

June 23, 1928

Mr. E. M. Knox, City Manager,
Chapel Hill, N. C.

Dear Sir:-

In view of the fact, that you are expecting to leave Chapel Hill, to accept the City Managership at High Point, N. C., it would seem necessary to confirm, by action of the Council of Chapel Hill, our understanding with you as regards our status as Consulting Engineers for the Town of Chapel Hill for the contemplated work in connection with the Sewerage Disposal Plant.

As you know, we offered to prepare necessary plans and specifications for such additional construction as might be found necessary to improve the operation of the existing Imhoff Tank. It was planned to construct an auxiliary sludge digester for use with the present tank. Then, after consultation with yourself and Mr. H. B. Saily of the University, it was decided to install a small experimental plant for further studies, looking to securing further information on the peculiar problems which are presented in the treatment of the Chapel Hill sewerage. We heartily endorse this decision and will gladly cooperate in any way we can in these experimental studies.

It would be understood that we would do this and, if it were so determined, prepare the plans for the minor additions to the plant at no cost to the Town of Chapel Hill.

However, it is apparent that the increase in the loan on the Treatment works and the contemplated construction of the line from Battle Branch is going to require a considerable addition to the plant capacity and also, for this and other reasons, make advisable, if not even necessary, further treatment of the settling tank effluent, to prevent nuisance in the stream below the plant. We have understood from you that when this was done, we would prepare these plans and specifications and supervise this new construction, as a continuation of our former contract or at such compensation as might be agreed upon, consistent with the Schedule of Minimum Fees as recently adopted by the North Carolina Society of Engineers.

We would like to have the Council take such action as may be necessary to confirm our understanding with you as above outlined.

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We have a determined policy to stand behind any work which we undertake for our clients and to do all in our power to see to it that our construction and designs function as they should, taking into account all circumstances which may be reasonably foreseen or within our power to control.

In this case, as in all others, we shall endeavor to do all that anyone can do to see that the interests of our clients shall not suffer or be jeopardized in our hands.

If there is anything further which we can do to assist you in this matter, please let us know.

Yours very truly,

WILLIAM C. OLSEN, Inc.

By Theodore S. Johnson

Upon motion the Manager was requested to write Mr. Olsen that the Board of Aldermen considered his offer to correction of the present plant without cost as very fair and reasonable but that the Board of Aldermen was unwilling to say at this time what will be done to future addition and future construction to this sewer plant.

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The License and Privilege tax schedule was brought up for consideration and upon motion of Alderman Thompson, seconded by Alderman Hogan, the following ordinance was duly adopted; all the Aldermen present voting in the affirmative therefor.

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE TOWN OF CHAPEL HILL:

SECTION 1. To raise revenue for general municipal purposes the license and privilege taxes hereinafter enumerated are hereby levied and assessed by the Board of Aldermen and directed to be collected by the Town Tax Collector, upon every person, firm, or corporation engaging in any trade, business, profession or calling mentioned in this ordinance within the limits of Chapel Hill; and it shall be the duty of every person, firm, or corporation engaging in any such trade, business, profession, or calling within the limits of the Town of Chapel Hill to obtain on the First day of June, 1928, or within thirty days thereafter a license therefor in the sum herein specified.

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SECTION 2. Any person exercising or carrying on any trade, business, profession or calling for the exercising, carrying on, or doing for which a license tax is required by this ordinance, without first taking out license required by this ordinance shall be deemed guilty of a misdemeanor and shall be fined not to exceed Fifty Dollars (\$50.00) for each offense, and for each day this section is violated such person, clerk, or agent shall be guilty of a separate offense.

SECTION 3. All licenses issued under this ordinance on and after the first day of June, 1928, shall be for not less than the current fiscal year unless otherwise provided for in the section fixing the tax; PROVIDED that after six months of the fiscal year shall have expired, the tax shall be one-half the amount charged for the year.

SECTION 4. The adoption of this schedule of privilege and license taxes shall not abridge the right of the Board of Aldermen to change, alter, increase or decrease any of the taxes herein levied at any time; and whenever any increase is made the license shall be revoked unless such increase be paid within thirty days.

SECTION 5. Any license issued under this ordinance shall be subject to revocation by the Board of Aldermen, or by the granting official, without refund of any part of the tax paid; PROVIDED, in the judgment of the Board or granting official the license by reason of its nature, manner of place in which it is conducted constitute a nuisance or is a menace to good order or to public health or morals. Upon the revocation of any such license, it shall be unlawful for the person to whom such license was issued to continue to conduct such business and upon the violation of this section the offender shall, upon conviction, suffer the penalty of Fifty Dollars (\$50.00); each day such business is conducted after the revocation of the license shall constitute a separate offense.

SECTION 6. No license issued by virtue of this ordinance shall be transferred except by the consent of the Board of Aldermen or of the granting official, and any person transferring or accepting a transferred license without first obtaining the consent of the Board of Aldermen or the granting official shall be subject to a penalty of Fifty Dollars (\$50.00).

SECTION 7. The licenses granted under this ordinance shall not authorize the person mentioned therein to exercise or carry on the trade, business, or profession or calling specified in such license in any other place than that mentioned therein, and a separate license shall be required for each place of business unless places of business communicate directly with and open into each other, or are adjacent to, and in that near vicinity of the main places of business.

SECTION 8. That before a license shall be issued for any of the following businesses the applicant for such license shall execute a satisfactory bond, payable to the Town of Chapel Hill, in the amount herein specified, conditioned upon the faithful observance of by such licenses, his or its agents or employees, of all the ordinances now in force or hereafter enacted relating to such business; and further conditioned to save the town harmless from the negligence of such license, his or its agents or employees, and otherwise as the Board may determine:

Building Contractors - - - - -	\$500
Electrical Contractors - - - - -	\$500
House Movers - - - - -	500
Painters using ladder or swinging scaffold - - - - -	500
Paving Contractors (sidewalks) - - - - -	500
Paving Contractors (streets) - - - - -	\$500
Plumbing Contractors - - - - -	500
Roofers and Tanners - - - - -	500

Every person engaged in any work of a hazardous or of a dangerous nature to the life or limb of the citizens of the Town of Chapel Hill, or that requires the tearing up of any part of the streets of said Town, or that requires workmen to be employed over and above the streets (if granted permission to exercise their trade, occupation or profession) may be required to give bond for the reason set forth in this section in such amount as the Board of Aldermen may determine.

SECTION 9. ITINERANTS. For the purpose of this ordinance, any person, firm or corporation that does not list a poll or property for taxation in said town shall be deemed an itinerant, and shall be subject to taxes levied herein on itinerants.

SECTION 10. The license tax imposed by this ordinance, except as otherwise herein specially provided, shall not apply when the entire proceeds are for an organized church, religious or fraternal organization; PROVIDED, such an organization shall apply to the City Manager and secure a charity permit.

SECTION 11. That whenever the word "person" is used in this ordinance the same shall be construed to include "firms," "companies," "Corporations," and "associations."

SECTION 12. All license taxes imposed by this ordinance shall be due and payable in advance and if any person shall fail to pay any license tax required by this ordinance by July 15, 1928, five percent (5%) of the amount of such license shall be added to the tax required, and no license shall be granted until the license tax plus the five per cent thereof has been paid. The addition of the five percentum on the amount of the said license tax shall not exempt the delinquent from the penalties therein prescribed in case of delinquency.

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SECTION 13. Every person desiring to obtain a license to carry on any business, employment or profession or to do anything for which license is required shall make application therefor in writing to the City Manager, in which shall be stated the residence of the applicant, the nature of the business, employment, profession or thing to be done, the place where it is proposed to be carried on. Upon approval of said application and the payment of the license tax herein specified, a license shall be issued by the City Manager.

SECTION 14. Every person required to pay a license tax under the provisions of this ordinance shall keep the license in public view and subject to examination by the public.

SECTION 15. That the following license taxes are hereby imposed and directed to be collected by the Town Tax Collector.

AGENCIES

Claim or collection, per agent \$25.00
For the exclusive handling of sewing machines,
typewriters, cash registers, adding machines,
vacuum cleaners, not paying retail merchants tax 25.00
AUCTIONEERS.

Every person conducting auction sales other than
sales of real estate:

Resident each per day 10.00
Resident each per year 25.00
Itinerant each per day 50.00
Itinerant each per year 200.00
(Provided, no auction sale other than sale
of real estate is permitted upon the
streets or sidewalks)

AUCTION

Houses including auctioneer 25.00
Sale of real estate - each sale in advance 20.00

AUTOMOBILES

Private or pleasure autos and truck 1.00
Agencies or Dealers
One line of cars, trucks or tractors 50.00
Second line of cars, trucks or tractors 10.00
Each additional line 5.00
(An agent or dealer handling a truck, passenger car or tractor
by the same name shall be construed to have two or more lines
and shall pay the above tax on each.)
Dealers in used or second hand cars (Not rated as dealers or
agencies in new automobiles) 50.00

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Battery station or Vulcanizing plant (not taxed as dealer or agent)	\$25.00
Automobile Service Stations on public property- each tank or dispensing device, for gasoline or oil, for the purpose of making sale or for private use, a license fee of \$10.00 on each device.	
Repair shop (Not taxable as dealer or agent)	25.00
Tire Dealer (Not taxed as automobile dealer)	25.00
Antique.	
Furniture or Oriental goods, itinerant dealer	100.00
Awning or tent makers	25.00
Any person, firm or corporation, selling repairing, or erecting awnings	25.00
Baggage Transfer - See Public Conveyances	
Banks or Trust Companies	
Capital \$25,000 or over	25.00
Capital less than \$25,000	15.00
Barber Shops	
First chair, whether used or not, not pro-rated	5.00
Each additional chair, whether used or not, not pro-rated	2.50
Bicycle	
Each dealer or agent selling or repairing	10.00
Boarding Houses-See Cafes	
Boot Blacks,	
First seat, box or pair of foot rests, whether used or not.	1.00
Each additional seat, box, or pair of foot rests, whether used or not50
Bottling Works	50.00
Brick.	
Dealers, manufacturers or agents for the sale of	25.00
Building.	
Contractors, or other person, including owner, erecting, repairing, or making additions to any building, in addition to paying the building inspection fees required by law, shall before being granted such building permit, pay the following license tax, based upon the contract price or estimated cost of such improvements as follows: (Permit required for each contract).	
Over \$ 500 to 1,000	2.50
Over 1,000 to 2,500	5.00
Over 2,500 to 5,000	10.00
Over 5,000 to 10,000	15.00
Over 10,000 to 20,000	20.00
Over 20,000 to 40,000	30.00
Over 40,000 to 65,000	40.00
Over 65,000 to 100,000	50.00
Over 100,000 to 150,000	75.00
Over 150,000	100.00

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Blacksmiths	\$5.00
Bakeries	15.00
Cafes	
Restaurants, Lunch Rooms, Lunch Counters,	
Cafeterias, Public Eating Houses,	
Boarding Houses.	
Less than 10 chairs or stools	5.00
From 10 to 25 chairs or stools	10.00
From 25 to 50 chairs or stools	25.00
Over 50 chairs or stools	35.00
Cabinet makers	
Upholsters or furniture repairers	10.00
Carnival Companies.	
Traveling circus, moving picture, vaudeville,	
museums, merry-go-rounds, ferris wheels	
and like amusements-each week or part	200.00
Provided, that no such carnival company shall	
be relieved from the tax or any part thereof	
by reason of donation or appropriation of the	
whole or part of the proceeds to any religious,	
charitable, educational or other cause whatever.	
Circuses.	
Menageries, wild west, dog and pony shows, and every	
other show not specifically licensed herein, per day	
or any part thereof:	
Transported by wagons or motor vehicles	10.00
15 car trains or less.	15.00
Over 15 cars	50.00
Clairvoyants,	
Fortune tellers, palmists, phrenologists	200.00
Collecting agencies.	25.00
Contractors.	
Itinerant or non-resident, any kind in addition	
to taxes levied on resident contractors	25.00
Constructing streets, pavements, sidewalks, sewers, bridges,	
railroads or other class of improvements (except buildings)	
shall pay a tax in accordance with the following graduated	
schedule, based upon the contract price or estimated	
cost of such work.	
Not over 1,000	2.50
1,000 to 2,500	5.00
2,500 to 5,000	10.00
5,000 to 10,000	15.00
10,000 to 20,000	20.00
20,000 to 40,000	30.00
40,000 to 75,000	50.00
Over 75,000	75.00

Concrete contractors (not engaged in the above) - - - -	\$15.00
Dairies, see milk dealers	
Decorator, painting contractor or paper hangers - - - -	15.00
Dogs, male - - - - -	1.00
Dogs, Female - - - - -	2.00
Dray, one horse - - - - -	5.00
Dray, two horses - - - - -	15.00
Dry cleaning establishments (including any outside Town collecting or delivering in Town) - - - - -	10.00
Electric Light Companies furnishing electric lights or power in the Town $\frac{1}{2}$ or 1% of gross earnings for year.	
Electric sign contractors or makers - - - - -	25.00
Embalmers (not taxed as undertakers) - - - - -	15.00
Express Companies - - - - -	20.00
Emigrant Agents - - - - -	300.00
Fish and Oyster dealers (not otherwise taxed)	15.00
Fortune tellers - - - - -	200.00
Garages Repairing or storing automobiles (not taxed as automobile dealers) - - - - -	50.00
Hair dresser. For each person employed - - - - -	10.00
Hotels	
Ten Rooms - - - - -	10.00
From 10 to 15 rooms - - - - -	15.00
From 15 to 25 Rooms - - - - -	25.00
Over 25 rooms - - - - -	30.00
House Mover	
Each house moved through streets - - - - -	10.00
Itinerant-each house moved through streets - - - - -	25.00
Hucksters per day - - - - -	1.00
(Does not apply to farmers who raise products for sale) -	
Ice Manufacturers.	
Up to 50 tons capacity - - - - -	15.00
50 to 75 tons capacity - - - - -	25.00
Over 75 tons capacity - - - - -	35.00
Ice Cream Packers - - - - -	15.00
Ice Cream Wagons - - - - -	15.00
Itinerant	

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Antique dealer - - - - -	\$100.00
Electrical Contractor - - - - -	50.00
Merchant, one month - - - - -	25.00
Merchant, one year - - - - -	100.00
Plumber - - - - -	50.00
Roofer - - - - -	25.00
Sign Painter Contractor - - - - -	25.00
Laundries	
Hard - - - - -	5.00
Storn or wet wash - - - - -	25.00
Agents for outside steam or wet wash laundries	
collecting or delivering in the town - - - - -	25.00
Lumber broker or agent - - - - -	25.00
Lumber Dealer.	
Per one-horse wagon - - - - -	10.00
Per two-horse wagon - - - - -	20.00
Per truck - - - - -	25.00
Livery stables - - - - -	25.00
Merchants.	
Retail merchants or dealers doing any kind of business	
at retail not specifically taxed by this ordinance	
shall pay for each store or place of business the following	
graduated license tax on annual gross sales:	
(This tax being calculated from the gross sales as	
shown by the income tax reports made on December 31, 1924)	
Less than \$25,000 - - - - -	10.00
\$25,000 and less than \$50,000 - - - - -	15.00
\$50,000 and less than 100,000 - - - - -	25.00
Over \$100,000 - - - - -	40.00
Year rate first year - - - - -	25.00
Wholesale Merchants	
Less than \$200,000 - - - - -	40.00
Over \$200,000 - - - - -	60.00
Moving Picture Shows - - - - -	25.00
Milk Dealers -Dairies or deliveries of milk in Town:	
Daries less 5 cows, per cow - - - - -	1.00
Dairies 5 to 20 cows - - - - -	10.00
Daries in excess of 20 cows	
50 cents additional for each cow.	
Manufacturers Agents resident - - - - -	25.00
Newspapers (Religious exempt	
Daily - - - - -	25.00
Other than daily - - - - -	15.00

Palmist - - - - -	\$200.00
Pawn broker - - - - -	150.00
Peddlers	
Per week - - - - -	5.00
per month - - - - -	10.00
per year - - - - -	100.00
Phrenologists - - - - -	200.00
Piano or organ dealers - - - - -	25.00
Plumbing - - - - -	25.00
Pressing establishments (including any outside the town collecting or delivering in the town) - - - - -	10.00
Printing establishments-every person operating a printing shop, with or without bindery, the following tax on annual gross sales or receipts:	
Less than \$5,000 - - - - -	5.00
obess	
\$5,000 to 15,000 - - - - -	10.00
15,000 and over - - - - -	15.00
Privy (tax to be paid by owner of premises)each house served - - - - -	6.00
Public conveyances-The business of transporting passengers or freight for profit and when used for the hauling of dirt of other similar materials except where the charge is made by the hour or day.	
One passenger automobile used in such business - - - - -	15.00
For each additional automobile - - - - -	10.00
For each truck of not over one ton capacity - - - - -	5.00
Drays, wagons, one horse - - - - -	5.00
Two horses - - - - -	10.00
(Provided that this section shall not apply to automobiles and busses engaged in the business of operating passenger routes and licensed by the State of North Carolina.	
Real estate and rent collecting agents	
U-drive-it passenger cars;	
5 passenger - - - - -	5.00
Less than 5 passenger - - - - -	2.50
Real estate and rent collecting agents - - - - -	15.00
Sewer (tax to be paid by owner of premises served) for each house - - - - -	12.00
Soft drink dealers(not otherwise taxed) - - - - -	10.00
Sign Painters-contractors - - - - -	10.00
Shoemakers and repairers - - - - -	15.00

Steam fitters-contractors - - - - -	\$25.00
Resident - - - - -	50.00
Itinerant - - - - -	10.00
Telegraph Companies - - - - -	25.00
Tin shop, roofers, metal workers - - - - -	15.00
Undertakers and Embalmers - - - - -	25.00
Wood working establishments - - - - -	15.00
Wood, coal, or coke dealers - - - - -	
Wagons, see Public conveyances	
Watch and jewelry repairers	
(Jewelry stores paying retail merchants tax exempt) - - -	15.00
Miscellaneous-All business, trades,	
professions or other undertakings prosecuted	
for profit or gain in the Town of Chapel Hill	
and not herein taxed, shall be liable for a tax equal	
to one-tenth of one percent of the annual gross	
sales or receipts; Provided, the taxing	
of such enterprise shall not be in conflict with	
the State Revenue Act, and provided further, that	
the minimum tax shall not be less than \$5.00	

All merchants or landlords engaged in renting space to agents or itinerant salesmen for the display of merchandise of other lines or character than that regularly carried in stock and for which a regular retail merchant's license has been issued, shall pay an additional license fee of \$5.00 per day for each and every day such display is made. Provided, that this ordinance shall take effect upon its passage. Provided, further, that the same general clauses, with the conditions and penalties included within the general license ordinance, shall apply thereto.

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The question of borrowing the sum of \$5,000 in anticipation of the receipts from the proceeds of the collection of taxes for the current was brought up for consideration, and upon motion of Alderman Eubanks, seconded by Alderman Burch, the following resolution was duly adopted; all the Aldermen present voting in the affirmative therefor: To wit:- Aldermen P. L. Burch, C. L. Eubanks, M. E. Hogan and B. S. Thompson, said resolution being as follows:

BE IT ORDAINED BY THE BOARD OF ALDERMEN OF THE TOWN OF CHAPEL HILL:

SECTION 1. That in order to anticipate the receipts from the collection of taxes for the current year, it is necessary to borrow the sum of \$15,000.00.

SECTION 2. That a temporary loan of \$5,000 shall be made, bearing interest at not more than 6% per annum and maturing not later than October 15, 1929, said loan shall be evidenced by a note and the Mayor and Clerk are hereby instructed to fix the face amount of said note and the rate of interest it shall bear and to fix the date of maturity, all within the limitations herein set forth, and with the power to dispose of said note to the best advantage.

SECTION 3. The said note shall be signed by the Mayor and countersigned by the Clerk under the corporate seal of the Town and shall be substantially in the following form:

UNITED STATES OF AMERICA
STATE OF NORTH CAROLINA
TOWN OF CHAPEL HILL

TAX ANTICIPATION NOTE

No. _____

\$ _____

KNOW ALL MEN BY THESE PRESENTS that the Town of Chapel Hill in the State of North Carolina for value received hereby promises to pay to _____ on _____ the principal sum of _____ DOLLARS with interest at six per cent per annum, payable at the Town Office, Chapel Hill, N. C.

THIS NOTE IS GIVEN FOR MONEY borrowed in the amount of the face of this note in anticipation of the receipt of the proceeds from the collection of revenue for current year in full compliance with the Municipal Finance Act and resolutions duly passed by the Board of Aldermen of said Town.

IT IS HEREBY CERTIFIED AND RECITED that all acts,

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conditions and things required by laws and constitution of North Carolina to happen, exist, and be performed precedent to and in the issuance of this note, have happened, existed and have been performed in regular and due form and time as so required, and that the total indebtedness of the Town, including this note, does not exceed any constitutional or statutory limitations thereon.

IN WITNESS WHEREOF the Town of Chapel Hill has caused this note to be signed by its Mayor and countersigned by its Clerk, under the corporate seal of the Town, all as of the ____ day of ____, 1928.

Mayor

Countersigned.

Clerk

SECTION 4. That before the said note is issued, it shall be approved by the Attorney for the Town, and his approval endorsed on said note substantially in the following form:

I, _____, Attorney for the Town of Chapel Hill, North Carolina, do hereby approve the within note and do state that said note constitutes a valid and binding obligation of the Town of Chapel Hill.

Town Attorney

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The Manager read the following letter from the Chapel Hill School Board Trustees, which is self-explanatory.

Chapel Hill, N. C.,
July 9, 1928

To the City Manager of the
Town of Chapel Hill,
Chapel Hill, N. C.

The Board of Trustees of the Chapel Hill Graded School hereby request that you advertise for sale at once, and beginning with this week, the unpaid school taxes. We have not been able to pay salaries of teachers for two months. If the amount now carried on your books as past due was paid, we would be able to take care

W. S. Roberson, Chairman
of the Board of Trustees of
Chapel Hill Graded School.

Following the reading of this letter there was much discussion about the advisability of advertising taxes for sale at the present time. Upon motion of Alderman Hogan, seconded by Alderman Thompson, the following resolution was duly adopted; all the Aldermen present voting in the affirmative therefor.

SECTION 1. That The Town Tax Collector is hereby order to advertise the property of all delinquent tax payers four weeks preceeding the first Monday in September and he is further ordered

Z. P. Council, Mayor

Louis K. Brown, Clerk