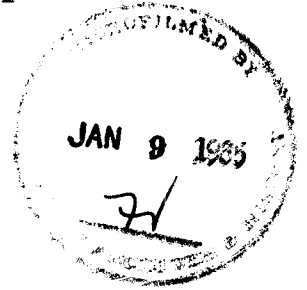


MINUTES OF PUBLIC HEARINGS AND A REGULAR MEETING OF THE MAYOR AND BOARD
OF ALDERMEN, TOWN OF CHAPEL HILL, MUNICIPAL BUILDING
MONDAY, FEBRUARY 23, 1976, 7:30 P.M.

Mayor Wallace called said meeting to order; present and seated were

James C. Wallace, Mayor
Gerald Cohen
Robert Epting
Thomas Gardner
Jonathan Howes
Shirley Marshall
Marvin Silver
R. D. Smith



Alderman Edward Vickery was not present.

Also present were Town Manager K. Jenne, Town Clerk D. Roberts and Town Attorney E. Denny.

1976-77 COMMUNITY DEVELOPMENT BLOCK GRANT APPLICATION - PUBLIC HEARING

Mayor Wallace called the public hearing to order to hear recommendations for the 1976-77 Community Development Block Grant Application. Mike Jennings, Planning Director for the Town of Chapel Hill, gave background information and details of the application. He stated that the Community Development Program was established in 1974 by the United States Congress under the Housing Community Development Act of 1974. This act consolidated several "categorical" grant programs into the Community Development Block Grant program. The funds may be used for: property acquisition in order to remove blight and aid rehabilitation; public works and site improvements; code enforcements; clearance, demolition and rehabilitation of property; removal of architectural barriers; relocation payments and assistance; public services which are not otherwise available and directly supportive to Community Development Activities; matching other federal grants also in support of Community Development Activities; completion of existing urban renewal projects for planning, management and administration of Community Development activities. All these activities must be oriented to benefiting low and moderate income families and to prevent or eliminate slum and bright.

The Chapel Hill Community Development Block Grant deals with many sources of funds. The primary emphasis in the Community Development Block Grant Program is the hold-harmless and discretionary funds that Chapel Hill may apply for. Because Chapel Hill, in the past, has pursued programs oriented toward benefiting low and moderate income families such as the Neighborhood Development Program, Chapel Hill is entitled to receive \$1.8 million during the first five years in hold-harmless funds. For years one, two and three, Chapel Hill is entitled to receive \$465,000, \$310,000 in year four, \$155,000 in year five and in year six, the hold-harmless entitlement runs out.

Chapel Hill may, at any time, apply for discretionary funds. The Durham, Orange, Wake County standard metropolitan statistical area is allocated a certain amount of discretionary funds each year. All communities in the area under 50,000 in population are able to compete for discretionary funds. The application for discretionary funds is not assured as it is highly competitive. The criteria by which the recipients of the funds is determined is the extent of housing problems and poverty and how well that discretionary program addresses the alleviation of those problems. To receive funds the Town must submit its application to H A I by March 15 for discretionary funds and by April 15 for hold-harmless funds. There is a 30 day review prior to this for local and state clearing houses. Each application consists of two primary parts; the Community Development Program and a Housing Assistance Plan. The Community Development Program outlines needs for low and moderate income families and outlines long and short term objectives toward meeting these needs. It also defines a one year program which is oriented towards meeting the objectives. The Housing Assistance Plan is essentially a technical document which outlines housing needs and ways to meet these needs. It consists of a housing condition survey, a survey of housing assistance needs, and goals for housing assistance including location.

Preparation for the housing application must be done with public participation. Federal guidelines require at least two public hearings. In developing this program, the Mayor appointed a Community Development

2

Task Force which was charged with the responsibility of obtaining public input for the program and the development of the Housing Assistance Plan. Citizen information and participation in this program has been developed through several mechanisms this year. One of these is a survey of the Community Development needs and service delivery, done with the aid of a Political Science class at UNC directed by Dr. Joel Schwartz. Another source of citizen information and input was a small group meeting on December 1st and a public hearing at which the results of the small group meeting were discussed. During the survey and through various community organizations, a pamphlet was distributed to inform the public about the program.

Priorities in this program as established last year and repeated this year are housing, community improvements and services. The Neighborhood Development area as originally outlined by the Town of Chapel Hill in 1969, is the area of priority. The objective is to complete planned improvements in the original Neighborhood Development Program.

The Community Development program as developed included housing needs as an adequate supply of housing at an affordable cost. To do this the Town must eliminate substandard conditions in 501 units, nine of which are uninhabited, demolish and replace 21 units, relocate the people that live in those units, and rehabilitate approximately 469 units. There are 918 families of low and moderate income that pay more than 25% of their gross incomes for housing. In order to satisfy these housing needs, the Task Force established long term objectives to take place in the next six to seven years. No one living within the Town of Chapel Hill will be living in a condemned house. The hope is to conserve existing housing supply through rehabilitation. The Town also wants to redevelop rental housing for as many low and moderate income families as possible. The Town also wants to make the maximum opportunity available for home ownership for those people of low and moderate income. In order to meet these long term objectives, the Town expects to meet certain three-year housing objectives. It wishes to demolish and replace 23 dilapidated units and to relocate affected families with a minimum of delay. The Town expects to inspect every house in the NDP area and enforce the housing code in all those houses. The objective is to facilitate construction of 123 new assisted units with a minimum of concentration of low and moderate income families. It also expects to assist 69 renting families in purchasing housing. Finally, the Town wishes to provide rental assistance to 168 families.

There is a need in the Town to have neighborhood improvements in every neighborhood to Town standards. Presently, there are eight miles of unpaved streets in Chapel Hill. Five miles of residential wastewater collectors are necessary to put everybody on the central sewage treatment system. There are storm drainage facilities needed through-out the Town. There is a need for drop curb sidewalks in town so that handicapped and elderly people can move around and also facilitate bicycle movement. There is also a need for traffic control at dangerous intersections. The long term neighborhood improvement objectives will alleviate these problems. The three-year objectives are to pave seven tenths of a mile of streets in the originally proposed NDP area. This would complete street paving as planned the original 1969 NDP. There is also a plan to install one half mile of sanitary sewer line to serve properties in the original proposed NDP area. All this has not been completed but has been contracted with an engineering firm to get this completed during the fiscal year. The money was budgeted for the first Community Development program year. Another three-year objective is to complete approximately eight tenths of a mile of storm drainage improvements in the NDP area. The Town will also continue regular programs of annual sidewalk improvements and install traffic control devices at the most dangerous intersections in the NDP area.

There are many different sources of funds which go into the Community Development Program. Federal Community Development Block Grant is just one source of funds. There are other federal funds such as Section 235 and 312 and Section 8 programs in the Department of Housing and Urban Development. There are also local general funds and such things as the Housing Loan Trust Fund. All of these funds are a part of the Community Development Program. The Town identifies the needs of the community and tries to find what sources of funds it can use in order to meet those needs.

Administrative expenses for the Housing Authority which are not attributable to either relocation or rehabilitation are approximately \$23,600. The plan is to replace twelve homes this year. This will cost the Town, out of the Community Development Program, approximately \$244,000. This is relocation payments, temporary assistance plus the administrative expenses of \$19,000 for the relocation, supplemented by the Housing Loan Trust Fund which will provide loans up to \$9,000 each to the people who are purchasing new homes. The total cost is approximately \$353,000. That is for relocation or the demolition of the dilapidated houses and in most cases replacement of these houses with new houses. The Town is expected to be able to get Section 235 money to build 23 new houses. The primary target for this program is the over income public housing tenants. Section 235 is a program of the federal government which allows low and moderate income families to build or buy their own homes. This program would involve approximately \$495,000 of Section 235 money. In addition, the Town is conducting a systematic housing inspection program. The cost of this for the next year is approximately \$30,000.

The goal is to rehabilitate 60 housing units in the next year. This will be done by the Housing Authority staff. This consists of ten rehabilitation grants of approximately \$4,500 from the hold-harmless funds. In addition, 30 rehabilitation grants from discretionary funds are planned. In addition there are planned twenty Section 312 rehabilitation loans. This is oriented primarily for property owners who rent their houses to somebody else. This is another Department of Housing and Urban Development program. The cost is approximately \$120,000 in Section 312 monies. In addition, Housing Authority administration expenses of approximately \$56,000 are included.

There are many families that are paying more than 25% of their income for housing. Rent subsidies are oriented towards meeting the needs of these people. Eighteen new units of approximately \$2100 a piece. There are also 70 existing units at approximately \$2200. This is to come from Section 8 which is another federal Housing and Urban Development program. Total cost is approximately \$183,000 to provide housing assistance for those families.

There is also a intake and referrals community organization, a Town activity of the Department of Human Services for helping people in the NDP area find out what services are available. There is street improvement to be done by the Town, consisting of three tenths of a mile paving and right-of-way acquisition for a total of \$52,000. This would complete a little over one half of the street paving necessary to complete the NDP.

There is a local option activity to be done by either the Town or the Housing Authority as outlined by the Community Development Task Force. The first option is to use this money to match Title XX in order to do rehabilitation. The second option is to use this money for services to the elderly. The third option, should these two fail, is to put it to rehabilitation efforts. No definite line item at this time is proposed. There is a lot of studying to be done before the Town can actually decide what it should do with this money. This proposal is under the 10% limit for local option activities that HUD allows. The totals are \$465,000 hold-harmless \$135,000 discretionary, \$798,000 from other federal programs and \$156,300 in local funds. The total this year is \$1,554,300 for the entire Community Development program.

There are some significant differences in this years program from last year's. This year the Town is going after more rehabilitation grants. There is the same amount of rehabilitation that needed to be done last year. It was hoped that it would be done through the Housing Loan Trust Funds, but anticipation of the Community Development Block Grant and availability of 312 loans made it such that few people took advantage of the Housing Loan Trust Fund. The same situation is expected to occur this year. Rehabilitation grants are the quickest, easiest program the Town has to provide the most results with the least investment. It is felt that Chapel Hill has a chance of getting the discretionary funds, and the staff, along with the Community Development Tasks Force, recommends that the Town try for it.

There are no services explicit in the program. Local option activities, as a second priority, would provide some services to the elderly. Last year the Town allocated \$21,500 to day care scholarships, which had difficulty getting started. Due to the many questions raised by HUD concerning the eligibility of this program, funds for the day care scholarships were just recently released, so it is not yet known how effective they

4

will be. One problem area with the Title XX has been identified and it is felt that the day care scholarships can meet this problem. This is the lack of certified centers resulting is not enough people taking advantage of Title XX. It is the intent to get these centers certified through a limited day care scholarship program and a short term commitment on the part of the Town, so that Title XX funds can effectively take care of the day care problem. There is also the possibility of some service for the elderly. Day care for the elderly is being established in the County and transportation to that program is one option of the Town.

In community facilities, last year sewers were a part of the program. According to the plan, sewers will be completed with the 1975-76 program. The intent, this year, is to complete over one half of the streets.

This program comes with the recommendation of the Community Development Task Force with a request from them, to the Board of Aldermen, to look very closely at administrative costs involving Housing Authority activities. The CD Tasks Force recommends that these administrative costs be reduced, if feasible, as follows: general administrative activity from \$23,600 to \$15,600; relocation from \$19,200 to \$14,200 rehabilitation from \$56,600 to \$21,600. This is a total reduction of \$48,000 in administrative expenses that would be put into rehabilitation grants.

Mr. Jennings concluded his presentation stating that this public hearing will be followed by review by the Planning Board on Thursday, February 26. It is, he stated, absolutely necessary, in order to meet the preapplication deadline for regional and state review, that the Board of Aldermen take action by March 8, 1976.

Alderman Howes stated that there are many figures on the budget, including administrative costs as well as direct costs associated with relocation or property acquisition. Last year, all administrative funds were shown as a lump sum. He asked why the format has been changed. Mr. Jennings responded that this is done because in applying for discretionary funds, those administrative costs, which are attributable to some activity, are counted in the point system. In response to Alderman Howes concerning comparable figures on administrative costs for last year, Marcia Allgeier a Planner for the Town of Chapel Hill, stated that the costs for last year and the costs for this year are very similar. They were \$96,000 total last year and they are \$99,000 total this year. In response to Alderman Cohen, Mr. Jennings stated that the three local option activities are first, to use the money (\$33,200) for match money for Title XX to buy materials for rehabilitating houses, second, to use the money for services to the elderly and third, to use the money as direct contribution to the rehabilitation program. The decision as to which option will be used, can be made at any time during the program year. In response to Alderman Smith concerning which intersection traffic improvements will be made, Mr. Jennings stated that this is not in the three-year program. He stated that there is no information in the application concerning this, however, this would be an ideal subject for a topics study. Alderman Smith questioned as to whether the Board of Aldermen or the Housing Authority should look into reducing administrative costs. He stated that he did not see how the Board of Aldermen can determine what administrative costs should be. In response to this, Town Manager Jenne, stated that this same matter came up last year, at which time not having any experience, the Housing Authority estimated approximately \$125,000 for administrative costs, which raised some concern. He stated that he, the Executive Director of the Housing Authority, the Housing Authority Board of Commissioners and the Board of Aldermen examined this figure very closely and determined that administrative costs would require approximately \$96,000 last year to accomplish what was intended. Those estimated were pretty well born out by experience in the program, to date. They are not arbitrary costs but based inductively on the amount of hours and work loads of the specific salaried individuals on the Housing Authority staff in order to accomplish the specific activities outlined in the program. He stated that it is his opinion that the administrative costs cannot be reduced very much.

Alderman Smith expressed concern with the survey of community needs and service delivery. Some people felt that speeding is a problem, dogs roving in the neighborhood and no recreation facilities for children under 12 or for children from 13 to 18. He stated that he hopes that the people responsible for these services are aware of the survey and will work to alleviate these problems. He also expressed concern that 6% of the agency personnel that the citizens of the Town contacted, were discourteous.

He stated that he hopes that the Town Manager will follow this up and see what the problem is. He stated that he can't accept that people are discourteous when they are paid to deliver services to the citizens of this Town.

In response to a question by Alderman Gardner, Mr. Jennings stated that the \$108,000 Housing Loan Trust Fund does fall within the guidelines established. It is actually the maximum that can occur. This is 12 houses at a maximum of \$9,000 each. This figure is not actually realistic. This is just what the maximum possible impact can be.

Mayor Wallace called for proponents. The following statement was made:

My name is Susie Weaver and I live in the Community Development Target Area at 310 Brooks Street. I have attended many of the Task Force meetings and public hearings and have worked with the Inter-Church Council Social Action Committee. We have met with Mr. Al Stevenson, Director of the Housing Authority and his staff a number of times to discuss many specific families who have housing problems.

I am concerned about the amount of money that is being spent on problems other than housing, specifically those on street improvements. Although I understand why this is done in the plan, there are still many housing needs that continue to exist and need as much Community Development as possible. In the door-to-door survey, housing was rated the number one actual problem and neighborhood improvements are needed, not just street paving.

If this is the place to ask, for the sake of mind clarification, could you give us something concrete concerning the home of Mrs. Lottie Riggsbee, McCauley Street Extension. We have been told it will surely come in time. Does that mean time while she lives or time when death has overtaken her?

In response to the question concerning Ms. Riggsbee, Mr. Jenne stated that Ms. Riggsbee's property is located in a possible street right-of-way and the original intent was to only partially acquire the property and put a new house on the same piece of property. He stated that he is informed that the Housing Authority has worked with Ms. Riggsbee and is in the process of making arrangements to have her moved to another location before June 30, 1976. Ms. Weaver stated that Ms. Riggsbee does not want to be relocated and that the possibility of moveable structure placed on her property was mentioned. She stated that the sensible thing to do, if the idea is to help people, is to do what will most benefit the people while they are still living. Mr. Jenne stated that he quite agrees, and he will see what can be done.

In response to a series of questions by Mr. Jim Farlow of 12 Lea Street, Mr. Jennings stated that the \$353,000 figure is for relocation activity through the Housing Authority which will replace 12 houses that are economically beyond rehabilitation. Public funds will spend approximately \$30,000 per house, but this is the maximum allotment, not necessarily the correct figure. After the house is demolished, the relocation payment must be used to purchase or build another residence. These houses cannot be rehabilitated. They are dilapidated and many are condemned. The unsafeness of the houses is determined by many criteria such as no indoor plumbing or unstable structure. In response to Ms. Peg Parker, a member of the Chapel Hill Planning Board, Mr. Jennings stated that the figures per house consists of approximately \$18,000 for relocation costs. If the person elects to get a loan from the Housing Loan Trust Fund, he may get up to \$9,000 on which interest is only subsidized. Again, in response to Mr. Farlow, Mr. Jennings stated that the Community Development Block Grant consists of \$465,000. This application only involves \$244,900 for activities in the Community Development Block Grant. All this is doing is outlining another source of funds that has already been available for several years and has been underutilized and is available to low and moderate income families who want to have their houses replaced. This money does come from public taxation. Mayor Wallace asked Mr. Jennings to clarify what is actually spent on construction. Mr. Jennings stated that this is very much up to the homeowner. He is given what averages out to about \$13,000 for the actual relocation payments, which can be supplemented by a loan for as much as \$9,000. The funds that go into construction would only be \$13,000, the relocation payment itself. Mr. Farlow stated that this is Town money. The rest of it has to come from the public taxpayer. He asked if grants don't come from taxes and suggested some sort of camouflage. Mr. Jennings stated that on an average case, the assistance would consist of a replacement housing grant of \$13,000.

There is a temporary relocation payment of \$350,000 which is the moving cost, the differential public housing rent during the time his house is being built and the cost of storage of home items. There are two appraisals and one review, as required by federal government, which averages out to about \$550 per house. To supplement this, if the person desires to get the interest on a loan subsidized through the Housing Loan Trust Fund, the person can get up to a \$9,000 loan subsidized. Alderman Cohen stated that he wished to speak to the statement made concerning camouflage. The goal of the federal program is to make sure that no one lives in sub-standard houses. A lot of people cannot afford to rehabilitate their house so the goal of the program enacted by Congress is to enable people who do not have enough money to have standard houses, to be able to have the money to have standard houses which means giving money to these people. This is not camouflaged.

Hearing no more comments from proponents or opponents on the subject of the public hearing, ALDERMAN SMITH MOVED, SECONDED BY ALDERMAN HOWES TO REFER THE MATTER TO THE PLANNING BOARD FOR CONSIDERATION AND RECOMMENDATIONS. THE MOTION WAS UNANIMOUSLY CARRIED.

Alderman Silver stated that he hopes that the Planning Board will take into account Ms. Weaver's comment about distribution of funds between neighborhood improvements and rehabilitation.

Mayor Wallace adjourned the public hearing.

ZONING MAP AMENDMENT - PUBLIC HEARING

Mayor Wallace called the public hearing to order to hear a proposed Zoning Map amendment for land zoned R-10 and Agricultural, located on the north side of East Franklin Street, opposite Eastgate Shopping Center. Mike Jennings, Planning Director for the Town of Chapel Hill made the presentation of the request. He stated that the applicant is WCHL Radio Station. It is located on East Franklin Street or U.S. 15-501 Business, across from Eastgate Shopping Center. The proposal consists of three tracts, a total of eleven acres. There is a seven and one half tract owned by the applicant, WCHL Radio Station. Along with this tract, there is a quarter acre tract of agriculturally zoned land which is surrounded by residential zoned land. There is also U.S. 15-501 right-of-way which is approximately two and seven tenths acres which is presently zoned R-10. The second and third parcels were added by the staff. Land use of the property itself consists of WCHL Radio Station and towers. Surroundary zoning is R-10 to the north and west, R-20 and R-3 to the east and commercial to the south. There is a shopping center to the south. Residential and undeveloped zoning to the east and north and residential and professional office use to the west.

The request is to amend the Zoning Map from R-10 and Agricultural, to R-20. The reason this came about is that the WCHL Radio Station sign blew down in a storm several years ago and they recently came in for a sign permit. It was discovered in reviewing the Special Use Permit (4-C-18), that it was issued in error in 1966 since this Special Use is not allowed in R-10 districts. It was rezoned in 1969 and the error was continued. There is no evidence in Town records of an attempt to make the use non-conforming. The request is to amend the zoning map from R-10 to R-20. This is needed for compliance with Special Use Permit section. This agricultural tract was identified as being an incongruous zoning of a piece of property that is completely surrounded by R-20 and R-3. The R-10 is the right-of-way and is proposed in order to make the right-of-way consistent, should the primary amendment be approved.

There will be a Special Use Permit modification following this application for Zoning Map amendment, if it is approved. The Special Use Permit is valid even though it was improperly issued in the first place.

In response to a question by Alderman Smith concerning the legality of this request, Mr. Denny, Town Attorney stated that there is nothing wrong with the request as it is a simple rezoning request.

Mayor Wallace called for proponents. Hearing none, he called for opponents. There were none.

Ms. Ann Slifken, a member of Chapel Hill Planning Board, asked how the Special Use Permit was ever granted in error. Alderman Smith responded stating that he could go back through his minutes of the meeting at which it was approved to see if they could shed any light on this. David Drake,

Assistant Town Attorney, stated that this had been done to no avail.

ALDERMAN SMITH MOVED, SECONDED BY ALDERMAN HOWES TO REFER THE MATTER TO THE PLANNING BOARD FOR CONSIDERATION AND RECOMMENDATIONS. THE MOTION WAS UNANIMOUSLY CARRIED.

Mayor Wallace adjourned the public hearing.

UNIFIED BUSINESS SPECIAL USE PERMIT - PUBLIC HEARING

Mayor Wallace called the public hearing to order to hear a request for a Unified Business Special Use Permit to construct two office buildings on Legion Road. He stated that anyone requesting to give testimony must be sworn. Mike Jennings, Planning Director for the Town of Chapel Hill, Robert Page, Dennis Howell and Glenn Corley were sworn. Mike Jennings, Planning Director, being duly sworn, gave background and presentation of the request. He stated that the applicant is H & H Associates. The location is on the north side of Legion Road across from the American Legion Post and directly across from the Nursing Home. The first 170 feet is zoned R-10. The second 130 feet is zoned R-10. It is 300 feet deep and approximately 460 feet at the front. It is approximately three and one half acres. Surrounding land uses are the Chapel Hill Cemetary on the east. The north is undeveloped. The west is residential and undeveloped and the south is the American Legion Post and the Nursing Home. The request is for a Unified Business Special Use Permit under Section 4-C-21 of the Zoning Ordinance, to build two office buildings totaling 42,000 square feet. The project is in two phases. Phase I is 12,000 square feet and Phase II is 30,000 square feet. Water and sewer are currently available at this site. The sewer flow is presently 4.00 million gallons per day, operating at a Sewage Treatment Plant capacity of 4.5. The Town has made committments for .293 million gallons per day and Carrboro has made a commitment of .148 million gallons per day for a total of present and committed 4.441 million gallons per day. This is 59,000 gallons per day uncommitted, not counting the University. As of April 1, 1976, the Town will have to seek a new permit to run the Sewage Treatment Plant. The state has already made a verbal statement that it will require more stringent effluent standards. The State will probably also require stricter tie-in requirements.

The requests meets all Special Use requirements except it is not located within 500 feet of a major thoroughfare with direct access to a major thoroughfare. The project is within 500 feet of U.S. 15-501 but does not have access thereto, but its access is by Legion Road, which is not a major thoroughfare on the approved or the proposed Thoroughfare Plan. The intent of this requirement is to orient businesses to major thoroughfares. The Zoning Ordinance and the Thoroughfare Plan are very well coordinated on this point. Legion Road is not planned as a major thoroughfare and property on either side is zoned R-10 which means no professional offices are allowed as Special Use. Under 4-C-16 of the Zoning Ordinance locating Unified Business at this location without direct access to 15-501 appears to violate the intent of the Zoning Ordinance. With similar uses approved along Legion Road would necessitate reclassification of that road on the Thoroughfare Plan.

The applicant has also applied for a variance to this requirement. If approved by the Board of Adjustments, it may solve the question of whether the project legally can be built with that requirement. It does not answer the question of whether this project, as planned, would be acceptable in making the four positive findings. The applicant has also applied for subdivision approval because the tract is part of a larger tract.

Glenn Corley, being duly sworn, gave testimony in the hearing. He referred to a site plan for the project. He stated that Phase I, to the east, includes 1.2 acres of property for a total of 13,328 square feet. Phase II which is to begin after four years, in 1980, will add for a total of 31,000 square feet. The proposed plan is to adapt the buildings to treed areas and put parking in between the buildings, with new trees in the asphalt area. The reasons for putting the buildings inside the treed area is because of the slop of the land.

Access in and out of the project is right in the middle of the project and has at least 1,000 feet of side line up and down Legion Road. The exterior of the building is all wood with a sloping residential character roof with a vertical plane at the top of the building, in order to screen all the roof top air hanging units. These units will not be visible on the roof and the trash containers will also be screened in the back end. There is provided a six and one half foot high hedge which will screen parking from the abutting residential properties. Mr. Corley read the statement of justification according to the ordinance, as follows:

1. The use will not materially endanger the public health or safety if located where proposed and developed according to the plans.
 - a. These facilities will add a maximum of 650 vehicles per day to Legion Road, which will not greatly affect traffic conditions. Legion Road has a 1,000-foot plus line of sight at the proposed office complex entrance which is well within safe stopping distance requirements. Parking will be provided on asphalt paving for one space per 200 square feet.
 - b. Provision for services and utilities shall be as follows:
 - (1) Water - available by University Service Plants
 - (2) Sewer - connect to main line in Legion Road. The required sewer capacity for the project will be smaller for office use than if it were developed as residential use. We estimate the capacity to be 2,600 gallons per day for Phase I and 6,000 gallons per day for Phase II.
 - (3) Electric power - connect to existing Duke Power distribution in Legion Road right-of-way.
 - (4) Garbage collection - front end loading containers for each building to be picked up by City or private agency.
 - c. Soil erosion and sedimentation plan will be prepared in accordance with the requirements of Orange County.
 - d. This site is not located within the Chapel Hill flood plain.
2. The use meets all required conditions and specifications.
 - a. The Chapel Hill Zoning Ordinance and land development regulations and standards will be complied with. Section 4-C-21, "Unified Business Developments" has been adhered to for this submission.
 - b. Recreation areas and open space provision are not required for this zoning.
3. The use will not substantially injure the value of adjoining or abutting property.
 - a. The proposed use of office building is compatible with surrounding uses of American Legion Post, nursing home and cemetery. This complex will upgrade the adjoining property value and will enhance the area. Most of the adjoining land is currently undeveloped.
 - b. This property is zoned R-10 and R-20 and conforms to the unified business district requirements.
4. The location and character of the use, if developed according to the plan as submitted and approved, will be in harmony with the area in which it is to be located and in general conformity with the plan of development of Chapel Hill and its environs.
 - a. These office buildings have been designed to conform to the existing conditions of the sloping site. Since the trees on the site will remain around the building, we have selected wood as the principal building material. This use of natural materials will complement the tree setting into a unifying and aesthetically pleasing project.
 - b. This property is not located in the Chapel Hill flood plain, Thoroughfare Plan or Greenway Plan.

Alderman Cohen stated that Mr. Jennings has pointed out the Unified Business must be along a major thoroughfare. He asked Mr. Corley to justify why this particular project should be allowed to overlook the major right-of-way requirement. Mr. Corley stated that this is a 60 foot right-of-way. The traffic on this road is so low now, that whether it had a 20 feet more right-of-way would not make traffic larger or smaller. Alderman Cohen stated that across the street, there are several fairly large undeveloped tracts. He asked Mr. Corley if he had checked to see if they, if subdivided, would add to the traffic problem. Mr. Corley responded that all he is familiar with are the apartments on down Legion Road.

Alderman Marshall said that the statement of justification had stated that the applicant finds that it is conforming with the general plan of Chapel Hill. She stated that Mr. Jennings pointed out that it is not on a thoroughfare and all the surrounding land is zoned R-10. She asked Mr. Corley to justify that this would be conforming with the plan. Mr. Corley stated that it is justified in that an office area should be away from the Central Business District to relieve traffic congestion.

Alderman Smith asked Town Attorney Denny if the Board of Aldermen should not wait for the granting of a variance before considering this matter. Mr. Denny responded that this Board is making no determination, but hearing evidence only. The only action the Board of Aldermen will take is to refer the matter.

Robert Page, being duly sworn, gave testimony in the hearing. He stated that this 3.5 property is owned and recently deeded by H & H Associates, a general partnership, since January of this year. This property was primarily agricultural. It was owned by the McFarland family and as Eastgate Shopping Center and the commercial interest of Chapel Hill came up to and past the property, it became very expensive and Mr. McFarland chose to sell it. He stated that Mr. Howell, one of the partners, plans to occupy a good part of the building in his real estate ventures. He has been in the real estate business in Chapel Hill for a number of years in Colony Woods and Briarwood and has been recently developing countryside subdivisions north of Town, south of Weaver Dairy Road. The other partner will occupy probably 50% to 70% of this building, so this will be an owner-occupied building. Most of the building will be professional or medical and if the property fully utilizes the 3.5 acres, the other building will be professional. He stated that he had recently read some things on Chapel Hill. He stated that he thinks this property will bring more tax revenues to offset the services the Town would have to revise such as sewer and garbage collection. In response to a question by Alderman Cohen, Mr. Page stated that there is no plan to petition for annexation at this time. Mr. Cohen stated that the project will not bring the Town any tax revenue if this is the case. He stated that the Town currently has transportation service to all office facilities. He asked Mr. Page if this property has bus service. Mr. Page responded that he did not know, however, this type of office use won't require bus service.

Mr. Dennis Howell, being duly sworn, stated that the project will be owner-occupied. Phase I will be started as soon as it is approved and Phase II will begin after four to five years.

Alderman Smith asked for qualifications of the traffic and parking indication of 650 vehicles to Legion Road if the project is only to be owner-occupied. Mr. Corley responded that the total traffic estimated to be generated by Phase I will be approximately 220 cars a day. People will be visiting the building, whether patients or real estate customers.

Mr. George Spransy, a member of the Chapel Hill Planning Board requested an inventory of Chapel Hill office space and occupancy. Mr. Jennings stated that while these figures are not available there are 250,000 square feet of approved buildings which have not been built. These include the Eastowne Office Building with 200,000 square feet and the First Citizens Bank and Northwestern Bank on Elliott and Franklin streets, and Cedar Ridge, totalling approximately 50,000 square feet.

In response to a question by Alderman Cohen concerning the assessed per acre value, Mr. Page stated that the original tract was 24 acres and the last reevaluation in 1972 was \$187,500, about \$7,000 per acre. Alderman Cohen stated that due to the commercial development that is already out there that would tend to raise the evaluation, he questioned that economic feasibility of housing. Mr. Page stated that in his opinion, at \$7,000 an acre and the price of the property, this would be difficult.

Mayor Wallace swore Glenn McFarland, who wished to give testimony in the hearing. He stated that he had inherited the property from his father who died about six years ago. He stated that he had tried to keep the property in tact after the death of his father by fencing in the land and keeping horses and cows. He stated that he was forced to sell the land because the taxes had gone up so high. Four years ago the tax was about \$19,000. When the property was reevaluated, the taxes went up to \$180,000 or \$190,000. It was not economically feasible for him to keep the property. He stated that he did not want to sell, but he was forced to sell. He stated that he had worked with Mr. Howell to try to develop the land into something nice for Chapel Hill.

In response to a previous question by Mr. Spransy, Mr. Jennings stated that the projected gallon per day sewage for office use is 8600. By his calculation, using standard Town calculations, the sewage flow would be 4150 gallons per day for residential uses. Alderman Smith stated that with the figures of capacity at the Treatment Plant, and the hope for a capacity of 4.5, which is skeptical, he hopes that when the Board of Aldermen and the Planning Board look at this, they will take the sewage problem that currently exists, into consideration. He stated that this is the case with any project requiring sewage. He stated that he feels that any project now will affect the health and safety of this community until such time as the problem at the Sewage Treatment Plant can be resolved.

Town Attorney Denny stated that since this is a public hearing, it is permissible for any member of the public to be heard without being sworn as to his opinion on the issue. Nothing he says can be used as a basis for any kind of decision, however, if he is not sworn. He also stated that while it is not necessary that members of the Board or the Mayor be sworn, if any member of the Board has any information that he plans to act on himself, or use to persuade other members of the Board to act on, it must be disclosed at this time.

Hearing no more comments, either from proponents or opponents to the subject of the public hearing, ALDERMAN EPTING MOVED, SECONDED BY ALDERMAN MARSHALL TO REFER THE MATTER TO THE PLANNING BOARD AND APPEARANCE COMMISSION FOR CONSIDERATION AND RECOMMENDATIONS. THE MOTION WAS UNANIMOUSLY CARRIED.

Mayor Wallace adjourned the public hearing.

CHI PHI FRATERNITY HOUSE - SPECIAL USE PERMIT - PUBLIC HEARING

Mayor Wallace called the public hearing to order to hear a request for a Special Use Permit for the existing Chi Phi Fraternity house located on the southwest corner of the intersection of South Columbia Street and McCauley Street. He swore in the following persons wishing to make testimony at this hearing: Mike Jennings, Planning Director for the Town of Chapel Hill, Joe Hakan and Charles Brady. Mike Jennings, being duly sworn, gave the details of the request. He stated that the applicant is the Chi Phi Fraternity, located on the southwest corner of McCauley Street and Columbia Street. It is an existing fraternity house. The lot is on Map 87, Block D, Lot 10. The property is zoned University-A as is all surrounding land uses. It is surrounded on the east by Mitchell and Wilson classroom buildings, on the north by Whitehead Dormitory and Miller Hall, on the west by a parking lot and on the south by the Phi Delta Theta Fraternity House. The request is for a Special Use Permit for a Fraternity House under Section 4-C-9 in the Zoning Ordinance. Although it is an existing Fraternity House, it has not been approved as a Special Use. The request is to construct a 1,000 square foot recreation room at the basement level approximately four feet above ground level. The top will be used as a deck. The request does comply with Zoning requirements and the Special Use requirements therein. McCauley and Columbia Streets are both designated as major thoroughfares on the Thoroughfare Plan. McCauley Street is designated as a thoroughfare with a proposed right-of-way of 90 feet. The existing right-of-way is 50 feet. Columbia Street is a major thoroughfare. The existing and the proposed right-of-way is 90 feet. The existing right-of-way is 50 feet. Columbia Street is a major thoroughfare. The existing and the proposed right-of-way is 60 feet. McCauley Street has heavy pedestrian traffic presently, primarily students and faculty members going to the University. A sidewalk is needed along the property line. Significant trees are along the north property line but a sidewalk could conceivably go around the trees. There is also an open ingress-egress point on McCauley Street which is in violation of the curb requirement specifying that an open curb can be no more than 25 feet and must be separated from the corner by at least 15 feet. Otherwise, the request complies with all Special Use requirements.

In response to Alderman Smith, Mr. Jennings stated that in this University-A district and there is no rear yard requirement.

Mr. Joe Hakan, being duly sworn, gave testimony in the hearing. He stated that the recreation room is needed to relieve use of the living room as a dance room. It is basically a subterranean room. It will improve on the noise of dances and recreation over what it is now in the summer months when the doors and windows are open. There is no plumbing in the room so there are no sewer requirements. There will be no additional people added to the house so there will be no additional density. The use will not endanger public health and safety. The existing use has been there for 35 or forty years. The use meets all the requirements and conditions according to specifications.

There is one partially dead tree that will be removed. The rest of the trees will remain. The use will not substantially injure the value of adjoining property. This is an existing fraternity area. The location and character of use, if developed according to plan, will be in harmony with area it is located in and it is in general conformity with Chapel Hill planning and development. There will be no real architectural change. All that will be seen from the right-of-way is the railing, the patio, the four steps leading to the side entrance hopefully with a ramp to take musical instruments. There are two points of egress, from the house and the side entrance.

In response to a question by Alderman Smith concerning the effect of excavation on the other trees, Mr. Hakan stated that the trees are more than 15 feet away from any excavation. The fraternity did not want to lose the trees either and no difficulty if foreseen.

Mr. John Foushee, being duly sworn, stated that the Chi Phi Fraternity was founded in Chapel Hill in 1924 so it has been in existence for more than 50 years and in this location for 30 or 35 years. The problem is that when the fraternity has parties in the living room, the band takes at least 300 or 400 feet of space and the equipment is heavy and it shakes. The rugs have to be rolled up and the furniture has to be taken out. For years, the fraternity has been trying to think of some way to have the desired dances two or three times a year. The Dining Room is on the lower level. The proposal is to extend the Dining Room straight out. The only openings will be next to the Phi Delta Theta House. There are none on the front or the side next to McCauley Street. The fraternity is out of debt and does not owe anything on the house. The taxes are paid in full and have been for the past twenty-five years. The plan is to put ivy on the side of the room with nice wrought iron rail and patio on top. In response to a question by Alderman Smith, Mr. Foushee stated that the intention is to put air conditioning in the room if it is affordable. The room will also have a separate heating unit. Alderman Smith stated that he hopes that all the dances will be held in the facility, if approved, and not on the patio. There is quite a problem with bands in a residential neighborhood. Bands, when outside, can be heard anywhere. Mr. Foushee assured Alderman Smith that the house has been closed during the summer months for the past ten years and he stated that he hopes to continue this practice. There is a possibility of a small dance in the spring, on the patio.

Alderman Marshall questioned the arrangements in case of fire since the room will have no plumbing. Mr. Foushee stated that the ramp on the side of the room has a big wide opening to accommodate the large band equipment. This opening is quite adequate. Alderman Howes asked if the Town code required a sprinkler system in a subterranean structure. Mr. Haken responded stating that this is not required if it is of fire proof construction and has proper egress for this many people. The room will be built in reinforced masonry.

Charles Brady, President of the House, being duly sworn, stated that it seems like the problem is the noise level. At the present time there is an unsatisfactory arrangement for our neighbors. Last year, the size of the living room restricted the number of people that could get in and dance comfortably and the parties had to be moved outside. This has bothered the neighbors in back of the house whereas the new construction is to the front. There were also complaints from Whitehead Dormitory. Being

12
in the living room with the doors and windows open does create a problem. Having to move furniture out is also a problem. It is felt that this subterranean recreation room will alleviate most of the problems for everyone concerned. Air conditioning is wanted, if possible, however, it will probably be cooler underground anyway. In response to a question by Alderman Howes concerning parties on the patio, Mr. Brady stated that last year the fraternity had a party on the porch. They went to great lengths to comply with all Town noise regulations. All the neighbors within so many blocks were notified of the party and there were no complaints. If such a party was planned again, the same procedure would probably be in order. Again in response to a question by Alderman Howes concerning mounting speakers on the outside, Mr. Brady stated that there would be no reason to mount speakers on the outside of the house if the parties would be in the inside.

Mr. Donald Guthrie, who was not sworn, stated that the kind of activity of the patio would be cocktail parties with no band and the only noise would be that of talking. There is no sense in having this outside because it gets hot outside.

Hearing no more comments from proponents or opponents on the issue of this public hearing, ALDERMAN SMITH MOVED, SECONDED BY ALDERMAN COHEN TO REFER THE MATTER TO THE PLANNING BOARD AND THE APPEARANCE COMMISSION FOR CONSIDERATION AND RECOMMENDATIONS. THE MOTION WAS UNANIMOUSLY CARRIED.

Mayor Wallace adjourned the public hearing.

Mayor Wallace called the regular meeting to order at 9:39 p.m.

The minutes of the February 16th meeting were duly considered and corrections were made. ON MOTION BY ALDERMAN SMITH, SECONDED BY ALDERMAN EPTING, SAID MINUTES WERE UNANIMOUSLY APPROVED FOR OFFICIAL RECORDING AS CORRECTED.

Mayor Wallace called for verbal petitions and requests. There were none.

Transfers Among Divisional Appropriations - Ordinance

Town Manager Jenne stated that the Board had received in their packets, a narrative outline of additional transfers that have been made by the Manager and reported to the Board, as well as some changes that are requested from the Board in terms of legislative actions. Anthony Hooper, Finance Director for the Town of Chapel Hill, gave a detailed explanation of the reported and recommended changes to the 1975-76 budget. During his presentation, in response to Alderman Gardner, Mr. Hooper stated that there will be offsetting revenue items to pay for 95% of the training costs for Lt. Gold to attend the Southern Police Academy which was approved by the Board at a previous meeting. This is merely setting up an appropriation within that division to charge the expenditures and there will be an increase in the revenue under public safety grants. Alderman Gardner stated that he did not remember any budget being mentioned at the time that this matter was brought before the Board. Mr. Hooper stated that this represents the total cost of the program, both room and board for the two months and books, supplies and travel costs. With regard to the parking facilities revenue, in response to Alderman Gardner, Mr. Jenne stated that the amount spoken to was \$10,000. He stated that in September, he pointed out to the Board that two things were occurring in the parking zone. One was that the Town had already redeemed a bond up to 1991 and that on an annual basis was putting excessive funds into the redemption account. He stated that he had recommended at that time, and the Board concurred, that instead of spending the \$10,000 out of the Capital fund, that had been budgeted for parking lot improvements on Lot no. 1, that the monies from the parking fund itself, be used. This was an actual ordinance decision. Alderman Cohen stated that the seven month revenue sheet shows that through seven months of the fiscal year, the parking lot revenues were 70% of the budget. This means that the revenue seems to be over budget. He asked if the additional revenue is going to be used for additional site improvement, bond reductions, or exactly what it would be used for. Mr. Jenne responded that at this time there are no additional site improvements specifically programmed or approved by the Board. This is a matter to be decided on between now and the end of the year. He stated that there is no plan to redeem any more of the bonds which have been redeemed to date, and are in excess of the normal reasonable expectations. Again, in response to Alderman Cohen, Mr. Jenne stated that there have not been any discussions on lot No. 2, started with the property owner at this time.

At the conclusion of Mr. Hooper's presentation, Alderman Smith requested a progress report on the bus facility. Mr. Jenne stated that the gravel

base has been laid, however he is not sure whether pouring has been started on the slab or not. The pits have been poured, but the slabs have been delayed because of weather. He started that completion of the garage is hoped for by the end of March. The original date had been much earlier but the problem of getting the contractor on the site because of bad weather or just getting them there, had caused a delay. Once the slab is poured, actual erection of the facility should go very quickly.

Alderman Smith requested a report on Gomains Tot Lot. Mr. Jenne stated that all the equipment is in place and all the basic landscaping is being done in accordance with the plan that was approved. He stated that he personally is not entirely satisfied with the lot from a cosmetic standpoint. He stated that some more work needs to be done on the front end of the lot in terms of beautification.

Alderman Gardner asked if it was not anticipated that the Public Works Department would do some work on the bus garage. Mr. Jenne stated that the estimate for the garage was put together in the spring of last year and this year the money was reappropriated in the good faith of carrying it forward, but it was found that a lot of expenses for the site preparation was being carried out by charges against certain Public Works operational accounts. The staff did not feel that this was the appropriate place to charge this, but it ought to be included in the actual capital cost of the facility in the capital fund. The item before the Board at this time represents a transfer of those expenses incurred against the public works operational account to the capital fund where it belongs. Alderman Cohen, for clarification, stated that the project is still being constructed in the same way, but instead of just having public works paying it and showing up in both budgets, the actual cost of the project is being shown. Mr. Jenne stated that this is correct. Essentially, the actual project cost of \$61,500, as originally shown and discussed was actually not the true cost of the project. There was an addition \$1,000 put into site preparation. He stated that it is not appropriate to show the cost of the project in the capital fund as \$61,500 when it is actually \$71,500. These costs should be accurately shown in the capital fund as part of that project.

All members of Board indicated that they had read the ordinance. ALDERMAN MARSHALL MOVED, SECONDED BY ALDERMAN SMITH, THAT AN ORDINANCE TO AMEND THE "ORDINANCE CONCERNING APPROPRIATIONS AND THE RAISING OF REVENUE FOR THE FISCAL YEAR BEGINNING JULY 1, 1975" , BE ADOPTED. THE MOTION WAS UNANIMOUSLY CARRIED.

AN ORDINANCE TO AMEND THE "ORDINANCE CONCERNING APPROPRIATIONS AND THE RAISING OF REVENUE FOR THE FISCAL YEAR BEGINNING JULY 1, 1975.

BE IT ORDAINED by the Board of Aldermen of the Town of Chapel Hill that the budget ordinance of the Town of Chapel Hill entitled "An Ordinance Concerning Appropriations, and the Raising of Revenue for the Fiscal Year beginning July 1, 1975" as duly adopted June 27, 1975, be and the same is hereby amended as follows:

Section I

<u>GENERAL FUND</u>	<u>Current Adopted</u>	<u>Increase (Decrease)</u>	<u>Revised</u>
Board of Aldermen	46 125	2 100	48 225
Police Department	854 985	(2 500)	852 485
Traffic	52 155	2 500	54 655
Contingency	14 400	(500)	13 900
Total Net Change		1 600	
 <u>PARKING FACILITY</u>			
Repair + Improvement Fund	0	10 000	10 000
<u>WASTEWATER FUND</u>	538 600	119 705	658 305

CAPITAL IMPROVEMENT FUND 582 810 525 000 1 107 810

Revision of Article II

GENERAL FUND

Other Revenue 4 780 1 600 6 380

PARKING FACILITIES FUND - REPAIR AND IMPROVEMENT

0 10 000 10 000

WASTEWATER FUND

542 000 116 305 658 305

CAPITAL IMPROVEMENT FUND

582 810 525 000 1 107 810

Section II

All Ordinances and portions of Ordinances in conflict herewith are hereby repealed.

This the 23rd day of February, 1976.

Two 1500-Gallon Liquid Manure Spreader Tanks - Bids and Resolution

Mayor Wallace stated that the Board must consider the tabulation of bids for two 1500-gallon liquid manure spreader tanks mounted on trailers. Town Manager Jenne stated that this does involve some of the emergency measures that the Town had to take at the Wastewater Treatment Plant. When the centrifuge broke down, the Town leased two of these liquid spreaders from the Town of High Point, N.C., for 30 days. This enabled the treatment plant to keep ahead of the sludge that was being produced. In analyzing the whole situation, once the emergency situation was in hand, the staff found two things. The digesters, two of which are operational, had not been cleaned out since 1968. The result is that a cake forms on the inside of these digesters. The \$20,000 in the Wastewater Contingency fund this year, is to contract the cleaning of these tanks which is an expensive and time consuming operation. The Manager and the Director of Public Works worked out a method whereby the tanks can be cleaned out by the Town itself, by the continuation of the use of these kinds of trailer mounted spreaders. This can be done by using the centrifuge, now back in operation, as well as going on with these trailers and continuing the land application. At the same time, it is also planned to clean out the third digester which is now unused. It comprises about 350,000 gallons emergency capacity in the event there is a future failure in the centrifuge or all the sludge being produced at any given time, can't be disposed of. This would give the Town several weeks latitude, in terms of reacting, should the situation occur again. Moreover, in the long term, with the demand as it exists, there has been an interest expressed by local farmers to have the sludge spread on their farm and pasture land and it would be well for the Town to continue this practice on a regular basis. This would enable the Town, on a long term basis, to stay ahead of the sludge problem at all times and the Town will have one more additional buffer against any more emergency situations that may arise. Consequently, with the return of the leased machinery, the Town has gone to bid on the purchase of two trailers. The anticipation is to keep only one of these in the long term, but both are needed to continue the digester cleaning operations for approximately the next fifty days. At the end of that period, the intent is to dispose of one of the trailers, for which, it has been found, there is presently a high demand on the market. Therefore, there is no anticipation of a problem in disposing of such a trailer.

On February 19, 1976, four bids were received as follows for two 1500-gallon liquid manure spreader tanks:

Table with 3 columns: Bidder, Bid, Delivery. Rows include Colvard Farm Equipment Co., Globe Equipment Corp., and Senter-Sanders Tractor Corp.

Tri-State Distributors of
Statesville, Inc.,
Statesville, N.C.

\$ 6,041.84

February 27, 1976

Discussion: Colvard Farm Equipment and Senter-Sanders Tractor Corp, bid equipment with features which exceed Town specifications and which are not necessary for the Town's intended application. Globe Equipment did not provide a bid bond and is therefore disqualified.

Recommendation: That the bid of Tri-State Distributors of Statesville, Inc. in the amount of \$6,041.84 be accepted and that it be awarded the contract.

ALDERMAN HOWES MOVED, SECONDED BY ALDERMAN SMITH THAT A RESOLUTION ACCEPTING BIDS AND AWARDING OF CONTRACT FOR TWO 1500-GALLON LIQUID MANURE SPREADER TANKS, BE ADOPTED. THE MOTION WAS UNANIMOUSLY CARRIED.

A RESOLUTION ACCEPTING BIDS AND AWARDING OF CONTRACT FOR TWO 1500-GALLON LIQUID MANURE SPREADER TANKS

BE IT RESOLVED by the Board of Aldermen of the Town of Chapel Hill:

That the bid of Tri-State Distributors of Statesville, Inc. in the amount of \$6,041.84 be accepted, and that said company be awarded the contract for two 1500-gallon Liquid Manure Spreader Tanks.

This the 23rd day of February, 1976.

Tow Zones - Ordinance

Mayor Wallace stated that the Board must consider an Ordinance to Amend Section 21-21.1 of the Code of Ordinances of the Town of Chapel Hill concerning tow zones. Town Manager Jenne stated that this ordinance is a follow up to the last Board meeting when the Board approved an ordinance amending the ordinance specifying no parking zones. The Board requested an ordinance making the newly designated no parking zones, tow zones also. ALDERMAN SMITH MOVED, SECONDED BY ALDERMAN MARSHALL THAT A ORDINANCE TO AMEND SECTION 21-21.1 OF THE CODE OF ORDINANCES OF THE TOWN OF CHAPEL HILL, "TOW ZONES.", BE ADOPTED. Alderman Cohen stated that when traffic is removed from one area, it reappears in other areas. He stated that he recently noticed on Manning Drive going down from James and Ehringhouse Dormitories, parking on both sides of the Street. He stated that he had talked with Alderman Smith, the Chairman of the Streets and Public Safety Committee as to whether this causes a traffic hazard as the road is so narrow. THE MOTION CARRIED BY A VOTE OF SEVEN TO ONE WITH ALDERMAN EPTING OPPOSING. In response to Alderman Cohen concerning his reason for opposing the ordinance, Alderman Epting stated that his objection is a philosophical objection to the way the towing functions are performed by the Town of Chapel Hill. He stated that he hopes that there will be an occasion at which he can be heard at greater length on this matter.

AN ORDINANCE TO AMEND SECTION 21-21.1 OF THE CODE OF ORDINANCES OF THE TOWN OF CHAPEL HILL, "TOW ZONES."

BE IT ORDAINED by the Board of Aldermen of the Town of Chapel Hill that Section 21-21.1, "Tow Zones" of the Code of Ordinances, Town of Chapel Hill, be amended by the addition of the following lines in proper order:

STREET	SIDE	FROM	TO
Rosemary Street	N	Roberson Street	170 Feet East of Roberson Street
Pittsboro Street	W	30 Feet South of the S Driveway to the State Employees Credit Union	30 Feet North of the N Driveway to the State Employees Credit Union
Westwood Drive	Outside of Hoop	Columbia Street, South Entrance	100 Feet West of Columbia Street

SECTION II

All ordinances and portions of ordinances in conflict herewith are hereby repealed.

This the 23rd day of February, 1976.

LEAA Grant - Resolution

Mayor Wallace stated that the Board must consider a Resolution to Authorize the Manager to File an Application for LEAA Grant for a Special Crime Tactical Squad. Town Manager Jenne stated that a number of weeks ago, an item came before the Board to authorize the Manager to submit an application for LEAA funding for this particular program which is a continuation of funding. Since that time, the Manager has been informed that there will be certain changes in the fiscal year operating basis and funding agencies and all of the localities which at that time had submitted applications for refunding are now requested to fill out an additional applications that will basically cover the period for four months beyond the original period applied for. Alderman Epting stated that someone had asked him why Chapel Hill needed a SWAT team. He stated that to his understanding, these funds are not used for the operation of a SWAT team but are used for other crime fighting programs. Mr. Jenne concurred. In response to Alderman Gardner concerning the progress of the program to date, Mr. Jenne stated that his direct experience is limited to the time from August to the present. The tactical squad has probably shown its highest success in the clearance of a very large number of burglaries during the first quarter of the fiscal year. The program itself along with a number of other programs that are funded in the same manner are going to be examined very carefully before budget time this year. He stated that the tactical squad had had very large success. Alderman Gardner expressed concern that the Board is not kept informed of the details of the program itself other than the police department's monthly report to the Board. He expressed an interest in receiving some details of this operation. ON MOTION BY ALDERMAN SMITH, SECONDED BY ALDERMAN SILVER, A RESOLUTION TO AUTHORIZE THE MANAGER TO FILE AN APPLICATION FOR LEAA GRANT (SPECIAL CRIME TACTICAL SQUAD), WAS UNANIMOUSLY ADOPTED.

A RESOLUTION TO AUTHORIZE THE MANAGER TO FILE AN APPLICATION FOR LEAA GRANT (SPECIAL CRIME TACTICAL SQUAD)

WHEREAS, the Chapel Hill Board of Aldermen herein called the "Applicant" has thoroughly considered the problem addressed in the subgrant application entitled Special Crime Tactical Squad and has reviewed the project described in the application; and

WHEREAS, under the terms of Public Law 90-351 as amended, the United States of America has authorized the Law Enforcement Assistance Administration, through the North Carolina Division of Law and Order to make federal grants to assist local governments in the improvement of the criminal justice system,

NOW, THEREFORE BE IT RESOLVED BY THE Chapel Hill Board of Aldermen IN OPEN MEETING ASSEMBLED IN THE CITY OF Chapel Hill, NORTH CAROLINA, THIS 23rd DAY OF February, 1976, AS FOLLOWS:

1. That the project referenced above is in the best interest of the Applicant and the general public.
2. That Sidney M. Hilliard, Chief of Police be authorized to file, in behalf of the Applicant, an application in the form prescribed by the Division of Law and Order for a subgrant in the amount of \$14,408.00 and \$801.00 State Buy-in to be made to the Applicant to assist in defraying the cost of the project described in the application. This individual shall act as the authorized representative of the Applicant in connection with all aspects of the application process.
3. That if the subgrant is made and accepted, the Applicant shall provide or make arrangements to provide, a local cash matching contribution in the amount of \$14,600.00 and a local in-kind matching contribution valued under LEAA guidelines at N/A (or proportionately reduced local matching contributions if the subgrant amount is reduced) as required by the Act to defray the cost of the project.
4. That the Project Director designated in the application form shall furnish or make arrangements for other appropriate persons to furnish such information, data, documents and reports pertaining to the project, if approved, as may be required by the Division of Law and Order.
5. That certified copies of this resolution be included as part of the application referenced above.
6. That this resolution shall take effect immediately upon its adoption.

DONE AND ORDERED in open meeting.

Transportation Board and Recreation Commission - Vacancies

Mayor Wallace announced the vacancies on the Transportation Board created by the resignation of Ms. Gail Rancer and on the Recreation Commission created by the resignation of Mr. Lewis Rubin. Nominations will be received on March 8th. In response to Alderman Cohen, Town Manager Jenne stated that no nominations have been received as of yet. Alderman Silver stated that the Recreation Commission is aware of the vacancy and is trying to get a broader base of people who want to serve before they make a final decision as to who will be nominated.

Planning Board Minutes

Alderman Howes requested that minutes of the Planning Board be issued to the Board of Aldermen. Town Manager Jenne stated that if they are ready by packet time, he would see that they were included in the packets.

Property Acquisition - Water and Sewer Utilities - Resolution

Mayor Wallace stated that the Board would entertain a motion to recess to executive session to discuss property acquisition. ALDERMAN SILVER MOVED, SECONDED BY ALDERMAN SMITH, TO RECESS TO EXECUTIVE SESSION TO CONSIDER PROPERTY ACQUISITION. Alderman Howes stated that he originally felt that it would be desirable to recess to executive session, however, he stated that he thinks that it will be neither detrimental or inappropriate to discuss this matter in open session. Alderman Epting concurred. ALDERMAN SILVER WITHDREW HIS MOTION.

Mayor Wallace read the Resolution in question. ALDERMAN HOWES MOVED, SECONDED BY ALDERMAN SMITH THAT THE RESOLUTION CONCERNING DISPOSITION AND ACQUISITION OF UTILITIES BE PLACED ON THE FLOOR FOR DISCUSSION. Alderman Silver stated that he is concerned with the wording of Section I of the resolution. He stated that while he wants to hear the discussion on the predetermination that it is not in the best interest of the Town of Chapel Hill, he wondered if what isn't being said is that the Town should seek an alternative to public ownership and control of the water and sewer. He stated that he would feel much more comfortable with Section I if it is worded in terms of seeking an alternative rather than an out and out statement that it is not in the best interest. He stated that he could possibly see that the Board's negotiations might not work out and that the Board might want to have, of the many alternatives open to it, the water and sewer owned and controlled by the Orange Water and Sewer Authority.

Alderman Gardner stated that when he got his packet and saw the item concerning property acquisition, he assumed that it involved a legal situation concerning property acquisition that the Town sometimes gets involved with. He stated that he only learned, just prior to the meeting, that the matter to be discussed dealt with the matter of utilities and it was only when the resolution was passed out that he knew of the resolution. Several weeks ago, he stated, he objected to a matter being acted on for which a special session was called on Wednesday afternoon, January 7th. He objected to action on that matter because of legal technical objections that he made at that time and that had been his first such objection since he had become a member of the Board. He stated that he wanted to say to the Board and to the Mayor that if they continue to conduct themselves in such a manner, it might bring forth a not too pleasant future. He stated that he does not know if this resolution is in the best interest of the Town or not but he would certainly like a good long opportunity to give it some thought before acting on it. Alderman Cohen stated that his packet had not contained the specifics of the property acquisition either, however, one of the Aldermen had discussed it with him prior to Saturday. He expressed concern about Alderman Gardner saying that he was not told about the resolution until the day of the meeting. He stated that this is a fairly serious matter. Alderman Epting stated that he had had hoped to talk with him on Friday, but was unable to. He stated that if there is fault, the fault is his, not the Mayor's or the other members of the Board, and he apologized. Alderman Marshall stated that those members of the Board involved in the organization of this suggestion had made a big effort to explain to the others how and why they had to come to this conclusion. Everyone has done a good job in meeting and talking this over and she stated that she is sorry that Alderman Epting did not get to Alderman Gardner sooner. She did not get to Alderman Smith until Saturday night. She stated that she hoped that she had explained in detail, what brought them to this conclusion and when the Board

18

is ready, she is ready to make a statement as to why she thinks this resolution should be adopted. In response to Alderman Gardner, Alderman Marshall stated that the conclusion was reached on Wednesday of the previous week. It was concluded that it should be put on the agenda, at this time, so a decision could be made. It has taken a lot of thought and a lot of people discussing the various aspects of it. Mayor Wallace stated that Town Attorney Denny had drawn up the preliminary draft of the resolution on Friday. The final draft was not drawn up until earlier, before this meeting. Alderman Howes stated that the committee had met in work session with the legal committee of the Orange Water and Sewer Authority on the 12th of February and a number of questions were raised at that time. Then last Monday, there was joint meeting with the Orange County Board of Commissioners, the members of the Carrboro Board, the members of the Authority and others concerning the 201. As a representative on the Water and Sewer Authority, in the interim and indisposed between all those meetings, he, Alderman Marshall, and Alderman Epting were concurring from time to time about the necessity to come to this Board with a recommendation. Following the meeting last Monday night and the discussion that followed that, and a rather lengthy discussion last Wednesday, they came to the conclusion that this matter had to be brought before the Board. He stated that he does not think there was any attempt to plot or keep secret in any way. This was simply a logical kind of progression of development from the time the Board representatives were placed on the Orange Water and Sewer Authority, through the discussions that were held during the last couple of weeks. Alderman Smith asked if there were perhaps certain aspects of this back-up information and this resolution that would be more appropriate for Alderman Gardner's sake, if held in executive session. Alderman Marshall stated that she has no trouble with bringing her reservations out in public. Alderman Smith stated that there may be questions that Alderman Gardner has that may deal with other aspects than the reservations. He asked for legal clarification from the Town Attorney. Town Attorney Denny responded, stating that no matter must be discussed in executive session. Some matters may be appropriately discussed in executive session. A great deal of the discussion that has occurred on this item to this point, would have been improper for executive session. It is up to the discretion of the Board as to whether they want to discuss in executive session what can be properly discussed in executive session. Alderman Howes stated that he felt that the Board should proceed with this discussion, in substance, of how the recommendation was reached. Mayor Wallace stated that he understands Alderman Smith's point. There are many elements that enter into the conclusion that would best not be exposed here. There were two questions raised; one by Alderman Silver as to the definiteness that it was found that it is not in the best interest of the Town, and one by Alderman Gardner on the shortness of notification. As for the merits of the item aside from the two criticisms raised, the heart of the matter is that this resolution states that the Town would not sign, at this time, the agreement and that the Board authorizes and directs that notice be made to the University concerning initiating negotiations for the acquisition of the utilities by the Town.

Alderman Howes gave the general and specific points of how he reached the conclusion that the interest of the resolution is basically sound. He stated that he proceeded from a fundamental and basic assumption which has been the fundamental assumption of the Orange Water and Sewer Authority, that is, water and sewer utilities should be publicly owned, that they should be owned and operated by the people whom they serve. The question is that if that is best done by the Authority or by some other kind of body. The second assumption is a general distrust of all special purpose authorities. The literature is replete with examples of the difficulties that specific purpose authorities create in terms of their governance and in terms of their relationship with elected general purpose governments which are those governments which are most responsive to the people. He stated that his assumption is generally not to create a special purpose authority unless one is really needed. This then raises the question, in this particular case, of is this kind of authority needed. It was felt at the time that the agreement was entered into to create the Authority, that one was needed. An authority has been created that has placed the Town of Chapel Hill in an extraordinarily difficult and utterly untenable position in terms of the governance of it. Why that was done is past history. Why it was done the way it was done is past history. The conditions are now sufficiently changed that it is no longer necessary to have an authority of that kind. Now the question being faced is should the Town of Chapel Hill, serving an urban area in the southern part of Orange

County which happens to also include another municipality, do as most other municipal jurisdictions do and that is to own and operate the water and sewer utilities which serve its area. This seems to be fitting and proper. The time has long since passed when it is appropriate for the University to do it and it seems as if it is now time for the Town to do it. For those reasons basically, Alderman Howes stated that he thinks that the Town should not enter into the agreement to consummate sale of the Authority and the Town should enter into negotiations to acquire these from the University. There has been in the discussion, from the beginning, the question of whether Duke Power was a possible bidder for the utilities. He stated that he is confident that Duke Power is no longer in the picture, although he cannot say this with utter assurance, but all concerns can be reasonably assured that Duke Power will not be the owners if the Town should fail to acquire this system. Alderman Gardner asked how the decision was reached that the consumers of the two services can best be served if the water and sewer utilities are owned by the Town. Alderman Howes responded that the majority of those consumers are, in fact, residents of the Town of Chapel Hill, so the preponderance of those served by the system are within the corporate boundaries of Chapel Hill and the people who elected this Board of Aldermen. There is a considerable number who are not, but that is not an uncommon situation in places like Chapel Hill and they can be served as they are now by means of agreement with the Town instead of the University and they will not be served at any disadvantage as a result of that.

Alderman Marshall stated that she would first of all, like to make it quite clear, that she does not feel any possessiveness about Chapel Hill property. She stated that she does not feel like she has to go over the work that she has done with intergovernmental relations and that she will continue to do them on all three levels of government. She doesn't think that intergovernmental relations are just for the sake of intergovernmental relations and she wants to get along with everybody else, but when something is put together, it really should be done for a purpose and those purposes are particularly to save money and to respond quickly to a problem. She stated that she feels very responsible to the needs of Chapel Hill citizens, both the general public and the University community and its properties. When she became a member of the Orange Water and Sewer Authority like the others, she spent many long hours studying many documents and talking with many people. She wants to make it very clear that she has no problem whatsoever with the technical work that was done by the Orange Water and Sewer Authority. In the proposed solution, none of their work will be thrown out. It will stand as a keystone for be picked up and used. At the same, she stated, she found several things in the Authority. She found a lack of stability in the organization of the Authority. She was in on that organization and approved of it, and went along with the way the system was done. The very fact that there were questions to be answered and the Board went in with all seriousness to displacing the Town members with no cause and putting members of the Board on, indicates the type of lack of stability in the organization that is extraordinarily worrisome. While all the technical work was being done, the Authority neglected to build any kind of mechanism that would lead to clear and responsive decision making. She stated that she tried to figure out to whom the Authority is directly responsible to. She found that they are not directly responsible to anyone. They are not directly responsible to one group of taxpayers or another group of taxpayers or to a utilities commission or to anyone, but are a group that can maneuver among themselves and only very far removed, can they be responsible to the citizens. She stated that for four years, one thing and then another has come up and has been maneuvered here and there while there has been a critical water supply problem and a very critical need for improvements and increased capacity in the sewer plant. In this time, cost figures have doubled and in some cases tripled in both water and sewer improvements. Besides finding the lack of stability to deal with the most critical needs of the citizens, there is the need to move very swiftly and very positively to solve water supply problems and the sewer problems, at the least possible cost and with no more hesitation. For these reasons, the Board should find that it is not in the best interest of this Town to join, at this time, the Water and Sewer Authority and to move to open negotiations with the University to acquire the water and sewer utilities.

Alderman Epting stated that there had been many meetings and many questions asked and the Authority's reply to these questions was that these questions had been asked before and should be put into writing. It was suspected that the real answer to the questions was that there was no answers to the questions and the reason there were no answers to the questions was that the Authority was put together with the thrust of the Town's efforts in the area of cooperation, formulating consumer cooperatives, an effort which Alderman

20

Epting stated that he wholeheartedly supported then. He stated that an effort to carry over the ideology of that particular thrust into the area of ownership by an authority, constituted by the three governmental units, left him in turmoil, in a sense. When an attempt was made to get answers to the questions, the attempt was unsuccessful. He stated that he is now in the situation of having to decide whether it is not in the Town's best interest to try to acquire the utilities. That, before such an effort if carried forward, a serious and in depth investigation be made as to whether it is possible for the Town to acquire, under what conditions can the Town acquire and under what conditions will the Town operate those facilities. He stated that consequently, he wholeheartedly supports this effort as proposed, which he views in the context that the Board finds, first of all, that at this time, it may not be in the best interest of the Town of Chapel Hill as well as the best interest of the other users to go on with the authority concept until all other alternatives have been explored, especially the alternative with respect to Town ownership. Secondly that the Board resolve to go forward and explore that alternative of Town ownership. This is most definitely not squashing the concept of intergovernmental cooperation. There has been every effort made to see that the other governmental units involved in the proceeding do not have that impression of the Town and when they look at precisely what is being done, they will see this.

Alderman Cohen stated that there was a question raised about intergovernmental cooperation for its own sake and whether things are working out. From his own nontechnical mind, he stated, it would seem that regardless of the form of proper ownership, that a singly run system between Chapel Hill and Carrboro would be cheaper in terms of maintenance and labor costs. He stated that he is wondering if the sponsors of this proposal are intending in Section I, simply to say that ownership through the Orange Water and Sewer Authority is what is being objected to or is it joint ownership that is being objected to. The only problem is structure and the goal is still a joint water and sewer system, jointly owned by the Town of Chapel Hill and Carrboro. Alderman Epting responded that at this point, the problem is with the structure of the Authority and certainly, down the road, some cooperative venture might be worked out. This is a solid first step as the Authority is very shakey. Alderman Howes stated that if the Town acquires the University's interests, of course, and does not acquire those of Carrboro, both the water system and the sewer system would be joint ownership of the system. He stated that he presumes that the larger question that is being raised is that should this occur, should there also be joint ownership of the water and sewer treatment facilities. He stated that he is inclined not to advocate that at this point but it seems that it is a step that might be taken. Alderman Cohen stated that in one sense, direct municipal ownership means cheaper financing in terms of bond issues. This is obviously one point in favor of direct ownership. He stated that his concern is in terms of the last several years during which there has been a realization when looking at all of these things, that from the documents that have been presented, that the desirable goal is one water and sewer system because of the interest of the people in the region. He stated that he would like to see the resolution reflect that the goal is to have a joint system with coordinated management and operations. Mayor Wallace stated that this option is certainly left open. He stated that he concurs with Alderman Epting that one clear first step is needed. If this step of opening negotiations with the University is successful, and it might not be, there is no guarantee of any sale. The Town may end up where it is right now. If it is successful the Town needs to be in the position to begin the very process that Alderman Cohen is expressing. This is the second or third step in the process which is not foreclosed with this first step. This is a question that should be kept on the agenda at all times. Alderman Cohen stated that currently this is a situation, where in lieu of of joint ownership, a structure has been formed that seems unworkable. In Section I of the resolution, there is a detachment towards anything that has been said previously about joint ownership, and moving towards anything that has been said previously about joint ownership, and moving towards what is perceived as a better structural system. He stated that he feels uncomfortable with Section I as it leaves no language about joint ownership. Alderman Marshall stated that she does not feel uncomfortable with it and in the first place, there is a regional physical water and sewer system on the ground and working. Too much time

has elapsed. The Town has to move forward with the utmost quickness that is possible and the most immediate and quick approach that she sees is the one that is suggested here. The place for intergovernmental relations, is the place where one can save money and respond quickly. She stated that as this is explored, if another alternative is brought forth that will very definitely say that if it is done this way, money will be saved and the Town will be able to move even more quickly, then she will be more than ready to consider it. The step, she stated, that she feels is needed to be responsible to the Town, is the one that is reflected in this resolution at this time.

Alderman Silver stated that the informal meeting last Monday night with the engineers regarding the 201 studies, which is coupled into this, was a terribly unsatisfying session. He stated that he thinks that it is very important to get this into a context of understanding which is important. It is political dynamite. He stated that he agrees that the benefits of the people in the region has to be considered, not only the people of Chapel Hill, but there are users inside and outside the Town of Chapel Hill that have to be considered here just as they are in planning. The solution that is proposed here, independent of wording, is an interim solution. It is a way of tackling a very different problem, but coming in the not too distant future, but certainly not in the next year or the year after, there are going to be the questions of regional management of our resources. He stated that he really does not like the way the word "intergovernmental cooperation" is bandied around as if it were just a slogan to be used at the Board's convenience. It is a lot more than that. It must show a benefit. He stated that he hopes that nobody on the Board really sees that by the year 1985 that a localized municipal solution is going to be the solution that in is in the best interest of the people in this total region. There are water resources, there are land classifications that are going to be incrustated in everything that is done. One of the major concerns is related to how the Town can plan around an authority which isn't really going to allow the Town to plan. The problem of planning is one where the Town is going to have to deal with the County and the Town is going to want to deal with the County and the Town must show and express its concern that it is a part of the County as well as a part of the municipality. In light of all this, that is, the interim solution and the long range solution, he stated that he wishes, as a member of this Board, one could abstain. He stated that he is aware that one cannot and he stated that he will make his decision. Because the short term solution is in conflict with the long term solution, he would agree that the Board should seek every possible alternative to bring the short term solution into a framework upon which a long term solution can be built. This must be made clear to the County Commissions as well as to the Board members themselves and the public. He stated that he would like to have the assurances that in terms of long term solutions, the water and sewer facilities will become part of a regional water and sewer. He stated that he further needs assurance that in the management of specific water and sewer facilities, there will be representatives from outside the municipality of Chapel Hill. With those type of assurances, he stated that he can see phase II coming at its appropriate time. The Town must not give the impression that working with the County and Carrboro in other areas is any way effected by what is done here. If this is a trend, he stated, he would not be a party to it. Mayor Wallace stated that he totally concurs that it is essential that it be made clear that what this is saying is not incompatible with these other things and people should not get the impression that it is a bar in any way to further cooperation with the County and Carrboro. He stated that as he sees it, this is a necessary step to clarify a rather unclear situation. Alderman Silver stated that this is why he emphasized the word "alternative". Mayor Wallace read Section I of the resolution with the inclusion of the word "alternative", stating that it has changed the entire trend of the section and incorporated Alderman Silver's concern.

Alderman Cohen stated that he is not opposed to the resolution or to long term regional management of the Triangle area but his concern is with the endless planning and paper shuffling going on and getting nothing done at all. On a short term basis, his concern is whether the people will find it hard to come up with the money to pay their utilities because there is a repetition of everything. Alderman Howes responded stating that there are duplications in the system now. There is one water treatment facility and one sewer treatment facility. The only positions that are even slightly duplicated are those which are concerned with maintenance of the lines and this is a rather minimal degree of duplication. What is being proposed

here is a system to deal with the endless planning and paper shuffling. He stated that he sees this step, for the moment at least, as focusing the authority so that the two absolutely crucial problems can be dealt with. These problems are the securing of additional water supply and of dealing with the additional treatment capacity of the wastewater. These things have to be done and he stated that he doesn't see how they can be done through the rather complicated, cumbersome, unresponsive structure that has been created. Alderman Cohen stated once again that he is in favor of the resolution, he stated that his point is that there seems to be some sort of bureaucratic structure where people are being planned to death for some goal that the people involved in the planning process seem to have lost sight of in all the paper. He stated that he thinks that things are being generated just for the sake of generating them with no relationship to the goals of any program at all. Alderman Howes stated that he sympathizes with what Alderman Cohen is saying. He stated that he hopes that what is being done here is focusing it so that there can at least be one body which is responsible for dealing with that complexity of structure in the crucial period. Alderman Silver stated that the 201 and 208 studies are realities and they are going to have to be dealt with and that is known as planning. There is a commitment to better water quality in the region. Alderman Marshall stated that everybody is going to work together. She stated that she finds it very difficult to be in a position to have worked as far and as long as she has with Mr. Smith out at the Triangle Council of Governments and she has with the League of Municipalities, and she has on the Joint Regional Forum and as she will have as chairman of the North Carolina League of Municipalities Intergovernmental Relations Committee, to have anybody feel because she feels that the Town needs to take some immediate action on one specific problem, that she is doing something to move away from working with all the other entities. It is absolutely inconceivable, she stated, that people would feel that this has happened to her. There is a very serious problem here, especially with the figures that she has seen compared with the figures that she saw three or four years ago. There is a log jam here, she stated, and the Town must move in an expeditious way and this is the most expeditious start. Anything that surfaces and helps to do the job better, she stated, she would be willing and anxious to consider.

Alderman Cohen directed a tactical question to Town Manager Jenne. He asked the Manager if the Town were to acquire this system, if he felt that Town acquisition through some sort of bond issue to finance the construction of water facilities, would it be faster or as fast as the current structure. He stated that he is not talking about whether the Orange Water Authority is good or bad, but whether the Town will be able to proceed with working on the water facility if the Town were to acquire the rights of the utility. Town Manager Jenne responded that he really cannot answer that question because he does not know what speed the current structure or pending structure is prepared to move one. He stated that he does know that there has been some dam planning done on the water supply system. He stated that he also knows there has been a good deal of work done on the financing of those water supply improvements. He stated that he thinks, from a fiscal standpoint, the Town would probably be able to move just as quickly at any rate as some other structure. Alderman Howes stated, in partial response to Alderman Cohen, that there are literally bales of materials that were prepared for the Authority and in particular regarding that point on the water supply. He stated that he is convinced that the engineering work and prelude work that has been done for the Authority and before that, for the University, will all be of value to the Town. The basic question is how the Town can absorb the financing. Alderman Cohen stated that it is not a question of how the Town can absorb it as he is sure that the Town can absorb it just as easily because it is all being paid by the water users anyway. If the Town went to revenue bonds, it would be somewhat cheaper than the Authority. He stated that his concern is that if the Town does this, that it goes ahead and does it. If the Board decides to go ahead with this and does acquire it, the Board would have a commitment to going ahead and funding these projects with whatever bonds or whatever is necessary until the facility is built. Alderman Marshall stated that she assumed that this would be written into the contract. Town Attorney Denny stated that the property agreements between the State and the Water and Sewer Authority require that the commencement of the project occur within one year after closing.

It was pointed out to Alderman Cohen that the lease to the waste treatment facility would be part of the sale package from the University. This includes land and plant. The Town of Carrboro would be operating the water distribution and sewer collection and the Town of Chapel Hill would be operating those functions within Chapel Hill and the water and sewer treatment facilities in the whole area. Chapel Hill would wholesale water to Carrboro as the University did.

Some clarifying language was added to Section I of the resolution and at the completion of this discussion, Town Attorney Denny read the resolution as amended.

ALDERMAN HOWES MOVED, SECONDED BY ALDERMAN EPTING THAT THE RESOLUTION CONCERNING DISPOSITION AND ACQUISITION OF UTILITIES, BE ADOPTED AS AMENDED. THE MOTION CARRIED BY A VOTE OF SIX TO ONE WITH ALDERMAN GARDNER OPPOSING.

A RESOLUTION CONCERNING DISPOSITION AND ACQUISITION OF UTILITIES

BE IT RESOLVED by the Board of Aldermen of the Town of Chapel Hill:

SECTION I

The Board of Aldermen hereby finds that it is in the best interest of the Town of Chapel Hill, the citizens of the Town, and the customers served by the sewer system of the Town, that alternatives be pursued to the transfer of the sewer utility owned by the Town to the Orange Water and Sewer Authority, and the Board of Aldermen hereby declines to authorize, at this time, the execution of any agreement to effect such transfer.

SECTION II

The Board of Aldermen further finds and determines at this time that it is in the best interest of the Town of Chapel Hill, the State of North Carolina, the University of North Carolina at Chapel Hill, the employees of the University Water Utility System, and those served by the water and sewer systems owned by the State of North Carolina, that the Town of Chapel Hill acquire said water and sewer systems, and the appropriate officials of the Town are hereby authorized and directed to immediately approach the University of North Carolina at Chapel Hill concerning the initiation of negotiations for acquisition of such utilities by the Town.

SECTION III

This Resolution shall be effective upon its adoption.

This the 23rd day of February, 1976.

Alderman Cohen requested that the resolution endorsing the University Bond issue, be placed on the agenda for the next meeting.

Alderman Howes announced the work session of Monday, March 1, 1976 to discuss Alderman Vickery's report on Boards and Commissions.

There being no further business to come before the Board of Aldermen, said meeting adjourned at 11:20 p.m.

James C. Wallace

Mayor James C. Wallace

David B. Roberts

Town Clerk, David B. Roberts