

THE FOUR HUNDRED AND SEVENTH SESSION OF THE BOARD OF ALDERMAN
VILLAGE OF ALAMANCE
May 21, 2012, 2012 – 7:00 PM

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

Absent: Alderman Gregory

Alderman Clemmons gave the invocation.

Mayor Pro Tem Sharpe moved to approve the April 23, 2012 meeting minutes. Alderman Tichy seconded the motion. The motion passed unanimously.

OLD BUSINESS

Report on Cabin Pump Station Project

Mark Reich reminded the Board of the report presented at an earlier meeting. He offered to answer any questions the Board might have at this time. If the Board of Aldermen wishes to move forward with both of the projects, or one of the projects, they can talk with Allan Hart with the US Department of Agriculture and Rural Development to see if grant money would be available and to inquire about loan information. There are two key components relating to qualification for a grant. The first is the median income of the Village. The median income is above the threshold. There would be limited, if any, grant funds available to comply with this aspect. The second component relates to the water and sewer bills. There may be grant money available to install improvements based on the rate being higher than the average throughout the state. If the Board wishes, they can have this conversation with Allan Hart and go ahead and present the PER to him. If the Board would like more time to think about this, they can do that as well. Mayor Bundren asked for the pleasure of the Board. Mayor Pro Tem Sharpe responded that she would like to see the Board move forward with both projects. Alderman Tichy said they could back off if we find out that grant money is not available. He said they are not making a commitment by finding out what grant money is available. Mr. Reich recommended that the Cabin Road siphon be the priority. If there was no grant money, their recommendation would be to move forward with the Cabin Road Pump Station. Then, they would deal with the other one at a later point down the road. If grant money was available at the same cost as Cabin Road, then they would recommend moving forward with both projects. Mayor Bundren asked Mr. Reich if they could pursue it from this perspective. Mr. Reich said that they could do that. This was also the consensus of the Board. Mr. Reich said that he would set up a meeting with Allen Hart of USDA.. Mr. Reich suggested that Alderman Crouse, as the Utilities representative, also meet with Mr. Hart. He suggested the Mayor may also wish to attend the meeting. Clerk York will email the meeting date; any Board members who wish to attend certainly can be present. Alderman Clemmons said that he agreed something has to be done at Cabin Road. However, he said he wondered about the financial end of the other project. Mayor Bundren said she is leaning toward doing one project first, and the other one later. If the grant money is there, she is not opposed to proceeding. Mr. Reich stated that he didn't think enough grant money would be available to do both projects. If the median income had been low enough, there might have been enough grant funding. Mayor Bundren thanked Mr. Reich for the information.

ORC Report

Arnold Allred said he had another good report to present. The collection system is running well. He and Clerk York are gearing up for the DENR inspection for the collection system on June 5, 2012. The same inspector, Ron Boone, who did the inspection last year will return for this year's inspection. This should go well. Mr. Allred said they are planning to do some line cleaning, as they do every year. The area in the Birch Station, which hasn't been cleaned in several years, will be an area of focus. This should be completed in the next month or two. Everything is running well with the distribution system. Alderman Crouse asked about the recent samples for lead and copper. Mr. Allred replied that the results have not yet been received. There can be a 6-month holding time for the samples. Mayor Bundren asked for the dates for cleaning the lines. Mr. Allred said that dates have not yet been determined; he will talk to Jerry in the next week or two. Mayor Bundren thanked Mr. Allred for the ORC Report.

Larger Recycle Bins

Clerk York said the next step toward the larger recycle bins will be to place an ad. The cost per cart will be \$48.91. He is considering purchasing 10 extra carts, around 370 total. Because of the grant, the Village cannot be invoiced before the grant is received. A purchase order can be completed to encumber the funds prior to June 30th. Mayor Bundren asked if they could wait and do the order on June 29th. Clerk York replied this could be done, noting that the earliest time the recycle carts would be received would be the beginning of September. Mayor Bundren asked if the submission for the grant money would be by June 30th. Clerk York replied that they will have submitted for the grant money by June 30th. An ad will first need to be placed in the newspaper. He won't place the order until after the next Board meeting on June 25, 2012. He will submit the grant application before that. Clerk York has talked with the company, Rehrig, from which Burlington has purchased the recycle carts. The company will send a letter that will accompany the grant application. The grant will cover up to \$25.00 of the purchase price of each individual cart. It is a reimbursement program. The Village will purchase the recycle carts and be reimbursed. A question was raised, from the audience, about the size of the carts. Clerk York stated that Burlington is using both 95 gallon and 65 gallon recycling carts. For the Village, the Board is looking at using the 95 gallon carts. Mayor Bundren stated this will encourage residents to do more recycling and the pickup costs will be less. The carts will pay for themselves in a year and a half, with the grant. The Mayor described this project as a win-win for everyone. Alderman Tichy stated that more recycling will keep down the costs of trash pickup. He said that people in his neighborhood have overflowing recycle bins. With the open recycle bins, animals and rodents can get into them. The closed recycle carts will eliminate problems such as this, as well as saving \$1.00 per household, per month. Cost savings are realized with automatic pickup of the carts.

There was no additional Old Business.

NEW BUSINESS

Business License Fees

Mayor Bundren has spoken with Attorney Charles Bateman regarding the business license fees pertaining to home business. Attorney Charles Bateman said that he has also spoken with Clerk York about instituting a set of privilege licenses, or business revenue licenses. He said that 99% of cities and towns in the United States have a schedule of privilege licenses. Typically, these are nominal, \$25.00 or \$50.00 for a business. Some can be extensive, for example Wal-Mart's could be \$23,000 per year. For the most part, though, they are typically \$25.00 or \$50.00. Some are set

by NC Statute and can only be \$15.00. Some businesses may not be taxed at all, under a privilege license, because the State limits those regulations. Attorney Bateman recommends that the Village of Alamance does have such a schedule of privilege licenses and that it be put into effect several weeks ahead of the next meeting for consideration. Another thing that most communities in this area are now doing is imposing a more substantial privilege license on the business known as "Internet Sweepstakes." In Alamance County, as in Durham, Guilford, and others, most are imposing a \$2,500 fee for the first terminal; \$1,000 each for additional terminals. They are very cooperative to regulate; they are costly businesses in terms of impact on the surroundings. The fee amount has been upheld in several court cases. It seems to be the median fee that has been imposed across the state. It is not allowed to regulate them out of business; but it is allowed to impose a fee commensurate with the effort required for the burden placed on the community. In Alamance County, Mebane is moving to a fee of \$2,500, plus \$1,000. Mebane will adopt this one week from next Monday. The City of Burlington has already adopted a \$2500, plus \$1000 fee. Graham has reduced the fee to \$2,500 for the first terminal and \$250.00 per terminal thereafter, with a maximum of \$20,000 on the license. In the City of Burlington, there are 10 or 12 Internet Sweepstakes with up to 25-50 terminals each. These are major operations that do substantial business. At the Public Hearing in Burlington, one person appeared and spoke saying he had parlors in four different states. He was complaining he was only doing one and one half million dollars a year. It is a substantial business and the trend is to incorporate a fee in the neighborhood of \$2,500.00, plus \$1,000.00. Attorney Bateman said a particular business should not be singled out. He said he would have privilege business license information for consideration at the next meeting. He recommended that the Board establish a schedule of privilege licenses. Mayor Bundren said the Village needed to be consistent.

She asked Attorney Bateman to address in-home business, since he was not present at the last meeting. Attorney Bateman said that he has discussed this previously with Clerk York. How do you differentiate between a home occupation, which is regulated under the Zoning Ordinance, and someone who works out of their home, or has a home business? For guidance on this, most cities look to the parameters set forth in the Ordinance. For example, if one has a small contracting business and answers the telephone at home, that person works out of his house and answers the phone there but he does not have a home occupation. If you have to take up a dedicated portion of the floor space, then you have a home occupation. If you are running a beauty salon, you are running a permitted home occupation. You are providing a service on-site. Former Mayor May makes dentures. It is taking place on the premises and a certain portion of the house is devoted to it. If taxes are being done at home, and customers are coming in, you could probably say that is a home occupation. Consideration is given to what activity is taking place on the premises; if manufacturing or customers are there; if a service is being provided to others—then a legitimate home occupation needs to be registered. If all one is doing is answering the phone and then going outside of the home to work, this is not a home occupation. Alderman Tichy presented some examples of related questions. What if someone sells Avon? What if you receive a box of items via UPS and then deliver them out? Mr. Bateman indicated these examples would not be considered home occupations. Alderman Tichy inquired about individuals who sell items on eBay. Attorney Bateman said he would not consider this as a home occupation unless someone took items in to bid for other people. That would be a home occupation. Alderman Tichy said he liked Mr. Bateman's comment about not dedicating a part of the house to the activity. If you had a garage full of items to sell on eBay, you probably would need to register. Mr. Bateman said if someone is buying items to sell on eBay, then it is probably a home occupation if there is space dedicated to it. If items are just placed in a closet, this is probably not a home occupation. Alderman Tichy mentioned the example of selling trading cards on eBay. Attorney Bateman suggested this might only be a shoebox full, and gave another example of his daughter buying and selling items that might occupy a closet. Neither of these

would be considered home occupations. Alderman Tichy raised a final question about someone who babysits at their home. Attorney Bateman stated this would not be considered a home occupation. Mayor Bundren raised the question of Pampered Chef, with in-home sales. Attorney Bateman stated that if someone brings people into their home for a show/sale on a repeated basis, this probably would be considered a home occupation. If it is an isolated event such as this, it would not be considered a home occupation. Alderman Tichy noted that Pampered Chef events are usually held at someone else's house. Attorney Bateman said if this is held at someone else's house, it would not be a home occupation.

The suggestion was made, from the audience, to post a copy of the Ordinance. Mayor Bundren added that this should include a delineation of the situations that Attorney Bateman had just discussed. The space consideration and specific examples should be listed also. Alderman Tichy suggested adding that if people do come to the house, it is a home occupation. He also emphasized that if space is dedicated to the activity, it is a home occupation. Clerk York added the consideration of people coming to the house on a repeated basis as an important determination. A question was raised from the audience by Jeff Sharpe about a home office. Alderman Tichy distinguished between a computer being used for home use also, saying it is not a dedicated space for business. The difference would be if dedicated business computers were installed. Jeff Sharpe also asked from the audience, about county privilege licenses. Attorney Bateman said this was very limited. Alderman Tichy said the City of Burlington certainly has business privilege licenses.

Clerk York stated that two additional residents have applied for the home occupation license, for a total of three. Under the just discussed definitions, neither of the two would qualify as home occupations. One is a construction business, they work out of the home, but don't see clients there. The other one is a photography business, but they don't have a studio at their home. They go to other events, such as weddings, to do photography. He has held one check, and will need to do a refund for the other application. Clerk York stated he just wanted to make the Board aware of these applications.

Presentation of 2012-2013 Budget

The Mayor informed that there was no tax increase in the budget. Alderman Clemmons and Clerk York decided to present the 2012-2013 budget jointly. Alderman Clemmons began the presentation with the General Fund. Proposed revenues for FY2012-2013 total \$404,250.00. This includes ad valorem taxes projected to be \$172,000.00. Local Options Sales and Use taxes total \$156,000.00, which is an increase due to having a correct number listed with the state of residents in the Village. Powell Bill funds, which pass through as needed, total \$25,000.00. Franchise tax totals \$30,000.00. There are some smaller revenue sources that add up to a total of \$404,250.00. On the expense side of the General Fund, most items are similar to the previous year's budget. A 3% raise was approved for Ben York, Town Clerk. An hourly increase of .25 was approved for the Assistant. Clerk York raised a question about the increase for the Assistant. Alderman Clemmons said a percentage increase was not used, but rather a flat increase of 25 cents per hour. Mayor Bundren said she thought they decided on a percentage increase. Clerk York said he was told the increase would be 3% for both employees. Mayor Bundren asked if that was the amount built into the budget as presented. Clerk York responded affirmatively. Alderman Clemmons asked Clerk York if all expense items had been presented. Clerk York replied everything seems to be the same as last year. Mayor Bundren stated that the budget will be posted at the Town Hall and at the Post Office, for anyone who wants to see it.

Alderman Clemmons deferred to Clerk York for the presentation of the Water and Sewer budget. Clerk York stated that revenues for the Water and Sewer fund are projected at \$270,450.00. The expenses are also projected to be \$270,450.00. The budget has to balance; revenues must match expenses. The City of Burlington will increase their rate by 7%, so the Village of Alamance will increase water and sewer rates by 7% to match Burlington's increase. The water rate for the Village of Alamance will increase from \$4.78 to \$5.11. The sewer rate will increase from \$5.38 to \$5.76. Burlington's rate increased by 7% two years ago, 7% last year, and 7% this year. Next year, Burlington may increase their rate by 6%; at some point this will trail off. The City of Burlington borrowed \$19 million to upgrade their sewer treatment facilities in order to comply with the Jordan Lake Rules. For this reason, Burlington increased their rates, and so did the municipalities they sell to; the Village of Alamance is likewise increasing rates by 7%. Alderman Tichy stated this is the last year of increases for Burlington, based on the Jordan Lake Rules. Clerk York said that expenses in the Water and Sewer budget are the same, except for the 3% increase in wages for the Town Clerk and the Temporary Clerk. Enough funding was already built into the wage for the Temporary Clerk to absorb the 3% increase. Under Operations, the water and sewer numbers are both increased, \$54,000 to \$60,000 for Contracted Services. This is what is paid to the City of Burlington for water. An increase of \$75,000 to \$81,372 reflects what is paid to the City of Burlington for sewer. These are the only two items that have basically changed. The Board tentatively approved to increase the monthly rate for Arnold Allred from \$1500 to \$1550. An increase was tentatively approved for meter reading, from \$200.00 to \$220.00 per meter reading. The individual who now completes the meter reading has worked for the Village for two years. Rusty Saxon, who does the Outfall mowing for the Village, has requested an increase from \$788 to \$800 per month, for an additional \$144 per year. If the Board approves this change, mowing costs for the Outfall would increase from \$9450 to \$9600. Mayor Bundren asked how many times Mr. Saxon mowed the Outfall. Clerk York said Mr. Saxon comes to the Village at least once each month, but in the summer he comes twice per month. He turns up the manholes. He is paid a flat fee of \$788 per month, currently. This covers his travel costs, equipment, and mowers. Mr. Saxon makes sure that outfalls are clear, which is required to maintain the permit for the Village. He opens up manholes to make sure the flow is good and to report any issues or problems. He also weedeats down at the Cabin Pump Station. Mayor Bundren said that the Board doesn't have any problem with the increase. A question was asked, by Mr. Fred Hoy in the audience, as to whether the number of gallons of water being paid for to the City of Burlington aligned with the number of gallons being charged to residents. Clerk York restated Mr. Hoy's question and said that the water leak has eliminated water loss. Sometimes, depending on whether Burlington reads the amount, or the Village does, sometimes the Village has a negative water loss. The Village has no water loss now; it has been eliminated completely. Mayor Bundren thanked Arnold Allred. Mayor Bundren asked if a motion was needed to approve the increase. Clerk York replied he could be directed to make the adjustment in the budget that would be presented. Clerk York said that he could send out a new budget reflecting the increase, with \$9600 under mowing and \$12,052 in Capital Outlay. Mayor Bundren called for a motion to set a Public Hearing for the 2012-2013 budget. Alderman Clemmons made the motion. Alderman Crouse seconded the motion. The motion passed unanimously. The Public Hearing was set for the next meeting on June 25, 2012. Mayor Bundren announced that she would be on vacation at that time. The question of the requirement of 30 days notice for the Public Hearing was discussed. Mayor Bundren suggested the next meeting and Public Hearing for the Budget be set for June 21, 2012. Alderman Slaughter moved to change the regular meeting date and Public Hearing to June 21, 2012. Mayor Pro-Tem seconded. The motion passed unanimously.

Resolution adopting the Alamance County Solid Waste Management Plan

Clerk York stated that Alamance County adopts a Solid Waste Management Plan every year. Every municipality is required to adopt a Solid Waste Management Plan. Generally, the municipalities adopt the County's Solid Waste Management Plan. If the Village should decide not to adopt the County's Solid Waste Management Plan, then the Village needs to adopt its own plan. This is an annual decision, as to whether to adopt the County's Solid Waste Management Plan. Mayor Pro Tem Sharpe made the motion to adopt the Alamance County Solid Waste Management Plan. Alderman Tichy seconded the motion. The motion passed unanimously.

Yard Maintenance (Grass)

Mayor Bundren reported that there are many residents in the Village who are not mowing yards this year. Clerk York has sent out letters regarding mowing. George Connett was unhappy about the letter and spoke with Clerk York. He also spoke with Mayor Bundren. Mr. Connett only hires one individual to mow for him. This individual, Roger Lineberry, has had a stroke and is not available to do the mowing. It will be another two weeks before Mr. Lineberry can do the mowing. Mayor Bundren suggested, to Mr. Connett, that there are others who could do the mowing. The area in question has not been mowed for 1 ½ to two years. Mayor Bundren asked if the Board wanted to delay the mowing request for two weeks. Mayor Pro Tem Sharpe said she didn't think Roger would be able to do the mowing. Alderman Crouse said Mr. Lineberry's health is not very good. Alderman Crouse said he thought Mr. Connett should take action. Mayor Bundren said the letter states that Mr. Connett has 15 days to do the mowing. Mr. Connett is asking for two additional weeks, beyond the 15 days. Alderman Clemmons asked about the penalty. Mayor Bundren said the Village would do the mowing and charge Mr. Connett. Alderman Crouse said it looked like this would also need to be done for Tommy Owen. Mayor Bundren said she called Mr. Owen and spoke with him personally. Mr. Owen told the Mayor someone stole his weedeater. Alderman Crouse asked if Mr. Owen was mowing his yard with a weedeater. Mr. Owen did cut the major part of his yard, but left the weeds all along the edge of the road. Alderman Crouse said the City of Burlington would send someone to mow, and then bill the individual. Alderman Crouse said cities take action based on complaints. Clerk York said that Mr. Connett told him to "tread lightly" if he sent anyone out to his property. Mr. Connett has two lots on Councilman to mow—that lot and the one at the very end of Councilman. He has a huge lot that includes the Pump Station. Clerk York has sent letters to Mr. Connett about both lots. The particular lot on Councilman, that is right behind Jr.'s residence, is really two lots. The main lot goes right up to the telephone pole, where Mr. Connett's lot ends. The other lot is actually the back end of the lot that Village Printing sits on. Both homeowners received letters. Both homeowners have called Clerk York. The homeowner that owns the smaller portion at Village Printing has indicated that he will spray it. Clerk York told him whatever method he used to get it done, it needed to be done within the time frame. Mayor Bundren spoke with Jr. who reported a backhoe had been brought in and the grass on the Village Printing side had been scraped. Clerk York asked Attorney Bateman for advice given the scenario where the property owner has told the Village not to come onto his land, and the time limit has been exceeded. Attorney Bateman replied that the Village could obtain an administrative search warrant. This would allow an agent of the Village to enter Mr. Connett's property to mow. THE other option is to fine Mr. Connett for everyday that he does not mow his lot. Mayor Bundren commented this would take more than 10 days. Attorney Bateman said both would take more than 10 days.

Clerk York said that Rusty Saxon has looked at that lot. Mr. Saxon maintains the outfall for the Village. To mow the whole lot, including the Kimbro portion, would cost \$250.00. To mow other yards, the cost would be \$100.00, on the low side. It could be as high as \$200.00, depending on the size of the lot, or the height of the grass. Clerk York has talked with the Manager at Haw River. They generally charge \$100.00 to mow lots. It would get someone's attention, if the Village charged a higher rate. They likely wouldn't forget to mow again. Clerk York said he could try to find someone else, locally, who would charge less to mow. Mayor Bundren said she has mowers everywhere, all over town, and none of them charge \$100.00, even when mowing at a shopping center. Clerk York responded that these individuals are violating an ordinance, and this would be more like a fine. Mayor Bundren said the Village would have to pay for the mowing upfront and would have to do a lien to get the money back. She said she thought the mowing should be a reasonable amount. Clerk York said he would look for someone to mow who would charge less. Mayor Bundren stated that the consensus of the Board was to move forward; they would not grant another 10 days. They cannot go on the property, so the point is that Clerk York will need to speak with Mr. Connett. Alderman Crouse summarized that if the Village has rules, they must stick to the rules. Mayor Bundren added that Mr. Connett said that he wanted 10 more days because the mower said he could do the work in 10 more days. The Mayor brought this up so the Board had an understanding of the discussion.

Audit Contract

Clerk York reported that the minimum and maximum for the audit contract is the same as last year. The Village of Alamance was on the maximum end last year, in terms of payment, which was \$2300. The pricing this year is the same on the maximum end. Alderman Clemmons explained that the Village was on the upper end of the payment last year because of the grant. Clerk York stated that the Village did receive some funds in July of this past year, some of the last fund reimbursements from the CDBG. Financial statements were prepared in October—by then, the Village had received all of the funds. The auditor had everything posted in the statement. She may not have anything else to do for the CDBG this time. If she does, the audit may cost a little more. Clerk York explained that he meant, not more than last year's charge, but closer to the maximum amount. There would be no more paid for the audit than what was paid last year. Alderman Clemmons made the motion to accept the audit contract as presented. Alderman Slaughter seconded. The motion passed unanimously.

Finance Report

Clerk York explained there was not a Finance Report in the packet because there was not a CD exchange to do. Usually, this is done about the middle of the month. The CD will mature on Thursday, May 24, 2012. It will be renewed as a 1-year CD at Carter Bank. To this point in the year, generally, an expense should not exceed 91.7%. All of the Village expenses look good. Clerk York mentioned the schedule of fees in the budget. It is the exact schedule as before, with the exception of 3 proposed items: water and sewer rates and a zoning request. The proposed water rate is \$5.11 and the proposed sewer rate is \$5.76. The proposed zoning request fee is \$200.00; it was \$100.00 previously. Now, when an ad is placed in the newspaper for budget or anything, the cost is over \$100.00. Raising the zoning request to \$200.00 will easily cover the administrative costs. An ad has to be placed in the newspaper and letters must be mailed out to surrounding property owners. Placing two ads would bring the cost to over \$200.00. Mayor Bundren asked if the schedule of fees needed to be presented to the public for 21 days. Attorney Bateman advised that this is included in the budget. Mayor Bundren confirmed that this could be voted on, on June 21, 2012.

OTHER BUSINESS

Mark Reich stated that he had two items of business to present. He said that he would present the simple one first. He had received a telephone call relative to one of the residents in the community. He wanted to clarify a matter, after speaking with Attorney Charles Bateman. It deals with impact fees and when they are applicable, also when they are not applicable. This information is consistent with other municipalities in the area. If you've had a project that you've assessed property owners for—in some cases property owners may have gone ahead and paid their assessments, but did not connect to the water or the sewer line. There may also be situations where they were assessed, but they asked for those to be deferred. Mr. Reich said he sent the Mayor an email today and spoke with the Attorney also. If you have a situation where the water and sewer lines were put in, and it was prior to the impact fee, the impact fee would not be applicable in that situation. If the property owner did not connect, then they would need to pay the current or the prevailing rates at the time they make the tap. If there is a situation where the tap had been installed, then they wouldn't be paying for a tap fee for either a water or sewer tap. If there is a situation where the tap was not installed, then the property owner would be responsible for paying the tap fee at the prevailing rate. Mayor Bundren asked if this included the impact fee. Mr. Reich replied that would depend—if the assessment had been paid, but the tap had not been installed, then they wouldn't have to pay the impact fee but would have to pay the tap fee. Mayor Bundren stated the key point is that if they paid an assessment, there is not an impact fee. If they didn't have an assessment, then there is an impact fee. Alderman Clemmons asked if the Village knows who these individuals are. Mr. Reich said he did not know. Alderman Clemmons asked if it would be hard to determine this information. Clerk York said that it would be anyone who hasn't connected. Alderman Clemmons asked why they couldn't go ahead and do a chart listing the information, so it would be on record. That way, in a few years, if a question is raised, the chart would provide the information. Mayor Bundren said this was an excellent idea. Alderman Crouse said that way they wouldn't have to search through the minutes. He stated that he agreed with Alderman Clemmons on this. Mr. Reich asked if assessment rolls had been prepared. Mayor Bundren affirmed that assessment rolls had been prepared. Mr. Reich said the assessment rolls should be consulted, rather than the minutes. The assessment rolls should tell whether or not the assessments have been paid. Clerk York said he understood this, but had a different question. He asked about someone who has had a line put through and there is an assessment. The person who was living in the house moves, without ever having connected or paid an assessment. If a new person moves in, would they pay the impact and the tap fee, if no tap had been done, or would they need to pay the assessment or what the linear footage rates are at that time? Attorney Bateman said that the assessment is a lien on the property. Alderman Crouse said this situation is kind of like buying a house. When the sewer line was put in to the right of his house, his grandmother was promised a free tap at some point in time. This was twenty years ago. If he gives one of his siblings that lot, they get the free tap but what will they have to pay? Mr. Reich replied that if they have not paid any assessments, they would have to pay the assessments at the prevailing rate at the time they make the tap, plus the impact fee, now included. You are paying the current rates at the time of the tap. If someone was promised a free tap, then the cost would be waived. Clerk York said that there is someone who is getting ready to move into a house on Birch Lane. The person moving out only has a water account. He is certain there is water and sewer across the street. Mayor Bundren said that this was a "zig-zag" thing; only those people who wanted to be brought in, and were contiguous, were affected. The project that went down Highway 62 was the first one. The one that went down Birch was a separate project. There were people who chose not to connect. Mr. Reich said this was being made more complicated than it really should be. The simple fact is, if the line has been installed,

and if someone has paid their assessment, then they don't have to pay the impact fee. If the line has been installed, regardless of which property owner it is, if they didn't connect or if they didn't pay their assessments at the time the line was installed, they have to pay at the prevailing rate. This is regardless of whether it is Property Owner A or Property Owner B; it is at the time the line was installed. This is the key component with the assessments. If they haven't paid their assessment, they will have to pay the assessment plus the impact fee. Clerk York asked, with the assessment as a lien on the property, if it mattered if the property changed hands a number of times. Attorney Bateman responded that if the assessment process had been undertaken, then rolls would have been published and the assessment becomes a lien against the property.

Clerk York asked, assuming that the person who lives in the house wasn't a part of the group that wanted the line and never paid an assessment, what if someone who moves in wants to connect to sewer. Attorney Bateman said that they would pay the impact fee and the fee in lieu of assessment. Clerk York asked how he would determine the fee in lieu of assessment. Attorney Bateman replied this is the current assessment rate. Clerk York said current sewer assessment per linear foot is listed at \$25.00. He asked if this is what they would have to pay. Attorney Bateman said that was correct. Clerk York asked about anyone who lives in a house where there is an assessment, and they never connected or paid the assessment. Mr. Reich said they would pay the going rate at the time of the tap. He said he would get with Clerk York and put together a memo of understanding about this discussion. Alderman Clemmons said it would be a worthy project to know about these situations. Alderman Crouse concurred. Mr. Reich provided another example. With the line that they put in, as part of the second connection, they did not charge people. If they wanted to tap onto the line now, they would have to pay the tap fee at the prevailing rate. That line was put in as a public interest type project; this was the essential purpose of the project. Adjoining property owners were not required to put in. If there had been a situation where people had petitioned the Village, that's when you would have assessments levied. That's because residents would have petitioned the Village to install the water and/or sewer line. Alderman Tichy said he thinks what is needed is a list of properties that have paid an assessment, but have never hooked up. Clerk York said he would put together a list of properties that are not connected to either water or sewer, or both. He will write, on the list, what the property owner would have to do. He said he was concerned about change in ownership of property, before certain things were paid. He has an understanding of this now.

Mr. Reich addressed the second item of concern. They have received a call from Ray Evans, who lives at the corner of Highway 62 and Alamance Baptist Church Loop Road. When they did the CDBG project, they installed a sanitary sewer line on the north side of that road, near the property line and between the edge of the pavement. Mr. Evans has complained of some drainage issues. Mr. Reich went out and met with Mr. Evans. Mr. Reich looked at this, after about an inch and a half of rainfall. He also went back and looked at the original survey information, relative to this. Mr. Evans indicated, at the meeting with Mr. Reich, that there was a pipe. (If you're familiar with the area, there is a culvert that comes underneath the road that collects the water than runs off the church property and property on the south side of the road. It comes underneath the road near the headwater of where Mr. Evans' pond is located.) When Mr. Reich looked at the old survey data, prior to the contractor's beginning work, there is a grassline ditch or swell that was present, between the end of that pipe. The water, in Mr. Reich's opinion, tended to go in a westwardly direction in a swell that parallels the road going to it. They found the pipe that comes underneath the road. Mr. Evans has indicated there was a pipe that went from the pond back up and stopped just short of the existing pipe that comes underneath the road. Based on the survey done at the time, they did not locate a pipe in that vicinity. If there was a pipe there, Mr. Reich thinks it was covered over. It could have been there, covered over. He has spoken with the Inspector who was out at the job site and has also spoken with the contractor. They do not remember pulling up any

pipe when this was excavated. This doesn't mean it wasn't there; the Inspector was not out there 100% of the time. Mr. Reich said he would like to do some more investigation, to try to find out if there was a pipe there. He has talked to Jerry Warren. He has the capability of running a camera through a pipe and telling where a pipe would end. It would measure the number of feet that it would be, such that it could be determined where the end of the pipe would be. Perhaps the pipe was covered over. Mr. Reich would also like to have his survey crew go out and shoot the locations shot before, to see how close they put it back to what it was before. They can confirm that the work was done the way it should have been. On the upstream side, or to the NC 62 side of the pipe, where it comes underneath the road, it does appear that there is a low area there. After an inch and a half of rain, it was holding water. The contractor may need to do repair work under the warranty portion of the contract. The rip rap may be a little higher than the end of the pipe. Mr. Reich would like to get the surveyors out there and determine what the problem is and have an idea of what needs to be done. If they need to give some directions to the contractor that put in the sewer line, they can give him some direction to do this. Mr. Reich did an illustration for the swell. He explained what he thinks is happening. Alderman Crouse said this is probably the culprit, but no one wants to catch impervious water and dump it in your fish pond. He said he was very familiar with the area and does not remember a pipe going into that pond. Mayor Bundren asked why Mr. Evans wanted to do this. Mr. Reich said the area is wet, after a wet Spring. When Mr. Evans mows, he gets equipment mired up because it is too wet. Alderman Crouse stated that he and Clerk York have looked at this area. First, Mr. Evans told Clerk York it was an underground spring. Clerk York interjected that Kyle Smith of AWCK thought it was an underground spring. Alderman Crouse said they stood where the water dissipates, looking toward NC 62. It is catching two side ditches full of water. When you get an inch, inch and a half, or even a quarter of an inch of rain, that is a large volume of water. On the church side, when it comes down to the under-the-road pipe, it is a tremendous amount of water. Mr. Evans mows too early, after a rain, and has problems. Mr. Reich said there are some areas that could use a little more seeding. Kyle Smith also took some photos when the sewer line was put through there, and there is a tremendous amount of trash in the trench. The trash was hauled off and there is less dirt through there. Some dirt may need to be added back in that area to try to smooth it up a little. It wouldn't take a lot to do that. Mr. Reich said he needs to get Jerry to find the end of the pipe. Mr. Evans has said that he thinks he can find the downstream end of the pipe, because he has taken up a section there recently. If it's completely filled up with dirt, it would be a nonfunctional pipe. Mr. Reich said he would like to go ahead, look at this situation, and pose some sort of solution. He will coordinate this with Barry. Mayor Bundren asked if a motion was needed. Attorney Bateman said that a motion was not needed if it was the consensus of the Board. The consensus of the Board was to ask Mr. Reich to move forward. Mayor Bundren asked about cost. Mr. Reich said the biggest fee would be setting up equipment to clean out the pipe; this would cost \$300.00. If the pipe has to be jetted out, the cost would be \$500. The costs will be established in the contract. If Mr. Reich makes a determination that the pipe is completely full of dirt, he will have Jerry to come out.

In other business, Mayor Pro Tem Sharpe stated that she had received a complaint. The complaint is about the "We Buy Gold" sign where the old Pawn Shop used to be. Mayor Bundren said if the sign did not meet the sign ordinance, Clerk York would need to address that. Clerk York responded that it does meet the sign ordinance. Mayor Bundren asked about the nature of the complaint. Mayor Pro Tem Sharpe replied that there is no pawn shop there now, and the sign is ugly. Alderman Crouse said the same thing could be said about LA Motors. He referred to the earlier discussion about mowing, in regard to LA Motors. Clerk York said that a letter had been sent. Mowing had been done along Councilman. Mayor Bundren asked what kind of business was in place. Mayor Pro-Tem Sharpe said that there was not a business in operation. Mayor Bundren asked how gold could be purchased if there is no business. Alderman

Crouse noted that there is a lot of activity in the building at times, though he is not certain of what is going on there. Alderman Crouse pointed out that this whole area, from the old pawn shop down to what used to be the garage, and the LA Motors area is getting to be ratty looking. Mayor Bundren asked about the piece of plywood on the side of the building. Alderman Crouse said this is where a car went through the building. Clerk York stated that they are trying to work this out with the insurance company. Mayor Bundren said they need to move on with this. Clerk York said there is not a law saying they have to do something about it. Mayor Bundren asked Attorney Bateman if he has seen the plywood on the building. Attorney Bateman said he had not seen the plywood on the building. Alderman Crouse said it is actually OSB board. Mayor Bundren stated that it looked awful. Alderman Crouse commented that the whole area needs to be cleaned up. Mayor Bundren asked Clerk York if he has to go and tell businesses to clean up. Clerk York said he has to have a law that that is being violated. Outside of junk cars, he has to have something to address, not just the fact that it looks bad. He can tell someone to cut grass. Regarding the discussion, does the grass need to be cut so it doesn't go above the wall near CT Nassau? Clerk York stated that he needed to know how much of the grass needed to be cut. Mayor Bundren asked about the wording related to mowing grass. Clerk York said this is part of the nuisance ordinance. If the grass is over a foot and a half tall, it must be cut. Mayor Bundren asked if the grass being considered was over a foot and a half. Clerk York verified that it was that tall. He said that there is dirt up against the area, and the grass is growing up from that. Clerk York said that he would need to go out there with someone to show what he is describing. Alderman Tichy suggested that pictures could be brought to the next meeting. Clerk York responded that he would do that. He said the situation with Tommy Owens is an easy one to address. It's what is growing along the wall at Shackelford's that is a question. A letter has been sent telling him to cut everything along NC 62 and Councilman. This mowing has been done.

PUBLIC COMMENT

There was no further business.

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

_____Cathera R. Bundren, Mayor

_____Ben York, Village Clerk