

**Water Study Committee Meeting**  
**February 11, 2010**  
**Meeting Minutes**

A special meeting of the Boone Town Council and the Water Study Committee was called to order at 5:30 p.m., Monday, February 11, 2010, in the Council Chambers, 1500 Blowing Rock Road. Mayor Loretta Clawson presided. Council Members present were Mayor Pro-Tem Lynne Mason, Rennie Brantz, Stephen Phillips, Andy Ball and Jamie Leigh. Members of the Water-Use Committee present were Donna Lisenby, Mary Ruth McRae, Dr. James Buchanon, Zachary Ollis, Pam Williamson, Bunk Spann, Patrick Beville and Dr. Kristan Cockerill. Staff members present were Greg Young-Town Manager, Amy Davis-Finance Director, Rick Miller-Public Utilities Director, Kimberly Brown-Deputy Town Clerk, Bill Bailey-Development Services Director and Lane Weiss-Water Conservation Program Coordinator. Town Attorney Sam Furgiuele was also in attendance.

Mayor Clawson called the meeting to order and welcomed all in attendance. Mayor Clawson also introduced David Bixby who wished to address the Committee concerning water rate comparisons.

**Discussion of Rate Comparisons**

Mr. Bixby opened the meeting by distributing a list that he compiled of 10 other cities' water rates. He stated that he owns Village Laundry in Boone and that the water rates were negatively impacting his business. He also stated that from his research Boone rates are "twice as high" compared to other systems listed and that he may be forced to terminate the employment of a full-time employee in order to cover these costs while ceasing capital improvements. Mr. Bixby recommended that the Town of Boone adopt a commercial water rate for large users. Committee Member Spann asked Mr. Bixby if there were other conservation measures that could be adopted. Mr. Bixby stated that he has the most efficient machines. Committee Member Lisenby informed Mr. Bixby that during the drought of 2007 the North Carolina Governor created a Drought Task Force to provide recommendations for water use around the state and that one of these recommendations was an inclining conservation rate scale. Mr. Bixby stated that he was not aware of the task force recommendations. Committee Member Lisenby explained the reasoning behind an inclining rate scale and its effects on conservation. Rick Miller then pointed out a discrepancy in the rates that Mr. Bixby had presented and the rate information he collected concerning Asheville's water and sewer rates. Mr. Miller then explained that Boone's water rates had been determined based on an inclining conservation scale, water demands, water resources, and debt schedules. He distributed information regarding state-wide water rate figures from the UNC School of Government which indicated that the Town was on track with the state and even lower than others who adopted a conservation scale. With no other comments or recommendations, Mayor Clawson moved to the next agenda item.

**Discussion of the Reprioritization of Water Allocations**

Rick Miller opened the discussion with a memorandum and chart depicting Boone's Maximum Daily Demands (Memo #2 in the Agenda packet). He stated that when Ordinance 05-01 was originally drafted, the allocation pool was set at 450,000 gallons for distribution to both existing and future projects. This figure was derived from the engineer's recommendation, numbers available and not planning for a decrease in usage. Mr. Miller offered two options for the committee members to consider regarding reprioritization of water allocations:

1. Since the 2004 report stated Boone's maximum daily demands to be 2.2-2.6 million gallons, an additional amount of water could possibly be added to the allocation pool and, if the economy recovers, the Town can supplement with the ASU/Boone Interconnect.
2. Reprioritize water allocated to dormant projects to current projects and when dormant projects resume, if needed, the Town can use the ASU/Boone Interconnect to augment daily needs. As an example, Mr. Miller noted the Council Oaks subdivision had been granted a water allocation of 31,320 gallons per day based on three-bedroom homes on 81 lots. Currently the Council Oaks development is using 1,357 gallons per day.

Council Member Mason asked how much water had been originally allocated for vacant lots and how much had been used from the vacant lot pool. Mr. Miller responded that the vacant lot pool was initially set at 100,000 gallons but was reduced at previous Water Committee meetings to 10,000 gallons. Currently 1,500 gallons have been used leaving 8,500 gallons in the pool. Council Member Mason then asked Mr. Miller for an estimate of what he thought the difference was between the actual and allotted water use. Mr. Miller estimated a difference of 60,000 to 80,000 gallons per day.

Town Manager Greg Young stated that the concept was in response to drought conditions and that the State requires emergency interconnect negotiations. However, ASU does have limits regarding what can be provided because the University face the same issues as the Town. Mr. Young confirmed that the Town does have credit for the buildings to which the Town supplies water and that it can be used to supplement the allocation pool. Committee Member Williamson stated that she understands changing allocation amounts based on the amount that is being used versus not used. However, she did not feel comfortable knowingly exceeding allocation amounts to revert to on the Interconnect, especially when the Committee is unclear of the exact amounts available.

Committee Member Beville called attention to the current discharge rate schedule, pointing out what he considered to be current flaws. He reminded the committee that the discharge rate schedule had been created before code changes and suggested that is the reason for the difference in the actual versus predicted numbers. Mr. Miller explained that the discharge schedule is still utilized by DENR and that he is required to use this schedule when subtracting wastewater allotments from the Waste Water Treatment Plant's capacity. Council discussed the percentage amount threshold regarding completion of the water intake project. Town Manager Greg Young clarified that when an 80% threshold is met the Town should be in the design stage and in the process of reclassifying the river. At the 90% threshold, he stated that the project should be under construction or very close, otherwise moratoriums could be imposed. Mr. Young then updated the Committee on the status of the new intake.

Council Member Spann encouraged Town Council Members that were present to give serious thought to infrastructure plans, policies and conservation efforts when considering future water allocations. Committee Member Williamson stipulated that if the Town is searching for new customers, then it should seek those who would be the least burden on the Town. She continued by pointing out that Boone is a college town with many properties that are tax exempt and reminded the Committee of the need to investigate the option of extending the corridors while making sure the Town does not have with more businesses that are tax exempt. Mayor Clawson reiterated that the Town must plan for growth along the corridors in order to survive, especially with future expansion of ASU. Mayor Pro-Tem Mason emphasized that the Town needs to expand according to the plans and policies of the Land Use Master Plan.

Town Attorney Sam Furgiuele explained that with the current allocation schedule, there may not be enough water to allocate for the years 2012, 2013, and 2014, especially if the intake process were to require four to five more years to complete. Mr. Furgiuele stated that the General Assembly had recently passed a law which supersedes all state and local ordinances in terms of vesting permit rights. He indicated that due to the current state of the economy, an extension had been given to keep development rights from lapsing and that permits had to be active at a certain date in order to guarantee an extension, an action which causes a possible ripple-effect with water allocations. Mr. Furgiuele stated that this law clearly applies to all building permits, special-use permits, and conditional-use designations and that these permits are all extended by operational law.

Committee Member Williamson then presented the following motion:

*(Verbatim) Recognizing that there is some available additional gallons but in light of the fact that there are still 23,000 plus additional gallons remaining for this year and 25,000 additional gallons for 2011 and due to uncertainties with vesting of past approvals that we have already granted, and in recognition of the fact that we are looking at 4-5 more years before we can get online with a new water source, I move that we stay where we are at this point and then come back and reevaluate any additional water availability later in the year. This motion was seconded by Committee Member Lisenby*

Mayor Clawson opened the floor for discussion. Mayor Pro-Tem Mason stated that the Town has the potential to expend all 23,000 gallons in one meeting, considering that recent projects submitted for approval request over 10,000 gallons. She suggested that the Town have the ability to increase allocations until it reaches 2.2 mgd and then reevaluate. Committee Member McRae voiced concern about not approving projects, noting that they would probably just develop at another location possibly outside Town limits, creating sprawl and uncontrolled well and septic systems. Council Member Brantz commented that we have an unused capacity that cannot be stored. He suggested that the Town continue using the resources that are available, just more wisely.

Mayor Clawson stated that she feels that the Committee could possibly make changes at review time but does not currently feel any action is appropriate. Council Member Leigh agreed with Mayor Clawson and supported the motion. Committee Member Williamson and Mayor Clawson both questioned why the committee is considering allocations, when there is an annual review schedule for November. Committee Member Williamson expanded on her concerns with the reprioritization of water. She stated that she had not been persuaded to change any allocations. The Mayor called for a vote:

**Aye:** 8 (*Williamson, Ollis, Clawson, Leigh, Cockerill, Lisenby, Buchannan,*)

**Nay:** 5 (*Phillips, Mason, McRae, Brantz, Beville*)

#### **Discussion of Extensions into the Secondary Pressure Zone**

Utilities Director Rick Miller began discussion of the possibility of modifications to Ordinance 05-01, extending water into the secondary pressure zone. Mr. Miller stated that Ordinance 05-01 currently prohibits the extension of water into the secondary pressure zone. Council Member Mason pointed out that some of the secondary pressure zones are in a large area affecting the main corridors in Boone. Committee Member Lisenby noted the serious issue of fire safety, especially considering the structures in the area and the possibility of not having enough water. After brief discussion, the Committee chose to reaffirm Ordinance 05-01 and not extend water into the secondary pressure zone.

The meeting adjourned at 7:20 p.m.

Lane Weiss, Committee Secretary		Loretta Clawson, Mayor