

MINUTES
TOWN OF PITTSBORO
BOARD OF COMMISSIONERS
REGULAR MEETING
MONDAY, SEPTEMBER 10, 2012
7:00 PM

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

ATTENDANCE

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

Staff present: Manager Bill Terry, Clerk Alice F. Lloyd, Attorney Paul S. Messick, Jr., Finance Officer Mandy Cartrette, Planning Director Stuart Bass, Parks Planner Paul Horne, Chief of Police David Collins, Police Lt. Lesia McCollough and Corporal Melissa Starr.

CONSENT AGENDA

Mayor Voller requested from Manager Terry if any items needed to be added, modified, or deleted at this point to the Consent Agenda. Manager Terry responded that there were no changes.

Consent Agenda consist of the following items:

1. Approve minutes of the July 23, 2012 regular meeting.
Motion carried. 5-0
2. Approve minutes of the August 13, 2012 regular meeting with corrections listed below.
Motion carried. 5-0
3. Approve minutes of the August 27, 2012 regular meeting.
Motion carried. 5-0

Mayor Voller requested from Commissioners if there were any particular additions, subtractions or changes needed. Commissioner Fiocco responded that the minutes from August 13, 2012, required changes. He noted that on Page 10, Paragraph 1 under heading "Pittsboro Plant: Alternative Number 2" that the last words of Paragraph 2 make mention of the "Haw River" but in fact it should read "the Deep River sub-basin." Commissioner Fiocco further noted that it would be considered an IBT because Sanford discharges to the Deep River. He also noted that discharge to the Haw River would not be an IBT.

Commissioner Fiocco also noted that in Page 10, Paragraph 3, Line 3 makes mention of the “two MGD of wastewater back to Pittsboro” and should be changed to “two MGD of wastewater back to Sanford” because Pittsboro is transferring into Sanford and not back to Pittsboro.

Commissioner Fiocco also noted that in Page 10, Paragraph 3, Line 5 contains a quote that states, “one MGD goes ‘up here but then goes back down across the basin line and it’s not subject to the inter-basin transfer regulations”” should read “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””.

Commissioner Fiocco also noted that Page 12 under the second set of bulleted items in Item 1, Sentence 2 reads, “The preliminary number of \$2.00 per thousand was increased to \$2.61 because that is what Moore County is current charging” and should read, “The preliminary number of \$2.00 per thousand was increased to \$2.61 because that is what Moore County is currently charged” because Sanford is charging Moore County at that rate.

Commissioner Fiocco made a motion to approve the minutes of the July 23, 2012, August 27, 2012 and with the changes to the August 13, 2012 minutes. Commissioner Baldwin seconded the motion.

Vote Aye-5 Nay-0

REGULAR MEETING AGENDA

Mayor Voller asked if on the regular meeting agenda if there were any items that required amendment, modification, or deletion. Commissioner Baldwin noted that under Old Business items five and six needed to be transposed to have the presentation of the Pittsboro Land Use Plan before the Planning Board’s comments. Mayor Voller asked if there were any questions about this change. Mayor Voller clarified that Mr. Bass would present and then the Commissioners could entertain comments followed by a decision of whether or not to adopt the plan.

Motion made by Commissioner Baldwin to adopt the amended agenda. Commissioner Fiocco seconded the motion.

Vote Aye-5 Nay-0

CITIZEN MATTERS

None

OLD BUSINESS

UPDATE ON DOMESTIC VIOLENCE PREVENTION PROGRAM

Mayor Voller recognized Officer Melissa Starr for an update on the Police Department's Domestic Violence Prevention Program. Officer Starr thanked the Board of Commissioners for allowing her the opportunity to serve in this position. She noted that the program means a lot and that working in domestic violence is a passion that she has. She looks forward to moving the program forward even further. She noted that the position itself being full-time and not being in a patrol position has allowed her to more easily find different approaches to tackling domestic violence.

She noted she looked forward to being able to assist victims better and spending more effort on interviewing and investigating, as well as spending more time working on individual cases. She emphasized working with victims of domestic violence, sexual assault, juvenile cases, and especially working on juvenile sexual assault cases. She noted working not only with victims but also working to develop education for officers in an effort to better train officers to respond to domestic violence calls. This education has extended beyond the department to the greater Pittsboro area and throughout the county. She stated she was looking forward to this position allowing her more opportunities to address domestic violence in Pittsboro. She noted that these are private crimes that do not need to be ignored, and the statistics that are presented show that it is not becoming more prevalent. She added she is looking forward to working on increasing reporting of domestic violence and hopes to improve rapport between officers and victims. She presented the following statistics:

- In the United States, every 9 seconds a woman is assaulted or beaten.
- Domestic violence is the leading cause of injury to women and is more than car accidents, muggings, and rapes combined.
- Studies suggest that up to 10 million children witness some form of domestic violence annually.
- Nearly 1 in 5 teenage girls who have been in a relationship said a boyfriend threatened violence or self-harm if presented with a breakup.
- Every day in the US more than 3 women are murdered by their husbands or boyfriends.
- Men who as children witnessed their parents' domestic violence were twice more likely to abuse their own wives than sons of nonviolent parents.

Officer Starr noted that she will be able to go back into her position at her church as Youth Leader at Joy Baptist Church and expressed her appreciation. She noted this position affords her the opportunity to continue working with children, and she hopes that in this position she can teach children to speak out against domestic violence. Recent statistics in Pittsboro indicate an increase in reporting with 28 complaints in 2011 with three additional child abuse cases reported. To date in 2012, 35 domestic violence calls have been reported with 2 child abuse cases and 2 sexual assault cases. Officer Starr

suggested that this may not be due to an increase in domestic violence in Pittsboro but rather victims are feeling more comfortable reporting their abuse. Officer Starr noted that she was excited about the training that has already been conducted with all officers and that they continue to conduct and develop more training. She also noted that it is important that cases are reported directly to the Police Department and important that victims shift their reliance from FVRC and the Blue House to reporting cases directly to the Police Department. She noted the importance of having law enforcement involved because this holds the offender accountable for their actions.

She noted a few current projects. Even while being on patrol they will continue working with family violence and rape crisis and they are working on a quick sexual assault reference guide for law enforcement officers. This will be in addition to the sexual response program that has already been in place. Future projects include working with FVRC to develop a community-wide information tool to increase reporting to law enforcement. She noted the department would continue domestic violence and sexual assault training for officers within department and also within two other county departments. She noted that she will be attending general instructors' school and that FVRC is very excited about this opportunity. She again thanked the Board and asked for any questions.

Commissioner Farrell asked if the department was planning on doing any local work with local schools. Officer Starr replied that the department is working on developing information to have available in schools and to present at local schools regarding domestic violence situations.

Mayor Voller requested citations for the statistics included in Officer Starr's presentation. She noted that she would send a copy of the citations for the Board to review.

Mayor Voller noted that he supported this program. He noted that people cannot be afraid in their homes. He noted that underreporting of female-on-male spousal abuse continues to be an issue and the stigma associated particularly with this type of abuse. Officer Starr agreed. Mayor Voller asked if the department was doing anything to specifically address this issue. Officer Starr noted that FVRC had noted an increase in the reporting of this type of domestic violence.

Commissioner Foley noted that this is a tricky issue because sometimes male abusers accuse women of abuse and this complicates these situations. Officer Starr noted that this is one of the biggest parts of training for officers. She noted that they train officers to help them better discriminate who the abuser is in these cases and train them not to make quick decisions about whom to arrest.

Mayor Voller asked a question about false complaints. Officer Starr noted that in her work she has not encountered an example of this. Lieutenant McCollough also noted that she did not recall an incident of this type. Mayor Voller further asked if they had heard of such cases. Lieutenant McCollough noted she had experienced something like this in another department. Officer Starr and Lieutenant McCollough both noted that while

there is not a protocol in place to handle these types of situations there are multiple layers of review to include the police department, FVRC, district attorney's office, magistrate's office, and the courts. They indicated that usually through all these levels somebody becomes aware that this is happening. Mayor Voller hoped that they would continue to be aware of the possibility. Lieutenant McCollough further added that unless there were physical injuries officers were not able to proceed with filing charges, and the victim would need to file charges, which would serve as an additional barrier to false reporting.

Mayor Voller thanked Officer Starr and Lieutenant McCollough and encouraged them to continue this good work.

BIG BOX ORDINANCE UPDATE

Mayor Voller recognized Planning Director Bass to provide information regarding a Big Box ordinance. The Board had asked for more information about Big Box Ordinances. Mr. Bass reported that he found stand alone ordinances were not so common anymore. Jurisdictions that have attempted to regulate these types of buildings have woven them into their commercial district standards and usually in the form of some kind of design standard or guideline. Typically, ordinances are concerned with quality of building materials, providing some windows and doors for SOD relief, and parking lot landscaping. Mr. Bass could not find examples of some place requiring a bond. He noted he had found two ordinances. One was from jurisdiction working in previously where they adopted a standalone ordinance but later modified it incorporating it into the zoning ordinance in the commercial districts. The second was an example from Forsyth County Georgia, which shows another way of doing it with the descriptions and drawings giving some visual standards. He noted that if the Board desired he and Mr. Messick would review and revise the draft that the Board considered earlier or modify any of these in some fashion.

Mayor Voller asked if Pittsboro had a conditional zoning district to allow Mr. Bass and Mr. Messick to accomplish all of these things or would Pittsboro need a separate ordinance to address Big Box standards. Mr. Bass noted it could be part of the approval and part of the site plan. Mayor Voller asked for Mr. Messick's thoughts. Attorney Messick noted that it depends on what it is you are interested in incorporating into the process. Mayor Voller noted an interest in where the Board started originally when this was considered in 2008 and 2009 -- to avoid the situation that has plagued a lot of towns in America, where there are empty Big Box stores. Mr. Bass noted that some of the ordinances examined did have a plan requiring a reuse plan if adopted. He also noted that a lot of the impetus was due to the finances of Big Box operations because they could depreciate the value of even an empty building over many years. Mayor Voller noted that the Big Box operators could get their money back even with an empty store. The problem is that if you have a town that has big empty storefronts and we do not want to get in that direction. Mr. Bass recommended focusing on reuse aspects.

Mayor Voller noted there were also some concerns about design issues given the situation with Lowes. Attorney Messick noted that on the other hand a store like Lowes

is only going to be interested in a location where they are visible. There is a tension between what a business owner wants to do and the community might want. There is a limit on how much a government can influence commerce. Businesses have a right to conduct business in the manner which you think is appropriate. Mayor Voller agreed with Mr. Messick.

Mayor Voller noted that Commissioner Fiocco had written a paper on this topic. Commissioner Fiocco was critiquing the ordinance that was proposed. He noted that the Forsyth County ordinance brought up some good points with the idea of restrictive covenants and how leases could be written such that the lease owner does not get stuck with a lease holder who bails and then cannot lease the property again. He thought that it was an interesting approach similar to a bonding kind of situation that would not require demolishing building but at least let the owner operate the store or building in another way. There was also discussion about maintenance issues and having to pay for police protection.

Mayor Voller noted Mr. Hoyle was present and noted that he had looked at original ordinances that came back to the Board in 2009 that Mr. Monroe had worked on. Mr. Hoyle noted we do want these businesses but we need them to work within some rules.

Commissioner Foley questioned whether the focus would need to be design standards or a Big Box ordinance. Mayor Voller referred to Mr. Messick's earlier comments. Attorney Messick noted that the degree of protection would be subjective and he did not know a definitive answer. There was general discussion about a large Big Box store versus a smaller merchant's store. Mayor Voller asked what if the people wanted smaller upscale stores run locally versus large retailers from out of town. Commissioner Foley noted it is more difficult to find a tenant for a larger building than a smaller one. Attorney Messick noted that with a design component the store could be retrofitted by virtue of the way it has been constructed but is the owner's choice to let it sit there or not sit there and just because it can be retrofitted does not mean it will be done.

Mayor Voller asked where to draw the line of letting a Big Box come into town, make lots of money from our citizens, shut the store down, and then leave the store empty forever. Attorney Messick noted you would want to weigh any restrictions against the economic benefit of having these big stores in town. Commissioner Foley agreed a balance must be found. Attorney Messick noted that the town staff would work to implement the Board's wishes but needed some guidance on how to proceed. Commissioner Fiocco noted the importance of having an ordinance to address large-scale development. Attorney Messick noted that if the Board liked the initial draft presented by Mr. Bass, then the staff could take any comments and modify the document as needed. The Board tasked Mr. Bass with working from the draft and incorporate comments and to return to present the proposal to the Board in approximately 1 month.

**DISPOSITION OF SURPLUS PROPERTY AND POLICE DEPARTMENT
BUDGET AMENDMENT ORDINANCE**

Mayor Voller recognized Mr. Terry to speak about a resolution authorizing disposition of surplus property and the Police Department Budget Amendment ordinance. Manager Terry noted that the Board had agreed to sale the Ford Mustang and use part of the proceeds to purchase a replacement vehicle that would be a plain patrol car. He presented the resolution that declares the Mustang surplus property and authorizes the manager to sell that car. He then presented two ordinances concerning the Police Department budget. Ordinance A would amend the Police Department budget by adding \$23,000, which would allow the Police Department to use the North Carolina State Contract to purchase a Ford Interceptor and use the equipment in Mustang. Ordinance B would amend the Police Department budget by only \$17,000 with purchase of used car. He recommended ordinance A because the Police Department would get a better vehicle and the vehicle would last longer.

Mayor Voller asked for the Board’s discussion. Commissioner Farrell asked what the plan for the surplus Mustang would be. Manager Terry noted that the money would go back into the general fund. He also noted that the sale would offset the revenue and so not spending the entire \$23,000. Commissioner Fiocco inquired about the value of the Mustang. Manager Terry noted it was worth \$11,000. Commissioner Foley asked how much it would cost to switch the equipment. Chief Collins noted that he could not specifically say but costs incurred would be for 5 - 6 hours of labor. Chief Collins noted that all the equipment in the Mustang was purchased new.

Motion made by Commissioner Fiocco made a motion to adopt Ordinance A. Commissioner Foley seconded the motion.

Vote Aye-3 Baldwin/Foley/Fiocco Nay-2 Farrell/Turner

Ordinance reads as follows:

ORDINANCE AMENDING THE
TOWN OF PITTSBORO
2012-2013 OPERATING BUDGET

Be it ordained by the Board of Commissioners of the Town of Pittsboro in regular session assembled on the 10th day of September, 2012.

To add funds to the Police Department Budget for Purchase of a Vehicle

Section 1. That the following **GENERAL FUND REVENUE** be increased by the amount indicated:

103990000	Fund Balance Appropriated	\$23,000.00
TOTAL		\$23,000.00

Section 2. That the following **POLICE DEPARTMENT EXPENDITURE** be increased by the amount indicated:

105100740	Capital Outlay - Equipment	\$23,000.00
TOTAL		\$23,000.00

AN ORDINANCE AMENDING THE FY 2012-2013 OPERATING BUDGET IS RECORDED IN THE BOOK OF ORDINANCES NUMBER ONE, PAGE 47

Manager Terry also requested the Board pass the resolution to surplus the Ford Mustang. Commissioner Fiocco made a motion to surplus the Ford Mustang. Commissioner Farrell seconded the motion.

Vote Aye-5 Nay-0

Resolution reads as follows:

A RESOLUTION DECLARING ONE (1) ITEM OF PERSONAL PROPERTY TO BE SURPLUS PROPERTY, AND AUTHORIZING AND DIRECTING THE DISPOSAL OF SAID PROPERTY IN ACCORDANCE WITH STATUTORY REQUIREMENTS

WHEREAS, Article 23 of N. C. General Statutes and Chapter 2, Article III of the Town Code of Ordinances authorizes the Town Manager to dispose of surplus property; and

WHEREAS, the Town desires to dispose of certain items of personal property;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Town of Pittsboro that the following items of personal property are hereby declared surplus:

<u>YEAR</u>	<u>MAKE AND MODEL</u>
2007	Ford Mustang, VIN # 1ZVHT82H875365306

BE IT FURTHER RESOLVED that the Town Manager shall be and is hereby authorized to dispose of this surplus personal property in accordance with statutory requirements.

BE IT FURTHER RESOLVED that prior to public auction, the Town Manager is authorized to dispose of any of personal property by sale, lease, exchange, sealed bid, or transfer to other government unit in conformity with N. C. General Statute 160A-274.

BE IT FURTHER RESOLVED that the terms of the sale shall be to the highest bidder for cash, or other forms of cash equivalents acceptable to the Town Manager. All sales shall be designated final on the day of the auction.

BE IT FURTHER RESOLVED that all items shall be sold on an “as is” and “where is” basis and the Town makes no guarantee or assumes no responsibility for any of the items.

A RESOLUTION DECLARING ONE (1) ITEM OF PERSONAL PROPERTY TO BE SURPLUS PROPERTY, AND AUTHORIZING AND DIRECTING THE DISPOSAL OF SAID PROPERTY IN ACCORDANCE WITH STATUTORY REQUIREMENTS IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGE 104

MANAGER'S RECOMMENDATION OF UTILITY RATE INCREASES

Manager Terry submitted the following information regarding the utility rate increases:

EMORANDUM

TO: Mayor and Board of Commissioners
FROM: William G. Terry, Town Manager
SUBJECT: Manager's Recommendation for Utility Rate Increases
DATE: September 10, 2012

The attached budget ordinances would adjust water and sewer rates to partially compensate for lost revenues associated with the closing of the Townsends Chicken Processing Plant and to reduce the contribution from the Enterprise Fund balance necessary to cover debt service on four loans executed by the Town since 2009.

BACKGROUND

On June 25, 2012, the Board of Commissioners adopted the fiscal year 2012-2013 budget which included a water and sewer rate schedule that was unchanged from the previous two years. At that time, the Board directed the Town Manager to bring back the issue of water and sewer rates in the fall of 2012. Exhibit (A) is the Managers' recommendation for a water and sewer rate increase to become effective for the October 2012 billing cycle. If this rate schedule had been adopted for entire fiscal year, we would have expected a revenue increase of \$237,000. Adopting these rates for the October billing cycle would generate additional revenues in the amount of \$178,000; \$98,000 from water and \$80,000 from sewer.

DISCUSSION

If the Board approves the recommended rate increases, we would amend the fiscal year 2012-2013 by 1) increasing projected water revenues by \$98,000, 2) increasing projected sewer revenues by \$80,000 and 3) decreasing the revenues from the Enterprise Fund balance by \$178,000 from \$478,460 to \$300,460.

In fiscal year 2011-2012, even before the announcement of the closing of the Townsends Chicken Plant, the Manager recommended a significant water and sewer rate increase to cover the debt service costs for the Wastewater Treatment Plant Improvement Project (\$60,805 per year) and the loan for the Credle Street 3 & 4 Project (\$53,051 per year). Since that time we have incurred two additional debts related to the Hillsboro Street Transmission line project: \$48,000 per year debt for a USDA REDLG loan and about \$50,000 per year for an installment loan. The Town's debt service obligations are show on Exhibit (B).

The proposed increase also included funds in anticipation of adding a Town Engineer to the staff and the expectation that we would begin work on the design of the 3.2 MGD Wastewater Treatment Plant in FY 2011-12. The proposed utility rate increase was not adopted in fiscal year 2011-2012; therefore, current rates remain at the levels established in fiscal year 2010-2011.

The utility rate increases recommended for fiscal year 2012-13 are substantially the same as those recommended, but not adopted, in fiscal year 2011-2012. The goal is to increase Enterprise Fund revenues by about \$237,000 per year by 1) increasing the monthly basic service charge by \$6.00 per month for in-town customers and \$12.00 per month for out-of-town customers and 2) adding a 3% increase for tier one (2,000 gallons or less), a 6% increase for tier two (2001 to 6,000 gallons) and a 9% increase for tier three (more than 6,000 gallons). The new rate structure would be as follows:

Proposed Water and Wastewater Rate Schedule

	Water		Wastewater	
	Inside	Outside	Inside	Outside
Basic Service Charge (Flat monthly fee for meter reading, billing and accounts management)				
Meters ≤ 1 inch	\$ 13.00	\$26.00	\$ 14.00	\$ 28.00
Meters > 1 inch	\$ 24.00	\$48.00	\$ 26.00	\$ 52.00
Plus a monthly usage fee per 1,000 gallons				
0 to 2,000 gallons	\$ 4.50	\$ 9.00	\$ 6.75	\$13.50
2,001 to 6,000 gallons	\$ 5.15	\$ 10.30	\$ 7.98	\$15.96
> 6,000 gallons	\$ 6.00	\$ 12.00	\$ 9.34	\$18.68

The graph at Exhibit (C) show the annual impact of the proposed utility rate increase on a range of water uses including 2,000 gallons per month, 5,000 gallons per month and 10,000 gallons per month. The graph is based on the following table:

2011 Rates	\$514	\$960	\$1,804
2012 Rates	\$594	\$1,067	\$1,987
Amount of Increase	\$80	\$107	\$183
Water Usage	2,000 gal/mo	5,000 gal/mo	10,000 gal/mo
Percent Increase	15.5%	11.1%	10.2%

The following are examples of potential impacts on individual home owners:

Sample Case # 1. A small family using only 2,000 gallons of water per month would experience \$80 increase in their annual utility bills or about \$6.67 per month.

Sample Case # 2. A medium sized family (4-5) using 5,000 gallons of water per month would experience a \$107 increase in their annual utility bills or about \$8.92 per month.

Sample Case # 3. A medium sized family (4-5) using 10,000 gallons of water per month would experience a \$183 increase in their annual utility bills or about \$15.25 per month.

The samples above are not meant to be all-inclusive; rather, they provide some perspective on the range of possible impacts on individual families. We do have some customers with large families in small homes and we have some customers in large homes living alone. While every family situation is unique, the examples above should show an illustrative range of potential impacts of the proposed utility rate increases.

RECOMMENDATION

That the Board of Commissioners enacts the attached ordinances amending the fiscal year 2012-2013 budget.

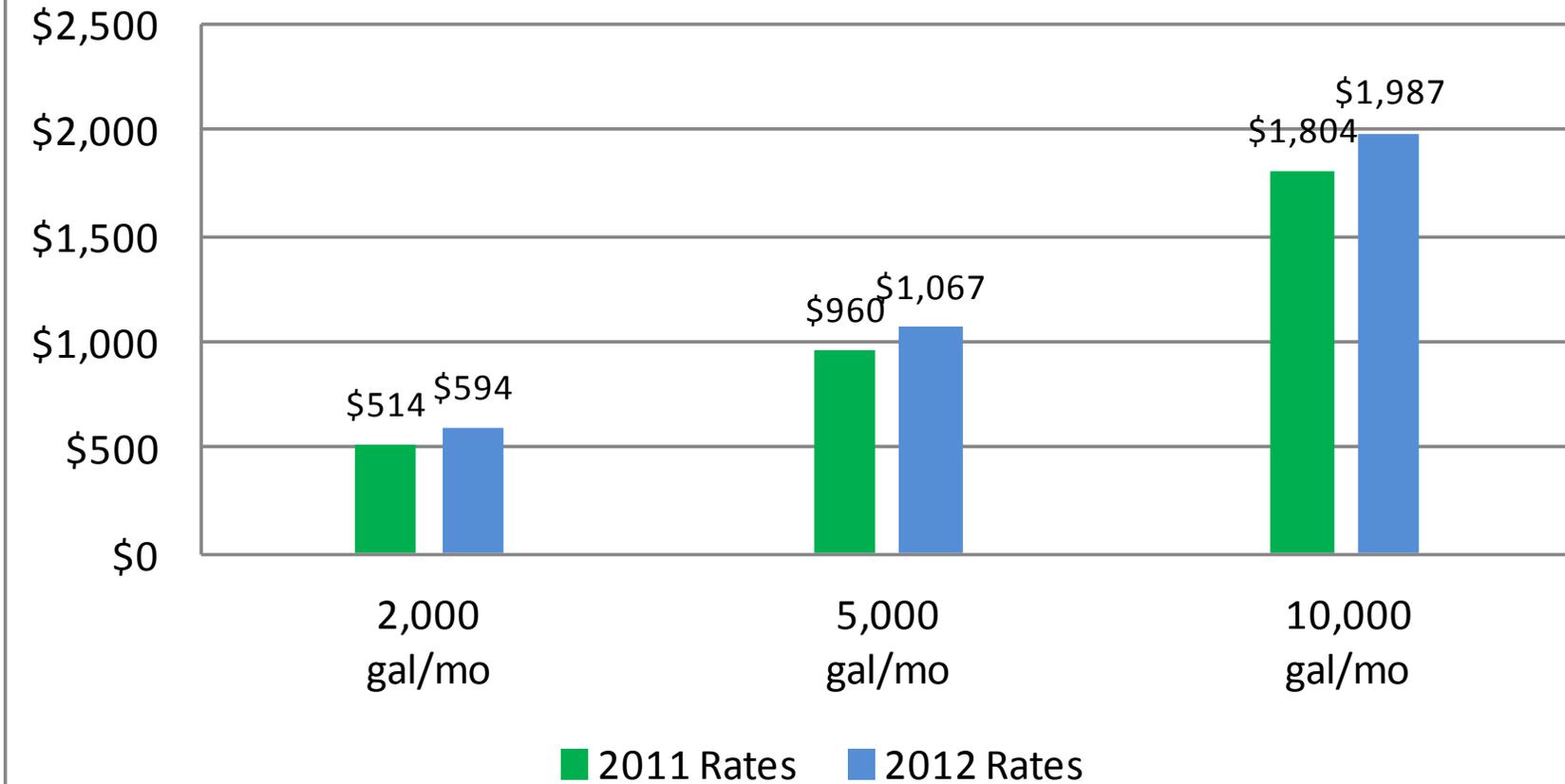
Proposed Increase	\$3.00		\$6.00		\$3.00		\$6.00				
Proposed Increase	\$6.00		\$12.00		\$6.00		\$12.00				
	Water - Inside		Water - Outside		Sewer - Inside		Sewer - Outside				
Basic Service Charge (Flat monthly fee for meter reading, billing and accounts management)											
Meters ≤ 1 inch	\$13.00	\$10.00	\$26.00	\$20.00	\$14.00	\$11.00	\$28.00	\$22.00			
Meters > 1 inch	\$24.00	\$18.00	\$48.00	\$36.00	\$26.00	\$20.00	\$52.00	\$40.00			
Plus a monthly usage fee per 1000 gallons											
	(New)	(Old)	(New)	(Old)	(New)	(Old)	(New)	(Old)			
0 to 2,000 gallons	\$4.50	\$4.37	\$9.00	\$8.74	\$6.75	\$6.55	\$13.50	\$13.10			
2,001 to 6,000 gallons	\$5.15	\$4.86	\$10.30	\$9.72	\$7.98	\$7.52	\$15.95	\$15.05			
> 6,000 gallons	\$6.00	\$5.50	\$11.99	\$11.00	\$9.34	\$8.57	\$18.69	\$17.14			
								3% increase			
								6% increase			
								9% increase			
Number of Customers	Number of Water Customers	Number of Sewer Customers	Average Water Usage	Average Sewer Usage	Monthly Water Revenue	Monthly Sewer Revenue	Total Expected Monthly Revenue	Average Monthly Water Increase	Average Monthly Sewer Increase	Average Monthly Total Increase	Total Expected Annual Revenue
1" Inside - Band A	423	395	776	772	\$6,976	\$7,587	\$14,563	\$3.10	\$3.15	\$6.25	\$174,755
1" Outside - Band A	51	3	821	283	\$1,703	\$95	\$1,798	\$6.22	\$6.11	\$12.33	\$21,580
>1 " Inside - Band A	4	2	1,014	991	\$114	\$65	\$180	\$6.13	\$6.19	\$12.33	\$2,155
>1" Outside - Band A	0	0	0	0	\$0	\$0	\$0				\$0
1" Inside - Band B	864	797	2,586	2,549	\$21,611	\$25,404	\$47,015	\$3.43	\$3.64	\$7.07	\$564,175
1" Outside - Band B	105	17	2,535	2,266	\$5,199	\$1,007	\$6,206	\$6.84	\$7.03	\$13.86	\$74,470
>1 " Inside - Band B	3	1	2,717	2,690	\$110	\$45	\$155	\$6.47	\$6.70	\$13.18	\$1,861
>1" Outside - Band B	0	0	0	0	\$0	\$0	\$0				\$0
1" Inside - Band C	241	230	12,223	12,178	\$19,255	\$26,938	\$46,193	\$7.51	\$9.96	\$17.47	\$554,314
1" Outside - Band C	8	1	5,195	3,363	\$604	\$70	\$674	\$8.06	\$6.33	\$14.39	\$8,087
>1 " Inside - Band C	33	30	84,844	84,252	\$17,367	\$24,077	\$41,444	\$46.46	\$68.57	\$115.03	\$497,327
>1" Outside - Band C	1	1	143,598	139,268	\$1,757	\$2,633	\$4,390	\$151.08	\$222.03	\$373.11	\$52,684
TOWNSEND INC.	0	0	0	0	\$0	\$0	\$0				\$0
Chapel Ridge	1	0	1,958,000	0	\$23,512	\$0	\$23,512	\$1,947.34		\$1,947.34	\$282,140
	1,734	1,477	2,214,308	248,612	\$98,207	\$87,922	\$186,129				\$2,233,549

	Water/Sewer Revenue Estimates			
	FY 2011-12	FY 2012-13	Annual Increase	9-months Increase
Water	\$1,048,142	\$1,178,486	\$130,344	\$97,758
Sewer	\$948,491	\$1,055,063	\$106,572	\$79,929
Total	\$1,996,633	\$2,233,549	\$236,916	\$177,687

Exhibit (B)

	1994 Water / Sewer Bonds			2004 Water / Sewer Refunding			2009 Stimulus Award - WWTP		Credle Street Phase 3 & 4			USDA REDLG Loan from CEMC		Hillsboro Street Transmission Line Replacement - BB&T			Total Annual
	Principal Balance	Principal Payment	Interest Payment	Principal Balance	Principal Payment	Interest Payment	Principal Balance	Principal Payment	Principal Balance	Principal Payment	Interest Payment	Principal Balance	Principal Payment	Principal Balance	Principal Payment	Interest Payment	
FY 2011	\$422,500	\$10,000	\$22,181	\$1,140,000	\$185,000	\$52,815	\$1,216,100	\$60,805	\$248,000	\$23,438	\$3,088						\$357,327
FY 2012	\$412,500	\$11,000	\$21,656	\$955,000	\$190,000	\$44,675	\$1,155,295	\$60,805	\$224,562	\$47,754	\$5,297	\$240,000	\$24,000				\$405,187
FY 2013	\$401,500	\$11,000	\$21,079	\$765,000	\$195,000	\$36,125	\$1,094,490	\$60,805	\$176,808	\$48,951	\$4,100	\$216,000	\$48,000	\$249,000	\$48,325	\$3,863	\$477,248
FY 2014	\$390,500	\$12,000	\$20,501	\$570,000	\$205,000	\$27,155	\$1,033,685	\$60,805	\$127,857	\$50,177	\$2,874	\$168,000	\$48,000	\$200,675	\$48,851	\$3,337	\$426,512
FY 2015	\$378,500	\$12,500	\$19,871	\$365,000	\$210,000	\$17,520	\$972,880	\$60,805	\$77,680	\$51,435	\$1,617	\$120,000	\$48,000	\$151,824	\$49,719	\$2,469	\$421,748
FY 2016	\$366,000	\$13,000	\$19,215	\$155,000	\$155,000	\$7,440	\$912,075	\$60,805	\$26,248	\$26,248	\$278	\$72,000	\$48,000	\$102,105	\$50,603	\$1,585	\$329,986
FY 2017	\$353,000	\$14,000	\$18,533	-			\$851,270	\$60,805	-			\$24,000	\$24,000	\$51,503	\$51,503	\$685	\$117,338
FY 2018	\$339,000	\$15,000	\$17,798				\$790,465	\$60,805									\$93,603
FY 2019	\$324,000	\$15,000	\$17,010				\$729,660	\$60,805									\$92,815
FY 2020	\$309,000	\$16,000	\$16,223				\$668,855	\$60,805									\$93,028
FY 2021	\$293,000	\$17,000	\$15,383				\$608,050	\$60,805									\$93,188
FY 2022	\$276,000	\$18,000	\$14,490				\$547,245	\$60,805									\$93,295
FY 2023	\$258,000	\$19,000	\$13,545				\$486,440	\$60,805									\$93,350
FY 2024	\$239,000	\$20,000	\$12,548				\$425,635	\$60,805									\$93,353
FY 2025	\$219,000	\$21,000	\$11,498				\$364,830	\$60,805									\$93,303
FY 2026	\$198,000	\$22,000	\$10,395				\$304,025	\$60,805									\$93,200
FY 2027	\$176,000	\$22,000	\$9,240				\$243,220	\$60,805									\$92,045
FY 2028	\$154,000	\$22,000	\$8,085				\$182,415	\$60,805									\$90,890
FY 2029	\$132,000	\$22,000	\$6,930				\$121,610	\$60,805									\$89,735
FY 2030	\$110,000	\$22,000	\$5,775				\$60,805	\$60,805									\$88,580
FY 2031	\$88,000	\$22,000	\$4,620				-										\$26,620
FY 2032	\$66,000	\$22,000	\$3,465														\$25,465
FY 2033	\$44,000	\$22,000	\$2,310														\$24,310
FY 2034	\$22,000	\$22,000	\$1,155														\$23,155

Annual Impact of Utility Rate Increase



Mayor Voller asked Manager Terry to provide his recommendation for utility rate increase. Mr Terry noted that basically a resubmission of the same water and sewer rates that were submitted with the original recommended budget in May and June. Changing the rates with an effective date of July 1, 2012 would estimate increase revenues by \$237,000 and if changes made effective October 1, 2012 then revenue increase of about \$178,000. He presented two resolutions: one to change the rates and a second that amends the budget to reflect the additional water revenues in an amount of \$98,000, as well as the additional sewer revenues in the amount of \$80,000 and recognizing a decrease in the contribution from the fund balance to balance the budget in the amount of \$178,000. He noted that the revenue from water and sewer had decreased significantly due to the closure of the chicken plant in 2009 and that the town was serving additional debt due to various projects. He noted that small user using about 2,000 gallons per month with an \$80 increase per year or about \$6.67 per month. Larger family using about 5,000 would expect to pay about \$107 more per year or about \$8.92 per month. Larger homes with irrigation systems using 10,000 or more gallons per month would an annual increase of \$183 or about \$15.25 per month. Manager Terry asked if there were any questions.

Mayor Voller asked Ms. Cartrette for an update on the audit process. Ms. Cartrette noted that the audit was still in process. Mayor Voller noted that the graphic presentation showed that revenues had increased. Manager Terry explained that the appearance reflected in the graphs were based on straight line use and not actual use; therefore, the graph appeared to show more revenue.

Mayor Voller questioned how many users we have. Manager Terry will request that information from Ms. Stinson. Mayor Voller noted the importance of getting more users to help offset the revenue loss from 2009. Manager Terry noted that the rate increase would put Pittsboro in the top 1/4 in terms of the League of Municipalities for water and sewer rates.

Commissioner Farrell stated he had no questions but did want to make a comment about increasing the rate. He wanted to voice his objection to increasing rates on tax payers especially when the Board just voted to buy a new police vehicle. Mayor Voller noted that Commissioner Farrell had made similar comments during the budget session and his comments were noted. Mayor Voller noted that the rates had not been raised in a couple of years. He also noted that the debt burden had helped to finance many projects that had been delayed by past Boards. He also noted that the town could not continue with a deficit in revenues and expect to obtain debt funding for future projects. Mayor Voller also noted that the police vehicle and the rate increase related to two separate budget items.

Mayor Voller recognized Commissioner Fiocco. Commissioner Fiocco noted that at the time of the budget session he advocated raising these rates because the revenues were not present and certain infrastructure upgrades had to be made. So he was supportive of raising the water and sewer rates and not doing so much on the ad valorem tax side. At the time he was trying to get us to raise the water and sewer rates because the fund is not carrying its weight and we are making big investments in it and we need to make those investments. So he was supportive of raising the rates and not doing so much on the ad valorem tax side. Where we are now is we are looking at a \$478,000 fund balance transfer. This action tonight would reduce that by \$178,000. He will go back to the way we made our budget and go back to the \$141,000 or \$142,000 that is in our budget as an expenditure without an income related item or revenue related item that we will never spend. And it has to do with the Hillsboro Transmission Line. That is money we are not going to spend we are not

going to take it out of FB it is not going to happen. Because if the project spends the money, then the county has stepped up and they are going to pay. If we go over that amount then we are into our own pocket book. We also got another 100K from the state for that project so by my math if we reduce if we take this increase and reduce our fund balance transfer by 178K then we have another 140K there we got another \$100,000 from the state we are down to a fund balance transfer of about \$50,000. Commissioner Turner you are looking for ways to minimize this increase right now and he thinks one way to do that is to make this go into effect on Jan 1, 2013^t and that would reduce that \$178,000 by half or by a 1/3. And that would save some money for our users and our citizens. He does believe we need to make the enterprise fund carry its weight. We cannot get it from taxes and the infrastructure improvements we are doing in Pittsboro are very expensive and because they are projects we need to undertake.

Commissioner Fiocco made a motion to adopt the rate increases effective January 1, 2013. Commissioner Baldwin seconded the motion.

Commissioner Baldwin indicated that the auditors had told the Board that the current spending could not continue and the town would need to find ways to offset the loss in revenues. She also noted that the improvements the Board had agreed to pay for were necessary and the town could not delay these improvements any longer or a more costly outcome was likely.

Mayor Voller noted that waiting until January 1, 2013, would get citizens through the more water heavy use summer months. Manager Terry noted that the Enterprise Fund had taken a hit of \$230,000 per year with the closure of the chicken plant in 2009. Mayor Voller noted that the Board delayed this decision in previous years.

Commissioner Baldwin asked Manager Terry to discuss the repercussions of not raising the water and sewer rates. Manager Terry noted that the Board would have to continue on pulling large amounts from the Fund Balance, which is not a sustainable plan. Ms. Cartrette noted that approximately \$478,000 from the Fund Balance was used to balance the Enterprise Fund. Manager Terry reiterated that without the increase there would be continued dependence on the Fund Balance.

Mayor Voller asked Manager Terry to confirm that with the current debt burden and lack of revenues that the town would not be able to received further debt funding. Manager Terry agreed. Mayor Voller noted that this was an issue of economic development because the town would need to continue to make improvements to attract business and the improvements would require debt financing.

Vote Aye-4 Baldwin/Foley/Fiocco/Turner Nay-1 Farrell

Manager Terry noted that this vote was for the first ordinance. Manager Terry noted that Ms. Cartrette would change the budget and bring that ordinance back to the Board at the next meeting, as well as the second ordinance presented.

The Ordinance reads as follows:

ORDINANCE AMENDING THE
TOWN OF PITTSBORO

2012-2013 OPERATING BUDGET

Be It Ordained by the Board of Commissioners of the Town of Pittsboro in regular session assembled on the 10th day of September, 2012.

That the 2012-2013 Enterprise Fund budget is amended to adopt the adjusted rate schedule below:

Section VII. Enterprise Fees and Rates (Effective January 1, 2013)

A. Water and Wastewater Rate Schedule

	Water		Wastewater	
	Inside	Outside	Inside	Outside
Basic Service Charge (Flat monthly fee for meter reading, billing and accounts management)				
Meters ≤ 1 inch	\$ 13.00	\$26.00	\$ 14.00	\$ 28.00
Meters > 1 inch	\$ 24.00	\$48.00	\$ 26.00	\$ 52.00
Plus a monthly usage fee per 1,000 gallons				
0 to 2,000 gallons	\$ 4.50	\$ 9.00	\$ 6.75	\$13.50
2,001 to 6,000 gallons	\$ 5.15	\$ 10.30	\$ 7.98	\$15.96
> 6,000 gallons	\$ 6.00	\$ 12.00	\$ 9.34	\$18.68

AN ORDINANCE AMENDING THE 2012-2013 OPERATING BUDGET IS RECORDED IN THE BOOK OF ORDINANCES NUMBER ONE, PAGE 48

TOWN OF PITTSBORO LAND USE PLAN (STUART BASS, PLANNING DIRECTOR)

Mayor Voller recognized Mr. Bass to present the Town of Pittsboro Land Use Plan. Mr. Bass introduced Mr. Matthew Day, a planner with the Triangle Council of Governments, of which the Town of Pittsboro is a member. Mr. Bass gave a presentation noting that in North Carolina there is not one single comprehensive set of rules and regulations that give town authority to plan. However, article 19 Chapter 160-A383 states in part zoning regulations shall be made in accordance with a comprehensive plan. Another general statute requires a land development plan as a prerequisite for adopting a comprehensive transportation plan and requires that municipalities develop these in conjunction with the NCDOT. Land use plans typically seek to integrate land use, environmental protection, infrastructure planning, transportation planning, and other issues in some fashion. House Bill 515 passed by General Assembly in 1997 states that local government units are encouraged to adopt comprehensive land use plans. The types of documents developed vary from jurisdiction to jurisdiction. All in all, there has been a clear signal from the General Assembly that land use planning is an important area. These plans are developed through a public process that can determine public policy. These plans lead to initial

implementation actions and next steps, communicate these ideas, and serves as a reference resource. Mr. Bass provided some history of the planning process for the current Land Use Plan.

Mr. Day presented an introduction to the plan, which reads:

“Just like a plan for building a house, a Land Use Plan only sets the framework for a lot of the hard work that follows. The plan does not establish the standards for development, finance the infrastructure to support development, or provide the detailed designs for new community facilities. But a good plan does provide the common focus for these and other place making activities. It should clearly articulate the kinds of development standards the town wants to pursue through changes in its development ordinances. It should define the nature and scope of the infrastructure to be addressed through the town’s capital improvement program. It should provide a firm foundation for more detailed functional plans for things such as parks, greenways, roads, and schools. And just like in building a house as the detailed work proceeds, changing conditions or unanticipated problems may lead the town to want to make changes to the Land Use Plan through a deliberative process that engages the public.”

Mr. Day highlighted some of the history of the process. He also identified some of the main facts of interest in the document: transportation, water, wastewater, downtown, building form, parks and greenways, community facilities. Each section discusses each item and provides possible action items. The document also includes references and other materials.

Mayor Voller asked if there were any questions or comments. Commissioner Fiocco noted he had some general big picture comments and other detail-oriented comments but recommended waiting until hearing from the Planning Board before proceeding with commentary.

Mr. Bob McConnaughey submitted the following information for the record:

Bob McConnaughey: I've lived at 129 N Small St since August 1985.

I initially became involved with the process of developing a new LUP for Pittsboro when Gene Brooks asked me to serve on the committee that worked with the Triangle J consultant half a decade ago. I ended up, on the town planning board as the in-town alternate this year. I had misgivings about joining, in part because of what I thought were sometimes personal and rather vitriolic attacks by some of the board members, on planning board staff, and in part because I often don't get back from work in RTP till well after 8:pm making it hard to both get fresh bread at the Marketplace and to make board meetings.

While the initial process, led by Paul Black, was unwieldy, some valuable information WAS obtained, primarily, I thought, from the community meetings where residents were able to present their opinions/preferences on what Pittsboro might become. The material was both massive and not well organized, and the original attempt to create a LUP based on this process was justifiably criticized as difficult, if not impossible to understand or profitably use.

In mid-plan, as it were, Pittsboro had to change town planners when Stuart Bass came on board.

Phillip Culpepper, planner and lobbyist on behalf of Preston Properties provided a "model" LUP to the planning board in the fall of 2010; a few months later the planning board presented a tentative plan, 70% of which, was taken verbatim from the Culpepper plan. This is understandable, in part, because the Culpepper plan at least provided something concrete for the planning board to work from. However the Culpepper plan was also mostly boilerplate and lacked specifics; in addition to being written by a person with vested, however justifiable, interest in the outcome.

Both the planning board and Stuart Bass and staff went back to the drawing board. Again, the next plan, although a lot of good material was included, lacked coherence. Some criticisms/suggestions were made at a sparsely attended public meeting last winter and Mr. Bass and Paul Horne took the suggestions seriously and came up with a new plan that was discussed, with general approval, from 4 of the attendees, during the August planning board meeting, which can be read in the August minutes. I was NOT at the Sept. meeting, but evidently the all purpose critique of the plan being loaded w/ "fluff," whatever that means in this context, was bandied about. I would think any LUP would necessarily both have to describe what Pittsboro has been, what it is now and some the various conceivable options for what it might become*. Firstly, no plan is going to be perfect; secondly, no plan can predict the future; and as Capt. Barbossa mentioned in Pirates of the Caribbean, "thirdly, the code is more what you'd call "guidelines" than actual rules. Welcome aboard the Black Pearl, Miss Turner . . ."

*If there are specific pieces of information in the LUP that people believe shouldn't be in the plan proper, but still are likely to be of interest to members of the public, that's what appendices are for.

PLANNING BOARD COMMENTS AND RECOMMENDATION ON THE DRAFT LAND USE PLAN (KENNETH HOYLE, CHAIRMAN)

Mayor Voller recognized Mr. Hoyle for Planning Board comments and recommendation on the draft Land Use Plan. Mr. Hoyle noted that the Planning Board was not ready to comment because Mr. Terry and Mr. Bass had not provided Mr. Bass's presentation to the Planning Board. Mr. Clifford and Mr. Bland, two other members of the Planning Board, concurred with Mr. Hoyle's sentiments. Mr. Hoyle stated he had a document that summed up the Planning Board's views of the proposed Land Use Plan but noted that the Board did not receive the document. Commissioner Foley pointed out that the Board had requested the presentation from Mr. Bass. Mayor Voller noted that the Planning Board would like to comment on the final Land Use Plan and he understood that. Manager Terry noted that the Planning Board for the last 5 years has done nothing but delay, derail, and obstruct progress on the Land Use Plan. Mr. Hoyle reiterated that the Planning Board has been left out of the loop. Mayor Voller noted how close to finishing this process the entire group was and that it had taken many years with much effort. He asked if the presentation could be made at the next Planning Board meeting. Commissioner Fiocco asked Mr. Hoyle if the Planning Board's recommendation would be affected by the presentation. Mr. Hoyle said he did not know. Commissioner Foley again noted that the Board had asked for this presentation by Mr. Bass.

Manager Terry noted the plan might not characterize an outstanding or perfect plan but is a plan resulting from almost 7 years of work by two different consultants from the TJCOG and two

different planning directors. He noted difficulty working with Mr. Hoyle during this process. Mr. Shaffer, vice chair of the Planning Board, did a very thorough job of reviewing the plan and providing some notes to Mr. Bass and those were incorporated. Manager Terry recommended that while not a perfect plan or even an outstanding plan, the plan before the Board was an excellent plan. He recommended that the Board approve the plan and revisit it annually after the Planning Director collected comments from the public at-large with the Planning Board's involvement as they chose to participate.

Commissioner Farrell noted that he thought all participants had done a great job. He expressed that he would like to see everyone move forward and adopt the Land Use Plan. He offered a motion to adopt the Land Use Plan. Commissioner Foley provided a second. Mayor Voller asked for discussion. Commissioner Baldwin noted that the Planning Board would like to take a further look and that Commissioner Fiocco has several things on which to comment. She asked if a few more weeks would really affect the outcome of the process. Mayor Voller asked Attorney Messick if they could amend the plan at a later date and Attorney Messick replied that they could do that but not sure it was worth the effort.

Commissioner Foley noted this was her first Land Use Plan but she had heard comments about how long this had taken. She noted that the Land Use Plan served as a plan for the future and creating a vision for Pittsboro. She expressed an interest in forgetting past conflicts and moving forward. Mayor Voller concurred.

Commissioner Turner asked if Commissioner Fiocco's comments would be revisions or would it materially affect the document. Commissioner Fiocco noted that his changes had to do with the document materially. Commissioner Baldwin expressed a desire to move forward with the Land Use Plan. Commissioner Fiocco stated he would want to hear Planning Board's recommendations. Paul Horne said the Planning Board and everyone has had this document for 90 days, and they have had the final document for 7 weeks. He just wanted to put that on the record. There has also been opportunity for public comment. Commissioner Baldwin said she can assure you that it will not be an indefinite time it is time to adopt the Land Use Plan. Commissioner Turner noted that working on the Land Use Plan and its approval was part of the Boards retreat.

Commissioner Fiocco provided comments about the Land Use Plan draft throughout the document, some specific changes and other more general changes. Manager Terry suggested that Commissioner Fiocco meet with Mr. Bass and other staff members to work on his revisions within the Land Use Plan. Commissioner Foley noted that there should be some mention of the arts and historical preservation. Mayor Voller commented on the conception of parks and greenways, as well as on public safety aspirational goals. Commissioner Farrell made comments regarding conservation and make buildings more cost-effective. Mayor Voller noted the importance of the document as a tool to assist in economic development.

Manager Terry suggested that commissioners provide their copies with notes in the margins and the staff could work on making the editorial changes. Then Mr. Bass and staff could address connectivity between the goals, objectives, and action items and present another version to the Board for approval at a later date. Commissioner Baldwin expressed Mr. Terry's idea was a

good working solution. Commissioner Fiocco agreed to work with Mr. Bass and staff on larger issues within the draft Land Use Plan. Commissioner Baldwin also noted that this would provide time for the Planning Board to meet and provide comments. Mayor Voller confirmed that the Planning Board would have enough time and Mr. Hoyle stated the Planning Board would be ready with its recommendations at the next Board meeting.

Commissioner Farrell asked that his motion be withdrawn. There were no objections. Manager Terry asked for recommendations about a timeline. The Commissioners agreed to provide their comments and editorial changes by Monday, September 17, 2012. Commissioner Fiocco will meet with Mr. Bass to address his revisions to the draft Land Use Plan.

Commissioner Fiocco made a motion to adopt the presented timeline. Commissioner Baldwin asked if a specific date needed to be in the motion to reconsider the draft Land Use Plan. Commissioner Fiocco made a motion to amend his original motion to reflect a date of October 8, 2012. Commissioner Baldwin seconded the motion.

Vote Aye-5 Nay-0

NEW BUSINESS

WASTEWATER ALLOCATION REQUEST FOR PITTSBORO PACE ADULT CARE CENTER

Mayor Voller asked Mr. Bass to speak regarding the wastewater allocation request for the Pittsboro PACE Adult Care Center. Mr. Bass noted the allocation request was based upon the adopted policy of December 2011, where system to allocate was setup for the remaining sewer or waste water capacity of the town. To date, this is the third request and is for a proposed adult services daycare requesting 2300 gallons per day. Mr. Bass noted it falls within the guidelines that were established within the policy and the amount is also within the allocation for the calendar year.

Commissioner Fiocco asked if this is a reduction in flow request from the 2T rules. Mr. Bass called on Mr. Fleming from Fleming Engineering in Greensboro, NC. Commissioner Fiocco stated the reason he brings that up is our fee structure says that it will be based on the 2T rules. Mr. Fleming noted that state 2T rules set aside a couple of design criteria or design criteria for usage based on occupancy, and in this particular type of usage the 2T rules dictate a 25 gallons per day usage for each occupant in the building. Commissioner Fiocco reason I bring that up is our fee structure says that it will be based on the 2T rules. So if he were in that developers position he might want to get what he paid for. Mr. Craig from Fleming Engineering in Greensboro stated they presented this request for the allocation. He stated State 2T rules set aside as they understand them - a couple of design criteria or design criteria for usage based on occupancy and so forth and with this particular type of usage the 2T rules dictate a 25 gallons per day usage for each occupant in the building. The State 2T rules also however provide a provision so that if a user can show that a similar usage over time with historic records uses less water than the design criteria set forth then that could be a more appropriate design capacity. So what we were trying to do was balance the request for capacity with obviously trying to keep your allocation as low as possible so you have more room in your Waste Water Treatment Plant for other users. So if we go with the standard 2T rules the 25 gallons per day per user that typically is a very high allocation. That might cause you to allocate

more capacity to this particular use than you really need. You might want to reserve that allocation for other users based on historical data. So what they were trying to show is under 2T rules the design criteria could be as much as 3,500 gallons per day, in all actuality we know of a very similar facility that uses considerably less and so if you would like to reserve some of your capacity for other users then an average might be a more appropriate allocation. Commissioner Fiocco stated he just know in the past the Board have been pretty firm about using the 2T rules and they have at least in the past making decisions about allocations. Mr. Fleming said that is purely a decision for you all to make. Commissioner Fiocco noted that the Board does not have a system in place to make such a decision. Commissioner Fiocco noted he was comfortable with the proposed allocation of 3,500 gpd. Commissioner Farrell questioned the remaining available allotment. Commissioner Foley noted that the allocation was certainly worth giving in this circumstance.

Commissioner Farrell asked how much capacity do we have left. Planner Bass stated we kind of have it on a spreadsheet. Commissioner Fiocco said he thinks we have plenty still. Commissioner Turner said it is certainly worth giving allocation to that is for sure. It is something we need.

Commissioner Fiocco made a motion that we approve the request for allocation based on the 2T rules seconded by Commissioner Baldwin.

Mayor Voller asked Mr. Fleming if he would like to reply. Mr. Fleming said he may be speaking to something that is not clear to him. The 2T rules he believes, when you say you are allocating according to 2T rules he think a part of the 2T rules gives the design criteria or the option to present data showing that a similar facility has less usage. So if you want to provide the allocation for the full 25 gallons per day maybe a different way to word that would be the design criteria set forth in the 2T rules as opposed to other provisions of the rules. Commissioner Fiocco asked what would be required under the 2T rules to prove a reduction. Mr. Fleming said to provide data (he thinks 3 months of data). Commissioner Fiocco said he thought it was a year. Mr. Fleming said he was going from recollection, he thinks it is 3 months but it may be a year it provides some timeframe of data of a facility of similar size and use. That is his understanding of the rules. Mayor Voller asked did he have a way of knowing once we allocate what the tributary is to the facility when it is built or is it just permanently on the books because they are not doing an extension so that is that?

Attorney Messick said if you keep up with it, it is whatever the meter says is the average. What they do not use they do not have? Mayor Voller said but we are not metering the waste water that is really what we are talking about. Attorney Messick said you are metering the water. Commissioner Fiocco asked about the timeframe for construction. Mr. Fleming stated it is his understanding they are going to attempt to start construction immediately upon plan approval and plans have been submitted for staff review so hopefully very soon. Mayor Voller asked Mr. Messick if he has an opinion on whether or not the 2T rules provide for this flexibility. Attorney Messick stated that would require some planning in advance but always from the towns perspective rather than from developers perspective. He thinks it has an impact on access fees maybe what you are getting at. Mr. Fleming said he certainly does not want to disagree with you and create a lot of confusion. If you go with 25 then that is fine. Commissioner Fiocco stated that is the motion on the floor.

Vote Aye-5 Nay-0

**CHATHAM PARK INVESTORS LLC REQUEST FOR EXPANSION OF THE TOWN
OF PITTSBORO EXTRATERRITORIAL JURISDICTION**

The following information was submitted in the agenda packet:

MEMORANDUM

TO: Mayor and Board of Commissioners

FROM: William G. Terry, Town Manager

VIA: Stuart W. Bass, Planning Director

SUBJECT: Process to Establish Extraterritorial Jurisdiction (ETJ)

DATE: September 10, 2012

On August 13, 2012, the Town received the attached letter from Chatham Park Investors LLC, requesting that the Town expeditiously take action to extend out ETJ to include about 1,900 acres of land owned by Chatham Park Investors LLC. The purpose of this memorandum is to provide the Board of Commissioners with an overview of the process that the Town would have to undertake to expand our ETJ as requested by Chatham Park Investors. The memorandum also discusses possible impacts upon the Town related to taking this action. The legal authority for such an action is discussed in the Town Attorney's memorandum of September 6, 2012, attached.

The Process of Expanding our ETJ

The Town of Pittsboro currently contains approximately 2,629.28 acres of incorporated area and approximately 27,601.77 acres of Extraterritorial Jurisdiction area. This is a large area relative to the size of the town. Based on a 2005 survey by the School of government, Pittsboro is within the five (5) percent of North Carolina municipalities that service an Extraterritorial Jurisdiction area of up to three (3) miles.

Cities may apply any ordinance adopted under Article 19 of Chapter 160A of the General Statutes in the extraterritorial area. Typically, this includes zoning and subdivision authority. Other examples that could be included are floodplain management authority and sign regulation. It may be necessary to discuss with the County other types of regulation, such as stormwater and erosion control, to make sure of respective authority. It should be noted that, the Town would not acquire jurisdiction for regulations adopted under the general ordinance making power of GS 160A-174, such as junked car or noise ordinances.

Although not a requirement, expansion of the ETJ could promote the annexation of an area, and all the subsequent Town services that such an action requires. GS 160A-360(b) provides that the

area chosen must be based on “existing or projected urban development and areas of critical concern to the city.”

G.S. 160A-360 also includes a detailed process that must be followed by a city in establishing extraterritorial jurisdiction. G.S. 160A-360(b) requires that the extraterritorial area be set by an ordinance adopted by the city governing board. This boundary ordinance is subject to newspaper notice, mailed notice, and public hearing requirements.

The following summary was excerpted from a short paper by David Owens, School of Government, 2006; Summary of Requirements for Extraterritorial Zoning:

1. Prepare adequate boundary description.
2. Publish newspaper notice of public hearing; the notice must appear once a week for two successive weeks, the first time at least ten but not more than twenty-five days before hearing.
3. Mail notice to individual property owners in affected area. The notice must include information on the effect of extraterritorial jurisdiction, on the right to participate in the hearing on the matter, and on the right to apply to serve on the city planning board and board of adjustment. The notice must be mailed four weeks prior to the hearing. Mailed notice is required also for application of zoning to area. However, because that mailing may not be made more than twenty-five days prior to the hearing, it is not possible to post a single mailing on both the extraterritorial extension and the new zoning, even if both are to be discussed at a single hearing.
4. Secure county agreement if county is exercising its zoning power, regulating subdivisions, and enforcing the building code in affected area. Secure county approval if area extends beyond one mile from city limits. Both processes require a written resolution adopted by the county commissioners.
5. Adopt ordinance by city governing board setting extraterritorial planning jurisdiction and delineating its boundary.
6. File copy of boundary map with city clerk and register of deeds.
7. Amend city zoning ordinance to add area to zoning maps. This action also must comply with the notice and hearing requirements for all zoning map amendments.

Potential Costs and Benefits of Expanding our ETJ

In considering this request, the staff cannot identify any immediate benefits to the Town for undertaking such an expansion of the ETJ. Since property in the ETJ is not taxable by the Town, there is no tax revenue generated by this action. Since Chatham Park Investors LLC has plans to become a major developer in and around the Town of Pittsboro, there would be some intangible benefit from increasing the level of cooperation between the Town and the Developer.

There are several potential costs to the Town for undertaking the recommended expansion of the ETJ. Initially, there will be a major investment in staff time simply to complete the administrative actions necessary to accomplish the ETJ expansion. Once we have completed the expansion, the Town will be responsible for a wide range of planning tasks in the newly acquired area including requests for rezoning, site plan reviews, enforcement of the Jordan Lake Rules for stormwater mitigation and eventually annexations. The staff also has serious concerns about the ability of the Town to serve this area with utilities and basic municipal services in the future, particularly until we resolve the outstanding issue of how to fund and build a new wastewater treatment plant.

While it is difficult to quantify the cost, there will be a considerable cost for modifying several existing and/or emerging plans including the Town's Zoning Maps, the Comprehensive Transportation Plan and the Land Use Plan.

Before we embark on a course of action to add approximately 1,900 acres to our ETJ, it may be prudent to inquire as to the sense of urgency from the point of view of Chatham Park Investors LLC. If this action can wait for six months to one year, the Town would be in a much better position to know how we will achieve the goal of providing utility services and general municipal services to this area. Since the Town would be undertaking a considerable administrative burden and possibly considerable financial burdens associated with the proposed action, it would be reasonable to ask Chatham Park Investors to articulate what they are willing to commit to the solution of the problem of how to achieve the completion of our plans for a new wastewater treatment plant before we commit to this expansion of the ETJ.

RECOMMENDATION

1. The staff has not yet fully studied the potential impacts of the proposed expansion of the ETJ and is not prepared to make a recommendation for or against the proposal at this time.
2. We recommend that a representative of Chatham Park Investors be offered the opportunity to make a presentation to the Board of Commissioners at a future meeting to elaborate on their request and respond to some of the issues discussed above including the sense of urgency surrounding the request, the potential costs to the Town and the willingness of Chatham Park Investors to participate in the funding of the proposed 3.2 MGD Wastewater Treatment Plant.

To: Mayor, Board of Commissioners
From: Paul S. Messick, Jr.
CC: Bill Terry, Stuart Bass
Date: September 6, 2012
Re: ETJ Extension

Historically a North Carolina city or town could not extend its regulatory or police powers beyond the city limits without specific legislative authority. This is an aspect of the limited powers enjoyed by municipalities. For example, the North Carolina Supreme Court ruled in 1894

that Washington did not have the authority to regulate the throwing of dead fish from a pier into the Pamlico River beyond the town limits established by the General Assembly. Now, by specific statutory authority, a town's planning and zoning jurisdiction can extend up to 3 miles from the contiguous town limits to cover portions of the unincorporated county. Subdivision approvals, building permits and rezoning cases in these areas can be processed through the Town's staff, Planning Board and Town Board, as needed. The purpose of this authority is to anticipate portions of the unincorporated county that are urbanizing, and bring them under a set of urban standards for development. The ETJ process tries to anticipate that these areas will become part of the Town in the future. By causing development in these areas to be constructed to Town standards, the extension of Town zoning and subdivision standards into these urbanizing areas of the County ensures that they can be adequately and efficiently served by municipal services when that time comes. County residents of ETJ areas are represented on both the Board of Adjustment and the Planning Board.

The current statutory scheme of tiered extraterritorial jurisdiction of from one to three miles based on Town population was adopted in 1971; G.S. 160A-360(a) provides that the extraterritorial area may extend up to one mile from the primary Town limits for cities with populations of less than 10,000. If county approval is secured, cities with populations of between 10,000 and 25,000 may extend their jurisdiction for up to two miles; cities with populations of more than 25,000, up to three miles. G.S. 160A-360(e) also requires that county agreement be secured for the extension of Town extraterritorial jurisdiction into any area wherein the county is enforcing zoning, subdivision regulations, and the state building code. These distances set the maximum statutory extraterritorial area, but cities may choose to exercise only part of their potential jurisdiction.

Subsequent amendments to Chapter 160A included provision for vested rights when jurisdiction shifts, allowed for annual updates to be used in determining Town populations, and clarified the process whereby a county assumes authority in extraterritorial areas when a Town relinquishes jurisdiction. In 1996 the statutes were amended to require mailed notice to affected property owners when zoning jurisdiction is being extended to an extraterritorial area and to add a requirement for proportional representation of extraterritorial residents on Town planning boards and boards of adjustment. In 2011 bona fide farms located in the extraterritorial area were exempted from the exercise of any municipal jurisdiction.

By a local act adopted by the General Assembly in 1989 the Town of Pittsboro was given authority to extend its extraterritorial jurisdiction beyond the one mile limit with the consent of Chatham County. The current ETJ limits are significantly more than one mile from the town limits in all directions. Within the past few years the town did relinquish a portion of the ETJ to Chatham County, but no area has previously been added.

Cities may apply any ordinance adopted under Article 19 of Chapter 160A of the General Statutes in the extraterritorial area. While a city may not apply an ordinance in the extraterritorial area that is not also applied within the city's corporate limits, there is no statutory mandate that all of the ordinances applied within the city also be applied in the extraterritorial area. Zoning regulations are by far the most frequently applied municipal regulation in the extraterritorial area. According to a School of Government survey other frequently applied land development

ordinances included subdivision regulation (92 percent), manufactured home park regulation (88 percent), sign regulation (87 percent), telecommunication tower regulation (74 percent), floodplain zoning (69 percent), adult entertainment location regulation (69 percent), junkyard regulation (54 percent), watershed protection regulation (50 percent), storm water management regulation (45 percent), sediment and erosion control regulation (37 percent), and historic district regulation (17 percent). Of municipalities responding, 59 percent reported that the city administers the building code and 32 percent reported applying their housing code in the extraterritorial areas. (See Owens, David; "The North Carolina Experience with Municipal Extraterritorial Planning Jurisdiction", Special Series No. 20, January 2006)

Since Pittsboro's jurisdiction over the additional area could be implemented either by annexation or an extension of the town ETJ limits, the policy issue for the Board is whether it wishes to accept responsibility for the administration of Article 19 ordinances within the additional ETJ area prior to annexation. It appears that Chatham County currently enforces at least subdivision, sediment and erosion control, telecommunication towers, watershed and flood plain regulation, junkyard and stormwater regulations in this area. The town's ability to do the same is hampered by limited staff and financial resources. Once annexed the area would presumably generate tax revenues commensurate with the services to be provided.

Mayor Voller requested Mr. Bass address the Chatham Park Investors LLC request for expansion of the Town of Pittsboro's extraterritorial jurisdiction. Mr. Bass put together a memo to describe the action and processes that would have to take place. The request is from Chatham Park Investors LLC asking the town to extend the ETJ out for approximately 1900 acres. Mr. Bass also pointed out a memo from Attorney Messick. Manager Terry noted that the staff has not had enough time to review the proposed extension. He did point out that the responsibility for an additional 1900 acres might impact the staff in terms of enforcement of storm water laws, processing of new development application site plans, and other responsibilities of planners with respect to ETJ's. It would require an amendment to existing plans.

Mayor Voller noted that the addition would represent about a 7% increase in the ETJ. Mayor Voller questioned whether the ETJ would involve cross-jurisdictional issues. Manager Terry asked why this burden needs to be put on one of the smallest towns in North Carolina by one of the largest developers in North Carolina. Commissioner Fiocco noted that it was not clear what cost the staff would be incurred by moving forward, and he identified this as economic development and welcomed the idea. Commissioner Farrell questioned if the last 1900 acres would put all of property into the ETJ. Mayor Voller requested Mr. Culpepper state his name for the record -- Phillip Culpepper, consulting planner for Chatham Park. The address is 100 Weston Estates Way, Cary, North Carolina. Chatham Park Investors wishes to place no burden on the town for any expense whatsoever. Of the 1900 acres about 1800 acres is currently unzoned property. We are asking to bring it into zoning.

Mayor Voller asked for any questions for Mr. Culpepper. Commissioner Baldwin asked if the county had given approval. Mr. Culpepper noted that they had not given approval and that he had presented the idea to them. The County Commissioners have not taken official action because they expect that if the Town of Pittsboro decides to move forward then a resolution will be presented to the County Commissioners requesting an extension of the ETJ. Commissioner

Baldwin asked if there were any objections by the County Commissioners and Mr. Culpepper replied no.

Mayor Voller clarified that Chatham Park Investors LLC would cover any costs associated with the ETJ. Mr. Culpepper noted that they would assist to cover costs and in any other way needed. Commissioner Fiocco asked if this would be two different processes to extend and then to zone. Attorney Messick confirmed it would be two processes and noted that there may be some zoning issues if the zoning is split between the town and county.

Mayor Voller asked if Chatham Park Investors LLC was bringing a solar farm to Pittsboro. Mr. Culpepper confirmed that and noted it would be the largest solar farm in North Carolina. Mayor Voller asked about including the neighboring community in the ETJ. Mr. Culpepper agreed also noting that it made sense to explore utility designs and work with the people in that neighborhood to work together.

Commissioner Fiocco made a motion to approve the ETJ extension request subject to Chatham County Approval. Commissioner Foley seconded the motion.

Vote Aye-5 Nay-0

BUDGET AMENDMENT (CARRY FORWARD)

Mayor Voller recognized Ms. Cartrette to discuss the budget amendment to carry forward funds obligated in Fiscal Year 2011 - 2012. Ms. Cartrette noted that two items obligated in 2011 - 2012 but did not expend in 2011 - 2012: a storm water contract and a building for the water plant for storage. Manager Terry noted that this usually did not happen in Pittsboro but happened to occur this year.

Commissioner Turner made a motion to adopt the budget amendment. Commissioner Fiocco seconded the motion.

Vote Aye-5 Nay-0

CAPITAL PROJECT BUDGET FOR THE CONNECTION OF SPRINGDALE AND FOX CHAPEL

Mayor Voller recognized Mr. Terry to discuss the capital project budget for the connection of Springdale and Fox Chapel. Mayor Voller asked for a motion to excuse himself from the discussion.

Motion made by Commissioner Turner seconded by Commissioner Fiocco to excuse Mayor Voller from discussion.

Vote Aye-5 Nay-0

Mayor Pro Tem Baldwin recognized Mr. Terry. Manager Terry noted that there have been several discussions regarding this project. He also noted that Commissioner Fiocco had worked with NCDOT to get the costs reduced substantially. Manager Terry noted that the project would cost approximately \$54,000. Commissioner Fiocco challenged the figures provided by Mr.

Terry noting that by his estimates the cost would be approximately \$150,000 and suggested that the Board consider a cost-sharing agreement with the local homeowners' association and the developer.

Mr. Oakley Bennett, 314 Chatham Forest Drive, Pittsboro, North Carolina addressed the Board. He noted that he would have the next board meeting of the Chatham Forest homeowners' association on September 19, 2012, but would then have to ask the entire association membership for a vote. He could not promise that the entire membership would approve the plan. He did, however, express his support for moving forward with the project and suggested that a payment plan to reimburse the town might be more feasible. Attorney Messick confirmed that a payment plan would be acceptable if chosen.

Motion made by Commissioner Fiocco to table this agenda item until Mr. Bennett had time to take the idea to the HOA membership. Commissioner Farrell seconded the motion.

Vote Aye-5 Nay-0

Mayor Pro Tem Baldwin requested a motion to reinstate Mayor Voller. A motion was made by Commissioner Fiocco seconded by Commissioner Turner to reinstate Mayor Voller.

Vote Aye-5 Nay-0

**RESOLUTION AUTHORIZING THE DISPOSITION OF SURPLUS PROPERTY
(CHAIRS)**

Mayor Voller recognized Mr. Terry to discuss a resolution authorizing the disposition of surplus property to include nine old chairs. He noted that the town could sell the chairs or could donate them to Habitat for Humanity.

Motion made by Commissioner Foley seconded by Commissioner Baldwin to approve a resolution declaring nine chairs as surplus property and authorizing the disposal of said property accordance with statutory requirements.

Vote Aye-5 Nay-0

Manager Terry requested direction about how to dispose of the chairs. The Board recommended giving the chairs to past Board members who had served the town for many years, specifically Mr. Brooks and then to other departments within the Town. Mayor Voller suggested any other remaining chairs be donated to the local Habitat for Humanity.

Resolution reads as follows:

A RESOLUTION DECLARING NINE (9) ITEMS OF PERSONAL PROPERTY TO BE SURPLUS PROPERTY, AND AUTHORIZING AND DIRECTING THE DISPOSAL OF SAID PROPERTY IN ACCORDANCE WITH STATUTORY REQUIREMENTS

WHEREAS, Article 23 of N. C. General Statutes and Chapter 2, Article III of the Town Code of Ordinances authorizes the Town Manager to dispose of surplus property; and

WHEREAS, the Town desires to dispose of certain items of personal property;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the Town of Pittsboro that the following items of personal property are hereby declared surplus:

DESCRIPTION

(9) Executive Swivel Chairs

BE IT FURTHER RESOLVED that the Town Manager shall be and is hereby authorized to dispose of the listed surplus personal property in accordance with statutory requirements.

BE IT FURTHER RESOLVED that prior to public auction, the Town Manager is authorized to dispose of any of personal property by sale, lease, exchange, donation to a non-profit or sister city, or transfer to other government unit in conformity with N. C. General Statute 160A-274.

BE IT FURTHER RESOLVED that the terms of the sale shall be to the highest bidder for cash, or other forms of cash equivalents acceptable to the Town Manager. All sales shall be designated final on the day of the auction.

BE IT FURTHER RESOLVED that all items shall be sold on an "as is" and "where is" basis and the Town makes no guarantee or assumes no responsibility for any of the items.

RECESS

Commissioner Fiocco made a motion to take a 5-minute recess. Commissioner Turner seconded the motion.

Aye-5 Nay-0

Motion made by Commissioner Baldwin seconded by Commissioner Fiocco to go back into regular session.

Vote Aye-5 Nay-0

CAPITAL PROJECTS REPORT

Mayor Voller asked Mr. Terry to respond to any questions from the Board regarding capital projects. Mayor Voller asked a question about including in the Hillsboro Street Newsletter that the capital project was for both public safety and for water quality. Mr. Horne noted that this was changed on the website because the letters had already gone out. Mayor Voller asked for any other questions for Mr. Terry. There were none.

Mayor Voller noted that on September 11, 2012, the EDC will hold its next meeting at CCCC at 8:00 AM.

COMMISSIONER CONCERNS

Commissioner Farrell stated he had some requests about installing sidewalk from Al's Diner down to the Old Goldston Road and Thrift Street. He noted that there was a lot of traffic on that road making it dangerous for pedestrians. Commissioner Farrell asked if the Powell Bill Fund would cover this. Mayor Voller noted that the Powell Bill Fund would cover it and the issue was more one of cost. Manager Terry noted that if the project was not too large then he could price it easily. Mayor Voller noted no objection to extending the sidewalk. Manager Terry asked if there was a specific termination point. Commissioner Farrell suggested it extend to Old Goldston Road. Mr. Bass noted that when NCDOT updates the bridge they will be required to accommodate for sidewalks.

Commissioner Farrell stated he had a request from the Masonic Lodge for blockades to block the street on Columbus Day, October 6, 2012. He noted that the Masonic Lodge was planning a car show at the Ford lot and then having a luncheon over at the lodge. The Masons wanted to know if they could block the road for about 6 hours. Commissioner Baldwin made a motion to authorize Mr. Terry to provide the barricades for blocking the road on October 6, 2012. Commissioner Turner seconded the motion.

Vote Aye-5 Nay-0

Commissioner Farrell requested that the Board readdress the community garden. He has been receiving complaint about the condition of the site. Commissioner Turner said that she would contact Ms. Sarah Brinson to provide an update to the Board.

Commissioner Farrell expressed concerns over truckers using Main Street and requested that a truck route be established. The truck route would start at Pittsboro-Moncure Road loop around the bypass take 87 out and then hit back onto the bypass out on 15-501. The route would apply for both south and north traffic flow. Mayor Voller clarified that the truck route would only apply to trucks going through town and not making a delivery in town. Commissioner Baldwin noted that some truckers had expressed concerns to her because the roundabout cannot accommodate trucks easily. Mayor Voller noted that Mr. Terry could work with TARPO to address these concerns and noted that Mr. Terry would need to work with Mr. Messick. Attorney Messick noted the difficulty in implementing a truck route on a NCDOT road.

Commissioner Foley stated that Thursday evening on September 13, 2012 the first Retire NC meeting would be held. She noted that they have put together a great committee to include the president of CCCC, the CEO of Chatham Hospitals, people from Carolina Meadows, and people from the Council on Aging. She noted that a representative from the North Carolina Department of Commerce would make a presentation, and then the group would break into two committees to commence working.

Commissioner Fiocco asked about hydraulic fracturing. He noted that the Board had talked about having a text amendment to the ordinance to require a special use permit for hydraulic fracturing. He requested the topic be added to the September 24, 2012 Board meeting.

Commissioner Fiocco requested updates at the September 24, 2012, meeting regarding the Alpha Install project and the County Jail sewer permit plans. Manager Terry noted that they are ready to prepare their first grant submission and he had sent them a draft contract. Commissioner

Fiocco asked about how the town was reviewing the work. Manager Terry noted that Mr. Poteat will work with town staff to insure work is done properly before payments are made.

ADJOURNMENT

Motion made by Commissioner Fiocco seconded by Commissioner Farrell to adjourn at 10:35 p.m.

Vote Aye-5 Nay-0

FYI -

1. Tentative Future Agendas August 27, 2012.
2. Town Financial Expenditure Statements for the Month Ending August, 2012.
3. Water and Sewer Revenues – Budget vs. Actual for FY 2012/2013.
4. Hillsboro Street Water Main Project Newsletter of August 29, 2012.
5. MOU of August 27, 2012 between Town of Pittsboro & City of Concord; RE: Transfer of Ownership of the Police Dog Kilo.
6. 2012 Water and Sewer Rate Report – Triangle J Region

Randolph Voller, Mayor

ATTEST:

Alice F. Lloyd, CMC, NCCMC
Town Clerk