

MINUTES
TOWN OF PITTSBORO
BOARD OF COMMISSIONERS
REGULAR MEETING
MONDAY, APRIL 26, 2010
7:00 PM

Mayor Pro-tem Pamela Baldwin called the meeting to order at 7:00 p.m.

Commissioner Brooks gave the invocation.

ATTENDANCE

Members present: Mayor Randy Voller (arrived at 7:10 p.m.), Commissioners Pamela Baldwin, Gene T. Brooks, Clinton E. Bryan, III, Michael Fiocco, and Hugh Harrington.

Staff present: Town Manager Bill Terry, Town Clerk Alice F. Lloyd, Town Attorney Paul S. Messick, Jr. (arrived at 8:12 p.m.), Assistant Planner Paul Horne, Chief David Collins, and Lt. Lesia McCollough and K-9 Office Philip Terwilliger.

AGENDA

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

Vote Aye-5 Nay-0

CONSENT AGENDA

The Consent Agenda contains the following items:

1. Approve minutes of the April 12, 2010 regular meeting.

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

Vote Aye-5 Nay-0

Motion made by Commissioner Fiocco seconded by Commission Harrington to recall the previous motion in order to make a correction to the minutes.

Vote Aye-5 Nay-0

Commissioner Fiocco said in the fourth paragraph on page 12, that sentence began with "Commissioner Harrington" and it should read "Commissioner Fiocco."

Motion made by Commissioner Harrington seconded by Commissioner Brooks to approve the Consent Agenda as amended.

Vote Aye-5 Nay-0

REGULAR MEETING AGENDA

Citizens Matters

There were no citizens present who expressed a desire to speak.

OLD BUSINESS

1. Update on the Pittsboro Police Department K-9 Program (Lt. McCollough and Officer Terwilliger).

Mr. Terry stated that the Town had been offered a proposition that would change previous plans regarding the purchase of a K-9 dog. He said with the Board's permission they would like to offer a demonstration using the animal under consideration for purchase, noting they had hidden illegal drugs in a car in the parking lot and would allow the dog to attempt to locate it.

Officer Philip Terwilliger stated that the kennel they had acquired Kilo from, who had been intended as a loaner dog while the Town's dog, Viper, was being trained, had offered to allow the Town to purchase Kilo at a cost of \$5,800. He said the Town would need to make an initial payment of \$1,000 and the kennel, PC Kennels in Keysville, Georgia, would finance the remainder of the cost at no interest for period of 12 months. Officer Terwilliger said during those 12 months as funds became available to the Town, the Town would need to make payments equal to \$4,800 to PC Kennels.

Officer Terwilliger stated they had obtained Kilo on March 21 from PC Kennels, and in that short month they had made 4 drug arrests with Kilo's assistance, 2 of which were felony arrests. He said as well, Kilo was used during a domestic disturbance where the suspect ran out of the back door and into the woods. Officer Terwilliger said that Kilo overtook the suspect about 150 yards into the woods which allowed the officers to apprehend him.

Officer Terwilliger said Kilo was more expensive, it was an investment in the success of the K-9 program. He said that Kilo was 2 years old and was a more mature and more predictable canine, noting she had already proven herself to be an asset to the Police Department. Officer Terwilliger said that Kilo had received extensive training in all areas of Police patrol including narcotics detection, suspect apprehensive, tracking, and obedience.

Officer Terwilliger appealed to the Board, asking that they strongly consider the purchase of Kilo. He said although more costly, Kilo was the right tool for the job and would assure success of the K-9 program and would allow them to continue their journey to making the Town's K-9 program one of the best. Officer Terwilliger said they did have a demonstration prepared if the Board was interested in that.

Mayor Voller arrived at the meeting at 7:10 p.m.

Mr. Terry said the original deal was that the Town would purchase a young, untrained dog and then work to train that dog. He said the difference here was not the difference between \$5,800 and \$800, it was the cost that they would have incurred while undertaking the training of the other animal. He said as well, there was the cost of having to wait while the other dog was undergoing training. Mr. Terry said that Kilo had already proven her worth, and believed there was no question this was an opportunity that should be considered.

The Board took a short recess outside of the meeting to observe Kilo at work.

Mr. Terry said should the Board decide to accept the offer by PC Kennels and purchase Kilo, they could pay \$1,000 now and the balance over the next 12 months, or, there was a surplus in the Police Capital Equipment budget because they had a better than expected price on a vehicle purchased during the year. He said that amounted to an \$8,000 surplus so those funds could be used to purchase Kilo outright.

Motion made by Commissioner Brooks seconded by Commissioner Harrington to purchase the K-9 dog Kilo and that funds come from the surplus in the Police Capital Equipment budget.

Commissioner Fiocco asked what the estimated service life was of the animal. Officer Terwilliger said that German Shepherds had a work life of 8 to 10 years. He stated that for Kilo and the shape she was in, he would estimate a 12-year service span if there were no accidents or injuries.

Commissioner Harrington asked if the \$5,800 included additional training by the kennel. Mr. Terry said not that he was aware of, noting the \$5,800 was the price for the fully trained dog.

Officer Terwilliger said he had already spent over 100 hours with the gentleman who had trained Kilo, and he had stated that they would be able to make visits free of any fee to continue Kilo's training if they wanted to do that.

Commissioner Brooks said since that breed was so inclined to hip dysplasia, he would assume that Kilo had had the necessary x-rays and examinations. Officer Terwilliger said that was correct, noting that the kennel would provide those records upon purchase of the dog.

Commissioner Harrington asked had that already been verified. Officer Terwilliger said it had been verified and they had had access to those records; they just had not yet received a copy.

Mayor Voller said he was very supportive of the K-9 program and the work that had been put into it. He said to him, there needed to be a reasonable and judicious use of the K-9 patrol as it involved what they would consider to be routine traffic stops. Mayor Voller said there needed to be probable cause, and on behalf of citizens he did not want the program to be viewed as abuse. He said he knew that was a fine line the Police had to walk as professionals, but as a policy maker he wanted it to be clear that routine stops would not involve searches by the K-9 dog.

Commissioner Brooks stated they had discussed that before when the K-9 program was first brought up, and the Board had been assured that would not happen. Officer Terwilliger stated

they would first have to have suspicion or some previous knowledge that a person was involved and had been involved in drug activity, and a driver would have to present some kind of suspicion or clues that would lead him to believe that the dog should inspect the vehicle. He said he would not use the dog on every vehicle because that was unreasonable, and he would assure the Board that if Kilo was purchased that would not happen.

Commissioner Baldwin said she recalled the previous discussion as well, and was happy to hear Officer Terwilliger repeat those assurances tonight.

Commissioner Harrington said he assumed that during his training Officer Terwilliger had received instruction in those types of things as well. Officer Terwilliger said that was correct. Commissioner Harrington said he also supposed that if they were to get into a court situation that he would have to provide some evidence of probable cause. Office Terwilliger said that was absolutely correct, but noted that a drug sniff around a vehicle was not a search so even when it was done a person's Fourth Amendment rights would not be violated. He said technically they could run the dog around every vehicle they stopped, but that was not reasonable and was not something they had ever considered because then the dog would be being used as an intimidation tool.

Mayor Voller said that was not the kind of Town he wanted to be Mayor of and that was what he wanted to be made clear. He said it was a positive program and it could not fall into abusive practices. Officer Terwilliger agreed, noting that was his sentiment as well and he could assure the Board that it was the view of his peers as well.

Commissioner Bryan said obviously the primary duty of the dog was illegal drugs, but in the case of a missing person or other incidents he would assume the dog would be put into use. Officer Terwilliger said Kilo was "a tracking fiend." He said he had no doubt Kilo could find anything she went after.

Mayor Voller said as long as the Board's viewpoint was understood, he would call for the vote.

Vote Aye-5 Nay-0

2. Update on the Powell Springs Site Plan Review (Assistant Planner Paul Horne).

Patrick Bradshaw, attorney for Evergreen Construction, the applicant on the Powell Springs Site Plan review, objected for the record to any proceedings on the application tonight because his client was given no notice that this matter would be on the agenda, he knew nothing of the subject matter, or what the consideration might be. Mr. Bradshaw stated the Town's ordinance provided a procedure for review of site plans, and this was not a part of those proceedings. He reiterated his objection to the proceedings tonight.

Mayor Voller stated Mr. Bradshaw's objection had been duly noted for the record, noting that the Town's Attorney had not yet arrived at the meeting. Mr. Terry said he felt comfortable proceeding with the update this evening and believed Mr. Bradshaw would be comfortable with the intent of the update.

Mr. Bradshaw asked why his client was not given notice.

Mr. Terry stated this was simply an update for the Board's information and no action would be taken, and did not understand why any notice was necessary. Mr. Bradshaw said this involved his client since Evergreen was the applicant and the property owner, and even though no formal action might be scheduled there would be discussion which in effect was action. He noted again for the record that his client received no notice of the site review being placed on tonight's agenda.

Mayor Voller said for the record that it was not the Board's intent not to provide notice, and would note Mr. Bradshaw's objection.

Mr. Terry said he also wanted to note for the record that Mr. Bradshaw must have had some sort of notice because he was present this evening. Mr. Bradshaw said his notice was that he had taken the initiative to check the agenda that was available on-line and had asked Town Clerk Alice Lloyd to email the agenda which he had received at 10 a.m. yesterday, Sunday morning. He said no one from the Town provided them with any kind of notice.

Mr. Terry said the reason this item was on the agenda tonight was simply to inform the Board that the site plan had been modified and resubmitted and was scheduled to be considered by the Planning Board on May 3. He said he had placed it on the agenda tonight in order to seek guidance from the Board as to what action they would want him to take in preparation for the Board's next hearing on this application. Mr. Terry said at previous meetings there had been considerable discussion about the suitability of Millbrook Drive to carry the traffic loads associated with this development, and discussions about the classification of the stream identified to the west of the proposed site. He said it occurred to him that the Board might be interested in the submission of either a traffic study or drainage/stormwater study, and wanted some guidance from the Board on those issues. Mr. Terry said that feedback would allow him to begin the necessary arrangements to have those studies prepared. Or, he said, if the Board was satisfied with the engineering reviews already prepared on this site plan to date, then there would be no need for further reviews. But, Mr. Terry said, he had believed it was important to bring the issue forward in order to determine what the Board would want to see at its next review of this issue.

Commissioner Brooks asked would it be better to table this until the next meeting, and let that serve as the applicant's notice.

Mayor Voller said by the next meeting the issue would have already gone before the Planning Board, so when it came back to this Board it would be to take action. Mr. Terry said by this Board's next meeting he did not believe there would be sufficient time to have reviewed the Planning Board's minutes.

Commissioner Harrington stated the Board had not known exactly what the agenda item would contain since no written materials were provided, and in response to Mr. Terry's question he had not had time to digest them so he did not have a recommendation other than to raise the same issues previously noted and referred to the Planning Board for their consideration.

Commissioner Harrington said it was that board's duty to review those issues, and had no other recommendation other than to follow the process.

Mayor Voller asked Mr. Terry if he was asking for guidance on whether the Town should commission someone to study the stream buffer and other issues. Mr. Terry said there were two primary issues discussed, the first being what was the classification of that stream, either intermittent or perennial, and whether or not that made any difference in approving the site plan. He said he was not qualified to make that determination and if the Board wanted some science behind that decision then they would need to hire someone to get that done. Mr. Terry said the second issue was whether Millbrook Drive could safely carry the traffic loads associated with that site plan. He said he had wondered if they needed to go back and look at any traffic studies that were submitted with the original MUPD or the site plan, and without a Town engineer on staff he would need to hire someone to do that. Mr. Terry said if that guidance was provided tonight it would actually expedite the process, but if they waited until after the Planning Board review and the information the Town Board received from the Planning Board was incomplete, and then there would be additional delays. He said if the Board wanted that sort of technical review of the site plan then now was the opportunity to get that started.

Mr. Bradshaw said the issue raised regarding the classification of the stream was a simple matter to resolve, noting that the Town's ordinance provided guidance on exactly how to make the determination. He said the USGS maps showed that that stream on the western portion of the property was an intermittent stream. Mr. Bradshaw said the ordinance required a 75-foot setback on intermittent streams, and that was what was provided in the site plan. So, he said, he did not believe it was necessary to hire an engineer to make that determination since the USGS maps had already made that determination.

Mr. Bradshaw said the second issue raised was the traffic loads on the roads. He said the classification for those roads was defined in the MUPD that was prepared in 2002, and the roads had been constructed to meet or exceed those specifications. Mr. Bradshaw said the Town's ordinance was very specific about what a site plan applicant was required to submit, and those requirements did not include submittal of a traffic impact analysis. So, he said, even if the Town were to have a traffic impact analysis prepared the Town Board was not allowed to take that information into account on a site plan review.

Mayor Voller asked if the Board had received information submitted by the various property owners in Powell Place including issues about the buffer and the stream. Mr. Terry said if he was asking if every conversation or detail had been shared, the answer was no, noting that there had been dozens of occasions when he had either received emails or held conversations with various residents of Powell Place.

Commissioner Baldwin said Mr. Terry had provided much information in previous packets from various persons. Mr. Terry said he had provided a lot of information from multiple residents in previous packets, but since that time there had been dozens of other contacts that had not been shared with the Board.

Commissioner Fiocco asked if Mr. Terry could confirm that the definition of a stream in Pittsboro was in fact a line on the USGS map. Mr. Terry said that fact was being disputed by

some of the residents, and he had not done the research to either support Mr. Bradshaw's contention or not. He said a differing interpretation was that it was the Town's responsibility to correctly classify that stream, and if the Town hired someone to make a determination that it was in fact not an intermittent stream and was a perennial stream, the Town was then not required to use the USGS map. Mr. Terry said he was not a geologist or an engineer and would not presume to make that determination, but the Town could retain someone with those skills and qualifications.

Commissioner Brooks asked if Mr. Terry believed he could hire someone and get that information prior to the Planning Board's next meeting. Mr. Terry said since that meeting was in one week, the answer was probably not.

Commissioner Harrington said assuming it was a perennial stream the difference would be in the setback required. He asked what that difference was. Mr. Terry responded 25 feet. He said his only purpose in placing this on the agenda tonight was to ask if the Board wanted to have those questions answered by a qualified professional.

Commissioner Harrington said there were certainly people qualified to make the stream determination, and in his view that information was relevant to the Planning Board's decision. He said the question had been raised and assumed that it would be given consideration. Commissioner Harrington said he felt that they were in a somewhat uncomfortable situation without some legal guidance, and the Town Attorney had not yet arrived.

Mayor Voller asked had he inquired if Fred Royal, the County's engineer, would be able to provide that service, or would the Town need to go outside and hire an engineer.

Commissioner Harrington said that Mr. Royal had pointed out that that stream was neither a solid blue line nor a dotted blue line on the County GIS map, and that was a criteria that the County used. So, he said, by the County mapping that would mean it was neither a perennial stream nor an intermittent stream.

Commissioner Fiocco said the Town's ordinance stated that determination would be based on the USGS map, and suggested they would need to know how the Town's ordinance defined a stream and he was sure it was by use of the USGS map and was not sure if it also included the County soils map. He said he did not know if the ordinance described a situation where they had the ability to hire an engineer to make a stream determination.

Roger Rudesill stated that the State would provide that service for free, noting that the Town's ordinance did say that the USGS map could be used or they could do additional ground field work by someone commissioned to do that. So, he said, there were two different ways provided to make that determination.

Mayor Voller added that the other choice was that the applicant could hire someone and there would have to be a meeting of the minds. He said he had been involved in the use of those kinds of maps in the past and they were not exact, and in some cases they could be quite contentious.

Commissioner Harrington said when he had made the comment about what Mr. Royal had pointed out to him in regards to what the County maps had said, that was not a comment as to what was or was not the status of that stream. He said that Mr. Royal had simply made the comment about how the County's map was marked and he had not commented on what that stream might be classified as.

Larry Gress, 615 Millbrook Drive, noted he lived two houses from the bridge where the stream was located. He stated that the stream was full of running water and that fish and frogs were living in the stream, adding he believed that information might be of help.

Commissioner Brooks said he had not known that this issue was coming forward, and said it appeared that it was turning into another public hearing.

Mayor Voller asked what the Board wanted to direct Mr. Terry to do. Mr. Terry said he was unaware that the State would provide that kind of service free of charge and did not know how long it would take to get the State to do it.

Assistant Planner Paul Horne said it appeared to him that having more information was not a negative thing, and whether the information was admissible later or not they may have studies that came up with one conclusion or another. He said whether the Planning Board would or would not use that information to make its determination was something that would have to be determined. Mr. Horne said if the Board wanted to have those studies done for its own knowledge that might be beneficial.

Commissioner Brooks said in the 1930's a map was prepared of every county in the State, and that map had recently been updated. He asked if that map showed the streams and identified whether they were intermittent or not. Mr. Horne said he believed it did to some level. Commissioner Brooks said that map was prepared according to State statute, and it seemed to him that it should be available from the State Soil Conservation Office and that might settle the issue fairly quickly.

Commissioner Fiocco said he believed they should discern exactly whether the Town's ordinance would allow for the Town to acquire an independent determination on the stream classification.

Mayor Voller said if it allowed for that, would he like an action after that.

Commissioner Fiocco said he believed if it allowed for it then that would be an appropriate action to take. He said they had heard it said that there were fish in the stream and that would point to it being a perennial stream.

Mayor Voller asked if Mr. Terry needed any action from the Board in order to move forward with that. Mr. Terry said he only needed guidance from the Board.

Commissioner Harrington said that the Planning Board needed to enforce the Town's ordinances including what kind of stream they were dealing with in this instance. He said there was a process that would take this back to the Planning Board, and he had made in the past a motion in

regards to the parking issue. Commissioner Harrington said if there was some oversight on some other issue then it needed to be addressed, in that if they realized that they had not studied the stream then the Planning Board needed to have the information so that they could make their determination and in turn advise the Town Board. He said the Planning Board needed to do whatever research was necessary to make the right determinations, and that was the process. Commissioner Harrington said the Planning Board certainly needed to know exactly what kind of stream that was, and that would be his direction to the Planning Board. Mr. Terry said he would communicate that to the Planning Board.

Mayor Voller said he also believed it was important for the applicant to be informed in a timely fashion that was reasonable through the entire process, and that the Planning Board held a robust meeting with a quorum present. He added it was important that the applicant as well as the public be informed so that they could attend meetings fully informed, noting it was not fair to anyone to receive notice on a Sunday.

David Richter stated that Dalton Sawyer had intended to be present to talk about emergency access and evacuation but was not able to attend. He said that was an issue that would become much broader as Powell Place was built out and believed that should also be considered because it was a real safety issue.

Mayor Voller said that he wanted all of the information that people had forwarded to the Town to be given to Mr. Bradshaw on behalf of his client and the Planning Board so that the Town Board was not performing several jobs at once. He said he wanted that information available for anyone who wanted to see it since it was public record.

Mr. Bradshaw asked would there be any other discussion regarding Powell Place at this meeting.

Mayor Voller responded not to his knowledge.

NEW BUSINESS

1. Proposed Agenda for the Pittsboro Board of Commissioners Strategic Planning Retreat of Saturday, May 1, 2010.

Mr. Terry stated they had received a draft agenda from their facilitator and wanted feedback from the Board as to whether it was acceptable to them or if any modifications were warranted. He stated the retreat was scheduled to be held on Saturday, May 1, from 9 a.m. to 4 p.m. in the Community Center.

Commissioner Harrington requested that the facilitator keep the session on schedule and would also be amenable to shortening the agenda so that they would finish earlier.

Mayor Voller said he believed the intention was to complete their work earlier than scheduled, but they would need to complete the necessary work.

Commissioner Harrington said some of the items on the agenda could be eliminated or shortened, noting that recognizing past accomplishments was not something that should take 15 minutes.

Commissioner Baldwin said that 8:30 a.m. to 4 p.m. was a long session, and had anticipated having the session completed at 2:00 or 2:30 p.m. She said there was 30 minutes scheduled to share visions and find themes, and did not believe that was necessary. Mr. Terry said he believed that was intended to bring everyone back from breakout sessions and to share what had been accomplished in those smaller groups. Commissioner Baldwin said many times when you began a discussion about visions you could get way off track, and hoped that would not happen.

Commissioner Fiocco asked could he describe what would occur under the heading of “Debriefing Illustrations with the Group.” Mr. Terry replied that was part of the reports from the subgroups, noting it was his understanding that the entire group would break up into perhaps 3 groups and do some brainstorming, and then the facilitator would collect that information to be shared with the larger group.

Commissioner Harrington said Mayor Voller had met with the facilitator, Lydian Altman, and asked when they created the agenda had all of the subjects identified been explained to his satisfaction.

Mayor Voller said they had talked about the agenda in general and the agenda had been formed from that discussion, but a lot of what they had been talking about was planning for Pittsboro and believed that was being called “vision” on the agenda. He said to him a key issue was planning including infrastructure. Mayor Voller said he believed the intent was to complete the work by 3:00 p.m. but it had been scheduled for 4:00 p.m. just in case additional time was needed. He said if the Board was making great progress, they would get done earlier. Mayor Voller said one of the reasons for box lunches was so that the lunch hour would be shorter and they could get back to work, noting this was a working meeting. Mr. Terry said one way to compress the schedule would be to eat lunch and continue the meeting while they ate.

Motion made by Commissioner Baldwin seconded by Commissioner Fiocco to approve the draft agenda as submitted by the Town Manager.

Vote Aye-5 Nay-0

2. Manager’s Recommended Budget for Fiscal Year 2010-2011

Mr. Terry acknowledged that the draft budget was a work in progress and getting to this point had been somewhat challenging. He said he had wanted to provide to the Board tonight a starting point for discussions, noting that there was no tax increase included. Mr. Terry stated they would start from that position and then the Board would have the opportunity to add items that might change that position. He provided the following information:

Water and Sewer

- With respect to water and sewer, they had included a moderate increase from 1% the first year, 3% the second year, and 5% for the third year. The rationale was that last year they

had used Fund Balance to balance the Enterprise Fund budget, and he wanted to avoid that this coming year. A second factor was that they had debt service payments that they would have to begin making, noting that the upgrade to the wastewater treatment plant was ongoing now and in all probability they would need to raise water and sewer rates a like amount in subsequent years. It was felt it was better to have the two small increases rather than a very large increase this year as well as next year.

Departmental Budgets

- Initial instruction to department heads was to hold their operating budgets at a zero increase, and for the most part they had been successful at that. There were instances where a department head had come to him and made convincing arguments as to why that was not possible, so there were a few exceptions. One of those exceptions was in the Planning Department for professional services, noting that the cost for professional services in regards to site plan reviews and other reviews was more than anticipated last year and that line item needed to be increased.
- Another area where it was impossible to hold costs was for chemical supplies to the water plant, noting changing their process and adhering to State standards caused the cost of chemicals to be higher than in the past. Also related to that was the water plant changeover and the cost of contract services, noting that the quantity of ferric sulfate and coagulant chemicals was quite large and it was necessary that the solids be disposed of properly, and that was done through contract services.

General Fund

- The tax rate would remain the same as last year at 30.2 cents on \$100 valuation
- Construction activity had only increased by about 1.5% on the tax base, or \$5.8 million that could be taxed.
- One cent on the tax rate would be about \$40,800.
- Revenues were at about \$99,000, which was 2.6%.
- Sales tax revenue was up by about \$54,000 primarily because they had used a very conservative estimate last year.
- Communication service tax was up dramatically at over 250%, generating another \$29,900.
- Video sales tax was a new line item that was estimated to be \$20,000, based on the old Cable TV Franchise Tax.
- Federal Community Policing Grant would bring in \$63,000 this year.
- ABC revenues were down \$36,000.
- Interest income was down about \$10,000 due to the economy.
- Landfill fees were down about \$25,000.
- With the current draft budget, they would need to take \$132,592 from the General Fund balance to balance that budget, which was about 3 cents on the tax rate. That could be offset by the estimated surplus, which at this point were expected to be about \$75,000, or about half of the amount needed to balance the budget.

Expenditures – General Fund

- General Fund expenditures were up about \$200,000, or 7.2%, with the majority of that in personnel expenses at \$167,000 or about 11.7%, and that was with no pay increase included. Personnel expenses included mid-year pay increases provided by the Board in January, anticipated increases in health insurance, and increases in retirement system contributions.

- Operating budgets for all departments show an increase of \$68,000 overall, or 5.2%, with the majority in professional services and contract services in Planning and for maintenance at the new park.
- Solid waste costs were projected to be about \$30,000 higher next year.
- Fire protection was only about \$3,400 higher than last year, which was a 1.2% increase.
- Fuel costs were down about 5%.
- Capital equipment was down about \$33,000.

Enterprise Fund - Revenues

- Revenues were up \$87,000, or about 3.7%.
- Interest on investments was down about \$15,000, or 50%.
- Water and sewer rates were increased last year by 11% by adding \$3.00 to the basic service charge. This year no increase in the basic service charge was recommended, and instead were recommending a tiered increase of 1% at the low level, 3% at the mid level, and 5% at the high end, expected to generate an additional \$63,000 in revenues.
- Debt service was estimated to be \$62,300 to pay down the project at the wastewater treatment plant.
- Access fees and capital recovery fees were recommended to remain the same.

Enterprise Fund – Expenses

- Expenses were up in the Enterprise Fund about \$152,000, or 6.7%, with about \$105,000 of that due to personnel costs including new positions and the recent pay increase, and another \$31,800 for health insurance costs and another \$12,000 in retirement contributions.
- Contract services were up \$47,000.
- Chemical supplies primarily at the water plant were up \$31,000.
- Equipment maintenance was increasing about \$23,000.
- Laboratory testing fees due primarily to efforts to get the TTHM under control was up \$17,000.

Enterprise Fund – Capital Equipment

- Down \$1,000. Despite the increase he was recommending they would need \$23,298 from Fund Balance to balance the Enterprise Bund budget. The year-end surplus in the Enterprise Fund was expected to be about \$62,000, noting that this figure as well as the \$75,000 expected surplus in the General Fund was lower than in previous years due to the tight budgeting and closer inspection of accounts in the current year, adding they were budgeting “closer to the edge of the envelope.” The majority of the surplus in the Enterprise Fund was due to lapsed salary in the water plant, with about \$30,000 of capital equipment that was subsequently rolled into a larger project.

Capital Reserve

- Last year they budgeted a contribution from the General Fund and the Enterprise Fund, and this year they would not be able to return those funds due to unanticipated expenses. Based on that experience, zero dollars had been budgeted in Capital Reserve for the coming year.

Mr. Messick arrived at the meeting at 8:12 p.m.

Mr. Terry stated that there were only 3 items on the Capital Equipment page, which was a Police vehicle, a vehicle for the lab technician at the water plant, and a public utility truck to replace a vehicle with 167,000 miles on it that was past its service life.

Mayor Voller asked about what was the final resolution with the S-10 truck last year that had a license issue. Mr. Terry responded that it had not been easy but the issue had been resolved to the Town's satisfaction. He said it was his recommendation that the Board schedule a public hearing on the budget, noting that May 17 appeared to be a likely date. He said he was also recommending that the Board include on its agenda for May 10 time to hear public comments.

Mayor Voller asked was the proposed budget available on line. Mr. Terry responded not yet, but it would be very soon. Mayor Voller noted that he would be out of Town from June 2 until about July 10, so he would not be present when the budget was adopted now scheduled for June 14. He said the acting Mayor would be Commissioner Baldwin, and if for some reason she would not be present the Board would need to think about appointing an acting Mayor in her and his absence. Mayor Voller said his point was he would not be available to sign the budget on June 14, and if it was necessary he would be happy to have it sent to him for signing and he would return it post haste, or Commissioner Baldwin could sign it. Mr. Terry replied it was sufficient to have Commissioner Baldwin's signature as Mayor Pro tem and as acting Mayor that evening.

Commissioner Brooks stated that the Manager had done a commendable job under difficult circumstances, and since the Board had only recently received the proposed budget he was not ready to get into any in-depth discussion. He said after the work session and public hearing they would all be better informed, and suggested that the Board accept the proposed budget tonight and save discussion for later.

There was general agreement from the Board.

Commissioner Brooks said when they held the public hearing; he hoped they would hear just from people who lived within the Town or who operated a business in Town. He said he was not interested in what people who did not live here had to say about the budget because they would not be paying any taxes. Commissioner Brooks said he would like to restrict the participation in that way.

Mayor Voller asked was Commissioner Brooks suggesting that only taxpayers be allowed to comment.

Commissioner Brooks said basically he was suggesting it be limited to those who lived and operated businesses within the Town.

Mayor Voller asked what about the people who lived in the ETJ.

Commissioner Brooks said they paid no taxes, adding that in the past they had had people from outlying counties speaking and he saw no need for that.

Mr. Terry suggested that if it appeared there would be a larger attendance than necessary then the Board could enforce a time limit on speakers, which was a way to keep control of the meeting.

Mayor Voller said it was important that the public have adequate time to look over the budget, and commented that in his memory they had never had more than a few citizens come to speak at a budget public hearing.

Mayor Voller said he would like to offer a few comments to the Board to be thinking about as they considered the budget. He said one item that the Board had considered in the past and should be funding was a library for this and future Boards in terms of literature that helped them to carry out their duties, such as materials from the Institute of Government.

Commissioner Brooks said he had submitted a list of materials he would like to have available over a year ago.

Mayor Voller said there were many publications you could obtain from the Institute of Government, and Commissioner Brooks had in the past expressed a desire to have such publications available to the Board and to the public so that they could be better informed. Mayor Voller said as well, he would like to have some research done in regards to what the Board decided to fund within its own budget for training and other issues, including salaries. He said the Board put in many hours and although they did not serve on the Board to make money there should be some just compensation when they were spending 20 to 25 hours a week on Town business. Mayor Voller said he wanted to see what their peers were doing in similar size cities, noting that might be useful information when considering future budgets. He said he also believed that for members who had served on the Board for a number of years that they should ask the Town's insurance carrier to extend some type of coverage. Mayor Voller said none of that had to be considered for the upcoming budget, but he believed it should certainly be considered in future years. He said he had looked back over a number of years of previous budgets, and it had been a very long time since any action had been taken on the Board's budget.

Commissioner Brooks noted it had been a quarter of a century since any budget issues had been addressed in regards to the Town Board's budget.

Mayor Voller said that a quarter of a century was a very long time, and he would like to have future Board members justly compensated for the time necessary to make decisions on behalf of citizens.

Commissioner Harrington said to be clear, the Mayor was suggesting that they review giving themselves raises and health insurance.

Mayor Voller said he was only saying it should be looked at. He said he was not suggesting that it be done this coming budget year but they needed to benchmark against their peers. Mayor Voller said there needed to be some investment of time to review those issues, noting that the Board was the policy board and an important elected body and they should be cognizant of that. He said the insurance aspect was particularly important if they had members of the Board who served for a number of years and retired, noting they should have the opportunity to continue health insurance. Mayor Voller said he was only suggesting that such issues be studied and discussed.

Commissioner Brooks said one concern of his was when their employees retired they lost their health insurance unless they picked up all of the costs. Town Clerk Alice Lloyd stated that was not correct, in that in 2001 the Board had revised its policy to allow retirees to retain their health insurance, and the amount they contributed varied according to years of service. Commissioner Brooks said then the Town was paying a portion of that cost. Ms. Lloyd replied yes, noting that for retirees with 25+ years the Town paid the entire amount, adding at the present time they had one employee in that category. Commissioner Brooks stated he was very pleased to hear that. Ms. Lloyd said in North Carolina health insurance companies did not offer coverage for groups that had less than 15 retired employees, but Blue Cross-Blue Shield had grandfathered Pittsboro in.

Mr. Terry said he was not certain they would do that in the future, so they may have a situation where a long-term employee would retire and they would not remain on the Town's group plan, but there was a benefit included in the ordinance that said the Town would have to pay a fee for some alternative.

Mayor Voller said they needed to be cognizant of all of those issues so that this Board would leave the Town in a better condition than they had found it. He said it was not important that it be done this year, but it should be done. Mayor Voller said what had brought the insurance issue for Board members to his attention was when a former Commissioner had passed away who had served almost 20 years on the Board. He said he had thought then that there should have been at the least a burial benefit to a member who had served almost five terms on the Board.

Mr. Terry said as far as medical insurance for Board members, it certainly was not unheard of. He said in Chapel Hill their board was covered by health insurance, but interestingly enough most of their members had full-time jobs and were covered by their employers. Mr. Terry said as it turned out only one of their nine Board members received health insurance through Chapel Hill's plan.

Mayor Voller said he did not want to see people who might want to serve on the Town Board be precluded because of those kinds of issues, noting they should have a socio-economic class on the Board and there should not be a case that someone who was qualified did not serve because they could not afford it because of something like health insurance.

Motion made by Commissioner Brooks seconded by Commissioner Harrington to call a public hearing for May 10, 2010 at 7 p.m.

Vote Aye-5 No-0

Motion made by Commissioner Brooks seconded by Commissioner Baldwin to call a budget work session on May 17, 2010 at 7 p.m.

Vote Aye-5 No-0

Mayor Voller commented he would be traveling back on that day with his flight scheduled to arrive at 5 p.m., so he should arrive at the meeting on time barring any unforeseen circumstances.

Mr. Terry stated that as the Board was reviewing the budget, if they had any questions they did not need to hold them until the meeting but could communicate them to him so that they could be researched by staff and answered at the May 10 meeting.

Commissioner Harrington asked was there a line item included in the proposed budget for the bus service. Mr. Terry responded there was, noting it was included in Contract Services.

Commissioner Brooks asked if the service was paying for itself. Mr. Terry responded that the ABC revenues were earmarked to pay for that service and he was estimating those revenues in the coming year at \$12,000. He said the bus service was budgeted for \$18,000.

CAPITAL PROJECTS REPORT

1. Manager's Update on Capital Projects.

Mr. Terry provided the following update on Capital Projects:

- 3.22 MGD Wastewater Treatment Plant Construction – The NPDES permit application has been completed and forwarded to NC DENR.
- Wastewater Treatment Plant Wet Weather Flow Improvement Project – About 75% of the vertical walls were now in place in the equalization basin; work is in progress and remains ahead of schedule.
- 3M Park – The one year extension on the \$341,541 PARTF grant was approved, moving the expiration date of September 30, 2011. Mr. Horne continues to work on the request for qualifications to solicit statements of qualifications from architectural firms.

Commissioner Fiocco asked if that grant was exclusively for construction costs. Mr. Terry said that design fees could be paid with that grant.

Commissioner Harrington said they needed to be considering the maintenance costs long term of that park, and believed they should soon have Mr. Horne provide the Board with some information in that regards. He said he did not believe they would want to get into something that would be a huge expense in the near term that may not be justified by the usage in the long term. Mr. Horne stated that the first phase of the project was fairly passive and relatively low cost, and the elements of that first phase would be dictated by the RFQ's they received. He stated the second phase on the 25 acres would be a different story.

Mr. Terry stated that Commissioner Harrington's comments were well taken, noting there were operational costs associated with running a park. He said that cutting the grass at Rock Springs Park was a large job and he was not sure in-house forces would be able to handle that, so they would be looking into how to address that. Mr. Terry said another issue they would be looking into was how to handle watering the grass, noting that irrigation was not included in the project. He said without an irrigation system they would need to determine how to get hoses and personnel out there to water the grass which would carry an expense, as well as that when restrooms were provided personnel would need to be dedicated to keeping those clean. Mr. Terry said they would need to address all of the expenses associated with that kind of facility.

Commissioner Harrington pointed out that those expenses were certainly things the Board would have to think about as they moved forward.

Mayor Voller asked had the Parks and Recreation Board been discussing any of the design or maintenance of the 3M Park.

Commissioner Harrington replied yes, in relation to the grant, noting they would be discussing that at upcoming meetings as well.

Mr. Terry continued his update:

- Rock Springs Park – The walking trail has been paved and the contractor is working on the final grading in preparation for planting of turf grass for the general purpose athletic field. They expected the park to be ready to open in June.

Commissioner Harrington said he understood they would need to sow some grass there, but planting grass now may not be the best course of action. He asked should they consider just put out some sediment control and reseed in the fall. Mr. Horne replied they had put out Bermuda and would reseed with Fescue in the fall.

Mr. Terry continued his update:

- Downtown Area Water System Improvement Project – The USDA grant application was complete and under staff review at Hydrostructures. They remain on schedule for submission in late May or early June.

Mayor Voller asked Mr. Terry to provide the Board with the relevant information so they could ask for support on the grant from Senator Hackney and others.

Mr. Terry stated he would do so, and continued his update:

- Pedestrian Conveyance System Project – The supplemental agreement with NCDOT has been executed and delivered to NCDOT, and for all practical purposes this project had now merged with the NCDOT project at the Community College. Sidewalks would be installed when work on the street was completed.
- Horton Booster Pump Replacement – The project had been awarded to Charles Underwood, Inc. of Sanford. Materials were on order and work was expected to begin in mid May with project completion by June 30, 2010.

Commissioner Harrington asked how had the bid come out compared to what was budgeted. Mr. Terry said he did not have the exact figure with him but the bid was well within the budgeted amount.

Motion made by Commissioner Brooks seconded by Commissioner Baldwin to receive the report.

Vote Aye-5 Nay-0

Mayor Updates

Mayor Voller noted that the Economic Development Commission would be meeting on May 14, and Governor Purdue was scheduled to attend. He encouraged members of this Board to attend, and suggested the Town may want to consider having a table there. Mayor Voller said the Governor was expected to arrive around 8:30 a.m., noting the event actually began at 7:30 a.m.

Mayor Voller said there were no updates from the RPO, but noted that without a planner they had no liaison to the RPO staff board although Mr. Horne would be filling in.

Commissioner Concerns

Mayor Voller said the County had decided to put together a task force to work on issues related to rebuilding the courthouse. He said that the Town would have a seat on that task force, and suggested that the Board consider Commissioner Fiocco with Commissioner Brooks as an alternate. Mayor Voller said they had not yet received the official letter regarding the task force, but believed the Board could go ahead and make that appointment. He said he also believed the Town should have more than one seat on that task force, but that was a separate issue.

Mayor Voller said he was suggesting Commissioner Fiocco because of his background in planning and believed he would be the best choice, and was suggesting Commissioner Brooks because of his historical knowledge of the Town and in particular the courthouse.

Motion made by Commissioner Harrington seconded by Commissioner Baldwin to appoint Commissioner Fiocco as the primary representative to the County's task force regarding rebuilding the courthouse, with Commissioner Brooks appointed as alternate.

Vote Aye-5 Nay-0

Mayor Voller said that in the past they had experienced an issue with a quorum with the Planning Board, and he believed the Town Board needed to discuss how to address that problem because it was not fair to citizens or business owners if the Planning Board did not meet due to lack of a quorum.

Commissioner Brooks said he was frankly embarrassed by the fact that citizens had come to the Board two months ago to ask that the issue of off premise signs be studied primarily for churches and recreational areas and nothing had happened. He said that concerned him, and the Planning Board had again lacked a quorum at its last meeting.

Commissioner Harrington said he believed the last meeting was an exception, noting they had cancelled the meeting ahead of time because they knew that no quorum would be achieved due to the illness of several of the members. He said he believed that had been an unusual set of circumstances beyond their control, noting he had been attending those meetings for a couple of years and it was the first time he could recall the meeting actually having been cancelled, other than when weather had not permitted the meeting.

Mayor Voller said that another issue was that Commissioner Fiocco had not been notified of the change in the meeting schedule.

Commissioner Fiocco said the Planning Board only met once a month, so there were 12 scheduled meetings in a year. He said if you missed even one of them then you have probably caused someone a substantial delay in whatever issue was being heard by that board. Commissioner Fiocco said he had been frustrated to again see a meeting of the Planning Board cancelled, noting those meetings had to be a priority and was sure the members knew that. He said that those particular meetings had been special circumstances but it had been noticeable.

Commissioner Harrington said it was difficult for citizens to experience delays as a result of lost meetings, particularly if someone was trying to get a business up and running.

Mayor Voller said perhaps they needed to consider such things as alternate members in case of absences, or even considering numbers of meetings missed by particular members. He said the Town Board needed to take a role in solving the problem.

Commissioner Harrington asked if they should have the Planning Board report back to the Town Board with any changes they perceived might be necessary.

Commissioner Brooks said he believed that was the best solution, and Mayor Voller agreed.

Commissioner Fiocco said he believed it would be a good idea to have the Town's ordinances available at Board meetings so that they could be easily accessed when necessary. He said tonight they had been talking about what the ordinance said about a stream, but they did not have the current ordinance to confirm that information.

Mayor Voller agreed, noting it was important that the most up-to-date ordinances be available.

Commissioner Harrington said that as of last week the "No Parking" sign for the bus stop was still in front of the City Tap, well after they had reopened the bus stop at the traffic circle. Mr. Terry said if it was still there he would see that it was removed.

FYI

1. Chapel Hill Pittsboro Express Ridership Data for March 2010.

ADJOURN

Motion made by Commissioner Bryan seconded by Commissioner Brooks to adjourn the meeting at 9:00 p.m.

Vote Aye-5 Nay-0

Randolph Voller, Mayor

ATTEST:

Alice F. Lloyd, CMC, Town Clerk