THE THREE HUNDRED-SEVENTY SEVENTH SESSION OF THE BOARD OF ALDERMAN
VILLAGE OF ALAMANCE
January 25th, 2010 – 7:00 PM

Present: Mayor Bundren, Mayor Pro-Tem Sharpe, Alderman Jones, Alderman Tichy, Alderman Clemmons, Alderman Slaughter, Clerk York.

Absent: Alderman Crouse

Alderman Clemmons gave the invocation.

Mayor Pro Tem Sharpe moved to accept the December 14th meeting minutes and Alderman Clemmons second the motion. The motion passes unanimously.

CDBG PROJECT

Clerk York explained that each Board member has received a packet and is asked to review the policies, procedures and ordinances as they pertain to the CDBG project. Alderman Clemmons asked to review each one individually to get a better understanding of each part instead of approving the resolution in bulk. Clerk York explained that the first two pages give a brief synopsis of each item listed. Mayor Bundren asked if there were any questions pertaining to the items listed in the packet. The items listed were Recipients Plan to Further Fair Housing, Fair Housing Complaint Procedure, and The Fair Housing Resolution from the Board, The Equal Employment Procurement Plan, Procurement Policy, Section Three Plan for Employment Opportunities, Residential Anti-Displacement and Relocation Assistance Plan, Procedure for Complaints, Citizen Participation Plan, Community Development Code of Conduct, and Conflict of Interest Policy. Alderman Clemmons asked if the Fair Housing Compliant Procedure applied to everyone in the Village. Michael Walser, the grant administrator for the project, said that it did apply to everyone. No other questions were raised by the Board. Alderman Clemmons moved to accept all the policies, procedures and ordinances as they pertain to the CDBG project. The Motion was seconded by Mayor Pro-Tem Sharpe. The Motion carried unanimously.

State Required Second Water Source Financing

Marc Reich came before the Board and gave a report regarding the progress of the project. Mr. Reich explained that the contractor began work on November 5th 2009 and has completed the clearing and grubbing operations. The contractor has installed approximately 2,169 linear feet of the silt fence. Forty percent of the pipe has been delivered to the project and the contactor has installed ten percent of the pipe beginning at Liberty Drive and made it to Caprice Lane before the rain hit. The encasement pipe has been installed underneath Pond Road at the intersection of Caprice Lane. The majority of the fitting valves and hydrants have been delivered to the project. The contractor has also paid the fee for the meter to the City of Burlington. A preliminary application has been received for payment. Mr. Reich is waiting on certified payrolls from the contractor and one of his subcontractors. A payment of $117,200 will need to be paid by the Village in the near future for the labor and materials listed above minus a 5% retainer. This in dollar amount comes to 28 ½% of the project. Boring under the Great Alamance Creek will begin within the next thirty days. Seeding and mulching will be done as they go along with the project and weather allows. A packet will be put together this week to send to the State to ask for reimbursement to the Village for the project expenses to date.

Clerk York explained that the State revised some of the numbers for Part B. The total for engineering would be $60,000.00 and the total for construction observation and contract administration was reduced from $48,000.00 down to $43,000.00. Contingences have been reduced down to $0 because there is a contingence built into the construction cost. The original geotechnical and wet land reports and easement mapping have been consolidated into Legal, Fiscal, Site and other Property. The State has Legal and Fiscal listed at $25,720.00 and Site and other Property at $22,000.00.

Design and Permitting is listed at $60.000.00. Clerk York explained that the line item titled "transfer out to General Fund" is due to monies that the Village spent prior to July when the budget was adopted. The amount already spent of $36,470 on engineering and the amount budgeted for Design and Permitting of $23,530 equals the total $60,000.00 approved for engineering. The State also revised the loan fee to $11,599. The revised total amount of the project was reduced so the fee was also reduced. Alderman Jones moved to amend the Capital Project Ordinance. Alderman Clemmons seconded the Motion. The Motion carried unanimously.

Report on the Cabin Pump Station Access Road

Clerk York said that he had spoken with Rodney Holt to find out the last time the pump station was under water. Mr. Holt believed it was during hurricane Fran but would have to check his records to verify that information. Clerk York stated that he had reviewed the meeting minutes from that time period and could not find record of the pump station being under water. Mayor Bundren tabled the agenda item until next month so Clerk York could gather more information from Mr. Holt.

ORC Report

Mr. Allred explained that the Birch pump station pump had 379 hours logged on it. The pump was running but not pumping up the line. It was just pumping inside the station. Johnny's Plumbing looked at the pump and found debris in the seal so they pulled it out and cleaned it. The pump is working fine now stated Mr. Allred. Last Monday all the sewer lines were inspected, which is a state requirement that must be done twice annually. Mr. Allred passed around pictures for the Board to review. The area between Rob Shepherd and Cardinal is in need of cleaning stated Mr. Allred. All the manholes and lines looked good to Mr. Allred during the inspection. A manhole beside the ball field was moved off its base but could be pushed back on to its base easily by a backhoe.

Mr. Allred said that there had been one bacteria test each month. The THM/HA5 test water was taken at the entry point so we can see what Burlington is selling to us stated Mr. Allred. After doing the samples it was clear that the water is being sold to us with high levels of HAA5. Extra flushing is being done at Liberty Drive to try and help with the high reading. Total purchased water from Burlington was 3.26 million gallons in December. The Valve Program has been preformed by James Slaughter. Mr. Allred explained that he is going to get with Mr. Reich and get a map drawn up to assist with the location of all the valves. Mr. Allred had the Rural Water Association representative meet with him at CT Nassau for three hours trying to locate a possible water loss and explain the shortage the Village has been experiencing. A new meter will be brought in by RWA and the old one replaced to try and find the shortage. Mr. Allred said that he knows it is taking a while to find the problem but they are narrowing down on it. Mr. Allred stated that on February 2nd a water audit will be preformed. All the billing will be looked at with Clerk York and they will look at what the Village is purchasing and selling to try and locate this water loss. A small water leak was detected on Cardinal Lane and Johnny's Plumbing fixed it.

Alderman Jones asked Mr. Allred what the Villages recourse would be if we have purchased water that has not passed the state test for levels of HAA5. Alderman Jones asked how we can hold Burlington's feet to the fire. Mr. Allred stated that this is a problem happening all over the State of North Carolina. Mayor Bundren asked Mr. Allred if the Village would ever receive fines for this level of HAA5. He stated that he has not been made aware of any fines that the Village has been accessed regarding this matter. It is hard to get clear answers from anyone at the state level added Mr. Allred. Burlington could do something called chloramines, but that is very expensive. The state would force Burlington to do something about those high levels. All we can do is flush and we have been flushing more on Liberty Drive.

Mayor Bundren asked that testing be done at the entry point as well as the end of the line at last twice a year. In the future if the State does fine us we can explain what part of the HAA5 level was caused by Burlington at the entry point. The cost for the extra test is $190.00 per test. The State runs on a running average and it would help our average if the numbers did go down from the added testing. The second water connection will change our sampling point and the water will come in fresher because it will be closer to the water plant stated Mr. Allred. After the new water connection is in place, he will work his way back from Heritage Glen to the new meter.

Alderman Jones asked why we can't make CT Nassau find the fire connection. We should be fining them until they find the source of the flow through the fire meter. Mr. Allred said that the valve is so old it is going to creep some. Alderman Jones said that flow will bypass that check meter and it could be months sometimes without movement. Mr. Allred said that 170,000 gallons passed through that meter. Mayor Bundren said that if we fined them, they would find the leak. Mr. Allred said that the only way he knows to accurately measure the water going through that line is install a six inch meter. However, that is very expensive. Alderman Jones said that if CT Nassau were fined enough, they would find it feasible to purchase a six inch meter. Attorney Bateman asked if they test the meter. Mr. Allred said that they do not test the meter, they test their system annually. They are supposed to let Clerk York know when they are testing their system though. Mr. Allred said that the meter moved all day last Monday. That line connects into their sprinkler system. They put a flow meter on the line and it never moved. The additional flow is between the meter and the building. Mr. Allred said that if it was a leak, we would know because there would be a hole in the ground. Alderman Jones said that he still believes we should fine them. Mayor Bundren said that Attorney Bateman had said that he would look into this. Attorney Bateman said that he had not found anyone yet who imposed a penalty for flow on the fire line. Alderman Jones asked why we have a detector if we are not going to do anything about it.

Mr. Allred said that the manhole where the meter is located is not large enough to work in. He thinks that CT Nassau should build a vault out there to allow access. If he could gain access, then a strap on meter could be installed to measure the flow. We can't cut off the meter because the fire alarm would go off. Attorney Bateman asked if there was a t-valve in that area. Mr. Allred said that it was possible but he does not know. Alderman Jones found it hard to believe that a residential meter was monitoring that entire plant. Mr. Allred said that they have two 500 gallon containers and he does not know how many times a day they fill the tanks up. They also have boilers that run all the time. Alderman Jones said that it could be that they have a reservoir that they fill up at one time and use. Mr. Allred thinks that their biggest water usage comes from the boilers. Mr. Allred said that he went through the entire plant with three guys from rural water and they did not find anything other than the things he mentioned. Mr. Allred said that he is trying to get a sewer meter to place on that line to monitor outflow.

Mayor Bundren asked who checks the filters on their sewer system. Mr. Allred said that that is CT Nassau's responsibility. Mayor Bundren said that when we had the sewer spill last year we found string and other things that indicated that it came from CT Nassau. There must be something wrong with their filtering system. Mr. Allred said that they have a line of trenches in the concrete and sewer falls into a hole where there is a filter. He said that it has been clean every time he has been there. Mayor Bundren asked if that was all they had to do for their filtering system. Mr. Allred said that it was. Mr. Reich asked what kind of string came out of the sewer during the spill. Mayor Bundren said that it looked like yarn. Clerk York said that it looked like the material that came out was from CT Nassau. Mr. Allred had called CT Nassau the next day and he said that they cleaned those screens. Mayor Bundren asked Attorney Bateman to get back to the Board on potential fines for movement on a flow meter. Attorney Bateman said that he would put something together for the next meeting.

NEW BUSINESS

Water Shortage Response Plan Revisions

Clerk York said that the state required the Village to create a water shortage response plan last year. The state has reviewed the plan and suggested the following revisions. Clerk York sent out an e-mail with the full text of the revised plan to the Board at the time the packets were distributed. Clerk York presented the Board with a paper listing the revisions as well as the section number where the revisions were located. Clerk York then described the revisions.

The state wanted a paragraph included stating that the Village is adopting Burlington's water shortage response plan. Even though it is obvious that we are adopting Burlington's plan, they still want this paragraph included. We also needed to change the word license to variance. An additional determining factor for adding variance was also added. This stated that a variance could be issued if it was necessary to maintain the health, safety, and general welfare of the individual requesting the variance. There would be no variance issued for stage three, four, and five.

We also must show how we will evaluate the effectiveness of the plan. To achieve this we will compare water usage during restrictions to water usage during the same period of time in previous years. The plan will be reviewed at least every five years and after restrictions have been lifted. The public will be notified through water bills and postings on the website and at Town Hall. The plan also specifies that a public comment period be held before final passage of the plan, which is what we are doing tonight.

Alderman Jones asked if we needed to approve this tonight. Clerk York said that we did. Mayor Bundren entertained a motion to approve the changes to the water shortage response plan. Alderman Tichy moved to approve the Water Shortage Response Plan and Alderman Clemmons seconded. The Motion carried unanimously.

Tap Fees

Clerk York said that someone had contacted him earlier in the month regarding taping onto the sewer line that runs by her home. He said that the tap size would be four inches. The Village's current fee for this service is $550. When Clerk York checked on what it would cost the Village to have someone tap onto the line, he received estimates in the area of $700 - $800. Clerk York suggested that the Village change their fee to "cost" or "cost plus 3%" in order to avoid a loss in the future. Mayor Bundren asked if the adjustment would also apply to water taps. Clerk York said that it would not. He would be glad to look at the fees for water taps and get back to the Board with a proposal for updating the fees. Clerk York said that the issue is not pressing at this time. The individual who contacted Clerk York has not indicated that she is selling her house at this time. Mayor Bundren asked if most municipalities have a flat fee. Clerk York said that they did. Mr. Allred said that a bore under the road could double the expense of a tap. Mr. Reich said that connections in a person's backyard are often tapped into the outfall. Some municipalities set their fee in between the cost of going under the road to tap and not going under the road to tap. Alderman Jones asked if Mr. Reich could look at the Village's fees and get back to the Board. Mr. Reich said that most municipalities have a set fee for a ¾ in residential and all other items are billed at cost. Most customers in the Village are residential. He would look at cost for customers on the short side of the road and customers on the long side of the road and set a fee somewhere in between those costs. Alderman Jones recommended Mr. Reich look into the Village fees and get back to the Board. Mr. Reich said that he could look at the rates other municipalities charge. He thinks that Burlington's fee is $750. However, Burlington does the tap themselves. Alderman Jones asked if it was published on the website. Clerk York said that it was not. Mayor Bundren said that this should be on the website. Mayor Bundren said that we should have looked at this when we looked at the budget. She asked if the Board should approve the amount of $750 as a tap fee effective February 1st. Alderman Jones said that we should give someone more notice than February 1st. Alderman Jones said that we should review all of the fees. Mayor Bundren said that if it is the Board's pleasure then, Mr. Reich will review our current fee schedule and recommend new fees. No one objected to the recommendation.

Yard Sales

Mayor Pro-Tem Sharpe said that the Board had previously considered whether to issue permits to individuals or property owners. Alderman Jones asked what the issue was. He asked if the concern was that some yard sales look like a flea market. Mayor Bundren said that the issue was whether permits were issued to the individual or the property. Mr. Senecal has allowed individuals to use the parking lot next to his building for yard sales. Those yard sales do end up looking like flea markets.

Yard sales are limited to two per year if the permits are issued to the property and not the individual. Clerk York said that currently, permits are issued to the property. Each property is limited to two yard sales per calendar year. This does not prohibit an owner from allowing someone else to use the property for their yard sale. As long as the property owner consents to the use of their property, a permit will be issued. Mayor Bundren asked why it appeared that some people have more than two yard sales a year. Clerk York said that some people may be having yard sales without a permit. Clerk York checks his list before issuing permits, but someone could set up a yard sale on the weekend when he is not here. Mayor Bundren asked what the Board's view was. Mayor Pro-Tem Sharpe said that permits should be issued to the property owner. She asked Clerk York to e-mail the Board when a yard sale is scheduled. Clerk York asked Board members to call him if they see a yard sale operating without a permit. The fine is $50 and the yard sale can be shut down. Permits must be displayed at the yard sale. Mayor Bundren said that the sign should be visible from the street. Mayor Bundren asked which commissioner oversees yard sales. Clerk York said that that falls under public safety. Mayor Pro-Tem Sharpe asked Clerk York to provide the Board with a description of the commissioner's responsibilities.

Jordan Lake Rules

Clerk York said that the plan for complying with the Jordan lake rules was submitted to the state on December 31st. One of the requirements is that a stormwater administrator be appointed to oversee the implementation of the program. Mayor Bundren asked what the stormwater administrator would do. Mr. Reich said that they would oversee the rules and regulations of the Jordan Lake program. Mr. Reich said that Josh could be here at the next meeting to answer any questions the Board may have about this project. Alderman Clemmons said that this may mean another employee down the road. We will need to plan for the additional cost in our budget. This will also have an impact on new development. Mr. Reich said that new development will have to adhere to the best management practices for their stormwater runoff. Alderman Clemmons said that originally existing development was going to have to comply with Jordan Lake, but that was changed. He said that Burlington will be raising their water rates to comply with this. Alderman Clemmons moved to approve Clerk York as the Stormwater administrator and Alderman Jones seconded. The motion carried unanimously.

Finance Report

Clerk York presented the Board with a revenue/expense summary, a cash report, and a list of the balances in the village's bank accounts. He then discussed the two CD's that had matured since the last meeting. The 90 day, $310,925.99 CD purchased from Carter Bank matured on December 13. It has earned $844.46 in interest as of January 25th. The current value of the CD is $311,770.45. The CD was renewed at a rate of 1.1%. The 90 day, $89,444.54 CD purchased from Carter Bank matured on January 19. It has earned $242.92 in interest as of January 25th. The current value of the CD is $89,687.46. The CD was renewed at a rate of 1.1%. Clerk York received a quote of .63 from Community One Bank and a lower quote from Capital Bank. RBC and SunTrust are not offering 90 day CD's at this time. Carter Bank is privately owned and the President of the Company prices the CD's.

Alderman Jones asked what the interest rate on the Wachovia account was. Alderman Clemmons said that the interest rate is 0.25%. Clerk York said that we are not earning interest on the account currently. Our service fees exceed the interest we earn. Wachovia is removing the service fees so that we do not lose any of our balance. Alderman Clemmons explained to the new members that our funds must be collateralized. Banks must have collateral above the FDIC amount to protect public funds. This makes public funds more expensive for banks to have and therefore they pay less interest than private funds. Alderman Clemmons said that the Village should stay liquid and so he has been hesitant to go with a term greater than ninety days. Alderman Jones asked if we should go with a longer term and take the hit on interest if we needed the funds. Alderman Clemmons said that the interest wouldn't be much higher. He said that we could investigate other terms and rates, but he does not feel comfortable with a term of more than six months.

Alderman Clemmons then discussed the bank account totals. He said that the drop in fund balance over the last year was mainly from paying the building off. The building was paid off because there was a large difference between what we were paying in interest on the loan and what we were earning on those same funds at Wachovia.

Alderman Jones asked if anyone went to the Transportation meeting on January 20th. Mayor Pro-Tem Sharpe said that she had planned to go but there was someone she had to help move out of a nursing home.

Alderman Jones asked where we were with the house on Elder Lane. Clerk York said that both the house and the trailer had been demolished and the debris had been moved off of the land.

Peggy May asked if it was alright to place a couch on a porch. Mayor Bundren said that the couch Mrs. May was referring to looked similar to the deck furniture she has on her deck. She said that she would look at it again.

Alderman Clemmons said it was time to start thinking about the budget again. He told the new members that the Board will meet to go over the budget. Mayor Bundren asked if Alderman Clemmons would meet with Clerk York to go over the budget in February.

Clerk York said that there is an area on Cardinal Lane that needs to be paved. This is the spot where a water leak was fixed a couple of weeks ago. Pro Pave was the lowest bidder at $250. Alderman Clemmons asked if the amount would come from Powell Bill. Clerk York said that it would. Alderman Clemmons moved to approve the bid of Pro Pave. Alderman Tichy seconded. The Motion carried unanimously.

Mayor Pro Tem Sharpe moved to adjourn and Alderman Tichy seconded. The Motion carried unanimously.

Respectfully submitted,

_____Cathera R. Bundren, Mayor

_____Ben York, Village Clerk