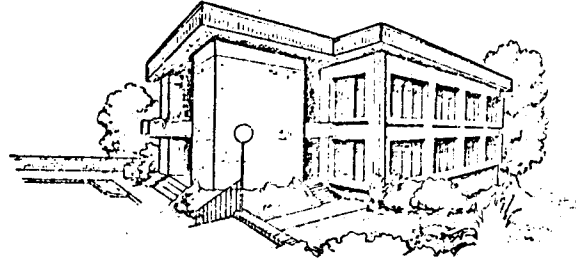


TOWN OF CHAPEL HILL

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: Gerald Cohen
Robert Epting
Jonathan Howes
Thomas Gardner
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 Municipal Building, at 7:30 p.m. on October 4, 1976, to hear citizen comments on sewer allocation policy.

James C. Wallace
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 Municipal Building, at 7:30 p.m., on October 4, 1976.

James C. Wallace
MAYOR

Jonathan B. Howes

Thomas B. Gardner

Robert Epting

Marvin Silver

Shirley E. Marshall

R. D. Smith

Edward Vickery

Left copy at Gerald Cohen House
at 10:35 AM 10-1-76

Left copy at Edward Vickery House
at 11:06 AM 10-1-76

The off-street parking requirement may be reduced by up to 50% provided (1) the Board of Aldermen find that such a reduction is justified on the basis of the type of use or characteristics of the structure which will affect the demand for parking generated thereby and (2) that such reduction will not adversely affect the development by causing traffic congestion or other safety hazards, and (3) that the area derived by the application of this provision (i.e. the area which represents the difference between the amount of land area which would be developed for parking by strict application of the normally required ratio, and the land area proposed to be used for parking) be used for the provision of additional landscaping, which shall be located either within or contiguous to the parking area.

This the 27th day of September, 1976.

THE MOTION WAS CARRIED UNANIMOUSLY.

James C. Wallace

Mayor, James C. Wallace

David B. Roberts

Town Clerk, David B. Roberts

MINUTES OF A SPECIAL PUBLIC MEETING OF THE MAYOR AND BOARD OF ALDERMEN, TOWN OF CHAPEL HILL, MUNICIPAL BUILDING, MONDAY OCTOBER 5, 1976, 7:30 P.M.

Mayor Pro Tem Shirley Marshall called the meeting to order. Present were:

- Gerald Cohen
- Robert Epting
- Thomas Gardner
- Jonathan Howes
- Marvin Silver
- Edward Vickery

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

Mayor Pro Tem Marshall expressed the regret of Mayor Wallace at not being able to attend the meeting, because of a prior speaking engagement scheduled before the meeting. She announced that Mr. Denny had requested the Board to meet in Executive Session at the end of the meeting. Mayor Pro Tem Marshall also reminded the Aldermen that if anyone wished to question the auditors about the audit or discuss it with them, a time for a workshop session should be set.

Public Meeting on Wastewater Allocation Policy

Mayor Pro Tem Marshall then announced that the special public meeting had been called to hear comments from the public and discuss a method of allocating capacity for the wastewater treatment facility. The order for the meeting would be a presentation by the Town Manager, questions from the Board of Aldermen to the Town Manager, questions from citizens to the Town Manager, and then the floor would be open for comments from citizens. She added that the Chairman of the Orange Water and Sewer Authority, Mr. Morris, was in attendance at the meeting.

Mr. Jenne gave the following report:

In a special meeting of the Board of Aldermen on August 16, 1976, after receiving the Manager's recommendations regarding courses of action to be followed in providing the community with increased capacity at the Wastewater Treatment Plant and provisions for meeting current and anticipated future wastewater discharge permit limitations, the Board took action to accomplish the following:

1. To proceed with both phases of improvements recommended by the consulting engineers upon the necessary agreement from the State and the Orange Water and Sewer Authority.
2. To finance the Phase I improvements wholly out of the Town's Wastewater Fund.
3. To finance the Phase II engineering design by the Town and State each committing an advance of up to one-half of the total estimated cost of \$82,000 upon written agreement by the Authority to repay each.
4. To cause to be established for the community, an annual allocation of remaining plant capacity up to the estimated completion date of the 201 project in order to insure continued treatment capability until that time. Reports on this subject have been widely distributed.

This followed the Board's action on July 29, 1976 when a resolution and ordinance, based on a number of findings of fact, suspended the issuance of certain construction permits due to the lack of wastewater treatment capacity and the inability of the Plant to meet the current wastewater discharge permit limitations imposed on the Town by the N. C. Department of Economic Resources, Division of Environmental Management, and the Federal Environmental Protection Agency.

CURRENT SITUATION

Phase I improvements authorized by the Board are underway and on schedule. In addition to meeting the current discharge limitations at current loadings, it is believed that the improvements will bring the plant's average capacity up to its rating of 4.5 MGD. Current readings with partial completion indicate effluent quality of 10-15 BOD and 25-30 TSS against the permit limits of 20 and 30 respectively. However, the effects of these improvements cannot be evaluated conclusively until approximately 6 weeks after completion or about mid-November. Attachment I shows the Plant's current performance in relationship to the current permit limitations for BOD and TSS.

A consulting contract for the design work necessary to begin the Phase II improvements has been prepared and is awaiting the outcome of the University's budget amendment request which has been forwarded to the State Advisory Budget Committee for consideration at its meeting on October 7, 1976. If approved, the request would allow the University to participate in up to one-half of the total estimated cost of the Phase II improvements contingent upon agreements from OWASA for repayment.

With respect to the written assurance from the Orange Water and Sewer Authority to repay both the Town and the University for the design work, the Authority has assembled and presented the necessary financial information to the Local Government Commission to include the cost of the Phase II improvements in its initial bond issue. It is understood from discussions with the Orange Water and Sewer Authority administrative officials that it would appear feasible at this time for the Authority to handle the improvements in the initial issue. A final determination is anticipated with the next 3 weeks.

The University administration has agreed to transfer the additional land necessary for the development of the Phase II improvements to the Orange Water and Sewer Authority at the time of closing, and to allow the Town to proceed with the improvements without an official land transfer in order to simplify the closing process.

ANTICIPATED LOADINGS

Attachment II is a refined listing of additional wastewater loadings which might be expected from known and anticipated construction in the community. The individual project loadings were calculated using the standard engineering text, "Wastewater Engineering" by Metcalf & Eddy, published in 1972. As in the "anticipated loadings" information distributed to the Board on August 16th, the listing includes new construction contained in Exhibit D of an ordinance adopted by the Board on August 16 and construction in progress in the Town of Carrboro. It includes vacant lots in approved subdivisions and elsewhere in both Chapel Hill and Carrboro. It includes the University building program. It includes uncompleted phases of approved special use permits. The timing of these loadings was estimated by using the University's construction schedule, special use permit scheduling, information about the intentions of individual developers, experienced judgement of the probable build-out pace of general construction and development and a rough assessment of potential septic problems. The list is felt to be a good estimate, although perhaps conservative.

In addition, the listing includes one project now under final review: Tar Heel Manor, an apartment complex in the Carrboro Planning District. It is currently intended to be developed with a package plant that would discharge into Morgan Creek, upstream from the Mason Farm Treatment Plant. The project is included on the loading list to show its impact if it were determined that the package plant would produce oxygen sag harmful to the Mason Farm plant's performance and therefore ought not to be permitted.

The listing shows an anticipated loading addition of 988,000 gallons of wastewater per day through 1982. This projection does not include those projects that are not yet known.

PLANT CAPACITY AND LONGEVITY

It is anticipated that the Phase I and II improvements coupled with the improvements approved in the 1976-77 Wastewater budget would, by August, 1977 increase the community's treatment capacity to 5.5 MGD. With the improvements and with known and anticipated loadings all except about 310,000 gallons of the 1.3 MGD increased capacity might be consumed by the end of 1982. The increased capacity provided by the interim improvements would have to last the community until the area-wide 201 Wastewater Treatment facilities come on line. By current estimates, the 21 MGD Farrington Road Plant with the City of Durham, or the 9 MGD Plant at Mason Farm Road, would take at least 54 months or until mid 1981 to complete. However, it is believed to be reasonable to assume that additional capacity should be calculated to suffice users of the system until the end of 1982 or 18 months longer than the anticipated 201 schedule.

Based on the above it would appear that in order to sustain the building needs of the community until new treatment facilities are available it would be prudent to establish an annual allocations policy to insure against the possibility of reaching even the extended interim capacity of 5.5 MGD before completion of the 201 project based on a conservative completion date of December, 1982. Therefore, the staff has considered some major alternatives for allocations.

ALTERNATIVE PRINCIPLES OF ALLOCATION

There appear to be at least five methods of allocating capacity on an annual basis. The following list identifies these alternatives and suggests the possible advantages and disadvantages of each:

1. An annual lottery with a once-a-year allocation.

Advantages: Theoretically the most equitable means of allocation.

Disadvantages: Disruption of the year-long flow and rhythm of construction and private sector planning.

Purely arbitrary.

Probable economic disruption of long-term projects unless some means of applying lottery planning stages as well.

Necessary or meritorious projects might not be accommodated.

Might tend to encourage premature or careless applications.

Provides no long-term certainty for planned projects.

2. First-in-First-on.

Advantages: Tends to reward the ability to execute projects.
 Clarity of rules for all concerned.
 Provides reasonable long-term certainty for planned projects such as special uses if the same principle is applied in the planning process.
 Least change in current administrative and application procedures.

Disadvantages: Late but necessary or meritorious projects might not be accommodated.
 Might tend to encourage premature, rushed or careless applications.
 Might favor large applicants with high degree of organization and resources.
 Does not provide absolute long-term certainty for planned projects.

3. Once-a-year allocation with rank priority of all applications based on criteria reflecting relative value to the community.

Advantages: Rewards projects with "value to the community."
Disadvantages: Extremely difficult conceptually and legally to define and to justify value criteria.
 Disruption of the year-long Flow and rhythm of construction and private sector planning.
 Probable economic disruption of long-term projects unless some means of applying value criteria in bulk review to planning stages as well.
 Short and extreme peak of administrative work load at application and review time.

4. Pre-allocation of a specified number of gallons to meet specified community needs on a first-in-first-on basis, with remaining capacity allocated by methods 1, 2, or 3.

Advantages: Assures opportunity to fulfill such community needs (e.g. housing for low and moderate income families in accord with the Town's Housing Assistance Plan).
Disadvantages: Difficulty in establishing and justifying precise definitions and criteria in the face of competition for allocations.

5. Pre-allocation to the categories identified in Attachment II with residual allocated by methods 1, 2, or 3.

Advantages: Previously-approved projects would be assured allocation, thus providing long-term certainty for planned projects.

Might tend to encourage fill-in development by providing for vacant lots to be developed.

Provides some reserve to allocate to areas experiencing septic failures and in need of sanitary sewer connections in areas not presently served by sewer.

Disadvantages: Extremely difficult to administer clearly. Categorical allocations are imprecise estimates and not location-specific in many cases. The difficulty in determining whether an application is assigned to a category or as residual and in holding compartmentalized limits in each category would be at best confusing.

None of the alternatives identified is particularly desirable. Each has noteworthy disadvantages. However, Alternative 2, First-In-First-On, is believed to be the least undesirable in the balance, based on the belief that certainty for all concerned is a paramount consideration. Its rules and procedures are most simple and most easily understood. Knowing the rules clearly is a form of certainty. Excepting some possible annual acceleration of applications, it has a reasonable prospect of maintaining close to normal rhythm of planning and building. This too contributes to certainty. If the same method is applied to the programming of long-term projects in the planning application stage, reasonable assurance of a tap-on allocation exists although it is not guaranteed. This constitutes, under the circumstances, a reasonable degree of certainty in project planning.

On the other hand, Alternative 1, the annual lottery, insures total uncertainty in both the short-term and the long-term. Alternatives 3, 4, and 5 present exceedingly difficult problems in defining and justifying value criteria, categories and boundaries of judgement in a manner which is clear, understandable and legally defensible.

QUANTITY OF ALLOCATIONS

Based on an estimated completion time of mid-1981 for the 201 facilities, the advisability of therefore stretching available allocations to the end of 1982, the assumption that 5.5 MGD capacity will be available by August, 1977, and the current status of known and anticipated projects shown on Attachment II, the following annual allocation schedule would appear to be reasonable:

	<u>1976</u>	<u>1977</u>	<u>1978</u>	<u>1979</u>	<u>1980</u>	<u>1981</u>	<u>1982</u>
ALLOCATION	175,000	260,000	190,000	220,000	150,000	150,000	150,000
Anticipated	173,000	249,000	178,000	202,000	104,000	53,000	30,000
Bldg. Permits Issued as of 9/76	107,400	103,400	62,600	-	-	-	-
Est. Allowable New Bldg. Permits	65,600	145,600	115,400	202,000	104,000	53,000	30,000
Est. Allowable New Planning Permits and Plats	2,000	11,000	12,000	18,000	46,000	97,000	120,000

The previously-mentioned Metcaff & Eddy Tables or similar would be established and used as the sole standard for calculation of gallonage associated with planning and building applications.

Calculated additional loadings allocated each year might exceed that set forth by policy by a set amount to allow reasonable project integrity.

The Allocation policy would be re-evaluated once each year on the basis of actual additional loadings, any revised anticipated loadings and plant performance data. This might be acted on by the Board at the same time each year.

Current NPDES permit restrictions would remain in effect until plant performance justified their removal.

RECOMMENDATIONS

Based on the discussion above the Manager recommends the following:

1. That an annual allocation policy be adopted by the Board of Aldermen.
2. That such a policy incorporate the principle of First-In-First-On as previously described.
3. That such a policy incorporate generally the quantitative limitations set forth above based on the table of anticipated loadings and completion of Stage II of the interim improvements.
4. That annual review of the policy be provided as described above.
5. That the Board hold the special public hearing during the week of October 4 to hear public views on the issues and proposals discussed above and that after such hearing it direct the Manager to prepare a final draft policy for consideration by the Board at a subsequent meeting.

6. There are only three months left in 1976. As of this date the plant is operating under current limits at 4.2 MGD. There is every reason to expect that by mid-November it will be operating in the same manner at up to 4.5 MGD. Thus, within 1976 the community will have an additional 300,000 gallons available. Even if commitments of the full 175,000 gallons for 1976 were made it would be a number of months into 1977 before the impact were actually felt, particularly with the slowing effect of the current special conditions placed on our NPDES permit. Therefore, it is reasonable to expect that our existing 4.5 MGD would not be reached in terms of actual hydraulic loadings before another 1 MGD is available in August 1977.

RECORD OF OPERATION
MORGAN CREEK WASTEWATER TREATMENT PLANT
CHAPEL HILL, NORTH CAROLINA

MONTH	VOLUME TREATED		EFFLUENT QUALITY BOD5		EFFLUENT QUALITY TSS	
	Monthly Average (MGD)	High Week (MGD)	Monthly Average (PPM)	High Week (PPM)	Monthly Average (PPM)	High Week (PPM)
1976 Permit	4.5	5.5	20	30	30	45
June, 75	3.1	3.3	34	42.8	44	73
July, 75	3.6	5.2	24	34.7	43	54.5
August, 75	3.1	3.9	23	25	33	42
*Sept., 75	4.1	5.1	16	30	28	36.8
Oct., 75	4.1	4.2	12	16	29	33
Nov., 75	4.0	4.5	16	20	26	29
Dec., 75	3.8	4.4	9	10	29	29
**Jan., 76	4.4	5.0	24	62	44	83
Feb., 76	4.3	4.8	78	79	81	99
March, 76	4.1	4.6	70	82	65	73
***April, 76	4.1	4.4	54	64	57	67
May, 76	3.3	3.4	45	49	40	44
****June, 76	3.6	3.7	36	42	40	55
July, 76	3.4	3.4	29	29	38	52
*****August, 76	3.2	3.3	11	15	30	40
Sept., 76 (1st - 15th)	3.2	3.3	12	14	26	32

*Alum Feed Started
**Centrifuge Breakdown - Alum Feed Stopped
***Full-Time Plant Superintendent
****Partial Series Operation Started
*****Alum in Secondary Clarifier Began 8/2/76

ANTICIPATED WASTEWATER LOADINGS BY KNOWN AND ANTICIPATED PROJECTS

CHAPEL HILL/UNC-CH/CARRBORO

	TOTAL LOADINGS (GPD)	1976	1977	1978	1979	1980	1981	1982+
1. Permits Approved as of 8/16/76	<u>151,380</u>	<u>105,380</u>	<u>39,425</u>	<u>6,575</u>				
SUB-TOTAL	151,380	105,380	39,425	6,575				
2. Chapel Hill Collector Lines	65,600	6,800	10,000	10,000	10,000	10,000	10,000	8,800
. Kings Mill Road								
. Purefoy & Whitehead								
. C. D. Collectors								
4. Proj. Necessary New Coll. Lines	86,400		12,000	20,000	20,000	18,000	16,400	
3. Carrboro Dry Collector Lines	<u>73,600</u>	10,400	10,400	10,400	10,400	10,400	10,400	11,200
SUB-TOTAL	225,600							
4. UNC - Under Construction		2,500						
1. Dental Office Addition		2,500						
2. Utility Office & Warehouse			2,500					
3. Department of Art Lab Building			2,500					
4. Wilson Library Addition			24,000					
5. NCMH Renovations			35,000					
6. Dramatic Art Building				14,000				
7. Faculty Office & lab Building				42,000				
SUB-TOTAL	122,500							
5. UNC - Under Design			300					
1. Tennis Court			300					
2. N. C. Athletic Assoc.				240				
3. Student Health Bldg.					22,000			
4. Hospital Support Wing					60,000			
5. Physical Ed. Facilities					39,000			
6. NCMH Rehabilitation Center						40,000		
7. Continuing Ed. Center						10,000		
SUB-TOTAL	171,540							
6. Subdivisions - Approved	59,200	13,600	39,200	6,400				
. Pine Hill	9,200							
. Argon Hills	3,600							
C. Booker Creek	20,000							
D. Countryside	8,800							
E. The Oaks	7,600							
F. Coker Hills 6 & 7	5,200							
G. Coker Hills 5	2,000							
H. Farrington Hills	2,800							
I. Webbwood (Carrboro)	73,600	16,800	18,000	8,000	8,000	8,000	8,000	6,800
7. Miscellaneous - Vacant Lots								
A. Carrboro	14,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000
B. Chapel Hill	<u>35,200</u>	5,600	5,600	5,600	5,600	5,600	5,600	1,600
SUB-TOTAL	182,000							
8. Condominiums - Approved	27,300		12,600	12,600	2,100			
A. Village West								
B. Oxford								
9. Unified Business (APP) w/o Bldg. Permits	7,660		6,000	1,200	460			
A. Eastowne Office Park								
B. First Citizens Bank								
C. Northwestern Bank								
D. Cedar Ridge Office Development								
10. Municipal Facilities	42,800	10,000	10,000	20,000	2,800			
11. Arheel Manor (Approve CUP)	<u>57,600</u>		19,200	19,200	19,200			
SUB-TOTAL	215,360							
TOTALS	<u>988,380</u>	<u>173,080</u>	<u>248,725</u>	<u>178,215</u>	<u>201,560</u>	<u>104,000</u>	<u>52,400</u>	<u>30,400</u>
CUMULATIVE ADDITIONS		173,080	421,805	600,020	801,580	905,580	957,980	988,380
RESULTANT AVERAGE HYDRAULIC LOADINGS ON PLANT (MGD)		4.37	4.62	4.79	5.00	5.10	5.15	5.18

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Alderman Howes asked if there was any reason for a once-a-year allocation, rather than every six months or more often. Mr. Jenne stated that if the Aldermen were to adopt a value judgment system as a policy, all of the contenders, or applicants should be in before any judgment is made. However, the applications could take place all during the year. A lottery need not be once-a-year. Alderman Howes questioned whether there would be an interval in which the Board could deliberate on applications, if the policy were based on community needs. Mr. Jenne replied that it would be essential that the Board establish a set of value criteria both for guidelines for the staff, and for the board's own protection. He added that he believed this would be difficult.

Alderman Howes asked why the projections for the last three years (1980, 1981, 1982) were lower than the first years. Mr. Jenne answered that the existing university building program would be closing out by that time, and many special use permits and existing approved subdivisions would be completed by then. However, he felt that some of the slack left by these plans would be taken up in the normal course of the planning process. Alderman Howes commented that the tables did not include Laketree. Mr. Jenne stated that Laketree had no status at present except as a planning permit allowable. It would have to contend for allocation with other applications.

Alderman Marshall asked if the losers would have to drop out, or could they reapply for the next lottery. Mr. Jenne stated that he believed they should be allowed to participate in subsequent lotteries. Alderman Gardner asked if the staff had any way of shortening the length of time a permit might be outstanding, as a means of controlling permits issued and not used, and as a means of keeping accurate data of how much has been tapped on to the system. Mr. Jenne said that most permits expired in twelve months. Some planning permits issued under the special use provisions of the zoning ordinance could be issued for five years, and extended to ten years. The special use permit specifies a starting time and a finishing time. Mr. Denny clarified this by saying that no outstanding permits could be called back in unless they had expired. Construction must begin within one year for any building permit issued. Alderman Vickery asked what would prevent someone for applying for a permit a year or two before it would be needed to insure himself allocation at the time it was needed. Mr. Jenne did not believe the process would allow someone to apply for allocation when the project would not be finished for a couple of years. Alderman Vickery stated he liked the "first-in, first-on" policy, if some provision could be made to prevent an applicant from tying up the allocation for a year in which he was not using it. Aldermen Howes and Silver were also concerned about allocation being tied up before it could be used. Mr. Jenne stated that in a project such as a multi-family structure, the allocation could be phased as the building is phased. Alderman Silver stated this would be committing the town for the future allocation. Alderman Marshall asked if some method of penalizing for a project which was not completed on time. Mr. Denny answered that the problem would not be in stating a finishing time for the first year of the project and penalizing by taking away allocation, but difficulty would be in the second and subsequent years when the allocation would already be used up.

Mr. Watts Hill requested a clarification concerning the Estimated Allowable New Building Permits and Estimated Allowable New Planning Permits and Plats for each year. Mr. Jenne stated that the two categories would have equal standing. The University would be in all categories. Mr. Hill asked why the University was being given priority over the taxpaying citizens. Mr. Jenne answered that the university was not being given priority, but they had submitted completed plans for building. Mr. Hill stated that the town does not have control over the university building program, and that if the university could get permission from the Department of Administration, it could theoretically use all of the allocation for the treatment plant. Mr. Jenne admitted that this could be done, but he did not think it would be done because the Department of Administration and the Department of Environmental Management had been cooperating with the town in its sewage problem.

Mr. Rupert Hanny, Vice President of the Chapel Hill Residential Retirement Center, stated this project of approximately 300 units had received approval from the Planning Board and the Board of Aldermen (reference Board of Aldermen minutes of April 8, 1974).

The planners for Carol Woods had learned from the town that they could not hook onto the sewer because of the capacity. They had then expended funds to

include a private package plant for the project in the approximate amount of \$400,000. Now that more capacity was being built into the wastewater treatment plant, he was concerned that the listing given by Mr. Jenne did not include Carol Woods. Mayor Pro Tem Marshall stated that one of the problems with Carol Woods was that it was not within the city limits, and that making an exception for Carol Woods to tap-on was legally impossible. Alderman Gardner asked Mr. Hanny what the construction schedule for Carol Woods was. Mr. Hanny answered that ground would be broken in about 15 to 18 months.

Mr. Hill stated he had reached the conclusion there was no way to equitably allocate an inadequate resource. The only solution for Chapel Hill is to build a new plant. He was aware of the situation of the 201 program and Durham, and he believed that Chapel Hill should agree to take less federal funds and build a new plant without Durham. He did not think the bait of 75% federal funds was a cost effective way of planning for the plant. Funding sources and investors will not make a commitment for developers unless they can be assured of sewage treatment. With the capacity as stated, he believed that Chapel Hill should get priorities for community needs. Needed construction should be encouraged while unneeded construction is discouraged. The university should be given no priority. This could be done by talking with the legislators to get the current legislation for the university changed. He then discussed the projects of Laketree and Tar Heel Manor, which are being planned with package plants. He stated if the package plants were controlled and made to comply with regulations, there would be no need to include them in the city sewer plant. He returned to his conclusion that there was no solution except building a new plant.

Mayor Pro Tem Marshall asked Mr. Hill if in his opinion the time for the building of a new plant under the 201 program, 54 months, could be cut by not accepting federal funds and working under EPA's direction. Mr. Hill thought it could and asked Mr. Jenne to answer the question. Mr. Jenne stated the plant could be built in 39 months without EPA. Alderman Vickery agreed with the necessity for additional capacity, but said the proposal being considered did not prohibit consideration by the town of building a new plant on its own. The proposal being considered now was an emergency measure. He stated that selling capacity would mean that some citizens would have to pay a higher price for sewage treatment than would be paid in the long run by most citizens. He added that determining priorities would be extremely difficult. He did not believe the town had the right to deny someone the right to open a business in favor of someone who wanted to build a new home. He favored the "first-in, first-on" policy with the modification of a limit on the time for the use of the permit; and that applicants be forced to make an estimate of when their allocation would be used, and then penalized if it was not used.

Alderman Cohen stated the town would have to look at the projects to see if they produced additional sewer loading before making decisions. He agreed that perhaps the town should build the plant without going through EPA. The funding through EPA was to protect the environment, but it was not being used for that purpose. Perhaps Chapel Hill should stand up and say that the funding was not being used as it was first proposed to be used.

Mayor Pro Tem Marshall said the frustrations of the Board had been expressed. However, she added that the Board would have to deliberate some before doing without 75% of the funds. There being no further comments, Mayor Pro Tem adjourned the public meeting, and the Board went into Executive Session at 9:23.

James C. Wallace

Mayor James C. Wallace

David B. Roberts

Town Clerk David B. Roberts