

MINUTES
TOWN OF PITTSBORO
BOARD OF COMMISSIONERS
REGULAR MEETING
MONDAY, SEPTEMBER 26, 2011
7:00 PM

Mayor Randy Voller called the meeting to order at 7:04 p.m. and called for a brief moment of silence.

ATTENDANCE

Members Present: Mayor Randy Voller, Commissioners Pamela Baldwin, Gene T. Brooks, Clinton E. Bryan, III, Michael Fiocco and Hugh Harrington.

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

CONSENT AGENDA

The Consent Agenda contains the following items:

- 1. Approve minutes of the August 22, 2011 regular meeting.**
- 2. Approve minutes of the September 12, 2011 regular meeting.**

Commissioner Fiocco said he had held up the August 22, 2011 minutes because some information had been lacking. However, there was so much static on the original recording he had not been able to determine what was missing and would leave them as they were, he said.

Commissioner Harrington requested that an outline of expenditures provided (by Samantha Birchard Pittsboro Merchants Association) at the last meeting be included in the Sept 12, 2011 minutes.

Commissioner Fiocco noted an error in the fifth paragraph on page 14 of the September 12, 2011 minutes. The paragraph stated that the County was interested in helping with a feasibility study and perhaps paying for it. Commissioner Fiocco said that the reference had been to the City of Sanford, not Chatham County.

Manager Terry said that he recalled discussing how Sanford would pay a large portion and the County would pay for some part of the study. It was currently undetermined what that split would be, he said.

Motion made by Commissioner Harrington seconded by Commissioner Baldwin to approve minutes of the August 22, 2011 and September 12, 2011 (with Commissioner Fiocco's correction) regular meetings.

Vote Aye-5 Nay-0

Manager Terry said that he had inadvertently put the wrong enclosure on the update of the Land Use Plan and had given corrected copies to the Board tonight.

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

Vote Aye-5 Nay-0

REGULAR MEETING AGENDA

Citizens Matters

Jeff Towson, of 74 Brookridge Court, told the Board about a stormwater drainage issue that had affected his house.

Commissioner Harrington asked Attorney Messick if it was correct that the Town was responsible for runoff from roads that it owned. Attorney Messick replied that he would need to look into it and determine if the Town was responsible.

Mayor Voller said he wondered if roads were covered by Powell Bill funds and if the Town submits them as part of the network and then receives money from the state. Commissioner Harrington said he wondered if drain repairs were covered under the Powell Bill. Mayor Voller verified that Attorney Messick would return with answers to these questions at the next Board meeting.

Commissioner Fiocco commented on how Mr. Towson's cul-de-sac was shaped, noting that a low point in his driveway was collecting water. He pointed out that the Town did not have a process for reviewing building plans for homes when granting driveway permits. If there were such a process then the Town might notice an issue and suggest that the builder address it, he said. Commissioner Fiocco said that the Board might want to think about instituting that kind of review. Otherwise, Commissioners might be hearing more complaints about road drainage going onto private property, he said.

Mayor Voller said that, according to Mr. Towson's diagram, it looked as though water was draining off the road and a percentage of it was running into his driveway. He pointed out that this was not the only property in Town with this issue. Mayor Voller agreed with Commissioner Fiocco that there needed to be a better procedure between the Town and County when approving driveway permits.

Samantha Birchard, of 433 Thompson Street, thanked the board for all their support. Commissioner Harrington verified that the web address for the Pittsboro Merchants Association was shop-pittsboro.com. Commissioner Fiocco pointed out that there was a link to it through the Main Street site as well.

Deb McManus, chair of the Board of Education of Chatham County, discussed how the high school had been billed for water at Town rates even though it was outside Town limits. The School Board had not

been aware of a problem until they received a three-year bill for just under \$99,000, she said. Ms. McManus said it was a shock to receive that bill at a time when the School System was dealing with a deficit of about \$5 million.

Ms. McManus said that she understood that the collected money goes toward helping Pittsboro, but she pointed out that the School System helps Pittsboro as well. The Schools had been forced to use most of their fund balance this year to offset some of that deficit, she said, noting that now they would not have those funds for next year. Ms. McManus appealed to the Board to reconsider that water bill and to credit \$99,000 back to the School System. The School Board would pay what they were required to pay from this point on, she said. She stated she understood Pittsboro balanced their budget without this money.

Commissioner Baldwin said that the Board of Commissioners certainly would consider the School Board's request. She recommended that Ms. McManus send an email to each Commissioner and contact Commissioner Brooks by telephone. The Board certainly wanted to hear what the School Board had to say, Commissioner Baldwin said.

Mayor Voller verified with Manager Terry that the Board of Commissioners could take this issue up at its meeting on the second Monday in October. Manager Terry commented that the Town had been able to balance its budget by dipping into its own fund balance, up to \$750,000, and had not balanced the budget through revenues.

Mayor Voller asked if the School Board would propose a way to move forward. The Enterprise Fund must run like a business, he said, explaining that it had discovered during an audit after Townsend's closed that the School System had not been billed for 40 years. Legally, they could go back three years and the expectation was that there would be some discussion, said Mayor Voller.

Mayor Voller said that the Town appreciated the School Board settling the bill and that he was sure the Town could discuss the issue going forward. Some had felt obligated to send the bill because if they did not do so they would not be meeting their fiduciary obligation, he said.

Mayor Voller stressed that no one wanted to hurt teachers or the School System. However, no one had known this was a problem--just as no one had known that the Town owed NCDOT \$120,000 three years ago when it was suddenly billed and had to pay, he said. Mayor Voller pointed out that NCDOT had not told the Town that things could be worked out if it did not pay. NCDOT had told them to pay the bill or else, he said.

Mayor Voller told Ms. McManus that the Board did feel empathy for the School System and that this was not something that anyone wanted to do. It had happened because Townsend's closed and everyone started looking at the books, he said, adding that Siler City probably was doing the same thing. He told Ms. McManus that the Board looked forward to hearing from her and discussing what could be done moving forward.

Ms. McManus replied that there was no question about paying moving forward. Mayor Voller noted that annexation to the Town could be discussed, and Ms. McManus replied that the School Board was open to whatever would be the best consideration for the Schools. Annexation would be the better option for the School System, she said.

Mayor Voller asked that the School Board present different options when it returns. The Board of Commissioners would consider all options for going forward and then make a decision according to what is best for everyone, he said. That would include annexation, Mayor Voller said, noting that the School System's neighbors had requested that.

Motion made by Commissioner Brooks seconded by Commissioner Fiocco to go into a public hearing for SUP for the Haw River Christian Academy

Vote Aye-5 Nay-0

PUBLIC HEARING

1. Special Use Permit – School (academic) private, Haw River Christian Academy, 50 West Salisbury Street.

Mayor Voller swore in the speakers. Attorney Messick reviewed the rules of procedure for quasi-judicial evidentiary hearings, which had been handed out to all. After Planner Bass's presentation, Attorney Messick said, the applicant would be entitled to present the request with whatever evidence he deemed relevant and non-repetitive, he said. Then, other interested parties may give testimony that is relevant and non-repetitive, Attorney Messick explained.

Commissioner Harrington clarified that the Board was entitled to bar non-expert opinion, but could allow it as well.

Mayor Voller said that five people had signed in support and two in opposition to the application. He then read the following from the zoning ordinance: Even if the Board of Commissioners finds that the application complies with all of the provisions of this ordinance, it may still deny the permit if it concludes, based on the information submitted at the public hearing, that if completed as proposed the development more probably than not will materially endanger the public health or safety, or will substantially injure the value of adjoining or abutting property, or will not be in harmony with the area in which it is to be located, or will not be in general conformity with the land development plan or other plans officially adopted by the Board of Commissioners. The burden of persuasion on the issue of whether the development, if completed as proposed, will comply with the requirements of the ordinance remains at all times upon the applicant. The burden of persuasion on the issue of whether the application should be turned down for any of the reasons set forth in subsection 5(d3) rests on the party or parties urging that the request be denied.

Planner Bass provided a brief introduction regarding the request for a Special Use Permit (SUP) to allow an educational facility in a vacant commercial building on a 1.27-acre site. The site was zoned Central Commercial District (C-4) and was located at 50 West Salisbury Street, he said. This was not a request for rezoning, but for a particular use in the C-4 zone, Planner Bass pointed out.

Planner Bass noted an issue regarding ABC permits proximity to a school, and referred to an email from the ABC Board that stated that its 50-foot rule for establishments that sell alcohol was measured building to building rather than lot line to lot line. This was one of many factors that the ABC Commission takes into consideration, Planner Bass said and was not a prohibition. Tonight's hearing was for the Board to solicit public input and refer the SUP application to the Planning Board for review, he said.

Commissioner Harrington asked if this SUP would apply only to the Haw River Christian Academy, or would it be transferable to the next property owner if the Academy moved out. Planner Bass replied that an SUP is associated with property. If this is approved, the property could be a school, operating under the conditions of the SUP he said. Planner Bass added, though, that the SUP could not be transferred to a different location.

Commissioner Harrington said that he understood that but wanted to know what would happen if the Academy grew and wanted to move on. Could another school automatically come in behind it, he asked. Attorney Messick replied that the zoning would apply to the use of the property. However, any property owner would have to operate under the conditions that had been approved, he said. Commissioner Harrington inquired about conditional SUPs, and Attorney Messick explained that those too would apply to use of property, not ownership.

Mayor Voller asked if approval were granted, how the Town best would assure that the conditions that had been negotiated would remain if the property changed hands. Attorney Messick replied that the Town would do a “pertinence of the property” rather than just recording it.

Commissioner Fiocco stated that the site plan submitted with this SUP application was incomplete and fell short of having all of the data that needed to be included. The basis of a SUP was to add flexibility to the zoning ordinance, he pointed out, and the applicant's task was to show where the plan would meet standards through creative design. Commissioner Fiocco said that he could not find the presentation of that information in the site plan. He asked Planner Bass if he thought the package contained a complete site plan.

Planner Bass said that he thought the application was complete and that the site plan did meet the requirements to the degree that the application could be presented. He added that a site plan gets reviewed as part of the SUP process and that further conditions may need to be added. It was not necessarily a finished project, Planner Bass said.

Commissioner Fiocco replied that it was the Board's responsibility to analyze the design of the application, which would include the site plan. He said the Board could not do that with the current package. Commissioner Fiocco argued that the Board should not decide who was and who was not required to submit a full application. He asked Planner Bass when he expected that the Board would see the full design and implementation of the information that was requested, including the site plan.

Commissioner Fiocco said that the Board would need to see that information to make a judgment on whether or not there was an issue. There was a list of things that should be included with a SUP application, he said. Commissioner Harrington asked for examples of those, and Commissioner Fiocco replied that the topography had not been included, the site plan did not show a property line, and the application did not indicate the adjoiners and what their zoning and use was. Those were important aspects to show on a site plan, and they had been enumerated in the Town's ordinance, he said.

Planner Bass pointed out that the application included an aerial photo that labeled the adjoiners. Commissioner Fiocco argued that there was not enough information for the Board to approve a SUP based on what was being presented. Planner Bass replied that the Board was not required to make a finding tonight, but merely to receive input from the public and Commissioners. Commissioner Fiocco ascertained that Planner Bass envisioned a process whereby the Board would have a public

hearing tonight and then request a full site plan from the applicant for the Planning Board review.

Mayor Voller asked Planner Bass how the adjoiners would, in that case, participate in the process moving forward. If they wanted to see the site plan and comment on it, should they write to the Planning Board chair, attend those meetings, or come back here, he asked. Mayor Voller also asked Planner Bass how he perceived the process moving forward after tonight's public hearing.

Planner Bass replied that, as stated in the zoning ordinance, the application would be referred to the Planning Board for a recommendation and any necessary revisions and would then come back to the Board of Commissioners. It would not be a matter of continuing to solicit additional input, he said, because that process was supposed to take place at tonight's public hearing.

Commissioner Fiocco ascertained from Attorney Messick that the best way to insure that the application would come to the Board of Commissioners after being reviewed by the Planning Board was to continue tonight's public hearing to some future date.

Mayor Voller told Planner Bass that it was very important for SUP applicants to be treated fairly and to know what to expect coming into the process. Commissioner Fiocco was bringing up an issue that had come up before with regard to another property, he said. Mayor Voller said that the Board wanted the process to be fair and efficient. If applicants need to file a site plans then they need to be told to do that, he said.

Mayor Voller said that it was not fair to have people take time off work, or skip dinner, to come in to a meeting, and not fair to expect the Board to vote on something that is incomplete. This was very important, he said, stressing that the same situation could never happen again. Commissioner Harrington asked if the Town would expect the same thing if the application were for a martial arts school. Planner Bass said it would be in some cases.

Commissioner Brooks recalled that some years ago Oscar Keller, of Sanford, had asked for a conditional use permit to reopen a nursing home as a daycare facility. He asked Attorney Messick if that had been a conditional use permit and not a SUP, but Attorney Messick could not recall.

Commissioner Brooks tried to determine if a conditional use permit would revert to its original zoning when the use ended, and asked how it differed from a SUP. Attorney Messick replied that Pittsboro did not usually issue conditional use permits. Commissioner Bryan said that Commissioner Brooks seemed to be wondering if a conditional use permit would expire, and Attorney Messick replied that it would if it were abandoned.

Commissioner Brooks said that the Board had been told at the time that when the daycare center stopped it would revert. He also recalled that someone had wanted to use a house on Thompson Street for an office and that the Board had turned them down. The Board had been told at that time that it would revert when not being used for that purpose anymore, he said.

Mayor Voller agreed that there was a time-frame within the zoning ordinance that applied to abandonment with a non-conforming use. Ken Hoyle said it was a 180-day abandonment limit.

Mayor Voller told Planner Bass that he thought it would be wise to get an answer to Commissioner Harrington's earlier technical question: Do schools for education fall under the Town code the same as

someone teaching Karate, for example? Mayor Voller noted that the Town could theoretically start issuing SUPs for everyone who wanted to teach anyone anything. The Board needed clarification on that even though it probably was not the intent, he said.

Commissioner Harrington summarized Commissioner Brooks' former point: If the property is abandoned for some period of time, perhaps 180 days, then the SUP ceases to be attached to it. It is not necessarily once and forever attached to the property, Commissioner Harrington said.

The applicant, Larry Robinson, of 125 Ladybug Lane in Chapel Hill, explained that the Haw River Christian Academy had thought it had submitted everything necessary to move forward today. The Academy had made a prior presentation to the Board and had come tonight to request a SUP to relocate in downtown Pittsboro, he said.

Mr. Robinson said that the Haw River Academy would benefit the Town. It would help downtown merchants by putting additional customers into the marketplace. And the up-fitted building, which would look similar to the attorney's office on its left, would enhance the entire area, he said. In addition, there would be the possibility of using the Academy's parking lot for Town events during non-school hours, Mr. Robinson said. He stated that the Academy would be a good neighbor and a good citizen downtown, and said that they looked forward to being involved in Town events.

Mr. Robinson noted that some had expressed concerns about traffic. The Academy board believed that the effect on downtown traffic would be minimal, he said. The times for school openings and closings would be staggered each day, and there would be very little if any traffic during the school day, Mr. Robinson explained.

With regard to liquor licenses, Mr. Robinson noted that the ABC Commission had clarified that the 50-foot distance was from building to building, not property line to property line. So, having the Academy at that location would not prevent businesses from obtaining ABC licenses, he said. Mr. Robinson mentioned opportunities to share the playground. He argued that the benefits far outweighed the concerns and he asked the Board to approve the request for a SUP.

Commissioner Bryan noted Mr. Robinson has said there was a "possibility" of parking. Mr. Robinson clarified that the Haw River Christian Academy would not change the parking lot and that the Town could use it on weekends and evening, for special events, and so forth. His only concerns were about abuse of the lot and cars being left overnight and having to be towed in the morning at the owner's expense.

Commissioner Baldwin asked what grades would be there. Mr. Robinson responded it would be from junior kindergarten through sixth grade currently. He stated their ultimate goal is to be junior kindergarten through 12th grade, so at some point in the future they will have to look for another site for middle and high school students, Mr. Robinson said. They would like to be at 50 West Salisbury Street for a long time.

Commissioner Baldwin asked how the Academy anticipated handling having children in the downtown shopping area after school, given the traffic situation. Mr. Robinson replied that the Academy had a clear cut policy requiring parents to pick their children up, and he didn't see that changing. He said they didn't want to get in the school bus business. They think it's best for the parents to pick their children up and that parents know where their children are at when school is out. The children would not be

downtown unless a parent was with them, he said.

Commissioner Fiocco asked what the maximum number of students you would have in the facility. Mr. Robinson said it would be 150. Mayor Voller stated going back to the parking issue, he asked if they were anticipating running from 7 in the morning to 4 in the afternoon. Mr. Robinson said school starts between 8:15-8:30 a.m. and ends at 2:45 p.m. Teachers and staff would be left the building most days by 3:30 p.m. and teachers generally arrive between 7:45 and 8:00 in the morning, Mr. Robinson said.

Mayor Voller stated so if this were to be approved with having parking apart of it and it became pertinent to the property would you be thinking something like 5 in the afternoon. Mayor Voller said he would have to post that vehicles would be towed at the owners expense. Mr. Robinson said they understood they would have to have a sign posted regarding parking – the sign would say public parking available from this time to this time. Commissioner Harrington said along those lines do you think you all would be willing to contractualized that especially if the town is willing to (this is not a recommendation, he's just thinking out loud) that it is public parking from some time in the evening to very early morning. Hypothetically, the police department would enforce anything that was still sitting there at a certain time in the morning is ticketed or towed, except on some Friday nights when the Academy may have some Friday night (or other times that you may have events) you may have activities where you would have the right to close it off for your events – would you see that you would be willing to contractualized that. Mr. Robinson said they would consider some type of arrangement. He stated the one thing they have found when it comes to their events is that generally speaking their events attract extended family members and they have found that they need to find a church with a very large parking lot for those events.

Mayor Voller asked if the Academy planned to remain in the building for the long term. He also asked if the applicant was leasing or buying the facility and about the impact on taxes.

Mayor Voller asked about the applicant's intent, and Mr. Robinson replied that they intended to lease the property because that would be more advantageous to them financially at the moment. However, the Academy would ultimately like to purchase the building because that would be more advantageous in the long term, he said. Mr. Robinson said that the Academy had discussed this with the property owner and all were thinking similarly about it. Mayor Voller pointed out that if the building were to move institutionally it would move to a different use. That was something the Board needed to know about, he said.

Commissioner Fiocco inquired about the impact of traffic generation and possible problems with traffic flow at the current school. Mr. Robinson replied that the Academy uses a traffic flow diagram to facilitate drop-off and pick-up at the current school. It was not a problem, he said, but then added that he wanted to rephrase that. Mr. Robinson explained that the Academy had eight students the first year and had grown to 62 students by its current fourth year of operation. In order that the children and parents would not become frustrated, the Academy had developed a traffic flow in and out of its parking lot to facilitate the process. He stressed, however, that this had not been a “problem.”

Mr. Robinson said that the plan was for older children to be dropped off and picked up through the playground on the back side of the property. The younger children would come in through the front, he said. Commissioner Fiocco ascertained that the cars would be outside the recreation area, queuing out onto Hanks Street. Mr. Robinson explained that if there were 100 children, that would mean about 65 cars, divided between two locations (Salisbury Street and Hanks Street) in early morning and late

afternoon.

Commissioner Fiocco received verification that the wait time at the current facility was four to five minutes and that not more than five or six cars were stacked up at a time. Mr. Robinson added that all of the children were gone by 3:00 p.m.

Commissioner Fiocco expressed concern about the impact of traffic and queuing, stating that some data would suggest that a queue should be more than 200 feet. That was not being accommodated in the plan, which means that cars would spill out onto the roadway and sit there, he said. Commissioner Fiocco asked for a traffic impact statement done by a professional engineer.

Mr. Robinson replied that the Academy could modify the site plan to use more of the parking lot for cars. Commissioner Fiocco expressed interest in that idea, but repeated his request for a professional traffic impact analysis. Mr. Robinson replied that the Academy could certainly obtain that.

Mayor Voller pointed out that a traffic study had been done with the Pittsboro Comprehensive Transportation Plan. He told Mr. Robinson that he could obtain those traffic counts, which were public information, but he would need to address the specific technical issues that Commissioner Fiocco had mentioned regarding loading, queuing etc.. Mayor Voller told Mr. Robinson that he would forward the traffic study to him. Anyone living on Salisbury or Hanks Street would want to be sure that the traffic issues that Commissioner Fiocco had mentioned were being addressed, he said.

Commissioner Fiocco said that a key component of the analysis would be to have the engineer work with the Town's planner to proscribe the area that needed to be studied.

Kelly Rogers, of 237 Deep Creek, stated that she was a parent and a volunteer at the Haw River Academy. She listed many of the activities that the academy participates in and expressed full support for having the school downtown.

Mayor Voller asked what the Academy's educational model was. Ms. Rogers replied that everything was related to God. The Academy was not of any particular denomination, she said, stressing that anyone who wanted to learn is welcome at the school.

Dana Russell, of 161 Windsong Drive, stated that she was employed at Salon Blue on 49 West Salisbury Street. She was speaking on behalf of George Lawrence, the salon's owner, as well as other local businesses who were in favor of the Haw River Christian Academy coming across the street, she said. Ms. Russell suggested that having the Academy there might help alleviate stormwater issues. Her five-year-old daughter attended the Academy and many parents car pool together, she said.

Mayor Fiocco asked Ms. Russell for more information regarding the stormwater issues. Ms. Russell replied that rainwater rolls over the banks of the parking lot and into the street. Commissioner Fiocco verified that the stormwater does not impact Salon Blue directly, but runs down the street.

Mayor Voller noted that other older Town properties had been grandfathered in for impervious surface. He asked if having been grandfathered in under those rules would be an issue with the SUP and if the Planning Board should look into that. Attorney Messick replied that it would depend.

Commissioner Fiocco said that he understood that the impervious surface was grandfathered and that

the ratios would apply only to areas that were not impervious. So, any removal of impervious surface was appreciated, he said.

Mayor Voller stated that the answer to this question was important for anyone with properties such as this so they would not be faced with a sudden change in use issue and have to rip the surface up. He asked Planner Bass to determine if there was 319 money available for the applicant, if the Academy wanted to pursue that.

Carl Blanton, of 1410 Hollands Chapel Road in Apex, told the Board that he was a business owner in Chatham County whose sons attend the Haw River Christian Academy. He picked them up and dropped them off regularly and rarely waited in line, he said. Mr. Blanton expressed support for the Academy's SUP application.

Kelly Butler, of 267 Bald Eagle Drive, stated that she was a founding parent of the Academy and was also its current principal. Ms. Butler said that she wanted to make sure the Board understood the Academy's vision. She provided background and spoke about being pro-diversity.

Mayor Voller said that Ms. Butler had raised some interesting points. There was plenty of space in Town for the Academy or any other school, he said, and it was the Board's job to determine whether the property being discussed was a good fit for a school based on criteria that it had laid out. Mayor Voller stressed that the Board was not judging the school, which already was located in Town. The Board's job was to address the real estate matter and issues pertinent to that, he said. Mayor Voller said that the Board wanted the Academy to feel welcome, whether it was at this location or somewhere else.

Steve Cote, one of the owners of City Tap, said he was not against the Academy per se, but was opposed to the location. He addressed the four findings of fact required to approve a SUP. Mr. Cote argued that traffic would be an issue, noting that there was a very short piece of roadway between the proposed school and the traffic light. The road coming from the west would be bottlenecked right at that point, he said.

Mr. Cote noted that City Tap and others receive 18-wheeler deliveries at that location, which causes even more traffic congestion. He added that City Tap's deliveries arrive between 1 p.m. and 5 p.m. every day. There is a blind right turn at the traffic circle that is dangerous as well, he said.

With regard to having an entrance to the Academy on Hanks Street, Mr. Cote said that anyone who lived in Pittsboro for more than two weeks knew about the problem of trying to get out of that street where there is no traffic light. With regard to finding that the application might injure the value of adjoining or abutting property owners, he stated that he and his family had invested heavily in Pittsboro. Many of his neighbors had too, he said, and they were trying to get a grant and bring more people to the downtown. Taking such a large chunk of available downtown commercial space for a school really would affect the value of service-oriented businesses, Mr. Cote said.

With regard to finding the application being in harmony with the area where it's located, Mr. Cote said that losing that amount of space downtown would create disharmony. It was zoned at some point to be commercial, he pointed out. Mr. Cote said there were many others who, like him, had a lot riding on downtown Pittsboro.

Commissioner Harrington asked Mr. Cote if he agreed that extra parking would at least be some benefit

to his and others' businesses. Mr. Cote replied that he would like to see that contractualized. He pointed out that there were issues that perhaps no one had thought about. For example, he spends a lot of time cleaning Salisbury Street early in the morning, he said, noting that people leave all kinds of nasty things on the street. Who would clean that parking lot, and who would carry the liability for it, Mr. Cote asked, noting that such issues should be addressed.

Commissioner Fiocco asked Mr. Cote how many trucks per day he witnessed parked on the street. Mr. Cote described various trucks that came to different businesses during the week.

Commissioner Baldwin received verification that Mr. Cote had said the Academy would decrease the value of his property, and asked him to expand upon that. Mr. Cote replied that most people who want what his establishment has to offer go to more developed towns, such as Apex, Cary, Sanford or Chapel Hill. If the Town of Pittsboro were to take away any more downtown retail area, that would decrease the commercial potential and his business would not thrive, Mr. Cote said.

Commissioner Baldwin asked if Mr. Cote was saying that a school would cause fewer people to come downtown. Mr. Cote replied that it would, because it would be 15,000 square feet of viable rental space that would not be creating jobs and/or bringing many people to Town.

Lori Barringer, of 69 Jordan Ridge, said she was a dentist with a one-year-old practice at 30 Salisbury Street, adjacent to the property in question. In 10 days she would celebrate her first year anniversary as owner at the location, she said. Dr. Barringer said that the Academy's morning hours would impact her practice, which opens at 8:00 a.m. The afternoon backup of cars would be even worse, she said. Dr. Barringer pointed out that her parking area was limited and said there were days when she could not park in front of her building.

Dr. Barringer stated that 60 percent of her patients were older than 60 and 20 percent were more than 80 years old. It was already difficult enough without them having to wait in line to get in and out of the area, she said. Dr. Barringer stated that she was a product of Christian schools herself and had no issues with the Academy in that respect. However, if the plan was to revitalize downtown Pittsboro, there should be something there that would bring people in and out of Town, she said.

Mayor Voller ascertained that Dr. Barringer had 1,300 active patients and a very limited three-room space. Many of the elderly patients protest vehemently about parking and getting in and out of the area and it would be even tougher with cars backed up, Dr. Barringer said.

Mr. Robinson presented a list with signatures and letters from downtown business owners who were in favor of the Academy. He addressed the findings of fact required for SUP approval. With regard to health and safety, he asked what would contribute more risk at a dangerous intersection--a mother with children or someone who had just had a few drinks. With regard to lowering property values, he noted that the building had been empty for many years. If someone else wanted to pursue that location, you would think they would have done it by now, Mr. Robinson said.

Mr. Robinson stated that the Haw River Christian Academy would bring a substantial number of families to Town, pointing out that Christians do on occasion have a drink. They would also eat downtown, he said. So, with respect to the argument that the Academy would have a negative impact on business, he said there was nothing to substantiate that and no one beating on the door to turn the building into a restaurant, department or grocery store. How long would you have to wait, Mr.

Robinson asked.

With regard to the Academy not conforming in general with the land development plan, Mr. Robinson said he did not know what that plan was. If it was available, and there was an adjustment that the Academy could make to conform, its board would certainly try to do so, he said, Mr. Robinson also commented that having new dental clients knocking on her door would be a direct benefit to Dr. Barringer.

Mr. Cote said that Mr. Robinson might have missed his point. A downtown was a 24-hour-a-day thing and was not active only in the morning, he said. The Academy would be closed in the evening and would take a certain amount of real estate away that was currently available, Mr. Cote said.

Christiana White, of 927 Thompson Street, said she was born and raised in Chatham County and was a parent and art teacher at the Academy. One thing she really enjoyed about the site was the opportunity to walk to school and then to the library, she said. Ms. White said that the location would be an asset to the community, the school, and children who go there. It would promote health for children to be able to walk to school, she said.

Mayor Voller noted the recommendation by Commissioner Fiocco to hold this public hearing open until the next meeting in order to get a full site plan and a traffic impact analysis. Commissioner Fiocco suggested putting the item on the next agenda if the applicant could compile that information that quickly.

Motion by Commissioner Harrington seconded by Commissioner Baldwin to continue the public hearing until next meeting and to extend that if needed.

Vote Aye-5 Nay-0

Mayor Voller gave Mr. Robinson a list of the things to bring back. These included a clarification of the site plan so that it conforms to the rules, and a traffic impact analysis. The Town was willing to keep the hearing open so that the applicant could be in compliance and everyone could get a full chance to respond, and what went to the Planning Board would be a full application with no technical flaws, Mayor Voller said.

Written comments submitted for the record:

Hello Commissioners and Mayor

Please take into consideration my position on the request for rezoning of 50 W. Salisbury Street as an adjacent commercial building owner, business owner, and home owner on W. Salisbury Street.

I do not support the rezoning for this use (Haw River Academy).

Diluting the commercial zoning at 50 W. Salisbury Street will have a negative effect on my property value at 89 Hillsboro and make it less attractive to businesses – thus reducing my ability to lease it. Supporting retail businesses as the existing zoning allows will help my buildings worth. (I have requested a forthcoming letter from a Commercial Appraisal firm to provide their professional assessment in this matter)

The vastly increased traffic at pick up and drop off times will not only make the already difficult intersection of W. Salisbury Street and 15-501 more congested but much more dangerous. (NCDOT maps are recorded in the resolution book). This too will make access to 89 Hillsboro Street more difficult for my tenants and their customers. The parking it offers is of questionable worth as it is not truly municipal and I have almost never seen all of the existing W. Salisbury Street parking occupied.

Finally a school will not be in harmony with the adjoining businesses and property.

A school is better placed away from the primary commercial district.

I have personally invested a great deal in Pittsboro by renovating a historic downtown building and bringing vital business to town. I hope my investment will not be undermined for short term convenience.

Thank you.

Steve Carr

Commercial buildings: 89 Hillsboro St., 23 Rectory Street

Home: 433 W. Salisbury Street

Businesses:

Carr Amplifiers – manufacturing – employs 8

The City Tap – pub/restaurant – employs 10

General Boy LLC – real estate – 2 local owners

The following emails were received:

Planner Bass,

My daughter will be attending Haw River Christian Academy this fall. I am extremely grateful for Kelly Butler, the teachers, and countless others who are responsible for running HRCA. While there are other schools in the area that provide a good education, HRCA is special in that it integrates and fosters the Christian faith into our children's spiritual and intellectual growth.

There are many benefits to the students that attend HRCA. But I wanted to specifically speak to what the community of Pittsboro has to gain by allowing HRCA to house their school in town. Other schools in Chatham County are facing problems with student crowding. The children who attend HRCA will ease that somewhat. Those are fewer desks that will be filled in those schools. And it is fewer students that those teachers would have to oversee. By allowing HRCA to operate in town, they become a convenient and accessible choice to Pittsboro residents, especially for those who do not drive up 15-501 to go to work.

Additionally, the location of HRCA brings more traffic into the heart of Pittsboro. More traffic (as long as it's reasonable) translates into more potential business opportunities. The local restaurants and gas stations will likely be the biggest beneficiaries of this.

But I think the greatest benefit for Pittsboro is the children themselves. They will be growing up in this town. They will be interacting with the people in the community. They will be living their belief and

faith. They will be sharing their moral and values. The blessings and gifts that they receive at HRCA will be passed onto others. Pittsboro is a special little town. And the students of HRCA are only going to enhance its character.

Sincerely,
Scott Scheffler

Planner Bass,

We at New Salem Baptist church must express our opinions regarding the Haw River Christian Academy. We feel that this school has been beneficial to our community as a whole. Its expansion would not only help build the community in a religious aspect, but it would also open up a new demographic of people to the community. Pittsboro is a growing community, but there is only an average of 48 new movers a year that relocate to Pittsboro. We at New Salem think that these numbers could be increased with the addition of a new school. This increase would also help local businesses collect more revenue and exposure. We feel that we should consider all opportunities for expansion and growth in our community. We think that an expansion of Haw River Christian Academy will be beneficial to parents by giving them another option in regards to furthering their children's futures.

Pastor Chris Gambos
New Salem Baptist Church

Planner Bass:

I'm writing as a grandparent of two students who will be entering HRCA next week. In my opinion, the adaptive re-use of a downtown building to house a small private school is a plus for Pittsboro. In these difficult economic times, many downtowns face empty buildings and little reason for shoppers to visit downtown. With sixty plus students attending school each weekday, there will be plenty of opportunity for parents to visit Pittsboro's downtown to browse, shop and eat. Occasional evening activities will add to an already vibrant downtown community.

As I understand there are some specific issues facing decision-makers:

Traffic: the site has plenty of parking and sufficient area for traffic circulation for drop-off and pick-up of students.

Loss of a commercial facility: as noted above, the school will bring parents and students to the downtown area. New businesses may spring up to meet the needs of this population.

School in downtown: in years past, virtually all schools were located either in neighborhoods or in downtowns. Locating schools on the periphery of our communities increases the need for long auto trips and adds no value to existing commercial areas. Bringing this use back to the town core can only help increase the number of potential downtown shoppers and revitalize an empty building.

Proximity to ABC Store: many State ABC Stores are located in busy shopping centers where teens are regular shoppers. There should be no fear that young children, supervised by teachers and parents would jeopardize the store's current location.

In closing, I urge you to consider the plusses in having a budding private educational facility in downtown Pittsboro. You can be assured that HRCA will be all that the downtown could want in a neighbor.

Sincerely,

Nancy Roy Fiorillo
Pinehurst

Dear Planner Bass,

I am writing to express my favor and support of Haw River Christian Academy's plans and request for Special Use Permit to up fit the former PTA Thrift Store. I believe that, in addition to benefit of increased business opportunities for local restaurants and retailers from the 50+ families that would pass through downtown twice daily, the presence of a Christian school in downtown Pittsboro strongly conveys a sense of community and the message that the Town of Pittsboro values family through support of education.

Best regards,
Andrea Sapienza
Parent of HRCA Students

Motion made by Commissioner Harrington seconded by Commissioner Fiocco to take a five-minute break.

Vote Aye-5 Nay-0

Motion made by Commissioner Brooks seconded by Commissioner Fiocco to resume the meeting.

Vote Aye-5 Nay-0

COPIES OF THE LETTER, EMAILS AND PETITION IN SUPPORT OF HRCA IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGES 132-141

OLD BUSINESS

1. Update on the Small Town Main Street Program (Commissioner Fiocco).

Commissioner Fiocco reported that people from the Department of Commerce (DOC) had come to participate in a day of activities during which they listened to various groups without anyone from the Town being present and privy to those discussions. They will return on October 13, 2011 between 6 p.m. and 8 p.m., he said, and he invited everyone to attend that meeting. The DOC would discuss what they had heard and the Board would have an opportunity to tell them what it thought was important for downtown and discuss how to go about revitalizing it and setting priorities, Commissioner Fiocco explained.

Commissioner Fiocco announced a Main Street Steering Committee meeting on the following Wednesday in Town Hall at 7 p.m. Anyone who wanted to attend was welcome, he said, and he urged everyone to get involved. Commissioner Fiocco said there would be a need for lots of volunteers. He

asked people to come to the October 13, 2011 meeting and discuss how to organize and assign tasks.

Mayor Voller noted that it had been suggested that such programs were more successful when they were supported by some Town staff. Commissioner Fiocco replied that Paul Horne has been put in that position. Assistant Planner Horne was the Town's liaison and was doing a great job of managing the website and getting information on it for the Main Street program, he said. Commissioner Fiocco noted that Assistant Planner Horne had put numerous links on the Town website and that one of them was to a Facebook page. He encouraged everyone to use the Town website as a portal to Main Street activities.

Mayor Voller asked if the Committee had chosen who would be going on the 28th. Commissioner Fiocco replied that Ray Kelley and Tim Goodwin would be going with Manager Terry. He said that there could be four people if someone from the EDC wanted to attend.

Mayor Voller asked if there was a cost and if attendees could just show up. Manager Terry replied that attendees did need to register, but there was no fee. Mayor Voller thanked Assistant Planner Horne for what he had been doing and told him to continue the good work.

2. Update on Completion of the Land Use Plan (Stuart Bass, Planning Director).

Planner Bass said that he did not have anything to add to the memo in the packet. Commissioner Harrington received verification that the plan was on schedule and that 90 percent of it would be completed by the end of the year. He asked Planner Bass if he needed any resources and if there was anything the Board could do to help. Planner Bass replied that there was nothing that he needed. Commissioner Harrington commented that the Board would be able to say in December that it had asked.

Mayor Voller said that Commissioner Harrington's comment was important. He told Planner Bass that if the end of the year arrived and 90 percent was not complete, that would not be a good situation. So, now would be the time to raise it if anything was needed, he told Planner Bass, adding that he could also send a memo to Manager Terry.

Manager Terry remarked that he thought he and Planner Bass had covered what they needed. They had discussed it and had pulled TJCOG back into the mix, he said, noting that it was they who had done the original draft plan. As the Town needed help sorting out the original document, TJCOG would provide that help, Manager Terry explained. He said that Assistant Planner Horne was also using his GIS skills to help with map production and so forth.

Commissioner Fiocco stated that the Board had given Planner Bass a lot of freedom to do the job with the resources that he thought necessary. Obviously, if he needed to go beyond that, he should ask, he said. Commissioner Fiocco said that he thought Planner Bass was well-equipped to use the resources that he needed. He verified with Planner Bass that the only outside consultant was TJCOG.

NEW BUSINESS

1. Memorandum of Understanding for the Haw River Trail (Darrell McBane, State Trails Program Coordinator, NC Division of Parks and Recreation, Department of Environment

and Natural Resources).

Assistant Planner Horne stated the State has proposed multi-use trail development and natural resource preservation efforts along the Haw River from the Haw River State Park near Greensboro to the Jordan Lake Recreation Area here in Chatham County. This corridor includes over six and a half miles of river bordering the northeast corner of Pittsboro's planning jurisdiction. Several local governments along this corridor have entered a memorandum of understanding outlining the terms of their commitment to work together with the state to create a unified trail system through this corridor. Pittsboro has been asked to join the effort and to this end I introduce Darrel McBane, State Trails Coordinator of the NC Division of Parks and Recreation.

Mr. McBane distributed an updated memorandum of understanding (MOU) among 10 different local governmental agencies. He explained that Pittsboro had not been included in the first round of this effort because the partners had not realized that it had the jurisdiction to relevant property. Mr. McBane said he hoped the Town would consider joining the partnership.

Mr. McBane outlined some of the partnership's activities over the past five years. There were now seven legal publicly-managed safe accesses to the Haw River and 35 miles of the river was now accessible via those public accesses, he said. Mr. McBane stated that more than 1,300 acres of property had been conserved within the river basin, due to the efforts of a gentleman in Alamance County whom cities and towns were paying to focus his efforts on this project.

Mr. McBane said that the partnership had obtained \$1.5 million in federal and state grants to build accesses and conserve land over 12 miles of public, land-based trails. The partnership strove to get people onto the water in legal and safe places, he said. Mr. McBane told the Board that the partnership was limited only by its vision and the money it could bring in. He said that it had experienced great success and that he hoped the Town would consider joining the effort.

Commissioner Harrington asked if everyone else had already signed onto it and Pittsboro was the last one. Mr. McBane replied that Pittsboro would be the first one in Chatham County. He said there had been a representative from Chatham County at the partnership's meetings.

Commissioner Harrington received verification that the proposed walking trail would depend on land availability. Mr. McBane explained that they had started the walking trail and the Corps of Engineers and Division of Parks and Recreation were becoming interested in developing a land-based trail coming out of Jordan Lake. The trail would go up the river, cross the bridge at Bynum, and come back down over the west bank and back to Jordan Lake, he said. Mr. McBane pointed out that such a trail would have the potential to tie into a system of trails that could be developed from this area down to the river.

Commissioner Bryan received verification that there would be no cost to the Town. Just come to the planning meetings that we try to have once or twice a year, said Mr. McBane. He added that the partnership's efforts to obtain grants had been very successful. Instead of 11 agencies competing for one grant, all had agreed to apply for one grant and that was how they had addressed projects over the last five years, he said.

Commissioner Fiocco inquired about the width of the trails and where they were landing relative to the bank. Mr. McBane did not know the answer to this.

Commissioner Brooks spoke in favor of the program and commended the partnership for the work they had done. He suggested that they work with the Department of History and Cultural Arts to place signage, identifying historic sites such as the first courthouse at Rock Springs in Chatham County. He said the trail would also pass the third Baptist Church ever started in North Carolina. Commissioner Brooks recommended working with cultural arts people to place small signs that people would see when they pass by in canoes or on foot.

Mr. McBane replied that such efforts were taking place in the Deep River area and agreed that more of that was needed.

Commissioner Fiocco determined that the next meeting probably would be in November. Once the partnership had obtained all of the signatures, it would send out invitations and have a celebration to kick off again, Mr. McBane said.

Motion made by Commissioner Brooks seconded by Commissioner Harrington to approve the Haw River trail in the area that the Town has jurisdiction over.

Vote Aye-5 Nay-0

A RESOLUTION APPROVING THE HAW RIVER TRAIL GOVERNMENTAL PARTNERSHIP MOU AND AUTHORIZING THE TOWN MANAGER TO SIGN THE MOU ON BEHALF OF THE TOWN OF PITTSBORO IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGE 142

MOU REGARDING HAW RIVER TRAIL PARTNERSHIP IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGE 143-146

2. Acceptance of a Recreation Grant from Chatham County.

Mayor Voller thanked Assistant Planner Horne for his work.

Motion made by Commissioner Brooks seconded by Commissioner Bryan to accept the recreation grant.

Vote Aye-5 Nay-0

A RESOLUTION ACCEPTING THE OFFER OF A GRANT IN THE AMOUNT OF \$4,680 FOR FUNDING THE PURCHASE AND INSTALLATION OF DISC GOLF BASKETS ALONG THE ROBESON CREEK GREENWAY IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGE 147

AN ORDINANCE AMENDING THE TOWN OF PITTSBORO 2011-2012 OPERATING BUDGET IS RECORDED IN THE BOOK OF ORDINANCES NUMBER ONE, PAGE 67

3. Discussion of Personnel Issues (Commissioner Brooks).

Commissioner Brooks said that he had several concerns to bring forward. First, referring to a recent agenda item regarding workshops and trips, he pointed out that other towns, such as Chapel Hill, had decided to stop financing trips, due to economic conditions. Commissioner Brooks moved that

Pittsboro do the same thing and halt out-of-town trips or workshops for Town personnel unless they are required by the state or approved by the Board.

Commissioner Harrington clarified that the motion was to stop travel expenses until the economy turned around, as a cost saving measure. He clarified that Manager Terry would know about most requests well in advance. Manager Terry said that the Town did rely on out-of-state training for the canine program. However, those dogs were fully trained and he did not see any immediate need for refreshers, he said. Manager Terry said that if there was a need for that in the future there would be enough advanced notice that he could bring it to the Board.

Commissioner Harrington clarified that nothing was pending that this decision would have an impact on. Commissioner Baldwin said she thought it was a good idea.

Motion made by Commissioner Brooks seconded by Commissioner Harrington to halt out-of-town trips or workshops for Town personnel unless required by the state or approved by the Board.

Vote Aye-5 Nay-0

Commissioner Brooks said there was confusion in Town over when Waste Industries picks up the trash. When he contacted them, they said they had changed their schedule and the revised one had been put on the Town website, he said. Commissioner Brooks pointed out that most people were unlikely to check the website in the morning before going to work. If Waste Industries changes its schedule, then it ought to communicate that to citizens, he said. Commissioner Brooks pointed out that the Town did not have the resources to notify citizens of such changes.

Commissioner Brooks asked how he should phrase that as a motion, and Manager Terry replied that he did not think there needed to be a motion. He would explain the problem and fix it, he said. Manager Terry explained that the original schedule that had been published in the newspaper when the contract began was correct. However, the one that the company mailed out contained a clerical error. Manager Terry told the Board that he would suggest to Waste Industries that they do a new mailing with the correct information.

Commissioner Brooks stressed that people should be served when they think they will be served. Moreover, he wanted people to recycle and when they become confused in this way they just throw all of their trash in the garbage. People would not necessarily depend on the Internet to find the waste pick-up schedule, Commissioner Brooks said, adding that Manager Terry's plan would address his concerns.

Mayor Voller advised Manager Terry to use water bills for updates as much as possible. The Town was allowed 70 characters on those bills, he pointed out. Mayor Voller stressed that there should be a message on the bills every month; because it was a free mailing that everyone looked at.

Commissioner Brooks asked for clarification of Assistant Planner Horne's ITT position and for more information on who did what with regard to providing computer assistance to the Town. Manager Terry explained that the Town used Assistant Planner Horne as a first responder when computers malfunctioned. That had saved a significant amount of money for the Town, he said. Manager Terry explained that Assistant Planner Horne also advised staff when a computer was going out of service and they needed to buy a new one that was compatible with the system.

Manager Terry said that the second line of support was a company in Greensboro, which the Town called in when there were more complicated problems. He noted that the Town had fairly complex accounting and finance software, which was managed by the outside company. Assistant Planner Horne would not be very useful in helping with that, Manager Terry said.

Commissioner Brooks noted that the Police Department used Southern Software. Manager Terry replied that the Police Department had a software package that was separate from the Town's accounting and finance software and was designed for checking criminal backgrounds and histories and filing reports. He said he thought the Department used a separate vendor as well. Assistant Planner Horne did not get involved in the Police Department's reporting aspect, Manager Terry said.

Commissioner Brooks asked who was overseeing the Police Department's system, and Manager Terry replied that the Chief of Police was the system administrator. It was the Chief's system to operate and he had contract support with the vendor of that software for technical issues, he explained.

Commissioner Brooks said that several people had asked him about Town personnel doing something on private property up where Thompson Street meets Hillsboro Street. He noted that that area had looked bad and that Commissioner Fiocco had expressed concern about it. Commissioner Brooks pointed out that the area was looking much better and he asked if the Town had improved it.

Manager Terry replied that Town staff helped place timbers and railroad ties correctly so that the area could receive landscaping. However, any landscaping had been done by the property owner, he said. Commissioner Brooks asked if there was a problem with the Town going on private property to do that. Manager Terry replied that the area was along the state right-of-way. The timbers on the outside edge probably were in the road right-of-way and those in the parking lot probably were on private property, he said.

Commissioner Brooks asked if the Town had obtained permission from the NCDOT, and Manager Terry replied that, technically, NCDOT would like to know when the Town works on a state right-of-way. However, a project as small and insignificant as that probably would not be a problem, he said. Manager Terry described it as a project where he would seek forgiveness rather than permission.

CAPITAL PROJECTS REPORT

1. Manager's Update on Capital Projects.

With regard to Southern Community Park, Manager Terry reported that he had met with Assistant Planner Horne and Mr. Poteat about installing the fence and they had agreed upon a division of labor. He hoped to report some progress on that fence at a subsequent meeting, he said.

With regard to the 3.22 MGD wastewater treatment plant, Manager Terry reported that there had been an offer from the City of Sanford to accept raw wastewater from Pittsboro. He said he had a meeting scheduled with the town manager of Sanford and Mr. Hughes of Chatham County to work out some of the details. These would include commissioning an engineering study to look at the feasibility of that and developing a proposal about what the cost sharing would be, Manager Terry explained.

Manager Terry said that it seemed as though Sanford was willing to pick up a fairly large percentage of the cost. Mr. Hughes had said that he could not speak for the County Board of Commissioners but

thought they probably would be willing to pick up some portion of it as well, Manager Terry said.

Manager Terry pointed out that the County had at least three engineering firms on retainer to do small engineering studies and had offered to select one that does not work for the Town or the City of Sanford to manage the study as a neutral party. He said that would be a good way to go forward with that study.

Manager Terry said that the Board needed to discuss the Hillsboro Street Transmission Line Replacement Project, and there were several people in the audience to support that discussion. There was some good news and some bad news, he said.

Manager Terry reported the good news first. The Commerce Department had released the Town's grant funds and Pittsboro had finally satisfied all of the requirements and was free to spend the \$750,000 that had been awarded for the project, he said. Manager Terry told the Board that the Town had also received documents back from the Central Electric Corporation and that Attorney Messick was working with their attorney to resolve some issues. Manager Terry said that he probably would bring that item to the Board at its next meeting.

Manager Terry said that he had met last week with Warren Wooten, a contract administrator, and Jay Johnston and Becky Smith, and had discussed the readiness of the project to go out to bid. As part of that review, Mr. Johnston had gone over the budget, which included a history from the time when the project had been split from the downtown water system project to when the Town received the grant money and decided to ask Mr. Johnston to design it all the way to the traffic circle, he said. Manager Terry noted that NCDENR and NCDOT had subsequently added more requirements, which had led to a cost escalation that staff believed would significantly impact the project.

Manager Terry said that he was not asking the Board for a decision tonight but wanted Mr. Johnston to explain where the Town was with the budget for the project. After that, he would return and lay out some options for going forward, he said.

Mr. Johnston reviewed a handout, titled "Budget/History – Hillsboro Street Transmission Main." He pointed out that the USDA had not funded the project, but said that the application was still active. He noted that there were three main pieces of the project: improvements at pipe intersections; Salisbury and Chatham Streets mains; and, 12" transmission main – million gallons to Chatham Market Place. These had been adapted to requirements for CDBG funds, which had lowered the overall project budget by about \$300,000, Mr. Johnston said.

After the Town designed the project and put a specific engineering budget on the design, it learned that NCDOT did not allow bridges and trenches to be filled with native material and required flowable fill instead, Mr. Johnston said. He explained that the flowable fill requirement had caused an increase in the budget.

Mr. Johnston said that at first NCDOT required the Town to pay to overlay the roadway from the traffic circle to about where the old Chevrolet dealership was, but later they acknowledged that this was their responsibility and removed that requirement. However, the Town would have to generate a traffic control plan, create a detour, execute night time work, and abandon the old water main by filling it in with grout, he said. Mr. Johnston explained that the fourth block on the chart showed how NCDOT had increased the cost again.

Mr. Johnston pointed out that the last block on the chart outlined available funds, grants and loans, with the bottom number showing the gap between that total and the updated estimate. Manager Terry had asked him to compare this to the original capital improvement budget for the project, Mr. Johnston said. He stated that the original budget had been just over \$1.1 million but Manager Terry would have to refresh his memory on how they had arrived at that figure.

Manager Terry replied that at the time they wrote the budget it had included CDBG grant funds, \$240,000 from the REDLG loan, and the Town's match. That was the available funding when staff wrote the CIP, before they were aware of the cost escalations being presented tonight, he said.

Mr. Johnston said that he did not have specific recommendations. This was a simple bottom line issue; there was a gap between available funds and the budget. Mr. Johnston said he expected the Board to ask how they had gotten to this place, and his response would be that he really was not sure. He had been chasing some sort of capital improvement project to address at least the first step in hydraulic improvements for 11 years, he said. Perhaps something had been lost in the many iterations of presenting this project to agencies for funding, Mr. Johnston remarked.

Mr. Johnston said that he could somewhat explain what had happened: The Town had been offered a finite amount of money (\$750,000), and the first time it presented the project to the USDA it cost more than the available money. He explained that staff knew that they would pursue leftover funding from the 3M reclaimed water main project, the REDLG loan of about \$240,000 and they also hoped that the USDA would come through with something because it had always been encouraging. However, the USDA's own fiscal constraints had forced it to prioritize projects and the Town had to be clear about which portions of projects it wanted funds from them for, Mr. Johnston recalled.

Commissioner Harrington inquired about the flowable fill that the NCDOT was requiring in its right-of-way. He asked Mr. Johnston if he was saying that the Town had not anticipated that. Mr. Johnston replied that when the Town had done its preliminary engineering budget, staff had assumed they would dig a trench for the new water main and put the material that they took out back in.

Commissioner Harrington asked when all of the grants would go away if the Town did not use them. Manager Terry replied that there was a three-year horizon on the CDBG grant for \$750,000. The \$240,000 no interest REDLG loan had been on the books for seven or eight years, he said, and there was pressure to use the money but he did not know if there was a sensitive date on that loan. Mr. Johnston pointed out that there was a \$37,500 Town match as well.

Manager Terry noted that the Town had not even asked for bids on this yet, so the engineering figures were merely estimates. He said he hoped that the delta would not be as large as Mr. Johnston had predicted. He was not looking for a decision from the Board tonight, but he wanted to run through some available options, he said.

The first option would be that the Town could just kill the project, Manager Terry pointed out. He said he would not recommend that, since the Town had nearly \$1 million in grant and interest free loan money to put toward it.

Second, reduce the scope of project. Manager Terry said he was not sure that could be done, considering the Department of Commerce's (DOC) reluctance to fund a project that was not perceived

as serving the entire community. He recalled that the Town had extended the length of the project to satisfy DOC in the first place. He said he would need to find out if DOC would leave the loan on the table if the scope of the project were reduced.

Third, take the money from fund balance or capital reserve, which has more than \$700,000 in it. But he and Finance Director Mandy Cartrette need more time to sort out whether that money was a piece of the fund balance or something that they accounted for separately, he said.

Fourth, go for a 10-year installment loan to finance the \$600,000 shortfall over 10 years, with a roughly estimated debt service limit of about \$70,000 a year over 10 years to keep the project whole. Manager Terry said that another permutation of that would be some sort of a 50/50 split, whereby the Town would take some from either fund balance or capital reserve and borrow the remaining amount.

Manager Terry posed the idea of bidding the project out and getting an exact number rather than an engineer's estimate of the shortfall. The Town could require bidders to hold their bids for 90 days, he pointed out. Then, if the shortfall were significant, Ms. Cartrette would have 90 days to work out an installment plan, he said. Manager Terry said that 90 days would be tight, if it needed to go through the Local Government Commission, but he thought Ms. Cartrette probably could get it done.

Commissioner Fiocco asked if staff had revised the design to be in the roadway, because he had thought that a good portion of it would be in the shoulder. He expressed surprise that NCDOT was requiring flowable fill in the shoulder of that road. That was not typical, Commissioner Fiocco said.

Mr. Johnston replied that the flowable fill that he had in his project absolutely was in the roadway section. He said he did not think the Town had budgeted for flowable fill after the pipe comes out of the pavement section. Once in the shoulder, they would fill with natural materials, Mr. Johnston explained, adding that about half of the project's linear footage was outside.

Commissioner Fiocco replied that he thought Mr. Johnston had said that one of the increases to the estimates was the use of flowable fill. But if that was in the estimate all along then it would not be additional, he said. Mr. Johnston explained that his estimate was in the gray block. Commissioner Fiocco asked if flowable fill had taken the estimate from \$971,500 to 1,241,820, and Mr. Johnston replied that it had added \$300,000.

Mayor Voller commented that if it cost \$300,000 for flowable fill, then it might make sense to go back to some of the original ideas about where to run the water line. Just abandon that line and come down other streets that the Town owns and avoid the issue of dealing with a NCDOT road, he said. Mayor Voller pointed out that this idea had been kicked around before. For \$300,000, the Town could use some value engineering here, he said.

Mr. Johnston replied that this had been debated a lot. What the central downtown needed was hydraulic improvements and those could be made via many different routes, he said. However, the asbestos concrete section of the main on Salisbury Street northward and the old cast iron section in downtown pipes were old and subject to breakage, Mr. Johnston pointed out. He said that the project would need to address both of those issues.

Mr. Johnston stressed that he was not arguing the merits of what Mayor Voller had said. The Town could consider another route, but it would have to include improvements to the existing pipes, he

pointed out. Mr. Johnston stated that the Town could make improvement in the same diameter that now exists, which would cause less disruption to traffic and business. He said that \$100,000 to \$200,000 might be saved with some sort of redesign and that he was trying to convince himself that it was worth it. A two-pronged approach with hydraulic improvements on another street and fixing the water main so that it would provide improved service for the customers there would be good projects, Mr. Johnston said.

Commissioner Harrington received verification that Mr. Johnston meant pressure under high flow when he was discussing hydraulic improvement. Many water main improvements would not increase pressure, but would reduce the loss of pressure under high flow, Mr. Johnston explained.

Commissioner Fiocco asked Mr. Johnston to explain the difference between static head and residual. Mr. Johnston replied that static head was pressure when nobody was using water, such as in the middle of the night. When you open a hydrant and start water flowing through the pipes, the pressure will go down, he pointed out. Mr. Johnston stated that the highest pressure that ever occurs in the system was the static pressure. Once water starts moving, the pressure goes down.

Mayor Voller suggested that putting pressure-reducing valves on all the properties might be a cheaper solution than putting in flowable fill. Mr. Johnston replied that the reason there was a pressure reducing valve in the Chatham Forest tank was that it was roughly 100 feet higher than the other two tanks. If it weren't for that pressure-reducing valve, the Chatham Forest tank would empty and would have to continue to be recycled, he said.

Manager Terry noted this was just an information session. Eventually, the board would need to decide how to proceed with the project, he said.

Commissioner Harrington asked for specifics regarding funding sources. Manager Terry replied that he would have to pull a copy of those to provide the exact budget. This project was a little tricky because part of the design was done with Town cash, he said. Manager Terry said that staff had started off designing the downtown water system within the budget, and had funded Mr. Johnston work with cash. Then the CDBG thing had come along and staff had split out a piece of that and called it another name. So, it is a little murky, Manager Terry said.

Commissioner Fiocco replied that he was reading from the split out budget. He knew that the Town was still spending its own money, but it made the delta look different, he said. Commissioner Fiocco proposed that part of what everyone was wrestling with was sticker shock. And maybe we should not be in shock, he said.

Commissioner Fiocco said that he felt inclined to put it out to bid, and Manager Terry replied that he was leaning that way as well. An estimate is just an estimate, based on calculations and past history, he pointed out. Manager Terry reported that the City of Sanford's wastewater treatment plant bids had just come in at about 70 percent of what they had anticipated. The Town really would not know what the delta was until they opened the bids, he said.

Mayor Voller concurred. The Town had already managed to overcome the \$300,000 that NCDOT was going to charge to pave the road, he said. He pointed out that the Town was not sure at the beginning of the USDA project that it would obtain a grant and was considering a 0-4 percent interest loan. Then the Town pursued two tracks, but still had not obtained the grant, or the loan, and might never do so, he

said.

Mayor Voller expressed support for the idea of obtaining bids. The Town could always choose to not accept them if they did not meet the requirements, he said. Mayor Voller predicted that it was highly likely, given the economy, that the Town would receive reasonable bids.

Manager Terry remarked that he had not been looking for a decision tonight, but there appeared to be one. He outlined two steps. First, conclude the Town's business with the Central Electric Corporation get that loan closed so the Town would have those funds. Attorney Messick's was working on that, he said. Next, Manager Terry said that Mr. Johnston and the Wooten consultant could work on getting bids.

Mayor Voller said that replacing the very old pipes certainly would improve water quality. Mr. Johnston agreed, and Mayor Voller added that it really needed to be done because people living south of Town were being affected by water coming through an old main.

Commissioner Fiocco and Mr. Johnston discussed the usefulness of creating profiles.

Commissioner Brooks pointed out that the law, as he understood it, was that NCDOT would pay for putting pipes back if it had disturbed them. He wondered if the Town could appeal to NCDOT to help with the cost of the flowable fill, based on the same principle. Commissioner Brooks asked if anyone had approached NCDOT regarding that.

Mr. Johnston replied that he had argued with NCDOT a lot and had approached that subject. People at NCDOT viewed him as just another consultant, he said. Mr. Johnston said that he makes his appeal on behalf of the Town, but every once in a while a louder voice from Pittsboro might have some influence. Mr. Johnston said that he felt as though he had negotiated as hard as NCDOT was willing to accept from him.

Commissioner Brooks said that it seemed to him that the original intent of the law was to help small towns and municipalities with roads and pipes. It seemed as though that this would be a legitimate question, he said. Manager Terry replied that perhaps he and Mr. Johnston could draft a letter to NCDOT from the Town. All it would cost would be the time to write the letter and he was certainly willing to do that, he said.

Manager Terry said that he did not totally understand why NCDOT was requiring the grouting of the old iron pipe, unless they were afraid of a collapse. He said the likelihood of a pipe buried that deep and bridged that significantly ever collapsing was slim to none. Perhaps the Town could prevail upon NCDOT to allow it to not grout that pipe, Manager Terry said.

Commissioner Fiocco said that maybe the Town could grout where it uses flowable fill, and Mr. Johnston replied that he totally agreed with that.

Commissioner Fiocco asked Manager Terry about a request for qualifications for Jordan Lake Rules, and Manager Terry replied that he had not quite finished the interviewing process.

Commissioner Fiocco noted that the moratorium would expire on October 17, 2011. It was critical that all understood and established priorities for allocating that precious resource, he said. Commissioner

Fiocco noted that Attorney Messick had provided a breakdown of various considerations. It was time to get back together in a work session and get this done, he said.

Commissioner Fiocco said that if the Town was going to do something with the moratorium, it would have to have to do something soon. If the Board intended to abandon the moratorium then they had better know what they were abandoning it for, he said. Commissioner Fiocco stressed that it was critical to get that done and move forward. Otherwise, the Town would find itself extending the moratorium until it did get done, he said.

Manager Terry agreed that the moratorium would expire sometime in October and that there were some things that needed to be done. However, he did not think it was as much of an emergency as Commissioner Fiocco might feel right now, he said. Manager Terry said that lifting the moratorium merely meant accepting applications for development. It did not mean that the Town had to give anyone any sewer allocations, he said.

Commissioner Harrington said that the big issue was that they want to have procedures in place.

Mayor Voller said that perhaps Commissioner Fiocco could pass along some of what he learned at the financial seminar he had attended the previous week. Perhaps he learned some things that would be applicable to this and other opportunities and could pass those along to Manager Terry, Mr. Hoyle and Planner Bass, Mayor Voller said.

Commissioner Baldwin, referring to a letter from the NCDOT regarding the Powell Bill, inquired about the Town's balance. Manager Terry replied that the Town was spending it just about as fast as it received it. He said he would bring back specific information, but he did not think the Town's balance was anywhere near what was being addressed in the NCDOT letter, he said.

Mayor Voller pointed out that the reason he had included the letter in Commissioner's packets was that it was something the Board had discussed in the past. NCDOT may take that money, and the couple of hundred thousand dollars just sitting in the account might look very tempting to them. The state wanted towns and municipalities to spend that money, Mayor Voller said.

Commissioner Harrington noted that the Town did not always know what organizations it was giving money to. It had ended up giving money to an organization that was now in the business of setting up political debates, he said. Commissioner Harrington characterizing that situation as being a little uncomfortable.

Commissioner Harrington asked if there had has been any progress since the discussion of office space during the budget meetings. Manager Terry replied that staff had been actively discussing that and he had obtained some price quotes from various buildings around Town. He had put it all in a folder and had filed it away, Manager Terry said.

A COPY OF THE HANDOUT PROVIDED BY JAY JOHNSTON IS RECORDED IN THE BOOK OF RESOLUTIONS NUMBER ONE, PAGE 148

Updates

- EDC – Mayor Voller reminded Manager Terry that the EDC had asked if the Town wanted to

sponsor a table at the Opportunity Chatham Breakfast on October 21, 2011.

- RPO – Mayor Voller noted that the RPO meeting was in October and that the Board may want to attend because decisions would be made on money allocations, including sidewalks.

Commissioner Fiocco asked if the Town needed to submit recommendations regarding how it would like to see the projects. Mayor Voller replied that the recommendation was that the Town prioritizes the projects. Commissioner Fiocco requested that a list of eligible projects be put on the next meeting's agenda so that the Board could prioritize them then.

- Solid Waste – Mayor Voller said that people had been raising the issue of illegal dumping around Town. He asked what could be done to stop that, and Manager Terry replied that this was the \$50,000 question. If you do not catch people putting it there, it is a tough problem to solve, he said. Mayor Voller wondered about setting up wireless surveillance. It would be expensive, but no one really wants the park to become a dump, he pointed out.
- The Pittsboro Fair - Mayor Voller pointed out that the fair would start on September 28, 2011 at 6 p.m., if anyone wanted to come to the opening ceremonies.

FYI -

1. NCDOT Inspector General letter of September 2, 2011; RE: Powell Bill Allocation Legislation.
2. Town Manager's memo of September 21, 2011; RE: History of Out-of-state Training.
3. EDC e-mail of September 20, 2011; RE: Invitation to "Opportunity Chatham" on October 21, 2011.

Motion made by Commissioner Baldwin seconded by Commissioner Harrington to adjourn the meeting at 10:50 p.m.

Vote Aye-5 Nay-0

Randolph Voller, Mayor

ATTEST:

Alice F. Lloyd, Town Clerk