THE FOUR HUNDRED AND FORTY NINTH SESSION
OF THE BOARD OF ALDERMAN
VILLAGE OF ALAMANCE
JUNE 22, 2015 – 7:00 PM

Present: Mayor Bundren, Mayor Pro Tem Tichy, Alderman Clemmons, Alderman Sharpe, Alderman Crouse, Alderman Gregory, Alderman Tichy, and Clerk York.

Alderman Clemmons gave the invocation.

Alderman Sharpe moved to approve the May 18, 2015 meeting minutes. Alderman Dan Tichy seconded the motion. The motion passed unanimously.

Public Hearing on 2015-2016 Budget

Alderman Clemmons made the motion to open the Public Hearing on the 2015-2016 Budget. Mayor Pro Tem Tichy seconded the motion. The motion passed unanimously. Mayor Bundren asked if anyone present had any questions regarding the budget. There were no questions. Alderman Sharpe made the motion to close the Public Hearing on the 2015-2016 Budget. Alderman Dan Tichy seconded the motion. The motion passed unanimously.

Approval of 2015-2016 Budget

Clerk York referred to the fee schedule, as listed on the final page of the budget. Most of the fees are the same as in years past. The water and sewer rates are increasing. The water rate will be $5.37. The sewer rate will be $6.22. The fee for a ¾ inch water tap increases from $1300.00 to $1500.00. The sewer tap fee will be $1600.00, increased over the previous charge of $1400.00. Jerry Warren, who does these taps, is increasing his fee for both water and sewer taps. The fees are calculated based on an average cost. Taps that are across the street cost more, while those on the same side of the street cost less. Clerk York also called attention to the subdivision inspection fees. These fees are similar to fees charged, per linear foot, by the Town of Elon. There was some discussion, at the last meeting, as to whether these fees would apply to the last two phases of Heritage Glen. This is up to the Board. Once a fee is put into place, it applies to everyone. If the fee is approved, it will apply, beginning July 1, 2015. If the Board doesn't wish the fee to apply to the next two phases of Heritage Glen (Parts B and C), then the fee should not be approved. Clerk York explained that the Board could approve any part of the fee schedule, or all of it, or none of it. Mayor Bundren confirmed that if the fees were approved they would be immediately applicable beginning July 1st. She asked for Board input. There was Board consensus to approve the fee schedule as presented. Alderman Clemmons then made the motion to approve the 2015-2016 Budget. Mayor Pro Tem Tichy seconded the motion. The motion passed unanimously.

OLD BUSINESS

Report on Cabin Pump Station Project

Mark Reich reported that the pre-construction conference was held last week. All of the bid documents have been signed and everything has been distributed to the contractors. They have issued a notice to proceed beginning July 27, 2015. The date was shifted because the contractor has to do the bore underneath the river. The subcontractor can't really begin work until the middle of July. They still have to do the submittals for the pump station projects. There is a long lead time on this, as well. Everything is in place. Work should start fairly soon after July 27th.

Mayor Bundren asked if there were any questions; there were no questions. She thanked Mr. Reich for the update.

Planning Board Vacancy

Mayor Bundren informed that she had spoken with Shawn Mashburn. Mr. Mashburn indicated he would forward a letter stating his interest in serving on the Planning Board. The letter has not yet been received. Mayor Pro Tem Tichy suggested this item be held until the end of the meeting, in case Mr. Mashburn should arrive later. Alderman Dan Tichy asked if there were any pressing concerns in relation to filling the Planning Board vacancy. Clerk York stated there were not any matters of immediate concern.

Garbage and Recycle Services

Clerk York informed that he telephoned companies that would be options for these services. He has received some information from Waste Management. They shared information via the telephone, without submitting a formal proposal. Trash rates would have stayed the same, while recycle rates would have doubled. Currently the Village pays $1.03 for recycle and $10.30 for trash. These rates are per unit. Trash is picked up every week. Recyclables are picked up every other week. Clerk York referred to the current contract with Waste Industries. He called attention to the second page. Waste Industries is willing to renew the contract for another two years. The Village had been doing this contract every three years. When the contract ended last year, the Village did not re-sign. Waste Industries is proposing a two year contract, at the current rates. Current rates are $10.30 for trash and $1.04 for recycle. Yard Waste is $119.23 per hour and $19.00 per ton disposal. Republic is proposing the rate of $10.35 for trash and $2.08 for recycle. Republic is also proposing the rate of $90.00 per hour for Yard Waste. Republic is proposing a three year contract. If the Village opts to continue using Waste Industries, this would extend for two more years. Originally the rates for recycle were higher for the Village. When the change was made to 96-gallon carts for recycling, the rate decreased from $2.22 to $1.04, with Waste Industries. This was to match the rate that Waste Industries was charging the City of Burlington. The Village was able to piggyback off that rate, from the year 2012. The rate in Burlington will be up again in 2017. At this time, it will be rebid. Likely, recycling costs will increase. Trash rates are much the same between the proposals, but recycling rates are different. Republic would charge $2.08 whereas Waste Industries will charge $1.04, the current rate. Yard waste would cost less with Republic, but the difference would not offset the recycling cost. Peggy May asked which company the Village used now. Clerk York responded that the Village currently uses Waste Industries. The Board has the option of the current contract with Waste Industries or the proposal from Republic. This was all done through an informal process. A formal RFP was not issued. Information was obtained by telephone calls. Mayor Bundren pointed out that Waste Industries is proposing a two year contract, as opposed to the three year contract with Republic. Clerk York added that a formal RFP could be issued, but the recycle costs would definitely be higher, more akin to what Republic is proposing. Clerk York stated he had a good meeting with personnel from Republic. They would be a good company; but this would double the recycle rates. Peggy May commented that the company being used now is excellent. The people that come around to her community provide excellent service. Some even carry the trash can back to the house for an elderly person. Clerk York added they do this for Mrs. Pike. Mayor Bundren asked for the Board's pleasure. Mayor Pro Tem Tichy observed that continuing to use Waste Industries would be the most economical. He asked about the option of doing a bulk pickup, if desired. He observed some concerns about mattresses in front of the boarding houses. Clerk York noted that Republic has the option of bulk pickup. He doesn't think Waste Industries offers this, based on past requests. Mayor Pro Tem Tichy suggested this be addressed. Clerk York stated that a bulk pickup could be done with another company, if the Board wanted to do this. Clerk York also pointed out the language of the Waste Industries contract. Waste Industries can look at the CPI each year, to determine if they want to increase the

rates. The increase might be 2%, raising the recycle cost from $1.04 to $1.06. The rate has never been raised before, though this language has previously been in the Waste Industries contract. Alderman Dan Tichy asked if Waste Industries was aware of the additional houses coming into Heritage Glen. Clerk York confirmed that they were aware of this. Mayor Pro Tem Tichy made the motion to approve the contract with Waste Industries. Alderman Dan Tichy seconded. The motion passed unanimously.

Audit Contract

Mayor Bundren observed that the audit contract with Cobb, Ezekiel, and Loy has no substantial differences to the contract the Village has had in the past. Clerk York referred to the introductory letter and page 5 of the contract. The fee is based on a range, which is in line with what the Village has had in the past. The only time there was a difference in the range is when the Village had the stimulus money and the money for the sewer project. Alderman Clemmons stated that Becky Loy is very experienced and qualified in auditing municipalities. There are other firms in town who can do this; however, Cobb, Ezekiel, and Loy has a strong practice in doing this. They are a "go to" group in the community. Mayor Bundren concurred, noting the Village has contracted with Cobb, Ezekiel, and Loy since the inception of the Village as a municipality. Alderman Sharpe made the motion to approve the audit contract with Cobb, Ezekiel, and Loy. Alderman Clemmons seconded the motion. The motion passed unanimously.

ORC Report

Arnold Allred presented the ORC Report. Regarding the collection system, the generator at the Birch station was serviced. This is a yearly service involving changing the oil and filter. There was an alarm at the Cabin station on Friday night, around midnight. The #1 pump was running, but not pumping very much. Pump #2 was not pumping at all. There were some rags around the floats. By 2:30am, it was back to service. There was no overflow. Pump #1 is not pumping very much, while Pump #2 is doing all the work. The schedule is looking good, but Mr. Allred reported this, as part of his job to let the Board decide what it wished to do. Mayor Bundren questioned where the rags came from. Mr. Allred commented that everybody flushes everything. "Disposable" rags are not truly disposable. When they come down to the pump station, they get woven together and cause a problem. This is dealt with in a pumping station all the time. In the NC 62 pump station, they are going to put a mixer in there, so they don't have that problem. Mr. Reich noted there will also be a mixer in the dosing tank, too. This will also assist with that, in breaking that up. Mr. Allred pointed out that the waste from the Cabin station will be going to the dosing station. Alderman Dan Tichy added that he will do a reminder from the Homeowner's Association, in addition to the reminders in the newsletter. Mr. Allred observed that they don't see this problem at the Birch station at all, but they do at the Cabin station. There is a lot of grease, too. Mr. Reich commented that baby wipes are part of the problem. Mr. Allred said it may be as simple as something being in the pump. It is a commercial pump; Mr. Allred can't see it. Mr. Reich added the pump would have to be pulled out. Mr. Allred stated the Board may not wish to go to that expense, with the project coming up. However, if Pump #2 goes out, there will be trouble. Jerry can always be called in, but there would probably be an overflow, by the time he arrived and got set up. Everything is working fine at the NC 62 pump station. Regarding the distribution system, the latest THMHA5 results were very high. Mr. Allred always takes a sample of the water that comes to the Village. He pointed to the maximum limit, which is .08. The entry point was .079, which was really close. Rob Shepard was .08; NC 62 was .081. The Village is fine with the annual average. The same thing is being seen on the HA5. Mr. Allred called Eric, with the City of Burlington. Eric informed that Burlington had cut back on some of their chemicals because they were doing so well. Burlington is aware that the Village has problems, as they do. Burlington is working on this again. August is always the hardest month in which to "pass." August will be the next testing time. Mayor Bundren asked if they were adding chemicals back, in Burlington. Mr. Allred responded affirmatively, as far as he knew. He will do

some extra flushing, before taking the sample in August. Hopefully, this will help out, too. Mr. Allred has been working on updating his certificates. He is now an "A" distribution operator, instead of a "B" distribution operator. He is also in a class in Carthage, this week, for cross connections. The state of North Carolina is starting to increase their enforcement on cross connections for small towns. Mr. Allred is trying to get this certification. Alderman Clemmons inquired about the meaning of cross connections. Mr. Allred informed this means not having cross connections between the sewer and the water. The system is checked for that. In places like the dentistry, they have a pressure reducing valve that will backflow the venter. If anything happens in there, it won't come back into the water system. These have to be tested every year. This is the reason Mr. Allred is taking the class. There is one at the dentistry, one at C.T. Nassau, and one at the school. Clerk York pointed out that Mr. Allred will be certified to test these pressure reducing valves. Mr. Allred added that the class is actually an ORC class. A program will be started in the Village to make sure there are no cross connections. He is working on passing the test right now. Mayor Bundren thanked Mr. Allred for his report.

There was no further Old Business.

NEW BUSINESS

Application for a Variance Lot 18 Phase 5 Heritage Glen

Clerk York reported that this lot is in Phase 5-A of Heritage Glen. Phase 5 connects into Brookstone Drive. This lot is reached by turning up Yorkshire Drive, then turning left on Aramanche. It is the second lot, Lot #18. Clerk York referred to the last two pages of the document. The home was permitted. The next to the last page describes how it was permitted; meeting the current setbacks. The last page shows the request for the home to be moved. The request is to move the home "up." By doing this, it falls out of compliance with the back setback. The setback is 25 feet, from the rear line of the property. Clerk York referred to the drawing. It misses the setback by about 7 feet. Alderman Dan Tichy asked if this is where the cemetery was increased. A buffer was added. Clerk York stated he will check on that. Alderman Dan Tichy reviewed that the cemetery had been expanded 20-30 feet. He guesses that is why this lot became more odd-shaped. Mr. Reich confirmed that was correct. Clerk York explained that the variance application goes before the Board of Adjustment. The Board of Aldermen serve as the Board of Adjustment, with the addition of three extra territorial members. The amendment doesn't specify, except that they can be members of the Planning Board. Mayor Bundren noted that James Coble was elected to the Board of Adjustment several years ago. Clerk York stated that he will look back through previous minutes to see who the Board appointed. He will contact them and make sure they have a copy of the variance application. The Board will need to set a public hearing date, which will be advertised. That is the administrative part. The reason the request is being made to move the house relates to issues with the soil. Mr. Reich and Clerk York have met with the individual requesting the variance. Alderman Dan Tichy asked if the variance would supersede the covenants in Heritage Glen, which are 25 feet. Clerk York explained that these are two different things. Alderman Dan Tichy stated that there are rules in the covenants that require 25 feet. Mayor Pro Tem Tichy added that the Homeowner's Association would have to be approached for approval. Clerk York commented that nothing the Board would do would overrule the rules that the Heritage Glen Homeowners' Association has in effect. Alderman Clemmons asked whether who is in control of the graveyard has been determined. Clerk York asked this question of Mr. Money. Mr. Money wasn't sure. Clerk York also left a message for Kristin. Mr. Money plans to ask the Fousts. Mr. Reich stated this was going to be given to the Historical Association. Whether or not it has been deeded is not known. Alderman Dan Tichy added that right now it is "common area" and falls under the HOA jurisdiction. Clerk York commented that the Historical Association may wish to weigh in on this matter. Mayor Pro Tem Tichy noted that the house design has changed also. Clerk York confirmed that the house design

has changed. He will have to apply again, for another permit. The Board will decide whether to grant the variance. Then, he will have to complete a new permit application with the county. Mr. Reich stated that the plans he had were for a London, Grand. Clerk York indicated the London is the desired house design. Alderman Dan Tichy noted that all the house plans have met the HOA requirements. The London is right under the Grand, regarding square footage. Alderman Clemmons stated that he has a real concern with granting the variance. This involves a graveyard, and they knew that going into the process. It is sacred ground. Alderman Clemmons added he doesn't feel comfortable taking the chance in disturbing the graveyard. Mayor Pro Tem Tichy pointed out the area was expanded to be "safe." This would still be 21 feet or so off of the graveyard edge, as it has been redefined. The variance is 3 ½ feet, essentially. This is the closest point. Mr. Reich addressed this, stating the total area is 180 feet. Mayor Pro Tem Tichy observed this wouldn't be an issue, if the house design had not been changed. Mr. Reich concurred. When the ground penetrating radar was completed, this lot was much bigger. Alderman Dan Tichy observed that this was one of the biggest lots in the development. They have shifted 25-30 feet back into it, trying to leave a 20 ft. buffer from the graves to the property line. So there are 20 feet, plus the 25 foot setback. Mr. Reich suggested this additional information could be requested to be shown on a document, for the Board. This will be helpful to determine how close this is to some of the actual graves. They did locate the graves. Alderman Gregory commented that they actually made the house smaller. Alderman Dan Tichy concurred, stating the Grand is the biggest house. Alderman Gregory noted the house is 6 ½ feet shorter than the original one. Mr. Reich pointed out that sliding the house up to the high side of the lot poses less problems with flooding. The storm sewer system is designed to carry a 10 year storm. However, pipes will stop up. If a pipe stops up until the water gets to the top of the road, it will back up. From a design and engineering standpoint, it makes more sense to have the house further away, up on the high side of the lot. This is where the encroachment comes in. Alderman Dan Tichy noted that this was one of the reasons for the application, to move the house away from the storm drain. He pointed out an example of a house with flooding issues, on Cornerstone. Mr. Reich noted that this system is designed for a minimum 10-year design storm. There is a lot of storage water that can actually build up, in that pond, if the pipe were to get stopped up or if there were a larger storm event than a 10 year storm, such as a 100 year storm. The water will still be able to back up without potentially flooding any homes. Mayor Bundren stated that the public hearing needed to be set and asked whether the date should be the next meeting in July. Mayor Pro Tem Tichy agreed this would be optimal and made the motion to set the public hearing for the variance for the July 27, 2015 meeting. Alderman Dan Tichy seconded the motion. The motion passed unanimously. Mayor Bundren asked Clerk York to contact James Coble and review the matter with him. Mayor Pro Tem Tichy asked that Clerk York also notify the Historical Association. Alderman Dan Tichy explained that the HOA has the common area, according to the covenants. Instead of going through all the paperwork, they want to get the three parties together and agree that the Historical Society takes ownership. This hasn't happened yet. Alderman Clemmons added that the Historical Society needs to know that this is a possibility. Alderman Dan Tichy added that if the HOA doesn't approve the variance, it is a moot point.

Budget Amendment

Clerk York presented the budget amendment, noting this was to shore everything up until the end of the fiscal year, and make sure no line items are exceeded. He asked if there were any questions, pointing out that the Budget Amendment and the Finance Report are on the same page. There were no questions. Alderman Clemmons made the motion to approve the Budget Amendment. Alderman Dan Tichy seconded. The motion passed unanimously.

Finance Report

Clerk York reported that the current value of all the CDs is $1.6 million. The total interest earned over the last 12 months is $7412.98. A CD matured on May 28, 2015 that earned $1030.56 in interest. The new principal amount is $188,045.16. The CD that will mature on June 25, 2015 will be liquidated and put back into the Wells Fargo account. These funds will then be available for the siphon project. Plans were to transfer $360,000 this budget year to go toward the siphon project. Next year, the amount is approximately $500,000. Before June 30, funds are being transferred from Capital Management Trust and CDs to go into the Wells Fargo account, so that money is available for the siphon.

OTHER BUSINESS

Mayor Bundren asked if the Board wanted to table the Planning Board vacancy item until the next meeting. She asked whether anyone else was interested in serving. Clerk York noted that he has sent multiple notices in the newsletter that is mailed with water bills. He has not had much response. He only had two people submit a letter of interest. Others have expressed interest, but not put this in writing, as requested. Alderman Dan Tichy said he was willing to table the item again, and could reach out to some people in Heritage Glen. This may also give Mr. Mashburn the opportunity to write the letter and attend the next Board meeting. Alderman Sharpe made the motion to table the Planning Board vacancy until the July Board meeting. Alderman Dan Tichy seconded the motion. The motion passed unanimously.

There was no other business.

PUBLIC COMMENT

There was no public comment.

Alderman Clemmons moved to adjourn and Mayor Pro Tem Tichy seconded. The motion passed unanimously and the meeting was adjourned.

_____Cathera R. Bundren, Mayor

_____Ben York, Village Clerk