

**NOTICE OF A SPECIAL MEETING OF THE
ASHEBORO CITY COUNCIL
Thursday, March 27, 2008
7:00 O'clock P.M.**

Notice of a special meeting of the City Council of the City of Asheboro, North Carolina is hereby given. This special meeting will be held on Thursday, the 27th day of March, 2008 at 7:00 o'clock p.m. in the Conference Room at the City of Asheboro Public Works Facility, which is located at 1312 North Fayetteville Street in Asheboro, North Carolina.

This special meeting has been called in order to allow the Asheboro City Council to consider the following items:

- a. A city staff member is to certify that the combined notice of the public informational meeting and public hearing on the question of the proposed annexation of 671.54 acres of land, more or less, in the Dave's Mountain area has been mailed in accordance with Section 160A-49 of the North Carolina General Statutes; and
- b. A public informational meeting is to be conducted by city staff members on the question of statutorily annexing 671.54 acres of land, more or less, in the Dave's Mountain area. During this public informational meeting, plans for extending municipal services to the area proposed for annexation will be explained, and all residents and property owners in the area proposed for annexation along with all residents of the City of Asheboro will be given an opportunity to ask questions and receive answers regarding the proposed annexation.

All officers of the city and all other persons whomsoever are hereby given notice that this meeting will be held. This notice is issued on the 24th day of March, 2008, pursuant to the laws of the State of North Carolina and the City of Asheboro.

s/ David H. Jarrell
David H. Jarrell, Mayor
City of Asheboro, North Carolina

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SPECIAL MEETING

**THURSDAY, MARCH 27, 2008
CITY OF ASHEBORO PUBLIC WORKS FACILITY CONFERENCE ROOM
7:00 p.m.**

This being the time and place for a special meeting of the Mayor and the City Council, a meeting was held in the City of Asheboro Public Works Facility Conference Room located at 1312 North Fayetteville Street in Asheboro with the following members and officials present:

David H. Jarrell) – Mayor Presiding

Talmadge S. Baker)
Edward J. Burks)
Linda H. Carter)
J. Keith Crisco) – Council Members Present
Walker B. Moffitt)
Archie B. Priest, Sr.)
David H. Smith)

John N. Ogburn, III, City Manager
Dumont Bunker, P.E., City Engineer
Max C. Cole, Engineering Assistant
D. Mark Dawalt, Water/Wastewater Maintenance Superintendent
Holly H. Doerr, City Clerk/Senior Legal Assistant
R. Hughes, Recreation Director
David J. Hutchins, Street Superintendent
T. Myers Johnson, Human Resources Director
Deborah P. Juberg, Finance Director
Robert H. Kivett, Director of Operations Public Works

Michael L. Leonard, Assistant City Engineer
Gary L. Mason, Chief of Police
R. Reynolds Neely, Jr., Planning Director
Ralph W. Norton, Police Captain
Michael D. Rhoney, P.E. Director of Water Resources
James W. Smith, II, Fire Chief
A. Todd Stout, Information Technologist
Larry R. Trotter, Chief Building Inspector
Kermit D. Williamson, Sanitation Superintendent
Rickey D. Wilson, Police Captain

1. Call to order.

A quorum thus being present, Mayor Jarrell called the meeting to order for the transaction of business and business was transacted as follows.

2. Certification by Max Cole of the mailing of the combined notice of the public informational meeting and public hearing in accordance with Section 160A-49 of the North Carolina General Statutes.

Mr. Max C. Cole presented the following Certificate of Service of Notice certifying the mailing of the combined notice of the public informational meeting and public hearing in accordance with Section 160A-49 of the North Carolina General Statutes.

CERTIFICATE OF SERVICE OF NOTICE

TO: Mayor David H. Jarrell and the City Council of the City of Asheboro, North Carolina

I, Max C. Cole, Engineering Assistant for the City of Asheboro, do hereby certify that legible copies of the "NOTICE OF PUBLIC INFORMATIONAL MEETING AND PUBLIC HEARING ON QUESTION OF ANNEXATION" prescribed by Section 160A-49(b) of the North Carolina General Statutes were mailed by first class mail, postage prepaid, to the owners of all freehold interests in real property located within the portion of the Dave's Mountain area that is proposed for annexation. A copy of this notice is attached as Exhibit 1 and is hereby incorporated into this certification by reference as if copied fully herein. The owners of all freehold interests in real property located in the proposed annexation area were identified by means of the tax records of the County of Randolph.

These notices were mailed by first class mail, postage prepaid, on February 20, 2008. Only one (1) of these notices was returned to the post office box designated for the receipt of any returned notices. This returned notice was received on February 25, 2008, and a copy of the notice was sent a second time on February 25, 2008, by certified mail, return receipt requested, to the address indicated in the tax records as well as to an address listed on an expired forwarding order. A completed receipt card for the notice sent to the address on the expired forwarding order was received in the city's designated post office box on March 2, 2008.

With the exception of the returned notice discussed in the immediately preceding paragraph, no other notice was returned to the designated post office box by the tenth (10th) day preceding the date of this public informational meeting.

This certification is made on this the 27th day of March, 2008.

s/ Max. C. Cole
Max C. Cole
Engineering Assistant

[Exhibit 1 that is referred to in the above certificate of service is on file in the City Clerk's office.]

3. Public informational meeting.

Mayor Jarrell asked Mr. R. Reynolds Neely, Jr., Planning Director, to begin the staff's presentation and explanation of the Dave's Mountain annexation report previously approved by the City Council that details how the area proposed for annexation meets the statutory standards for annexation and how municipal services provided by the City of Asheboro will be extended to the area proposed for annexation as of the effective date of the annexation. As proposed, the said annexation would be effective on June 30, 2009.

During the presentation, Mr. Neely and the remaining department heads explained the annexation report by utilizing a power point presentation. A hard copy of this power point

presentation is on file in the City Clerk's office and is incorporated into these minutes by reference. In order to facilitate the exchange of information, department heads concluded each of their presentations by accepting and answering questions from residents of the city as well as all persons residing or owning property in the area proposed for annexation.

Inspections

Mr. Larry Trotter, Chief Building Inspector, presented an overview of the services that would be provided by the Inspections Department. Said services include, but are not limited to, providing minimum housing, electrical, heating, plumbing, and building inspections to all of the areas proposed to be annexed.

Mr. Matt McArthur of 223 Greenmont Drive posed a question regarding the term "minimum housing." In response, Mr. Trotter stated that buildings are built in accordance with the requirements of the North Carolina State Building Code.

Sanitation

Mr. Robert H. Kivett, Director of Operations Public Works, introduced Mr. Kermit D. Williamson, who is the Sanitation Superintendent. Mr. Kivett explained that the Sanitation Department provides residential curbside pick-up twice weekly to its citizens residing within the city's corporate limits. Automated equipment has been purchased in order to efficiently provide this service, and residents are provided with 90-gallon rollout containers at no cost. An additional 243 90-gallon rollout containers would be purchased in order to serve the annexation area.

One (1) additional automated garbage truck, one (1) additional operator in the Automated Solid Waste/Recycling Collection Section, and one (1) employee in the Junk and Refuse Collection Section would be needed in order to provide quality service to all citizens, including the proposed annexation area.

Mr. Joe Erba posed a question that, if the annexation did not occur, would the city still need to reclassify some vacant positions? Mr. Kivett responded by stating that the city is currently revamping the sanitation routes, and that the additional personnel would be needed regardless of whether or not the Dave's Mountain area is annexed.

Street Maintenance

Mr. Kivett introduced Mr. David Hutchins, Street Maintenance Superintendent, after which he explained the practical aspects of the Street Maintenance Department. Approximately seven (7) miles of streets are within the Dave's Mountain annexation area, and these streets would become City maintained upon the effective date of annexation. Old Lexington Road and Davidson Road will remain on the North Carolina Department of Transportation's Secondary Road System.

The Street Maintenance Department oversees a scheduled system of street repairs and maintenance, while removing snow and ice from the roadways. Other services include, but are not limited to leaf collection, curb and gutter repair, storm drainage maintenance, and maintenance of streets and drainage ditches.

Mr. Kivett highlighted that the Street Maintenance Department currently has 19 full time employees and one (1) part-time employee. Four (4) additional employees are required. In order to efficiently serve the annexation area, an additional automated leaf collection truck (\$190,000) will be purchased during the 2008-2009 fiscal year.

Mr. Charles Peterson of 1989 Berkley Lane presented questions regarding curb and gutter repair. Specifically, Mr. Peterson asked if city crews could install curb and gutter. According to Mr. Kivett, the City is not currently installing new curb and gutter. Similarly, Mr. Matt McArthur of Greenmont Drive was concerned with the payments for the installation of curb and gutter. Mr. Neely clarified that the Asheboro Zoning Ordinance requires that new curb and gutter be installed within subdivisions, specifically newly developed subdivisions. Businesses may choose to improve their property by installing curb and gutter, but the zoning ordinance does not require them to do so.

Additionally, Mr. Peterson posed a question asking if the city would collect the leaves. In response, Mr. Kivett stated that the city has an automated leaf truck in order to pick up leaves gathered in the rights-of-way along the streets.

Dr. Mary Johnson of 1073 Woodside Place presented concerns in regards to the currently poor road conditions within the annexation area and asked whether or not the city would bring said roads up to the state's specifications. In response to Dr. Johnson's question, Mr. Kivett briefly stated that the city repairs streets based on the individual condition of the street. That is, the street needing the most repairs would be repaired first.

Ms. Katrina Palmer of 1127 Greenmont Drive asked if the streets within the annexation area would be repaved as promised by city officials during a previously held public workshop, while Mr. Chris Griffin of 1943 Berkley Lane posed questions concerning the cost of repaving said streets.

Mr. Bunker explained that the city would repave the streets on a case by case basis, depending on the street's condition. He further explained that the city is required to use its Powell Bill allocations for the maintenance and repair of city streets.

Mr. Ed Hyder of 918 Greenmont Drive posed certain questions in regards to the cost per mile for repaving the streets within the annexation area and felt that this cost should be included in the engineering report. Likewise, Ms. Mary Dunn of 964 Viewmont Drive asked if the Powell Bill allocations were guaranteed to be used for the repair of the streets within the Dave's Mountain neighborhood. Mr. Bunker stated that said allocations were designated for the repair of all city-maintained streets.

Mr. Charles Peterson was concerned that the heavy equipment that would be used for the installation of sewer lines would damage the streets. Mr. Kivett stated that approximately \$0.5 million was already budgeted for street repair if damaged while installing city sewer lines.

Mr. Bill Flannery asked if the city would pick up leaves and other debris from the residences. Mr. Kivett advised Mr. Flannery that the city would not charge to pick up the leaves. After the city has picked up two (2) scoops of limb and brush debris, there will be a charge for each additional scoop of yard waste. The current charge is \$12.00 for each additional scoop.

Dr. Mary Johnson posed certain questions involving the original development of the streets and who currently owns them. Mr. Bunker stated that the streets were originally built by a developer. The city nor the state developed them. The streets must meet certain density requirements in order for the state to maintain them. The roads are public rights of ways, and no particular entity owns them.

Throughout discussion with Ms. Mary Dunn, Mr. Ogburn stated that upon annexation, the city would make basic repairs to the streets within the Dave's Mountain area. Once the sewer project is complete, streets would be resurfaced as needed. Likewise, Mr. Robert Phillips asked if the streets were to be brought to state standards within two years of the annexation. Mayor Jarrell stated that only the infrastructure must be in place within the two years of the annexation, while Mr. Ogburn restated that basic repairs would be made to the streets, and that the streets needing the most repairs would be a priority.

Dr. Bob Darwin of 2321 Berkley Lane asked about the criteria in deciding if the streets needed to be patched as opposed to being repaved once the sewer lines are in place. Mr. Kivett stated that the city assesses the streets according to ride-ability, potholes, cuts, etc. in deciding which streets to resurface. The city reviews the streets and puts together a list of streets for resurfacing.

Mr. Joe Erba asked if the Powell Bill allocations would be increased by less than \$29,000.00 per year with the addition of the approximately 243 people after the annexation. The streets and population of the annexation area will be factored into the established Powell Bill formula after the effective date of the annexation.

Streetlights

Mr. Kivett explained that the city would provide and maintain the streetlights within the Dave's Mountain annexation area. The average cost of existing and proposed streetlights is approximately \$11.79 per month each. The city would work with Progress Energy in order to provide the same level of street lighting services as currently provided within the city.

Mr. Charles Peterson posed questions in regards to the intervals between streetlights. Mr. Bunker explained that streetlights would most likely be installed between two hundred (200) and four hundred (400) feet depending on where the intersections of the streets were and the length of the streets.

Mr. Cliff Cremeans of 832 Viewmont Drive asked for clarification as of the date in which the streetlights would be installed. Mr. Ogburn explained that the city, if the annexation ordinance is approved by Council, would work with Progress Energy and intend to have the streetlights installed and available on the effective date of annexation, which is June 30, 2009.

Dr. Bob Darwin posed questions in regards to the actual design of the streetlights. Mr. Ogburn explained that the city would work with Progress Energy in order to match the existing type of fixture or something comparable.

City Water Service

Mr. Michael Rhoney, Director of Water Resources, introduced Mr. Mark Dawalt, Superintendent of the Water/Wastewater Maintenance Department. Mr. Rhoney explained that a water line extension is proposed for Hickory Lane. Upon the date of annexation, city water customers within the annexation area shall receive the same rates as provided to other city residents.

Certain citizens posed questions in regards to the potential 5% water rate increase. Mr. Ogburn explained that the water rate increase, if any, would apply to all of the city's water customers.

Ms. Katrina Palmer of 1127 Greenmont questioned when the water rates would change from the higher outside rate to the rate charged to customers within the corporate limits. Mr. Ogburn stated that the water rates for residents within the annexation area would decrease upon the effective date of annexation, June 30, 2009.

City Water Maintenance

Mr. Rhoney explained that the city's Water Maintenance Department was responsible for the maintenance of the city's water distribution system and to insure an uninterrupted flow of clean safe water to residential, commercial, and industrial users. Additionally, the department is responsible for upgrading, replacing and extending water lines, while raising and replacing valve boxes and fire hydrants as needed. Installation of water taps to serve new customers is another function of this department.

Mr. Chad Easter, Project Engineer with The Wooten Company, recognized Mr. Dan Boone, Department Head of Civil Engineering with The Wooten Company and explained that the proposed water line extension for Hickory Lane would include approximately 425 linear feet of 6-inch diameter main with one fire hydrant. This water line would serve five (5) properties. The estimated construction cost for this extension is approximately \$22,625.00.

City Sewer Service

Mr. Rhoney explained that the proposed annexation area would require the installation of approximately 52,169 feet of sanitary sewer lines (gravity flow), 12,462 feet of sanitary sewer force main and 4,441 feet of sanitary sewer low pressure lines, along with two (2) new sewer pump stations. The project is estimated to be complete on or about April 15, 2010.

Mr. Chad Easter further explained that in order to provide sanitary sewer service to the annexation area, a combination of gravity and low-pressure lines along with two (2) new pump stations and the upgrade of an existing pump station would be utilized. This expansion of the sanitary sewer collection system includes approximately 12,460 linear feet of four (4) and eight (8) inch force mains; 14,380 linear feet of eight (8), ten (10) and twelve (12) inch interceptors; 37,785 linear feet of 8-inch collector sewers; and 4,440 linear feet of low-pressure sewers. Upon completion, these facilities will provide sanitary sewer service to 246 currently developed properties within the annexation area. The estimated construction cost for the expansion is approximately \$5,651,738.00. The estimated construction cost for both, the water and sewer service improvements to serve the area, is approximately \$5,674,363.00.

Mr. Matt McArthur asked if the work would be value engineered down to the number provided by The Wooten Company if the bids were to come in at approximately \$12,000,000.00. Mr. Easter explained that value engineering would be taken into consideration, and that the City of Asheboro, as the owner, would make that determination.

Mr. Joe Erba posed questions in regards to the types of sewer lines chosen and asked for an explanation as to why the low-pressure lines were selected. Mr. Ogburn stated that the low-pressure lines were selected because homeowners requested that sewer lines not be in their back yards. Mr. Bill Flannery asked how many homes would have to pump? Mr. Easter did not have a definite number.

Mr. Ed Hyder posed certain questions in regards to the low-pressure lines in comparison with the gravity flow lines. Ms. Mary Dunn asked about the type of material would be used for the low pressure main. Mr. Easter explained that PVC material would be used. Additionally, Ms. Dunn asked what would happen with the sewer pumps if the area experienced electrical problems. Mr. Trotter and Mr. Bunker noted that homeowners would have to deal with electrical outages in the same manner as homes that already use pumps. The city's pump stations do have back up power sources.

Mr. Ed Hyder posed a question in regards to the possible overflow of the proposed pump station to be located on Mountain Valley Drive. Mr. Bunker explained that there would be a holding tank below the station and the city would be notified before the pump station actually overflowed.

Mr. Hall of Gum Tree Road (the individual's full name and address were inaudible) posed general questions in regards to gravity flow sewer lines.

Ms. Gloria McClanahan of 1847 Back Creek Court expressed confusion about the issue of using her septic tank if the electricity failed. Mr. Easter explained that she might use her septic tank as a back up system. Additionally, Ms. McClanahan had questions in regards to the total project cost opinion as originally stated on page 14 of the engineering report prepared by The Wooten Company.

Dr. Bob Darwin, asked who would make the decision as to whether the homeowners would be able to use their septic tanks in lieu of connecting to the municipal sewer system if a pumping system would be need to connect to the municipal system. He also asked if once a decision was

made, would the city issue a document stating the decision in writing. Would the decision be permanent? Mr. Bunker explained that the Code of Ordinances addresses the issue in that if one is not able to get a gravity flow, he or she is not required to hook onto the city sewer system, unless the septic tank fails as determined by the Randolph County Health Department. Furthermore, a private plumber would determine whether or not sewer could be pumped to the street.

Mr. Charles Peterson posed certain questions in regards to the depth of the sewer line. Reference has to be made to the engineering report for the depth of the line(s) at specific points.

Dr. Mary Johnson asked if there would be any tax rate reductions for homes that would not be required to hook onto city sewer. Mr. Rhoney explained that if a home were not on the city sewer system, then there would be no utility charge for the sewer service.

Ms. Gloria McClanahan pointed out a mathematical error on page twelve (12) of the engineering report prepared by The Wooten Company and asked if the total project cost had changed. Mr. Bunker explained that there was an error in the breakdown of the numbers, but that the actual total cost was correct and that it had not changed.

Ms. Jane Darwin posed a question in regards to the maps and asked for an explanation of what "contract 1," "contract 2," and "contract 3" refers to. Mr. Easter explained that these numbers refer to a division of the project. Additionally, Ms. Darwin asked about the ordinance changing as the city council evolves. Mr. Bunker explained that one council couldn't guarantee what a future council might do.

Mr. Charles Peterson asked certain questions in regards to who would be responsible for any damages while the sewer lines are being installed, the city or the contractor. Mr. Easter addressed the question by explaining that the contractor would be responsible during the construction phase. Mr. Bunker further explained that the contractor is required to have general liability insurance with limits in excess of \$1,000,000.00 along with blasting insurance. Mr. Sugg explained that each case would be evaluated in order to determine the liability.

Mr. Danny Storie of 727 Viewmont Drive asked if the people did not want city services, would they still have to pay city taxes. Mr. Ogburn explained that if the Council approves the annexation ordinance for the Dave's Mountain area, the residents within the area must pay the city taxes.

Dr. Mary Johnson asked if the Council would be willing to hold another public hearing and more public discussions in order to discuss the annexation. Mr. Sugg explained that the North Carolina General Statutes set out a specific procedure for an informational meeting and a public hearing that the city was following. Additionally, Mayor Jarrell expressed that the Council held additional public meetings at the beginning of the annexation process.

Dr. Bob Darwin posed certain questions in regards to assessments. Mr. Sugg explained that the annexation report does not call for assessments. Additionally, Mr. Darwin posed questions in regards to the taxation of the property once it is annexed. Mr. Sugg explained that the property would be subject to taxation the first full month after the effective date of annexation. The effective date of annexation would be June 30, 2009, and the property would be subject to taxation for fiscal year 2009-2010.

Ms. Andrea Ashburn of 1715 Harper Road raised the issue of what information has been maintained in terms of petitions for and against the proposed annexation. This sort of data was not addressed in the report and was unavailable.

Mr. Bill Palmer of 1127 Greenmont Drive questioned Mr. John Grey's involvement in the annexation process due to the engineer's involvement with the city's strategic planning process.

Mr. Cliff Cremeans of 832 Viewmont Drive asked if any bids were sought for the engineering services. Mr. Bunker explained that the North Carolina General Statutes do not treat engineering services in the same manner as construction services. The Council may list the qualifications procedure and select the engineer, or the Council may waive the qualifications procedure and select the engineer of choice. In this case, the Council waived the qualifications procedure and selected The Wooten Company for the reasons stated by the Council in its resolution exempting this project from the advertisement, qualification based procedure specified in G.S. 143-64.32.

Mr. Cliff Cremeans further questioned Mr. John Grey's involvement in the city's strategic plan and the annexation task force. Mr. Ogburn explained that Mr. Grey was not a member of the steering committee. The steering committee chose four areas of focus, annexation, growth and infrastructure; economic development; quality of life; and the North Carolina zoo. Under these areas, task forces were established with subject matter experts and other members. Mr. Grey was a co-chair of the annexation, growth and infrastructure task force.

Additionally, Mr. Cliff Cremeans asked if the projected revenue and expenditure analysis report would be revised if the estimate of approximately \$8,000,000.00 to \$9,000,000.00 is wrong. Mr. Crisco responded by explaining that any bid for a contract that comes in would be based on further analysis and must come before the Council for approval.

Mr. Bill Palmer and Mr. Joe Erba raised the question of ethics pertaining to The Wooten Company. Additionally, Mr. Erba questioned the Council's financial perspective in regards to the projected pay back period.

Mr. Peterson made general inquiries into the contracting procedures used by the city for public construction contracts.

City Wastewater Maintenance

Mr. Rhoney explained that the wastewater maintenance department's responsibility is to perform preventative maintenance to all sewer mains and laterals within the system and to repair breaks or blocked sewers. Additionally, the department is responsible for installing sewer taps to serve new customers.

Mr. Jeff Cox and Mr. Matt McArthur asked about the percentage of low-pressure systems currently within the city. Mr. Easter explained that the low-pressure systems proposed in this project are permitted by North Carolina.

Ms. Mary Dunn questioned the change from the original plan and its reliance on gravity flow lines rather than low-pressure lines to provide municipal sanitary sewer service.

Police Protection Service

Chief Mason explained that the police department provides law enforcement services 24 hours per day ranging from investigative services to patrol of residential and commercial properties. The department performs a variety of services ranging from traffic control to crime investigation and uses modern police equipment to discharge its duties. The Police Department's staff currently consists of 76 sworn officers, 2 desk officers, 2 secretaries, 1 animal control officer, 1 evidence/property control officer, with a total of 82 full time employees. Additionally, the department is augmented by a reserve consisting of 2 unpaid officers. The department has 64 marked patrol units and 28 unmarked units. The Police Department headquarters is located at 205 East Academy Street.

In the area proposed for annexation, there are 243 dwelling units. The additional residents living within the proposed annexation area should not cause significant changes in current police operations, and the department would be able to provide police protection and services in the annexation area on substantially the same basis and in substantially the same manner as currently provided within the city.

Mr. Jeff Cox asked if he would still be able to practice shooting his firearm in his backyard if his property were annexed. Chief Mason responded to his question by saying no.

Mr. Charles Peterson posed certain questions in regards to how often the police would patrol the Dave's Mountain area. Chief Mason explained that the police department currently has nine (9) people assigned to a shift, including a sergeant and a lieutenant and seven (7) patrol officers, with two (2) patrol officers assigned to the west side of Asheboro.

Mr. Ed Hyder questioned the ratio of officers to citizens. Chief Mason explained that the ratio would be approximately 1 officer per 309 citizens, with the annexation. Currently, the ratio is approximately 1 officer per 301 citizens.

Mr. Cliff Cremeans questioned the response time of the Police Department to the Dave's Mountain area. Chief Mason did not see any change in the department's response time with the additional patrol area.

Mr. Robert Phillips questioned whether there would be any difference between the services provided by the Sheriff's Office as opposed to the services that would be provided by the Police Department.

Fire Protection Service

Chief Smith explained that fire protection for the City of Asheboro is provided continuously 24 hours per day. The department performs a variety of services ranging from fire suppression to fire investigation. The department not only provides modern fire fighting service, but other programs and services aimed at reducing the effects of various types of emergencies. A first responder program is provided to citizens at the time of illness or injury. Additionally, the fire department responds to incidents involving hazardous materials. The fire department provides the residents of Asheboro with a high level of fire protection and fire suppression services concurrent with the recommended requirements of the Insurance Service Office of North

Carolina, having a fire rating of class four (IV). The average turn out time is less than 45 seconds, while the average response time is less than four minutes.

Effective normal fire protection service for the proposed area can be provided from Asheboro's Station #1, which is located on South Church Street, and Station #2, which is located on North Fayetteville Street. The fire department currently has 50 full time employees. Additionally, Chief Smith presented a list of vehicles that are currently in operation by the department.

Chief Smith further explained that no additional fire protection personnel are planned at this time, but the department will purchase one (1) heavy-duty custom chassis pumper during the fiscal year 2007-2008, which would be available to serve the annexation area.

As required by the North Carolina General Statutes 160A-47(4), on January 28, 2008, the City of Asheboro notified the West Side Volunteer Fire Department, which currently serves the proposed annexation area, of the intent to annex portions of its district. The notification included a request for information and a three-part impact statement in order for the City of Asheboro to prepare a statement of impact as required by the North Carolina General Statutes. Said statement of impact will be prepared as an addendum to the report of plans for services.

The Asheboro Fire Department would be able to provide the same services in the annexation area on substantially the same basis and in substantially the same manner as currently provided within the city.

Ms. Andrea Ashburn posed a question in regards to the city's preparedness, in terms of equipment, to fight a brush fire or other types of fires within the Dave's Mountain area.. Chief Smith explained that Westside Volunteer Fire Department and the Asheboro Fire Department work together in order to provide the equipment needed to efficiently fight the fire.

Mr. Cliff Cremeans was concerned about the city's ability to respond to a significant fire such as the fire at Back Creek Mountain in years past. Chief Smith explained that all fire departments within the county participate in the countywide mutual aid system. Furthermore, if needed Chief Smith explained that the statewide mutual aid system would be called upon.

Mr. Charles Peterson inquired as to which Fire Department would respond to a fire on Heather Glen, since this area is not proposed for annexation. Chief Smith explained that the city's fire department would most likely be the first to respond in that both stations are in close proximity with the area. Furthermore, the city's fire fighters are at the station 24 hours per day as opposed to a volunteer fire department.

Ms. Nancy Avery of 2551 Northmont Drive requested that the Council approve additional personnel for the police and fire departments.

Parks and Recreation

Mr. Foster Hughes, Director of Parks and Recreation, explained the services provided by the Parks and Recreation Department. The department maintains numerous recreation facilities, including but not limited to, eleven (11) lighted tennis courts, seven (7) lighted baseball/softball fields, two (2) swimming pools, lighted basketball courts, a skate park, the Downtown Farmers' Market, the Sunset Theatre, Bicentennial Park, a nine (9) hole golf course, and two (2) municipal lakes, which are available for boating and fishing. Additionally, the department maintains Memorial Park and North Asheboro Park along with other small neighborhood parks located throughout the city.

The department offers a variety of youth programs along with cultural arts and special event programming for everyone. Upon annexation, residents will receive the same service as current city residents and will be able to access city facilities and programs at the municipal rate and receive a city recreation card.

There were no questions from the public regarding the services provided by the Parks and Recreation Department.

Planning

Mr. Reynolds Neely, Planning Director, explained that the proposed annexation area is currently within the city's extraterritorial planning jurisdiction and would not be affected relative to planning, zoning, subdivision control and building inspection by the proposed annexation.

Mr. Ed Hyder posed certain questions in regards to the preparation of the annexation maps. Mr. Bunker explained that the annexation maps were prepared in accordance with the requirements as provided by the North Carolina General Statutes.

Other Municipal Services

Mr. Neely explained that all other municipal services and all other municipal rights and privileges would become available to the area immediately upon annexation. Additionally, Mr. Neely

summarized the general schedule in which the municipal services would be provided to the proposed annexation area. Services including, fire protection, police protection, inspections, garbage and refuse collections, planning, street maintenance, street lights, and all other municipal services, rights and privileges would be available to the area on the date of annexation. Sewer service and water line extensions would be provided within two (2) years of the date of annexation.

Ms. Mary Ann Owens of Mountain Lake Road posed certain questions as to whether Mountain Lake would become a municipal lake. Mr. Ogburn stated that there were no current plans to make Mountain Lake a municipal lake.

Statement of Method of Financing Extension of Services

Ms. Debbie Juberg, Finance Director, explained that the following method was used to estimate revenues within the annexation area:

1. Ad Valorem taxes were estimated by using the Randolph County Tax Map and property tax print outs to estimate the total valuation of the annexation area. Vehicle taxes were estimated by using the Randolph County Tax Department average vehicle value of \$7,400.00. Ad valorem taxes and vehicle tax revenues were then estimated by applying the current tax rate \$0.55 per \$100.00 valuation.
2. Sales tax revenues were estimated according to a per capita based upon the most recent distribution. Using current revenues as a base, a 2007 per capita of \$30.79 was projected. Sales tax revenues are based on population. The annexation would result in additional revenue from this source.
3. Utilities Franchise tax is estimated according to a per capita based upon a projected budgeted amount.
4. Powell Bill allocation is money distributed from gas tax revenues collected by the State of North Carolina. They are distributed based on the population within the area and the mileage of area streets maintained by the City of Asheboro. The distribution is \$1,886.91 per mile and \$25.12 per person. The Dave's Mountain area Powell Bill eligible street mileage is 7.37 miles. The estimated area population is 583 people.
5. Currently, the rate for customers on water service outside the city limits is 2.5 times that of the rate for customers residing within the city limits. There will be a decrease in revenue from water sales resulting from the reduction in the rate charged to residents in the Dave's Mountain area. The decrease in revenue has been determined by recalculating 12 months billings for each household at inside rates and subtracting it from the actual amount billed to each residence.

Ms. Juberg further explained that the extension of sewer services would be funded through a combination of fund balance allocation, financing through the NCDENR Construction Grants and Loan program and commercial financing. Financing is calculated over a period of twenty (20) years. The required new equipment and/or personnel as needed in the sanitation and street departments to service the annexed areas would be absorbed into the operating budgets for fiscal years 2007-2008 and 2008-2009, assuming an annexation date of June 30, 2009.

Additionally, Ms. Juberg presented the projected revenue/expenditure analysis for the City of Asheboro for approximately five (5) years.

Mr. Joe Erba asked if there was an official payback analysis for a five (5) year period. Ms. Juberg explained that the city's debt is expected to be paid within twenty (20) years based on the projected cost in The Wooten Company's analysis. Ms. Juberg further explained that ongoing costs relating to the maintenance of water and sewer systems beyond the cost of the project itself would be considered in the same manner as the cost of all of the city services; these will be considered in the annual operating budget.

Mr. Neal Griffin expressed his concerns about the premises upon which the city based its financial analysis. Ms. Juberg explained that the analysis prepared by the city's finance office conformed with generally accepted standards utilized by local governments.

Mr. Cliff Cremeans posed a question in regards to city personnel, specifically, the four vacant positions. Ms. Juberg explained that the four positions are ones that were budgeted but were never filled.

Mr. Charles Peterson asked if the analysis used for this annexation is the same that would be used in other annexations. Ms. Juberg explained that all annexations are different, and a separate analysis would be used for another annexation.

Statement of the Impact of Annexation on Rural Fire Department and Insurance Rates

Pursuant to the North Carolina General Statutes 160A-47(4), Chief Smith presented the statement of impact of annexation on fire protection in the area to be annexed in regards to the Westside Volunteer Fire and Rescue Department, which currently serves the Dave's Mountain area, and the Asheboro Fire Department, which would serve the area upon the date of annexation.

Additionally, Chief Smith presented the statement of impact on fire insurance rates in the area to be annexed. According to the North Carolina Department of Insurance, the current fire insurance classification of the Westside Volunteer Fire and Rescue Department is 7, while the current fire insurance classification of the Asheboro Fire Department is 4. Chief Smith presented a comparison of how the department's insurance classification affects one's homeowner's coverage rates.

Mr. Matt McArthur was concerned that there would be an issue with the fire trucks, in regards to size, making turns in the cul-de-sacs located within the proposed annexation area. Chief Smith indicated that he was not familiar with the size of the cul-de-sacs within the area, but felt that there would be no trouble.

Impact of Annexation on Private Solid Waste Collection Firm(s)

Mr. Ogburn indicated that no private firm had filed notice of its provision of solid waste collection service within the City of Asheboro or within five (5) miles thereof.

Additionally, Mr. Ogburn indicated that a statement of impact had been sent to Randolph County as required by the North Carolina General Statutes.

Ms. Katrina Palmer asked if the private garbage collectors would be compensated. Mr. Sugg explained that that no private firm had notified the city, and that upon the date of annexation, city garbage collection would be provided to the annexation area. Any timely request for compensation would be evaluated in accordance with the North Carolina General Statutes.

Audio tapes of the entirety of this special meeting are on file in the City Clerk's office.

There being no further business, the meeting was adjourned at 11:10 p.m.

s/ Holly H. Doerr
Holly H. Doerr, City Clerk

s/ David H. Smith
David H. Smith, Mayor Pro Tempore