

MINUTES
TOWN OF PITTSBORO
BOARD OF COMMISSIONERS
REGULAR MEETING
MONDAY, APRIL 9, 2012
7:00 PM

Mayor Randy Voller called the meeting to order and called for a brief moment of silence.

ATTENDANCE

Members present: Mayor Randolph Voller, Commissioners Pamela Baldwin, Jay Farrell, Michael Fiocco, Bett Foley, and Beth Turner.

Staff present: Manager Bill Terry, Clerk Alice F. Lloyd, Attorney Paul S. Messick, Jr., and Cpl. Troy Roberson,
Community Police Officer

CONSENT AGENDA

Mayor Voller asked for any changes to the agenda. There were none.

Mayor Voller said first we will need a motion on the minutes. I would like to offer something. There are a number of corrections in these minutes I found reading about dropped words or words that have been transposed. There are too many here. I don't know if we want to just send them to Alice but I have marked a number of pages that just need to be corrected from things that I said. But some of them, she just reversed the word order and things like that. It needs to be corrected. If you would like to approve them and allow me to send my corrections to Alice I'll do that but they are on the end of page 3. We can do that and then approve them next meeting. Mayor Voller asked Alice what you would prefer. Alice said you can do it and approve it next meeting. Alice said Commissioner Baldwin hasn't had a chance to read them anyway.

Mayor Voller said there seems to be some qualitative differences since we switched to the person doing it. I'm finding more of these every time. Commissioner Fiocco has mentioned that they have more of a stream of consciousness to them. And so when you are reading them about the discussion it feels more like a long stream of consciousness than telling us what's happening. I don't know, Mike do you want to offer something on that. Commissioner Fiocco said from a formatting perspective it is easier to follow paragraphs that contain ideas, sub-ideas of the discussion. Whereas, if it is one long paragraph it is kind of hard to pick through it. That is just a formatting preference on my part. If anyone else shares that we can do something about it. If not, I can live with it. Commissioner Foley said it is easier to point out where the corrections are. Commissioner Fiocco agreed.

Mayor Voller said we had a very long discussion about stormwater and then we had a long discussion at the end of the meeting, but Commissioner Farrell and I are talking and it is two

pages and one run-on sentence. It is hard for me to understand who is saying what. I do think we should write that out. Manager Terry said that is one of the challenges with verbatim minutes is the typist tries to type what was actually said and most of us don't speak the same way we write. Mayor Voller said that is true, she is supposed to make us sound better. You can hear the tape anyway, but some of them are just grammatical issues. But I do think breaking them up for readability would be helpful, because if a citizen clicks on it they don't want to read one huge long paragraph they want to be able to see what the topic was. Commissioner Fiocco agreed. Commissioner Baldwin said it might be better to break them up.

Mayor Voller said so if we could just get a motion do you want to let us make comments back to Alice and bring it back next meeting? Commissioner Baldwin made a motion to delay the approval of the minutes until next meeting and as well as change the format for readability purposes and send our comments to Ms. Lloyd. Motion seconded by Commissioner Foley.

Vote Aye-5 Nay-0

Commissioner Fiocco made a motion to approve the agenda. Motion seconded by Commissioner Baldwin.

Vote Aye-5 Nay-0

REGULAR MEETING AGENDA

Citizens Matters

Mayor Voller said we have one person signed up for Public Expression Speakers.

My name is Dave Clark. I live on 219 East Street, Pittsboro, and run Small B&B Café. Good evening, I am here tonight to talk about the sewer and water issues that I am having in the city of Pittsboro. The water issues are the water pressure. I am required by the State to provide sprinkler systems in my B&B units and because of that I need to rely on the city's water pressure to support that. It is pretty much non-existent at my location. I have been forced to dig and dig to try and find solutions.

Mr. Clark said there is no way around the law. That is one of the possibilities – that I could skirt it somehow. I am in favor of the sprinklers. I like the idea. I've got a proposal from Tiger Fire Protection Company to put in a sprinkler system that is going to cost me \$3,000-\$4,000. Supporting that with a tank and a pump would cost me, my own personal tank and pump on my property, would cost me an additional \$5,000-\$6,000, which pretty much breaks the bank for me to be able to do what I need to do. I can't afford it. The last possibility is an alternative to add an additional tap with a dedicated line from Small Street to my sprinkler systems which, again, is in the neighborhood of \$4,500-\$5,000.

Mr. Clark said I guess what I am here to ask you guys is to contemplate supporting my business in this issue, helping me finance that tap, helping me be able to not take a \$10,000 hit up front so that I can get this done, get my business up and running, and pay this back in a reasonable fashion. I'm already borrowing money from the bank. I've already spent all of my money on this business. I love Pittsboro. I love what I am proposing to do. This was a late addition to the process. When I stood in

front of this Board last year I had no idea sprinkler systems were necessary and that might be on my shoulders for due diligence to find that out. I had no idea that the water pressure was insufficient to support that. Those two things are what are crippling me. I'm not asking for a handout but I am asking for help from the city.

Mr. Clark said you can open the fire hydrant in front of my house and it virtually has no pressure. The fire marshal said if we were to tap that for a fire the fire department could likely collapse the line because of how insufficient it was. It is just an old pipe and it has gotten corroded and it doesn't have enough water in it.

Mr. Clark said so that is where I'm at with that issue. I will let you guys contemplate that. We would love support from the town on that one. I don't know if there is any conversation, questions. I will move on to my sewer issues.

Commissioner Fiocco said one question I have is that if the flow out of the hydrant is so low it seems to me that might eliminate the solution of tapping the main and running the dedicated line to your sprinkler. If the pressure is not there, I don't know that pipe is going to solve the problem.

Mr. Clark said that is a good comment. Becky at HydroStructures has gone through this with the fire protection company and they have run the numbers and figured a dedicated 2" line that has nothing to do with any of my other uses of water on that property will give me sufficient pressure to work that system, but it has to be dedicated, there can't be any other use for it. If there was a fire in that building, or one of the three buildings I'm planning to put up, everybody else might not be able to flush their toilet while the sprinklers were on.

It is going to draw an "X" amount of water through that to put out a fire, that's what it is for. So I guess a dedicated line will bring the pressure up. They have done the numbers they know it will work – total confidence in the research that backs this up. But that is \$5,000 to run a tap and a dedicated line all the way back to that site. I sat down with John Poteat and we talked about this and I'm not sure where all of the lines go to and run to, but the Small Street supply is not connected to that hydrant, I don't believe. So there are different lines that run all over the place. John was telling me that it is just kind of odd where a block down the road you can get tons of water pressure off of Highway 64 and the front of our house very little. I'm not sure of all of that and I would love for that to be clarified for me.

I would like to get my business up and running. The building is ready. It has been ready for three weeks. I'm sitting here on \$1,000/week that I'm not making and losing that income. I paid \$6,000 for access to city services in that zoning right now. For my original zoning permit on my house, another access fee so I am probably close to \$10,000 on access fees just to have access to services that I can't use. If I didn't pay that much in fees I could probably afford to do it all on my own. The other possibility is to put a well down but I know that's not going to happen in the city. So I am between a rock and a hard place.

Mayor Voller said last meeting if you looked at page 52 and 53 of our minutes, I brought up this same issue - that is what I was talking about - the residual water pressure and the static water pressure. The issue with the Laurels that got solved down the street because a valve was turned and subsequent to that, John Poteat had met with Dave and was aware of this. The Board has to kind of

make a decision here, what we think we should do. That property was sitting vacant for at least 25 years so nobody really knew probably that these issues were present because they weren't using water. But it is incumbent on the Town to provide the services.

Commissioner Foley asked if there were other residents in that area that are also having that same problem. Mr. Clark said I don't know if the water pressure is a big concern for other residents in that area but I do have concerns about the sewer. There are some issues there too.

Commissioner Fiocco asked Mr. Clark if he felt he had adequate water pressure for showering, flushing toilets, etc. Mr. Clark said it was okay, it is not like I'm standing and the water is dripping out of the shower. I have put in a nice shower, rain shower, body sprays, but you get no pulse out of them. It is not working like it could.

Commissioner Fiocco well the property has a domestic line to it, domestic meter, which has been converted to a commercial operation so there is a deficiency right there. A commercial operation is typically going to want greater pressure and greater capacity. Mr. Clark said when nothing else is running in my house and I go to take a shower at 5:00 in the morning, it still isn't happening. I can live with that. I know it is an old house, I understand these limitations. But I have a business that I want to be successful in Pittsboro and it needs infrastructure to support that and that was kind of a blow when they said you need sprinklers and I thought okay, I like the idea of safety. Fire safety is good. And then we can't do it because there isn't enough water pressure out on 64 so it was let's go back to Salisbury and check that one out. Not enough there. Everywhere we went and looked the water pressure was not there. I am sitting here saying I'll eventually do it, because I have to or I'm going to go broke. But it certainly would be nice if you guys would contemplate helping me get there. I think with the fees that I've already paid ... I just paid \$6,000 three weeks ago. What did I pay that for insufficient water pressure?

Mayor Voller asked Mr. Clark what you would suggest that the Town do to accommodate you in this situation. Mr. Clark said pay for the tap and the line and allow me to pay that back, interest free, for a period of time that suites the Town. I'm not looking for free money I just want to be able to get this thing going. Once I am in business I can probably pay you guys back much quicker. If I am making \$2,000 or \$3,000 a month more than I am now sitting on an empty buildings it would be real easy but right now I'm strapped.

Mayor Voller asked a question, you are all familiar with 458 West, almost the same thing he did. Did they have sprinklers? How did they get through without sprinklers? Commissioner Foley asked if there are a set number of rooms that if you go over? Mr. Clark said I have been over this code and this law for the last six weeks trying to figure it out. If you live in the building as a B&B you are exempt from the fire code. That's it. And that was the premise that Rosemary House got exemption on, that's the premise that 458 got exemption on, except they don't live in the building. They built a new building out back where they live and they rent out the whole building. I'm not pointing my finger, and I don't want them to go down because I'm having issues but there is a fairness issue and it does come to mind when I look down the street. You didn't have to do this. Why am I? Because I am in 2012 and he was in 2008 or 2009, whatever it was. The timing was just off for me. I know they are putting them in everywhere and that's great but a little fairness.

Commissioner Baldwin said the proposal he made, that the Town pay for it and then he pays us back, is that something feasible? Attorney Messick said I think he is talking about his new line.

Commissioner Baldwin said, Mr. Terry, is that something feasible to do – we pay for it and he pays us back. Attorney Messick said, in theory, sure. I'm not sure what we're talking about? If you are going to put money in for a new line why not benefit the whole street? Commissioner Fiocco said well it is just a 2" line going to his property. Commissioner Farrell said it is a tap off the main line. Commissioner Foley said it is a line with no other use than this, but he ultimately pays for it too. Attorney Messick asked if there is no pressure on Small Street why do it. Mr. Clark said there is enough on the street itself, it is just from the hydrant. If you want to research this and talk to Tiger Fire Protection I can give you contact information. But those guys and Becky have assured me this will work – a dedicated tap to my building where all it does is work the fire protection. Attorney Messick said I think you can justify financing the tap rather than the line because the line is on private property apparently.

Commissioner Turner said when you paid \$6,000 two weeks ago what was that for? Mr. Clark said that was for the zoning rights to put two more buildings in place. I have already paid zoning fees on my original construction and I paid zoning fees on the rehab of my house. I am looking for the numbers on that but I think I'm close to \$10,000 in zoning fees in the last year plus with the rehab of this beautiful old farm house my taxes went up 100%. The taxes were \$2,000 last year and \$4,500 this year.

Mr. Clark said I understand how this all works, I know that is the way it goes together but I want to get something back for all this money I'm putting out. I want a little equity across the board. Commissioner Foley said it would be nice if you could start getting revenue for your investment.

Commissioner Baldwin asked if he had spoken with Mr. Poteat. Manager Terry said I have spoken with both Becky and John and it is a bit of a puzzle why we can't get pressure but the three of us probably need to sit down together and look at the system diagram, where the valves are, make sure we have done everything we can do to bird-dog the problem and then if it is just a matter of there is not going to be pressure there then the solution he is recommending, we can pursue that. I think we have made arrangements with folks before to collect tap fees over time and that's not something that is terribly difficult to do. Commissioner Baldwin asked him if he would do that please.

Commissioner Foley said it seems we need to do this quickly as he is losing income. Mr. Clark said my sprinklers are being installed tomorrow. I have to do this because Shakori Hills is coming up, the firings for the pottery are coming up...there are a lot of events that are coming up this spring and summer that I could stand to make revenue off of and pay you guys back.

Mayor Voller said the Town has done financing taps before. They did a bunch on Russell Chapel Road when David Hughes was the Manager. They hired them out and tapped them and then people paid over time. It's not unusual to do that.

Commissioner Fiocco asked with the sprinkler system will you get the CO. Mr. Clark said what I have right now is a CO for if I was going to live there. So if it was my house I could live there and not have sprinklers. The fire marshal will give me a stamp if I put the sprinklers in. He is ready to go. Tom has worked with me quite well on going all the way to Raleigh to try and figure this out.

Mayor Voller said so if the Town were to agree to do this, what payback period are you talking about. Manager Terry said we can work that out. Mr. Clark said I am paying \$35/month right now for my water. However it works I would be grateful. Mayor Voller asked Mr. Terry if he needs a vote on this. Manager Terry said no I don't, and I have a meeting with Jay and Becky and the USDA rep. tomorrow we can tack this on to the end of that agenda. Mayor Voller said you do these payment schedules already for people that have other issues. Manager Terry said first I want to make sure that there is not some alternative. I think they have already done a good job of going around town and checking. We got lucky on the assisted living center, found a valve that had been buried for decades, and I don't think we are going to have that luck every time but we'll take another look at this one and see if a similar situation exists, but my guess is it probably doesn't. We will try and get it sorted out tomorrow.

Mayor Voller said your next issue was sewer. Commissioner Fiocco said another thing is to figure out if there is a system solution before we do the tap, making sure that we are very comfortable that the tap is the solution. You mentioned that Tiger Fire Protection Company and HydroStructures are confident that it would work. He said I would like to have their seal of approval with this. Mr. Clark said if you need contact information for Jerry Farren I have it right here and he is the rep. for Tiger Fire Protection Company. Commissioner Fiocco asked if he has done a report that says this is the solution. Mr. Clark responded yes. Commissioner Fiocco asked him to submit that to the Town. Mayor Voller said if you submit that we can make a copy and give it back.

Mr. Clark said I have also put in a new sewer line, brand new from my restaurant, 1,000 gallon grease trap, everything that was appropriate for what we are doing. He ran it down an easement that was used by Dr. Garlick, in the back of the old Atwater property. I had the blessings of the owner at the time, she said great, no problem, go ahead and do this. I ran a brand new line, I didn't use Garlick and Murray's line – I used mine, and right next to it all the way down to the sewer main and three months later I get notified from her that she wants a fee for that. My neighbor across the street is on septic and he wants to run down that same easement to put his sewer in so he can get the septic tank situation removed. I offered to hook him up to my line. It is a brand new, 4" line and he would just have to go a short ways to do that. Now we have got two, possibly three people that want to do sewer down that easement. On my side of the property, I'm not allowed to deal within 25 feet of that property line. We have a 10-foot stretch that runs 275-300 feet to the sewer that I would think the city could own as an easement for all of us to be able to use. I'm in there, Garlick-Murray are in there, my neighbor across the street wants to be in there and I would like to ask the town council to consider getting that as an easement for public use for you guys to maintain for me to maintain my lines for everybody to use.

If we have more business in that area and all those buildings are zoned for commercial/residential, so we have already got mine there, we've got the book-binding company on the corner, there are three more buildings down Small Street, we've got Garlick and Murray...that whole area could become commercial and I think that would be a good use of that easement. I am going to end up financially getting into it with this neighbor because it is the right thing to do. They own the easement and if they want me to pay for rights to be there I'll do what I need to do. But I would just like the town to consider picking that piece of property up for all of us to be able to benefit from.

Commissioner Farrell asked Mr. Clark does that come in behind Mr. Atwater's...into Masonic Street there. Mr. Clark said it comes into Small Street so it is behind the doctor's office and then it runs all

the way down the fence line behind the old Ford place and way down underneath that whole area behind the Atwater property, it doesn't quite go into Masonic. Mayor Voller asked if there was a manhole there. Mr. Clark replied yes. Commissioner Farrell asked on the Atwater property? Mr. Clark said yes. Mr. Clark said he was talking to John Poteat and he said they have actually had to go down there and work on that sewer issue down through there. It is 10-feet wide, 275-feet long, to get to that manhole. We ran a ton of pipe down there to make it work. I guess I didn't see it coming but my contractor kind of failed me and didn't get easement rights signed off and filed with the county right up front like he should have.

Mayor Voller asked isn't our policy, Mr. Messick, that if you are in town that there is a certain access to water and sewer, you are supposed to be on water and sewer? Attorney Messick said yes. Mayor Voller asked how we have places that are still on septic right next to sewer. This shouldn't even be allowed. Attorney Messick said septic could have been there before the sewer. Mayor Voller said correct but this should have been rectified many, many years ago I would imagine or give them the opportunity to tap on or something. Mayor Voller asked are you saying that Kachergis Book Design is also on septic. Mr. Clark said he didn't know about them. The home across the street from me, I think it is 30 Small Street they got in when Main Street Station put in their line they were able to tap in behind them on that parking lot and get in. 34 Small Street is on septic and he has got to get off.

I would be happy to coop that line with him, I don't see any issue with that but I'm opening up a lot of cans of worms, I understand that and I don't feel comfortable coming to you, a small town, in a state that I am moving into and stirring the pot. But I also know that fairness is what this process should be about. If we can look at some of these things it only stands to reason that it will improve everybody's situation if we can do some of these things. The water and sewer stuff is pretty basic.

Mayor Voller said some of those CDBG grants that the county gets are supposed to be applied to things like water and sewer in town and the county gets these block grants. The fact that we have buildings Stuart should know about this and you could come in and say tap it on...that is a water quality issue to have a house on a small lot like that and we have no idea if that septic system even works.

Commissioner Fiocco asked Mr. Clark why he ran a new sewer connection...was there not a sewer connection to that house. Mr. Clark said no. Commissioner Fiocco said so that was on a septic? Mayor Voller said I guess so. Mr. Clark said I don't know what it was on. When I moved in I did everything that I needed to do to make it right. Commissioner Fiocco said these two issues are two things that I think should have and would have been discovered during a site plan review. Mr. Clark said well you remember the meeting we had last spring. Commissioner Fiocco said I remember asking on the utility plan which I think was lacking, as you recall. Mr. Clark said on the crayon drawing? Commissioner Fiocco said yes, and I said does this place need to be sprinklered because I don't see a water main extended to this property. Mr. Clark said I don't recall that comment. Commissioner Fiocco said had the planner known, had we all known that you had to run a sewer line, I think the discussion about how to do that would have come up then. Had we known you needed sprinklers then that issue would have come up then and that would have been revealed through the site plan process with a thorough, adequate site plan.

Mayor Voller said the one thing, Dave, about that is the size of the line run for sewer might have been changed. Commissioner Fiocco said because if you are changing it from a private building

sewer to a public sewer there is a whole different set of specifications that it has to follow. Thinking of making this a public sewer to serve three or four different properties probably means undoing what you have already done. Mayor Voller said, possibly – we don't know. Commissioner Fiocco said I don't think a 4-inch is a public main, I think a 6-inch is the minimum size. Mr. Clark said and that is my guess – and I'm not an engineer and I'm not a city planner or any of that. And, you are right, when I originally talked to the folks down here that did the original work for me, I said, don't we need to do a big site plan? And the comments I got were you could basically write it on the back of a napkin we're just fine. To which I was dumbfounded because up in Minneapolis I had an architect that was ready to do the whole thing and we ended up doing the whole thing after the fact which I was very happy that we did because it brought a lot of issues out, unfortunately these weren't the ones that came up.

Mayor Voller said I think Commissioner Fiocco is bringing up a point. When we got to that issue last spring, we wanted to accommodate you so you could get going but the reason that Commissioner Fiocco was pushing that issue, not only is he a planner by trade, but because of these issues without any idea, and that house hadn't been occupied in 25-30 years, maybe longer. Commissioner Turner said I grew up here and I never remember anybody in that house. Mayor Voller said I never remember hearing of anyone in that house and nobody knew much about the history or the utilities and the last time they had been used. That was what should have come out. And Mike wasn't being difficult on you then, I think what he was trying to do was to say you need this.

Mr. Clark said I thanked him that night because I agreed with you that that ought to have been done upfront. You know you get those feelings where the hair on the back of your neck stands up and you go "this seems kind of different." That was happening before we even walked in and talked to you guys. So I agree and I am paying the price for it now and that is understandable. Some of the things that have been done may not be able to be reversed or may be costly to change.

Mayor Voller said your two issues clearly are - work with Mr. Terry on the water, to get your CO. This waste water issue I think you can talk to Mr. Terry about this but we are going to have to consider what the facts are or not and what can be done. Mr. Clark said I wanted to bring it to your attention because it is an issue that is happening right now and it needs to be addressed. I have people all around that area that are trying to figure out what to do. Mayor Voller said I know Commissioner Turner used to live in that neighborhood and they had problems. Commissioner Turner said yes. Commissioner Turner said the fact that we wound up having to do everything ourselves because nobody had any idea if there had ever been a sewer line or where it was, after paying for sewer and water for ten years.

Mr. Clark said I appreciate your time. Mayor Voller said we are willing to work with you; we want you to be successful. I think you need to just come to Mr. Terry with your proposal. Commissioner Foley said I just want to commend you. It is a wonderful café that you are running and we want to support you. Mr. Clark said we are not doing this to get rich we are doing it because we love it so appreciate your comments.

Mayor Voller said Mr. Terry so tomorrow you are going to meet with Mr. Poteat. Manager Terry said yes, on the water part. Mayor Voller said the sewer part is a separate issue. Manager Terry said there are a lot of private property and private lines involved there. Mr. Clark said you guys figure out

what you need to do there. I know that I'm going to do the right thing by everybody that is my neighbor and that's just the way my wife and I are.

Commissioner Foley said I think you raise an excellent point that there is going to be future growth in that area and the sooner we can get it straightened out the better. Mr. Clark said it is just a thought. If you guys owned that easement maybe you would put a public sewer through there for everybody to tap into. I've already put out the money for mine so if you drop a 6-8" line and I tap into that and we've got some PVC in the ground that's not going anywhere. It is an issue that is coming up and I think it is important for you guys to hear.

OLD BUSINESS

Grant Acceptance: Rural Center Building Reuse and Restoration Grant for Alpha Install Discuss revision of the conditions of acceptance

Manager Terry do you want to me to discuss or do you want to lead. Manager Terry said you might want to take the lead on this. We had a discussion with the business owner and Mr. Messick and the original terms that the Board had agreed upon was that he would pay that up front and after talking to him it appears that is not what he understood he agreed to.

Mayor Voller said there were two things that the Board wanted. One was a surety which was the form of the deed of trust. Mr. Messick, when I emailed you last week, you have that executed. Attorney Messick replied yes. The second item was the Town has to participate in any of these grants with 5% of whatever the grant amount is. In this particular case, the business owner said they would be willing to reimburse the Town but their proposal to Mr. Terry, which is why I brought it back to you, was if when he draws the grant he wants to be able to pay, the justification is services the Town provides, and the service the Town provides is processing the grant. If he puts in a draw for \$50,000 the Town says okay you need to pay us our part of the 5% which is \$2,500. His other point is if he doesn't use the whole amount of the grant for whatever reason they can create 10 jobs and not 16, then he is not really going to be reimbursing the Town for \$6,400.

Considering that this may not be the only one of these that we ever do, I think we should be thinking about how we might want to set this up for future business and property owners who might have a vacant building to make it easy for them to do. The Town may decide that they would invest this money in other properties. We have a lot of vacant or partially filled buildings. Siler City is doing a program now, the same thing we are doing, they have applied. The only major difference he asked was if the Town is processing he would like to reimburse the Town for services. Mr. Terry felt, as it was approved last time, he could not authorize that without bringing it back the Board. You wanted to be paid up front? Manager Terry said it was my understanding that is what the Board wanted. Mayor Voller said you couldn't accept what he offered without bringing it back. Manager Terry said he wanted to pay it in small pieces as he drew down on the grant and, to my understanding that is not what the Board agreed to. It's not what I heard the Board say. Mayor Voller said that was not what was approved in the resolution.

Mayor Voller said the Board has to show that we made a 5% local match, which is what the resolution here is. His point is he would be paying the Board for services, which satisfies the Rural Center's methodology for the Town being reimbursed. I don't think you can actually go and say we

are going to go put 5% up and then ask somebody to reimburse – it has to be for some service. The service would be processing the grant. That is why it is back here. Otherwise, everything else is executed. Bill and I haven't sent anything in because we are waiting to find out what you want to do. But we are under a time crunch because they have a 30-day window and Bill asked for a couple of extra days to send it in so we have to make some decision.

Commissioner Turner said correct me if I'm wrong but it sounds like if he is taking chunks of money in increments and paying it back. It is just over time and not at once. Manager Terry said I think we talked about the cash flow before. I spoke to the Rural Center and asked them how are you going to administer this? Are you just sending us a check for \$128,000 and they said, no, it is fairly complicated. As the business owner incurs expenses and then sends us receipts and documentation that they have incurred those expenses, then they get a claim, then we will process that claim and forward it to the Rural Center and they will review it and approve it and send us a check for the amount. Let's say they get a third of it done in the first month, there would be a third of the total project cost, then they would get a third of \$128,000. The Rural Center would turn around and write us a check for that amount and send it to the Town. We would deposit it in the bank and the Town would turn around and write another check reimbursing the business owner.

Manager Terry said I think what the owner is suggesting is that they would just prorate this \$6,400 out proportionately based on the percentage of the draw. Say if they had two draws at 50% they would pay us half of it on the first draw and half on the second draw, rather than paying it all. That is their counter-proposal.

Mayor Voller said the Town would not be out any money because we have set aside the money in the budget ordinance last meeting. The money has not been spent and it won't be spent unless this goes forward. We set it aside by moving it to a restricted fund. Manager Terry said it is just budgeted – nothing has been obligated, it is just budgeted. Mayor Voller said all they are really asking the Town is when the Town does the work then they will pay the Town. But they are going to have to front all the money. So if he does \$100,000 worth of recruitment he can only get 50% reimbursed so he is going to already be out that up front so they are already going to have to spend money anyway. He is just asking that the Town would bill him and he would come and pay for the services, doing what Bill said. I don't think it is unreasonable.

Commissioner Foley said it seems reasonable to me to what he is asking us to do. Mayor Voller said I think it would work okay for other people in the future but we don't have a proposal yet from future business owners but I am pretty sure we are going to get some. Commissioner Foley said it seems like it is important to be consistent each time that we do it.

Commissioner Fiocco said I don't know that we necessarily need to be consistent because I think probably each deal will be slightly different. It will have nuances to it that we will probably want to structure it differently. I agree that consistently fair is a good idea but the exact deal may be different. Mayor Voller said and the Town might be willing to put a portion of the 5% or all of it but it would be depending on what the project is. We haven't reached that because no one has brought us something and said would you put this up.

Commissioner Farrell asked if this is the first time this grant has been used. Mayor Voller said we have never done it in Chatham County. We are the first and Siler City will be the second...they have

one in now, if they get it. So that is the issue, Commissioner. We've never done this. This is the very first. Commissioner Foley said well anything we can do to get vacant buildings filled.

Commissioner Baldwin said but didn't they say when they were here that they would pay that money. That wasn't our idea, that was what they said when they were here. Mayor Voller said he did say in January he would pay the money. All they are saying is how the money is paid. He's not saying he is not going to pay the money. Commissioner Baldwin said I thought he said he was going to pay it up front. Mayor Voller said it wasn't clear, if you read those January 9, 2012 minutes, if he said that or not. I emailed them to you. We should have had them here last meeting. He did say I don't think there should be a problem but it doesn't say specifically there that he says I am writing a check right now. He said he was willing to pay it.

Commissioner Fiocco said it seemed to me in the context of the discussion he was saying that because I recall him saying that he didn't this to be an obstacle. If this was going to be an obstacle with the Town doing this, I want to relieve you of this obstacle. That is the way I understood it. Commissioner Foley said but he is not saying he is not going to pay it.

Commissioner Fiocco asked Mr. Terry so he came to you and said there was a misunderstanding? Manager Terry said the day we were executing the documents, we were trying to accommodate his travel schedule and he and the Mayor came over to execute the contracts between the Rural Center and the business owner and the Board had instructed me to collect the money before we signed anything so I asked him if he was prepared to make that payment. He said, no, I have a different idea about it.

Mayor Voller said he basically said his understanding from the Rural Center was he had to put it on his books as he is compensating us for providing a service, not paying our fee. So he said when the service is provided. Because I am already going to be fronting the money to do the work and it could be 30-45 days before the Rural Center sends the money back. That is how he proposed it to Bill was what if we only do half the work and I only get eight jobs so we are not going to draw the rest why would I pay \$6,400 when really I'm going to pay \$3,200? He said it was better if we were providing a reimbursement for services you are doing. The service you are doing is processing the grant. That is a logical thing for us to pay for. We are not paying for the 5% match we are paying for a service rendered. That was what he was told by the Rural Center when he made the representation that he could pay the Town for it, he thought it was in lieu of paying services, not in paying the 5%. I don't think you can actually charge someone 5%. That is why we did the resolution. You have to actually get it back by doing a service. I think that is what he meant. It is not clear in those minutes but I can certainly understand why he would conclude that because it didn't say one way or the other. It just said I don't want this to be an obstacle, which clearly indicates I am going to pay it.

Commissioner Baldwin said if we have ever do this again we need to be precise and clear on what is expected and that way we won't have to go back and forth. We need to be clear and concise. Commissioner Foley said because this is a two-year process from when he was awarded it, right, so he is already in it a couple of months. Mayor Voller said he only has 23 months right now.

Commissioner Turner said so is the Town responsible for the \$6,000 even if he doesn't bring in all the jobs he says he is going to. Commissioner Fiocco said no, it is prorated of what he spends. Commissioner Foley said I agree that the next time this comes up we be clear. Mayor Voller said I

think there should be some policy that we can direct Mr. Terry and Mandy that would say that the Town could participate under certain conditions. As Mike was saying, not everyone is going to be the same, or it could seek reimbursement in this fashion. I think it is reasonable to get reimbursed for the Town processing the paperwork. Because we are going to incur a cost there and that seems very reasonable to me.

Commissioner Fiocco said so he needs to show this as a reimbursement for tax purposes? Mayor Voller said I think that is what he was communicating to Bill plus I think his understanding from the Rural Center is he cannot directly pay the Town for something the Town is supposed to say that they are committing. He can do it for a service rendered, like a fee for engineering specking or something, I think this is what he understood. Commissioner Fiocco said wouldn't that exclude his ability to pay us anything then? Commissioner Foley said if you are paying for services it is payment for something and not just reimbursing us, it is like paying us for an administrative fee. Grants are funny that way.

Mayor Voller said Dianne Reid made the same representation that you could, in fact, be reimbursed or the Town could capture the money back but it can't be direct, it had to be the Town doing some service like she is doing or inspecting the building or something. That is what she represented that first night. Commissioner Foley said usually grants will say you can use this for habitat but not for administration. Sometimes they are very specific about how you can use the money.

Commissioner Fiocco said right but would the grant tell us how we can use our general fund balance to pay a match? Let's say I agree to write a check right now for \$6,400 and give it to Mr. Terry. Put this in the bank and do with it what you will. Commissioner Foley said that is like a donation. Commissioner Fiocco said and why couldn't Alpha make a donation? Mayor Voller said they could do that, theoretically. Commissioner Fiocco asked Mr. Messick if he has some advice here or do you have an opinion as to whether or not it would be legal to have Alpha give us a lump sum up front? Attorney Messick said well sure, it would be legal to do that. It would be a donation. Commissioner Fiocco asked would it fit within the grant. Attorney Messick said it would not have anything to do with the grant. Commissioner Fiocco said okay, so that is what was agreed to. That was what the resolution was. Attorney Messick said I don't know that the resolution really says that. Commissioner Fiocco said well it had two stipulations attached to it. That you will do that and that you will put a second lien on the property. Attorney Messick said I think the written resolution says that you are going to commit \$6,400 in money and that is what is going to the Rural Center. Commissioner Fiocco said but it doesn't matter where it comes from. Attorney Messick said no it doesn't make any difference where it comes from. If he does it the way he wants to, it would project income instead of something else – in addition to the grant money. Commissioner Fiocco said the option is there, to do it the way it is structured right now. Attorney Messick said the deductibility of a donation is questionable. Reimbursement is clearer. Mayor Voller said for a tax purpose I think a business would rather have a straight line expense than a questionable donation. Attorney Messick said it is not questionable. Mayor Voller said right but he is not going to get the same value for and I think that, from a businessman's point of view, he is asking that it be for services rendered then it is an expense as opposed to a donation.

Manager Terry said that raises another issue. This is the only aspect of this whole grant process that doesn't have any documentation to support it. It is all verbal agreement so far. So one way to solve it would be for me to get up with the gentleman and write a small service contract for grant

administration in the amount of \$6,400 between him and the Town. Commissioner Turner said if he doesn't use the whole amount than we reimburse him? Mayor Voller said it would be prorated so he will never have the issue of not using the whole amount. If it is prorated the way you suggested then he will never have that issue and we would never have to reimburse any money. Manager Terry said he would have a document that showed he entered into a contract with the Town for grant administration and if that helps him for tax purposes that doesn't hurt us to enter into a contract with him for grant administration. Commissioner Fiocco said it would probably be a good idea to run that by the Rural Center. The last thing we need to do is find ourselves at the end of the game and another \$6,400 out of our pocket because of some condition. I think we have been there before.

Mayor Voller said so what you would like Mr. Terry to do is create a simple services agreement, make sure that it complies with the rules of the grant. Which he told Dianne and Mr. McCurry that there is a way to do this and it is fine but he needs to make sure it passes muster. If that is fine then is the Board fine with letting him go that way? Manager Terry said I will get up with Mr. McCurry as soon as he returns from his trip and execute the contract. The Rural Center contract documents are executed, I think you have them there. Mayor Voller said I have them here. They need to be mailed. Commissioner Foley said we might want to come up with a list of buildings that may be used as grants. Mayor Voller said and to be clear, so that we don't have to revisit this again, if Bill puts together a document that passes muster this Board is fine with him crafting it in a way that works between he and the business owner, we don't have to come back here again. Commissioner Fiocco said with the understanding that he is paying us the 5% match as the project goes, per draw.

Mayor Voller said one bit of news on that property is we have got somebody that wants to move in there. Dianne and EDC first sent over to us months ago. They want to do this beef jerky operation and they've signed intent to lease some space. We might have the first three jobs coming in a few days, before he even does this. Commissioner Fiocco asked if these jobs count. Mayor Voller said he doesn't know if they count for him but I think if he goes back he can modify his agreement. She said if you bring in businesses.

Commissioner Foley asked how the beef jerky would be sold. Mayor Voller said they are Mast General and they are selling them at all these places all over the state now. They are out of Chatham County and they have been in Duplin County in an incubator but they want it to be in Chatham County so we convinced them to come to Pittsboro.

NEW BUSINESS

Establishing the Office of the Town Engineer

Manager Terry said this is a follow-up item from our last meeting. The Board directed me to bring this budget amendment back that would allow us to proceed immediately with hiring a town engineer.

I have a few points to raise with the Board. We have looked at this several times over the past few years. At one time I suggested to the Board that I thought it might take \$85,000 or \$90,000 to hire a town engineer and I guess that was my fault with being more familiar with private engineering firms than public. After we had our study by the MAPS group, they suggested that it would be considerably less than that so we pegged the salary for the town engineer and this documentation

before you now at \$70,000, based partially on the advice of Pat Thomas and the folks at TJ COG who did our personnel study.

I have provided you a copy of a document that we call a change/add form we use for budgeting process. It shows when we add a position or add a program to try to capture all of the costs associated with that. On page 6, I have showed you basically what it would take to begin tomorrow to start this process of recruiting an engineer in the view to our having him start work before the end of the fiscal year. We have only put one month worth of salary in there as this sort of recruitment is difficult to pull off in 90 days but we will try. It is altogether possible the person wouldn't start until July but if we do get lucky and get somebody in June we will need some salary money this year.

We put about \$3,000 in there for advertising in various venues. We put in \$7,500 for a computer for the engineer and associated peripherals for that computer, keeping in mind that they will be using CAD and blueprint-drawing sorts of software so it will be more expensive than the average computer. Under departmental supplies for both planning and engineering, we have a grand total of about \$16,000 for furnishing and rented office space and we have in the current year budget about \$4,200 for renting about 1,000 sq. ft. of office space somewhere here in town. The last big chunk is \$25,000 for a vehicle that would be shared between the engineer and the two planners. It would probably be something like a Ford Escape, a small SUV.

To get us off and running in this fiscal year, grand total of about \$65,000. You see the next column, Fiscal Year 2012-2013; the ongoing annual expense of having this position is about \$144,000 a year, including the rental of office space and all the salary and benefits for the new position.

We mentioned that partially this would be offset by reduced cost of contract engineers and I have given you this pie chart which shows what we are currently spending annually hiring HydroStructures to do various chores for us. The large pink area, under Utilities Administration, that is the account that we pay John Poteat's salary out of. That is largely Becky Smith's work for sitting on the Jordan Lake Partnership technical committee for us. Planning is about \$12,000 and that is for Becky reviewing, or others at HydroStructures reviewing, site plans and other technical drawings. Periodically she does work for either the water plant or the sewer plant and there is a small amount shown there. Of this \$44,000 that we paid HydroStructures, and that is largely Becky Smith although there are some other people in there, we could probably reduce the professional services lines in Utilities Administration by maybe \$15,000, maybe as much as \$20,000, and in Planning we could probably reduce theirs by somewhere from \$8,000 to \$10,000 in the next fiscal if we had an in-house engineer doing the things that Becky is now doing for us. So that is a partial offset to the \$144,000 but is probably only \$30,000. Mayor Voller said then there would be also savings with the stormwater business. Manager Terry said those are yet to be determined. That is a new burden of work that we haven't yet incurred and so it is hard to cost that out since we have no experience with it.

In closing, if the Board decides to pursue this one last piece of guidance I would like to get from you is when you see your next year's budget, if you approve the engineer, do you want to see that in the budget as part of the base budget or do you want to see it on an add list. I guess you would only put it on the add list if you wanted to wait until July to execute it.

Mayor Voller said are you saying on Item 2, on page 2, you are recommending a budgeted salary of \$70,000 per year, assuming we will not be able to hire an experienced and highly qualified person and expect them to accept an actual level starting salary. What kind of person do you think you are going to get in here for that salary? Manager Terry said for \$70,000? Well based on the work of the MAPS Group, they were talking about town engineers with supervisory responsibility. They showed two classes of engineer there. One was a town or city engineer also a supervisor. Although interestingly they said that the average pay was \$77,000 with an average hiring rate of \$54,000. It is a bit of a crap shoot until you go out and test the market and actually try to hire people to see who you can attract. Mayor Voller said I don't want to attract somebody that wants to be an RIP, retired in place. I've seen plenty of that in the big engineering departments in Raleigh and they are not doing any work. The budget and the attraction of this position is to bring us somebody that is going to be energetic and interested in tackling problems, not basically riding out to try to get what they need to qualify for their pension. This is a big hire, Bill, you have got to have someone that's going to have real desire to make Pittsboro a better place. Like the issues this guy Dave Clark brought up. This is the kind of stuff we want to be working on: understand our utility system, where can we make these improvements, how we can get grants, etc. Manager Terry said there is a big difference between private sector and public sector engineers, I've found, because I didn't realize that before until MAPS did that. I have a 40-year old son who is an engineer and he makes nearly three times that.

Commissioner Foley asked is it typical that engineers get cars as part of the deal. Manager Terry said well, in my experience, if you expect this person to be out of the building a good deal of the time, on job sites, inspecting installations of pipe, inspecting newly laid and paved roads, yes they would need town-provided transportation.

Commissioner Baldwin said could we just not get the car and pay them mileage? Manager Terry said you can. Commissioner Foley asked if there is a car we already own that they could use? Commissioner Fiocco said I think with the stormwater program comes online that person is going to need 4-wheel drive. Manager Terry said you can always ask an employee to drive their own car and then pay them mileage. I will share anecdotally with you when I was the fleet manager in Chapel Hill I thought I was going to save the town a bunch of money. I said we have a lot of these department heads that have a car sitting in the parking lot and they never use them. Let's take those away and let them just drive their own cars and submit a monthly mileage thing. And the town attorney absolutely refused to entertain that idea. He said the insurance implications were more than he wanted the town to have to deal with. If they get into an automobile accident in their personal car while they are conducting town business, the town attorney's opinion in Chapel Hill was that just totally unnecessarily complicated sorting out the liabilities of who pays for what and the people that are injured. It is much better, even if they under utilize the car, to get them a car. Attorney Messick said we have fewer people to deal with but the problem would be the same. Mayor Voller said so would that apply to elected officials or are we some special category? Commissioner Fiocco said well we're not employees. Mayor Voller said we are not employees but we are conducting official business. Manager Terry said I do all the time as do most of the Board members and just try to stay out of accidents.

Mayor Voller said on Item 4, we have been talking about extra space for a long time. Without getting into the budget amount, which I think we can do better than that, shouldn't we be considering what we would do with this building and perhaps use that for a bigger move if we are going to talk

about this? Should this building house the police department or should the police move somewhere else and that becomes open? We have been talking about this for years. Maybe Bill this would be a good time to leverage that into let's get a reasonable amount of space.

Manager Terry said there is certainly more than one way to skin this cat. I've had my eye on that post office building for four years as a potential police department. Mayor Voller asked what the issue there is. The owner, George, doesn't want to deal on it? Manager Terry said he has always been anxious to deal; it is the monthly cost of leasing. He doesn't want to sell it but the monthly cost of leasing along with the fit-up of changing it from an empty shell to a police department, that's not an insignificant amount of money. Manager Terry said he had heard some rumblings that it had changed ownership recently. I haven't verified that.

Mayor Voller said I think we should be looking at space. Manager Terry said I have done that to a certain extent because I have already claimed Stewart's office for Mandy, who works out of a shoe box in there and we need to fix that as soon as we can. It would be nice to fix it before she comes back. But the shifting around that I see right now is if we find four rooms in commercial office space somewhere in town we can kick out Stewart and Paul Horne and move Mandy back to Stewart's office. Change Mandy's office into an intern office of some kind where if, perhaps, we could start taking advantage of the student population at UNC, Duke, and NC State and in summer time a public administration intern is always looking for summer work and we could put them to work on all sorts of interesting things, like reviewing ordinances, land use plans, capital project budgets and all sorts of things that we are not able to find time to do with the permanent staff. Your point is well taken but that is not something we can get done in ten weeks.

Mayor Voller said but couldn't we put out a request for proposal for people to bring in offers on a space to work with the Town for lease space? Manager Terry said we would do that. Would this be for the police department? Mayor Voller said either for the police department or we take John's group and us and put them all in one space. We have talked about this many, many times. Shouldn't we at least put that out on the street and say bring us your proposals if we are going to be talking about this. Manager Terry said that is certainly up to the Board, if you want to dovetail these two items together. I think that would be an appropriate discussion for budget time if you want to put that on the add list.

Commissioner Baldwin said we do need to go ahead and look at some, since we are trying to find another location that may be for the police department as well and, like you said, put some more together because it is a little cramped.

Mayor Voller said here's an idea, Bill that we talked about before. Go back to the ABC Board and it is still not out of the woods that the State might go to privatization; it is still a bill in the legislature. And say let us work a deal out on their building and we go and lease a space for them while we are here. Move them to where the video spot is. That is much better for them for sales. We move our police department there, right across from the judicial center where they should be. Everyone wins there. Commissioner Foley asked where the ABC Store is. Mayor Voller said it has been discussed before that is not the greatest retail...obviously there is space here; there is space up at Lowe's. I know that Mike has talked about this other plan, that's really not a good future for the ABC Store. Commissioner Foley said that would be a good location. Mayor Voller said it needs to be in a better retail location and that building would be perfect for our police. I mean it is right there where it

needs to be, right next to the courts and downtown so they can walk the beat. We need to, I think, consider this, Bill. I don't know if you want to do this in a budget session or have a private session. We haven't had one of our Saturday meetings in a long time.

Commissioner Foley said the police department is so cramped I am amazed that they are able to make such good use of the space. Mayor Voller said it is not a good situation for the police department back there at all and for the town. Manager Terry said we could pursue that as a separate issue during the budget process. I would have to go back and dust off my notes. I think I have somewhere a quote on that post office building but it is old and we would have to get it renewed. We would have to talk to the owner and make sure it is the same person and get a fresh quote from them. I think, when I had the last discussion with them, I told them we would not be interested in a year-to-year lease because the fit-up cost would be substantial and we would want 10 years at least to get our investment back.

Commissioner Fiocco said I am looking at Item 4 and it has to do with the space that we are looking at. There is a budget number of somewhere between 800 and 1,000 sq. feet of space and a yearly lease amount of \$24,000. I think that is \$24 a sq. foot. The Main Street Program analysis has told us that the average retail square footage is priced at \$7.62. I would expect office space to be cheaper than retail space. I think that \$24 is very gracious, unless you have ideas on the up-fit.

Manager Terry said we have been around and visited a few spaces and my preference is to get one that is already in good condition. Main Street Station comes to mind. We visited there and that would be a suitable location. Commissioner Fiocco said I agree with you. What are they asking? Manager Terry said the offices that we walked into, and he didn't want to commit to a price quote, but he said the smaller offices in that building were \$250/month so that would be about \$12,000/year but he said since we were asking for one office that would be a little larger for the engineer because he would need a blueprint file and a drafting table, he would need more than just a tiny office, we were asking for the fourth office to be large enough to accommodate a small conference table for meetings, etc. So you are right, \$24,000 is on the high end but it is a budget number. Commissioner Fiocco said and we would be a good tenant for a landlord to have because we're not planning on going bankrupt. So we ought to be able to get a good deal. Manager Terry said we have looked at that, we have looked at the space that David Hughes, the county engineer that moved out over here, I think it is still available. It would also be suitable.

Commissioner Fiocco asked whether the Main Street space was first floor or second floor. Manager Terry said it was second floor. We also looked over here before the urgent care clinic moved in, we looked at that space and it would have been suitable but it is gone now because it is now a medical clinic, which is a good thing. It is nice to have that facility in town. But we would shop around and take the best deal we could find for the Town.

Mayor Voller said I would again encourage us to ask any realtor/business owner in town who has space to come and make a proposal to the town and say how much do you need and what do we have. Commissioner Foley said there was space downtown next to Michael's Salon. Mayor Voller said the Mill might be good. There's lots of space, Bill, I think we could find something to satisfy the need. Commissioner Baldwin said we could negotiate something. Manager Terry said I forgot about Chatham Mill, there is a lot of space out there. Mayor Voller said they are in the process of putting in a new restaurant there so they will be doing work there.

Manager Terry said the question before you tonight is do you still want to proceed with this and do you want to amend the budget to allow us to begin the process or is your preference to wait and treat this as one of your add list items in the upcoming budget. Commissioner Fiocco makes a motion that we adopt the attached resolution authorizing the Town Manager to begin the recruitment and hiring process and hire a town engineer. And further authorize the Town Manager to acquire a leased office space and furnishings to accommodate the town engineer and both members of the Planning Department. Motion seconded by Commissioner Baldwin.

Mayor Voller asked do you want that to be connected to anything else with building use or will we come back. Commissioner Fiocco said I think it doesn't need to be connected but I think we have made it clear that we would like to explore other options and so to provide that space it includes something greater than the idea of just leasing space, let's understand what our options are.

Commissioner Foley said so do we want him to look at the option of space for the police department versus the three planners or just stick to the three. Commissioner Fiocco said well I think this motion is just getting space for the two planners and the engineer and whether or not it involves moving the police department around or moving the planners out with the engineer in the space, I leave that to Bill to explore the options and come back to make recommendation on how to move forward.

Commissioner Baldwin said but this resolution does not include the amount we are talking about here, the \$144,000? Commissioner Fiocco said it doesn't. Manager Terry said that would be in next year's budget.

Mayor Voller said my only concern, Mike, is I think it is good that Bill goes out and starts pursuing what's available for leasing, but I really would like us to incorporate it into a bigger idea that maybe we could have him come back and say I've found these spaces. If we move them out that opens space up back there but is it better to do that or move the police out and then have them here. Commissioner Foley said there seems there may be some advantage to having the engineer close to the Town Manager. Mayor Voller said I have just always heard that the real crunch is the police issue, because they have other evidentiary issues and things going on that they really need to get out from under the hair, not the other way around. I like your motion, I am in favor of it, and I would just like to know where we are going so we don't lease space and then say maybe we should have done that.

Commissioner Foley agreed, she thinks it may be advantageous to have the engineer close to the town manager and everybody in one spot. Commissioner Baldwin said we could just move the police department out and the engineer could utilize that. Mayor Voller asked if they would be willing to say that the town go and start getting information on leases and bring it back so we know what is available so we can say do this or this.

Manager Terry said I am okay with all of that. I am sitting here mentally thinking how this is all going to unfold. If the Board agrees to do this tonight, then the next steps are let's get an ad in the newspaper, let's start collecting some resumes, let's see what that looks like, let's start getting some price quotes on space, see what that looks like. So far we haven't really committed – we haven't hired anybody, we haven't rented anything, we haven't done anything except collect data and resumes so far. So there is an opportunity, I think, at subsequent Board meetings to give the Board

some additional feedback on what response are we getting to the call for resumes and applications, what are we finding out about the commercial office space market locally, and I think there would be an opportunity to change direction.

Mayor Voller said we are not going to have an engineer hired in 60 days even if everything moved quickly, no. We will probably be into the next fiscal year so if you went out there and said I need information on space and started contacting people this week; you would probably have that information before we would see the first resume on engineer. And then you could brief us and at the next meeting or the meeting after, look at the space options and figure out should we do X or Y or Z and that wouldn't defeat what Mike is trying to do.

Commissioner Fiocco said maybe there is another way to make this motion. So let me just amend the motion and say we adopt the attached resolution authorizing the Town Manager to begin the recruitment and hiring process to hire a town engineer and further authorize the Town Manager to explore leasing options for additional space required to provide space for the town engineer and planning staff or to relocate the police department to a larger facility such that the engineer and planning staff would remain here at Town Hall, and then come back with a recommendation for several options. Mayor Voller asked if that sounded sufficient for everybody.

Commissioner Farrell said it seems like to me that we are just rushing in to this pretty quick. We had a guy come and talk about the stormwater and the first thing he said we need an engineer. I know the Town has talked about that for years. But it seems like we are really rushing into this going to get more office space, hire an engineer, a car, and all this really quick. This is just something that seems to me we are getting in to too quick.

Commissioner Foley said don't we have a time frame in which we have to comply with something with the stormwater? Commissioner Farrell said I don't think it is six months, is it? Commissioner Fiocco said it is, in fact it is probably coming on line in September.

Mayor Voller said I do feel your concern, Jay, because it does seem like, from your perspective and rightfully so, you are in that seat and you have got to report and we are moving. To give you the history, the engineer has been discussed numerous times in at least the last three budget cycles. The last time it was voted on Commissioner Fiocco, Commissioner Harrington were for it and it narrowly went down 3-2 because Commissioner Baldwin had questions about where we were with the budget. But nobody was against it per se; it was just questions you are raising. And, at that time, you are talking about 2008, 2009 and 2010, now with what we have heard last week it seems like we are going to be spending an awful lot of money hiring outside engineers to help us comply or we could start the process of getting in.

Commissioner Farrell said I understand that, but when you spent \$44,000 with HydroStructures and then you are talking about \$144,000 for an engineer and a car. Mayor Voller said we haven't agreed to do all that yet. Commissioner Baldwin said we are not going to do the car; we are just looking for places to lease. So the car and the cost for the leasing the place are separate and not going to be included in that right now, just doing the search for the engineer, which is \$70,000 for salary. Manager Terry said actually the car (\$25,000) is in that amount. It is the first year cost. I assume that we could get the car so that it is here when the person comes to work. If you look at page 6, that \$65,000 does include a vehicle.

Commissioner Foley asked does it need to be a brand new car. Commissioner Farrell asked have we tried a rental. Commissioner Baldwin said couldn't we use some of those cars we have that are not being used to offset the cost of this - police cars and different things that are not being utilized? Manager Terry said we don't have anything out there that has less than 140,000 miles on it. We have some that we need to sell now that the Board has declared surplus. I think some of the Board members remember that last year I had to tow two police cars to Chapel Hill to get one out of the two. One with a blown engine and one with a bad rear end and we managed to get one good car out of them.

Manager Terry said we can look at the used car market and cut that down a little bit. Commissioner Foley said you can get a car for a lot less if it just has a few miles on it. Mayor Voller asked Commissioner Fiocco if he wanted to adjust his motion to take that into account. Commissioner Fiocco said at this stage I have not addressed the budget at all. Mayor Voller said he is only addressing the concept.

Mayor Voller asked Troy (Cpl. Troy Roberson) how he feels about the space requirements. You work here all the time. I think you should tell the Board what the needs are. Troy said he would be happy to.

Troy said if there were a group of folks to move out and find a space on their own, I think it is feasible for the police department to do that. That would open up the most space in this building and there also are some evidence and security-type issues that could be addressed. Also, the way that we are working now is very counterproductive. In the space that we are in, I could get twice as much done if I had a larger space to work in, for the simple fact that when you put a lot of different work stations in the same area and you have people coming and going all the time, imagine if you were asked to work in a water cooler room or a break room and, essentially, that is the type of environment that we are faced with every day. It is very hard to get work done with people coming in and out all the time and trying to do their own work. I would definitely be in favor for finding another spot in town that could accommodate all of us. Obviously we are going through some growing pains and this is just something we are going to have to deal with sooner or later. The only thing that I would suggest is don't look at it in just terms of bodies and work stations, but also look at the new place in terms of all the equipment that we have. Because there is quite a bit of vehicles, SUVs, trailers, light towers, 4-wheelers, etc. A lot of that has to be secured as well. You would have to make the decision of whether it can stay here or does it goes with us and, if so, is there room for all that to go with us.

Commissioner Foley said I believe the interrogation space that you have is practically in the hallway. Troy said there is a lot of traffic from other town employees that come through which is fine until there is that time when you have a suspect there and you need to maintain security and confidentiality and they don't understand or realize or know that we have a suspect there for whatever reason and there are just some issues that arise when that happens. It is no one's fault it is just the way the building is laid out. Mayor Voller said in a variety of ways, including some very important utility issues.

Commissioner Farrell said he makes a good point and I would rather see the police department separate from administration instead of having the planner and all move off site, keep them here and

have the police department move offsite. Commissioner Baldwin said if we move the police department and put the planner and all those back there that should be ample room for them. Commissioner Foley said they need to be near each other.

Cpl. Roberson said with suspects if they assaulted us that is fine because that is our job but if they assault Ms. Alice because she is just walking through there to make a copy. Commissioner Foley said or if someone is walking through there to pay their water bill. Cpl. Roberson said exactly, customers have heard the brunt of some very loud disturbances from people that we have arrested because it is so close to the front counter.

Mayor Voller said Commissioner Fiocco if you would like to state what you would like to accomplish and we will call for a vote. You have restated the first motion. Commissioner Fiocco said I will stick with what I said. Mayor Voller asked if everyone understands what they are voting on there. Commissioner Fiocco made a motion that we adopt the attached resolution authorizing the Town Manager to begin the recruitment and hiring process to hire a town engineer and further authorize the Town Manager to look into leasable space options for providing space for an engineer and the planning staff and/or providing space for the police department and keeping the future engineer and planning staff here at Town Hall and to bring back options and make a recommendation on which way to go. Motion seconded by Commissioner Baldwin.

Vote Aye-4 Nay-1(Farrell)

A RESOLUTION AUTHORIZING THE TOWN MANAGER TO BEGIN THE RECRUITMENT AND HIRING PROCESS TO HIRE A TOWN ENGINEER IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGE 18

Manager Terry said the next issue would be the budget ordinance that accompanies that resolution. I think the only item that has any question is the vehicle. If the Board wanted to bump that out and put it in the next fiscal year it would not be my preference to have a new employee come in and have to drive his personal vehicle on the first week on the job but I could learn to live with it if I had to. It would be my preference to leave that money in there and instruct me to find the best deal I can on a used vehicle and try and not spend all that. I can probably get it down to \$18,000-\$19,000 without buying what I would call a piece of junk.

Commissioner Fiocco said there are three items that are duplicates: telephone, departmental supplies and capital outlay office use. Manager Terry said those are duplicates because there's funding for both planning and engineering. Commissioner Fiocco said so if planning doesn't move those items would not be included. Manager Terry said correct, we would have to come back and bring you another budget. If it ends up, that would be an interesting dilemma, because if we find a place suitable for the police department that time line is going to be much longer. There will be miles of difference between moving into totally fit up offices and just moving in your desk, telephone and computer and start work. There is a big difference between that and renting a building shell, hiring an architect to lay out a fit up, and having a general contractor to come in and do the fit up, the timeline is dramatically longer on the second option. We would have to come back and revisit the budget. Commissioner Fiocco said so we would have to advertise that the engineer is going to have to work in a cubicle for six months? Manager Terry said I guess we would sit on our stack of resumes and not interview anybody which would not be good because they would be hired by other

people while you are waiting. Commissioner Fiocco said I would assume we would find a space for them. Mayor Voller said we will.

Manager Terry said there are other options. There are some things that I haven't pursued by talking to anybody but I thought about. One is we could ask HydroStructures if they would mind co-locating the town engineer in their space for a while, which is a temporary measure. We could ask David Hughes if he has a spare office over there and would he mind on a temporary measure co-locating with the town engineer. If the police fit up option is the one that ends up coming to fruition, then we would need to find a place for that person to work for 3-5 months as the building renovation and fit up took place. Why don't we see what happens.

Mayor Voller asked the Board what they want to do with this. Manager Terry said while you are thinking let me make one comment. This budget assumes a course of action that sounds like you are getting ready to change. If you had passed this as it stands, and directed me to go forth and find an engineer tomorrow, my concept of operation was to put Mr. Bass and Mr. Horne immediately on the job of finding a space, finalizing the lease agreement, buy the furniture and move in. I want it there and ready, when that engineer shows up for work I want to turn him over to you and you guys will bring him to his office and he will go to work. Commissioner Fiocco said and we've kind of undone that. Commissioner Fiocco said I am trying to figure out how to word the second portion.

Mayor Voller asked if we even have to pass this budget ordinance. You can advertise and we could come back next week. Manager Terry said I could put the advertisement out and until I have to start making payroll I really don't need a budget. Mayor Voller said no you don't, because I don't think you are going to get someone you are going to hire until you get into the next fiscal year. It would just be amazing to me that if, in 60 days, you advertised, found someone you like and have them move here. Manager Terry said based on the recruitments I've been through it has never been that fast. Mayor Voller said if you want to just table this until the next meeting that would be fine. Manager Terry said we can get the advertisement in the paper and start collecting resumes. It would only cost a few advertising dollars and we can take care of that in the existing budget.

Mayor Voller asked Mr. Terry when he would like to bring it back. Manager Terry said I will bring it back when I need money. If we get into a position where we are ready to hire somebody and we are in a position that we see in which direction we are going whether it is going to be moving out planners or moving out police department, then I'll bring it back. Mayor Voller asked if we needed to table or just take no action.

Commissioner Fiocco said well my concern is that you're making recommendations to a candidate if you've got money in the bank to hire them and you might find that perfect candidate and want to hire them. Commissioner Foley said so then we would come back and we would talk about this. Manager Terry said the way this is unfolding is we would receive applications for probably a month or longer, go through them and shortlist them, and there would be plenty of notice before I began to interview people. First thing I would do is put together an interview panel which would probably include me, and ask Mr. David Hughes to come help, and whatever other engineering help I could cobble together, maybe someone from Sanford.

Commissioner Farrell asked Mr. Terry if this engineer's salary and all is it going to affect our budget like down the road for future employees' salaries. Are we going to be cutting the budget so close

that we can't have our own employees a pay raise? Are we going to be in that big of a bind with the budget? Manager Terry said well it has budgetary impact. It will add \$144,000 to your budget so obviously there is an impact. That's upward of \$.035 on the tax rate so it is an impact. But if we can't afford an employee raise I don't think this will be the trigger that causes that. Commissioner Farrell said I was just using that for an example. Any kind of emergency could come up but I didn't know how that would be affecting our budget.

Commissioner Foley said but if we don't do something they are going to start fining us, right? Manager Terry said they haven't threatened that yet. They have said if we don't get in compliance we will get a letter that says that we are not in compliance and, at that point, the tone of the letter won't be nice and it will probably talk about consequences of staying out of compliance.

Commissioner Fiocco said when the Jordan rules do come on line, we are going to have a lot of administrative duties here and we're either going to subcontract it out to a consultant, who is going to charge us \$140/hour or we are going to pay a salary of an engineer who can manage this for us. Commissioner Farrell asked if he is going to be able to handle all this and we will still be using HydroStructures. Commissioner Fiocco said I think we will still be using consultants for some work, absolutely, but a lot of the work that we are doing right now and paying a premium for consultants services we will be paying a salary and we will be getting the knowledge base of that engineer in-house that we can call on any time. We will have somebody looking forward, helping us program improvements to the town, looking at new ordinances and regulations coming down the pipe. There is a lot of value added by having that person in house so that Stuart and Paul and Bill can say, hey, what you think about this.

Mayor Voller said there is a very basic value to have if we build any sidewalks in the future with CMAC funds that had we had a town engineer we would have saved \$40,000-\$50,000 that first go around because you are allowed to use their salary as in-kind contributions and you could not do that because we didn't have an in-house engineer. We couldn't actually count everything we paid HydroStructures for that grant. That really made Commissioner Brooks and Commissioner Bryan unhappy. That was just the way the rules were written.

Mayor Voller said there are other ways you can leverage their salary in terms of in-kind. For instance, the 5% we are talking about for the Rural Center that is not always passed, sometime they let you call in-kind and in-kind would be ... Commissioner Fiocco said Karen Hall has made representations here and she has money that is available to the Town if the Town has a town engineer. Grant money that we could have access to if we had an engineer. There are intangibles and there are very positive tangibles.

Mayor Voller said an engineer is a value-added position that, if used properly, can be leveraged to provide a lot of services to the citizens. That is the bottom line. We are never going to get away from paying for a HydroStructures or a McGill or any of these other firms. You are still going to use them, not as much. But if you use your engineer properly they will provide a lot of value. That guy tonight, Dave Clark, had we had a town engineer he could have been talking to them and a lot of this stuff could have been avoided. .. or at least known. That is the value, Jay, of why we have been talking about it for four years and just haven't pulled the trigger. Tonight, I think the stormwater thing was the last thing that we heard that we really need to get serious about because we are going to start incurring some major expenses and we still don't have an engineer.

Mayor Voller asked Mr. Terry what you need us to do right now. Is it time to say okay, let's monitor this and you advertise. Manager Terry said I think so, I'm not going to surprise the Board one meeting and say, by the way, the engineer is moving in tomorrow. I will let you know when you've got applications. I'll let you know when we have got information about rental space and before we make a hiring we'll know that we are getting ready to do that and we can bring you back an amendment at that time.

Commissioner Fiocco said why don't we use this as a benchmark threshold that when you have, I am assuming you are going to get a pool and you are go through a round of interviews, you are going to whittle it down to your five, and you are going to go interview them and probably make a selection. I don't know if that is the way you are going to do it but does that sound like a reasonable way you are going to do it? Manager Terry said almost exactly the way I was planning. Commissioner Fiocco said when you get to that list of five tell us what you are thinking at that point. Manager Terry said by that time we should have sorted out the lease market on a building.

Mayor Voller said if everyone is fine let's go on to the next thing, update of the Community Policing Program. Is everyone fine?

Update on the Community Policing Program

Cpl. Troy Roberson said I stopped by tonight to update you on the Community Policing Program. Before I get started I want to say thank you again for allowing my input on the last agenda item. I am now in my third year of a four-year federal grant position in the Community Policing Program and back in year one I told you guys that I would come by and update you on our progress that we have made each year. So this is my third update. I am going to make it short and sweet but I have got four initiatives that I want to give you an overview of what we have been doing for the past year...kind of like the four highlights, if you will.

You are familiar with the Chatham Drug Free Coalition. I know I've mentioned that a couple of times. I am continuing to serve as the co-chair on that coalition and our most recent event was Operation Medicine Drop and we held that in three locations in Chatham County. The Pittsboro location was actually right across the street right in front of Pittsboro Discount Drugs. During that day we collected 82 pounds of medication. To give you some comparison, the year before that we collected 10 pounds, so we did about eight times as much. That had a lot to do with advertising and some things that we took advantage of. We actually had a live radio broadcast from G-105 out that day and it went very well.

We actually have received some recognition from the state level for our initiative and we have also been asked by the US Attorney General's office to speak about our efforts during an upcoming drug diversion conference in Raleigh on May 29, 2012. I will be going along with the coordinator for the Chatham Drug Free Coalition. We will be speaking at this drug diversion conference and it is just really cool to experience the fact that our efforts here in little old Pittsboro are being recognized by the state and federal levels. To me I feel like that is pretty cool.

Mayor Voller asked why we are being recognized. Cpl. Roberson said because from what I understand just the partnerships that we have formed and what we have been able to accomplish as far as getting the local community on board, all the police and sheriff's department and the business

owners, the fact that we were able to attract a large media audience and not only with the medicine take-back that we've done but our medicine box in the lobby. For whatever reason, they seemed to have caught wind of that. I know they heard some of the advertising on the radio and that had never happened before and they were really impressed with that. Actually, someone from the state level came to our event to meet with us. I believe she was the one that passed it on to the SBI, who was assisting with this conference in May. About a week later, I received a phone call from an SBI agent who said that he would like for our agency and our coalition here to speak at this conference. They were looking for local community groups that were doing these types of events and were going well and so they chose us. That is something that just came down the pike last week and I know I will be speaking with him more about what it is he wants us to put together for a PowerPoint. I had an opportunity to ask what are the other counties or agencies doing across the state. Why did you choose us?

As you know, the medicine box is in place and that has been going well. That began about a month ago and is a permanent drop-box that is accessible for all the citizens that want to dispose of their unwanted or expired medications. There have been several articles written on this initiative and two weeks of radio ads will also start at the end of this month. That radio ad campaign was grouped into one and we ran two weeks of the event and we are going to take a couple of weeks off and then we are going to run two more weeks to advertise the box. Now that the box is in place, and Siler City has a box in place, we may not hold the events anymore because instead of providing one day of the year that someone can come and turn in their medications they would be able to turn in their medications any day, Monday through Friday, so there is a lot more opportunity there. There may not be a need to have an event, per se. We will reassess that next year.

Commissioner Fiocco asked how often you collect from the box. Cpl. Roberson said we collect every day around 4:00 or 5:00 I check the box to see what is there. Commissioner Fiocco asked if there was something in there every day. Cpl. Roberson said not every day but probably three times a week. Actually we had some of our largest collections just a couple of days after this event and, from what I understand, they had told some of the staff up front that they had missed the event but had heard about it, read about it in the paper, and wanted to come and take advantage of the box. We have collected probably another 8-10 pounds since the event. I remind you all this is free of charge to the town. The Town is not having to pay for any of this.

Cpl. Roberson said I am still continuing to provide the fatal vision program through all the drivers' ed. classes in the high schools throughout Chatham County. Last year over 500 students from Northwood, Chatham Central, and Jordan Matthews participated in the fatal vision program as they came through drivers' ed. Myself along with some other officers here in the department as well as some deputies from the Chatham County Sheriff's Department worked together on this and when they reached their day that they were supposed to talk about drug and alcohol use and drinking and driving and things like that we actually came in and taught that portion of the program. We brought our fatal vision goggle experience as well and we were able to reach every student that came through drivers' ed. We will continue to do that again this year and beyond. School administration is very excited, it was received very well by them as well as all the drivers' ed. teachers.

There is another initiative that you may not have heard about. That is called the Elderly Check-In Program. We have been working with the Department of Social Services to develop this program in Pittsboro and throughout Chatham County for elderly folks that are living by themselves and may not

have relatives or children in the area that can check on them from time to time and may require daily or weekly checks or maybe a phone call. We have been talking about this for a couple of years but finally we were able to get something off the ground at the beginning of this year.

Anyone that signs up for the program can receive a phone call or a visit based on their needs. Those needs are discussed through Social Services but, obviously, the police department has contact with these individuals from time to time based on different calls and such. We can advise them of the program and get them enrolled. That way we can monitor our elderly folks who are sometimes forgotten in Pittsboro.

We have another local coalition called Safe Communities, and I also co-chair that coalition. Our primary focus is promoting safety awareness to adults and children of all ages. We have a big event coming up on April 21, 2012 at Jordan Lake called "Spring Into Safety." We will have numerous agencies from across Chatham County that are going to be participating at that event. Anything to do with safety will be represented having these individual agencies talk about what it is they do to promote safety. We hope that will be a good turnout in just a couple of weeks.

Those are the highlights that I wanted to run by you and if you have any questions I'd be happy to answer them. Commissioner Fiocco asked what time is the event on the 21st. Cpl. Roberson said it is going to be at the White Oak Recreation Area, which is on the right on 64 right after you go over the lake on the left, and it will be held from 10:00 am to 2:00 pm. I will be working with the bicycle rodeo but there will be child safety seat checks, boat and water safety, sunscreen, and bug bites. As I said, there will be representation from just about every agency: fire departments, law enforcement, health departments, etc. We hope it will be a big event and good turnout. If you are around town that day come on down. Mayor Voller asked if he would email information to Ms. Lloyd for the Board members. Commissioner Baldwin thanked him for his community involvement.

CAPITAL PROJECTS REPORT

Manager's Update on Capital Projects

Manager Terry first gave a brief update on our joint study with Sanford. I spoke to the engineer who is doing that work and initially they talked about completing in at the end of March but he needs some additional time. It now looks like the end of April before he will have his work wrapped up. The first thing he will do with that is send it to both the staff at Sanford and the staff here in Pittsboro for review and comment and he will finalize it. In all probability the Board won't see a final report until sometime in June on that work.

Commissioner Fiocco said I assume that includes the staff at Chatham County? Manager Terry said they are managing the contracts so I'm sure they will review as well.

Manager Terry said next update is something we haven't talked about in a long time, the USDA loan application that we submitted probably over a year and a half ago. We have let that lay fallow for a while for several reasons. The USDA basically is going through a shortage of funds for one fiscal year and we should come back and talk to them later. Subsequently, they have redrawn their districts and now we have a new point of contact in Mr. Allen Hart. He is going through his new responsibilities and wants to meet with the Town so I agreed to meet with him tomorrow. Becky

Smith is going to join us. We will see what the possibilities are in reenergizing that grant to perhaps continue to pursue the second half of the downtown water system improvement project.

We had bid openings on the Hillsboro Street transmission line. I think I shared that with the Board in an email late on Thursday. I didn't have a really in depth analysis and probably still don't have anything I would call an in depth analysis, but I did prepare a short memorandum for the Board that talks about three possibilities going forward.

As I reported to you on Thursday, the low bid was \$1,458,125. That is about \$150,000 more than the engineering estimate that HydroStructures had provided. So we knew we were going to have a shortfall. We had hoped that we would get a number that was more favorable than we did. That shortfall is much bigger than we had hoped we would have to deal with.

I have laid out three alternatives here. The first one would be to just fund this entirely from fund balance. As you can see in the write up, I am not recommending that. Because of the extent to which we had to tap fund balance last year from the enterprise fund, over \$400,000, and the fact that preliminary budget estimates now, looking at what I am preparing for you for next year, we will probably have to tap fund balance again to balance the enterprise fund budget by about \$150,000. That would drop your available fund balance down to about \$1.3 million. Taking the entire \$576,000 out of that would put your fund balance way down to \$741,000, which would be a historic low for the Town. Where your fund balance has been in the past, you see enterprise fund balance as recently as 2007 was over \$3 million. Taking it down to \$740,000 I think is probably not a good idea so I'm not recommending that one.

The second option would be to set this project aside, reject all bids, and postpone the project indefinitely. Of course this means while we could pursue other grants and loans we would probably lose the \$750,000 CBDG grant. It does have a sunset date on it which is about a year from now so we have a little bit of time to perhaps pursue other options but not a lot of time if we wanted to look for other grants and loans to fill in this gap. Based on my experience with USDA, that was a long and tedious process and I'm not optimistic that we can go out and find almost \$600,000 in this short period of time. So I am not recommending that you reject these bids.

The other problem with rejecting these bids and taking more than 60 days to find the shortfall is that we only got three bids and there was a pretty big spread there, as you see. The second low bidder was \$1.8 million and the high bidder was over \$2 million.

If we were to put this out to bid again, the fact that we only got interest from three people concerns me. The low bidder may very well be sitting at their office thinking, I left \$300,000 on the table and I'm not going to make that mistake again. You could rebid this and actually come up with a situation where you don't get three bidders, you get two maybe, and the low bid would be higher than the one you've got now. My concern is that is probably what would happen. So I am not recommending that we reject these bids.

In scratching my brain about how we can perhaps move forward, I can be comfortable recommending is one where we would go out and execute a short-term, five-year installment loan, similar to the one we did for the Credle Street Project. Mandy did a good job researching that and found out that if you keep the loan term under five years, so she made it 59 months instead of 60

months, and you keep the amount under \$250,000, so we made it \$248,000 so we didn't have to go before the Local Government Commission, they allow you to do that without their oversight. We could augment the project budget with that borrowed money and reduce our impact on the fund balance down to \$328,000 rather than \$576,000.

Mayor Voller asked so if we took that option why we don't make an economic development argument and go to the county commissioners and say this is the time to put in some money. This is going to benefit everybody. \$328,000 is something that they could reasonable invest as they have done in other municipalities in this county. When is the last time that they have directly invested any money in infrastructure in Pittsboro? Not talking about capital building, the library, I am talking about actually water and sewer. Manager Terry said that would have been the 3M project. Mayor Voller said but that was not inside the town of Pittsboro that was ran out of town. And that was a project that started with the whole economic development issue in 2000 and sprang from that. This is actually water that people in town, including a bunch of county employees. I don't see why it would hurt us to go ask and make a proposal and say we want to do this, you need us to do this to get the CO for the courthouse, why don't you help us? Goldston asked for it. Siler City asked for it.

Manager Terry asked what sort of help the Board would be looking for. Mayor Voller said invest the money. The whole reason county government exists is the same reason we do – provide value to the citizens...invest \$300,000. Manager Terry said you just want them to pay for that piece of the project. Mayor Voller said why not? We are paying for the rest and we are far smaller. What is their budget, \$80 million? One cent on their rate is like \$800,000 approximately, isn't it? One cent for us is like 40.

Commissioner Fiocco said are you suggesting option three with county funding \$3.8? Mayor Voller said I am suggesting we should ask for it. Commissioner Fiocco said right, that is what you are asking for - that particular number right there? Mayor Voller said we go to them and say look, we have this built up. We are going to fund part of it, we are going to go get a loan to fund part of it, and what would you think about helping us with the other part? They could also offer to do us a 0% interest loan or something else too but I would be hoping that they would be willing to invest the money.

Manager Terry said I think that even if you borrowed the money from the county I think the Local Government Commission gets involved if it is over a certain amount. Mayor Voller said well then I would suggest that we ask them to invest the money. They already said they would be willing to pre-pay the fees for the jail. But I'm not suggesting that this is connected to pre-paying fees. I am suggesting that we ask them to invest in the Town of Pittsboro. This benefits everybody including them. If we don't do the project it is not good for them either.

Manager Terry asked if he wants to do that on a political level or a staff level. If I ask Charlie Horne he has still got to go the county commissioners. I can ask Charlie but if you want to cut a step out you can go elected board to elected board. Mayor Voller said I think that is probably going to be the way it is going to have to be. Manager Terry said Charlie and I have already talked about conceptually paying those access fees early. That is not going to get you the \$300,000. Mayor Voller said I'm not really interested in that. I think it is a generous offer on their part. I am asking for direct investment. Manager Terry said I have discussed that with Mr. Horne and he thinks it is

unlikely but, again, that is not a decision he gets to make, it is up to the county commissioners to ultimately make that decision.

Commissioner Fiocco said you raised another point that I think is something we need to know the answer to and that is our existing policy, the way I'm reading it, tells us that if we have allocated the sewer to any recipient that they have to pay the fees at that time to truly secure them. I would like for Mr. Messick to review our existing ordinance to see if I am reading that correctly and, if applicable, tell us if it is or if it isn't. Manager Terry said if that is the case it is probably used for capital recovery fees and that is the smaller piece of it. As I recall, and I think these numbers are high now because they have downsized their project a little, we said access fees based on 20,000 gallons would be \$215,000 but those typically would not be paid until hook-up. Capital recovery fees on the acreage were only \$22,000, which is not a lot of help. We would need them to pay the access fees to have a significant impact on our cash flow. All that does is it bolsters your fund balance. You collect money earlier than you normally would have and you are still spending money that was coming to you eventually anyway.

Mayor Voller said years ago when the economy was in slightly different shape, DHIC was going to do that project on Masonic Street for affordable housing, they were going to the county commissioners to ask for \$400,000 to be invested in a very well thought of affordable housing project and there was a willingness to do so. But then the town board couldn't make the approvals in time and it died. We are asking for \$300,000 to invest in water which benefits everybody. Everybody wins from this. Of course we can try to fund it ourselves but I think it makes sense to ask them for the money. The state is putting up \$750, we would be putting up a part of the project, isn't it logical that the county should put up something? Everybody else is. Or I guess we can say we won't get it CO'd to the courthouse because you are asking us to foot the whole bill. If the bid came in a lot lower, Bill, we wouldn't be going and asking for it. But I think you are correct, if we rebid it then it will probably go higher.

Manager Terry said my concern is I know on an initial bid if you don't get three bids you don't open them, you give them back and have a rebid and you have to have three valid bids to open them. I'm not sure that is true on the second go-round of bids. So if we only got a single bidder next time we should negotiate with the low bidder.

Commissioner Fiocco asked if there was any option to modify the scope of the project. Manager Terry said I don't think so but I can make some phone calls and find out. Something the Board members may recall is the reason the scope got to where it is now is because of us working very hard with the Commerce Department to try and arrive at a scope that they would finally agree would qualify for this type of loan. Mayor Voller said right, that is exactly why we had to go up to that residential area. Manager Terry said we started out they were going to have to survey every residence along the line and find out what their rate of income was and were they above or below the poverty line. It was going to run us past the deadline.

Manager Terry said all the way from the water tank to the center of town, you persuaded them that you qualified for it. Changing that scope I do not think will pass the Commerce Department but I can ask them. Commissioner Fiocco said my thinking is it would still serve the entire town because the line coming out of the tank I think is a 10-inch, and I think at Launis Street it peels off and runs around the back side and continues up Hillsboro and is something in the magnitude of a 6-inch, I

don't know but I understand that is the way the system is laid out. So if we connect to the 10-inch at Launis and run the 12 to the courthouse, I think you are trading a 6 for a 12 but still a 10-inch and a 12-inch would serve the town much better than a 10 and a 6. I think there is a logical argument there that you are getting 90% of the improvement with a smaller scope and probably for the money that is available. Mayor Voller said perhaps, but I don't know if the cost of this project is actually more in improvements downtown than they are on the right-of-way past Launis. That is probably the least expensive part running it in the shoulder that is the cheapest. All of the expense is downtown.

Mayor Voller said I think Mike is right to try to figure out if there is a way to save but I would just advise - you went with us that one time to see them in Raleigh, if we pull any strings on that grant I think Bill is right, we are going to open up a can of worms. They weren't that easy to deal with. It took a lot of work to get them to sign off. I just don't know if they would like to have a change order at this late date. It is possible but that, again, is why I say why we don't just go talk to the commissioners. Manager Terry said since we did not craft this bid as one with a lot of add or deduct alternates, if we are going to cut the scope I think it is a re-advertisement and again we are bucking up against the sunset date of April 13th about a year from now. Knowing how slowly these things move along, there is a risk that we will get to a point where we can't get the monies obligated in time.

Manager Terry said this is a tough one and I don't envy you in having to take a position on it. Commissioner Fiocco said and we are 100% positive that these numbers do not include the overlay, the asphalt overlay? Manager Terry said that is correct, that was not in the bid.

Manager Terry said this is just an information briefing tonight. At some point I have to bring you a bid award and recommendation. I was just speaking to share information with the Board tonight and get some guidance on how you want me...it doesn't have to be at the next meeting, these are good for 60 days. I can bring this to you at the first meeting in May. We've got some time to talk about it. If this Board wants to approach the county board and work that angle for a couple of weeks you have that time, you have 60 days, but I would suggest that time will go by fairly quickly.

Mayor Voller said I think the Board should appoint a couple of people to go meet with their chair and vice-chair, which would probably be Commissioner Fiocco and someone else on this Board that you think should meet with them and explain why it is a good idea and why they should invest, why it makes sense. The worst that is going to happen is if they say we can't do it. I think we can make a good compelling argument as to why they ought to. Mayor Voller said I know they have had to make investments in these other places through various construction projects and I know we haven't come to them for something like this in quite a long time. It seems pretty reasonable. I would ask that the Board appoint Commissioner Fiocco and another member of this Board and it doesn't have to be me, it could be another member of the body, to go meet with them.

Commissioner Farrell said did we ask the county at one time about running that water line on South Street and they didn't want to have anything to do with that. Mayor Voller said what happened is I went to their meeting back in March and I brought it up and Charlie Horne answered the question as if it was phrased north, they don't need anything in the justice center. But then, during the break, I talked to the chair, Mr. Bock, and said these are two separate issues. This Hillsboro Street project, and then I told Walter Petty the same thing, is just going from there north. If you want to have better quality water flow south you need to come talk to us about this. Then I also raised the issue of

connecting the water line on 64 which has been brought up before between Siler City and Pittsboro. They were two separate discussion points. So they are aware of this, they are talking about it, so this is just following up on that. I agree we should throw it all in there. Why wouldn't they want to invest in the county seat where they have all these buildings and they need to have good water supply. It is pretty logical.

Commissioner Baldwin said and they are not paying taxes on those buildings. Mayor Voller said no, they are not paying taxes on the buildings and that point has been made many times. But they are great assets to the Town and we love having them here. But we are doing a project that is going to benefit the business community, the residential community, and the institutional users which includes the county and I don't see why they wouldn't be interested.

Commissioner Baldwin made a motion that we appoint Commissioner Fiocco as well as the Mayor to have a discussion with Chatham County Commissioners concerning this issue to ask them to give us some money to help with this infrastructure. I think it is a valid discussion and, as you have said, they have helped other cities and towns in Chatham County so I don't see why it would be a problem to ask them. Motion seconded by Commissioner Farrell.

Vote Aye-5 Nay-0

Commissioner Fiocco said one of the things I would like to do first is, Bill, can we get a meeting with Becky Smith and go through engineering so we have a clear understanding of the project. Mayor Voller said so we will know what we are asking for and why. Commissioner Fiocco asked if it is possible to have that meeting this week. Manager Terry said I am meeting with her tomorrow. I'll find out tomorrow. Are you available any time tomorrow? We will talk off line. I have got the meeting posted. Commissioner Fiocco said usually first thing or last thing is better for me.

Manager Terry said one last point on this issue, I assume the Board wants me to go ahead and make some preliminary inquiries at the bank that loaned us some money on Credle Street and start putting into motion if we are going to pursue borrowing that money at least make application and contact with the bank. Mayor Voller said you will need to if we are going to ask the county and you need to inform us about what our options are.

Mayor Voller said we can skip the updates from me and go straight to Commissioners Concerns.

Commissioner Farrell said he didn't have anything.

Commissioner Foley said I was at free lunch last week and someone was saying that the road behind St. Bart's, Rectory Street, needs some attention. That people who come to free lunch in wheel chairs and are elderly have concerns about the safety of that road.

Commissioner Fiocco said I have many items. I am hopeful we can have a report on these items at our next meeting.

- The first one is the status of the HRCA parking agreement.

- I had a conversation last week with Mr. Poteat about the street light at the crosswalk and he said there was work still being done on that, he didn't quite have a conclusive no. I would like to revisit that with him and see where the disconnect is. Manager Terry said I will go look at my emails. I thought I got a pretty conclusive no in an email but I will find the email and share it with you. Commissioner Fiocco said I think I am going to reach out to Reuben myself as well and see what can be done because, quite frankly, the south-bound travel is dangerous. North-bound is lit at the rising of the hill. But headed south-bound is dark and you cannot see anyone walking in that crosswalk. I want to really push on this because I feel it is a real safety issue.
- Can we also get an update on the status of the land use plan? Can we get a status of the ordinance review that the planning board and the planning director are undertaking?
- I thought that we were going to have some recommendations on the gaming license fees at this meeting. I thought we discussed the fact that if we are going to pass the ordinance to have the fees in place and I thought we discussed that a recommendation would be brought back at this meeting. If we can make it for next meeting, I think we have got to have that in place.

Commissioner Baldwin said I don't have anything at this time other than I did give Mr. Terry a very large map that shows the areas proposed for fracturing. If anyone wants to see it Mr. Terry is going to post it. Commissioner Fiocco asked if it was going to be posted on the website. Manager Terry said no I will find a place to put it. Commissioner Baldwin said this was the map that I had gotten from Triangle J so you can actually see all the counties that are affected and the areas. Manager Terry said I think those of you that attended the meeting in Sanford got a small copy of that map.

Commissioner Turner said I don't have anything except for the Citizens Grant Committee is meeting tomorrow night here at 6:30 and all are welcome, commissioners can come.

Mayor Voller said I have just two quick items. One is on parking. Perhaps the Town should engage our property owners about leasing lots or working with them so that they can get revenue and we can get parking spaces available. We have all these privately held lots, I understand that the owners would probably like to make some revenue out of it, and maybe the Town should take a leadership position and figure out how to move this ahead. I'm not sure whether that is a planning board item or it is an off line thing that we just work on through the Main Street Program.

Also, Mike brought up the licensing issue for internet sweepstakes. When I read the ordinance we passed it mentions a 500-foot boundary between all these uses but I'm not really clear on where it is saying property line to property line. Is that saying from the use or is it saying from property line to property line? It is 500-foot separation. So if somebody wants to do one or asks about it, how do you decide where it is supposed to go? Do you understand what I am saying?

It says in what we passed there will be a separation of 500 feet from places of worship, schools, day care, public park ... The distance between the proposed electronic gaming establishment and any applicable use shall be measured by following a straight line from the nearest point of the lot line of the proposed use to the nearest point of the lot line of the lot on which the existing permit use is located. But theoretically that could mean that you could never put one in anywhere because our

town is so small. Would that mean that if we had a C2 place and it is next to a residential or an ONI, I asked Paul to bring something back to us showing the area so that you could see what that means or did we just unwittingly or wittingly? Five hundred feet is a long distance. So I would like, Bill, perhaps that should be looked because if someone comes in and they are asking Stuart and he is telling them they can do it and then it turns out, no, you can't because the way that is written, lot line to lot line. Commissioner Fiocco said I assume he would consult that before he would say whether somebody could or could not do that. Mayor Voller said but what I'm not sure about is we got into this with the sound ordinance and also with the ABC permit with Haw River Christian Academy. With the ABC permits, they consider the separation from the door of the school back to the use, so the 50 feet is fine. This is saying lot line to lot line. So does this mean we just essentially say you can never put one in town? Manager Terry said it makes it very restrictive. Mayor Voller said I think this needs to be explained a little more because let's say someone wants to put one up at Lowe's. I am not saying they are I'm just saying they do. Does that mean you can't do one with Ricky Spoon having a mixed-use plan development and that part is zoned C2 and the other part isn't? So is it measured up to that lot line or where he wants to build the apartments? This begs to be looked at because someone is going to come in here and say you really didn't mean to approve any because of the way that is written you could never build one. Why didn't you just say you didn't want it built? I am just asking that be clarified because it is not written in a way that is understandable. Paul is going to show us the map so you will see it next meeting.

Commissioner Foley said I also would like to see a map of who owns property in the downtown area. Commissioner Turner said I believe Main Street covered that at some point. Mayor Voller said we have a map back there Paul is printing one out that shows every property owner and all the buildings.

Commissioner Fiocco made a motion to adjourn the meeting at 9:50 p.m. Motion seconded by Commissioner Baldwin.

Aye-5 Nay-0

Randolph Voller, Mayor

ATTEST:

Alice F. Lloyd, CMC, Town Clerk