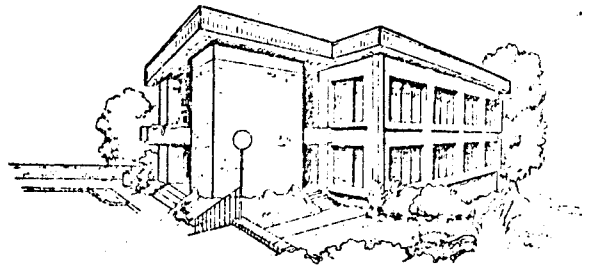


TOWN OF CHAPEL HILL

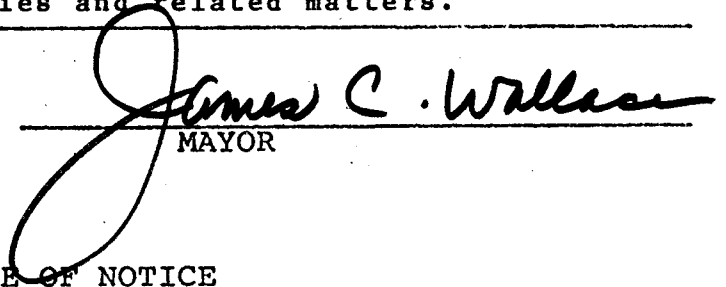
306 NORTH COLUMBIA ST.
CHAPEL HILL, N.C., 27514
(919) 929-1111



NOTICE OF SPECIAL MEETING OF THE BOARD OF ALDERMEN OF THE TOWN OF CHAPEL HILL

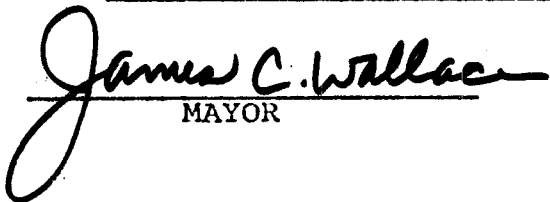
TO: Gerry Cohen
Robert Epting
Thomas Gardner
Jonathan Howes
Shirley Marshall
Marvin Silver
R. D. Smith
Edward Vickery

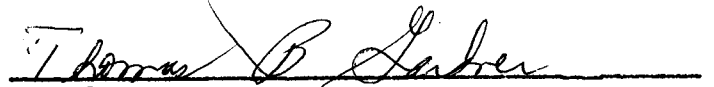
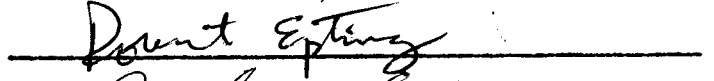

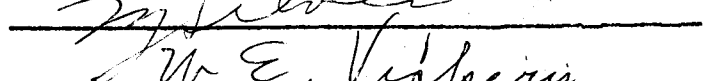
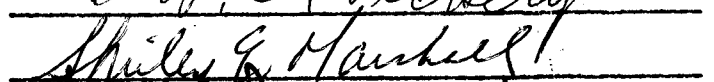
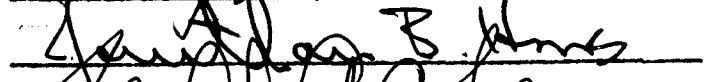

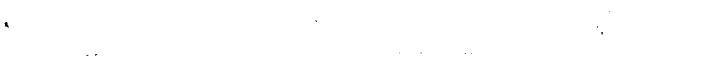
You, and each of you, are hereby notified that the Board of Aldermen have called a Special Meeting, to be held in the Conference Room at 5:00P.M. on April 29, 1976, to discuss and consider action upon the Church Commission's answer to our request to bid on the utilities and related matters.


MAYOR

ACCEPTANCE OF NOTICE

We, the undersigned, members of the Board of Aldermen of the Town of Chapel Hill, hereby accept notice of a Special Meeting of the Board of Aldermen, called by Honorable James C. Wallace, Mayor, to be held in the Conference Room on April 29, 1976 at 5:00P.M.


MAYOR

MINUTES OF A SPECIAL MEETING OF THE MAYOR AND THE BOARD OF ALDERMEN,
TOWN OF CHAPEL HILL, MUNICIPAL BUILDING CONFERENCE ROOM,
THURSDAY, APRIL 29, 1976, 5:00 P.M.

Mayor Wallace called the special 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
Edward Vickery

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

Mayor Wallace said that the purpose of the special meeting is to consider the matter of utilities, with particular reference to the reply of the Church Commission to the Town's request made on February 23, 1976 to be permitted to enter negotiations with the Church Commission to offer a bid for the Water and Sewer Utilities.

Alderman Epting presented and read a resolution with respect to the acquisition and operation of the Water and Sewer Utilities, which would have the Town of Chapel Hill present a proposal for the acquisition of the Water and Sewer Utilities, and which would establish a Utility Advisory Commission composed of four representatives of the Town of Chapel Hill, and one representative each of the University of North Carolina at Chapel Hill (UNC), the Town of Carrboro, and Orange County.

ALDERMAN EPTING MOVED, SECONDED BY ALDERMAN MARSHALL, THAT THE RESOLUTION BE ADOPTED AS READ.

ALDERMAN SILVER OFFERED AN AMENDMENT, SECONDED BY ALDERMAN VICKERY, THAT THE UTILITY ADVISORY COMMISSION BE COMPOSED OF FOUR REPRESENTATIVES OF THE TOWN OF CHAPEL HILL, TWO REPRESENTATIVES OF THE TOWN OF CARRBORO, AND TWO REPRESENTATIVES OF ORANGE COUNTY, AND THAT IT HAVE NO REPRESENTATIVES OF UNC.

Alderman Epting said that he is opposing the amendment since it is important that all the users of the water and sewer be represented on the commission, and that UNC is a substantial user of these utilities. Alderman Silver said he recognizes that regional management of the utilities is necessary and a 4-2-2 representation on the Utility Advisory Commission would give an important representation to all the governments involved, would show whether such a composition is workable, and would give an opportunity to move into regional control when that is appropriate. He said he would be willing to include a representative of UNC on the Commission, if the Board so wished. Mayor Wallace said that even though UNC is proposing to sell the utilities, it still will be responsible for providing the utility services to the 20,000 students on the campus, and for this reason it would make more sense to have a UNC representative, a recognized component of the Commission, rather than an invited guest.

Alderman Marshall said that the consideration of the actual composition of the Commission is better done in a work session rather than by making continual motions and amendments.

Alderman Smith said that the indecision and continued proposals on the composition of the Commission are the basis for the misunderstandings and problems that exist at this present time. He said that it has to be decided what the responsibilities of the Commission would be, since he cannot see the Commission members working well together unless there is mutual trust. He said that if the Board wishes the Town to purchase the utilities, then it should go ahead and plan the purchase rather than playing a numbers game.

Alderman Vickery said that he seconded the amendment because it is consistent with the recent discussion held with the Carrboro and Orange County representatives and with the tentative agreement worked out about the potential for collaboration in the form of an Authority. He said

that four representatives from the Town is a flexible enough number to permit a mixture of elected representatives and representatives of UNC. He said that the proposed 4-2-2 ratio is also a means of an easy transition from sole ownership of the utilities to an Authority, if the Town chose to do so after acquiring the utilities.

Alderman Cohen said that consideration of the proposed amendment can be postponed, since this is an extraneous point to the main discussion. Alderman Silver said that he is willing to discuss it at a later time, but that he brought the matter up because he understands that the Church Commission is also requesting information on how the utility system would function after the purchase, and this was an attempt to establish a base for this consideration. Mayor Wallace agreed with Alderman Cohen that the proposed amendment is derivative of the main question on hand.

Alderman Gardner said that the resolution gives no indication of how the proposed Commission would operate or what its powers would be. He said that if the intent is to give representation to the users of the sewer and water utility, then this is not the way to do it. He said that at the joint meeting with Carrboro and Orange County such a distribution of representatives was discussed for an Authority formed jointly by the three governmental groups, but that this proposal is of a utility with a single ownership.

Alderman Howes reported that on Tuesday, April 27, 1976 he and Alderman Epting met with representatives of Carrboro and Orange County to discuss whether there is any possibility of reconstituting the Orange Water and Sewer Authority, and that the only proposal discussed that was agreeable to the other two governmental units was a 4-2-2 composition; a 4-2-2-1 composition was not agreeable. He said that the Carrboro Board of Aldermen acted favorably on this proposal and that the County Commissioners appear to be in support of this proposal but have not yet acted formally on it. He said that the advantage of this proposal is that the other two governmental units support it, and the main disadvantage is the absence of an odd number of representatives, which may cause a deadlock on decisions. Alderman Epting said that he felt the meeting mentioned by Alderman Howes did not end in agreement, but in a result that a 4-2-2 Authority was indicated to be agreeable to Carrboro and to Orange County.

Alderman Vickery said that originally he felt it best to attempt to have the Town both bid on the utility and also to participate in an Authority, leaving the choice of selection to the seller, but that practical considerations suggest that the Board must choose either one or the other route. He said that if the chosen route were rejected by the Church Commission, the Board could return to the other route.

Alderman Howes said that if the Board chose to have the Town bid on the utility, then information should be offered to the other governments about why this decision was made.

Alderman Silver said that the issue of the water and sewer utility purchase has damaged intergovernmental relationships and that this damage needs to be repaired, whether through this particular issue or through other issues.

In response to questions from Alderman Cohen, Town Attorney Denny said that in the opinion of the bond counsel, the Authority charter can be amended, provided the procedure of amendment is identical to the initial procedure of incorporation; and that they see no problem with an even-numbered Authority. He said that the process of amendment takes about two weeks, since a notice has to be published in the paper, a public hearing needs to be held, and separate action needs to be taken by all the units of the authority. He said that the current Authority can act, and that its bid is valid.

Alderman Marshall said that she feels a strong responsibility to bring adequate water and sewer facilities to people who are legally citizens of Chapel Hill, and that she is distressed that the discussions over the past several months have not centered on the issues that have not been resolved by the existing Authority. She said that she feels an Authority should have a large number of Chapel Hill representatives, so that she could feel sure of getting answers to questions, and so that decisions could be made promptly for which she could feel responsible. She said that this is the sole reason why she does not find a 4-2-2 Authority acceptable.

Alderman Smith said that the three governmental units need to discuss together and plan all aspects of the development of the southern part of

94 Orange County, and that if this were done, the actual composition of the Water and Sewer Authority would not matter. He said that he is wondering whether the Church Commission is not beginning to question whether an Authority, under the present circumstances, can operate the water and sewer utilities properly. He said that if the Town chooses to buy the utilities, then it should work towards this and assure the other governments that the Town will work with them in providing adequate water and sewer service.

Mayor Wallace said that on February 23, 1976, the Board voted to request UNC to permit it to negotiate a bid, and that this request has been granted to both the Town and Carrboro. He said that he feels UNC will do its utmost at the June 11, 1976 meeting of the Board of Trustees to dispose of the whole utilities question; and that the only valid bids at this time are from the Water and Sewer Authority for the water and sewer utilities, and from the Duke Power for the water utility, with UNC retaining its share of the sewer utility. He said that if the Town does not place a bid for the utilities it will lose its credibility.

Alderman Silver said that he feels it is essential for the Board to choose either to have the Town submit a bid or to continue with a bid by the authority, and not to attempt to do both for reasons of expediency. He said that it is very important to consider the issues that have not been discussed, and to consider the representation of the governmental units to be served in the operation of the utilities.

Alderman Howes said that the Board is accountable only to the voters of the Town and will choose the alternative that it feels is the best for the Town, so that there is no reason to be embarrassed if the Board decides to choose the Authority; he said that personally he feels the Town should submit a bid.

Alderman Marshall said that several year ago the governing Boards of Carrboro, Orange County and Chapel Hill adopted a resolution that is specific as to the responsibilities of these units under the 208, and that these responsibilities have not been discussed in relation to the Water and Sewer Authority. She said that questions such as whether the Authority deals with the 208, whether it adopts the 208 resolution, whether it stands in the stead of the three governing units, and whether it will require enabling legislation for the Authority to deal with 208 have never, to her knowledge, been addressed.

Alderman Vickery said that he favors having the Town purchase the utilities since there are a number of outstanding issues that need discussing and that, if the three governing units were unable to agree even on a few of these issues in discussing the constitution of the Authority, it would be very difficult to meet the deadlines for the bid.

Alderman Cohen said that the supplying of water and sewer services involve the taxpayers of other governmental units, and that it is important, in having a multi-municipal water system that these governments be in agreement on planning issues. He said that it is a dangerous attitude to say that Chapel Hill is the only unit capable of deciding on the water and sewer issues. He said that it is also important for the Board to consider what the cost of the services would be to the taxpayers under the various proposals. He said that he voted earlier in the year for the resolution on pursuing an independent course in the purchase of the utilities in order to keep all the options open, but that he feels the Authority, as presently proposed, is workable; and because the Authority already exists, because it provides the ability of the other governmental units to cooperate, and because the appointees to the Authority are able to make decisions and understand major issues, he will vote against the resolution on the floor.

Alderman Gardner said that the decision made by the Board will affect inter-governmental relationships for years to come, since this will be an indication of how the Town will cooperate with other governmental bodies on other issues. He said that the Authority has already submitted a bid, and asked whether the Town is willing to risk a possible court matter that would further delay providing better service to the consumers. He said that in February the major concern seemed to be Chapel Hill's representation on the Authority, and that a decision on acceptable representation should enable it to proceed with the settling of the problems of water and sewer. He said that he hopes the appointees to the Authority can work together in seeking solutions to the regional problems through cooperation, and that same could take place between the governmental units involved.

In response to questions from Alderman Silver, Town Attorney Denny said that if the Town were to offer a bid, this could be prepared by May 12,

1976; if the Board decided to proceed with the Authority, the three governmental units would need to consider a number of documents which have been prepared but some have not yet been submitted to the various Boards; that if the Authority were reconstituted, the existing Authority can proceed with the matter of purchase and its charter can be changed independently of this, in the opinion of the bond counsel; and that the charter change would require simultaneous action by all three Boards, although the time that this change needs to be made is not specific.

In response to questions from Alderman Cohen, Mayor Wallace said that officially UNC has no stated position on the number of representatives on the Authority, and that he feels sure that if there were any reservations regarding the Authority, UNC would communicate them at the appropriate time.

In response to a question from Alderman Marshall, Mr. Paul Morris, Acting Chairman of the Orange Water and Sewer Authority, said that he has received a communication from UNC making it possible for the Authority to change its bid by May 12, 1976, and stating that the Trustees of UNC feel that they should receive about \$1,500,000 for the utilities. Alderman Cohen said that the Town Attorney has indicated that the present Authority members are legally capable of taking action on modifying the bid by the Authority.

In response to questions by Alderman Howes, Town Attorney Denny said that the proposal for Chapel Hill to operate the water system serving other jurisdictions is similar to the situation that now exists in Raleigh and in Durham, where the cities operate a water system greater in extent than the local area. He said that the Chapel Hill Planning Area which is served by the water system is in the growth area of the Town. He said that if the Town were to acquire the water system and sell the water wholesale to Carrboro, this would be the same as having the Town purchase water from Durham, or Raleigh selling water to Cary.

In response to a question from Alderman Howes, Town Manager Jenne said that the staff is now in the midst of budget preparations, but has concluded that preparing a bid by May 12, 1976 would be possible.

In response to questions, Town Attorney Denny said that at this point no precise projections are available for the Town purchase of the utilities, but that the Authority held the opinion that the total system can operate and produce revenues necessary for the initial and long term financing. He said that it can be assumed that a purchase of the utilities by the Town would only have the effect of eliminating retail distribution to Carrboro, and substituting this with wholesale distribution, which would eliminate the need for repair, maintenance and service of the Carrboro system; and that it can also be assumed that the sewer arrangement would not be drastically affected. He said that the underwriters and bond counsel have advised the Authority that, while there is not a consolidated operating schedule, the operating experience of UNC is available. He said that if the Town were to acquire the utilities, the financing would be on 20-30 year basis, since it would be impossible to raise enough revenue through the operation of the utilities to pay off a short term bond.

Alderman Vickery moved the previous question, seconded by Alderman Cohen. The motion carried by a vote of five to four, with Aldermen Epting, Marshall, Smith, Vickery, and Mayor Wallace supporting, and Aldermen Cohen, Gardner, Howes and Silver opposing.

THE AMENDMENT TO HAVE THE UTILITY ADVISORY COMMISSION COMPOSED OF FOUR REPRESENTATIVES OF THE TOWN OF CHAPEL HILL, TWO REPRESENTATIVES OF THE TOWN OF CARRBORO, AND TWO REPRESENTATIVES OF ORANGE COUNTY, AND THAT IT HAVE NO REPRESENTATIVES OF THE UNC WAS DEFEATED BY A VOTE OF FIVE TO FOUR, WITH ALDERMEN COHEN, GARDNER, SILVER AND VICKERY SUPPORTING, AND ALDERMEN EPTING, HOWES, MARSHALL, AND SMITH, AND MAYOR WALLACE OPPOSING.

ALDERMAN HOWES OFFERED AN AMENDMENT, SECONDED BY ALDERMAN EPTING, THAT THE FOLLOWING PARAGRAPH BE ADDED TO THE PROPOSED RESOLUTION, TO BE INSERTED BE IT FURTHER RESOLVED, THAT IN RECOGNITION OF COMMON INTEREST IN THE WATER AND SEWER UTILITY SERVICE SOUTHERN ORANGE COUNTY, THE GOVERNMENTS OF THE TOWN OF CARRBORO AND ORANGE COUNTY BE INVITED TO JOIN WITH THE TOWN OF CHAPEL HILL IN THE PREPARATION AND SUBMISSION OF SUCH A BID.

Alderman Howes said that the intent of the proposed amendment is to invite

94.
representatives of the two other governments to serve on the Task Force that would prepare the bid, but that it is not intended in any way to affect the Town's intent to submit the bid by itself.

Alderman Marshall said that she is not opposed to the proposed amendment, but that the Board needs to be sure that it will in no way delay the process of the preparation of the bid. She said that the number of representatives on the Utility Advisory Commission should be worked out in the bylaws at a later time.

Alderman Silver said that the existing paragraph three of the resolution gives assurance that, if the Town were to purchase the utilities, there would be a substantial representation on the Utility Advisory Commission from the other governmental units.

Alderman Smith said that the only matter that needs to be decided at this time is whether the Town is to bid on the utilities or whether the Town will join in the bid submitted by the Authority. He said that it would be presumptuous at this point to discuss the composition of a possible Utility Advisory Commission, since the other governmental units have not been contacted about whether or not they would wish to participate in such a Commission. He said that if the Town purchased the utilities, Carrboro would buy water from the Town until such a time that the governmental units could sit down and discuss the problems related to the development of southern Orange County.

Alderman Vickery said that he feels the proposed amendment is constructive, since it shows the other governmental units that the Town intends to make a cooperative bid, but he questioned the actual working of the proposed amendment.

ALDERMAN HOWES AMENDED THE PROPOSED WORDING AT THE END OF THE PARAGRAPH TO "IN CONSULTATION IN THE PREPARATION OF SUCH A BID."

Alderman Silver said that he really sees no point to the proposed resolution, since it will not speed up the process of acquiring the utilities.

Alderman Vickery said that if the other governmental units were involved in consultation with the Town about the preparation of the bid, the Town would retain control of the situation and be able to meet any deadlines that are necessary to be met.

Alderman Howes said that his proposed amendment would retain paragraph three of the original resolution.

Alderman Vickery called the question which was unanimously carried.

THE AMENDMENT PROPOSED BY ALDERMAN HOWES WAS DEFEATED BY A VOTE OF THREE TO FIVE, WITH ALDERMEN EPTING, HOWES AND VICKERY SUPPORTING, AND ALDERMEN COHEN, GARDNER, MARSHALL, SILVER AND SMITH OPPOSING.

ALDERMAN VICKERY OFFERED AN AMENDMENT, SECONDED BY ALDERMAN SILVER, THAT PARAGRAPH THREE OF THE PROPOSED RESOLUTION BE MODIFIED TO HAVE THE UTILITY ADVISORY COMMISSION COMPOSED OF FOUR REPRESENTATIVES OF THE TOWN OF CHAPEL HILL, TWO REPRESENTATIVES OF THE TOWN OF CARRBORO, TWO REPRESENTATIVES OF ORANGE COUNTY, AND ONE REPRESENTATIVE OF THE UNIVERSITY OF NORTH CAROLINA AT CHAPEL HILL. THE AMENDMENT CARRIED BY A VOTE OF SIX TO TWO, WITH ALDERMEN COHEN, EPTING, GARDNER, HOWES, SILVER, AND VICKERY SUPPORTING, AND ALDERMEN MARSHALL AND SMITH OPPOSING.

ALDERMAN GARDNER OFFERED A SUBSTITUTE MOTION THAT, IN THE EVENT THAT ALL THE GOVERNMENTAL UNITS WERE TO AGREE TO A 4-2-2 COMPOSITION TO THE PRESENT AUTHORITY, THE TOWN OF CHAPEL HILL WOULD NOT PURSUE A SINGLE BID FOR THE ACQUISITION OF THE UNIVERSITY WATER AND SEWER UTILITIES.

Mayor Wallace suggested that the Board first vote on the proposed resolution to see whether or not the Board feels the Town should submit a bid by itself.

Alderman Smith said that the composition of an Authority or a Commission should not be a part of the issue that the Board needs to decide first. He proposed that the Board first act on paragraph one of the proposed resolutions and, depending on the vote, then discuss the composition of an Authority or a Commission.

ALDERMAN GARDNER WITHDREW THE PROPOSED SUBSTITUTE MOTION.

ALDERMAN SMITH OFFERED AN AMENDMENT, SECONDED BY ALDERMAN COHEN, THAT EVERYTHING BEYOND THE SECOND PARAGRAPH OF THE PROPOSED RESOLUTION BE DELETED.

Alderman Vickery called the question.

Alderman Cohen moved, seconded by Alderman Marshall, the previous question on the amendment and the resolution. The motion was unanimously carried.

The amendment proposed by Alderman Smith was defeated by a vote of three to five, with Aldermen Gardner, Marshall and Smith supporting, and Aldermen Cohen, Epting, Howes, Silver and Vickery opposing.

Alderman Cohen moved, seconded by Alderman Vickery, the previous question on the resolution. the motion was unanimously carried.

The motion on adopting the resolution as amended was defeated by a vote of three to five, with Aldermen Epting, Marshall and Vickery supporting, and Aldermen Cohen, Gardner, Howes, Silver and Smith opposing.

ALDERMAN SMITH MOVED, SECONDED BY ALDERMAN VICKERY THAT THE FIRST TWO PARAGRAPHS OF THE PROPOSED RESOLUTION BE ADOPTED.

ALDERMAN SILVER OFFERED A SUBSTITUTE MOTION, SECONDED BY ALDERMAN GARDNER, THAT THE BOARD ENDORSE AN AUTHORITY OF 4-2-2 COMPOSITION AND ASK THE ORANGE COUNTY COMMISSIONERS IF THEY WILL ACT AS QUICKLY AS POSSIBLE ON THEIR ENDORSEMENT SO THAT THE AUTHORITY CAN PROCEED WITH ITS BID.

Alderman Cohen said that he hopes the Board will decide on the merits whether this type of proposed Authority can work, and that he will support the motion.

Alderman Howes said that he will support the motion, since he feels that the Town can work in the framework of an Authority so constituted, although he would prefer that the Town bid on the utilities.

Alderman Vickery called the question to substitute the motion.

Alderman Marshall moved, seconded by Alderman Howes, the previous question to substitute the motion. The motion was unanimously carried.

The motion on substituting the motion proposed by Alderman Silver was defeated by a vote of four to five, with Aldermen Gardner, Howes, Silver and Cohen supporting, and Aldermen Epting, Marshall, Smith, Vickery and Mayor Wallace opposing.

Alderman Epting moved, seconded by Alderman Marshall, the previous question on Alderman Smith's motion. Motion was unanimously carried.

THE MOTION TO ADOPT THE FOLLOWING RESOLUTION WAS CARRIED BY A VOTE OF FIVE TO THREE, WITH ALDERMEN EPTING, HOWES, MARSHALL, SMITH AND VICKERY SUPPORTING, AND ALDERMEN COHEN, GARDNER, AND SILVER OPPOSING.

A RESOLUTION WITH RESPECT TO THE ACQUISITION AND OPERATION OF THE WATER AND SEWER UTILITIES

BE IT RESOLVED by the Board of Aldermen of the Town of Chapel Hill, that the appropriate officials and employees of the Town of Chapel Hill are hereby authorized and directed to prepare for submission on behalf of the Town of Chapel Hill, a proposal to the Utilities Study Commission for the acquisition of the University Water Utility and the interest of the State of North Carolina in the University Sewer System by May 12, 1976, and

BE IT FURTHER RESOLVED, that in the event the Town of Chapel Hill is successful in its bid to acquire such utilities, that there will be established a Utility Advisory Commission composed of four (4) representatives of the Town of Chapel Hill, one (1) representative of the University of North Carolina at Chapel Hill, one (1) representative of the Town of Carrboro, and one (1) representative of Orange County to consult and advise with respect to the operation of such utilities.

This the 29th day of April, 1976.

98
Mayor Wallace said that the Town Attorney, Town Manager, Mayor and any other member of the Board who wishes to participate should meet as soon as possible to discuss the procedure of submitting the bid. Town Attorney Denny said that the document submitted with the bid will be similar to that of the Orange Water and Sewer Authority, and that some Board members have expressed concern with the wording of certain paragraphs of the document. He said that he needs to receive suggestions from the Board on this, since the Board is the one that needs to make a judgement on the wording. Mayor Wallace requested that any questions and concerns that the Board members might have on the document that need to be submitted with the bid be given to the Town Attorney or the Town Manager no later than the morning of April 30, 1976.

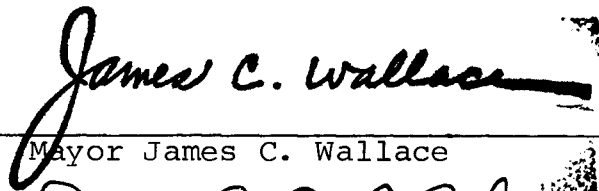
In response to a question by Alderman Gardner, Town Attorney Denny said that a large amount of money will not be necessary at this point in the preparation of the bid, and that most of the preparation can probably be handled through the Town staff, although some of the work may need to be contracted. He said that any unexpectedly large expenses would have to be brought to the Board for approval, and that the prepared bid also will need to be brought to the Board for approval, since the resolution does not authorize the Town Manager to submit the bid to UNC.

Alderman Silver asked what the position of the Town representative on the existing Water and Sewer Authority is at this point. Alderman Howes said that if the Authority called a meeting, that he would probably resign from the Authority.

Alderman Silver said that he hopes, if the Town were accepted, that by October 1, 1976 the Board will authorize an ordinance to authorize a Water and Sewer Commission to be set up.

Mayor Wallace said that meetings of the Board will be called as necessary during the bid preparation process.

There being no further business to come before the Board of Aldermen, said special meeting adjourned at 7:26 p.m.



Mayor James C. Wallace



Town Clerk, David B. Roberts

MINUTES OF A PUBLIC HEARING AND A REGULAR MEETING OF THE MAYOR AND THE BOARD
OF ALDERMEN, TOWN OF CHAPEL HILL, INSTITUTE OF GOVERNMENT,
MONDAY, MAY 10, 1976, 7:30 P.M.

Mayor Wallace called the meeting of the Board of Aldermen to order; present and seated were:

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

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

BUDGET 1976-77 - PUBLIC HEARING

Mayor Wallace said that the Public Hearing is called for the purposes of receiving comments from citizens on the Town Manager's recommended operating and capital budgets. He explained the procedure to be followed at the public hearing.

Town Manager Jenne said that the recommended budget for 1976-77 seeks to reflect three overall objectives: to adequately provide basic and necessary