

MINTUES  
TOWN OF PITTSBORO  
BOARD OF COMMISSIONERS  
REGULAR MEETING  
**TUESDAY, MAY 26, 2015**  
7:00 PM

Mayor Terry called the meeting to order and called for a moment of silence.

**PLEDGE OF ALLEGIANCE**

Commissioner Farrell led the Pledge of Allegiance.

**ATTENDANCE**

Members present: Mayor Bill Terry, Mayor Pro Tem Pamela Baldwin, Commissioner Jay Farrell, Michael Fiocco, Beth Wilson Foley and Beth Turner.

Others present: Manager Bryan Gruesbeck, Clerk Alice F. Lloyd, Attorney Paul S. Messick, Jr., Planning Director Stuart Bass, Chief of Police Percy T. Crutchfield, Finance Director Nancy Emslie, Engineer Fred Royal, Wastewater Superintendent Randy Heard, Water Treatment Superintendent Adam Pickett and Public Utilities Director John Poteat.

**CONSENT AGENDA**

Motion made by Commissioner Fiocco seconded by Commissioner Baldwin to approve the consent agenda as submitted. The Consent Agenda contains the following items:

1. Approve minutes of the May 11, 2015 regular meeting.
2. Accept Certificate of Sufficiency for proposed annexation (A-2015-02) for Chatham Park Investors, LLLC from the Town Clerk.

Vote    Aye-5    Nay-0

**REGULAR MEETING AGENDA**

Motion made by Commissioner Foley seconded by Commissioner Turner to approve the regular meeting agenda as submitted.

Vote    Aye-5    Nay-0

**CITIZENS MATTERS**

Sherry Curtis – 19 Thrift Street came before the board addressing her concerns about street lighting at her residence. She feels she has been given the run around and she would like the issue addressed. Ms. Curtis gave a power point presentation of her situation.

## **PUBLIC HEARINGS**

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

Vote Aye-5 Nay-0

### **ANNEXATION REQUEST FROM CHATHAM PARK INVESTORS, LLC (A-2015-02)**

Planner Bass stated the request is for 29.29 acres on Suttles Road owned by Chatham Park Investors. The property is currently being developed. Construction, site plan review and subdivision review for medical office and hospice building. The requested annexation area is necessary to include the entirety of the site within the corporate boundaries.

#### **PUBLIC COMMENTS:**

**None**

Commissioner Fiocco stated he noticed that the estimated tax revenue was based on 24.19 acres and he wondered why. Manager Gruesbeck said that is because 5.1 acres is for hospice which will be tax exempt.

### **FISCAL YEAR 2015-2016 ANNUAL OPERATING BUDGET**

#### **PUBLIC COMMENTS:**

**None**

The following emails were submitted prior to the meeting:

Lisa Vogel - Greetings ~ My name is Lisa Vogel and I reside in the town of Pittsboro currently and have been for the past 15 years. I work at UNC Hospitals/Newborn Critical Care ICU currently and have been for the past 15 years also.

I so value and appreciate having the PX route since the start in 2011 that words cannot fully express what a wonderful convenience it is for myself and for all of us folks that utilize this service, not to mention the reduction in stress by having a fabulous Chapel Hill Transit driver taking us in @ 6:00am!!!

Many folks that ride this bus not only come from Pittsboro, but also come from Sanford, Goldsboro, and Siler City.

Please do not cancel this important, greatly appreciated PX route. Thank you for any and all efforts, consideration, and kindness on our behalf. Lisa Vogel

Jean Oldham - Public Transportation Has a Positive Economic Impact on Communities

- Every \$1 communities invest in public transportation approximately \$4 is generated in economic returns.
- Every \$10 million in operating investment in public transportation yields \$32 million in increased business sales.
- Residential property values perform 42 percent better on average if they are located near public transportation with high-frequency service.
- 1.1 million jobs are created or sustained per year because of public transportation.

#### Public Transportation Gives Access

- Public transportation provides personal mobility and freedom for people from every walk of life.
- Access to public transportation gives people transportation options to get to work, go to school, visit friends, or go to a doctor's office.
- Public transportation provides access to job opportunities for millions of Americans.

I encourage you to consider any funding you could provide to continue the PX bus service. I take this bus every weekday. The only exception is occasional doctor appointments or offsite meetings. If possible I still try to use the PX and transfer to another bus in Chapel Hill. I can't begin to express to you how important this bus has been to me. Through very tough economic times it has transported me to work. Prior to the PX bus service I was part of a Van pool that went between Pittsboro and Chapel Hill.

I wonder if Chatham county and Pittsboro could provide enough funding that the bus riders could supplement with the purchase of a monthly bus pass. I think most bus riders would be willing to pay something for this service.

Of course it is a great benefit to me but I think it is also a big benefit to the citizens of Chatham County. Public transportation is the wave of the future and now. It is making less of a carbon footprint and Bus service to Chapel Hill could and would be utilized by many citizens of Chatham County. When I moved to Pittsboro 15-501 from Pittsboro to Chapel Hill was 1 lane. Heavy traffic made 2 lanes necessary. Now the 2 lanes are crowded. The bus reduces traffic congestion at peak times. Perhaps the bus could originate in Siler City, pick up at Lowe's in Pittsboro and make several other stops that would benefit many more riders. Right now I believe there are probably 30- to 40 bus riders between the 3 runs. I have been a passenger on all 3 runs to and from Chapel Hill. I may need to go in early so I take the 6:10am. Most of the time I ride on the 7:10am bus and arrive at work at 7:45am. If I'm running late I may take the 7:50am Chatham Transit bus. In the afternoon my normal time is 4:54pm. I occasionally take the 3:45 and sometimes I'm delayed at work and take the 5:18 Chatham transit. So I've used and appreciated all of these bus runs.

Here is the link where the above information is from:

<http://www.publictransportation.org/news/facts/Pages/default.aspx>

Thank you for considering all aspects and possibilities.

**Jean Oldham** | Administrative Coordinator

UNC Hospitals  
Surgical Pathology  
(984)-974-9133  
[jean.oldham@unchealth.unc.edu](mailto:jean.oldham@unchealth.unc.edu)

Motion made by Commissioner Fiocco seconded by Commissioner Turner to go out of public hearing.

Vote Aye-5 Nay-0

## **OLD BUSINESS**

### **UPDATE FROM ABC BOARD (JIM NASS)**

Mr. Jim Nass reported that the ABC Store continues to do very well. He stated full time employees are fully covered with Health Insurance as of April 1, 2015. He presented the Mayor with a check in the amount of \$8,450 for general and \$2,143 Law Enforcement for the third quarter.

Mr. Nass said they have 2 full time employees and 3 part time employees.

The Board thanked Mr. Nass for all of their hard work (ABC Board & employees).

## **NEW BUSINESS**

### **SITE PLAN – PITTSBORO FEED (SP-2014-07) (STUART BASS)**

Planning Director Bass said the site is across from the existing business. The new location is Lot 10 (Commerce Court).

Mr. Bass stated this proposal is before the board for review and approval. The plans have been reviewed in accordance with the Town's applicable development ordinances by the appropriate departments. The proposal is to construct a one story commercial building totaling 4,486 square feet. The plan was recommended for approval by the Planning Board at its regularly scheduled meeting on February 2, 2015. Staff recommends approval of the proposed request, subject to issuance of a Stormwater permit and authorization by the Town Engineer.

After a discussion about location and stormwater pond a motion was made by Commissioner Fiocco seconded by Commissioner Foley to approve the site plan subject to issuance of Stormwater Permit and authorization by Town Engineer.

Vote Aye-5 Nay-0

## **UPDATES AND REPORTS**

### **MANAGER'S UPDATE ON CAPITAL PROJECTS**

Manager Gruesbeck said he is not looking forward to Stuart leaving in the next few weeks. He said Roger Waldon will be filling in when Mr. Bass leaves.

Customer Service Specialist position will close on May 28 and Engineer Tech on June 4, 2015. Mayor Terry wanted to take the opportunity to thank Stuart Bass for his five years of dedication to the Town of Pittsboro. And for the depth of experience he brought to the town and the direction the Planning Department has gone in the last five years.

## **FY 2014-2015 FINANCIAL REPORT AS OF APRIL 30, 2015**

Finance Director Emslie gave a briefing on the financial report as of April 30, 2015. She said she will bring a draft purchasing policy next meeting.

Commissioner Fiocco asked that Ms. Emslie check on the recordation of ABC Revenues, it looks a little low. Ms. Emslie said she will research this.

Mayor Terry questioned water and sewer revenues – whether it is for ten months or nine months. Ms. Emslie said we bill in the arrears, so it is for nine months.

## **WORKSESSION**

### **DISCUSSION OF FY 2015-2016 ANNUAL OPERATING BUDGET**

Manager Gruesbeck thanked all staff for being present to answer questions.

Manager Gruesbeck gave highlights of the proposed FY 2015-2016 Budget as follows:

1. General Fund Revenues – The current Annual Budget draft contemplates an increase in General Fund Revenues by approximately 5% without an ad valorem property tax rate increase. This is first budget in three (3) years that does not raise taxes. In addition to property tax revenues, increases are estimated from various other sources (sales, motor vehicles, ABC, and others). This fund also includes the payments from Chatham Park Investors. We currently estimate more General Fund Expenditures than General Fund Revenues, so a transfer of \$96,464 from General Fund balance is proposed to balance the budget. This figure is lower than last year's budget figure (\$133,115).
2. General Fund Expenditures – General Fund expenditures are increased by 9.4% compared when compared to last year's budget. Highlights (in no particular order) include:
  - a. Salary & Wage Adjustments: All employees are currently budgeted for a 2.5% increase. This figure is larger than the inflationary Consumer Price Index (CPI-U) of 1.6% reported for this year compared to last. New positions are added to Planning and Engineering.
  - b. Health Insurance: Health Insurance Costs are expected to increase by 13%. Dental costs are increasing by 9%.
  - c. Transit: \$12,000 is currently budgeted for the Town of Pittsboro's contribution to public transit. This represents the same figure budgeted during previous years. I

understand that the Town’s contribution will change based on what the Chatham County Board of Commissioners elects to do regarding their level of participation.

After discussion it was agreed to talk with Siler City about making a contribution and to see if the Mayor and Commissioner Fiocco could be invited to the next Chapel Hill Transit Partners meeting.

- d. Economic Development: A new addition as a line item in Governing Board (4100). \$10,419 in composed of the Town of Pittsboro’s annual payment to the Chatham Economic Development Commission (EDC) (\$4,719) and an amount requested by Retire NC in the amount of \$6,000.
- e. Jordan Lake Partnership (JLP): New line item in Engineering (4800). \$25,000 is budgeted as fees to maintain the Town of Pittsboro’s ongoing partnership and work with the Western Intake Partnership group to secure additional water (6 MGD) intake from Jordan Lake.
- f. Powell Bill: \$25,000 contributed to sidewalk projects. \$15,000 for street sweeping. \$80,000 for street resurfacing. We identified candidates for repaving based on data collected during our most recent Pavement Condition Survey (PCS) from December 2013. In FY 2015: we anticipate paving the following streets:

<b>FY 2015-2016 Repaving</b>		
<b>Street</b>	<b>Length (ft)</b>	<b>Est. Cost</b>
Baron/Evergreen	175	\$8,197
Chatham St/Sanford	873	8,053
Chatham/Womack	350	7,665
Log Barn/Main St	700	10,919
Salisbury (Hillsboro to Small)*	1,138	45,166
	<b>Total Length (ft)</b>	<b>3,236</b>
	<b>\$ Total</b>	<b>\$80,000</b>
<i>*We will take bids for Salisbury St (west of Hillsboro) and evaluate our ability to pave the entire street.</i>		

- g. Capital Equipment: Funds are proposed to replace the “backhoe” at the Utilities Department and replace one (1) aging truck. Staff proposes to use installment financing for the trucks and backhoe – the same mechanism used in last year’s budget to replace the police cars. You might recall that we have delayed purchase of the backhoe for the past two (2) budgets. Additional funds are budgeted to replace the Town’s accounting software (\$10,000), debt service for police

vehicles (\$36,500), HVAC improvements (\$10,000) and new/used vehicle for Planning/Engineering (\$25,000).

3. Enterprise Fund Revenues: As mentioned earlier, this draft increases water and sewer rates by 9.5% (2% base/7.5% utility) to balance revenues. The updated rates are outlined in the latest budget ordinance. This proposed increase would be necessary to avoid using General Fund balance or Enterprise Fund balance to subsidize a deficit in water and sewer operations.
4. Enterprise Fund Expenditures: \$383,374 is obligated to debt – down significantly from the year previous. \$45,000 is estimated for replacing the Town’s outmoded billing system.
  - a. Water Treatment Plant: Proposes to add one (1) full-time position to ensure 24 hour/7 days per week scheduling. This will add safety and stability to our system and help us avoid water supply and pressure emergencies when our elevated water tanks run out of water. Capital improvements are proposed for electrical upgrades (\$10,000), \$18,500 for pump dewatering/sludge removal, Dual Media Filter Rebuild (\$55,000) and Filter Backwash Pump (\$14,455 through Installment Purchase).

Mr. Puckett said they could probably go another couple of years on the dual filter rebuild.

Commissioner Fiocco asked what the cost of the new position would be, Ms. Emslie said she would bring that back to the next meeting.

- b. Wastewater Treatment: \$20,000 is budgeted for sludge pump piping and valve improvements. However, this purchase may be delayed pending any new information from the on-going Professional Engineering Report (PER).
- c. Public Utility Maintenance: Two (2) trucks are proposed for installment purchase to be used on water and sewer distribution system maintenance (\$11,208 is estimated for the first installment).

Commissioner Farrell said he has a problem with a 9.5% water/sewer increase.

There was a discussion on the water and sewer analysis update from Ms. Emslie:

<b>1% Base &amp; 5 % Usage</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Revenue	\$ 2,537,455	\$ 2,620,028	\$ 2,626,846	\$ 2,633,467	\$ 2,639,894	\$ 2,657,351
Expenditures	\$ 2,832,466	\$ 2,811,494	\$ 2,682,377	\$ 2,669,195	\$ 2,744,970	\$ 2,824,962
Net Revenue	(\$295,011)	(\$191,466)	(\$55,531)	(\$35,728)	(\$105,075)	(\$167,611)
Margin Ratio	0.90	0.93	0.98	0.99	0.96	0.94
Fund Balance	\$ 2,120,002	\$ 1,928,537	\$ 1,873,006	\$ 1,837,278	\$ 1,732,202	\$ 1,564,591
<b>1% Base &amp; 10 % Usage</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Revenue	\$ 2,537,455	\$ 2,684,801	\$ 2,691,638	\$ 2,698,271	\$ 2,704,704	\$ 2,722,399
Expenditures	\$ 2,832,466	\$ 2,811,494	\$ 2,682,377	\$ 2,669,195	\$ 2,744,970	\$ 2,824,962
Net Revenue	(295,011)	(126,693)	9,261	29,076	(40,266)	(102,563)
Margin Ratio	0.90	0.95	1.00	1.01	0.99	0.96
Fund Balance	\$ 2,120,002	\$ 1,993,309	\$ 2,002,571	\$ 2,031,646	\$ 1,991,380	\$ 1,888,817
<b>2% Base &amp; 5 % Usage</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Revenue	\$ 2,537,455	\$ 2,705,202	\$ 2,721,832	\$ 2,747,760	\$ 2,764,858	\$ 2,798,634
Expenditures	\$ 2,832,466	\$ 2,811,494	\$ 2,682,377	\$ 2,669,195	\$ 2,744,970	\$ 2,824,962
Net Revenue	(295,011)	(106,292)	39,455	78,564	19,889	(26,328)
Margin Ratio	0.90	0.96	1.01	1.03	1.01	0.99
Fund Balance	\$ 2,120,002	\$ 2,085,059	\$ 2,124,514	\$ 2,203,078	\$ 2,222,967	\$ 2,196,639
<b>2% Base &amp; 7.5 % Usage</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Revenue	\$ 2,537,455	\$ 2,835,191	\$ 2,868,997	\$ 2,904,389	\$ 2,943,892	\$ 2,986,072
Expenditures	\$ 2,832,466	\$ 2,811,494	\$ 2,682,377	\$ 2,669,195	\$ 2,744,970	\$ 2,824,962
Net Revenue	(295,011)	23,697	186,620	235,193	198,922	161,110
Margin Ratio	0.90	1.01	1.07	1.09	1.07	1.06
Fund Balance	\$ 2,120,002	\$ 2,288,043	\$ 2,474,664	\$ 2,709,857	\$ 2,908,779	\$ 3,069,889
<b>2% Base &amp; 10 % Usage</b>	<b>2015</b>	<b>2016</b>	<b>2017</b>	<b>2018</b>	<b>2019</b>	<b>2020</b>
Revenue	\$ 2,537,455	\$ 2,862,988	\$ 2,902,210	\$ 2,972,339	\$ 2,972,339	\$ 3,020,053
Expenditures	\$ 2,832,466	\$ 2,811,494	\$ 2,682,377	\$ 2,669,195	\$ 2,744,970	\$ 2,824,962
Net Revenue	(295,011)	51,494	219,833	303,144	227,369	195,092
Margin Ratio	0.90	1.02	1.08	1.11	1.08	1.07
Fund Balance	\$ 2,120,002	\$ 2,314,195	\$ 2,534,028	\$ 2,802,868	\$ 3,030,238	\$ 3,225,329

Commissioner Fiocco stated he was also concerned about such a large increase. He was wondering if there could be a decrease in expenditures.

Ms. Emslie said she would provide some samples of increase cost for bills (i.e. 5,000 gallon/month customer).

The Board did not want to go line item by line item tonight.

The board agree to discuss the budget at the June 8, 2015 regular meeting.

Mayor Updates

- EDC
- RPO
- Solid Waste
- Fairground Association
- PBA/Downtown

### **COMMISSIONER CONCERNS**

None

FYI –

1. Chatham County Board of Elections Voting Update.

### **ADJOURNMENT**

Motion made by Commissioner Fiocco seconded by Commissioner Turner to adjourn at 9:50 pm.

Vote   Aye-5   Nay-0

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William G. Terry, Mayor

ATTEST:

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Alice F. Lloyd, CMC, NCCMC