
MINUTES
CHATHAM COUNTY BOARD OF COMMISSIONERS
WORK SESSION
OCTOBER 15, 2001

The Board of Commissioners (“the Board”) of the County of Chatham, North Carolina, met in the Henry H. Dunlap, Jr. Building Classroom, located in Pittsboro, North Carolina, at 4:00 PM on October 15, 2001.

Present: Chairman Gary Phillips; Vice Chair Margaret Pollard; Commissioners Bob Atwater, Rick Givens, and Carl Outz; County Manager, Charlie Horne; County Attorney, Robert L. Gunn; Assistant County Manager, Paul Spruill; Finance Officer, Vicki McConnell; and Clerk to the Board, Sandra B. Lee

The Chairman called the meeting to order at 4:05 PM.

Work Session Agenda

- 1.) **Water**
- 2.) **Personnel Advisory Committee Revisions**
- 3.) **Capital Request from School Board**
- 4.) **E-Commerce (Rural Development)**
- 5.) **Chatham County Security Update**
- 6.) **Council on Aging request**

CHATHAM COUNTY SECURITY UPDATE

Ike Gray, Chatham County Sheriff, gave an update on security measures his department has implemented due to the need for increased security with regard to bio terrorism, including a 24-hour lock-down for office personnel and dispatchers, extra patrol at Jordan Lake Dam, County water plants, CP&L/Harris Lake boat ramps, and working with schools on crisis plans.

Tony Tucker, Chatham County Emergency Operations Director, gave a brief overview of the emergency preparedness measures and coordinated efforts taken by Chatham County Emergency Operations in conjunction with the State Bureau of Investigations (SBI), Federal Bureau of Investigation (FBI), local law enforcement, the Chatham County Health Director and Health Department.

Bill Lail, Chatham County Interim Health Director, gave an overview of the Health Department’s bioterrorism response training and preventive health measures in light of the recent imposed threats.

Jean Bond, CP&L representative, stated that the Harris Nuclear Plant is operating with a heightened security status and additional restrictions on access to the general plant area as well as the vital areas of the plant; that heightened security status applies to all plant operations; that they are coordinating with federal, state, and local emergency management and law enforcement officials on a regular basis and have their

support for any credible threat to the plant; that they have an extensive emergency preparedness plan in place that is drilled regularly; and they will continue to provide updates and are available should additional questions arise.

Beverly Crotts, Chatham County Schools representative, stated that the schools had been working diligently on fine tuning their crisis intervention plans which have been in place at each school for the past two years and that the schools have had actual crisis and bomb threat drills.

Darlene Cooley, Chatham County Schools representative, stated that they had changed the format of their plan to be more in line with that of industry; that their plan has been refined; that they have crisis drills; that they are continuing to meet with the SIRT Team and EMS; that they are working on “flip charts” for easy reference to be distributed to teachers, personnel, etc.; and that they are refining problem areas.

CAPITAL REQUEST FROM SCHOOL BOARD

Commissioner Givens moved, seconded by Commissioner Pollard to fully fund the Chatham County School Board request in the amount of \$845,000 to be phased in over the FY 2002-03 two-year period and to inform the schools that the expenditure will be marked as a line item in the schools’ capital projects for the current fiscal year. The motion carried five (5) to zero (0).

COUNCIL ON AGING

After considerable discussion, the Board decided, by consensus, to convey to the Council on Aging that they would delay a decision on the amount of their contribution, until the final tally of ticket sales and other fund raising events were completed, to determine the amount that the Board would contribute in helping to settle the Council on Aging debt, up to \$10,000.

SILK HOPE SCHOOL REQUEST

Commissioner Givens moved, seconded by Commissioner Pollard, to allocate \$10,000 to the Silk Hope School PTO to rebuild the Silk Hope School gymnasium floor. The motion carried five (5) to zero (0).

Commissioner Outz expressed concern with regard to funding requests which come before the Board outside of the Board’s designated budget cycle.

WATER – PART 2

Ron Singleton, Chatham County Public Works Director, gave an overview of the Water System Extension Draft Policy as follows:

<i><u>CHATHAM COUNTY</u></i>	Policy Statement No.
<i><u>POLICY STATEMENT</u></i>	Effective:
	Supersedes:
<i><u>WATER SYSTEM EXTENSION POLICY</u></i>	Prepared by: Title:
	Approved by:

1.0 PURPOSE:

The purpose of this policy is to provide an equitable mechanism by which Chatham County can plan and extend its water system to better serve the citizens of the County.

2.0 OVERVIEW:

Chatham County periodically extends the county water system for various reasons including citizen request, developer request, economic development and system enhancement. This policy will set forth the parameters by which the County shall make or allow such extensions and the rights and responsibilities of potential customers.

3.0 SCOPE:

This policy shall apply to all new water system extensions that are planned and constructed after the adoption date of this policy.

4.0 SYSTEM EXTENSION PROCEDURE:

The extension of the Chatham County water system shall be accomplished by one of the following methods as recommended by the Director of Public Works (DPW) and approved by the Chatham County Board of Commissioners (BOC):

- 4.1 Citizen Request: Chatham County may extend the county water system at the request of a citizen or group of citizens. The decision for such extensions will be made after an economic analysis and basis of need survey is completed by or under the direction of the DPW.

The economic analysis will be performed based on a preliminary cost estimate to determine the length of time needed for the line extension to be self supporting. The analysis will take into consideration the estimated cost of the line, the number and type of potential customers, the resultant estimated usage and the cost of providing the bulk water to the proposed extension.

The calculation will be made by estimating the total annual water payment by all potential customers and subtracting the cost of providing the bulk water. The resultant amount will be divided into the estimated construction cost to determine the payback period. The payback period will be compared to the payback period for other requests for water service to determine the priority by which projects will be undertaken.

Establish a minimum Payback Period or use payback period to rank projects?

Public Works staff will investigate the basis of need for each request for line extension by citizen request. The highest category of need will be based on the finding that public water extension is necessary to alleviate an immediate threat to public health such as widespread groundwater contamination.

How much weight to give for immediate broad based health concerns?

The second highest category of need will be based on the finding that at least 30% of a random samples of well water in a study area are found positive for fecal coliform bacteria, indicating contamination from septic tank effluent.

Should site specific health concerns be given same weight as broad based health concerns?

The third highest category of need will be based on the finding that due to prevalent geologic features the quality and quantity of water available from groundwater wells is not sufficient for normal domestic uses.

How much weight should be given to projects in areas of known low groundwater availability and limited soils available for on-site wastewater?

4.2 Developer Request: The developer of a parcel of land is required by the County Subdivision Ordinance to construct all on-site water facilities and to provide connection of the water facilities in his development to the existing water system of the County when a proposed development is within a specified distance of an existing water line. The extension of water systems shall be accomplished by one or more of the following methods as recommended by the Director of Public Works and approved by the Board of Commissioners:

4.2.1 COUNTY FUNDED - ASSESSMENT METHOD: This method shall be used as a means of defraying the expense of water system extensions by special assessment upon the properties benefited by the extension in accordance with N.C. General Statutes 160A-216 through 160A-236.

Is assessment a method the County would want to consider for new projects?

4.2.2 DEVELOPER FUNDED - OVERSIZE REIMBURSEMENT: Under this method, the developer shall be responsible for the full cost of installing water facilities within their own properties and for the connection of their system to the County's existing water system. The County shall share in the cost of constructing oversized facilities when larger sizes are required to serve other tracts outside of the tract being developed.

Does the County want a stated policy for oversize reimbursements or treat each on a case by case basis?

County reimbursement for developer funded facilities shall be made for the difference in cost between facilities required for the development and oversized facilities required by the Chatham County. The methodology of sizing facilities shall be as approved by the Public Works Director. In no instance shall Chatham County reimburse for water lines eight inches or less in size.

Is the BOC comfortable with staff approving methodology for determining oversize reimbursements?

4.2.3 DEVELOPER FUNDED - REIMBURSEMENT CONTRACT: In instances where County funding is not available for extensions under other provisions of this policy statement and where the County Board of Commissioners deems it in the County's best interest to approve the project, the developer may enter into a reimbursement contract with the County. Any reimbursement contract would provide for developer funding of the entire project with reimbursement to the developer of a percentage up to 50% of the water availability fees paid by all connections to the developer funded project within a five year period from the date of County acceptance of the project. Any reimbursement contract shall be contingent upon approval by the Chatham County Board of Commissioners.

Does the County want to consider reimbursement contracts as a means of funding system extensions to serve new development?

If so, what percentage to use and length of contract period?

4.2.4 DEVELOPER FUNDED - NO REIMBURSEMENT: This method shall be applicable in those instances where funding is not available under other provisions of this policy statement. Facilities installed under this method shall comply with all County design standards and shall be in accordance with the County's Master Water Plans where applicable or as approved by the Director of Public Works. Approval of projects under this method shall be contingent upon receipt of all County and State approvals and availability of sufficient water supply and treatment capacity.

4.3 Economic Development: Chatham County may fund the extension or improvement of its water system for economic development considerations upon approval by the Board of Commissioners. Funds for such extension should be allocated based on the payback period anticipated from projected water sales. A project whose payback period is estimated to be no more than five years based on projected water sales may be funded from Utility Capital Reserves. Projects which have a longer payback period should be funded from economic development funds.

Should projects done to promote economic development be funded from the Utility Fund the General Fund or a combination?

4.4 System Enhancement: Chatham County may fund the extension or improvement of its water system solely for system enhancement upon recommendation by the Director of Public Works and approval by the Board of Commissioners.

5.0 MANDATORY CONNECTION:

5.1 New Projects:

5.1.1 Connection Required: For new waterline extension projects, Chatham County may require the owner of developed property on which there are situated one or more residential dwelling units or commercial establishments located so as to be served by the new water line to connect the owner's premises with the water line and may fix charges for these connections. The decision as to whether to require connection of all developed properties shall be made during the planning stage of the project after an initial signup period during which the water availability fee will be offered at 50% off the regular rate. If the decision is made by the Board of Commissioners to require all properties to connect the 50% reduced rate will apply to all properties affected.

Does the County want to consider mandatory connections for new extension projects?

For all new projects or selected projects?

Reduced availability fee for mandatory connections?

5.1.2 Recurring Charges: In the case of improved property that would qualify for the issuance of a building permit for the construction of one or more residential dwelling units or commercial establishments and where the county has installed new water lines thereof directly available to the property, the county may require payment of a periodic availability charge, not to exceed the minimum periodic service charge for other properties that are connected. This fee would be charged to those properties

required to connect under 5.1.1 and who choose to not purchase County water.

This would go hand in hand with the mandatory connection policy.

5.2 New Construction Along Existing Water Lines:

This policy was adopted by the Water Advisory Committee several months ago and recommended to the BOC.

5.2.1 POLICY PURPOSE: Chatham County allows and encourages extensions to its water distribution network to provide access to a reliable public water source by both residential and non-residential customers. This policy is intended to specify requirements for connection to this network for each category of customer in a variety of situations.

5.2.2 POLICY: In lieu of individual or community (private) water systems, new residential and non-residential facilities shall be required to connect to the Utility's Water System if its water service is deemed to be available as specified herein (see exceptions listed below). In some instances, developers of such facilities may be required to pay all or a portion of the cost of extending a Utility water main of adequate size to that property. This policy pertains exclusively to new construction, permitted subsequent to the adoption of this policy by the Board of County Commissioners.

Water service shall be determined to be available to a new customer if any portion of the parcel to be developed lies within the following maximum distance requirements:

Customer Classification/Situation	Maximum Distance to Utility main of Adequate Size
Major or minor residential subdivision – one dwelling unit per lot	100 linear feet per lot
Single or Multi-family Residential Unit	(See footnote *)
Non-residential Facility	(See footnote **)
Planned Residential Development	To be negotiated on a case by case basis, in accordance with the approved PRD Master Development Plan
Planned Unit (mixed use) Development	To be negotiated on a case by case basis, in accordance with the approved PUD Master Development Plan

(*) The required connection applies to residential property located on an undivided parcel of land which abuts a road right-of-way in which a Utility water main of adequate size exists and where the residential structure is situated within 300 linear feet of the Utility's main.

(**) The required connection applies to a non-residential facility located on an undivided parcel of land, which abuts a road right-of-way in which a Utility water main of adequate size exists. The owner of an agricultural production enterprise will not be required to connect to the Water Utility.

5.2.3 EXCEPTIONS: No connection to the Utility Water System will be required:

- a. When the Utility determines that the existing water main is not capable of supplying the customer's water needs

- b. Where the proposed facility has an existing adequate water supply, as certified by the property owner/developer at the time of permitting
- c. When the required extension would penetrate an area where public water facilities are otherwise expressly prohibited by Chatham County or other governmental body exercising such authority. Such areas include, but are not limited to, flood zones, critical watershed areas, and other protected lands. Extensions of the Utility Water System into such restricted areas may be authorized by the appropriate governmental body on a case by case basis.

5.2.4 Caveats: In implementing this policy, the Chatham County Board of Commissioners:

- a. Determines that the Water Utility has access to a supply of water adequate to fulfill the needs of customers to be served by the proposed extension.
- b. Where an existing Utility main of adequate size lies within the specified distance and a service extension of the main is to be constructed, requires the developer/customer to fund the construction project. This service extension will be installed in accordance with the Utility's specifications, including line sizing. Upon formal acceptance of the completed extension, these water facilities become the Utility's.
- c. Reserves the right to authorize funding of an extension of an existing Water Utility main of adequate size to within the maximum distance requirement specified above. However; when unusual conditions, such as rock, a swamp, or intervening body of water, raise the unit cost or total cost of such an extension to a level deemed by the Board of County Commissioners to be excessive, the Board may negotiate an agreement which requires the customer/developer to pay a specified portion of such costs.
- d. In the process of negotiating a mutually beneficial agreement, considers such factors as:
 - 1) Effects on the planned future development of the County Water System
 - 2) Implications for the effectiveness and efficiency of Water System operations
 - 3) The developer/customer's cost recovery potential
 - 4) Potential effects on the development of nearby parcels of land
 - 5) Also considers input provided by other County departments and appointed boards and committees whose interests would be affected by a proposed extension

OTHER DISCUSSION:

- 1. Acreage fees versus availability fees
- 2. Wastewater issues
- 3. Funding alternatives
 - a. Private market
 - b. General Obligation Bonds
 - c. Revenue Bonds
 - d. USDA
 - e. SRF
 - f. Supplementation from General Fund
- 4. Next steps
 - a. Discussions with neighboring systems
 - b. Set a timetable for deciding:
 - i. Size of project(s) to be undertaken
 - ii. Funding method

iii. Consultant selection?

RECESS

- Commissioner Givens moved, seconded by Commissioner Pollard, that the work session meeting be recessed so that the Board could attend the volunteer appreciation reception to be held at Central Carolina Community College, Multipurpose Room, to be followed by the regularly scheduled Board of Commissioners' meeting in the District Courtroom. The motion carried five (5) to zero (0), and the meeting was recessed at 6:00 PM.

Gary Phillips, Chairman

ATTEST:

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