

THE BOARD OF COMMISSIONERS OF THE COUNTY OF CRAVEN, SITTING AS THE BOARD OF DIRECTORS OF THE CRAVEN COUNTY WATER AND SEWER DISTRICTS RECONVENED ITS RECESSED SESSION OF JUNE 5, 2001 ON JUNE 11, 2001 IN THE SUPERIOR COURTROOM OF THE CRAVEN COUNTY COURTHOUSE, 302 BROAD STREET, NEW BERN, NORTH CAROLINA. THE MEETING CONVENED AT 8:00 P.M. FOR THE PURPOSE OF CONDUCTING A PUBLIC INFORMATION MEETING ON THE NEUSE RIVER SEWER SYSTEM.

MEMBERS PRESENT:

Chairman C.W. "Pete" Bland
Vice-Chairman Johnnie Sampson, Jr.
Commissioner Lee Kyle Allen
Commissioner Donald Phillips
Commissioner J. Harold Talton
Commissioner Albert H. Toon
Commissioner Charles F. Tyson, Jr.

STAFF PRESENT:

Harold Blizzard, County Manager
George B. Sawyer, Assistant County Manager
Richard F. Hemphill, County Finance Officer
Gwendolyn M. Bryan, Clerk to the Board
James R. Sugg, County Attorney

Following the roll call and the call to order, Commissioner Allen moved to approve minutes of the April 16, 2001 regular Water & Sewer session, seconded by Commissioner Tyson and unanimously carried.

PUBLIC INFORMATION MEETING

At 8:00 p.m. the public information meeting was declared open. The Chairman called upon New Bern Mayor, Tom Bayliss, to discuss the City's proposal to acquire and operate the Neuse River Sewer system. The Mayor emphasized the following points:

- No decision has been made to date and the City would have no hard feelings should the District decide to keep its system. He explained the rationale for the proposal, stating that the sewer business is not a desirable business and that it would be desirable for the facility to get on a larger system. The more customers that are involved in the system, the cheaper the per customer rate is, as a larger system allows the spreading of costs created by state mandates.
- The cost for the City's proposed new treatment facility was bid at \$17.2 million, not at \$50 million as has been rumored.
- The City has neither intention nor legal authority to annex Township 7, absent a request from the residents to do so.
- The debt still owed on the system in the amount of \$3,534,043 would be assumed by the City.

County Manager, Harold Blizzard, was called upon to provide a summary of the City's proposal. He summarized the notice that was sent to the Neuse River Sewer System customers and emphasized that only the sewer system is being considered and this would not affect the water system.

The Chairman called for citizen input and the following citizens spoke:

1. *Mr. Charles Laughinghouse*, 802 Howell Road, stated that he is in the mobile home park business and is concerned about the possibility of future city taxes, as well as maintenance of the current level of service if the system is transferred.
2. *Mr. Earl Laughinghouse*, 900 Howell Road, stated that he is satisfied with the system as it is now.

3. *Mr. Bob Morrissey*, 315 Hill Street, asked why the projected number of customers for the system did not materialize, and if the annexation of Taberna had an effect on the customer base. He asked who would benefit from the proceeds if the system is purchased by the City of New Bern. County Manager, Harold Blizzard, responded that the current customers would benefit from the proceeds of any sale. Mr. Morrissey expressed the need for a regional solution and countywide approach to sewer services. He stated that he likes the system as it is.
4. *Mr. Gary Bleau*, 2102 Neuse Cliff Drive, expressed concern about philosophical changes that occur when Boards change, which could affect the way that the City of New Bern views annexation. He inquired about the projected rate after the construction of the proposed City facility. City Manager, Bill Hartman, who was also present, responded. In addition, Mr. Bleau expressed concerns about the City's plans for the current system physically, and the possibility that effluent would be pumped back into the river.
5. *Ms. Mary Swartz*, 407 Swiss Road, inquired about the rationale behind the City's desire to acquire the sewer system and not the water system. She also asked who would compute the bills should the City acquire and operate the sewer system. County Manager, Harold Blizzard, responded that the City had proposed to take over the water system as well in Township 7; however, the water system is pivotal to other water districts geographically and in regard to the base number of customers. The County, therefore, was not interested in entertaining a proposal involving the water system. She stated a preference to keep the current system the way it is.
6. *Mr. Anthony French*, 107 Laura Lane, inquired if the sewer costs would be calculated according to the formula currently used? The Mayor responded that it would. When asked about the operating costs on the sewer system currently, County Manager, Harold Blizzard, responded that it is currently operating at a \$159,000 loss.
7. *Mr. Bobby Swindell*, 309 Hulls Bluff Lane, inquired about new residential tap fees if the system were operated under the City of New Bern. Mr. Hartman responded that the current out of city fee is \$2,500.
8. *Mr. Bobby A. Swindell*, 1804 Old Cherry Point Road spoke in opposition to the proposal.
9. *Mr. Herb Rawls*, 3813 Old Cherry Point Road, inquired about the deficiency in the previous projection and inquired about the accuracy of the current projection.
10. *Mr. Bill Harper*, 4625 Old Cherry Point Road, stated that the most important factor to him is the fear of being annexed and that he is satisfied with the system as it currently stands.
11. *Ms. Dineen Wright*, 109 Holly Berry Road, inquired about the nature of the system, and it would continue as a septic tank pump station system or if it would be converted to a system like the City's. Mr. Hartman responded that initially it would probably stay the same as it currently is, and that the \$2,500 tap fee would also include installation up to the septic tank connection. She also inquired about what would happen to the capital reserve fees that have already been paid. Mr. Blizzard responded that the capital reserve pool has been tapped to cover operating losses; however, the district cannot continue going in this direction. She inquired about the projected length of time for the replacement of the system. Mr. Hartman stated that the long term plan is to convert the system sometime after the first five years.

There were no additional members of the public who wished to speak. There was consensus at the end of the session that more information is needed before the customers of the system can make a decision. It was noted that there were a number of customers

who were not present to receive the information that was discussed at this public information session.

At 10:05 p.m. Commissioner Talton moved to adjourn, seconded by Commissioner Phillips and unanimously carried.

Chairman C.W. "Pete" Bland
Craven County Board of Commissioners

Gwendolyn M. Bryan
Clerk to the Board