

MINUTES
TOWN OF PITTSBORO
BOARD OF COMMISSIONERS
REGULAR MEETING
MONDAY, AUGUST 13, 2012
7:00 PM

Commissioner/Mayor Pro Tem Pamela Baldwin called the meeting to order at 7:00 p.m. and called for a brief moment of silence.

ATTENDANCE

Members present: Mayor Randolph Voller arrived at 7:20 p.m., after having attended a meeting in Raleigh; Commissioner/Mayor Pro Tem Pamela Baldwin, Commissioners Jay Farrell, Bett Wilson Foley, and Michael Fiocco. Commissioner Beth Turner excused absence.

Staff present: Town Manager Bill Terry, Town Clerk Alice F. Lloyd, Town Attorney Paul S. Messick, Jr., Planning Director Stuart Bass, and Assistant Planner Paul Horne, and Finance Officer Mandy Cartrette.

AGENDA

Manager Terry requested that an item be added to the Agenda, that New Business Number 5 be added as a budget amendment to add some temporary salaries at the wastewater treatment plant that was distributed on Friday after the agenda went out to the board.

Commissioner Fiocco moved that Item Number 5, regarding the temporary salaries, be added to new business, seconded by Commissioner Farrell.

Vote Aye-4 Nay-0

CONSENT AGENDA

The Consent Agenda contains the following items:

Commissioner Fiocco made the following corrections to the minutes:

- 1) Minutes of June 11, 2012: That the sentence on Page 34, which reads "Commissioner Fiocco said there is nothing to salvage; that it needs to start over" should read "Commissioner Fiocco said if there is nothing to salvage, that it needs to start over."
- 2) Minutes of June 25, 2012: Page 38, tenth paragraph, third line should read "a cost-sharing between the town developer and maybe the homeowner's association."

Motion made by Commissioner Fiocco seconded by Commissioner Farrell to approve the consent agenda with the above corrections to the minutes.

Vote Aye-4 Nay-0

1. Approve the minutes of the May 21, 2012 Budget Work Session.
Motion carried 4-0

2. Approve the minutes of the June 5, 2012 Budget Work Session.
Motion carried 4-0
3. Approve the minutes of the June 11, 2012 regular meeting.
Motion carried 4-0
4. Approve the minutes of the June 25, 2012 regular meeting.
Motion carried 4-0
5. Adopt the resolution approving the audit contract with Ward & Foust CPA for Audit of the Towns' Fiscal Year 2011-2012 Financial Statements.
Motion carried 4-0
6. Accept the certificate of sufficiency from the Town Clerk on the proposed annexation of Chatham Park Investors, LLC. A-2012-03.
Motion carried 4-0

Resolution reads as follows:

A RESOLUTION AUTHORIZING THE MAYOR, THE TOWN MANAGER, AND THE FINANCE OFFICER TO SIGN A CONTRACT BETWEEN WARD & FOUST CPAS, P A AND THE TOWN OF PITTSBORO TO PERFORM THE AUDIT OF THE TOWN'S FISCAL YEAR 2011-2012 FINANCIAL STATEMENTS FOR AN AMOUNT OF \$20,000 PLUS A FEE OF \$1,550 FOR A SINGLE AUDIT

Whereas the Town of Pittsboro is required by law to contract for an independent audit of the Town's annual financial statements; and,

Whereas, in their audit contract of August 1, 2012 Ward & Foust proposes to perform the Town's FY 2011-2012 audit for an amount of \$20,000 plus \$1,550 for a single audit, the same fees charged in the prior year.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Town of Pittsboro that the Mayor, the Town Manager, and the Finance Officer are hereby authorized to sign a contract between Ward & Foust CPAs, P A and the Town of Pittsboro to perform the audit of the Town's Fiscal Year 2011-2012 Financial Statements for the amount of \$20,000 plus a fee of \$1,550 for a single audit.

A RESOLUTION AUTHORIZING THE MAYOR, THE TOWN MANAGER, AND THE FINANCE OFFICER TO SIGN A CONTRACT BETWEEN WARD & FOUST CPAS, P A AND THE TOWN OF PITTSBORO TO PERFORM THE AUDIT OF THE TOWN'S FISCAL YEAR 2011-2012 FINANCIAL STATEMENTS FOR AN AMOUNT OF \$20,000 PLUS A FEE OF \$1,550 FOR A SINGLE AUDIT IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGE 81

THE TOWN CLERK'S CERTIFICATION OF SUFFICIENCY IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGES 82-91

REGULAR MEETING AGENDA

Citizens Matters

Phillip Culpepper, 100 Westbrook Estate, Cary, stated that he had previously mentioned his desire to extend the extraterritorial jurisdiction over the Chatham Park property, and he asked to submit a letter to the Town making a formal request for the extension. He also presented a map attached to the letter, which Mayor Pro Tem accepted.

The letter read as follows:

Dear Mayor and Town Commissioners,

As the owner of the development project known as Chatham Park, I would like to make you aware that interest and activity related to the project is increasing. We are moving forward with several tasks in preparation for developing the project. These include the rezoning necessary for the development of a medical office building, the office building design, and the design of the bridge and interchange on the US 64 Bypass. We are also working on the development of an overall plan for the project. We anticipate this to be the unified plan for the entire project. And, as you know, we anticipate that the entire project will become part of the Town of Pittsboro.

However, there is currently one fact that complicates our progress; not all of the property is located within the Town's current extraterritorial jurisdiction (ETJ). We believe that the Town and the project would be best served if the entire property were contained within Pittsboro's ETJ. In order for this to happen, the Town would need to request an extension of its current ETJ from the Chatham County Commissioners. This request should be limited to include only those properties owned by Chatham Park Investors LLC. A map is attached that identifies the area. This area contains approximately 1,900 acres. Specifically, as identified by Chatham County parcel number, the parcels to be included in this request are as follow:

63929, 7398, 7397, 87219, 72014, 7482, 11006, 60775, 71844, 7402, 7578, 11198, 11183, 11221, 74581, 68705, 7399, 7591, 7585, 7583, 74580, 11199, 68706, 60218, part of 7617, and part of 7403. (Portions of the last two parcels listed are already within the Town's ETJ.)

Because this change in the current limits of the Town's exterritorial jurisdiction would allow for a more unified development plan for the project and for Pittsboro, I respectfully request that the town pursue approval of this extended ETJ from the County Commissioners as soon as possible.

Sincerely,

Tim Smith
Chatham Park Investors LLC

A COPY OF THIS LETTER AND MAP IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGES 92-94

Oakley Bennett, 314 Chatham Forest Drive, stated that he had two matters to bring to the Board's attention. He stated that about two weeks ago the chains that go across Springdale and Fox Chapel Road have been replaced with a heavy-duty chain and locks. It no longer has any breakaway ties. Mr. Bennett inquired why that was done and who has the key to the locks other than the master keys that the fire department has. Mayor Pro Tem Baldwin called on Mr. Terry, who explained that the apparatus is frequently vandalized and broken into, and although it may appear to be a solid chain, there are zip ties every so many feet. Mr. Culpepper reiterated that there are no zip ties, that it is a solid chain. Manager Terry said he would go and personally inspect it, but it was his understanding there were zip ties that the fire, police, and others could cut with a pair of scissors. Manager Terry stated that if the chain is not currently configured in that manner, he would remedy that the following day.

The second item of inquiry by Mr. Bennett was whether plans and costs for the Springdale and Fox Chapel project were available so that he could approach his board and see if they could perhaps help with the project and whether they need to write the homeowners and perhaps do an assessment. Mr. Fiocco stated that the NCDOT has again reviewed the revised plans and has approved them, so the engineer has now prepared a cost estimate and we are waiting on a cost estimate from Hydrostructures to have two bases of knowledge for a cost estimate at that point. After another estimate is received, a decision will then have to be made regarding moving forward with and funding the project. Mr. Bennett thanked Mr. Fiocco and the board for their hard work.

Samantha Birchard, on behalf of the Pittsboro Merchants Association, stated that a merchant had expressed a great deal of concern about the upcoming water lines and the potential rerouting and how the detour that's expected to be around the marketplace would work. Ms. Birchard stated that they would like to have it rerouted back to Salisbury so that the downtown is not cut off and business will not be negatively impacted and customers will not be inconvenienced. The Merchants Association would like to have a couple of banners that say "Open for Business," things making it clear that they are still there welcoming customers. She stated that they are happy and enthusiastic about having the water lines done. She further inquired about the notification that will be provided concerning the water cutoff. She thanked the Town for their choices in Hydrostructures because they have been nothing but positive and very straightforward with the association.

Commissioner Fiocco asked Mr. Terry if the routing issues could be addressed, and Manager Terry responded that Becky is present and can dovetail the information concerning the traffic routing with her discussion about the Jordan Lake partnership. Manager Terry also stated that Becky can speak to the issue concerning notification. A mailing list of all businesses has been developed and periodic newsletters will be sent out during the course of the project so that everyone is kept up to date with the progression of the project.

Motion made by Commissioner Fiocco seconded by Commissioner Foley to go into a public hearing.

Vote Aye-4 Nay-0

PUBLIC HEARING

PROPOSED ANNEXATION A-2012-03, CHATHAM PARK INVESTORS LLC

The public hearing was opened for the proposed annexation A-2012-03, Chatham Park Investors, LLC. Planner Bass stated this is the sister annexation to the proposed rezoning request, and it mirrors the zoning request that the Board has seen and has held a previous public hearing on. The property is located on Suttles Road, 32.767 acres. The property is currently zoned RA-2, but the request is for rezoning to C-2. Planner Bass stated that he had prepared a memo in which he stated this is a satellite annexation which is being looked at further, and on advice of Attorney Messick, it appears that it was contiguous, taking into account the street right-of-way which the law allows you to do, so that's what we're investigating and came up with, but that's a mapping convention. It wouldn't figure into the annexation request.

Planner Bass stated he will render the mathematics regarding the satellite annexation area, which is not really germane to the topic and that we're not getting any closer on this annexation.

As no one had signed up to speak at the public hearing, a motion to go out of the public hearing was made by Commissioner Baldwin seconded by Commissioner Farrell.

Vote Aye-4 Nay-0

OLD BUSINESS

UPDATE ON AVAILABILITY OF UTILITY PROJECT FUNDING FROM THE CLEAN WATERSTATE REVOLVING FUND (CWSRF)

Mandy Cartrette, Finance Officer, submitted the following report:

At the Board meeting of July 23, 2012, Fred Royal of Brown and Caldwell Engineering gave a presentation on the availability of money from the Clean Water State Revolving Fund (CWSRF) to fund water and sewer infrastructure projects. After Mr. Royal's presentation, the Board requested that staff contact the Local Government Commission to inquire about whether or not the Town of Pittsboro was eligible to receive this funding.

On Wednesday, July 25, 2012, Mandy Cartrette, Town Finance Officer, contacted Mr. Tim Romocki, Director of the Debt Management Section for the Local Government Commission, to inquire about the Town's ability to obtain a loan of \$5,400,000. Mr. Romocki suggested that Town staff set up a meeting with him and other staff members of the Debt Management Section to discuss in more detail the Town's eligibility for obtaining a loan from the CWSRF.

Before Town staff travels to Raleigh to meet with Mr. Romocki and other members of the Debt Management Section, we recommend that the Board should have a work session at which Utility Director John Poteat, Wastewater Plant Superintendent Randy Heard, and Water Plant Superintendent Scott Jewell are present to discuss operational deficiencies and capital project priorities for the Town's utility systems. After these discussions, the Board could then identify the project with the highest priority, and Town staff would be better prepared to meet with Mr. Romocki about the Town's funding needs.

RECOMMENDATIONS

- A. That the Board of Commissioners have a work session with Utility Director John Poteat, Wastewater Plant Superintendent Randy Heard and Water Plant Superintendent Scott Jewell to determine what are the critical deficiencies in the Town's utility systems and develop a prioritized list of the most critical utility system capital projects.

- B. That the Board of Commissioners give guidance and direction to the Town Manager and Finance Officer regarding which project or projects will be discussed when they meet with Mr. Romocki and his staff members at the Local Government Commission's Debt Management Section.

Commissioner Fiocco stated that the idea of a work session to create a hierarchy of priorities is a great idea, but perhaps the Town could speak with them about the Town's eligibility for loan acquisition without presenting a specific project or cost.

Manager Terry stated he had no objection to meeting but felt the meeting may be more productive if a specific budget and project were discussed and that they may be more likely to view the Town's current debt load to approve such a loan.

Commissioner Fiocco asked if this was a shovel-ready project and whether this was a larger water improvement project. Manager Terry replied that they could use that as a basis of discussion, but there may be higher priorities. He further stated that this project has been a high priority for the Board for a couple of years now and feels it would be prudent to look at the whole system and make a rational analysis of what is the number one priority: water plant/sewer plant; sewer collection; water distribution – or are there other priorities that need to be addressed.

Commissioner Fiocco further stated that if we could just get their opinion on our qualifications for their funding, he felt it would go a long way for the Town while trying to define its priorities.

Manager Terry asked if the Board wanted to try and set a date for the special meeting that was to be at Verlie's, or did the Board wish to defer that decision. Commissioner Fiocco stated that with Commissioner Turner not being present, it would be difficult to set a date and perhaps it could be discussed via e-mail.

Manager Terry asked if he wanted to meet in August. Commissioner Fiocco stated he would be out of town quite a bit the latter part of August, so a meeting in September would be better. Mayor Voller inquired as to who else they would like to have at the meeting other than the Board. Commissioner Fiocco responded that we definitely needed to have the folks here that Mr. Terry had mentioned.

TOWN OF PITTSBORO WASTEWATER ALTERNATIVES EVALUATION

Mike Apke, P.E., McGill Associates Engineering, a consulting engineering firm, made a presentation to the Board regarding options for the Town of Pittsboro regarding future

wastewater. The study performed by McGill Associates Engineering was focused on the Town and its future wastewater needs, but it actually involved three units of government: Town of Pittsboro, Chatham County, and City of Sanford. All three entities provided funding towards the study.

Mr. Apke made several points during his presentation, including but not limited to:

- McGill Associates Engineering is a NC-based engineering firm that has been in existence for about 28 years. They have three offices in NC, including Pinehurst, Asheville, and Hickory. Their firm has done quite a few projects for and in Chatham County, so they do have some experience working in this area.
- That the scope of work the firm was asked to perform was to prepare a preliminary engineering report to evaluate two separate alternatives. Alternative Number 1 is to expand the capacity of the wastewater treatment plant in accordance with some permits that the Town has received in the past.
- That Alternative Number 2 includes the construction of a new lift station and force main that will transfer wastewater from the Town of Pittsboro to the City of Sanford's wastewater collection system. As part of this study, different phasing options were considered for both alternatives.
- That his firm had worked very closely with Town staff, Chatham County staff, and Sanford staff. Several progress meetings were held along the way. A draft study was submitted and the firm received comments from all three, and all comments have been incorporated into a document that was submitted to Manager Terry last week.
- That Pittsboro currently has a wastewater treatment plant that is permitted to discharge up to 0.75 MGD (million gallons per day) to Robeson Creek. Current flows are about half of that. They do fluctuate up and down, but currently, based on information provided by Town staff, the Town is at about 50% capacity. He stated that the Town does have an NPDES discharge permit that will allow the Town to expand the plant and discharge an additional 2.47 MGD to the Haw River. That total capacity, with the Town's current plan and the additional 2.47 MGD, would yield 3.22 MGD. There is currently no piping to allow discharge to the Haw River, and a discharge location identified in the permit is a little more than four miles away from your current plant.
- That the 3.22 MGD that's included in the Town's permit was determined as the Town's 20-year wastewater demand, based on the Environmental Impact Statement that was submitted and approved by the State.
- That the Town has a current agreement with the 3M Corporation to supply them up to 0.25 MGD of reuse water, and that 20-year agreement began at the completion of the infrastructure project around 2010, so the 20-year agreement will expire in 2030.

An aerial view of the current plant site was displayed as Mr. Apke explained the location of the treatment unit, the equalization basin, solids removal site, and the main flow into the screening facility.

Mr. Apke described the City of Sanford's "Big Buffalo" Wastewater Treatment Plant which is currently permitted to discharge 6.8 MGD into the Deep River. He provided information concerning Sanford's facility, including but not limited to:

- Current flows are around 4 MGD, so they are at 60% capacity.
- Sanford is in the process of a major expansion which will increase the capacity to 12 MGD.
- If current flows remain the same and they complete their project, which is anticipated for next summer, they will be operating at about 1/3 of their capacity.
- All of Sanford's flow will still go to the Deep River.
- This facility does produce reuse quality water, just as Pittsboro's plant, but they have no private customers. Their reuse water is used for irrigation at a municipal golf course and dust control, but they do not actually sell it to any customers.
- Located approximately 14 miles to the south of the Pittsboro facility.

An overhead view of the Sanford plant was displayed, but Mr. Apke pointed out that the facility does not currently look that way because of their current expansion. In general, Sanford's flow comes into an influent lift station in the southwest corner of the plant. Using the map, he described the route for future connections to the Sanford facility in order to pump back to the Pittsboro plant.

Pittsboro Plant: Alternative Number 1: Expansion of plant to 3.22 MGD in accordance with the NPDES permit that's been issued. He stated that the scope of work involved in Phase 1 would be:

- Expansion that would add half of future capacity (1.61 MGD capacity) but also retain existing plant, existing 0.75 MGD plan in service to yield a total capacity of 2.36 MGD
- Estimated Cost: Approximately \$20,000,000 (\$19.966 M)
- New treatment facility such as screening, grit removal, biological treatment, filtration, UV disinfection, new lift station and force main
- Current permit expires in 2016 as written.
- McGill does not anticipate any inter-basin transfer issues
- Assumes that the Town will continue to provide reuse water to 3M
- Time frame for completion is 38 months, which includes time for design, additional permitting, bidding and award, and construction
- Phase 2 would need to be completed around year 10 to comply with the DENR 80/90 rule, which says that when your plant reaches 80% capacity, planning documents need to be in place of how you will address future flows. When you reach 90% capacity, design documents and permits should be in hand, getting ready to go to construction.
- Additional land would need to be acquired prior to constructing the expansion.
- Total nitrogen limit must be considered: if you complete a design and receive an authorization to construct prior to December 31, 2016, the effective date is pushed to 2018.

An excerpt from McGill's written report concerning Phase I has been inserted below.

Proposed Design Concept and Phasing

For this evaluation, McGill worked with Kruger, Inc. on the proposed process design concept for the expanded Pittsboro WWTP. The project was divided into Phase 1 (1.61 MGD

expansion) and Phase 2 (additional 1.61 MGD expansion) for an ultimate capacity of 3.22 MGD.

Phase 1 of the project includes the following items:

- Site work and site preparation for the new treatment plant components adjacent to the current site (assumed to be the John Booth Farms land).
- Construction of a new 1.61 MGD influent screening/grit removal facility to provide pretreatment of the wastewater, including a gravity sewer extension to connect the current outfall to the new headworks structure. Structures and major treatment components would be sized to accommodate the ultimate capacity of 3.22 MGD.
- Construction of a new influent lift station that will initially pump flow to both the new treatment train and the existing treatment train, designed for a future expansion to 3.22 MGD.
- Construction of a new biological treatment process. In completing this evaluation, McGill utilized the Kruger D-Ditch process as the basis for the design, which includes the construction of two (2) oxidation ditches operating in a continuous flow mode with phased aerobic and anoxic conditions. This system also incorporates settling phases in the initial design that occur directly within the ditches, eliminating the need for secondary clarifiers in Phase 1. Preliminary design data provided by Kruger indicates that the process is capable of meeting the NPDES discharge limits.
- A new office/laboratory building for plant operations staff.
- Installation of a tertiary filtration system with an initial capacity of 1.61 MGD that is expandable to 3.22 MGD in the future.
- Construction of a UV disinfection system with an initial capacity of 1.61 MGD that is expandable to 3.22 MGD in the future.
- Construction of a new lift station and force main to discharge up to 2.47 MGD of treated effluent to the Haw River at the US 64 bridge. Flow splitting will be included that will allow the plant operators to control the quantity of effluent discharged to Robeson Creek, the Haw River, and 3M.
- Installation of approximately 4.3 miles of 24-inch force main piping to transfer up to 2.47 MGD from the new effluent lift station to the Haw River. The force main will be required to cross several streams (assumed to be by directional bore).
- New solids handling facilities consisting of additional sludge storage and dewatering capabilities.
- Related chemical feed equipment, piping, valves, flow measurement, electrical upgrades, instrumentation, and related appurtenances.

Estimated Project Cost

The total estimated project cost for Phase 1 (Expansion to 1.61 MGD) is \$19,966,000 and an itemized breakdown is provided in Table 4-1 (of the report). The total estimated cost for Phase 2 (Expansion to 3.22 MGD and elimination of existing 0.75 MGD treatment train) is \$8,030,000 and an itemized breakdown is provided in Table 4-2 (of the report).

The estimates provided in Tables 4-1 and 4-2 (of the report) assume the following:

- The force main path for the discharge to the Haw River will follow existing rights-of-way as shown in the approved EIS

- Land to construct the WWTP expansion can be acquired from the adjacent property owner at the current tax value
 - Design fees are based on NCDWQ Infrastructure Finance Fee Curves
-

Pittsboro Plant: Alternative Number 2: New lift station and force main that will transfer wastewater from the Town of Pittsboro to the City of Sanford's wastewater collection system.

Mr. Apke stated that the inter-basin transfer (IBT) regulations complicate this scenario and went on to explain inter-basin transfers, using a map as a reference. All of Chatham and Lee Counties are included in the Cape Fear River basins. He explained that Pittsboro's raw water intake on the Haw River is in the Haw River sub-basin. Pittsboro's WWTP discharge is to Robeson Creek, also in the Haw River basin, so there is no transfer across basin lines. Sanford has a unique situation in that they pull water out of the Cape Fear River, which is the Cape Fear River sub-basin of the Cape Fear River basin, and discharge to the Deep River, which is the Deep River sub-basin of the Cape Fear River basin. When water is pulled from one basin and discharge it into another basin, then that is considered to be an inter-basin transfer. Sanford is exempted from the rule because of what DENR informally refers to as the "cork rule." The "cork rule" says that if you are at your wastewater discharge point and you throw a cork in the water and it eventually flows down to where it passes by your intake point, that's not an inter-basin transfer. When looking at potential transfers from Pittsboro to Sanford while Pittsboro continues to get water from the Haw River sub-basin and transfer it to Sanford for treatment at their plant, then that would be considered an IBT because Sanford discharges to the Deep River sub-basin.

Mr. Apke went on to say that the regulation is simple but becomes complicated when put to use in the real world. "No person shall initiate a transfer of no more than two million gallons of water in any given day without first obtaining a certificate from the Environmental Management Commission." The current IBT rules require system owners to undergo a detailed, lengthy, and expensive process to obtain an IBT certificate. Mr. Apke has seen quotes of around \$1 million to obtain this certificate. In 20 years, approximately only four certificates have been issued since the rule was put into place. Part of the expense includes environmental studies that have to be done and public hearings that have to be held, and that keeps many towns from pursuing the certificate.

Mr. Apke said "the regulation considers water intake and wastewater discharge location." He explained that if Pittsboro decided to obtain more water from Sanford, Pittsboro can transfer more than two MGD of wastewater back to Sanford because it's a cumulative effect. He gave the example that if you have one MGD of water pulled out of Cape Fear, utilized in Pittsboro, then that one MGD goes "up here but then goes back down across the basin line then it's not subject to the inter-basin transfer regulations." The regulation applies to where you pull the water out of the ground and where you discharge it. Where you consume the water is irrelevant, although they do allow for consumptive losses in those area for uses such as irrigation and other uses in which the water does not go back into the wastewater system.

Mayor Voller asked Mr. Apke if Pittsboro connected to Chatham County down by 3M, who gets their water from Sanford and are interconnected, how that plays into the rules. Mr. Apke said he had asked that very question last week, and he was informed that if Pittsboro connects

to Chatham and the water comes through Chatham County, if the water is consumed in Pittsboro, it would be negated from the Town's two MGD. So even though it goes from Sanford through Chatham County to Pittsboro, that would be allowed because the water comes up and then if it is discharged back to your WWTP and back down to Sanford, it would not be considered IBT. Determining what water comes from Sanford and what water comes from the Haw River will take some water-balancing to accommodate.

Mayor Voller asked if the "cork rule" would apply if Pittsboro were to ever get its water with the Jordan Lake Partnership? Jordan Lake which is basically the Cape Fear basin, and technically the "cork" floats past it because they're north of it, coming into the Cape Fear over the dam. If you discharge from upstream, that cork's going to hit the Cape Fear River, didn't it pass Jordan Lake? He stated he understands how Haw River is a sub-basin and not included, but that's "flowing over the dam." Mr. Apke stated that if you drop a cork in at your WWTP, it floats by your raw water intake, that's the definition of the cork rule. Mr. Apke stated that every situation is unique and stated that technical questions should be formulated and, with the aid of a map, be directed to the Division of Water Resources and discuss the proposed plan with them.

With regard to Alternative 2, Mr. Apke stated that they had run a hydraulic analysis, and overall it's actually a downhill pumping application. The Town must pump up over a significant ridge in order to start going downhill, so approximately 190 feet of static head, which is significant when talking about pumping wastewater.

This alternative has been broken down into two phases, but McGill has not exceeded the two MGD requirement. This phase assumes that the Town would not wish to pursue the ITB certificate. If that were to change, the study could be modified. The two phases are as follows:

Alternative 2, Phase 1:

1. Construct a lift station with an initial capacity of 1.0 MGD. This initial station would include two (2) pumps, each capable of pumping 1,736 GPM (based on a 2.5 peaking factor) at a total dynamic head of approximately 219 feet. These pumps would require approximately 150 HP motors. Design the wet well, piping, and other pertinent features to allow a future expansion with minimal improvements.
2. Construct an 18-inch diameter force main from the lift station to Sanford. Provide a temporary connection to the "Little Buffalo" lift station, resulting in the installation of approximately 65,600 linear feet of 18-inch pipe in Phase 1. Initial flows pumped by the station would likely be significantly less than 1.0 MGD.

Alternative 2, Phase 2:

1. When future flows warrant, install approximately 10,700 linear feet of additional pipe to extend the 18-inch force main to the Big Buffalo WWTP and
2. When future flows warrant, upgrade the Pittsboro lift station to a "triplex" arrangement with three (3) pumps, each capable of pumping 1,736 GPM at a TDH of 277 feet. These pumps would require approximately 400 HP motors. The design capacity of the station would then be increased from 1.0 to 2.0 MGD.

2) Pittsboro has entered into a 20-year contract to provide reuse water to 3M Company, which

Major components of the Phase 2 expansion to 3.22 MGD would include:

- Upgrade the headworks and influent lift station to a capacity of 3.22 MGD.
- Construct two (2) new secondary clarifiers to be utilized in conjunction with the oxidation ditches constructed in Phase 1, converting the Kruger biological process to a BIO-DENITRO system to provide a total treatment capacity of 3.22 MGD.
- Expansion of the tertiary filtration and UV disinfection systems constructed in Phase 1 to a capacity of 3.22 MGD.
- Additional piping, valves, chemical feed, electrical upgrades, and related appurtenances.
- Decommission of the existing 0.75 MGD treatment train.

Mr. Apke stated that an odor-control system would also be included. The estimated cost for Phase 1 is about \$10.84 million. Phase 2 would upgrade the system to two MGD, the maximum that can be pumped without the certificate, and that would involve an additional 10,700 feet of force main to the Big Buffalo station, with termination of the temporary connection to the Little Buffalo Station. The estimated cost for that alternative is approximately \$2.5 million.

An aerial map was presented showing the location of the current facility and the preferred route. McGill and Sanford have discussed creating a temporary connection into Little Buffalo station when the Town is at one MGD. If the Town goes up to two MGD, that would exceed the capacity of that station, so at that point in Phase 2 is when this force main would have to be put in and that connection severed at that point.

Several assumptions were made in preparing this alternative, including but not limited to:

- Treatment charges assessed to the Town by the City of Sanford is estimated to be \$2.61 per thousand gallons. The preliminary number of \$2.00 per thousand was increased to \$2.61 because that is what Moore County is currently charged. Sanford has not quoted a rate and that rate has to be negotiated between the Town of Pittsboro and the City of Sanford. This number is included in McGill's analysis but subject to change.
- The Town's existing plant will remain in service and would be subject to the total nitrogen limits in 2016.
- The Town will continue to serve 3M with reuse water, even though technically it would be feasible, with some infrastructure, for the City of Sanford to serve reuse water to 3M.
- Estimated time frame for Phase 1 is about 30 months; the Phase 2 expansion around year 10, although those stations are not subject to the 80/90 rule of having to have plans approved and having to have documents in hand prior to exceeding the capacity. Mr. Apke stated he doesn't think the Town will want to get too close to that without an IBT certificate.

Impacts of this alternative to your current NPDES permit are really unknown at this time. The Town's permit will expire in April of 2016 that allows you to discharge 2.47 MGD of effluent to the Haw River. Mr. Apke stated that he asked the state what would happen if the Town doesn't "do anything" with the permit, and he received two answers: (1) "That's their allocation from now until the end of time." (2) "If they don't use it, they could potentially lose

it.” He stated that he doesn’t know that there is a set policy on this, but the Town would probably have to fight with the state a little bit to keep that allocation into the Haw River.

Commissioner Fiocco asked which answer came first. Mr. Apke replied that the first answer was “It’s theirs till the end of time.”

Mayor Voller asked if the answers came from different sections of DENR. Mr. Apke replied both answers came from staff members at the NPDES unit, the same section of DENR. Mr. Apke stated he thinks you can argue the fact of keeping the permit, but it is probably going to take some discussion with them. Mr. Apke asked if there were any other questions on this topic, and no one responded.

Mr. Apke went on to explain that the biggest thing associated with Alternative 2 versus Alternative 1 is there is a .47 MGD shortfall that occurs with this because the existing plant is .75 MGD, you can discharge up to two MGD to Sanford without IBT, less 2.75. Your EIS is determined a 20-year need of 3.22 MGD. That leaves a shortfall of about a half MGD. In this report, Apke stated McGill has not tried to speculate on how you would address that shortfall because the Town has several options and it’s something that would have to be done if you run a straight line where your current flows are now to where your 3.22 MGD would be in 20 years, you’d have to do this around year 15 or 16.

He stated the options would be to expand the plant by a half MGD, say from .75 to 1.25 MGD, but you’d have to discharge that extra flow somewhere. From what he has seen in the EIS, Mr. Apke does not believe that it will be possible to discharge to Robeson Creek. Discharging to the Haw River would be pretty expensive to put in the infrastructure (pump station and force main) all the way from your plant to the Haw River just for another half MGD. However, that is one option.

Mr. Apke stated another option is to construct a new WWTP possibly in a different area. Much of the development that’s included in the 20-year projections is actually further east and lower than your current WWTP which, if you wanted to bring that flow back, you’d have to pump. So, possibly there’s another site for a WWTP there. A water purchase agreement could be entered into with Sanford and try to overcome the two MGD requirements for the IBT. The Town could expand its plant and not do any more discharge, possibly sell reuse water to industry or residents. Another option is to pursue an IBT certificate.

Mr. Apke stated that McGill’s study had stopped at that. McGill compared a 3.22 MGD alternative to a 2.75 MGD and noted in its report that the Town has various options available that would have to be done at some point down the road.

McGill also performed a present worth analysis of each alternative, which includes construction costs, O&M costs, and includes a treatment cost that would be assessed to Pittsboro by Sanford. Alternative Number 1 is about \$35 million or a little more, and Alternative Number 2 is \$33.7 million. The \$33.7 million number is based on \$2.61 per thousand gallons, so if the Town is able to negotiate a better rate with the City of Sanford, that number would decrease.

Commissioner Fiocco asked about the time frame on those estimates when referring to the \$2.61 per thousand gallons. Mr. Apke replied that it would be throughout the entire 20-year process, that it's a constant rate.

Commissioner Fiocco asked about the feasibility of taking advantage of the natural grade that Robeson Creek provides and locating that perhaps downstream of the existing plant based on the current NPDES permit. Mr. Apke replied that he had not, that he had just presented that as an alternative. It could be a discharge plant, it could be a non-discharge plant that provides reuse water.

Mayor Voller stated that the permit is based on 3.22 MGD to where the Haw River meets Jordan Lake at Stinking Creek and inquired how that reconciled with going to Buffalo Plant when the Town has a permit in hand to discharge there. He asked if the Town could discharge a certain amount to that point and still go to Sanford. Mr. Apke stated that that is correct; it's not an all or one. He further stated that on the lift station option, McGill has assumed half of it would stay at the Pittsboro plant and half would go to Sanford..

Manager Terry stated that it appears to him that it's a better deal to spend a million dollars and send more to Sanford, if we can get more capacity, than to try to spend money building. Manager Terry stated that if he's was going to pay for half a million gallons and it's going to cost \$1 million to get the certificate, that's a much better deal once he has the pipe in the ground. Mr. Apke stated that he did not disagree with that. Manager Terry further stated, to follow up on what Commissioner Fiocco was saying that obviously the Town could explore other options of discharging its current plant that's flowing out there and not get into rolling of pipe down there but try to again explore more flow on Robeson and providing reuse water but still have this two MGD. So, in theory, you could get north of 3.22 MGD. The Town could be getting toward four or five depending on what the Town's plans are and what the Town does with Sanford.

Mr. Apke stated that that was correct and that the Town can't currently transfer more than two down there without the IBT certificate. He further stated that the certificates are not something that you go to Raleigh and sign out with a check in your hand and they hand you your permit. He stated that it's a lengthy process and if it's something the Town is interested in doing, the Town should start sooner rather than later as it's a multi-year process.

Commissioner Fiocco requested Mr. Apke return to the last slide, and Mr. Apke further explained the information on the slide.

Mr. Apke further explained that the general conclusions made by McGill in its analysis is that Alternative Number 1 is more expensive, but it does meet the Town's 20-year needs per your EIS. He stated that the current flow is around 360,000 GPD and the Town's EIS says your 20-year flows are going to be 3.22 MGD, which is approximately 12% per year growth in flow. That is aggressive, but it was submitted and approved by the State.

Mr. Apke pointed out that the Town has other options for expanding the WWTP. McGill looked at building a 1.6 MPD train as an oxidation ditch, which is consistent with the Town's EIS. There are other treatment technologies available. It may be possible to retrofit the current plan and expand it but not as large. He stated that there are a lot of different options when it

comes to expanding the Town's plant, and McGill provided one possible scenario. He explained that the IBT regulations limit your transfer in Alternative Number 2, but, again, water can be purchased from Sanford and increase the amount of wastewater discharge to the Big Buffalo WWTP. Mr. Apke reiterated that the \$2.61 price is assumed, and that value is highly contingent upon that rate and that negotiations with Sanford for a better rate would cause that cost to decrease.

Mayor Voller asked if there was in the present value basically Pittsboro putting up the money to build the line down there, and Mr. Apke stated that that was correct. Mayor Voller asked if other partners were in play and for various reasons they wanted to finance it because they were going to get more capacity coming from here, it would play into what the fee is but not necessarily the capital expenditure up front. Mr. Apke stated that there would be capital expenditure, but it would not be the Town's capital.

Mr. Apke clarified that the \$2.61 price per gallon did not include any capital costs. When you're buying water from someone or sending wastewater to someone, you would purchase capacity in their plant. There are no capital contributions exchanged between the towns, but it's strictly based on the \$2.61 figure, a figure which, again, could be negotiated between the two boards.

Mayor Voller asked that if the Town does Phase 1 on Alternative 2, would spending \$10 million result in two MGD, and Mr. Apke replied that Phase 1 would result in 1.7; that it would be a one MGD pump station the way it's presented in the study. Mayor Voller pointed out that the Town would still be operating the plant so that, in theory, if you actually were to comply with the regs for nitrogen and total phosphorous removal, you could be running this plant, selling reuse water, and have that, which would give you 2.4 or 2.5 million. Mr. Apke stated that he was not sure.

Mayor Voller stated what I'm saying is you have pointed out like \$10 million roughly to run the line down there, and we've seen some numbers, if we were to upgrade this plant, to get it to the technology spec that you put on there, about \$6 million, give or take. That's what we saw. So, in theory, for that figure, you'd be at \$2.5 million.

Mr. Apke stated to upgrade, essentially you're upgrading your own plant.

Mayor Voller said so you could end up having one running and doing what we currently do and sending the rest to Sanford and be at a capacity level six times – well, almost four times where we are now, but we're only treating 360 a day.

Commissioner Fiocco said we'd still have the 80/90 rule for the existing discharge but not for the pump stations.

Mr. Apke stated that that was correct. NC's 80-90 rule impacts WWTPs but not lift stations. He thinks further discussions with DENR are warranted to determine impacts of your NPDES permit, if you go with Alternative Number 2. He reiterated that he had received a couple of different answers when he asked the question at staff level.

Mr. Apke went on to explain that an additional means to accommodate the shortfall in Alternative Number 2 would be necessary if the Town's 20-year flows are really 3.22 MGD, and McGill can certainly reflect that in an expanded report, but they did not want to speculate on which direction the town may want to go for that. Mr. Apke stated that he was willing to answer any additional questions from the Board. Mayor Voller and Commissioner Fiocco thanked Mr. Apke for his presentation.

Mayor Voller asked if there were any questions from anyone in the audience. No questions were asked.

TOWN OF PITTSBORO WASTEWATER ALTERNATIVES EVALUATION

Mayor Voller asked if the PowerPoint was incorporated in Mr. Apke's presentation. Mr. Royal stated that it was.

Mr. Royal stated that he is a town citizen and employee of Brown and Caldwell Engineering, out of Raleigh, NC. He said that Brown and Caldwell specializes in stormwater and water and sewer, and that he is happy to offer this peer review service. He stated that it's always good to take a look at complex issues from a lot of angles to really hash the questions out and get some information flowing. Mr. Royal offered a "good job" to Mr. Apke for his report. He stated that his firm had received a copy of it last week and they thought it was very good work.

Mr. Royal stated that he was going to skip through the first part of his presentation because Mr. Apke had covered it pretty well. It basically had a lot of cost issues, regulatory issues, scheduling, and key findings. He did want to point out that the Alternative 2 analysis doesn't include ongoing costs at the current plant. He stated he's sure that the Town knows what that number is of the annual cost, but because it wasn't there, it is something that should be considered. Mr. Apke apologized for interrupting, but stated that it was added in the final copy and is included in the \$33 million figure.

Mr. Royal reiterated that the number given with Moore County can be affected by required negotiations, so the number could go up or down.

Mr. Royal stated that his company agrees the regulatory issues are substantial for Alternative 2. There are a lot of unknowns, going to Sanford with the current plan such as will DWQ require Sanford to get a new permit for the additional two MGD coming from Pittsboro, because that was not in their initial permit. He stated that "they might ask that question pretty loudly."

Commissioner Fiocco asked if there was a permit based on their discharge, and Mr. Royal said yes. Commissioner Fiocco asked if this would be part of that discharge allocation. Mr. Royal said probably, but as you heard, they have a lot of differing opinions in Raleigh, so it's just another regulatory question.

Under the Summary of Findings in the PowerPoint, Mr. Royal stated that the 3.22 and the 2.75 are two solid numbers, but the question is because of this complicated nature how do you look at making decisions on financing and funding and for what purpose.

- Mr. Royal stated that he wanted to discuss in detail the Town's public policy considerations. The Town has a lot of complicated issues going on, and no one can sit and explain this to the population in one night. In the view of his company, there are key factors to look at.
- NPDES nitrogen requirements coming up in 2016, which can be pushed out to 2018.
- Capacity: When will the Town hit the 80%, being 600,000, and 90%, being 675,000? He stated that the 2011 number is a little lower than what Mr. Apke reported, which he might have gotten an updated, the numbers were just a little lower than 279. He explained a graph. The line is to show what's coming into 2016.
- Funding/financial mechanisms.

Mr. Royal stated that Pittsboro has an opportunity to take a longer look at when the Town will hit 90% , that .675. The graph shows it as 2020, but the question is do you look long and hard at nitrogen or do you look long and hard at flow, and/or do you look at both? What Brown and Caldwell described at their last presentation was specifically the SRF funding that you've heard a report on tonight.

He further explained that this is the area where you can receive approximately 2% funding, assuming everything goes well with the local government commission for an increase in capacity. This is where you can be if you just propose no increase in capacity, but you're making up for it, or you're doing other work with the distribution line or the conveyance system. This is where in the upcoming year the Town could probably receive some grant money possibly a million dollars for a September or March submittal.

Mr. Royal said the Town has three Phase 1s it's looking at currently, and there's obviously many more. As Mayor Voller pointed out, there are a lot of other opportunities to look at for other types of business plans for wastewater.

Nutrients and capacity expansion and combination for Phase 1, as you were told, is about \$20 million. Pumping to Sanford is about \$10.8 million. Brown and Caldwell has looked at nutrient removal only at the existing plant, which is approximately six. Mr. Royal pointed out this is not an increase in capacity. This would stay at .75 MGD.

While reviewing the PowerPoint, Mr. Royal pointed out that for financing options, the Town has several alternatives and scenarios. Right on down through the line you've heard about public/private grants; debt service, which is loans and bonds. He said that some of these work well with nutrients and some of them don't work so well with nutrients.

Manager Terry asked Mr. Apke to look at the current slide and asked him what the capacity total was in his report. Mr. Apke asked if he was referring to Phase 1 of Alternative 1. Manager Terry said he guessed so, that he was trying to compare apples to apples. Mr. Apke said it was 1.6 MGD plus .75 for current, for a total of 2.3. Manager Terry asked if that would be what Mr. Royal has on his PowerPoint on Phase 1 on \$20 million, and Mr. Apke stated that he believed that was correct.

Manager Terry stated that was getting the Town a lot closer to comparing flow, 2.3 to 2.5, and you can get some hard numbers on there. He asked if the Town was eligible if you are putting in

distribution to Sanford, according to that chart you showed before about what you can get for 2% money versus what you can get for 0% interest and loan forgiveness. If you're putting in distribution network to go to Sanford, is that eligible, or is that considered expansion? Mr. Apke stated that that was expansion and would be a 2% loan.

Mr. Royal continued to display his PowerPoint and said that the next option is probably looking at rates and impacts of rates. He showed the Board a simplified example of where you can put numbers in the boxes, based on the type of loan, and the number would change. This number is based on 1500 customers, not 1700, which I think would be a closer number. The idea is that you can look at different alternatives and evaluate the rate impact at the end of the decision making process. Mr. Royal continued to explain the chart included in the PowerPoint. For nutrient only, you've got a little more opportunity to get grant money at 0% interest and actually 0.2 percent, if it's nutrient only. You can also go private/public to adjust the current rate. He asked the board if that made sense.

Manager Terry asked if the \$70 per month assumed 1500 customers, and Mr. Royal said yes. Manager Terry said that that is the customer base today, but if you increased capacity and picked up more customers, then that number would decrease as the customers came to town and the building got done and that really could taper down. Mr. Royal agreed.

Mr. Royal thanked the board for allowing him to participate as a citizen who is interested in both the Town's growth and lending a hand or participating in any way possible. He said that the take-home message is that the Board has a lot of decisions to make and it's very complex, as the Board has heard, but there are some things that are in the pipeline that are mandatory and other things that are on a sliding scale, which is capacity.

Mayor Voller asked if there were any questions for Mr. Royal from the board or from the audience. No questions were asked.

Mayor Voller asked about the deadline on the applications that Mr. Royal had referenced. Mr. Royal responded that on the wastewater side, the deadline was on September 1, depending on whether that date was a holiday and/or a weekend.

Commissioner Fiocco asked about the March deadline, and Mr. Royal stated that if the Board chose water, the next deadline is September 30 and the following deadline is March 1. Mayor Voller confirmed that a water application could be made by the 30th. Mr. Royal said yes, with plans and specs in hand, and then you have to write up the PER on top of that.

Mayor Voller thanked Mr. Royal.

JORDAN LAKE PARTNERSHIP UPDATE

Becky Smith stated that Mr. Terry has asked her to provide an update on where the Jordan Lake Partnership is in the process of getting allocation applications prepared to the State. A few months ago Warren Miller came and showed the Board the Pittsboro information that had been put together, part of the Triangle Regional Water Supply Plan. She stated that it's a big document; Pittsboro has a small chapter in it. She stated that the Board may be interested in the first few sections which contain general information and also interest in the information on our

immediate neighbors, Chatham County, and what water they're using and where they're looking to get water.

Ms. Smith stated that this is the first document of this type because they have never had 13 municipalities come together, hash out over the table about how much water are we using and where are we going to get our water for the next 50 years, and how can everybody's needs be met. She stated to think of the cooperation that took, this is a two-year-long process. This is just not something that can be generated easily, and it was a special group of people that it took to do it. She said the group consisted of planners, water resource engineers, and others who are not asking for water from Jordan Lake but are asking to be part of the solution. She stated that the cooperation is unprecedented and that this was quite an undertaking.

Ms. Smith reported that the goal of the group is to get everybody's water needs met for the next 50 years. In addition to pulling all of the data together, Hazen and Sawyer pulled our actual water supply system together into one model, an interconnection model that shows how our water systems are related physically to each other: pressure-wise, type-wise, layout. The data was compiled in an effort to determine how we can help one another sell water or provide emergency connections when there's a problem. She stated that the study has now been completed.

Ms. Smith said that now that the interconnection study has been completed, Hazen and Sawyer have been asked to take that to the next step to address: What if we all had hydraulic questions that we could model starting with this interconnection study and get answers for? She said that type of question from us would be something to be effective if the Town decided to be a part of the western intake on Jordan Lake: What would that cost supply, who would participate, that sort of thing. She stated that Hazen and Sawyer will provide modeling cost options for that. They're also going to be part of drought conservation plans and the IBT transfers that already exist.

Ms. Smith stated that the group is not just putting that information together. There is a lot of fallout that comes in the form of policies that would be then asked from our Boards to kind of implement such as building code policies, water conservation policies, and how we put all that together in regions. In answering the question "how can we meet that need for the next 50 years," the list of scenarios is huge. If Raleigh builds a bigger reservoir or if Cary gets water out of a different river, or if Durham grabs water. We've taken everybody's complete list of water resources and then tried to find the best alternative for us as a region: financially, environmentally, and still meet our water needs based on those projections. She reported that this part of the project is 50% complete.

Ms. Smith stated that when the group compiles the best three or five alternatives, then that data will be - a model is being prepared by the state. The Cape Fear River/Neuse River model is being combined, and the hydraulic information, such as who is withdrawing and discharging into the area, will all be laid out for everyone within the Cape Fear River basin and the Neuse River basin, and then we'll be able to take those scenarios, use that model, and then see if that still leaves Jordan Lake in a healthy situation based on past droughts and things like that.

Ms. Smith stated that once this is complete, we'll have all the information that each individual partner can make an application to the state for an allocation of water from Jordan Lake. A

decision will be made, as a group, whether to hire one engineering firm to put together everyone's individual application so that they all look the same, as a group, and then all of the hydraulic models, data, and water supply plan that we have compiled would back up everyone's allocations.

Ms. Smith explained that she is summarizing a lot of years of work as quickly as she could, but what's going to come up soon for the Board will be participation in the application which will be done in February of next year and also our participation in the hydraulic modeling that Hazen and Sawyer would do to ask future planning questions.

Mayor Voller asked what the budget on that would be, and Ms. Smith stated that she's waiting on those numbers from them right now, that she does not have a number for the cost of that actual modeling.

Manager Terry stated that based on his discussions with Becky, that's going to be an expensive piece of engineering. He also said he doesn't know if they've sorted it out yet whether they're going to prorate that cost and whether Pittsboro will get a break because of their size or whether they're going to do it by population. He said the price tag on that is not going to be insignificant.

Ms. Smith stated that the initial price tag was so high that they have backed up and regrouped. She said they are trying to find a collective way to ask fewer questions while still getting important questions answered. There is also a question of how the cost will be broken down: should everyone have a base amount that they contribute because it is good for everyone in the region, or should everyone pay for their particular questions they have. She said the group is trying to sort that out.

Mayor Voller asked what the original figure was, and Ms. Smith stated it was \$600,000 between all the municipalities for all of the questions. Mayor Voller stated that given the players, even if it was prorated, it wouldn't be that onerous to Pittsboro. Ms. Smith stated the other players also have a budget in this type of economy as well, so the group is really hashing that out.

Commissioner Fiocco asked if this Jordan Lake connection envisions abandoning the Haw River intake, and Ms. Smith answered yes. He asked if it was a requirement, and Ms. Smith answered that that is a really different question. It would be asking the question "Would we want to continue to have a water treatment plant that treats the Haw River, and would we want to have a separate water plant that would treat water out of Jordan Lake?" She reiterated that, yes, would be a different question.

Manager Terry addressed Commissioner Fiocco and said that at this time the whole idea of the western intake is so conceptual that the folks really have no idea what that's going to look like, whether it will be a large plant that's operated by a cooperative of multiple entities, like the plant would be operated by OWASA and jointly owned by Orange County, Chatham County, Pittsboro, Cary, and Durham. He stated that's one way to look at it, and another way to look at is there's one big pipe in the water that comes out into a manifold and sends raw water to multiple plants around. So, at this juncture, they have to figure out conceptually what it's going to look like. He stated that it's hard to answer that question when conceptually they haven't even gotten that far along.

Ms. Smith agreed and stated that they had not decided on how much water from Jordan Lake each partner is asking for. She said that the initial data is suggesting that by the end of this Round 4 allocation process, all the water will be allocated, and that is a 100 MGD.

Mayor Voller asked about the connection that Mr. Terry referred to between Chatham County and Pittsboro that's picked up an essential study. Ms. Smith replied that that was in the inter-connection study that was recommending that. Mayor Voller asked how far a distance is we from there and how much was it estimated to cost to connect. Ms. Smith stated that she did not remember what the cost for that was. Manager Terry stated that he didn't know that they had assumed a number, and Ms. Smith stated she wasn't sure that they did. Manager Terry and Ms. Smith both said they had identified it as potential emergency connection between Pittsboro and Chatham County.

Mayor Voller asked if it would be a connection to the south, and Ms. Smith confirmed that. Mayor Voller stated that Pittsboro could theoretically supply them with water because that's where they need it; they're buying from Sanford. Ms. Smith stated that the inter-basin transfer would again come into play on that. Mayor Voller asked why, and Ms. Smith replied that Pittsboro could sell them up to two MGD and then after that it would be considered an inter-basin transfer. Mayor Voller stated he thinks the Town would be mighty happy if it was selling two MGD. Manager Terry stated that in this case it's almost a nonissue because the Town only has a two MGD plant. Ms. Smith and Mayor Voller agreed.

Mayor Voller stated the last time this came up, Mr. Terry said that we'd have a number. He then inquired how far is it to connect is it 500 yards or two miles. Ms. Smith stated that she did not know the exact number. Manager Terry stated that we have not asked anyone to do that work. Mayor Voller wanted to know if we could get an answer on that. Manager Terry stated if you want to hire Hydrostructures to scope the project and come up with an estimate we can do that. Manager Terry stated that that project does not appear on our CIP now and that's just conceptual. He said that it is identified as a need in the Jordan Lake Partnership Study, but we never came to the next step which is to develop a scope of work and seek an engineering estimate from anybody.

Mayor Voller asked if they could find out the distance between the two without having to go through the scope of work from an engineering aspect. The Mayor stated that the last time he asked the question and he thought that was the answer he was going to get because if the Town of Pittsboro is ever going to entertain selling water to the county, that's the only place the Town can do it. He stated the Town was told they can't go in the other direction, that's where their need is. He asked if they could provide the figure and then the Board can entertain whether they want to go that direction. He said he thought they were told it was fairly close, but maybe it's not.

Commissioner Fiocco asked Ms. Smith if she had said that Hazen and Sawyer has modeled all 13 participants. Ms. Smith replied yes. Commissioner Fiocco stated that in that data might be an easy way to determine the distance between the connection points. Ms. Smith stated that she doesn't think it's that exact, but she can certainly get the information from Chatham County. She explained that they had everybody's GIS water systems and put it together with all the pressure information and sources supply. Mayor Voller asked that a copy of the map be

displayed so that people can see it and have another one put up in town. He stated he believes it's an interesting bit of information that anyone should be able to come in and see.

Mayor Voller asked if there were any other questions. Commissioner Foley asked if fracking had been a part of the group's discussions as that would certainly impact the water usage in Chatham and Lee County. Ms. Smith replied no, that this group stays strictly with the volume of water to supply everyone's future needs for the next 50 years. She said they are looking for "where can we get it, we need to have enough of it." She further stated that the quality of that water is not part of their plan and discussion.

Mayor Voller stated that when Warren came here, he did mention to him that that was something he should take back and they had an e-mail exchange that if it does come to pass that industry is here, it would be logical to know what their demands were. He said that Pittsboro has already stated its position on it, but if they're looking at millions of gallons a day, it would be nice to know. Commissioner Foley stated it would increase Pittsboro's requirements.

After asking if there were any further questions, Mayor Voller thanked Ms. Smith for her representation and report. John Wagner spoke from the audience. Mr. Wagner stated that he lived at 210 Jessamine Lane, Pittsboro. Mr. Wagner asked Ms. Smith if he heard her correctly that 100% of the available water from Jordan Lake would be used by the end of the 50 years? Ms. Smith answered "available water supply used, not all of Jordan Lake." She stated that from the preliminary numbers, the allocation request will take all of Jordan Lake. Mr. Wagner stated that he thinks the effect of fracking will be extremely significant in that it's not only the contamination issue but the water needs would make that invalid.

Commissioner Fiocco stated to Ms. Smith that would be clearly allocations, not necessarily use; that the allocation doesn't mean that you're using it. Ms. Smith replied that the allocation comes in two levels: 1) one that you're going to use it within the next five years; and 2) one that you're going to use in a much distant future that you would like to reserve. She explained that it is necessary to have data to back up the request whether it's population projections, current usage, and current treatment.

Ms. Smith stated that would be her most important point to make for this evening is that being a part of this group gives your application a lot of credibility because the data has been peer-reviewed, it's been hammered, it will be modeled, and it will be put into the state's model. She stated that by the time they get the application, she thinks they're just going to check. She said this has been two years already and the application is not due for another year.

Mayor Voller stated that Mr. Wagner brought up an excellent point and that was mentioned to Warren the last time. He stated again that he would like to make the map available with all the information and stated that it has been fruitful for the Town's participation in this partnership for all the reasons cited by Becky Smith and more. Ms. Smith stated that the staff has been very helpful. She further explained that there have been changes made such as updates to the billing program, and the little things that have trickled out from participating in this program have benefitted Pittsboro in a huge way.

Mayor Voller stated that the Town is utilizing Ms. Smith to leverage the resources of essentially four, five, or six other much bigger municipalities and all their knowledge and resources. Ms. Smith agreed. Mayor Voller again thanked Ms. Smith.

Manager Terry stated that before Ms. Smith leaves, she has new information concerning the Hillsboro Street project. Mayor Voller said she could present it at this point.

HILLSBORO STREET PROJECT

Ms. Smith reported that as of today the Town has received a variance from the Department of Transportation so that the Town can go ahead and start this project on the north side of the project, starting at the tank and coming into town. She stated that all that work will be done on the shoulder. She stated they are happy with the traffic control plan as it stands because there is no lane closure, so to speak. She explained that there will only be flagging during certain hours. This will go all the way to the marketplace. She said they would be happy to let the Town go ahead and start that as of today while the Town continues to negotiate the traffic control plan for the actual circle and the work downtown.

Manager Terry stated that he and Ms. Smith had talked about this just a few moments before the meeting and they need to talk some more tomorrow, but he senses there is a little risk there that we get the contractor started and NCDOT does not complete their work on the analysis of the transportation traffic control for the southern piece of the project. That will have to tell the contractor to stop that's not something we would want to do.

Commissioner Fiocco asked if it wasn't part of the contractor's scope to manage the traffic control plan, and Manager Terry and Ms. Smith both said yes. Manager Terry stated that in their defense, they've submitted this the week of the 4th of July. Manager Terry said they've done their part in creating the plan and it's been with NCDOT for over a month. He said they haven't been asked to revise anything, but they've been told and Mr. Terry has been told they're still working on it.

Commissioner Fiocco asked if the NCDOT has responded, and Manager Terry stated that Ms. Smith asked them on the Town's behalf if the Town could go ahead with the northern piece even though they were not finished with the southern piece to avoid further delays. NCDOT said okay, so there will be a "pre-con" later this week. Manager Terry said he thinks this is going to be a bit of a "nail-biter." Ms. Smith expounded by saying "to continue to negotiate and get the plan worked out with them, yes."

Commissioner Fiocco stated, to clarify, that the Town had submitted a traffic control plan to the NCDOT five or six weeks ago that the NCDOT has not commented on. Ms. Smith replied that she thinks they had information over four or five weeks, they had requested information from "him" last Friday and he's provided that, and then we suggested the variance to them, and after one week of discussion they said yes.

Commissioner Baldwin asked about the anticipated completion time of the project and wondered if the NCDOT had given any idea. Ms. Smith replied no, she had not gotten a definitive date. Commissioner Baldwin stated, "Well, if they would give us something." Ms. Smith stated she

thinks there is a lot of concern with the traffic circle and history surrounding the courthouse fire that is making people a little more than cautious.

Manager Terry asked Ms. Smith if we accept their offer and start at the tank and move south in her estimation how many weeks before we are at a stopping point until approval of the rest of the plan – is it a month? Ms. Smith said that it would take a month to six weeks. She said she has her fingers crossed that they will have something from them soon.

Manager Terry said he thinks we need to get it started; but, again, it's a little nerve-wracking to start with only one half of the approval on the traffic plan. He said that failure to get started will get us closer and closer to being in the holiday season. Mayor Voller stated that we don't want that.

Commissioner Fiocco asked if it was fair to say that the traffic control plan is the contractor's responsibility and part of their time management requirements; and, therefore, if there is a stoppage, it's a stoppage that they need to manage, does not impact their time frame for completion of the project? And if it does run over their time frame, that's subject to liquidated damages? Ms. Smith said yes, he's willing to move forward now and take that risk. Commissioner Fiocco said he wanted to confirm it was their risk and not the Town's. Ms. Smith said yes.

Mayor Voller asked Mr. Terry if he needed anything from the board, and Manager Terry said no, that he just wanted the board to understand that we've got this situation. Manager Terry stated that after the pre-con meeting later in the week, there would be a mobilization period, an address list of businesses in the area has been prepared, and Becky would be preparing periodic newsletters to let people know what the start date is. Ms. Smith stated that the pre-con has to involve NCDOT, so a NCDOT representative will be attending the meeting and they will try to put together a schedule. The starting schedule will be put together this week with their blessing, and then the Town will be able to distribute that to everyone. Manager Terry stated they would also be working with Paul Horne to get a project update on the website and Becky and Paul will keep that updated. He stated he and Ms. Smith have tentatively agreed on a bi-weekly newsletter to the downtown businesses to keep them apprised of the schedule and any changes of acceleration or deceleration.

Mayor Voller stated that as long as we're clear with what Commissioner Fiocco said, that they understand the risk and we don't end up six months from now with somebody saying, "Oh, I didn't understand and that wasn't communicated." He stated that it has to be very clear. He also stated that what Mr. Terry has alluded to is really important as far as communication to the property owners. He said that communication to the residents and businesses, needs to be often and starting as soon as the pre-con takes place because they need to know time frames, what effect, how the Town can help them, etcetera, because we don't want someone to say "I didn't realize the water is being cut off for a day" or "I'm blocked." He stated they need to know, and Ms. Smith agreed. Mayor Voller said that is the Town's responsibility and it's important that everyone be kept apprised.

Commissioner Fiocco stated that it's worth noting at the preconstruction meeting that one of the Town's biggest concerns has been timing and not interrupting holiday sales for the retailer's downtown. He stated that they need to know they have 90 days to build this thing. He said

we're at August, but November is prime holiday shopping, so if we can make them aware of the importance of getting out of downtown because it's important to our retailers.

Commissioner Foley stated they would like to have the traffic routed to Salisbury Street, if that's something they could consider. Ms. Smith agreed and said what's going to happen and what's going to be in the traffic control plan will probably be two different things. She explained that this is a NCDOT state-maintained road, and while it seems like it's a Pittsboro road, part of the problem is that NCDOT requires that the traffic be rerouted on other state-maintained NCDOT roads. She said, unfortunately, that will be Hwy. 64 and 87. She said that the official signage, lights, and that sort of thing, will have to follow NCDOT rules. She went on to say that most of the downtown and the people in Pittsboro are going to circumvent that detour.

Manager Terry stated it's important to note that the downtown work is going to happen during the hours of darkness and most of the businesses will be closed. Ms. Smith stated that is true. Manager Terry asked Ms. Smith what the early start time is, and she said they'd like to start at 7:00 p.m. so that they can have a good window of 12 hours to work. Manager Terry said that some of the businesses would be open, and Ms. Smith named Verlie's as being one. Ms. Smith said that part of what the Town will work out with them is setting up something for parking in the back and make sure everyone is aware what night that will be for them, that sort of thing. Other restaurants affected will be S&T's, City Tap, and the coffee store. She said that part of the problem is the fact that they will be blocking the parking spaces to get ready for the southern, so, yes, they will be communicating with the businesses.

Commissioner Fiocco stated to Ms. Smith that when she's talking about a 12-hour work schedule, it seems to him that it ought to be that the crew should be starting to set up at 7:00 p.m. and be completely gone by 7:00 a.m. Ms. Smith replied that she would have to look at the contract, that it may be 6:00 p.m. She said that a specific hour is set out in the contract set by NCDOT, and she thinks its 6:00 p.m..

Commissioner Fiocco stated that if the Town is trying to avoid impact to these retail businesses, having that in the mindset that they're going to start setting up at 6:00, moving equipment in so they can start work at 7:00 is not the way we're thinking about it. He stated that when the work hours begin is when you start setting up and you're gone at the work hours' end. Ms. Smith stated that that's true and from a practical point of view, she thinks that blocking traffic as it leaves the parking area so the people are not coming back in is going to have to start around 7:00 p.m., and most businesses are closed except for Verlie's and S&T's. Commissioner Fiocco said just manage it as best we can, and Ms. Smith agreed.

Mayor Voller asked if there were any other questions. Commissioner Baldwin said to strongly suggest that to them and that we definitely want them out by 6:00 a.m. Ms. Smith stated she thought that was part of the problem. She said she did not bring it with her, but the school buses are rolling in two weeks they have to be out of there before then.

Commissioner Farrell asked Ms. Smith if they were going to do any weekend work, and she stated that is not the plan. Mayor Voller asked if Commissioner Farrell thought they should or should not do weekend work, and Commissioner Farrell responded that sometimes businesses, other than restaurants, are a little less busy on Saturday evening. Mayor Voller suggested that Ms. Smith explore that option with the contractor. Manager Terry said he didn't know if they

could get him to agree to a six-day workweek, but it would be less of a threat of impacting the holiday shoppers. Ms. Smith said she would have some discussions during the pre-con concerning that.

Mayor Voller again thanked Ms. Smith.

CHATHAM CAMPAIGN TO ENCOURAGE LOCAL SPENDING. (DIANNE REID, PRESIDENT, CHATHAM COUNTY EDC; ALYSSA STEPUSIN, COMMUNICATIONS SPECIALIST, CHATHAM COUNTY EDC; SAMANTHA BIRCHARD, PRESIDENT, PITTSBORO BUSINESS ASSOCIATION)

Motion made by Commissioner Baldwin and seconded by Commissioner Foley to approve a resolution Supporting the Buy Chatham Campaign.

Vote Aye-4 Nay-0

The resolution read as follows:

RESOLUTION SUPPORTING THE BUY CHATHAM CAMPAIGN

WHEREAS, studies show that for every dollar spent at a local small business, \$0.45 stays in the local economy; and

WHEREAS according to a study completed by the University of North Carolina's Center for Competitive Economies, which developed the strategic plan for the Chatham Economic Development Corporation, \$0.64 of every dollar spent by Chatham County residents is spent outside Chatham County; and

WHEREAS the money spent outside Chatham County leads to an estimated \$7.7 million in retail sales tax leakage annually; and

WHEREAS Chatham County is one of the fastest growing counties in North Carolina; and

WHEREAS it is critical to target the retail economy to increase sales and commercial tax revenue in order to provide resources needed to support Chatham County's growing population; and

WHEREAS the Chatham Economic Development Corporation, Chatham Chamber of Commerce, Siler City Merchants Association, and Pittsboro Business Association established a Buy Chatham campaign to encourage local spending as part of the organizations' efforts to support and strengthen local businesses.

NOW, THEREFORE BE IT RESOLVED that the Pittsboro Town Board of Commissioners does hereby support the Buy Chatham initiative set forth by the aforementioned organizations to encourage Chatham County citizens to shop and buy in Chatham County in order to support small business owners, decrease retail sales tax leakage, and bolster the overall economy in Chatham County.

Adopted this 13th day of August, 2012.

**A RESOLUTION SUPPORTING THE BUY CHATHAM CAMPAIGN IS
RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGE 95**

OLD BUSINESS

TOWN OF PITTSBORO LAND USE PLAN

Planner Bass stated that he really didn't have anything new and different to add tonight. He reminded the Board that the public hearing was held at the last meeting on July 23, 2012 and there were a few comments, all favorable. He stated that we have only received recommendations for minor editorial, grammatical and punctuation changes to the draft document provided on July 9, 2012. Comments from the public hearing and members of the original Plan Advisory Committee have been very complimentary, indicating a high level of satisfaction with the plan. He stated that he would be happy to try to answer any questions.

Mayor Voller asked if there were any questions from the board. Commissioner Fiocco said he knew we had sent this back to the Planning Board for their review, and he understands that at their last meeting they did not have full attendance of their membership and they wanted to take more time to review it, and so they haven't provided us their feedback on it. He said he would certainly want to get that before the Board takes action on it.

Commissioner Fiocco made a motion that this be tabled until feedback was received from the Planning Board. He also stated he would really appreciate a presentation of the document to know how it was created, what it's going to do for Pittsboro how does it work for us, and what's the benefit of the document. He asked Mr. Bass if he could put something together like that, he would really appreciate it. He explained that he thought it would help the Board work through the issues.

Planner Bass responded that he could do that, but with the understanding that this document involved quite a period of time, and at least from what he could tell, it was a textbook case of public input and public involvement initially with a few workshops in the community and all the initial public comments identifying the issues that you seek, and that's where the document came from.

Mayor Voller stated that he did not think that would explain why it sat in suspended animation for a while, but here we are today and Mr. Bass has done a good job sharing this. He further stated that it has received good feedback by people who reviewed the document, some of whom are citizens currently present in the room. Mayor Voller stated that he agrees with Commissioner Fiocco and Commissioner Foley that it should go back and he would like to get a presentation by Mr. Bass and a Planning Board member, working together and making comments to say "this is what they like or don't." He further suggested Mr. Bass ask John Hodges Coppell to come from Triangle J, if he'd like. The Mayor explained that this went to Triangle J, which has the initial contract, and then it came back. This would answer any questions and then put this to rest.

Commissioner Fiocco stated that the document is much improved, and then complimented and thanked Mr. Bass for his good work. Mayor Voller stated the next meeting would be in

September. Mayor Voller asked Raeford Bland if he was the representative for the Planning Board, and Mr. Bland responded, no, that he was just “here.” Mr. Bland stated that the Planning Board all had positive comments. Commissioner Foley stated that she thinks it was out of respect, but the Planning Board had asked the staff if she would review it. Planner Bass stated that the next Planning Board meeting is Wednesday, September 5.

Mayor Voller stated that he assumed copies would be available for all Planning Board members and they can be looking at it now. Planner Bass stated that they have had it. Mayor Voller stated he would like to see a final summary from them, either one or two pages, that “this is what we like, this is what we think you should think about, and this is our long-term view.” He stated this is really what he hopes they can send back to us. Commissioner Baldwin stated that would be a good idea and they could include what they don’t like about it, if anything.

Planner Bass stated that the goals and the comments and everything, they took from the initial draft that was presented in January. Mayor Voller added that the work Mr. Bass did with Mr. Horne and Triangle J should be commended, and he knows that Mr. Bass produced a lot of maps and other items that were either directly on the report or in the appendix. He said they were very illustrative and he thinks Mr. Bass did a really good job. Commissioner Foley stated it was a very nice job. Mayor Voller said that it made it really easy to understand what they were laying out. Planner Bass said that was all Paul Horne, the map guru. Mayor Voller stated that then they would give the commendation to the Planning Department and Paul Horne, but it was a good job. The Mayor stated he had received a lot of good feedback on that. Commissioner Baldwin and Mayor Voller again thanked Mr. Bass.

Manager Terry stated that he needed more clarity on what the Board was looking for by way of a presentation before Mr. Bass left. He asked if the Board wanted a PowerPoint or a chapter by chapter report. Commissioner Fiocco said he would leave the format up to Mr. Terry. He said he would really like to know how the document is working for Pittsboro. Manager Terry replied that he was struggling to know what that means, so maybe they could talk about it offline because he is not sure what Commissioner Fiocco is asking for.

Commissioner Fiocco stated that we had prepared a land use plan and he’d like to know how it’s working for Pittsboro, what went into it, what’s important about it, and how it is going to serve Pittsboro in the future.

Commissioner Baldwin added that it should also state what the Town needs to do to make sure that the Town is in compliance with the land use plan. Attorney Messick replied that is up to the Board because that’s the Board’s job. Attorney Messick responded that the Board needs to consistent with the plan that they need to know the plan.

Mayor Voller stated it would be nice to be walked through the document. He said that as Mr. Bass alluded to, this has gone through many iterations, but saying “this is how we arrived to where we got,” whether it’s done chapter by chapter or just a ten-minute summary. He explained that if you’re a property owner in Pittsboro, you’re coming to Pittsboro, or you grew up in Pittsboro, what does this mean for the future? Commissioner Baldwin agreed. Manager Terry further clarified that anyone who gets this document offline or picks it up should be able to know what they should expect. This would also enable future boards to know what to expect.

The Mayor pointed out that one of the biggest problems that we see are too restricted of land use plans or land use plans that boards ignore and they mean nothing. He said he would like to hear what the Town is planning to do going forward and he would like to hear the viewpoint from the Planning Board and Planning Department as to their perception of the plan and what they expect the Board's reaction to be to it.

Mayor Voller asked if anyone had further questions, and then asked Mr. Terry if that was a little clearer, stating they could do a PowerPoint or they can discuss, however they want to do it. Manager Terry replied that he would talk to each of the Board members offline to make sure he provided what you wanted. He said he really doesn't understand right now, but he will understand before September. Mayor Voller thanked Mr. Bass.

Mayor Voller began to move on to the next item, and Clerk Lloyd pointed out that Commissioner Fiocco had made a motion to table this item and no one had seconded the motion and no vote was carried out. Commissioner Foley seconded the motion to table this, send it back to the Planning Board, and to bring it back to the board for its final blessing.

Vote Aye-4 Nay-0

TOWN OF PITTSBORO FACADE GRANT PROGRAM

Mayor Voller asked if there were any members of the public present who are interested in this program.

Mr. Horne reported that the façade grant program is ready to go. It has been for review offline and only positive feedback has been received. He said that some property owners have already expressed interest. He said he wanted to make this official and launch the project if the Board approves the policies and guidelines as set forth below:

SOURCE OF FUNDS

The program is funded through an allocation by the Town of Pittsboro Board of Commissioners.

OBJECTIVE AND PURPOSE

1. The objective of the program is to dramatically improve the facades of downtown buildings so that after completion of work, citizens will notice a marked improvement in the appearance of the buildings.
2. The purpose of the program is to provide an economic incentive (financial assistance) to:
 - a. Promote storefront rehabilitation in the downtown area;
 - b. Preserve the unique character of downtown's historic buildings;
 - c. Encourage aesthetic compatibility for improvements to facades of non-historic structures;
 - d. Encourage the use of quality materials, good design, and workmanship in the rehabilitation of downtown properties;
 - e. Make improvements that make a highly visible contribution to downtown Pittsboro.

ELIGIBILITY

1. A façade is defined as an individual storefront or commercial building side which faces a public right-of-way or is otherwise visible to the general public.
2. Although deemed less important, project proposals affecting rear facades will be considered.
3. Commercial building must be located within the designated Main Street Project Area – see attached map).
4. Owner or tenants are eligible; however the owner must sign the application.
5. If there is a building with multiple public-facing facades (i.e. – a corner building), each façade is eligible for a grant. Two different applications must be filled out and each is treated independently.
6. Only established businesses (those which have been in operation for more than two (2) years) are eligible for a grant relating to new signage.

GUIDELINES

1. All rehabilitations must:
 - a. Meet the Building Code and Zoning Ordinance requirements of the Town of Pittsboro.
 - b. Follow the U.S. Secretary of the Interior’s Standards for Rehabilitation (see attached).
2. Approved types of rehabilitations include:
 - a. Safe cleaning of brick/stone fronts or wall surfaces (chemical stripping, water wash or scraping – no sand blasting is allowed).
 - b. Masonry repair, mortar joint repair, re-pointing of brick.
 - c. Re-painting and patching of façade walls.
 - d. Repair/replacement of windows and/or doors.
 - e. Removal of siding and exterior false facades and metal canopies.
 - f. Repair, reconstruction, and/or replacement of original architectural details.
 - g. Installations of canvas-type awnings.
 - h. Structural and cornice repair and/or replacement.
 - i. Railings, ironwork repair or addition.
 - j. Historic reconstructions, rehabilitation or compatible reconstruction of a store front.
 - k. Landscaping including sidewalks and plantings.
 - l. Murals.
 - m. Installation/replacement/repair of exterior lighting and appropriate signage including structures or frames that contain or hold a sign.
3. Ineligible projects include:
 - a. Improvements made prior to grant approval.
 - b. General maintenance.
 - c. Interior rehabilitation/improvements
 - d. Construction of false fronts.

- e. Blocking up of windows or installing storm/vinyl windows and doors.
- f. Demolition of historic features.
- g. Roof and chimney repair and construction of mansard roof.
- h. Installation of any type of veneer – aluminum, vinyl, stone, stucco or any other inappropriate materials that interferes with the historic integrity of the building. (This includes the repair of the cedar shake shingles so prevalent downtown).
- i. Materials that is inappropriate to the original structure or nearby structures.

INTENT AND GUIDANCE

1. Rehabilitation of structures in the downtown district should respect and reflect the architectural integrity of the entire building and retain those elements that enhance the building.
2. Priority is given to rehabilitation projects that notably and visibly improve downtown facades.
3. This program is to aid substantial investments to improve the aesthetic qualities of a building as well as protect it for the future.
4. Façades should be in harmony with the character of the Downtown and in coordination with the shape, color and design of adjacent facades.
5. Use colors that are compatible with other buildings and that are true to the style and age of the structure.
6. The Town reserves the right to withhold approval of grant application if color, design, sign design or other façade component is not deemed appropriate to the historic integrity of the structure and/or the Downtown as a whole.
7. The applicant is encouraged to seek the services of the State Historic Preservation Office (SHPO), including restoration consultants, before an application is completed and designs are formulated.
Visits can be arranged by calling 919-807-6578.

GRANT AWARD

1. Grant award amounts are at the discretion of the Town.
2. Decisions may be based upon, but not limited to, size, project cost and amount of available funds.
3. Qualifying projects are eligible for a grant at a minimum of five hundred dollars (\$500) but not more than three thousand dollars (\$3,000) per façade on a fifty/fifty (50/50) matching, reimbursement basis. At the discretion of Town and based on applications received, larger grants may be considered on a case by case basis.
4. Any façade with more than fifty (50) lineal feet of public frontage is eligible for an additional amount of twenty five dollars (\$25)/lineal feet above fifty feet (50).

5. At least two (2) project cost estimates must be submitted with the application. If both estimates are deemed equal (in regards to quality of materials used, etc.) only fifty percent (50%) of the lowest estimate will be granted, regardless of which bid is accepted by the building owner.
6. The grant amount shall be determined at time of application approval and paid when the project is completed.
7. The work must be completed within four (4) months of application approval or the owner may request a one-time extension for two (2) months stating the reasons for the delay.
8. The façade improvement must stay in place for three (3) full years from the date of completion. If not, the grant amount for that project must be repaid in full.

DECISION PROCESS

1. Applications will be reviewed for completeness and compliance with the criteria above by the Town's Planning Director and Main Street Program Coordinator. After review by the Planning Department staff, successful applications will be forwarded to the Town Manager with a recommendation for approval. Incomplete or unsuccessful applications will be returned to the applicant.
2. If the application is not approved, a meeting will be scheduled with the applicant and Town staff to refine the proposal to enable it to qualify if possible. If other more appropriate applications are pending, they will take precedence; however, efforts will be made to help applicants succeed.
3. A notification letter will be sent to applicants explaining approval or denial.
4. If awarded, the applicant and owner must sign contract/agreement before work begins.
5. Applicant must obtain necessary zoning and building permits if applicable.
6. Applicant may then begin work.
7. Upon completion of work, applicant must submit copies of applicant's canceled checks and contractor's paid statements to the Town of Pittsboro Planning Department.
8. Town Staff inspects work for conformance.
9. If the work is accomplished in accordance with agreement, then Town staff submits necessary paperwork to Town of Pittsboro Finance Department to fund ½ the actual project costs or the grant amount, whichever is less.
10. Grant award is mailed to applicant.

For more information, please contact Paul Horne at phorne@pittsboronc.gov or 919-542-4621 x62.

Mayor Voller asked if there were any questions from the Board. Commissioner Fiocco stated he had a couple of questions and/or comments. Under the “Intent and Guidance” section, Item Number 7 tells the applicant “they are encouraged to seek the services of the State Historic Preservation Office.” He stated that it seems to him that part of the main street program is that the Town and the citizens gain the benefit of design services of Stephanie Richardson, or at least one of their designers, and that they may also contact her to assist in the façade development. Mr. Horne stated that they may do that.

Commissioner Fiocco requested that language be added to Item 7 that they could also contact her and provide her information. Mr. Horne said sure. Commissioner Fiocco stated that part of what Ms. Richardson does is assist with historic renovations, presentation of material, and aesthetic concepts. He stated further that she is a real asset and part of the benefit of being in the Main Street program, and we should make everybody aware of it.

Mr. Horne stated that they do have a very long list as there are two people in her position covering the entire state, so for a speedy turnaround, even with SHPO, it is not required it is just encouraging them to seek help. Commissioner Fiocco stated he just thinks we should make folks aware of that option also. Mr. Horne agreed. Commissioner Fiocco went on to say that if they want speed and efficiency, they can hire an architect. Mayor Voller stated we have a few in the room.

Commissioner Fiocco says he doesn’t see a grant agreement in here, although obviously we’ve got to do it, and asked if it needs to be written. He stated it would be subject to the agreement, but he didn’t see the agreement. Mr. Horne replied that he thinks the application is the agreement.

Commissioner Fiocco said that he thinks there are certain things that are mentioned which would best be described in an agreement, and he would suggest such an agreement, such as the improvements have to be in place for several years afterwards, and if you start the work prior, then you won’t get compensated; and if you don’t get at two quotes, you won’t get the grant. He stated that he thinks one of terms is that if it’s not in place for two or three years, then in fact they’re going to be subject to refunding the money. Attorney Messick asked if Commissioner Fiocco wanted that to be done before approval. Commissioner Fiocco said no, but it needs to be done because he doesn’t see it.

Manager Terry asked if Commissioner Fiocco was looking for a draft Memorandum of Agreement that would go along with the award. Commissioner Fiocco stated that this makes mention of the fact that you’ve got to sign the agreement before the work begins, and he doesn’t see the agreement in here, so he was just assuming that the agreement portion of this document is coming.

Commissioner Fiocco questioned the decision process in Item 7. He said it talks about presenting cancelled checks, contractor’s pay statements, etcetera, and he thinks it would be wise, also, to get lien waivers from the contractor so that some subcontractor doesn’t say that they haven’t been paid.

Commissioner Fiocco further stated that the process here results in the applicant being awarded or not awarded the grant, and he recommended that the applicant have an appeal process. Mr. Horne replied that they envision this as a “how can we help you” item, and whatever it takes to make it, a win, win for everybody, so it’s not a thumbs-up/thumbs-down “apply again.” He stated that it would be something similar to “We like these things, tweak this a little bit” or “Get more help and work on this aspect.” He stated that is the intent and that this is not a hard rejection.

Commissioner Fiocco stated he would still like to insert a mechanism that if, in fact, after all those good efforts you can’t come to an agreement and the decision is to not fund a project, the applicant has the ability to appeal to this Board for a decision. He stated that at the end of the day the people would like to know that they have some appeal process available.

Mayor Voller asked if anyone had any other questions. Commissioner Baldwin stated that she had a question in reference to the grant award, Number 7 where it indicates “The work must be completed within four months of application approval or the owner may request a one-time extension for two months stating the reasons for the delay.” She asked what would be considered a valid reason for the delay. Mr. Horne stated that they have not gotten into much detail with that, but he thinks as long as they are acting in a good faith effort to get it done. He said it also depends on how close they are to the end of the year when things are starting to run out.

Mr. Horne stated that there is no firm policy in hand and asked Commissioner Baldwin what she would like to see. Commissioner Baldwin replied that she would like to see valid reasons because “sometimes people will just come up with anything.” She further stated that she did not have any problem with an extension with valid reasons for the delay being given.

Commissioner Fiocco stated that at the end of the day if they had to finish the project to get the grant monies will not be disbursed until the receipts have been shown submitted, so they will have to do the work.

Commissioner Foley said that it is a good way where he’s trying to eradicate the thumbs-up/thumbs-down it seems like whatever the reason the goal would be to work to get them motivated to overcome obstacles and support them. Commissioner Fiocco said he agreed wholeheartedly with trying to make this thing work, absolutely, so he thinks that’s the proper spirit of this.

Mayor Voller asked if the Board was ready to approve with said changes or input, or what would the Board like to do. Commissioner Foley said that she would like to get it moving because there are people that are waiting.

Motion was made to approve with incorporating the said comments by Commissioner Fiocco, seconded by Commissioner Foley. Commissioner Baldwin asked how many people were waiting. Mr. Horne said that they haven’t unveiled it yet, so they were waiting for the official Board’s approval to unveil it to everyone. He said he had just talked to a few people informally and mentioned that it’s about to happen, and they started asking questions, indicating that they have projects. Commissioner Baldwin asked how many people had informally expressed interest, and Mr. Horne responded one. Mayor Voller stated that that is a beginning.

Mayor Voller asked Mr. Horne if it would be possible that an announcement be mailed to every single property owner, based on a map. Mr. Horne stated it would be launched properly, if it had to be done hand-to-hand. He stated that e-mail addresses will be collected and put on a recurring list for the Main Street Program. He said that the mailing list thus far has been just people who attend the meetings, but that's missing a core group of people that need to be informed about the things that are going on with the program. He explained that one of the first things he wants to see done is collect e-mail addresses and names of people who will be directly affected by the program, and that will be his first burst of getting this out.

Manager Terry said that one thing Mr. Horne can use is the mailing list developed for the Hillsboro Street it is a larger group, and he could pick a smaller subset of that.

Commissioner Foley said she wanted to throw out that the Main Street meeting starting back up again in September it would be great to get more merchants involved. She said if there's any way to put in a plug for the Main Street Program. Mr. Horne said he could e-mail offline and show you the rollout stuff. She replied that he's very good at marketing.

Vote Aye-4 Nay-0

Mayor Voller thanked Mr. Horne.

A COPY OF THE FAÇADE GRANT APPLICATION IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGES 96-101

UPDATE ON THE DRAFT JORDAN LAKE WATERSHED STORMWATER PROGRAM FOR NEW DEVELOPMENT

Mayor Voller stated there have been some changes with the legislature and called on Mr. Terry.

Manager Terry stated the governor did sign some legislation that bumps out the deadline for this program, and with that being said, the Board now has some options other than just taking the whole two-year delay. The options have been set out below:

Option #1: Continue with plans to implement the Jordan New Development Rules as soon as they are approved by the State Environmental Management Commission. This strategy is being adopted by some affected jurisdictions with the rationale that early implementation will minimize the impact on taxpayers when the Jordan Existing Development Rules must be adopted in the future. The goal would be to require the increased level of stormwater BMPs as soon as possible to minimize future negative impacts. Specific neighborhoods that go in between now and when the new development requirements take effect wouldn't necessarily have to be retrofitted, but any development that happens without stormwater treatment would add to the load reductions that local governments would be responsible for.

Option #2: Complete the program development and EMC review process, but delay implementation until July 1, 2013. The rationale for this strategy would be to 1) allow the new Town Engineer some time to become familiar with the program and 2) allow the Town some time to develop funding mechanisms that could be in place at the beginning of fiscal year 2013-

2014 and 3) to maximize the benefit of the work already done by Jewell Engineering. (This one is attractive to him.)

Option #3: Complete the program development and EMC review process, but take full advantage of the allowable delay and plan for implementation on about July 1, 2014. This course of action would be recommended if the Town should decide to delay the hiring of a Town Engineer until fiscal year 2013-2014. It would allow additional time to develop funding mechanisms and take full advantage of the work already done by Jewell Engineering.

Manager Terry said we can press ahead and adopt the rules for new development as soon as the EMC approves them. Some cities and towns are doing that under the rationale that we would rather not have development occur between now and the time that it becomes a legal mandate. Without the fees in place and have that become a problem for the municipality later when the rules for existing development are in place.

Manager Terry requested that he be allowed to go ahead when EMC approves the program to immediately make it effective.

He explained that another option would be to take advantage of part of the delay, and that's Option Number 2 above and make it effective July 1, 2013. He said that option is attractive to him for two reasons: 1) your engineer would be onboard and have about six months to get his/her arms around the program and what it means; 2) you would also have chance to move to another budget cycle and deal more effectively with how you are going to cover the costs of the execution of the program.

He explained the third option set out above enables you to take the entire two years given by the governor and make it effective on July 2014, and that may be an option attractive to the Board for reasons set out above.

Manager Terry stated that an engineer has already been retained to help the Town achieve compliance with this program, and they've done a good deal of work. They're about $\frac{3}{4}$ way through the contract. He stated that the e-mail sets out the exchanges between himself and Jason Robinson at DENR. Manager Terry has asked that Mr. Robinson not stop the program through the process, to go ahead and forward it to EMC and let it move to fruition, and Mr. Robinson has indicated that he will do that. Mr. Robinson hasn't put in the changes and the Town's contractor gave him a reminder, and Mr. Robinson has indicated that DENR will recommend approval to EMC in September.

Manager Terry stated that barring any unforeseen complications at the EMC level, the Town should have an approved plan back in the fall.

Manager Terry stated he is not looking for a decision from the Board tonight, but he is informing the Board of its options going forward. He said when the approval comes back, then the Board will have a decision to make then from the options set out. Manager Terry stated he would answer any questions, but the options are fairly simple.

Commissioner Fiocco stated he has no questions, but he prefers Option #2, which Manager Terry has recommended. He feels that the middle option is a good strategy. Commissioner Foley

stated that if the Town is going to delay, the question is whether Option 2 or Option 3 would be best to resolve our issues.

Mayor Voller asked if the Board went with Option 2, could they still slide into Option 3. Manager Terry said that until the Board makes the new program effective, the options are wide open. He explained that when the program comes back from EMC approved, he will inform the Board when that happens and the Board can approve it and it doesn't go into effect until the Board says it goes into effect. He reiterated that the Board's options are wide open right now.

Commissioner Foley asked if Mr. Terry believes that there is plenty of work for the town engineer to do. Manager Terry replied absolutely. He stated that he wrote the position description, and the town engineer will not just be working stormwater. He stated the town engineer is probably going to be doing the capital construction program manager, site plan reviewer and will become the manager of all the engineering consultants that the Town hires. He said that the rule of thumb would be that no engineering consultants be hired; that the town engineer gets the right of first refusal on whatever work it is that you're contemplating bidding out. Manager Terry said the town engineer will be immediately overwhelmed and busy from the outset.

Mayor Voller asked what action Mr. Terry is looking for tonight. Manager Terry responded that this is just an information update.

SANFORD ROAD STRIPING PROJECT UPDATE

Mayor Voller stated that Commissioner Fiocco and Mr. Terry were working on this project.

Manager Terry made a presentation as follows:

At the July 23, 2012 Board of Commissioners meeting, Commissioner Fiocco raised concerns about the loss of on-street parking on the west side of Sanford Road due to the road striping project associated with the Chatham County Justice Center. In subsequent negotiations with Chatham County and NCDOT, we have reached agreement in principle on a project that would remove the new road striping by grinding or milling and replace it with a revised striping configuration that restores as least some of the on-street parking on the west side of Sanford Road. Chatham County has provided a cost estimate of \$10,482 for this work; Exhibit (A) attached. Cost estimates for the addition of two crosswalks (Exhibit (B) attached) are pending; however, we do not expect the cost of this work to exceed \$2,000. Initially, Chatham County agreed to do this work with the understanding that the Town of Pittsboro was willing to pay for the removal and replacement of the striping; however, negotiations are ongoing to make arrangements for some sort of cost sharing on this work.

In order to accommodate the crosswalks proposed in Exhibit (B), it will be necessary for the Town to hire a contractor to install ADA accessible ramps at the ends of the sidewalks at two locations on the west side of Sanford Road. In addition to these ADA accessible sidewalk ramps, we have asked the contractor to price about 160 linear feet of new sidewalk along the west side of Sanford Road; see Exhibit (C). Installation of these new sidewalks would fill gaps in the existing sidewalk and give us a continuous run of sidewalk from the traffic circle to Womack Street. Cost estimates for the ADA accessible ramps and new sidewalk are pending;

however, we do not expect the cost of this work to exceed \$15,000. Funding for this work is available in the "Contract Services" line of the Public Works Department budget. The Board may authorize the Town Manager to proceed with this work without a budget amendment; however, this would reduce our ability to complete street paving projects this fall. If the Board elects to do this work, it is the recommendation of the Town Manager that the Public Works budget be amended with supplemental funding from our Powell Bill reserves in an amount equal to the total cost of this unbudgeted project. This budget amendment could be prepared after the actual project costs are known.

Chatham County has agreed to work with the Town in getting the restriping of Sanford Road accomplished; however, they would very much like to get this work done by Friday, August 24th to avoid exacerbating traffic problems on Monday, August 27, 2012 which is the first day of school for the Chatham County School System. Accordingly, the Chatham County Manager has asked that the Pittsboro Board of Commissioners reach a decision on this matter at your August 13, 2012 Board meeting.

Commissioner Fiocco stated that in principal, the agreement is to split the cost, between the Town and Chatham County, and that there is a firm bid of \$10,482. He stated the original idea was that the county would pay for the full costs of the restriping to regain the parking, and there are e-mails to the effect that that is the agreement in principal as well, but that did change recently. He reported the negotiation has been to split the cost with the idea to improve the intersection to accommodate pedestrian traffic by introducing not only these high-visibility crosswalks but handicap ramps at the two corners. He shared that he thinks that the Judicial Center is going to generate a lot of pedestrian traffic across Sanford Road. New restaurants are opening, old restaurants are reopening, and obviously it will be a hub of activity to get across that street. In order to do so safely, Commissioner Fiocco stated he thinks it's a good idea, so thus the introduction of those crosswalks and the handicap ramps.

He reported further that once they got to that point, they looked at Sanford Road and some gaps in the sidewalk heading south. He stated that sidewalks are intact to the north of the traffic circle and beyond, and so there is about 160 linear feet of sidewalk that might also be part of this project or another project, but the initial thrust is to regain the parking and makes the crosswalks safe so the pedestrians have a designated area where state law would suggest or demands that vehicles provide a right-of-way to the pedestrians.

Commissioner Foley added that she thinks the crosswalks are a great idea. She stated she was talking to Tim before the meeting and he was saying with the turn lanes, cars are already driving more quickly through there. She stated she also felt there is great potential for businesses on that side of the street and the crosswalks are a great idea.

Manager Terry showed a map and pointed out where the ramps and crosswalks would be. He stated that as they were walking the site, they noticed a patch of sidewalk which he believes is private on the south side of the right-of-way and was put in by the owner of this building. He pointed out other missing sections of sidewalks that would need to be repaired for under \$6,000. Commissioner Fiocco stated that the crosswalks, handicapped ramps, and sidewalk repairs will be around \$7,000.

Commissioner Foley asked how much the crosswalks cost a piece because she wonders if we are trying to cut costs would we need to have one on that smaller street. Manager Terry said we're just talking about painting here, and we don't have a firm quote back; but based on the \$10,500 for all of this, we're probably talking about \$500 a piece.

Manager Terry stated a budget amendment is not required at this time. He stated it could be funded through Powell Bill Funds (there is about \$50,000 budgeted) and if Mr. Poteat runs into trouble later in the fall for important paving projects he could come to the board and ask for a budget amendment. He stated tonight he needs a sense from the Board as to whether they want to proceed to agree with the restriping and to pay for half of it, as one element of the decision, and that another element is does the Board want to agree to the crosswalks, which would mean at a minimum \$1,000 and then probably another \$1,000 for ADA ramps. He stated if the Board wanted to continue the sidewalks, that's probably another \$4,000.

Mayor Voller asked if the entire thing, including what Mr. Terry just described, about \$13,000. Manager Terry stated it was \$12,000. Mr. Voller confirmed that the amount is \$12,000 for everything. Commissioner Foley stated she thinks it's a good idea to do the whole thing at one time. Commissioner Baldwin stated that while the Board is talking about updating the sod and doing all of that, we may as well take care of that, too.

Commissioner Fiocco made a motion that the Town split the costs of the restriping to regain the parking and pay for the crosswalks, the handicap ramps, and the approximately 160 linear feet of concrete sidewalk along Sanford Road. The motion was seconded by Commissioner Baldwin.

Vote Aye-4 Nay-0

Mayor Voller asked Mr. Terry to leave the map up and pointed out the property owned by the Bryant family is not located on the east side of the road but on the west side. He stated the County is about to finish the purchase of that property. He said the purchase had not been completed due to some title issues originally, but it will be purchased by the County. He said they have a retaining wall where the sidewalk is. Mayor Voller said he thinks the Board should ask the County what their intention is in making this purchase, and it would be nice to know if they're intending to widen the road, are they intending to build something else there. He pointed out the structures are old structures. He said he doesn't think the county is intending to occupy those buildings, so he would like to ask Mr. Terry, if the Board so directs, to correspond with Mr. Horne to find out the County's intent in making this purchase. Mayor Voller stated he'd like to know if they're coming back to amend the site plan or are they just buying it for open space. He stated we should know now.

Former Commissioner Harrington stated that he had seen a plan for a 9/11 memorial in that area. Mayor Voller stated he had heard about it but had not seen where they were going to put it. Former Commissioner Harrington stated he had seen a draft plan for a 9/11 memorial in that area somewhere, if he is not mistaken. Mayor Voller thanked him.

Mayor Voller said that he thinks the Board would like to know what the County is planning to do. He stated that there have been a couple of options presented over the years concerning the annex on the north side of the property, which is where the old Register of Deeds is located and the old District Courthouse. He said one option is a complete rehab of the building, and another

is demo the building, put in more parking and landscaping and then they find another site in Pittsboro and build. He said he thinks the Board should be in discussion with them and talk to other groups downtown about what they would like to see happen. He said the building has now reached its maximum capacity. The Mayor said he thinks it was a building that was built in the time it was, but its functionality is not the greatest.

Mayor Voller stated this is a real key component for the future of Pittsboro and that the Board should look at this area and be in discussions with the county because if that building were to be torn down and more parking and more landscaping were put in there, we would have a really beautiful view from the new renovated courthouse, over to the Judicial Center, and provide a park for downtown, and presumably they would move somewhere else in the downtown area. Commissioner Foley clarified that Mayor Voller had said “for a park,” and he confirmed that and said he thinks that is something the Board should be in discussion about with their fellow elected officials with the County if they are considering those options. He observed that it would totally change the look of Pittsboro if you were to change that. He said as of right now, the Town has not been provided any plans, but he asked that Mr. Terry pose the following questions to Mr. Charlie Horne:

- What are they considering doing there?
- Could they come to the Town and brief us?
- Could we discuss options with them?

Mayor Voller went on to point out that if you look at the 1937 or 1939 photograph Mr. Horne had up in the Main Street Program, there was a great vista from looking south of the courthouse that used to exist, which is now gone. Commissioner Baldwin said there used to be a plaza there. Mayor Voller agreed.

The Mayor went on to say that the Board should strongly think about that before time goes by and the County budgets for that and then we ask ourselves “why didn’t we do it.” Mayor Voller asked for the Board’s thoughts and clarified that he just wants information to be brought back to the Board.

Commissioner Foley stated that definitely we should find out what they are planning.

Mayor Voller asked Mr. Terry if he could ask someone from the county to perhaps come in and start a dialog about it. Manager Terry said to let him start with just a phone call to Charlie because this is the first he’s heard of demolishing the building. Mayor Voller said that their plan was to renovate it, but one of the options was to demolish it, and at this point they haven’t chosen that option, but it could be chosen. Mayor Voller stated that given the options available to the business owners in town and the citizens of Pittsboro and the county, we should look at all options and we should be talking with them.

Commissioner Foley stated that the County had voted already to renovate it. Mayor Voller said he thought they had taken a vote in the last month to renovate it, but he doesn’t know where it stands on their CIP. He stated that just as the Board had been presented with Alternatives 1 and 2 for wastewater treatment, they had options of demolition and to go somewhere else or renovation. Mayor Voller stated again that’s a significant piece of real estate in the Town of

Pittsboro and he thinks that the Board should talk to them about what the future of the building is because if there is a demolition option and moving, the Board should start the discussion.

CONCEPTUAL DESIGN FOR A RENOVATION OF THE PITTSBORO COMMUNITY HOUSE

Taylor Hobbs with Hobbs Architects made a presentation concerning the Community House project. He thanked the Board for the opportunity to work on this great project. He stated that they had worked very closely with Paul Horne, who had been very helpful. Mr. Horne has met with the historic association and gone over the proposed plans, which they have had recommendations which Hobbs has implemented. He stated he had met with Cindy Edwards and consulted with Paul Fomberg at the State Historic Preservation Office, who had done the initial report. Mr. Hobbs stated that most of the work they are proposing are items recommended in Mr. Fomberg's initial report. He said that Mr. Fomberg has seen the new proposals and has okayed those as far as historic considerations to the building.

Mr. Hobbs stated that the project breaks down into two categories or phases: site and building. He summarized his report by saying the most pressing problem at the moment is the site because the building sits in a bowl and anytime it rains, the water is directed towards the building rather than away from it. As a result, during heavy rains, the basement floods. He said there has been a foot of standing water in the basement since Hobbs has been working on the project. The site has an overall gradual slope from south to north, but the building itself is positioned in a bowl on the site. The downspouts and run off direct water toward the building and into the crawl space, and as a result there has recently been at least 12" of water in the basement area. The site needs significant grading improvements and the storm water piping and surrounding ditches need to be improved. He said there are several safety concerns as well.

Although numerous building modifications and improvements are recommended, the drainage of storm water in and around the building is the most critical issue that is in need of immediate action. Most, if not all, of the issues with masonry settlement can be attributed to water infiltration issues.

As a whole, the building is in good condition considering its age and frequency of use. The proposed interior renovations are primarily aimed at bringing the building into code compliance, updating finishes, and providing order to an inefficient floor plan on the north side of the building. The proposed site work includes new stone walls, concrete walks, extensive re-grading, and the addition of a covered porch on the north side of the building. With the proposed changes, improvements, and additions, The Community House will be much better equipped to accommodate its frequent use well into the future.

Mr. Hobbs' report contained the following information:

A. Site:

Grade issues related to surface drainage:

- General conditions around existing building run storm water toward the building on all sides. This appears to be the source of the water in the basement.

- The only storm drain appears to be located at the NE corner. The inlet is poorly located and does not provide a surface inlet. The outlet was not located due to dense brush but it appears to run into a ditch that is parallel to the east property line.
- The existing downspouts drop water adjacent to the foundation walls and the existing grade holds water around the building.

Site Recommendations:

- At least one new handicap accessible parking space will be required to meet the requirements for public use of the building. It should be located as close to the new handicap ramp as possible. (See plans included with this report).
- The site will need to be re-graded so all water flows away from the building. Due to the slope problems it is assumed that the existing sidewalks must be removed and the ground re-graded and shaped to direct water around the building. Waterproofing of some existing foundation walls may be required to prevent infiltration into crawl space areas at some locations.
- The basement door should be improved with a raised threshold to prevent water from entering the basement. A drip cover over the door will also help prevent rain water from reaching the door and frame.
- A site topographic and boundary survey should be conducted to locate storm water inlets, outlets, and elevations. The proposed underground cistern tank for irrigation may also benefit from a topographic survey. The survey should extend into storm water ditches adjacent to the site to identify problems and confirm adequate drainage.
- Gutters and downspouts with cleanout locations should be connected to adequately sized PVC piping and directed to existing low points. A maintenance schedule should be implemented to prevent clogging.
- The ground erosion can be solved by constructing an “L” shaped retaining wall on the southeast corner of the building and sloping the ground toward the front area. This wall will also screen the AC units and trash cans from view.
- A new parking area in front of the building adjacent to Thompson Street may be constructed.
- This location will accommodate 2 to 3 vehicles and provide additional parking. It could also be used for special VIP parking for special occasions. Also adjacent to the street at the right of way line a wall is recommended to separate the street from the building thereby enclosing the building and providing enclosure, safety and a better sense of an outdoor room.
- The overhead power line should be buried so that another large tree can be planted symmetrically in front of the building thereby framing the front façade. Landscape plantings should be in keeping with period of the building as much as possible.
- Hardscape materials should be in keeping with the historic local materials of the building. New elements should not draw attention away from the simple character of the building. Therefore stone work is suggested for the internal walkways and walls.
- Due to various events which may take place at the building outdoor structures should be minimized. Well maintained grass areas with well-defined landscape edges will provide an attractive area around the building while allowing activity specific temporary elements to be used within the lawn areas for events.

- Due to the prominence and visibility from the proposed covered porch the rain garden within the project area should be improved so that it will remain attractive and easier to maintain throughout the seasons.

B. Building Exterior / Envelope:

- A structural engineer inspected the structure and evaluated the cracks in the masonry walls. While unsightly and in need of repair, it is believed that the cracks are primarily cosmetic and represent no structural instability. Recommended repairs to the masonry walls include limited tuck pointing of mortar joints, installation of flexible sealant in cracks that move due to expansion and contraction, and repairs to concrete sills. All materials used to restore the exterior masonry would match the original.
- The existing wood windows are in relatively good condition considering their age and repairs are preferred over replacement. Where limited replacement is required the windows should be replaced with wood windows to match. The installation of interior storm windows would benefit the energy usage of the building. Replacement of the windows, if determined to be desirable, may include the utilization of an aluminum clad exterior face with wood interior similar to the new windows at the historic Chatham County Courthouse.
- The replacement of the exterior doors is recommended. New doors can be made to match the originals.
- At our request a concrete finisher examined the front porch related to the false stone mortar joints that are present. Solutions that have been mentioned include demolishing the porch slab and pouring another concrete slab. Grinding the existing concrete surface to obtain a smooth finish (similar to terrazzo) is also an option.

C. Building Interior:

- The new floor plan included with this report incorporates the necessary modifications for an ADA compliant facility. The space north of the fireplace wall has been completely redesigned.
- Repairs and refinishing the existing wood floor are recommended.
- A new subfloor and ceramic tile are proposed in the spaces on the north side of the fireplace.
- The two large HVAC returns on either side of the fireplace are proposed to be relocated to the corners of the large room.
- A new ceiling in the main room is proposed. A gypsum board surround with a dropped ceiling interior is proposed for flexibility of use, improved lighting, and improved acoustic performance. An alternate would be an entirely new gypsum ceiling with new lighting, although this option would do little in terms of improving the acoustics of the space.
- A masonry repair to the interior walls is recommended similar to what is proposed for the exterior walls.

D. Plumbing:

- A sprinkler system is not proposed for the building. A fire alarm can be added as part of a new security system for the building.
- New HC accessible toilet rooms and kitchen spaces are proposed. A new water HC cooler is to be installed. See the plan included with this report.

- All of the piping located in the basement and/or crawl space should be modified or replaced to accommodate the new construction.
- The existing sump pump and sump pit is proposed to be reconfigured and replaced with new to solve any water conditions that might remain after site work is completed. Two sump pumps are recommended to provide a backup in the event one fails.

E. Mechanical:

- The existing split air handling unit in the crawl space has some age but is currently meeting the needs of the building. The only modification at this time to the existing unit is the location of the return grills in the floor.
- The existing condenser will be relocated to the opposite side (east) of the building. This will require the liquid suction lines to be relocated to the new condenser location. It is our recommendation that the existing unit be utilized as long as possible with periodic maintenance as needed. If this system were to be replaced it would be located in the exact same place with a similar unit meeting the same criteria.
- The new toilet room configuration will require new 75 cfm exhaust fans to be installed. The existing supply registers in the toilet/kitchen renovated area will be relocated per the new room layout.

F. Electrical:

- The existing electrical service is an overhead service to an existing weather head mounted on the building. The existing service size 100 amp 120/240v 1 phase is adequate for the current and intended uses of this building.
- It is anticipated that the electrical service will be requested to be placed underground with the ordinary underground service fees from the local power company. The service would terminate in a 100 amp nema 3R disconnect mounted on the exterior of the building. The existing electrical panel will need to be demolished as the closet it is located in is being removed.
- A new electrical distribution panel will be located in the new storage room and new branch circuitry wiring will be pulled to new junction boxes installed at existing circuit termination points. The new range, electric water cooler, and exhaust fans will be fed from the new panel.

G. Historic Considerations:

- Paul Fomberg of the State Historic Preservation Office was consulted with regards to the proposed changes to the interior and exterior of the building. All such changes were met with approval of the N.C. Historic Preservation Office.
- The proposed new elements to the building include a rear covered porch made of wood and site walls and an ADA compliant handicapped ramp. Construction using stone and other materials with details similar to the existing building is proposed. The goal is to make the new additions compliment the original construction to the fullest extent possible in terms of scale and materials.
- The main room will be left intact with regards to its scale and primary building elements as noted above. The primary changes will be the relocation of the 2 HVAC returns on both sides of the fireplace, as well as the construction of a new ceiling with better acoustic properties and lighting.

Mayor Voller asked the size of the basement, and Mr. Hobbs replied that it's 500 square feet and the crawlspace behind is perhaps 1500. The Mayor asked if there was any functional use of that if you were able to dry it out and make it an air-conditioned space. Mr. Hobbs said they had looked at that and if you do that and want it to be used as part of the building, interior stairs may be needed, which takes up a lot of floor space. Hobbs has looked at how to get stairs in there, but you have tradeoffs. He stated the current thought is that it could be used as storage.

Mayor Voller asked if there could be other floors placed over the newly finished floor for the dance classes to use. Mr. Hobbs said certainly, that it would just be a matter of having that as part of the new agreement that they would bring in a portable floor during their dance classes. Commissioner Foley pointed out there are rules about what kind of shoes they wear.

The Mayor pointed out the Board has been down this path before. He said they provide a good service to the town, and the questions being asked are not to pick on the dance studio, but they have a supply cabinet in the building for storage, and nobody else gets free storage in any municipal or non-municipal building, and then it's chained up so no one else can use whatever is in there, and they damage the property. He reiterated that he believes they perform a great public service and they provide good dance lessons for a reasonable rate, but if the Town is going to go down this path, those two things certainly need to be considered. He said it doesn't seem reasonable on either count as the Town doesn't charge them for storage and they beat the living daylights out of that floor.

Mr. Hobbs agreed and stated that he and Mr. Horne had discussed this a little bit, and it seems to him that the opportunity would exist, if there was a renovation of this building, that that would be the point where the Town would make new rules for how the building is used and where things are stored. He reiterated the basement could be used for storage.

The Mayor stated that he wants to accommodate the users, but he thinks everyone on the Board and the public should know that and understand that, and the rules may have to reflect it.

Commissioner Foley pointed out that most dance studios have wood floors, and the students wear soft leather shoes. She said they wear jazz shoes or ballet shoes, so it seems like a pretty easy resolution. Manager Terry stated it's the tap-dancing with the metal taps that damages the floor and perhaps the clogging. Commissioner Foley said she didn't know if they did tap-dancing there.

Mayor Voller stated the Town could even consider getting the floors you can open up so other people could use it for weddings and whatever else you have a dance floor, and that's why he brought it up; not to run them out, but to say if we do all this, we need to figure out how to not end up in the same position. Mr. Hobbs agreed that you don't want to do the work and three months down the road have problems.

Manager Terry stated that right now the floors are finished with some sort of polyurethane, much like you would a basketball court. He said he has three of those that he maintained in Chapel Hill, and they refinished them annually. They would light-sand them and refinish them once a year. He stated you're never going to maintain a floor like that with people tap-dancing. He then asked about the possibility of taking it down to wood and staining it or leaving it without

any sort of polyurethane finish. Mr. Hobbs said that wouldn't be too far off from what's there now because the finish has been beaten off of it.

Mr. Hobbs went on to say that if you think of the building as a dance place, then that may be appropriate. He has had discussions that perhaps this becomes rentable space for meetings or conferences. He said with renovation, it becomes more feasible for new uses.

Manager Terry pointed out that when this house was built, no one had polyurethane and those floors been probably linseed-oiled or something like that. Mr. Hobbs agreed and stated that that would be a better solution than finishing them and then saying "go clog on them." He said that if you are into the clogging, I would probably agree with you. Commissioner Foley said that by having the floors nice, it increases the usage of the building such as for weddings. Mr. Hobbs agreed and stated that it is a great room and that there is no room like it in town. He said the building was built in the '30s, it is on the National Register, and it's a community hall. He stated he's sure there have been weddings there in the past, and Commissioner Foley said she knows there have been bunny hops there.

Commissioner Baldwin asked if you could get something to lie over the floor. Mr. Hobbs said yes, you could, but the question becomes storage and the ease of retrieval. He said that it's a big room and he's sure that when people clog in it, there are 10 to 20 people, so they take up most of that room. To cover the room, you're talking about something you would put down that would be a big square footage, and then where do you store it. He pointed out that someone has to haul it out and around, which is all doable, but it is a matter of manpower and whether that is realistic.

Mr. Hobbs said they would be demolishing the existing kitchen and replace the countertops in a different area of the building with new appliances, thinking of it more as a catering or a warming kitchen in case there is a meeting you'd like catered. Mr. Hobbs turned the presentation over to Dan Sundberg.

Mr. Sundberg stated at first the following items would be required:

- Obtain an accurate topo map so you would know where drainage is going and where we can get it away.
- Demolish and raise the front grade to slope away from the building.
- Put in subsurface storm drainage piping at the gutters, take them down and away from the building instead of letting them direct toward the building.
- Replace a handicap access ramp where the existing AC unit is located. Ramp should be built in character with the existing stone work.
- Put in a new wall to raise the grade on the east side, where the new AC units will be located. That, again, will direct water away from the building and also provide an area to store garbage out of view of the entry of the building.
- Put in a new stone wall at the front wall so that the front yard is safely enclosed so that when children are outside they are not running right out unprotected into the street. The wall will also give the building more dominance and also provides this area for VIP parking.
- Put in screening to the northeast where there is a vehicle storage/used lot next-door, which needs to be hidden. It will not just be evergreens. It will be done so that it looks like it's the edge of the woods instead of a screen of shrubs.

- Put in programmable space in the backyard near the rain garden where they could put bounce houses or chairs or whatever would go with the function. He stated his company was told that this building could have many, many uses, so that's why it's not programmed so tightly that it can only be used for weddings or for meetings.
- Approve the appearance with landscaping and sodding.
- Bury the power line in the front.
- Move the magnolia so that it is symmetrical with the tree on the other side.

He stated that, in summary, they want to solve the drainage, remain historically coherent, increase the functionality, and improve the appearance of the building. Mr. Hobbs stated that there may be some improvements to the driveway wherein a traffic pattern can be developed, giving a much safer solution than what currently exists.

Mayor Voller stated that he thinks at some point in the past the Town made an agreement, when Mr. Deacon developed the property to the west, to have access to the parking. He then asked where the drainage from the roof and parking lot currently going from that site. Mr. Dan Sundberg stated it makes its way to the back, but it makes its way to the back basement door. He stated it comes off the building, goes along the edge of the building, and then ends up at the back basement door. Mr. Horne stated that much of the runoff from the parking lot actually does go into the rain garden. Water runoff was discussed using the map.

Mayor Voller stated that as no one is left on the Board from when that was approved, he would ask Mr. Messick what requirements would they have had at that time, if any, when it was built. The mayor stated it was a vacant lot before, so presumably it wasn't in the current situation where it was so much of a bowl and then they came up on that building. Attorney Messick stated he knows there was water in the basement for at least 25 years.

Mr. Dan Sundberg stated they had tried to find water traces to determine where the water from the parking lot went, and it appears to mostly go down over the rain garden into the inlet. He said it does look like somewhere about halfway on that building, the water starts to fall and actually makes its way to the basement door. He reiterated that until an accurate topo map is prepared, it's difficult to say.

Mr. Hobbs pointed out the existing plan to the Board and explained the proposed layout. He said it's a really tight space that they tried to reconfigure in a way that is more efficient. He pointed out the great room, relocation of HVAC returns in the corners, men's and women's handicap-accessible rest rooms, addition of masonry wall, storage room, and catering kitchen. Also proposed is a rear covered porch which would wrap around into the entrance into the kitchen which could be for deliveries. He stated that nice events could be held, and the historic report from SHPO does mention that there appeared to have been a rear porch at some point, so precedence does exist for a rear porch. Mr. Hobbs stated that the covered porch, whether screened or not, would increase the usable floor plan by a third, even though it's outside.

The existing and proposed floor plans were displayed. Mr. Hobbs explained this is the part where they would add the new slope slab to a trench drain, locate the new sump pump, and they are calling for sort of a dropped area with a new catch basin that would catch any water that does

migrate to this area. He said that if they can get the grade, they would like to daylight it into one of the existing ditches. Depending on the grade, it may have to be pumped.

Mr. Hobbs said it makes sense to them that if the entire design was funded, it could be broken into two phases, one being site and the second being the building. He pointed out that during bidding, the two phases could be bid as one package, but you could bid them out as alternates for some control over the funds. He further said that within the phases, there could be alternates that break it down even further. Mr. Hobbs said it seemed to be a very straightforward case for the Phase 1 and Phase 2, and then the Town has options on how to bid it.

Mayor Voller stated that in historic renovations where it's private property, typically you get into tax credit financing, and then asked if it would be possible if the Town were to enter into some agreement where somebody were to joint venture with the Town in order to take advantage of that. He said he saw the figures in the bid and it seemed to him that those are the kind of numbers that would lend themselves to that and the entire project could be funded. He said he didn't know how that could be done as a municipality, per se.

Mr. Sundberg stated that they had another project that another public entity looked at and they never could make it work. He said that doesn't mean it won't work, but he's never seen it work. Mayor Voller stated one idea would be that you would deed the real estate and lease it back for a figure, and then you'd have someone going with the tax credits. Mr. Sundberg responded that it was complicated enough that they backed away from it, but it something the Town may want to look at.. Mayor Voller stated that this would lend itself to some form of Community Development Core of Intermediary, which is a 501(c) you would see working with the Town and working with the third parties.

Mayor Voller said that in order for the Town to do all this work, which he thinks is a wonderful plan, the Town may have to ask for Hobbs to come back and present options. Mr. Hobbs presented the initial budget numbers, which he stated are conservative. He said that if the Town bid the job today, the numbers would look better. He stated they have estimated the base bid at around \$277,000, and stated that as part of the design package if you did the complete landscape design, Dan has estimated around \$106,000. The rear covered porch is estimated as \$20,000 and bid that as an alternate, and then the security system is perhaps \$4,000. He said that with all alternates taken, the price is somewhere around \$400,000. With 10% design fee, 5% contingency and then the owners cost of testing, surveying, and equipment, the estimate is somewhere around \$474,000 if the project goes ahead with building and site Phase 1 and Phase 2 as discussed.

Mr. Hobbs stated that realizing that is a big number, they also looked at another way to break it down to solve the immediate problem with the water, and that would be Phase 1, also called Option Number 2, but it's site only. He said that that would entail:

- grading the site
- installing the catch basin outside of the basement
- new storm drainage piped out to the ditch
- retaining wall

- picking up the grade, maybe losing one or two of the existing stairs to get positive drainage away from the building
- replacement of existing sidewalks (new flagstone pavers could be used in a future project, but for the initial project could be concrete)
- in short, the immediate needs to dry the building out

The estimate for this would be \$78,000, 10% design fee, contingency of 10%, surveying, and burying the power line would be around \$4,000, for a total of around \$100,000 for the site itself. He reiterated there are several options available, but something needs to be done with the building, especially the site.

Mayor Voller stated that it was a great report and pretty comprehensive, but obviously the challenge from the Town's side would be how to integrate this into the capital improvements budget. He stated that Pittsboro doesn't have the budget some of its other fellow government units have; on the other hand, the Town could be creative, which is why he had asked the previous question. There are way to accomplish this with joint venturing and working with partners, and that would need to be explored and maybe Hobbs could work with Paul and they may need to bring it back.

Mr. Hobbs stated that this is a big asset for the Town, and it's certainly the most historic building in town other than the courthouse. Mayor Voller said that given its location in town, he thinks the Board would want to incorporate this into an overall idea about what happens on Masonic Street, Thompson Street, and the mill south. He said if you went with a full plan and really made it look a lot nicer – and what's happening with Bella Donna and you really look at this, this should be part of a small area plan because that would suddenly be a place where you could do weddings. Mr. Hobbs agreed. Mayor Voller said the Town could do a lot of things, especially if parking were obtained from Diaz in the back or whoever owns the property right behind it and you actually had plenty of parking.

Mayor Voller asked if anyone had any other questions. Commissioner Farrell asked Mr. Terry what kind of revenue was generated from the community building. The Mayor stated that it was not a lot. Commissioner Farrell asked if it was rented daily or weekly, and the Mayor replied that Mr. Horne handles a lot of that. Mr. Horne stated they do a lot up front, but he thinks it's rented at least weekly. Commissioner Foley asked Mr. Horne if he did the marketing, and he responded that it is under his department but the front desk staff really handles a lot of the booking of the appointments.

Commissioner Farrell asked Mr. Horne what the rental fee is, and he replied that it has recently increased. Prior to the increase, it was \$60 for three hours, and \$20 for each additional hour. He said that if you rent it more than ten times per year, it was a greatly reduced rate, somewhere around \$25 for three hours and then \$10 for each subsequent hour. The increased rate was from \$25 to \$45, and the \$60 may have gone to \$80. He said these are ballpark numbers.

Commissioner Foley said she thinks if the building is fixed up and marketing was done, this building could really be a good spot. She said when she was a kid it was used a lot. Mayor Voller stated that you don't want to out-price the community, but with everything being modernized, it should bring in more revenue. Commissioner Foley said that the new heating system would help, too.

Mayor Voller asked the size of the meeting room. Mr. Hobbs stated the building is around 2000 square feet, so the meeting room is approximately 1300 to 1500 square feet. Mayor Voller said that at one time they had kicked around the idea of fixing up the building to use for town meetings as well as other things, and then that would free up their current meeting space. He said that to look at those numbers and to justify doing it, the Board would have to really have a good idea how it can be accomplished. He said that Jay is correct, the increased revenue doesn't justify it because it's basically a community asset and providing it to the community, and the Board will have to really think long and hard about how it can do this with the other space needs and what other things could you do and not do.

Mr. Hobbs stated that was a really interesting point and that it would actually, in his opinion, really work well as a room for meetings. He said he doesn't know the expansion needs of the Town for this building, but he thinks the community building would house the commissioners' meeting very well. Mayor Voller said he's always thought that, especially if you put in the AV equipment and it's a really nice room, and then you would use it and this room where the Board is meeting would be available.

The Mayor asked Mr. Terry what the figure was when Mr. Terry had looked to find a room for the engineer and planner; that it seemed it was potentially \$2000 a month for space. The Mayor went on to say that if you were to get a 30-year note at rates municipalities can get, 4%, plus or minus, the entire job could be done for the same amount per month the Town was going to lease the space, \$2,262 per month amortized at four percent, and then this current meeting space becomes available. He said he was just throwing out ideas so the Board will know how the dollars stack up. He said he is not saying to do it; he's just saying to think about what that dollar figure is.

Mayor Voller further explained that if the Town were to lease a space for a planner and engineer, the rent would basically be the equivalent of a 30-year mortgage at 4%, and they will not be located in the town offices. He said that the Town could do a project if the Board thought about multiple uses and really got into it.

Commissioner Fiocco asked Mr. Hobbs if there were any issues with mold, and Mr. Hobbs replied not that he had seen. He said there may be some in the basement, but it doesn't jump out at you. Mr. Horne said that he agreed. Mr. Hobbs said the good news is the walls are stone, nonorganic material. He explained that if the water issues in the basement were resolved, he thinks it will be okay.

Commissioner Fiocco then asked if the water was really impacting the use of the building, and Mr. Hobbs replied no. Commissioner Fiocco pointed out that the building has been there for 25 years, and Mr. Hobbs stated that you need to get rid of the water in the basement. Commissioner Fiocco stated that the water in the basement is not desirable and he was trying to gauge how critical it is. Mr. Hobbs replied that he guess it's relative.

Commissioner Fiocco then asked if the water was having any detrimental effects on the structure of the beams, and Mr. Hobbs said there is probably some settlement that may have contributed to some of the cracks in the walls. He said it was hard to say because it's not apparent. He said the one place you can tell the building is sinking is the porch/stoop going into the kitchen on the

west side. He explained that the proposal is to remove and repurpose the stone in another place, and that is the most settlement that you see.

Manager Terry stated that the basement is not insulated, so if water is in it in the wintertime, it'll freeze, so he's sure there's some evidence of some freeze/thaw things going on. Mr. Hobbs said that it is not a good situation.

Manager Terry said that in answer to the last budget question, if you could go back over the last three or four years, the annual income there was \$5600, and then the following year (with increased rates) it was \$7200. He said the Town budgeted \$6000 last year and \$10,000 for the upcoming year. Commissioner Foley said there's potential to do so much more there.

Manager Terry stated that in response to the Mayor's question about how much the Town was going to spend for renting the space for the engineer and planner was \$24,000 per year. Commissioner Foley said that Saxapahaw for example has a ballroom and they're having all kinds of functions, and it would be great for Pittsboro to have a space like that for functions.

Commissioner Foley asked if Mr. Hobbs had any idea why the fireplace is not functioning, and he responded that he doesn't except he thinks he saw in the report it's being used as an HVAC for exhaust or something right now. He said it was part of that system, but he feels sure it could be because it's massive. Manager Terry pointed out that it's shallow, and Mr. Hobbs agreed, but said there had been fire in there. Mr. Hobbs said it's sort of hard to have a fireplace like that and not use it, but he's sure there's liability there, too, for the Town. He said it is a nice feature that is not being used.

Mayor Voller asked if there were any other questions. As there were none, he thanked Mr. Hobbs and Mr. Sundberg.

DRAFT BIG BOX ORDINANCE

Mayor Voller asked if the Board wanted to send this back with the comments to come back with your final recommendation, because that is what should have happened.

Mayor Voller addressed Mr. Messick concerning the question they had chatted about previously. He asked if the Board were to go forward with this, what is the pathway and advice as far as having to re-hold the public hearing or not. Mr. Messick stated the public hearing would be required before it could be adopted. He explained that if you want public input, then that's the way to get it. He went on to say if you want to change it or modify it in some way in response to whatever public comments you get, it's certainly possible to do that.

Mayor Voller said if we had the public hearing before and we got comments and one of them was from citizen Mike Fiocco which is incorporated, so it's his view that the Board intended to do something in the past but just stabbed at it and it didn't go anywhere, and it sat in suspended animation. Mayor Voller asked if the Board wanted to send it to the planner and the planning board.

Commissioner Fiocco said he'd like to send it to Mr. Bass to review the trends relative to this concept because he thinks this is dated as it has been several years now when since of the

ordinances have been in place. He said he thinks it's something the Board ought to make a decision on, and he'd like to review it and bring it up to speed with the times that have changed and see how things are working in other communities. He said he knew the bonding these big boxes so that they have a demolition bond: has it worked, has it not worked, are there better ideas out there.

Commissioner Foley stated she was reading some different things and in Vermont they required that a review be done, a community impact review where they actually weigh the number of jobs created by the store versus jobs lost and stores impact the cost of public services and any tax revenue lost as a result of the decline.

Mayor Voller asked whether the Board wanted to set a public hearing for the second meeting in September and have something to work toward. Commissioner Baldwin asked if the Mayor wanted to send it back to the Planning Board. He replied that Commissioner Fiocco wants to send it to Mr. Bass to actually review some of the information that was put forth in 2009 and see what has happened in the last three years and have him give a one or two page analysis of "this worked or didn't work." Commissioner Baldwin said she thought that was a good idea.

Mayor Voller asked if the Board thought that concurrently Mr. Bass could do that and it could be sent to the Planning Board for comment. Commissioner Fiocco said to let Mr. Bass have the first look at it. Mayor Voller asked which meeting the Board wanted to have this done. Commissioner Fiocco asked Mr. Bass, from a scheduling perspective, how much time he thought he would need, given his workload, to invest time-wise to review this. Planner Bass said it would probably be better the further the Board went in September. He said he could have something by next meeting, but it might not be as thorough. Commissioner Fiocco said he would trade a couple weeks' time for thoroughness.

Mayor Voller reiterated that Mr. Bass would bring back the first draft to the first meeting in September so that the Board can ask questions on anything. Planner Bass stated that his gut is these ordinances got put in place and there's not a whole lot that's happened in the past four or five years. Mayor Voller stated that he would imagine Mr. Bass could contact his peers in Mecklenburg, Davidson, and other counties that have done such things in NC, contact the League of Municipalities, Association of Planners, or put it out on a listserv, and just find out what they know anecdotally and let the Board know. The Mayor said if Mr. Bass could do that and provide some basic input about how this has worked, he thinks a one-page summary would be enough so the Board could ask questions from it and then decide what direction to go.

The Mayor confirmed that will be at the next meeting, and Commissioner Fiocco said that it would be the first meeting September. The Mayor stated that no, Mr. Bass was talking about the next meeting in two weeks, and Commissioner Fiocco stated he would not be present. The Mayor asked him what he would rather do. Planner Bass responded he would do whatever the Board said; that he could have something in either two weeks or four weeks. The Mayor said he wanted Commissioner Fiocco to be present to review it, so he then asked Mr. Bass rather than bring something to the next meeting in two weeks, to just e-mail something where he stands so that the Board will know because they might want to do some research in between meetings. The Mayor then redirected Mr. Bass to present his official presentation at the first meeting in September.

BUDGET AMENDMENT

Manager Terry stated this is sort of an extension of an issue that the Board dealt with some time back. Last year an employee in the Wastewater Treatment Plant went on extended medical leave, approximately ninety days, to recover from orthopedic surgery. During the absence of this employee, the Board approved the hiring of a temporary worker to cover the employee's work duties to ensure that the plant could continue its routine operations. That employee has now returned to work; however, he continues to struggle with health issues and is frequently unable to meet the minimum hours required to retain his status as a full-time employee.

After discussing this situation with the employee, the Utility Director and the Finance Officer, I recommend that we convert this employee to a part-time permanent position budgeted for 20 hours per week until he reaches age 65 in March of 2013. This will allow the employee to retire on April 1, 2013 and receive Local Government Retirement benefits and Medicare benefits. The employee has become a de facto part-time employee who is using all his sick leave and vacation time, which has put the Town in the dilemma of not being able to technically pay for his medical insurance any longer. The situation is that the employee should be paying a prorated amount of his medical coverage, so whether the Town officially makes him a part-time employee or not, he's become a de facto part-time employee due to his inability to work 40 hours a week and it takes 35 hours a week to remain full-time.

Manager Terry said that he thinks a solution that works for everybody would be to formalize the employee's status as a part-time permanent employee which would entitle him to medical benefits, paid half by the Town and half by the employee. If the Town does this, this will free up his full-time position for the Town to go ahead and hire a new full-time employee at the plant and give Mr. Heard the operational support that he needs to run the plant the way it needs to be run.

Manager Terry explained that one of the up sides of doing that would be that right now they're carrying a pretty heavy overtime burden by the other employees who have to fill in for this employee who is unable to work, so while he is asking for a budget amendment of \$18,000, the good news is that he's asking the Board to put that in the budget under Temp Salaries, although they don't think all of it will be spent. He thinks it will net out less than that because there will be some savings from reducing the retirement. However, there will be some lapsed salaries in the interim while the position for a full-time replacement is being advertised.

The budget amendment shows a total cost of \$18,232 for the proposed action; however, we believe that some of this cost will be offset by lapsed salaries and reduced overtime costs attributable to the need for existing employees to cover the frequent absences of the employee who is unable to continue full-time work. This will allow us to advertise for a full-time employee to replace the employee transitioning to part-time, substantially improving our operational capabilities at the sewer plant and reducing the need to pay overtime to employees covering the unexpected absences.

Manager Terry said this has been discussed with the entire staff: Alice as pertaining to HR aspects; Mandy about the payroll aspects; John and Randy about the operational aspects, and they all believe this solution is the one that makes the most sense for the Town and for the employee.

Mayor Voller asked the Board what it wanted to do. Commissioner Farrell asked whether Mr. Terry is considering the temporary employee that they had before as coming on as temporary. Manager Terry responded that this employee would become the temp employee. Manager Terry explained again that the employee is now full-time but he's not able to fulfill his hours. He said the Town would advertise a vacancy for a full-time position. Manager Terry asked the Board to keep in mind that this is a very small staff, so when they lose someone, an additional burden is created on the remaining three and they are exceeding their expected overtime.

Commissioner Baldwin asked if Mr. Terry said he was exceeding the budget for overtime, and he replied yes. He said they are now and will be; that as long as this person can't get in his 40 hours, someone else has to cover them.

Commissioner Foley said if he was a full-time employee and is now going to be part-time, why we would not just hire somebody else part-time so that the two together make full-time. She pointed out that basically the Town will have 1.5 people to do what one person used to do, and asked Mr. Terry if that is correct. Manager Terry replied "in essence," but said he is trying to bring an operational solution to the superintendent that gives him the most operational capability.

Manager Terry said there were a couple of problems with Commissioner Foley's recommended solution: anytime you hire somebody part-time to do that job, immediately they're already looking for work, you get them trained up knowing you can only offer them part-time work and they're still looking for full-time somewhere. There's the risk that by the time you get them introduced and trained on your plant, they'll be going down the road.

Commissioner Foley asked if it is correct that the position would be full-time in April, and Manager Terry replied that is correct. Mayor Voller asked if there is a loading point for people working overtime where it's actually better for the Town to pay them overtime. Manager Terry replied he's sure there is. Commissioner Baldwin asked if Mr. Terry was saying that the ones that worked overtime are being burnt out, and Manager Terry said there is that aspect of it, too.

He said that in addition to that, there's a fragile balance they have out there with only four employees, so you get one that's really not a full-time employee and somebody gets sick or goes on vacation; with a group that small, any ripple in the pond is felt pretty badly. Mayor Voller asked why this wasn't brought up during the massive budget hearings. Manager Terry replied that the employee was in rehab and recovering, and they expected he would have come out of his surgery and be able to work a 40-hour week, but that has not been the case.

Commissioner Baldwin said she really doesn't have a problem with this and that it's fine as far as she's concerned. Mayor Voller asked if there was a motion to adopt the budget amendment.

Motion made by Commissioner Baldwin seconded by Commissioner Fiocco to adopt the amendment, seconded by Commissioner Fiocco. Mayor Voller asked if there was any further discussion or questions; hearing none, he called for a vote.

Vote Aye-4 Nay-0

AN ORDINANCE AMENDING THE FY 2012-2013 BUDGET IS RECORDED IN THE BOARD OF ORDINANCES NUMBER ONE, PAGE 34

Mayor Voller stated that he believes that concludes the matters. There was an item that was submitted about ETJ for Chatham Park Investors. He said it wasn't on the agenda, but the Town received information. Mayor Voller asked Mr. Culpepper if he wanted the Board to take action and send this to the County, and Mr. Culpepper replied that he is going to speak to the County later this month. He said he just wanted to get this on the Town's table at an appropriate time for the Town to take action. He explained that he thought it would involve something between the managers discussing how they want to proceed. Mayor Voller said that was fine.

Mr. Culpepper said that hopefully the second meeting in September would be a nice time for the Board to perhaps take action and he is willing to assist in any way he can. Mayor Voller said that was fine.

Mayor Voller announced that the EDC meeting will hold their annual meeting the next day at 8:00 a.m. if anyone would like to go. He stated there is an RPO meeting this week in Sanford.

He asked for commissioners' concerns, and Commissioner Foley asked where the EDC meeting will be held. The Mayor replied over at the community college in the multipurpose room. He said that it is a retreat and anyone is welcome to attend.

Commissioner Foley said she had a couple of questions. She said she met with Pat Richardson with the Retire NC Program and things that came up this morning was would they be able to get a page on the Town Web site. She said another question came up, and that was whether donations received from individuals and businesses were tax-deductible if they were received through the Town. Mr. Messick stated that if a donation is made to the Town, then it is tax-deductible. Mayor Voller pointed out that the Town is a non-profit organization. She asked if the donations are made to the Town, can they be earmarked for the specific program. Mr. Messick replied yes, depending on whether the Town would be willing to accept it.

Commissioner Fiocco asked if the Town had advertised for an engineer, and Manager Terry replied that we have not, but the ad is written and on his computer ready to be launched. Commissioner Fiocco said he thinks we need to launch it we want to have that hired and ready to get to work in January. Manager Terry said okay.

Commissioner Fiocco stated that one of his concerns last time was the introduction of the idea of fracking as a special use permit, permitted only in the M-2 zone. He said he thought the Board would see something on that tonight, so "work on that." Manager Terry said okay.

Commissioner Fiocco said he was hoping to get a status report on Alpha Install - on what's going on. Manager Terry said he had received an e-mail from Keith McCrae and he's about ready to prepare his first grant application. Commissioner Fiocco asked if he meant pay request, and Manager Terry said yes, and that he needed to communicate with him tomorrow or the next day about working out the fine details about how he'll pay his 5% of the project. Commissioner Fiocco asked if any work had occurred, and Manager Terry replied that as he is getting ready to submit invoices, he assumes that it has. Commissioner Fiocco then asked if the Town had inspected it, and Mayor Voller said, yes, there were supposed to be some interim inspections.

Mayor Voller stated that he knew they had contacted the Town regarding jobs, and that went to Mandy and Dianne. Manager Terry said he needed to refresh his memory on what role Dianne Reid agreed to play in terms of the grant. He said he thinks Dianne's role is more about job creation. Commissioner Fiocco stated that he recalled her talking about getting engineers out there to review the work and certifying that the work was done, and there was some discussion about Dianne performing that task and he was kind of questioning whether that was the best way to do it. He reiterated that, clearly, the Town wants to have eyes on the work that we're paying for. Mayor Voller agreed. Manager Terry said he would be working that out with Keith in the next few days.

Commissioner Fiocco made a motion to adjourn at 10:45 p.m., seconded by Commissioner Baldwin.

Vote Aye-4 Nay-0

FYI -

1. Tentative Future Agendas August 13, 2012
2. Town Financial Expenditure Statements for the Month Ending July, 2012.

Randolph Voller, Mayor

ATTEST:

Alice F. Lloyd, CMC, Town Clerk