

MINUTES
TOWN OF PITTSBORO
BOARD OF COMMISSIONERS
REGULAR MEETING
MONDAY, JANUARY 28, 2008
7:00 PM

Mayor Randy Voller called the meeting to order at 7:00 p.m., and requested a moment of silence.

Mayor Voller stated that former Affordable Housing Task Force Board member Sherman Rodin passed away today, and noted the great service that he had given to the County.

ATTENDANCE

Members present: Mayor Randolph Voller, Commissioners Max G. Cotten, Pamela Baldwin, Clinton E. Bryan, III, Chris Walker, and Gene T. Brooks.

Other staff present: Bill Terry, Town Manager, Paul S. Messick, Jr., Town Attorney, Alice F. Lloyd, Clerk, and David Monroe, Planner.

APPROVAL OF AGENDA

Motion made by Commissioner Cotten seconded by Commissioner Walker to approve the revised Agenda as presented tonight.

Vote Aye-5 Nay-0

CONSENT AGENDA

The Consent Agenda contained the following items:

1. Approve minutes of the January 14, 2008 regular meeting.

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

Vote Aye-5 Nay-0

REGULAR MEETING AGENDA

CITIZENS MATTERS

Cameron Barnett, 760 Millbrook Drive, stated she worked 480 Hillsboro Street, a part of historic Chatham Mills. She shared details for a plan that Chatham Market Place was working on in conjunction with Tom Roberts. Ms. Barnett stated they were developing a plan to hold a Mill

reunion in early summer, and asked the Board to contact her with any suggestions or comments they might have as they researched people who formerly worked at the Mill.

Commissioner Brooks said there were several people in the community who had worked and had ties there, and he would make a list and send it to Ms. Barnett.

Commissioner Cotten stated he had good memories of the Mill and had family members who had worked there but they were no longer living.

Mayor Voller stated he was sure Commissioner Brooks' list would be very complete. Ms. Barnett stated she looked forward to hearing from Commissioner Brooks.

PUBLIC HEARING

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

Vote Aye-5 Nay-0

HABITAT FOR HUMANITY SPECIAL USE PERMIT FOR A PLANNED UNIT DEVELOPMENT ON EAST CORNWALLIS STREET

Planner Monroe stated this was an application for a SUP and pointed out the location on a map. He stated that Bishop's Way was located in the general area, of the Bishop's Way Subdivision also developed by Habitat. He said there were currently two structures under construction, and this request was for development of the remaining 15 lots. Mr. Monroe stated the applicant wished to use Town water and sewer, and that the application had been received prior to the moratorium being put into effect.

Mayor Voller provided information on the requirements for quasi-judicial hearings, and swore in all speakers signed up to speak on this issue.

Harvey Harmon, 1108 Callicutt Road in Bear Creek, stated he was a Green builder and speaking for Habitat on this project. He said the goal of this project was to provide workforce housing for teachers, police officers, and public and private sector workers for the Pittsboro area. Mr. Harmon stated the average price of new homes in the Pittsboro zip code in 2007 was \$354,766; the starting teacher's salary in Chatham County was \$29,650 a year; the starting police officer's salary was \$28,859 a year. He said many people who worked in Pittsboro could not find housing in Pittsboro that they could afford, noting a person making \$30,000 a year and who could make a 10% down payment could get a loan of \$148,000. Mr. Harmon stated that there were only 4 houses currently listed for sale in Pittsboro at \$148,000 or less.

Mr. Harmon stated that Habitat would build on 7 or 8 of the proposed 15 lots and partner builders would build on the remaining lots. He said that USDA Rural Development would provide additional financing support, and all houses would meet Energy Star levels or higher for energy efficiency.

Mr. Harmon stated they would build a PUD instead of a conventional subdivision because the PUD provided many advantages over a conventional layout, such as:

- Open space on three sides with undisturbed tree cover;
- Open space/recreation space in the center of the property;
- PUD design allows the ability to cluster houses; and
- PUD design allows for more interesting and thoughtful layout with less environmental impact.

Mr. Harmon stated the site at present was subdivided into 5 buildable lots, but their proposal was to create 10 additional lots for Workforce Housing for a total of 15 lots on 5+ acres of land. He said that Chatham Oak subdivision had lot sizes compatible with the neighborhood, and lot sizes in the adjacent Anthony Street area averaged 7,500 square feet in size. Mr. Harmon stated the projected average house size for houses built in Chatham Oak Subdivision would be 1,400 square feet, ranging in size from 1,056 square feet to 2,000 square feet. He said that Chatham Oak Subdivision would not create a negative impact on neighboring property values.

Mr. Harmon stated that language would be included in the covenants saying that the open space buffer areas around the perimeter of the property would have no disturbance, no tree cutting other than dead wood and as needed for maintenance, and no structures built on them. He said that Habitat had already done significant cleanup of the 5 acres, and Chatham Oak Subdivision would allow for even more improvements to the land. Mr. Harmon stated that East Cornwallis was not the only part of Pittsboro with modest-sized housing, noting Pittsboro had a variety of such neighborhoods.

Mr. Harmon thanked the Board for its time and energy given to Pittsboro, and encouraged them to support this project.

Patrick Bradshaw, an attorney at 128 Hillsboro Street, stated his firm represented Habitat and they were requesting an SUP for a PUD on this property that was partially within the corporate limits of the Town and partly in the extraterritorial jurisdiction. He stated that the application contained all the information required for an SUP and provided sufficient evidence to conclude that the SUP would advance the public health and safety, would be in harmony with the area in which it was proposed, and would be in conformity with the Land Development Plan. He asked that all of the contents of the written application previously filed with the Town, including all attachments, be entered into the record of this hearing.

Mr. Bradshaw stated that the Leach property was currently zoned R-10, which could allow over 4 residential units per acre depending on the features of the site. He said the Zoning Ordinance provided that a PUD in the R-10 district may have up to 12 residential units per gross acre; Habitat's proposal for the Leach property, 15 lots on 5.15 acres, would create a density of only 2.91 units per acre. Mr. Bradshaw said with the density being significantly lower than what was allowed in the R-10 zone, with or without a PUD, the primary benefit to be gained by approving the SUP would be to vary the area and yard requirements which would result in more open space than could otherwise be achieved. He said the ordinance required that 5%, or about .26 acres, be reserved as open space, but with Habitat's proposal about 29% of the site, or 1.48 acres, would be preserved as open space, allowing for recreational opportunities as well as significant buffers,

especially along the boundary with Potterstone Village on the south and would preserve a potential wetland in the southeastern area of the site.

Mr. Bradshaw stated that the purpose of the PUD was to provide desirable open space, tree cover, recreation areas, scenic views and variety in residential properties by allowing certain variations in lot sizes. He said for those reasons, this plan achieved those purposes as well as the purposes of the Town's Land Use Plan by preserving open space and providing protection for environmentally sensitive features.

Mr. Bradshaw said because Habitat's application was filed before the call for the public hearing on the Town's current development moratorium, the project was not subject to that moratorium. He said that Habitat recognized that wastewater treatment and disposal capacity was a limited resource. He said as a result of prior subdivisions, there were already 5 approved lots on Habitat's site that would be entitled to wastewater service if capacity was available; unless the Town objected, Habitat would like to approach other property owners in the Town's jurisdiction, possibly including Powell Place Development Company, to see if some of the capacity that had been committed to other properties might be transferred to this site in order to promote the affordable housing goals of Habitat and the other beneficial impacts this proposal offered to the Town.

Mr. Bradshaw said on behalf of Chatham Habitat for Humanity, they respectfully requested the Board's favorable action on this request.

Paul Meeder, a landscape architect and land planner with the CE Group at 1100 Regency Park Lane, Cary, described some of the features of the site:

- the access was off of East Cornwallis;
- a small cul-de-sac would come into the side from the south with shoulder and shallow ditch/swale that would convey stormwater from the road back to existing stormwater conveyances along East Cornwallis Road;
- stormwater moving through the ditch would be subject to infiltration;
- open space would be organized in a central common open space for use by the residents, with a connection between several lots that tied back up to East Cornwallis Road, which would provide a pedestrian connection to that road and also to the Bishop's Way Subdivision across the road;
- 10 feet of open space would act as an additional buffer on both the east and west sides of the property, and the remainder of the open space would be on the southern side with Potterstone Subdivision which would vary in width from 35 feet to as much as 70 or more feet;
- the open space comprised 29% of the area of the subdivision, considerably more than the ½ acre required; and
- the lots sizes ranged from 6,000 square feet to around 11,000 square feet.

Amy Powell, Executive Director of Chatham Habitat for Humanity, 467 West Street, stated that since 1989 Habitat had built 76 houses in partnership with families in need, earning 25-50% of the area median income, which is now \$18,000 to \$36,000 a year. She said that partner families, who contributed 350 hours of sweat equity to the home building process, purchased their new,

energy efficient homes at 0% interest over a period of 20 years, making their mortgage payments to Chatham Habitat. Ms. Powell stated that 36 homes had been built in Pittsboro, with 25 of those in the East Cornwallis Subdivision which neighbored the proposed Chatham Oak Subdivision.

Ms. Powell said that community participation and communication were key to the long term success of any neighborhood, and described the efforts Habitat was taking to ensure that success. She stated that Habitat was conducting an ongoing series of community development classes on financial health, communication, and leadership for Habitat partner families and their neighbors. She said it was their belief that this adult education series would give homeowners the tools to build community relationships and work together to achieve goals.

Ms. Powell stated that in the Chatham Oak Subdivision, Habitat was encouraging the development and purchase of homes not only by Habitat partner families but also by first-time homebuyers earning 50-80% of median income, which was \$35,000 to \$48,000 per year. She stated that mixed-income development would strengthen the neighborhood and they were welcoming developers to construct houses along side Habitat houses.

Ms. Powell stated in the last few days she had received notification that this proposed Chatham Oak Subdivision had been awarded a total of \$180,000 from the Federal Home Loan Bank of Atlanta and the Federal Department of Housing and Urban Development. She said it was her hope that the Board would view Chatham Oak as a unique and positive opportunity to increase workforce housing that was desperately needed in Pittsboro.

Mayor Voller stated he understood they would have some for-market builders as well as the Habitat builder. Ms. Powell stated that was correct. She said that of the 15 lots 7 would be developed by Habitat and 8 would be developed by partner builders who would purchase a lot from Habitat and sign a Memorandum of Understanding that clearly detailed Habitat's expectations for the house construction. Ms. Powell stated Habitat would assist in identifying a buyer who would go through homebuyer education classes, adding that buyer could not earn more than 80% of the median income.

Mayor Voller asked if this innovative type of development was the first time such a process had been used by Habitat. Ms. Powell stated that was correct.

Bill Leroy, 83208 Jarvis in Chapel Hill, stated he was a volunteer for Habitat, that he was a retired real estate developer from Connecticut, and that he held a real estate broker's license from North Carolina. He said that this development was targeting a price range for the 15 houses of between \$120,000 and \$200,000, and was targeting workforce and underserved families in Pittsboro including civil servants who found it difficult to live in the same jurisdiction that they worked. Mr. Leroy stated the average price of a home in Pittsboro was currently \$354,000, which meant that a family buying such a home would have to earn between \$65,000 to \$70,000 at minimum.

Mr. Leroy stated Chatham Oak would serve families earning between \$20,000 and \$48,000 annually. He displayed a chart which outlined affordable housing prices and the assumptions

made to determine mortgage eligibility and affordability for particular families at certain income levels.

Mayor Voller asked Mr. Leroy to provide copies of his chart to the Board, and Mr. Leroy agreed to do so.

Diane Stokes, 421 Log Barn Acres Road, addressed what this property could do to the value of neighboring properties, specifically Potterstone Village. She said there was a large buffer of trees, and did not believe there would be any negative impact at all on the neighbors. Ms. Stokes said there was a modest neighborhood next to Potterstone, which was Magnolia Trace, and there was no buffer between the two. She said the property values there had not been affected at all even though there was no buffer.

Mayor Voller asked if she stated that as a professional opinion. Ms. Stokes replied yes, she stated that as a licensed NC real estate appraiser. Mayor Voller asked how long she had been an appraiser. Ms. Stokes replied 25 years. Mayor Voller asked did she generally work in Chatham County. Ms. Stokes replied she worked only in Chatham County.

Pat Gibson, 1947 Lake Bay Road in Vass, said she worked for the US Department of Agriculture, Rural Development, and her office was located at 2416 Tramway Road in Sanford. She said she was charged with administering the single-family housing program in 8 counties including Chatham. She said they were looking for the opportunity to finance some of the homes that would be built by the private builders in this subdivision, and described the 2 different loan programs they used to finance such housing.

Ms. Gibson stated they considered Chatham County to be one of their underserved areas, noting they had a difficult time making loans in the Pittsboro area because there were few homes that were affordable. She said they could provide the financing for an affordable home, but they could not provide the home itself.

Mayor Voller asked if only one loan had been made in Chatham County. Ms. Gibson said of the loans they had made, one guaranteed loan was made and one direct loan was made in Chatham County this last fiscal year. She said for Harnett County, they had made 30 guaranteed and direct loans, and in Lee County they had made a total of 37 loans. Ms. Gibson said almost all of the neighboring counties had eligible homes, but Chatham County did not. She said they were excited about the possibility of the Chatham Oak Subdivision because it gave them an opportunity to get their program into Chatham County.

Mayor Voller stated he was sure that Speaker Hackney, Congressman Price and Congressman Ethridge would like to see more than 2 loans going to Chatham County. Ms. Gibson agreed.

Commissioner Walker asked what rates were charged on the mortgages. Ms. Gibson said today the rate was 5.625% on a 30-year guaranteed mortgage. She said in some instances they could extend that to a 38-year mortgage to help bring the payment down and make it more affordable. Ms. Gibson said for direct loans the mortgages were for 33 years.

Commissioner Walker asked who set the interest rates. Ms. Gibson stated their rate was based on the Federal Treasury Note and was determined by Congress.

Commissioner Walker stated he was in banking, and that rate was actually higher than the market rate that any consumer would get. Ms. Gibson said for the guaranteed program the lender set the rate. She said on the loans in the direct program, they could subsidize that rate down to as low as 1% or some range in between 1% and 5.625%

Commissioner Walker asked how that was subsidized. Ms. Gibson said the formula was based on where the family fell in comparison to the median income. She said if a family was below 50% of the median income, they would pay 1%. Ms. Gibson said they also looked at the percentage of the family's total income, in that the family would pay based on 24% of their income or the 1%, whichever was higher. She said the family's income was reviewed once every two years, and as their income increased then their payments would increase proportionally, and the subsidy would decrease until they eventually got up to their note rate.

Harvey Harmon stated all of the speakers tonight had written information and they would provide that to the Town as part of the public record.

Katherine Ladd, 53 Juleann Lane, said she was one of those few people who had received a USDA loan, and as a "starving" artist she would not have been able to afford a home otherwise. She explained how she had searched for a house and then searched for a lender, and how difficult that process was.

Robert Willis, 110 Bill Thomas Road, explained how his wife had been able to find a reasonably priced lot back in the 1980's to build a house on, which was very rare at that time. He said the idea of having such a subdivision as this one would create low and moderate income houses for the working class, which were greatly needed. Mr. Willis urged the Board to approve the project, noting it had particular features that allowed it to fit into a mixed environment. He said they needed to provide homes for the people who taught and protected their children.

David Leperi, 186 Bridle Path in Potterstone, stated he was representing Potterstone as chair of the Community Watch Program. He stated they had five concerns that they wanted the Board to review or investigate prior to approval of this project: will they have a homeowners association, were they guaranteed that law enforcement/teachers would live there; consideration of the factor for noise control; consideration for animal protection the wetlands area; and concerns regarding the effects on traffic flow. Mr. Leperi stated they were not for or against the development, but wanted what was best for Pittsboro. He asked the Board to consider those issues.

Mayor Voller asked had there been a consideration if this project could fold into the Potterstone homeowners association. Mr. Leperi stated he had no idea, but it was worth considering.

Tracy McInturf, 987 Sugar Lake Road, said she was a Habitat family partner and represented the people who fell into the lower-income bracket. She said she worked in the human services area, a field that she enjoyed but that did not bring her much income. Ms. McInturf said she was working to serve families and children that were under stress, and housing was one of the bigger

issues that created stress and in turn created conflict. She said this subdivision was a fantastic way for someone like her to own a home and stay in Pittsboro, which was a Town she loved and wanted to stay in if she could afford it. Ms. McInturf stated they were not “shoving” poor people into one neighborhood, but were addressing the needs of people like her who were professionals but could not earn enough money to purchase a \$300,000 home.

Ms. McInturf stated that people who made \$30,000 a year had enough to live on, but not enough to succeed on. She said those people did not have a lot of opportunities to be leaders, and having homeowners associations gave them the opportunity to be a leader in their community. Ms. McInturf stated Habitat went beyond the call of duty by providing such opportunities to people and empowering them. She said Habitat gave a hand up and out, and hoped that this project would be seriously considered and that they took advantage of the opportunity to be a leader in sustainable housing.

Catherine Moore Foushee, 298 E. Cornwallis Street, stated she believed everyone deserved a home, but was concerned that she would now have a house right in front of her driveway. She said East Cornwallis Street had always been a predominately Black neighborhood, but now it was becoming mixed. Ms. Foushee stated she believed everyone should have a chance to buy these houses, not just Latinos.

Mayor Voller stated the house Ms. Foushee had said would be in front of hers had already been approved under the minor subdivision. Mr. Monroe stated that was correct.

Ms. Foushee stated her property went all the way back to the wetlands, with Potterstone on the other side. She said she had lived there all her life, and to have a house that close to her would be very difficult for her, and she was concerned that anyone moving into the neighborhood should have respect for others. Ms. Foushee said once the trees were cut down, she would be exposed.

Mayor Voller asked Mr. Harmon were they willing to let a tree buffer remain. Mr. Harmon responded there would be a tree buffer on that side, and respected her right to privacy. He said Habitat would be putting plantings in that area so that they could grow up over time. Mayor Voller said it appeared that Habitat was agreeable to discussing this privately with Ms. Foushee to determine what would work best.

Commissioner Baldwin asked how far the distance was between her house and the approved house. Mr. Harmon pointed that out on the map. Commissioner Baldwin asked if he was willing to work with Ms. Foushee. Mr. Harmon said absolutely.

Planner Monroe stated for benefit of the public, the Board would not take any action on this application with the exception of referring it to the Planning Board for its review. He said it would appear on the Planning Board’s agenda in March, and any written comments should be forwarded to him by mid-February so it could be included in the record.

CHATHAM COUNTY REQUEST TO REZONE CCCC FROM R-12 TO O&I

Planner Monroe stated this was a request to get the zoning of the CCCC campus in line with the actual use that was being developed on that campus.

Renee' Paschal, 105 Chatham Oaks, stated she was available to answer any questions regarding this request, which was being made on behalf of the CCCC Board of Trustees whom she was representing as the Project Manager for the new buildings being built on the campus.

Mayor Voller asked if this would clear up all future requests for that campus. Planner Monroe responded yes, it would.

AMENDMENT TO THE ZONING MAP TO IDENTIFY WSIV-CRITICAL AREA AT FRESHWATER INTAKE

Planner Monroe stated when doing research, their engineers, Hobbs & Upchurch, had noticed that the County map reflected a Watershed Critical Area designation in the area 2,500 feet upstream of their freshwater intake, located on the north side of the Haw River Bridge. He said their zoning map showed a Critical Area only in the location of their old freshwater intake. Mr. Monroe stated the amendment was being done simply to correct that oversight.

Commissioner Walker stated the memo indicated the County had already changed the map to reflect that intake. Mr. Monroe said yes, but it had not been reflected on the Town's map or the State's map, and this amendment would correct that.

Mayor Voller said this was a follow-up to an item presented several months ago when HUA first noticed the issue, so this was just to follow the process to get it corrected. Mr. Monroe stated that was correct.

Ricky Spoon, 2475 Redbud, said he had no problem with this amendment, but had talked to the Town Attorney about it. He said if the Town made a new critical watershed area then you had the old intake down below the Bynum Bridge which, if he brought a plan to the Board for that area, he wanted the Board to keep that in mind. Mr. Spoon said when they put a park there, something would have to be done to clean it up and make it more presentable as a park area.

Motion made by Commissioner Brooks seconded by Commissioner Baldwin to go out of public hearing.

Vote Aye-5 May-0

OLD BUSINESS

CROSLAND REZONING FROM R-A5 TO R-ACD WITH A SPECIAL USE PERMIT FOR A PUD

Planner Monroe said the Planning Board had reviewed this application, noting Mr. Messick had prepared some stipulations that would be applied to the SUP, which were prepared after the

Planning Board had had the opportunity to act. Therefore, he said, it seemed appropriate to refer this back to the Planning Board for review of those stipulations so that they would become part of the record.

Commissioner Walker asked if those were the seven conditions listed in the memo. Planner Monroe responded no, it was the four pages just after those seven conditions.

Motion made by Commissioner Walker seconded by Commissioner Bryan to refer this item back to the Planning Board.

Vote Aye-5 Nay-0

REQUEST FOR AUTHORITY TO FILL NEW POSITIONS FOR A FINANCE OFFICER AND AN ASSISTANT PLANNER FOR PARKS & RECREATION/CODES ENFORCEMENT

Manager Terry stated these two positions had been authorized in the current budget but not yet filled. He stated he had worked with the staff over the last several months and they had developed draft position descriptions that defined the duties of the two positions. Manager Terry stated they had also included recommendations for classification and pay for these two positions, and also recommendations about interior renovations of the Town Hall that would provide some office space. He said in association with those renovations, they were also recommending modification of some earlier guidance from the Board regarding removal of the wall in the Board Room and replacing it with a sliding wall or curtain wall.

Manager Terry stated that initial estimates for removal of the wall and replacing it with another type of wall would be around \$18,000, but that estimate had become stale. He stated they had sought other estimates and gotten a quote from a second source that was \$25,000. Manager Terry stated they had researched some other alternatives and wanted to propose to the Board for its consideration the idea that they simply take the wall out to enlarge the room. He said that would serve the purpose of the Board and when there were no Board meetings the room could be used as a conference room. Manager Terry stated creative scheduling would avoid any conflicts, adding it was not productive to use the other room as a meeting space when Board meetings were in session because of conflicting noises.

Manager Terry stated it was his recommendation to abandon the idea of a sliding or curtained wall and take the less expensive option of simply removing the wall at a cost of about \$1,600. He said he was seeking authority to go forward with the hiring of these two positions at the classification and pay rates recommended and to remove the wall in the Board Room.

Mayor Voller stated then presumably the money saved from this could be used in other areas with funds left over. Manager Terry stated that was correct.

Commissioner Walker commented when the wall was removed, he would like to see an area reconfigured that was wheelchair accessible and ADA compliant. There was general agreement from the Board members.

Commissioner Cotten said he did not have a problem with the proposal for the two positions or the salaries, but did have a problem with removing the wall. He said he would like the Manager to look at the possibility of moving the counter in the lobby out and creating office space there, and leaving that wall in place. Commissioner Cotten said then Planner Monroe could be moved into a decent office, and his assistant into the smaller area.

Commissioner Cotten said he had seen a number of times where open spaces were built, then before long someone put walls up. He said he believed that if the wall was removed, that it would not be too long before someone wanted to replace it. Commissioner Cotten stated he still believed his proposal to move the Police Department out into another building was a worthwhile proposal. Manager Terry stated they were willing to study that, but believed the cost would be substantially higher than what was being proposed now.

Mayor Voller stated it was wise to bring up the issue of moving the Police Department into a separate building, which would alleviate the office crowding issues. Manager Terry stated what he was proposing was a stop gap measure to provide office space for the two new positions, and would not address long term needs.

Commissioner Cotten stated his remarks were only suggestions. He said the Town needed to purchase enough stacking chairs so that public hearings could be held at the Community House when necessary, noting that the acoustics in the Superior Courtroom were not good.

Motion made by Commissioner Cotten seconded by Commissioner Baldwin to adopt the resolution as prepared by Manager Terry.

Vote Aye-5 Nay-0

**PUBLIC WATER SUPPLY SECTION, DIVISION OF ENVIRONMENTAL HEALTH
REPLY TO PITTSBORO'S REQUEST FOR THE EXTENSION OF ADMINISTRATIVE
ORDER COMPLIANCE DEADLINE DISINFECTION BYPRODUCTS**

Manager Terry stated he was seeking guidance from the Board on how to proceed with the review of this issue. He said once he heard tonight's discussion, he may be able to provide a recommendation as to how to proceed to make the State happier with the Town's progress.

Commissioner Cotten said don't make the mistake of thinking that the improvements proposed by Hobbs & Upchurch would solve the TTHM problems, since there were more problems than just that. He said anytime you had dead end lines collecting water, you would have problems. Commissioner Cotten stated you may need to consider taking one of the water tanks out of commission until the demand rose, since there was stagnant water in those tanks.

Mayor Voller asked if Hydrostructures had a hydrology study that was updated for the Town, noting it was first done around 1999. He wondered if that report would respond to the idea of looping the lines, and if the Town could get a recommendation. He also asked if they could determine if some kind of funding was available. Manager Terry stated he would consult with Hydrostructures, and although they could address the issue of stagnant water in the lines by flushing them, but that would not solve the entire problem.

Mayor Voller asked Mr. Efird if he had knowledge about Commissioner Cotten's remarks about the water tanks. Frank Efird, Water Plant Manager, stated they were filling those tanks, but it would be his preference not to fill them up because of current work schedules and employee status. He said they were filling them for emergency purposes.

Mr. Efird stated Commissioner Cotten was exactly right, that the more they looped the lines and the more they flushed them to keep the water moving, the better off they were.

Mayor Voller stated that had been brought forward by Hydrostructures, but there was a question of getting funding to do it.

Commissioner Walker stated they had run a line down Russell Chapel and tried to get the Crosland Group to run it down farther, back up to around 87/Old Graham Road. He said many people did not know there was only one water line running into Town, and it was buried 20 feet underneath the Bypass. He said they did not have the manpower, the expertise, or the equipment to repair it if a break were to occur. Commissioner Walker stated that was why it was important to loop the lines, not just in small neighborhoods but to make sure that the large line coming down Old Graham Road got connected. He said then if they ever did experience a serious water line break they could still get water to the Town.

Commissioner Cotten stated he believed there was an easement from Old Graham Road over to 87, approximately where the one on New 87 ended. He said at one time the line had belonged to the people who lived on the road, but the Town and those people agreed to enlarge the line and they had partnered on it. Manager Terry stated he had talked with Mr. Coats, the author of the letter, and the letter in part said that Pittsboro would be subject to the assessment of administrative penalties beginning the fourth quarter of 2008 if the TTHM was not consistently below the maximum contaminable level of .08, or if Pittsboro failed to complete the recommended approvals as detailed in the December 11 extension request. He stated the penalties would be in the range of \$35,000 to \$40,000, and then for every day thereafter they were not in compliance the penalty would be an additional \$30 a day, which would amount to about \$10,000 a year until the Town accomplished what was required.

Manager Terry said his advice would be that in view of the position that the State was taking on this, it would be prudent to show some due diligence and progress and move to complete this project. He said one way to do that might be to give Hobbs & Upchurch the authority to proceed with detailed design work. Manager Terry said even if that was done now and they accelerated design, then bid it out as fast as possible, they still would not meet the September deadline. He said it was his hope that if they could show some progress by completing the design work, that the State might soften its position.

Manager Terry stated they had an application in to the Rural Center to pay for half of this project, but grant applications would not be decided until May or June. He stated he did not know at this point if the Town had enough money to pay for this project.

Commissioner Walker said he believed the project would cost about \$365,000. Manager Terry stated that was correct.

Mayor Voller asked would this be a good opportunity to build on the presentation that was made by the County Commissioners Chair to build on joint cooperation. He suggested perhaps the Town could send the County a letter and make a proposal as to what the County could do to help. Manager Terry stated he could initiate a discussion with County Manager Horne and then report back to the Board. Mayor Voller said they certainly did not want to face fines, and needed to take advantage of any opportunities for funding that were available.

Commissioner Brooks said he was not in favor of turning the water system or anything else over to the County. Mayor Voller stated that was not what they would be asking; they would be asking the County for suggestions.

Commissioner Brooks stated the County did not have its own water system; they got their water from Cary. Mayor Voller said that may not always be the case, and it would not hurt to ask and see what they had to say.

Commissioner Walker said he did not know that they needed to send a letter; that Manager Terry could make a phone call and get the information needed.

Commissioner Brooks said there was a water line on Dogwood Lane, and Dr. Robert Jacques who was on the end of that 2 inch line could not get enough pressure. So, he said, at his own expense Dr. Jacques had run a line over to his home from that line on Dogwood lane. He said his point was he wondered if it would help if the Town could get an easement and bring that line on Dogwood Lane on over to 87.

Commissioner Brooks said at one time Cedar Lane had dead ended. Mr. Efird said he was not sure about that. Commissioner Brooks said he assumed that water line came down from Old 87 to the Cambridge Hills Assisted Living Facility. He said it was a short distance over to Cedar Lane, and asked wouldn't that be a significant loop. Mr. Efird said any time you could move the water, it would improve the conditions. Commissioner Brooks stated he would like the Town to research these two issues.

Commissioner Bryan asked hadn't Commissioner Cotten alluded to that. Commissioner Cotten said that was the area he was talking about, and he had been told the easement was already across that area.

Commissioner Brooks said that needed to be checked out. Manager Terry stated he would check with Hydrostructures and see what information he could get.

Commissioner Brooks said he did not understand why, when they had volunteers from Duke and also a local expert from UNC, that Hobbs & Upchurch had gone out and hired someone from Virginia. He said he did not understand how that could have happened, and it bothered him quite a bit. He asked why hadn't they done what the Board said to do, noting the volunteers were excellent people and they had likely lost them now.

Commissioner Bryan said he would be insulted if he had volunteered his time but was rejected.

Mayor Voller said they had had a period of time when the Town had no Manager, and that had likely contributed to that situation.

Mayor Voller stated that Manager Terry needed to express Commissioner Brooks' displeasure to Hobbs & Upchurch, noting this had been brought up before. Manager Terry said there was some sense of urgency to move quickly, but it did not necessarily have to be done tonight.

Mayor Voller suggested making a decision at the Board's next meeting, noting they could not wait much longer than that. He said the Board needed to have looping ideas in front of it, as well as other things that could be started. Manager Terry said in the event that Rural Center funding was not forthcoming, the Town would likely need to consider installment financing with a 10-year note for \$365,000. He said the Town could put a surcharge on the water rates for a period of time to pay for that or increase the rates by a certain percentage to pay that debt service. Manager Terry said if the Board chose to do that with a flat rate of \$3 per customer per month, an elderly widow living alone would pay the same rate as a family with two incomes. He said if you chose to do a percentage of the water bill, it would take a 4% surcharge per customer, which would be small for a small user and larger for a larger user. Manager Terry said that surcharge would have to remain on the water bills for the 10-year loan period.

Commissioner Cotten reminded the Board that he had been saying for some time that the water rates needed to be equitable. He said right now the minimum users were the only ones paying the full cost. Commissioner Cotten said the Board needed to look at a new rate structure that was equitable, noting the fees being collected were being used for operational costs for the water plant and sewer plant, which was not good.

Manager Terry stated the rate structure would be one of the issues discussed when Hobbs & Upchurch gave the Board a briefing on the wastewater treatment plant, because impact fees and rates were also important in that regard. He said a full-blown impact fee and rate analysis for a town this size would cost in the range of \$40,000, but if you looked at that in terms of the \$40 million they were contemplating spending on the new wastewater treatment plant, that was less than a tenth of one percent of that possible capital investment.

Mayor Voller asked if the 4% was based on just the water portion of the bill, or on the water and sewer. Manager Terry said on both.

Mayor Voller said for the low user it would be something less than about \$1.20 a month, so he was sure that if you told the average citizen you would improve his water for a little over a dollar a month, he would want you to go forward with it. Manager Terry said that would be an alternative if the funding was not received from the Rural Center.

Mayor Voller said it was likely they would get some funding. Manager Terry said he was cautiously optimistic.

Commissioner Baldwin said in reference to Hobbs & Upchurch, she, too, was very disappointed that they had not utilized the expert volunteers that they had access to through the Town. She asked Manager Terry to express that to them on her behalf. Commissioner Baldwin said based on the letter, Hobbs & Upchurch should be receiving a report shortly from Dr. Edwards. She asked Manager Terry to follow up on that, since Dr. Edwards was supposed to finish his water samplings by January 15th, and sometimes Hobbs & Upchurch dragged their feet. Manager Terry stated in this case it was not the fault of Hobbs & Upchurch, noting Town staff had been a little less than prompt in the work it had to do due to the cumbersome process it entailed.

Manager Terry stated he would follow up on the Board's requests, and this would be on the agenda for the next meeting.

NEW BUSINESS

HABITAT FOR HUMANITY SPECIAL USE PERMIT FOR PUD ON EAST CORNWALLIS STREET

Motion made by Commissioner Walker seconded by Commissioner Bryan to refer this issue to the Planning Board.

Vote Aye-5 Nay-0

CHATHAM COUNTY REQUEST TO REZONE CCCC FROM R-12 TO O&I

Motion made by Commissioner Cotten seconded by Commissioner Baldwin to approve the rezoning request.

Vote Aye-5 Nay-0

AMENDMENT TO THE ZONING MAP TO IDENTIFY WSIV-CRITICAL AREA AT FRESHWATER INTAKE

Motion made by Commissioner Baldwin seconded by Commissioner Brooks to approve the amendment to the Zone Map.

Vote Aye-5 Nay-0

CVS AT BELLEMONT STATION SITE PLAN REVIEW

Planner Monroe stated the Planning Board had reviewed this application, and there was considerable discussion about providing additional screening so that vehicles parked in front of the building would not be visible from Highway 15-501. He said there was consideration of a berm to be installed with landscaping on top of it, but it appeared that the area where the berm was to be located was not wide enough to get enough elevation to be effective for the purposes of screening. Planner Monroe stated the applicant had developed a landscaping plan that was essentially more robust than had been submitted for the Planning Board's review, and it had been submitted to Lowe's Home Improvement, who had contractual oversight of the landscaping and building design, but Lowe's had refused to approve it. Planner Monroe stated the plan under

review today was slightly better than what the Town had approved for KFC and Taco Bell, and was significantly better than what had previously been reviewed.

Commissioner Brooks asked Planner Monroe for his opinion. Planner Monroe said he was a little bothered by Lowe's exercising authority over Town actions.

Commissioner Walker asked was there anything they could do about it. Planner Monroe said the problem was the applicants; if the Town required more landscaping than what was shown here the applicant may not be able to convince Lowe's to approve it. Commissioner Walker asked what Lowe's objection was. Planner Monroe responded he did not know.

Kenneth Hoyle, Chair of the Planning Board, reminded the Board that several months ago they had been lambasted because of the lack of vegetation around Lowe's. He said that area was an entrance into the Town, and this was their only opportunity to give some input as to what it would look like. Mr. Hoyle said he was appalled that Lowe's had the authority to say yes or no, noting their landscaping was deplorable.

Mayor Voller asked was this a restrictive covenant they had on the property. Josh Lambert, a consultant for the developer, replied yes, it was. He said it put them in quite a bind with the Town since Lowe's had final approval, so they were caught in the middle. Mr. Lambert stated this plan was much improved over the plan approved for the neighboring outparcels.

Marlene Wentworth stated part of the problem was that Lowe's had rights over the entire shopping center parcel, and Lowe's wanted to make sure the landscaping was uniform on the KFC parcel.

Mayor Voller asked if Lowe's believed no one knew they were there. Ms. Wentworth stated such restrictive covenants were typical of most of the shopping centers they went into, in that the anchor store set the restrictive covenants. Mayor Voller asked what the issue was with Lowe's; what were they saying they would allow. Ms. Wentworth stated they would allow a little more than what was approved for KFC. Mayor Voller asked how that was different than what the Planning Board wanted. Ms. Wentworth stated they wanted a berm, which they could not do.

Josh Lambert stated they had tried to accommodate a berm, but Mr. Monroe had stated a berm would not be favorable. Planner Monroe said the berm would not be of sufficient height, and landscaping seemed to be the better option to accomplish screening. He stated that the current landscaping plan was an improvement over what had been approved.

Commissioner Bryan asked would it tie in to KFC's landscaping plan. Planner Monroe responded it would.

Commissioner Walker said given the fact that the new plan was better than what was previously approved, they should go ahead with it. But, he said, he believed they had also learned a lesson in that the next time a large store wanted to locate in Pittsboro, they would require significant screening.

Marlene Wentworth said they had not had a lot of time to negotiate with Lowe's, noting most of the communication had been done via email back and forth.

Mayor Voller said he agreed they were caught in the middle. He said there were many people who had expressed displeasure with the parking lot and the lack of trees.

Ricky Spoon stated he had told KFC that he was not happy with their landscaping plan and that all three of those parcels needed to be uniform. He said that Mr. Monroe was correct that a berm would not be desirable on the CVS parcel.

Mayor Voller asked what else had the Planning Board suggested other than the berm. Mr. Hoyle said their primary objective was to screen the parking lot. He said he believed the new landscaping plan was acceptable.

Mayor Voller asked if the applicant was agreeable to the Town approaching Lowe's about other landscaping that could reasonably be done to improve the property. He said they wanted to create an entrance to the Town that was complimentary but that was not what they had, and this was an opportunity to improve that situation. Tom Wainwright said they had wanted to screen the first row of parking, but if you were on the access road to Lowe's or on 15-501 that first row of parking would be naturally screened due to the drop in elevation.

Mayor Voller stated the intent was to screen the parking however it could be accomplished sans berm, so obviously the approval they were looking for was something that would accomplish that, with the Town being able to reserve the right to make sure that it was accomplished. Mr. Hoyle said the elevation would accommodate some of that.

Mayor Voller asked had any issues come up regarding the design of the building. Planner Monroe stated the intent was that the building must visually conform to the other buildings in the development.

Mayor Voller asked was that an issue with the applicant. Mr. Hoyle stated one thing they had failed to bring up at the Planning Board, but he had discussed with Mr. Monroe, was if the HVAC on top of the building would be screened. Ms. Wentworth stated they had not reached that level of design as yet.

Mayor Voller stated they wanted to learn from the successes and possible failures of their neighbors, so these types of questions needed to be asked and answered.

Commissioner Brooks asked Mr. Spoon what he believed the Board should do to achieve uniformity with the three parcels. Mr. Spoon said he would talk with whoever it was necessary to talk with to achieve that, and when he sold the third parcel he would make sure the buyer understood what was required.

Motion made by Commissioner Walker seconded by Commissioner Bryan to approve with landscaping to be designed to shield at least the first row of parking and to attempt to have

consistency between the parcels, and that a lighting plan be submitted to and approved by the Town Planner prior to a building permit being issued.

Commissioner Walker said some of the plans did not have an engineer's seal, and asked if that was an issue. Planner Monroe stated those seals had been collected and had been incorporated into this submittal.

Commissioner Walker amended his motion to include that screening of the HVAC was to be approved administratively.

Vote Aye-5 Nay-0

PEDESTRAIN GRANT CONTRACT

Manager Terry said that this was a contract for a pedestrian grant, and they had selected a firm to do that work.

Motion made by Commissioner Cotten seconded by Commissioner Baldwin to authorize the Town Manager to sign the Pedestrian Grant Contract.

Vote Aye-5 Nay-0

LIQUOR BY THE DRINK REFERENDUM

Manager Terry stated this item was added to the agenda for discussion by the Board regarding putting Liquor by the Drink on the next County referendum. He said it was possible they may find themselves in the position of having Liquor by the Drink in the County but not within the city limits of Pittsboro.

Commissioner Cotten said he believed they needed to do some investigation, and that a series of public hearings were necessary to test how people felt about it. He said he believed there may be strong opposition within the Town, noting this had already been tried once before.

Commissioner Walker stated he respectfully disagreed, noting he was hearing on a consistent basis support for Liquor by the Drink, not because people were drinkers but because of the boost it would give to restaurants. He said 90% of the people he spoke to were in favor of it.

Commissioner Cotten said from past experience, they should proceed slowly.

Mayor Voller said it was possible if it were approved by the County that it would be allowed in the ETJ but not in the Town. He said that would make for a strange situation when doing zonings for things in the ETJ, and if they were annexed into the Town they would be non-conforming uses. Mayor Voller said it would create some strange "catch 22's" if they don't work together.

Commissioner Brooks stated he believed it should be a County referendum only, where all citizens of the County voted for or against, regardless of where they lived. Attorney Messick said he did not believe that was possible, in that each jurisdiction would have to choose.

Mayor Voller said the same could happen in reverse, in that the Town could have Liquor by the Drink but the County would not. Attorney Messick said that was correct.

Mayor Voller asked if they were asking the Town to support putting that on the ballot. Manager Terry stated the County Manager was interested in what the consensus of the Board might be, and also if the Board would sponsor a city referendum concurrently with the County.

Mayor Voller said he believed they would have to let the citizens vote on it, noting it would be strange to have it approved in the ETJ but not in the Town. Manager Terry suggested this would be a good topic for the meeting suggested by County Commissioners Chair Lucier. Mayor Voller asked had they given a timeframe for this. Manager Terry stated no, but the next opportunity for a referendum would be next fall.

Attorney Messick stated it could go on the primary ballot, theoretically, but that was a little soon.

Commissioner Cotten reiterated that they needed to hold a series of public hearings first.

Mayor Voller stated that was wise, but the question was whether they go forward with the County. Manager Terry stated the County Manager was looking for a general report back about what the consensus of the Board might be.

Commissioner Brooks stated he was not saying he was in favor of Liquor by the Drink, but he had no problem with allowing the citizens to vote on the issue. He said he would like to have Mr. Messick check with the appropriate party, perhaps the State Attorney General, regarding having citizens vote on in-Town referendums, similarly to what they did for school referendums. Mr. Messick said that was a different situation because the Town had no school system.

Mayor Voller said he believed one issue was that the Town had a separate ABC Board, but if it were merged with the County it would no longer be an issue. Mr. Messick said that was correct, but because they were separate the Town had a right to have an ABC Store and all the things that went with that.

Commissioner Brooks said he would like to have more information about the process come back at the next meeting. Manager Terry stated he would prepare an information report for the next meeting. He said he believed there was a consensus of the Board that the issue should be put to the citizens.

Commissioner Baldwin agreed, noting public hearings should be held. Manager Terry stated that would be part of the process.

MAYOR UPDATES

Mayor Voller said regarding the EDC, they would be attending the Main Street Conference, and information would be brought back to the Board.

COMMISSIONER CONCERNS

Commissioner Brooks said that a small business person in Pittsboro had asked him to make the Board aware that a gentleman who had a small copying business on 15-501 South had run into some business problems and was in danger of having to close that business. He said he would not like to see that happen, noting that such a service was needed in Town. Commissioner Brooks stated the UPS office was in the same area and that got a lot of use. He said he did not know if there was anything the Town could do to help him, but he would hate to see that business or the UPS office close. He said perhaps the Board members could encourage others to patronize that business.

Mayor Voller said he believed this Board should do whatever was necessary to make it easier for local businesses and business people to be successful in Town, and this was a good example.

Commissioner Brooks stated any publicity they could give this business would be appreciated. He said he was excited that a business person was interested in locating a business in Pittsboro where you could buy a license tag without having to go to Chapel Hill or Siler City. He said he did not know if there was anything the Town could do to encourage that business.

Mayor Voller agreed that would be a welcome addition to the Town. He suggested sending a letter to the appropriate party stating that the Town of Pittsboro would like to have a facility to purchase license tags to serve the citizens so they did not have to drive 20 miles.

Manager Terry asked who such a letter should be sent to. Commissioner Walker responded he believed it would be the DMV on New Bern Avenue in Raleigh.

Mayor Voller said send the letter with a copy going to the person whose business the Board wanted to support.

Commissioner Brooks said he wished the State would again consider examining people to drive in Pittsboro, noting people had to go out of Town to receive or renew their driver's license. He said this was the County seat, and a license examiner should be here, at least occasionally. He said in the past a license examiner was in Town for a day every other week.

Mayor Voller said he believed it should be required that drivers learn how to traverse the traffic circle in front of the Court House. He suggested the Manager Terry add that request to the letter.

Commissioner Bryan suggested that if Manager Terry needed a contact, that he contact Inspector Hooks out of Sanford, who handled Lee and Chatham Counties.

Commissioner Bryan asked if they had any update on the Hardee's sign. Manager Terry stated that the DOT was supposed to have it removed, and he would follow up with him. Planner Monroe said they had committed to consider the relocation of it.

Mayor Voller stated they did not want the sign at all, noting dozens of citizens had complained. Ricky Spoon stated that sign controlled the street, and agreed it should be removed. Manager Terry stated he would follow up on it.

Commissioner Bryan stated he would not be able to attend the next meeting of the Board due to work commitments that would take him out of Town.

Commissioner Walker said he wanted to continue to stress to citizens to slow down on Town streets, noting that speeding was rampant and there was only so much the Police Department could do.

Commissioner Baldwin said there was a Town police officer patrolling near her home today at rush hour, and it was a welcome sight.

Commissioner Cotten said he had enclosed with the agenda material the results of his research, and urged the Board to review G.S. 160A-101 and 160A-102. He said 101 provided the options for dividing the Town into electoral districts, and 102 told you the procedures for amending the Town Charter. He requested that this issue be placed on the Board's agenda for the first meeting in February.

Motion made by Commissioner Walker seconded by Commissioner Bryan to adjourn the meeting at 9:45 p.m.

Vote Aye-5 Nay-0

Randolph Voller, Mayor

ATTEST:

Alice F. Lloyd, CMC, Town Clerk