Updates

Mayor Voller said that the CMAQ funding for the sidewalk had been approved, and the RPO would be meeting this week.

Commissioner Harrington said he wanted to publicly thank John Poteat for that sidewalk, noting that the sidewalks all over Town had been sanded down and the rough edges had been smoothed over. He said that was a very good thing and he appreciated their efforts.

Commissioner Concerns

Commissioner Brooks said they were getting a lot of potholes on the major thoroughfares, for instance right outside the funeral home. He said it had been repaired several times but the patching was only lasting a couple of weeks and he had gotten some complaints from citizens. Commissioner Brooks said the Town could certainly use some help from the State to address serious potholes on the State-owned streets. Mr. Poteat said he would give Benny Sloan a call tomorrow and discuss that issue.

Commissioner Harrington stated he had noticed the condition of the road where Industrial Drive came out at the State Employees Credit Union, which was a mess. Mr. Poteat said he had gotten some quotes to have that section repaired and would try to move forward quickly with that.

Mr. Terry said they were coming out of the winter months and now was the time you typically would have resurfacing contracts to repair or repave roads and believed the State would be moving forward with those kinds of repairs.

Commissioner Brooks said that between Farrell Street and Hillsboro Street on Salisbury Street it was a very dark area, and would like that area to be looked at for the potential of adding more street lights.

Commissioner Brooks said a citizen had asked if they could get the Police Department or Street Department to look at the entrance to the other Farrell Street where Habitat's new building was located. He said apparently there were some issues there because there was no turning lane and suggested that it be looked at to see what would be required, such as signage, to make that area safer.

Mayor Voller asked if the brick sidewalks that were put in back in the 1970's around Town were Town sidewalks. Mr. Poteat responded yes, that DOT had determined that the Town had to maintain them. Mayor Voller stated there were issues where those brick sidewalks were settling and draining back towards business. He said one business owner had asked what the Town could do to alleviate the problem. Mr. Poteat stated when they received complaints about a certain area they would address it, but they had not received any calls or complaints. Mayor Voller asked Mr. Poteat to take a look at it, and Mr. Poteat agreed.

Mayor Voller asked Town Clerk Alice Lloyd if she had received a letter from Orange County about a joint task force. Ms. Lloyd replied she had not.

Commissioner Baldwin said she had distributed some information in reference to the Powell Bill, and suggested that be put on the agenda for the Board's next meeting.

ADJOURN

Motion made by Commissioner Brooks seconded by Commissioner Bryan to adjourn the meeting at 10:25 p.m.

Vote Aye-5 Nay-0

Randolph Voller, Mayor

ATTEST:

Alice F. Lloyd, CMC, Town Clerk