

MINUTES
CHATHAM COUNTY BOARD OF COMMISSIONERS
WORK SESSION
FEBRUARY 18, 2008

The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina, met in the Henry Dunlap Building Classroom, 80 East Street, located in Pittsboro, North Carolina, at 2:00 PM on February 18, 2008.

Present: Chairman George Lucier; Vice Chair Mike Cross; Commissioners Patrick Barnes, Carl Thompson and Tom Vanderbeck; County Manager, Charlie Horne; Acting County Attorney Jep Rose; Assistant County Manager, Renee Paschal; Finance Officer, Vicki McConnell; and Clerk to the Board, Sandra B. Sublett

The Work Session was called to order by the Chairman at 2:00 PM.

Work Session

1. **Economic Development Commission (EDC):** Revolving Loan Program
2. **Small Business Incubator**
3. **Request for Extension of Conditional Use Permit Deadline:** Consideration of a request by Nicolas P. Robinson, Attorney-at-Law on behalf of William R. Copeland for an extension of Conditional Use Permit deadline
4. **Discussion regarding signage during Arts Tour:** Maggie Zwilling
5. **Water System: Year-round conservation proposal**
 - Ordinance Amending the Chatham County Water Conservation Ordinance
 - Draft Irrigation Schedule 2008
6. **County Water Policy**
7. **Major Corridor Public Hearing Schedule**
8. **Closed Session Policy**

Commissioner Thompson stated that Ms. Blackman, who would present the Small Business Incubator, was not able to attend today due to illness. He asked that the item be deleted and rescheduled for another time. The County Manager suggested putting it on the agenda for March 3 or March 18 Board of Commissioners’ Work Session. Chairman Thompson suggested March 3rd.

EDC: REVOLVING LOAN PROGRAM

Dianne Reid, Economic Development Commission Director, provided the Commissioners with a one-page summary that included information on the Program’s history, guidelines, problems experienced with the program, current funding level, potential revisions, and recommendations. In her presentation, she made the following points:

History

- In November 2004, the Board of Commissioners authorized the EDC to use the CDBG/Performance Bicycle Fund to create a small business loan fund. The EDC was to

create guidelines; to review applications and make recommendations to the Board; and, a minimum of 50% of funds were to be used for minority owned businesses.

- In August 2005, the EDC approved creation of a six-member Loan Advisory Board to include at least 3 minority members; the Loan Advisory Board was charged with interviewing loan applicants, reviewing financial information, determining merit, checking references, and making recommendations to the EDC, who in turn would make recommendations to the Board of Commissioners. One application was received, but later withdrawn.

Guidelines

- Loan amounts - \$5,000 to \$20,000
- Interest rate – prime + 2 - 2.5 percent
- Term of up to 5 years
- Loan proceeds can be used for a variety of purposes – working capital, purchase of equipment, renovations, etc.

Problems with the Program

- Loan amount without analysis of need
- Requirement that ½ of funds be used for minority business without any analysis of need
- Board of Commissioners as final decision-maker
- Servicing costs to the EDC

Current Funding Level

- \$255,000: original amount \$228,667; interest has accrued

Potential Revisions

- Review maximum loan size
- Review interest rate – prime + 2 – 2.5 percent too high?
- Have targets or preferences rather than requirements, for example: preference to minority and women-owned businesses; preference to businesses in EDC-targeted industries; preference to businesses locating in existing vacant or underutilized properties; preference to businesses in incubator if that was pursued
- Work with a lender – leverage funds – professionalize servicing/decision-making

Regarding a recommendation, Ms. Reid said at the February 13, 2008 EDC meeting the EDC Board unanimously moved to recommend that the Board of Commissioners pursue a partnership with a lender to facilitate the Small Business Loan Program. She said with their concurrence, the EDC would move in that direction, bringing back a formal plan in late spring to coincide with completion of the Economic Development Strategic Plan.

Commissioner Vanderbeck asked if there was a chance to take grant money and double dip to use part of that as a match for another grant that might line up more with the targeted industries. Ms. Reid said yes, potentially, but it was important to remember that these would be loans.

Commissioner Thompson said he had some concerns about where this program was going, and he had spoken to Ms. Reid about that; that this program had a long history going back to 2004, but he could go back to the 1980's when the County had received \$600,000 in revolving loan funds; those funds had originally been loaned to Performance Bicycle; in 2004 he had begun asking questions about where those funds were, because he had not heard that the funds had been paid back; he now knew that half of those funds had been used for infrastructure for the 3M industry out of town; and, the remainder of those funds had been established for the purpose being discussed now.

Commissioner Thompson stated his concern now was that they had gone several years and they still did not have an operating fund. He asked to set a timeframe so that Ms. Reid could bring something back to the Board for them to consider and adopt; he agreed with and understood the problems the EDC was facing; he agreed with the potential revisions mentioned by Ms. Reid; and, agreed that the best option was to look for a financial institution to administer the program. He asked if they had looked into ways to increase the amount of money in this fund, besides the actual payback that would replenish it over time, such as grant funds. Ms. Reid

said they had not looked into that, noting their focus had been elsewhere. She added they did plan to bring a proposal back with a timeframe in late spring.

Commissioner Barnes stated he had been on the EDC Board since 2004, and had seen its former light and its present light; in its former light people had believed the funds were grants; when they discovered it had to be approved not only by the EDC but by the Board of Commissioners, there was no interest; he did not want to be involved in approving and overseeing loans; that the Self-Help Credit Union was one of the lenders the EDC Board had discussed, adding they were professionals; he believed that was the right direction to take; and, this was how it should have been done several years ago.

Commissioner Vanderbeck asked about the parameters of the loan to 3M and when was it expected to be paid back. Ms. Reid stated she did not know. Commissioner Vanderbeck asked her to check into that so the fund could be replenished.

Chairman Lucier asked how much the loan was to 3M. Commissioner Thompson said \$300,000. Chairman Lucier said that would mean that there was \$75,000 unaccounted for. The County Manager stated he would check on that.

Vicki McConnell, Finance Officer, stated that the funds given to 3M were a grant and not a loan.

Chairman Lucier stated he believed the Board had a consensus to agree with this approach and that the EDC bring back to the Board something more formal.

By consensus, the Board gave their approval to move forward as recommended.

Ms. Reid stated she and others were participating in Leadership Chatham and as a class project they had decided to look into the feasibility of an incubator in Chatham County; they would be conducting interviews with individuals to assess the need; and, would like to bring a presentation back to this Board.

COPELAND CONDITIONAL USE REQUEST

Request for Extension of Conditional Use Permit Deadline: Consideration of a request by Nicolas P. Robinson, Attorney-at-Law on behalf of William R. Copeland for an extension of Conditional Use Permit deadline

Chairman Lucier stated that Mr. Copeland was requesting an extension of time of two years; the Board, at its February 4th meeting, had granted a 6-week extension from the date of expiration, which would carry them through until May 1, 2008; and, whatever action the Board took, he believed that there was an assumption that there would be a corresponding action for other issues.

Nick Robinson, Attorney for William R. Copeland, stated that the final deadline for construction ran for four years from the date of approval; that if the Conditional Use Permit was extended, then the construction deadline would have to be extended as well so that they would expire at the same time.

Commissioner Barnes stated he had said at the last meeting that he was in favor of the extension; that he understood the concern over the nature corridor ordinances, but this was far enough away off that intersection that he did not believe it would be visible; that the entire corner was not a part of the Copeland property, noting two others who had an interest there, which would provide a buffer; that the project was screened all the way down the side so it would be difficult to see it; that this project had been hampered by the economy and the drought, which also affected landscapers, builders, and nurseries; and, that was the main reason this project had not been started before now.

Commissioner Barnes stated he was a proponent of restricting irrigation, but if they were stopping irrigation that would slow down landscaping and building and slow sales by nurseries, and he would not want to turn around and add an additional penalty on top of that. He stated that giving Mr. Copeland an extension seemed reasonable to him; that he had hopes that the economy

and the drought would ease up; and, that he hated to kill a project that the Board had approved just because of circumstances beyond the developer's control.

Commissioner Vanderbeck stated that it had been characterized at the Board's last meeting that Mr. Copeland needed more time to obtain a clearer picture of the customer base he would be serving; that he believed that should be covered by a business plan prior to getting into any sort of business, especially a restaurant business; that when the Chairman had asked what Mr. Copeland would need to be more forward, the response was that he needed to get moving right away; and, that the Board had been ready to consider this matter on February 4th but had experienced technical problems with the materials provided, and because of that Mr. Copeland was granted a six-week extension. Commissioner Vanderbeck stated that with business investments, there were always downturns that had to be weathered; that Mr. Copeland indicated that with the continued development of The Preserve, new development of The Legacy, and the nearby residential development that had caused him to need that clearer picture mentioned earlier; and, although he was all for economic development, this all came under the need for a business plan.

Commissioner Vanderbeck stated other Conditional Use Permits had this "boiler plate" language that extensions could be requested, but it was not a given that they would be approved. He stated that the condition regarding lands leased to NCDOT was an issue that was known two years ago; that there did not seem to be anything new in the plan from what they had seen two years ago; that the landscaping plan was the same plan they had had two years ago; that Commissioner Barnes had commented that if a restaurant were placed on the corner that he would object to that; that it was his recollection that Commissioner Barnes had voted against the rezoning as did Commissioner Cross back in 2006; and, that Commissioner Barnes had also voted against the CUP. He stated his point was that nothing much had changed and he did not see why someone would reverse themselves at this point, even though there were economic hardships that he was sympathetic to.

Commissioner Vanderbeck stated that Mr. Copeland had been given the extra six weeks to get back on schedule, get the permits required, and to get ready to move depending on the Board's decision today; that he believed appropriate time had been given and that Mr. Copeland had other options he could explore; and, that Mr. Copeland could always re-file. He said to be consistent on policy, he would not vote for an additional extension.

Commissioner Cross stated when the rezoning had first come before the Board, he and Commissioner Barnes had voted against it, but once the zoning changed, the questions changed; that once the rezoning was approved, the question was what kind of business did you want at that location; that not giving this extension and allowing everything to go back to "square one" would be messy; that he believed the Board needed to support business and retail economic development, and they had a good family here that was capable of developing this property at an appropriate time; and, with the current economics and drought he did not blame them for asking for an extension to develop the property. Commissioner Cross recommended approval of extension.

Commissioner Thompson stated if he had been a Commissioner when this project first came before the Board, he likely would have been inclined to give it a long, hard negative look because it did not comply with the Land Development Plan. But, he said, that was then and this was now. Commissioner Thompson said that Commissioner Vanderbeck had made good points, but after looking at all the issues involved, he was inclined to go along with the extension because he believed the development was desirable, even though he did have some reservations.

Chairman Lucier stated he had struggled with this as well; that the previous vote was a mixed vote and had he been voting at that time he may have voted against it because of the concerns already noted; that their own Planning Department had recommended against it because it was not consistent with the Land Use Plan; that the Major Corridor Ordinance was in the process of being developed which should be in place in the next several months, and that should help guide both residential and economic development in the major corridors; and, that it was unlikely that that intersection would be considered a node for commercial development. Nevertheless, he stated, this was a business and it was not an onerous business.

Chairman Lucier asked was this project limited to a restaurant only under the CUP. Mr. Robinson responded that was correct.

Chairman Lucier asked what would happen if Mr. Copeland sold this property and the new owner did not want to put in a restaurant but wanted instead to put in a business that was onerous. He asked what authority the Board would have to deny such a request. Mr. Megginson stated the new owner would have to apply for an amendment to the CUP, and the Board would have the opportunity to approve that or deny it.

Jep Rose, Acting County Attorney, stated he believed Mr. Megginson was correct, adding that the CUP would run with the land.

Chairman Lucier stated although he did not believe the Copeland's would sell the land, the Board needed to have protections in place. He stated there was still the traffic issue that had been talked about; that he did not believe the restaurant itself was a traffic problem but it did add to the increasing traffic problem on Big Woods Road; and, that at some point the Board would need to consider a traffic light there with or without the restaurant since it was a cumulative issue.

Chairman Lucier asked in terms of this restaurant, what would happen if this extension was denied. He stated he assumed that Mr. Copeland would consider moving forward in any case. Chairman Lucier asked when looking through the draft Major Corridor Ordinance, was there anything there that Mr. Copeland might find it difficult to comply with if he were to put in a new application. Mr. Robinson stated the current application met most of the requirements set out in the draft ordinance, but a few changes would potentially need to be made. He said in particular, the adjoining buffer to nearby properties may need to be addressed, as well as a rearrangement of the parking and some revision to the landscaping.

Chairman Lucier stated he wondered if he and Mr. Copeland could put together a response to that question, and to set out what their intent was in that regard; he said he was not proposing a delay on the vote for the extension of time, but was assuming Mr. Copeland would make a good faith effort. Mr. Robinson agreed to do so, noting it was their intent to put something at that location that looked attractive and was functional, but right now was not the optimum time to do that.

Commissioner Barnes moved, seconded by Commissioner Cross, to grant the two-year extension of the Conditional Use Permit deadline to begin March, 2008.

Mr. Megginson asked if that extension would be from March or from May. Chairman Lucier stated it would be from March.

Chairman Lucier called the question. The motion carried four (4) to one (1) with Commissioner Vanderbeck opposing.

SIGN ORDINANCE DISCUSSION

Chairman Lucier stated he had gotten a lot of emails regarding the sign ordinance, noting there was a lot of interest in all different kinds of signs as well as what DOT would allow in the right-of-way.

Commissioner Thompson introduced Maggie Zwilling, the Director of the Arts Studio in Chatham County, who had an issue with signs publicizing their tour scheduled for two weeks each December. He said that group did bring in a considerable amount of money to the County, and reminded the Board that one of the components of the economic development plan was to increase tourism with a focus on arts.

Maggie Zwilling stated for the first time this year she had gotten calls from artists saying their signs had been removed; that she had been told they were at the landfill and the artists could retrieve them; that they had held the Arts Tour for many years and this was the first time the signs had been removed; that the Tour was only for the first two weekends in December each year and the signs came down immediately thereafter; that her point was that they had not been told they were no longer allowed to use the signs; and, that many other events happened on a regular basis that used similar signs.

Ms. Zwilling stated they went before the Pittsboro Board each year to get permission to use sandwich boards, and had never been refused; and, asked if something like that could be done with the County for those two weekends in December each year.

Chairman Lucier stated he understood the issue, noting he participated in the tour and would like to be able to locate the places on the tour that he wanted to visit. He asked why those signs could not be put up.

Commissioner Thompson stated he believed Mr. Megginson had some good reasons, including the Zoning Ordinance and the Sign Ordinance. The Planning Director explained the kinds of signs that were permitted and that were not permitted, noting the Zoning Ordinance addressed them. He said it was important that people understood what was permitted and the County's website was the best place to obtain that information.

Ms. Zwilling asked how long those rules had been on the website. Mr. Megginson responded the Zoning Ordinance had been on the website for a number of years. Ms. Zwilling stated the Arts Tour was entering its 16th year, and asked why there was suddenly a difference in the regulations from previous years, and what had precipitated the removal of the signs. Mr. Megginson replied the County had gradually extended zoning through various parts of the County; that regulations stated that signs could not be erected in or on the public right-of-way, except official public or regulatory signs; that counties did not own roads, but towns did, so that was why Pittsboro had been able to allow the signs but the County could not; that unfortunately the Arts Tour signs did not fit into the allowable categories; and, the County now had better enforcement of the ordinances.

Commissioner Vanderbeck said if someone put up a sign on a roadway, wouldn't it be allowable as long as it was beyond 30 feet from the centerline. Mr. Megginson replied it depended on the type of highway; that for a typical two-lane road it was 30 feet from the centerline; for US Highway #64, it would be from the fence or tree line bordering the road.

Commissioner Vanderbeck said for many years he could put signs on Old Graham Road near his property, but now he could not because it had been zoned unless he placed them beyond the 30-foot mark from the centerline.

Chairman Lucier asked Mr. Megginson to think about how the ordinance could be modified to allow signs such as used by the Arts tour.

Ms. Zwilling asked if the County could allow the signs to be posted during that short period of time and make an announcement so the public would know. Mr. Megginson stated the problem was that the roads were not County roads, they were State roads, and for DOT there were safety issues that were clearly spelled out that included signs blowing into the roadways.

Chairman Lucier suggested having the County Attorney look into the issue and see if there was anything the County could do to amend that ordinance to accommodate Ms. Zwilling's request. The County Attorney stated that he would work with the Planning Director to do that.

Commissioner Vanderbeck said if they began now, they should be able to craft something, hold a public hearing, and get the ordinance modified before the next tour.

The County Manager stated there were other types of signs to be considered, such as real estate or political signs, and asked were they to be considered as a part of this.

Commissioner Vanderbeck stated he believed it should be as limited as possible, but believed political signs should be included. The County Attorney stated there would be traditional First Amendment concerns with political signs, as well as DOT regulations to be considered.

Commissioner Thompson agreed that DOT was fairly stringent on its enforcement.

Chairman Lucier stated there were similar tours other than the art tour, noting there was also a farm tour which used similar temporary signs. Mr. Megginson stated they had provisions in the ordinance for temporary signs, and he would work with Mr. Rose to look at those to try to accommodate these particular signs.

MAJOR CORRIDOR PUBLIC HEARING SCHEDULE

Planning Director Megginson reminded the Board that the moratorium expired on June 3rd; that the Planning Board wanted to consider comments from the Environmental Review Board, the Economic Development Commission, and the Appearance Commission at its March meeting; that they would then get Forum comments in April; and, would then bring comments and recommendations to this Board.

Chairman Lucier asked when that was projected to take place. Mr. Megginson stated it appeared they could hold the public hearing the first two weeks of May, but it would not be acted on until after June 3rd because after the May public hearing, it would have to go back to the Planning Board in June.

Chairman Lucier stated they would still be protected because any change would have to be a conditional use, so they did have some buffer.

Commissioner Vanderbeck asked was there a way to have a stand-alone public hearing so they could get it in sooner.

Chairman Lucier stated it would still have to go back to the Planning Board. Mr. Megginson stated the Planning Board would give this Board its initial comments on April 7th, so the Board would then have the text to schedule a public hearing. He said they would then have to meet the notification and advertising requirements for the public hearing, which was why he had said the hearing could be held during the first two weeks of May; then it would go back to the Planning Board.

Chairman Lucier said then the earliest the Board would receive a recommendation from the Planning Board would be in late June. The Board agreed to that schedule by consensus.

BREAK

The Chairman called for a five-minute break.

WATER SYSTEM: YEAR-ROUND CONSERVATION PROPOSAL

David Hughes, Public Works Director, stated this had been discussed at the Board's retreat, and he was offering proposals to amend the Water Conservation Ordinance to allow irrigation on a two-days-a-week schedule. He said the ordinance also had language about irrigation of impervious surfaces.

The County Manager stated the ordinance would allow for a maximum of one inch per week. Mr. Hughes stated that was correct.

Commissioner Barnes asked how you would measure or enforce that. Mr. Hughes stated it would be on good faith.

The County Manager stated they had chosen to do that over a more restrictive enforcement procedure. Mr. Hughes said one of the goals was to push the peak day down by spreading it out, noting last year that had been 2.7 million gallons.

Chairman Lucier stated 2.7 million gallons was just about the peak capacity of the plant. Mr. Hughes said the peak of the plant was actually 3 million, but it only ran at that rate for short periods.

Chairman Lucier stated it was clear they needed to do something to address the continued and growing pressures on the supply. Mr. Hughes stated this was a starting point for them; if the lake levels went down or the demand went up, then they could address it at that point and suggest other measures. Chairman Lucier agreed that they should have year-round measures, but at the same time he did not believe they wanted to make it so difficult or onerous that plants were dying or other problems were created.

Commissioner Barnes stated that compared to Raleigh, the penalty for offenses was small. Mr. Hughes stated they had wanted to use a base line.

Commissioner Barnes moved, seconded by Commissioner Cross, to adopt the year-round conservation proposal.

Chairman Lucier stated he believed Mr. Hughes had put together a reasonable plan given the situation and their desire to have a long-term water conservation program, but at the same time not make it so onerous that people could not live normal lives.

Chairman Lucier called the question. The motion carried five (5) to zero (0).

Loyse Hurley, Concerned Citizens of Chatham County (CCEC) President, asked was there some type of exemption or permit for people who needed to do pressure-washing. Mr. Hughes noted there were no restrictions on pressure-washing in the ordinance.

Maintenance Trucks:

Mr. Hughes stated funds had been budgeted to purchase three trucks: one for the meter reader, one for inspections, and one for maintenance.

The Finance Officer stated this would not ordinarily come before the Board because they would normally be made as separate purchases, but they had been able to get a better price by buying them as one purchase.

Commissioner Vanderbeck stated he had talked with a representative of the EDC, and they may be disposing of their 4-wheel drive vehicle, and perhaps the County could do some sort of swap. He said that could perhaps save the County some money. Mr. Hughes stated the EDC vehicle was a Ford Expedition, and they were purchasing pick-up trucks because they typically had to haul heavy and/or dirty items.

The Finance Officer said perhaps they could add that vehicle to the County Pool, but noted it was an expensive vehicle to operate.

Commissioner Barnes moved, seconded by Commissioner Vanderbeck, to approve the request to order trucks for the Water Utility Department from the State Contract vendor, Vic Bailey Ford, in the amount of \$76,781.00. The motion carried five (5) to zero (0).

CLOSED SESSION POLICY

Jep Rose, Acting County Attorney, stated the packet included the Policy regarding Closed Sessions and the Release of Closed Session Minutes and other public records.

Chairman Lucier stated they had talked about that policy a month or so ago, and Mr. Totten had raised the question of looking at the School Board policy to see how they meshed. Mr. Rose said he believed the idea was to make it more "user friendly." Chairman Lucier agreed.

Mr. Rose stated he had found one more change he would like to make, under Item 3.D., Closed Session to Discuss Lawsuits/Legal Proceedings. Mr. Rose stated the second sentence should read as follows: "If settlement of a lawsuit or other claim is considered or approved in closed session, the terms of the settlement should be reported in a subsequent open meeting, within a reasonable period of time after the settlement is concluded, and included in the minutes of that meeting." He said that new language would provide clarification as to what should be reported and when.

Chairman Lucier asked had Mr. Rose found any way to simplify the ordinance. Mr. Rose said the ordinance tracked the law, and believed it should be left as is; and, the ordinance was much clearer than trying to read the statute itself. He said some language had been added to clarify that people requesting public documents be mailed to them would be charged a fee for that service.

Commissioner Vanderbeck stated if the policy was adopted, would they need to set a time to allow for training of staff and others to become more comfortable with the requirements. Mr. Rose said he did not believe so, because in essence it was what they were doing now, except for the provision regarding documents being mailed.

Commissioner Vanderbeck moved, seconded by Commissioner Thompson, to adopt the Closed Session Policy with the proposed amendments.

Gerald Totten, School Board member, stated that technically you would not allow just anyone to release public documents but would want it channeled through one or two staff in each department. Mr. Rose stated the custodians of particular records were aware of what to release and how.

Commissioner Thompson stated the practical way to approach this would be to have Custodians of Record who understood what their responsibilities were, and any questions would go through the County Manager to the Attorney.

Chairman Lucier stated the policy should be distributed to department heads, but he would not go beyond that. Mr. Rose stated the policy itself was a public record, discussed in open meeting.

Chairman Lucier called the question. The motion carried five (5) to zero (0).

COUNTY WATER POLICY

Commissioner Thompson stated he had had questions over the course of time about user rates and what the Board could do to educate the public; that some education had been done in the past; that water districts had been formed in the past; that there were people who felt that because water lines were being run close to their area, and that based on the 12 homes per mile rule, that they could actually sign up for water now. He said it was his understanding that because of the percentage of signups, it did not matter how many homes there were because they had to reach a 70% sign-up rate for the area, which was about 2,500 homes. Mr. Hughes stated if a person was adjacent to the line that was going in, they could tap on, and they had sent out notices and various ads to that effect.

Chairman Lucier stated it was \$500 when a line was being run by someone's house; if you waited until after the line had been run, then the fee became \$4,500.

Commissioner Barnes stated when that line passed your house, then it was too late to pay the \$500, but before that line got there you sign up at the cheaper fee.

Commissioner Thompson asked how long ago the ads were placed. Mr. Hughes responded about a year, noting they had also put out about 1,500 signs, had placed newspaper ads, and had put in on the website.

Commissioner Barnes stated they had also held community meetings in different areas, and the advertising was very extensive.

Mr. Totten stated he had signed up to tap on, but he had not yet paid the fee because nothing had happened as yet.

Commissioner Thompson said the other question would be how to publicize to people who lived off the road that there had to be a 70% sign-up. Mr. Hughes stated that was covered at the public meetings held in each districts.

Chairman Lucier asked if Commissioner Thompson was having some of those issues in the southeast district.

Commissioner Thompson said it had been his experience that sometimes people forgot or simply did not show up for the public meetings; that there was some confusion based on the questions he had received from people; that in the southeast district at least they needed to let people know that not enough of them had signed up; and, they needed to know how many had signed up so they could act accordingly.

Bill Lowery stated that he believed people felt that they had been lied to for 25 years, and they all knew that once the line started down the road the people would finally believe it. So, he said, now was the time to go back and get people to sign up within the district.

Mr. Hughes stated they had extended the \$500 signup program for as long as they could.

Commissioner Thompson stated his point was if the County had let the people know, then they could not cast the blame on anyone else; that it cut down the confusion if people knew lines could not be run down their roads, but they did not know that; that if they knew lines were being run down Highway #902 but the current sign-up rate was below 70% and that was widely publicized, then the onus was on them to sign up; and, there were still a lot of people who just did not know that. Commissioner Thompson stated he believed it was incumbent upon the Board to at least make an effort to publicize it again, particularly in the southeast district.

Mr. Hughes stated they could run some more ads to get the word out.

The County Manager stated when the meetings were held, it was explained that there was a cost to tap on, as well as the 12 homes per mile requirement to make it successful. He said they had thought that once the line started being run down the highway that people would begin signing up, but that had not happened.

Mr. Lowery said he wanted to confirm that as far as the two districts, the \$500 fee was still available to anyone who wanted to sign up.

Commissioner Thompson stated he had seen some of the signs that had been put out, but asked what exactly those signs had said. He said people still did not know what percentage of people had signed up, and once the line was in the ground the fee went to \$4,500. Commissioner Thompson said he believed they should be saying "here is where the line is being run, and here is the percentage signed up."

Chairman Lucier asked if the spigots would not be turned on at all until there was a 70% sign up. Mr. Hughes stated they would not even send it out for design until they had 70% sign-up, adding the line being run down Highway #902 was a transmission line and the people who had paid their \$500 would be able to get water from that line.

Chairman Lucier stated he believed it would be helpful to put together a one-page notice and place it back on the website.

Commissioner Barnes stated the people who were asking the questions were the people who did not have computers.

Chairman Lucier stated it could also be put in the newspaper, perhaps more than once.

The Finance Officer stated those notices could also be placed at all the collection centers, and possibly in all the churches.

Commissioner Thompson stated when looking at the map of the districts, he could see where they began and ended as well as areas not covered by the water districts. He stated he had been asked many times by people in a particular area whose responsibility it was to run lines to their area, and whether that area was covered in the County's overall plan for water expansion. Commissioner Thompson said one area he had received questions about was Airport Road. Mr. Hughes stated that area was in the ETJ and not in the expansion plan; and, they would have to go to Siler City for water.

Commissioner Thompson stated those people had told him that Siler City had sent them to the County, and the County had sent them back to Siler City, so nothing was being accomplished. The County Manager stated he recalled that there were some areas in the ETJ that Siler City had chosen not to supply water to, but if the County wanted to serve them they could. He said the County had not taken on the task of going into the ETJ as yet.

Commissioner Thompson stated then at this time what he could say to them was that the County had no plans to run lines in that particular area, so they would have to take it up with Siler City.

Chairman Lucier asked Mr. Hughes which lines were being run at the present time. Mr. Hughes stated when looking at the map, it was the brown lines down Highway #902 and Old US Highway #421.

The County Manager stated when the line down Old US Highway #421 was completed they would be able to serve the people who were now getting water from Siler City.

Mr. Lowery stated they had taken on water lines that were in Pittsboro's ETJ, on Old Chatham Church Road and Old Sanford Road. The County Manager stated they had made a request and the Board at that time had agreed.

Commissioner Thompson stated that several weeks ago, the Board voted to pay to extend water lines into the Deer Run subdivision, and at the time one of the concerns he had expressed was that they were setting a precedent in that they were doing something that had never been done before. He stated he understood why the Board had approved it, but believed they now had a situation where they did not have a policy that existed that would cover that kind of situation. Commissioner Thompson stated that they should perhaps have a cost benefit analysis for each individual situation as it arose as a part of the policy so that they could be as equitable as possible. He suggested that the Board task the Public Works Director and staff to draft a policy that would include a cost benefit analysis to the policy, and to set out a timeframe such as 30 to 60 days. Mr. Hughes said he believed they could do so within six weeks.

Commissioner Vanderbeck asked for clarification as to why a cost benefit analysis would be needed when it was a revenue neutral system; that when they ran a line into a subdivision and there was no payback then there was no cost benefit.

Chairman Lucier stated that was why they had the 70% rule, which was in effect a cost benefit analysis.

Commissioner Vanderbeck stated that was only within the district; that a district could be taxable to put lines in; and, if it was outside a district then the County had no authority to raise revenues to pay for the situation that was just approved in Deer Run. Mr. Hughes stated they would put together a policy and bring it back to the Board for discussion.

Commissioner Thompson stated there may be some other things Mr. Hughes and staff may want to recommend for consideration, and encouraged them to be creative.

Commissioner Thompson moved, seconded by Commissioner Vanderbeck, to task the Public Works Director and staff to draft a policy that would include a cost benefit analysis and other necessary components to that policy to bring the County Water Policy in line with the proposed contract that the Board approved with Deer Run. The motion carried five (5) to zero (0).

Commissioner Cross asked about the northwest Chatham water district, noting he did not know they had such a district. The County Manager responded that had been on the last ballot.

CONTRACT TO ASSIST WITH FORECLOSURE ACTIONS

Chairman Lucier stated that Commissioner Cross had requested removing Item #4 from the Consent Agenda of tonight's meeting and discussing it now, which was a request to award a two-year contract to Zacchaeus Legal Services to assist with foreclosure actions. He indicated it would have to be voted on at tonight's meeting, but it could be discussed now.

By consensus, the Board removed Item #4, consideration of a request to award a two-year contract to Zacchaeus Legal Services to assist with foreclosure actions, from the Consent Agenda.

County Manager Charlie Horne stated there had been some question about local versus outside the County services, the question being why not someone from in the County.

Vicki McConnell, Finance Officer, stated they had interviewed two local attorneys, noting the County had never used an attorney for this kind of issue, except for once or twice; that what they really wanted to do was to make sure that anyone who had not paid their taxes at least got a notice that the issue was being turned over to an attorney and the County would start legal proceedings if the taxes were not paid; and that they would have about 100 of these accounts that would be turned over to this attorney the first year and likely for several more years.

Ms. McConnell stated the first attorney interviewed had said they would not need to hire additional staff, and the second had said they would need at least two additional staff; the firm they had chosen did this kind of work for a living; the cost associated with doing this was zero to the County because the costs would be paid by the people being foreclosed on; that there may be some that could not be collected so potentially there would be some small cost involved to the County eventually; and, the cost was \$5 per parcel, with about 100 turned over to the attorney the first year.

Ms. McConnell stated they believed it was better to try this for the first two years and not have local attorneys commit to hiring new employees, then decide how to go forward from there; and, they did not want to put this in the hands of a local attorney and then have them say it was too much for them to handle without hiring new employees. She said that was why they had chosen to recommend the outside firm of Zacchaeus Legal Services.

Ms. McConnell emphasized that the people foreclosed on would not be people who were just late paying their taxes, but people who were consistently late.

Commissioner Thompson asked had the County ever done foreclosures on this scale before. Ms. McConnell said on this scale, no, they had not because they did not have the personnel to do it.

Commissioner Thompson stated they needed to have a consistent policy so that people would understand the criteria applied to everyone and was not arbitrary. Ms. McConnell stated she believed those criteria were already in place, but could not say for sure. She said that criteria would be in place before a foreclosure was turned over to an attorney.

Commissioner Barnes asked where the firm was located that staff had recommended. Mr. Rose stated they were located in Onslow County.

Commissioner Cross asked if this company specialized in such work. Mr. Rose replied yes, that they did quite a lot of this kind of work.

Ms. McConnell stated they had talked to several other counties that used this firm and they had all been pleased with their work.

Chairman Lucier stated before any foreclosure letters were sent out, each Commissioner needed to receive a copy of the policy and procedures to be used. Ms. McConnell agreed to do that.

Commissioner Cross stated that he believed this issue could be left on the Consent Agenda for a vote this evening. There was no objection from the Board to place it back on the Consent Agenda.

RECESS

The Chairman recessed the meeting to the County Manager's Conference Room for dinner at 4:07 PM.

ADJOURNMENT

Commissioner Cross moved, seconded by Commissioner Barnes, to adjourn the meeting. The motion carried five (5) to zero (0), and the meeting was adjourned at 5:15 PM.

George Lucier, Chairman

ATTEST:

Sandra B. Sublett, CMC, Clerk to the Board
Chatham County Board of Commissioners