



Agenda

Board of Commissioners Work Session

7:00 PM August 28, 2023

Board Meeting Room, Town Hall Annex, 105 E. Corbin St.

This meeting will be live streamed on the [Town of Hillsborough YouTube channel](#)

1. Public charge

The Hillsborough Board of Commissioners pledges to the community of Hillsborough its respect. The board asks community members to conduct themselves in a respectful, courteous manner with the board and with fellow community members. At any time should any member of the board or attendee fail to observe this public charge, the mayor or the mayor's designee will ask the offending person to leave the meeting until that individual regains personal control. Should decorum fail to be restored, the mayor or mayor's designee will recess the meeting until such time that a genuine commitment to the public charge is observed.

2. Opening of the work session

3. Agenda changes and approval

4. Items for decision - consent agenda

- [A.](#) Miscellaneous budget amendments and transfers
- [B.](#) Special Event Permit: Historic Hillsborough Half Marathon and 5K

5. Board of Commissioners and Water and Sewer Advisory Committee joint meeting

- [A.](#) System Development Fee Analysis Presentation
- [B.](#) Water and Sewer Advisory Committee recommendations for utility rate structure and cross connection code changes

6. Committee updates and reports

7. Adjournment

Interpreter services or special sound equipment for compliance with the Americans with Disabilities Act is available on request. If you are disabled and need assistance with reasonable accommodations, call the Town Clerk's Office at 919-296-9443 a minimum of one business day in advance of the meeting.

101 E. Orange St., PO Box 429, Hillsborough, NC 27278
919-732-1270 | www.hillsboroughnc.gov | @HillsboroughGov



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Aug. 28, 2023
Department: Administration
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Emily Bradford, Budget Director

ITEM TO BE CONSIDERED

Subject: Miscellaneous budget amendments and transfers

Attachments:

Budget Changes Report

Summary:

To adjust budget revenues and expenditures, where needed, due to changes that have occurred since budget adoption.

Financial impacts:

As indicated by each amendment.

Staff recommendation and comments:

To approve the attached list of budget amendments and transfers.

Action requested:

Consider approving budget amendments and transfers.

FY 2023-2024

TOWN OF HILLSBOROUGH
BUDGET CHANGES REPORT

DATES: 08/28/2023 TO 08/28/2023

<u>REFERENCE</u>	<u>CHANGE NUMBER</u>	<u>DATE</u>	<u>USER</u>	<u>ORIGINAL BUDGET</u>	<u>BUDGET CHANGE</u>	<u>AMENDED BUDGET</u>
GF 10-00-9990-5300-000 CONTINGENCY						
Contingency For design graphic on new garbage truck.	41141	08/28/2023	JFernandez	450,000.00	-1,275.00	263,081.00
Solid 10-30-5800-5300-330 SUPPLIES - DEPARTMENTAL						
Waste For design graphic on new garbage truck.	41140	08/28/2023	JFernandez	2,500.00	1,275.00	3,775.00
Storm- 35-30-5900-5300-570 MISCELLANEOUS						
water To cover tractor and trailer attachment.	41143	08/28/2023	JFernandez	26,374.00	-1,000.00	25,374.00
Storm- 35-30-5900-5700-741 CAPITAL - EQUIPMENT						
water To cover tractor and trailer attachment.	41142	08/28/2023	JFernandez	75,000.00	1,000.00	76,000.00
					<u>0.00</u>	



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Aug. 28, 2023
Department: Planning and Economic Development
Agenda Section: Consent
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Planning and Economic Manager Shannan Campbell

ITEM TO BE CONSIDERED

Subject: Special Event Permit: Historic Hillsborough Half Marathon and 5K

Attachments:

1. Historic Hillsborough Half Marathon and 5K special event application
2. Field layout for River Park
3. Route Layouts and road closure information

Summary:

Approximately 800 runners are expected to participate in this fundraiser event. The event will have one route with Churton Street, Eno Mountain Road and Orange Grove Road closures.

Financial impacts:

Low. Sponsorship is being requested for town services; department-level costs are associated with HPD.

Staff recommendation and comments:

Staff is currently working with NCDOT for road closure approvals.

Action requested:

Approve, approve with conditions, or deny the permit.



TOWN OF
HILLSBOROUGH

SPECIAL EVENT PERMIT APPLICATION

Please review the Event Policy Ordinance, Chapter 7 of the Town Code, to determine if your event requires a Special Event Permit. **The Permit Application must be received 60 days in advance of the event.**

Name of Event: Historic Hillsborough Half Marathon and 5K

Event Location Address: Start/Finish: Eno River Farmers Market Pavilion

Date(s) of event: 01OCT2023

Event Set Up Time: 5.00AM Event Hours: 7-11AM Event Break Down: 1.00PM

Date(s) of event: _____

Event Set Up Time: _____ Event Hours: _____ Event Break Down: _____

EVENT ORGANIZER & CONTACT INFORMATION

Name of Organization/Company: Hillsborough Running Club

Organization/Company mailing address: PO Box 5, Hillsborough

Organization Status: Formal Informal For-profit Not-for-profit

Event Organizer Name: Martin Wileman

Event Organizer Phone: 919-536-2444 Event Organizer Email: wileman208@live.com

On-Site Contact(s) During the Day-of Event

Name: Lynda Wileman

Cell Phone: 919-450-6321

Name: Martin Wileman

Cell Phone: 919-536-2444

GENERAL EVENT INFORMATION

Type of Event:

- Private Event on Private Property
- Public Event on Public Property
- Private Event on Public Property
- Public Event on Private Property
- Street or Greenway Event (Parades, Marches, Rallies, 5Ks, Bike Races)

General Event Description (Narrative outlining event purpose and elements including food trucks, car shows, races, vendors, etc):

Road race through Hillsborough, this is the 6th time holding this event. Start and finish at the Farmers Mkt Pavilion on Margaret Lane.

Race goes around town, onto the Riverwalk, then out on Dimmocks Mill and Ben Johnson Roads then returns via Riverwalk to the Speedway

track, one loop of track then finishes at the Farmers Mkt pavilion. No change in Half marathon course from past years.

No change in 5K course from 2022

Estimated total number of people that will attend the event: 700

Estimated peak time(s) of attendance: 7AM, 10AM

Maximum capacity of event location (number of persons, if applicable): 800

If the event is annual, the estimated attendance of the last event of this kind: 800

GENERAL EVENT QUESTIONNAIRE

Will tickets be sold or admission/fees be charged as part of the event? YES NO

Will there be alcohol sold or provided as a part of this event? YES NO

If yes, please indicate the vendor(s) and/or ABC permit holder(s) responsible for the alcohol sales/distribution and attach a copy of the ABC permit(s) for each vendor :TBD alcohol not for sale. Free drink with entry.

Please note: Alcohol may only be sold by vendors with an off-premise permit or by event organizers with a special one-time ABC sales permit. Alcohol sales may be subject to the prepared food & beverage tax.

Will vendors be on-site selling goods/crafts/wares during the event? YES NO

Will vendors be on-site selling food/beverages during the event? YES NO

Please note: All vendors without a physical location in town and/or food trucks that do not have Town of Hillsborough Food Truck Permits that are selling prepared food/beverage will need to [prepay the Food & Beverage Tax](#) with the Finance Department. Please list the name(s) of the food/beverage vendors:

Will you be soliciting donations as part of the event? YES NO

If yes, for what cause or organization? Local Schools/Charities Middle/High Schools, Kiwanis, Speedway Group, Eno State Park _____

Will you bring additional equipment, stages, microphones, amplification, etc? YES NO

Please Explain: Timing equipment, Music, lights, barriers/tables, tents

Will any items be left at the event site overnight? YES NO

Please Explain: barriers/cones likely to be left in UHaul Truck

Will signs or banners be displayed on site or around Town? YES NO

*Please note: [Special event signage](#) must be applied for and permitted separately **BEFORE** signage is placed around town.*

Will tents be erected for the event? YES NO

If yes, how many and what size? 5-10 (all 10x10 tents)

Please note: Tents may require a permit and inspection by the Orange County Fire Marshal's office depending on size and number. Tents should be shown with location and dimensions on event map/layout.

Will you provide (portable) restroom facilities?

YES NO

Please note: Restroom facilities are required to be provided by Special Event organizers depending on attendance numbers and duration. Local Business, Town, and County facility restrooms may compliment, but not become a substitute for, providing adequate restrooms for the event.

Will you provide (portable) handwashing facilities?

YES NO

Please note: Handwashing facilities are required for events that include on site food preparation and/or sales without direct or immediate sink access.

Will the event require any street closures or change in traffic flow?

YES NO

Will the event require additional trash and recycling facilities?

YES NO

Will you request that the Town Board sponsor specific services in conjunction with this event (i.e. Police Coverage, Road Closures, Traffic Control, Trash and Recycling Rollouts)?

YES

Please note: Events requesting Town Sponsorship of events must apply at least 90 days in advance of the event to be considered. Event organizers who are able should make every necessary attempt to provide and pay for services at their events as the Town has limited staff and resources to cover the costs of event services.

EVENT MAP/LAYOUT REQUIREMENTS

With this application, you must attach a map of the area where the event is to take place and indicate the following:

- Traffic flow; including any streets requested to be closed or obstructed (locations of barriers and officers will be determined by Law Enforcement).
- If the event includes a parade, greenway closure, etc. then the route of the event should be clearly shown.
- Parking areas where event attendees will be directed that are adequate for event attendance. Please note: The Eno River deck has only 400 parking spaces.
- Pedestrian access and flow.
- The location of any concession stand, food truck(s), booth, or other temporary structures, tents, stages or facilities; and the location of proposed fences, stands, platforms, benches, or bleachers.
- The location of restroom and/or handwashing facilities.

A street map and a map of Gold Park are available on the Town's website. Google Maps is also an excellent resource and can be easily marked up. Contact Staff if you need assistance with providing an event layout or route map.

EVENT LIABILITY INSURANCE

Event organizers and/or property owners need to insure themselves from liability in case an event attendee injures themselves during the course of the event. Events occurring on Public Property (Town or County) are required to carry event liability insurance with the Public Property owner listed as 'additionally insured'.

Copy of event liability Certificate of Insurance is attached: YES NO

Name of insurance company providing liability coverage for the event:

Will be Road Runners Club of America, provided one month prior to the event

Contact information for broker/agent providing coverage:

EVENT PROPERTY USE PERMISSION

If the event will be located on property that is not owned/managed by the event organizer then the property owner must indicate consent for the use of their property below:

_____	_____
Name of Property Owner	Phone
_____	_____
Signature of Property Owner	Date

TOWN LIABILITY AGREEMENT

I, the applicant, agree to indemnify and hold harmless the Town of Hillsborough, its employees, and its agents from and against any and all liability for any injury which may be suffered in connection with this special event approval or park reservation. I also hold harmless the Town of Hillsborough, its employees, and its agents from and against any liability for any equipment or supplies lost, damaged, or stolen, that are stored or otherwise as a result of this special event.

Martin Wileman <i>Martin Wileman</i>	11-Aug-2023
_____	_____
Applicant Signature	Date

SUBMITTAL DIRECTIONS:

Please submit electronically to: Evan.Punch@hillsboroughnc.gov

Please submit via paper copy here:

Hillsborough Planning Department
ATTN: Evan Punch
P.O. Box 429
101 E. Orange Street
Hillsborough, NC 27278

FOR OFFICE USE ONLY:

Application received by: _____

Date: _____

Fee Paid: _____

Date information emailed out: _____

Permit Status

Approved YES NO Explanation: _____

Date Permit Issued: _____

Approved with any conditions: _____

By: _____

Date: _____

Town Staff Member

Forwarded to others for review/information:

OC Fire Marshal: _____

Hillsborough Police Department: _____

OC Sheriff's Department: _____

OC Fire Department: _____

Hillsborough Public Works: _____

Hillsborough Public Space Manager: _____

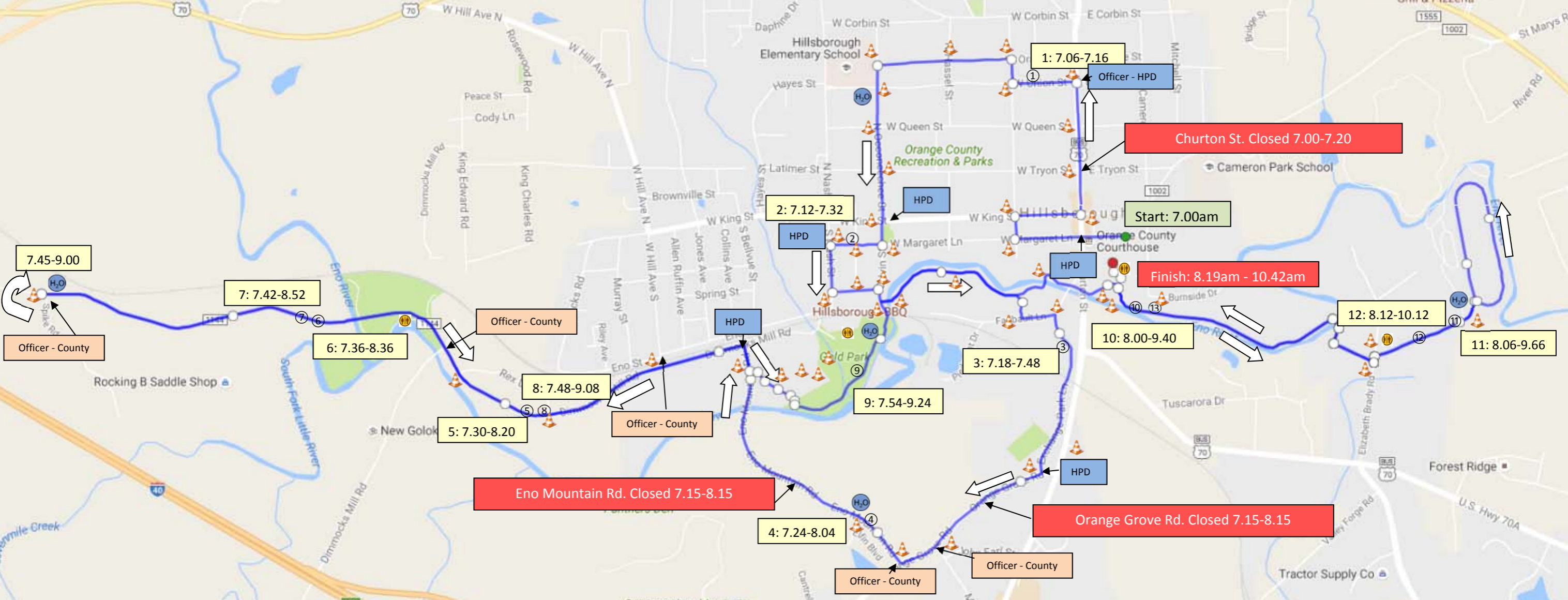
OC DEAPR (River Park): _____

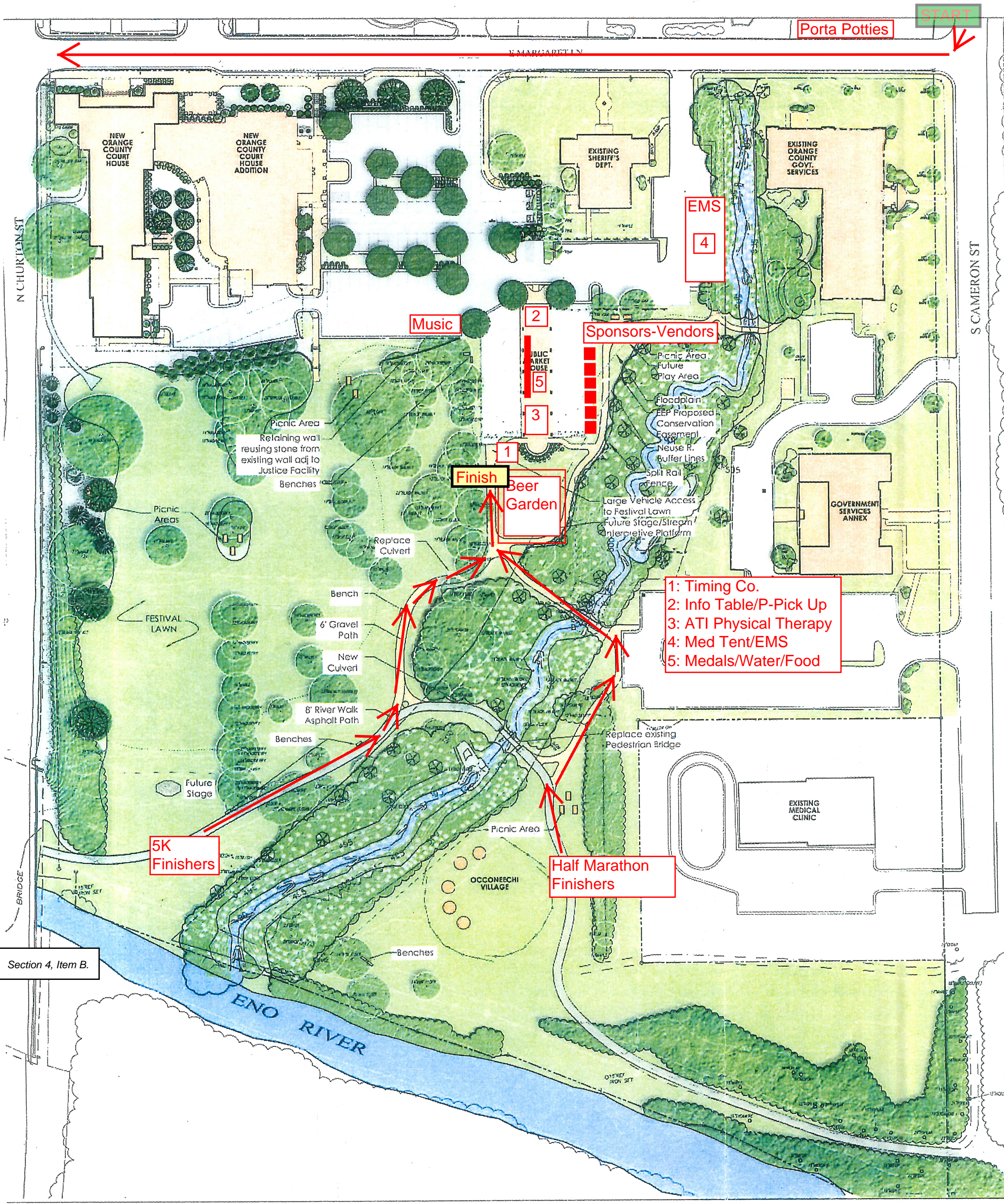
OC AMS (Visitors Center, Library, Old or New Courthouse): _____

NCDOT (DOT Road Closures): _____

Hillsborough Finance (Food & Beverage Tax 1 Day): _____

Hillsborough Public Information Office: _____





Porta Potties

START

NEW ORANGE COUNTY COURT HOUSE
NEW ORANGE COUNTY COURT HOUSE ADDITION

EXISTING SHERIFF'S DEPT.

EXISTING ORANGE COUNTY GOVT. SERVICES

EMS
4

Music

2

Sponsors-Vendors

5

3

1

Finish
Beer Garden

- 1: Timing Co.
- 2: Info Table/P-Pick Up
- 3: ATI Physical Therapy
- 4: Med Tent/EMS
- 5: Medals/Water/Food

5K
Finishers

Half Marathon
Finishers

Section 4, Item B.

ENO RIVER

N CHURCH ST

S CAMERON ST

N MARGARETT LN

BRIDGE

Future Stage

FESTIVAL LAWN

Picnic Area
Retaining wall reusing stone from existing wall adj to Justice Facility
Benches

Bench

6" Gravel Path

New Culvert

8' River Walk Asphalt Path

Benches

Picnic Area

Benches

OCCONECHI VILLAGE

Replace existing Pedestrian Bridge

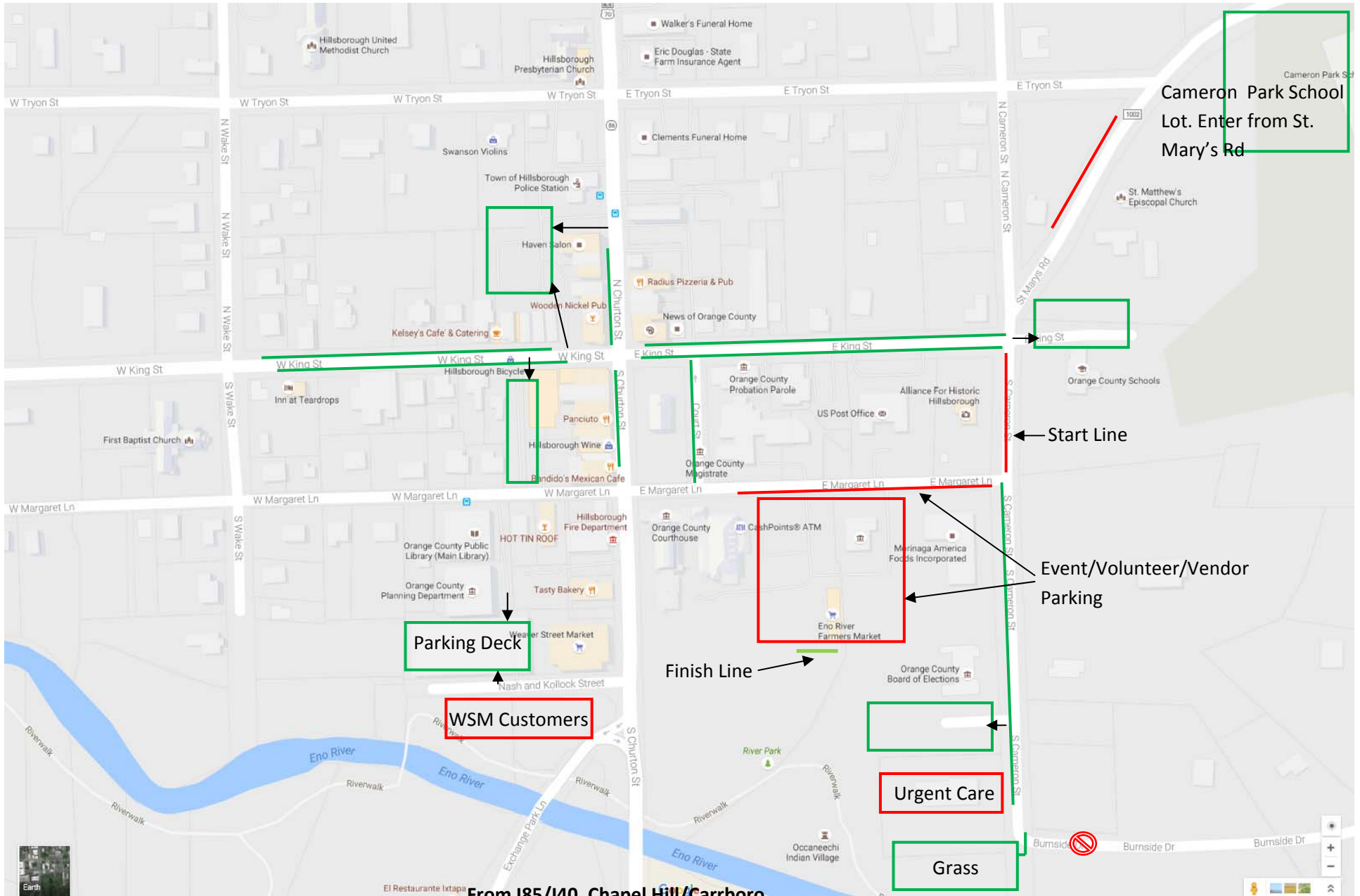
EXISTING MEDICAL CLINIC

GOVERNMENT SERVICES ANNEX

Picnic Area
Future Play Area
Floodplain
EEP Proposed Conservation Easement
Neuse R.
Buffer Lines
Split Rail Fence
Large Vehicle Access to Festival Lawn
Future Stage/Stage Interpretive Platform

Replace Culvert

From 70, 57, 86



From 185/I40, Chapel Hill/Carrboro



Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Aug. 28, 2023
Department: Utilities
Agenda Section: BOC/WSAC Joint Meeting
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Melissa Levin and/or Vanessa Waller, Raftelis Financial Consultants

ITEM TO BE CONSIDERED

Subject: System Development Fee Analysis Presentation

Attachments:

System Development Fee Analysis Presentation

Summary:

System development fees are charged to each new customer or development to offset the cost of replacing or constructing capital assets to meet demands placed on the system by each new customer or development.

In June 2017, the North Carolina General Assembly ratified House Bill 436: An Act to Provide for Uniform Authority to Implement System Development Fees for Public Water and Sewer Systems in North Carolina and to Clarify the Applicable Statute of Limitations. The bill amended Chapter 162A of the General Statutes by adding Article 8: System Development Fees.

As a requirement of the amended statute, the Town of Hillsborough has completed a system development fee analysis, retaining Raftelis Financial Consultants to complete the analysis and prepare a report. Staff participated heavily in the inputs and decision-making in the methodology utilized while relying on the experience and expertise of Raftelis. The report updates the 2018 report, also prepared by Raftelis. It incorporates planning and growth that have occurred since and adjusts the planning number and assets that may be included in the calculation. It is proposed to calculate fees going forward based on bedrooms or regulatory design standards instead of meter size as we have done in the past. This is to capture capacity demands of new growth more equitably that may not necessitate a larger meter size.

This informational agenda item is for both WSAC and the board to receive a presentation explaining how the analysis was prepared and to allow for questions to the consultant and staff about the fee recommendations.

Financial impacts:

Staff recommendation and comments:

No recommendation at this time.

Action requested:

Receive the presentation as information and ask questions as desired.

Town of Hillsborough

System Development Fee Study Overview

August 28, 2023



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Agenda

1. Description of System Development Fees (SDFs)
2. Impetus of study
3. Process to adopt fee
4. Overview of fee calculation and resulting fees
5. Questions

2

2

WHAT ARE SYSTEM DEVELOPMENT FEES?

One-time charge assessed against “**new development**” as a way to pay for “**facilities**” needed to support growth or to recoup costs for existing **facilities**.

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3

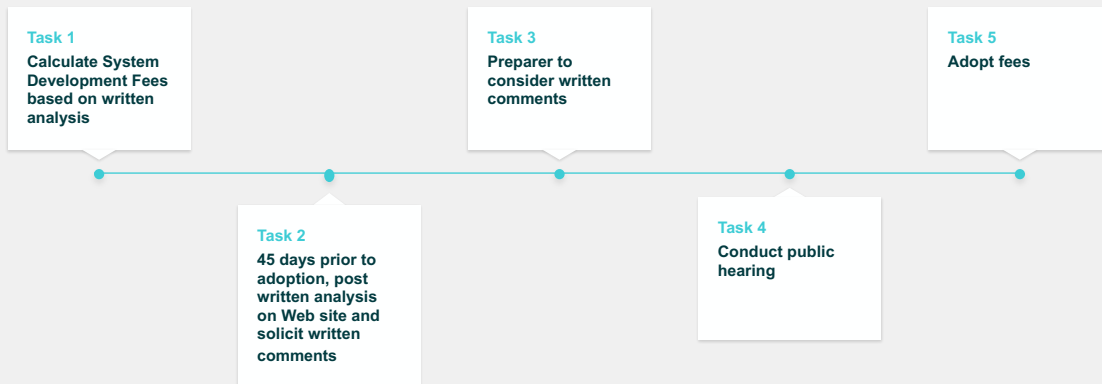
Impetus of the Study

- Ratification of House Bill 436 – “An Act to provide for uniform authority to implement system development fees for public water and sewer systems in North Carolina...”
 - › Signed into law on July 20, 2017
 - › Amended Chapter 162A, Article 8 of the General Statutes “System Development Fees”
 - › Sets forth process for establishing system development fees
 - › Requires preparation by a “financial professional or licensed professional engineer...”
 - › Requires update of the study every 5 years
- **Revisions have been made to original legislation since 2017**

4

4

Process to Adopt Fees



5

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Allowed Methodologies for Fee Calculation

1. Capacity Buy-In Approach



- › Focus on existing facilities with available capacity to serve new customers
- › Analysis based on fixed asset records

2. Incremental/Marginal Cost Approach



- › Focuses on additional facilities required to meet anticipated growth
- › Analysis based on capital improvement plan

3. Combined Approach



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Methodology Used

- **Capacity Buy-In** for both the Water System & Sewer System
 - Existing assets have enough capacity to serve new customers for both systems for the next several years



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Overview of Fee Calculation

1

Determine methodology to be used

Buy-In Approach

2

Identify cost of facilities

Use fixed asset records

3

Consider/make adjustments as necessary

Remove contributed capital, non-core assets

4

Derive system development fee per residential service unit

ERU based on NC regulations

5

Establish equivalency or conversion table for various categories of demand

Scale fee based on ERU

8

8

Steps 2-3: Cost of Facilities *(with Adjustments)*

- Start with net book value (NBV) of all fixed assets
- Escalate NBV to today's dollars based on service date
- Calculate replacement cost new less depreciation
- Remove non-core assets (meters, equipment, vehicles, etc.), contributed/grant funded capital and annexation contributions
- Remove outstanding debt principal related to core assets

Replacement Cost New Less Depreciation (RCNLD)		
Asset Category	Water	Sewer
Total Assets	\$50,399,287	\$43,002,342
Less: Contributed assets	-\$8,830,157	-\$10,331,494
Less: Debt Credit	-\$14,301,994	-\$10,712,524
Total Net Assets (RCNLD)	\$27,267,136	\$21,958,324

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COST PER UNIT (GALLON)

	Water	Sewer
Net System Value	\$27,267,136	\$21,958,324
Total Capacity (MGD)	3.00	2.259
Cost per gallon per day (GPD)	\$9.09	\$9.72

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Conversion Table – NC Administrative Code 15A NCAC 02T.0114

	Gallons per day	Water Fee	Sewer Fee	Total
Residential				
One-bedroom	120	\$1,091	\$1,166	\$2,257
Two-bedroom	240	\$2,181	\$2,333	\$4,514
Three-bedroom	260	\$3,272	\$3,499	\$6,771
Four-bedroom	480	\$4,363	\$4,666	\$9,029
Five-bedroom	600	\$5,453	\$5,832	\$11,286
Six-bedroom	720	\$6,544	\$6,999	\$13,543
Non-Residential				
General business/office facilities	25 gal/employee	\$227	\$243	\$470
Restaurant – Full Service	40 gal/seat	\$364	\$389	\$752
Store – Without Food Service	100 gal/1,000 sq. ft.	\$909	\$972	\$1,881
Hotel (without in-room cooking)	120 gal/room	\$1,091	\$1,166	\$2,257

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11



Thank you!

Contact:

Melissa Levin / 704.936.4441 / mlevin@raftelis.com

Vanessa Waller / 704.912.1363 / vwaller@raftelis.com

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Agenda Abstract

BOARD OF COMMISSIONERS

Meeting Date: Aug 28, 2023
Department: WSAC and Utilities
Agenda Section: BOC/WSAC Joint Meeting
Public hearing: No
Date of public hearing: N/A

PRESENTER/INFORMATION CONTACT

Water and Sewer Advisory Committee (WSAC) and Utilities Staff

ITEM TO BE CONSIDERED

Subject: Water and Sewer Advisory Committee recommendations for utility rate structure and cross connection code changes

Attachments:

Institutional customer usage (from February 2023 joint meeting)

Summary:

1. Evaluate Utility Rate Structure for Institutional Customer Class: For the past several years, and temporarily delayed by the pandemic, members of WSAC have been discussing in great depth the town's utility rate structure, which is currently the same for all customer classes with exception of the in-town vs. out-of-town differential. The committee has sought advice from outside experts, staff, the board, and online and written technical resources. Joint meetings with the town board were subsequently formally requested by WSAC to discuss rate structure and other key topics directly with the Board of Commissioners. Already through past WSAC recommendations and board actions, the utility rates have been adjusted gradually to reduce the minimum usage included in the base charge over the past several years which has lowered bills for low water users. Unanimously and unwavering WSAC and the board have underscored financial solvency as an absolute baseline for any rate structure option.

At the May 2022 joint WSAC/BOC meeting two ideas regarding rate restructuring were discussed – the rate differential for in-town and out-of-town and non-residential rates. Rate structure changes to address the differential were not advanced by the board but the potential for furthering non-residential rate structure revisions remained open. WSAC continued to discuss non-residential classes. At its November 2022 WSAC meeting, small business relief and tiered rate structures were discussed but no further path forward was determined. Institutional and town no-charge usage were requested from staff. Institutional customers generally include government agencies and university systems, public and community schools and churches. Account examples include the town, Orange County, UNC Hospital, Durham Tech, and the various churches around town. At the February 2023 joint meeting, the institutional (including town no-charge) usage was presented. WSAC suggested an increasing block rate analysis for the institutional class customers (i.e., higher rates as water usage increases). They voted to recommend to the board that when time, the board authorize an evaluation of the impacts of an increasing block rate structure on the institutional customer class on utility revenue. WSAC is hereby requesting that the board authorize Raftelis Financial Consultants include in its scope of services in performing various utility rate tasks for the town an analysis of a new rate structure for the institutional customer class.

2. Revise town code 14-56 regarding cross connection requirements for existing residential in-ground swimming pool owners: Cross connection (backflow prevention) code 14-56 has been established since 2008 and requires certain backflow prevention devices be installed, maintained, and tested by property owners on their private property based upon identified potential or existing types of severe or moderate hazards as identified in the code or by the authorized town backflow prevention authority if not specifically stated. Staff had been working on program compliance of severe and moderate cross connection hazards for non-residential facilities for the past several years. After such accomplishment they had moved next to identify remaining facilities with existing or potential severe hazards, which includes residential hazards as all customers connected to the system are subject to the backflow prevention ordinance. The code states that swimming pools are a severe hazard and require a Reduced Pressure Zone (RPZ) assembly be installed.

Because swimming pools require a building permit and can be searched in the county system, staff started with this hazard for its next program compliance effort. Note staff had spoken with the county back in 2022 to ensure the town was included on building permit applications for new swimming pools so it could require backflow prevention at the time of permit application (prior, the county was unaware of the ordinance so earlier swimming pool permits were not included for sign off by the town). The town gathered data and sent a compliance letter, reviewed for legal content, to approximately 40 of initially identified 60 existing in-ground pool owners. The letter stated the code, a date to comply, and to contact town staff to discuss any questions or extension needs. Approximately 50% of the recipients approached the town board for relief of the requirement stating reasons ranging from financial hardship and device unsightliness to using less expensive devices and disbelief a backflow event would ever occur. A full presentation to the board on the ordinance, approved methods of backflow prevention, and specifically focused on the residential swimming pool options was given in May 2023 by staff. The board then paused any enforcement of the ordinance on those receiving the letter, asked WSAC to look at any lesser expensive alternatives and to include input from the impacted parties.

WSAC held a special meeting in June 2023 with impacted customer participation to discuss the subject code pertaining to them. Two resulting motions were made regarding the existing code:

- a. Continue to require new swimming pool construction include installation of a reduced pressure zone (RPZ) assembly. There was one nay vote.
- b. For existing in-ground, indirectly connected swimming pools (i.e., those not having an auto fill feature and topping off the pool with their hose), the required backflow prevention solution is to allow an air gap (i.e., a physical separation between the end of a water source and the body of water) combined with a hose bibb vacuum breaker (i.e., a plumbing device affixed to a home hose bibb that prevents the back siphonage of water into the home plumbing or water system under properly installed conditions). A site inspection will be made to ensure there are no additional severe hazards that would require an RPZ device. An air gap agreement, signed by the homeowner and notarized, is required to be filed with the Utility Department. The education component of the air gap solution will provide guidance including no hose filling during hydrant flushing, a recommendation to replace the hose bibb vacuum breaker every five years, advisement against removing the breakaway screw, description and examples of proper air gap spacing as being one inch above the flood rim level or twice the diameter of the pipe. The air gap agreement is required to be resubmitted upon permitted plumbing modifications or the sale of the property. Non-compliance with the ordinance (including not signing the agreement) will result in the property requiring a reduced pressure zone (RPZ) assembly. There was one nay vote.

At its August 2023 regular meeting, the WSAC was presented additional information that demonstrated actual reverse meter flows in the town's water system. Some were correlated to water main breaks and

hydrant flushing. Some were suspected water theft (possible reversing of meters). Some were not able to be explained. Two were from homes with swimming pools. Members also heard from staff about other non-testable and unrecognized (per plumbing code and cross connection technical manuals) backflow prevention devices that could be added to meters such as vacuum breaker expansion wheels and check valves and potential options to install these with cost recovery as a non-compliance option. This additional information did not modify the previous motions.

NEXT STEPS: If amenable to the WSAC recommendations, town staff will present revised code to WSAC and subsequently the board for approval. If the code is indeed relaxed for this special circumstance, further discussion and recommendations will be taken and presented back on the matter of those that complied with the original town code and installed RPZs per the compliance letter. Initial informal discussions have occurred between the town attorney and staff regarding allowable use of town funds and reasonable parameters for any options presented. The air gap agreement will be finalized. The educational component has already begun and will continue. There have been social media posts, a page in the annual water quality report and a video is in production. Note that staff has taken the initiative to construct an air gap stand device that will secure the hose firmly above the pool rim to provide as part of the educational outreach. The site evaluations will take place and a summary prepared.

Financial impacts:

Item 1: Raftelis Financial Consultants has proposed a \$9,000 “if-authorized” rate structure analysis cost task item. It is anticipated the rate structure analysis on just the institutional class may not take the full amount. The consultant will be performing a variety of tasks for the town, and this would be one added task item. The town is currently working on revising the scope and fee for the contract which will include development of a rate model and other financial rate analysis needs.

Item 2: No current large financial impact to the town with current request except for staff time and material costs to construct the air gap stand.

Staff recommendation and comments:

No further comment.

Action requested:

To continue to resolve this matter for this subset of customers in an orderly fashion and to not overburden staff or overwhelm all with discussing and solving multiple intertwined and complex matters at once, feedback is requested on the above two WSAC motions. Next steps will follow.

INSTITUTIONAL CUSTOMER CLASS CONSUMPTION FY22 BY FACILITY TYPE

Sum of Total Meter Consumption	2021-07	2021-08	2021-09	2021-10	2021-11	2021-12	2022-01	2022-02	2022-03	2022-04	2022-05	2022-06	Grand Total
Community	1,121	1,046	1,277	2,101	1,825	4,139	3,014	1,000	411	591	529	633	17,687
Federal Government	3,394	3,616	3,586	3,791	3,152	3,651	4,535	3,540	3,362	6,747	3,509	3,293	46,176
Higher Education	1,650	1,495	3,756	4,669	4,161	11,789	31,115	2,567	7,790	9,565	4,785	2,970	86,312
Daycare	18,229	19,395	19,522	17,196	18,023	23,796	13,497	16,603	23,137	29,738	20,387	43,808	263,331
Private School	63,803	52,875	60,631	56,000	55,244	53,508	49,702	57,409	57,732	68,625	61,694	74,016	711,239
Church	90,050	97,395	102,617	118,314	123,294	122,846	105,333	101,647	87,412	91,862	96,868	98,333	1,235,971
Healthcare	238,109	237,880	246,929	177,693	176,801	187,548	216,389	197,553	184,453	218,280	185,888	198,134	2,465,657
State Government	811,254	677,261	888,056	645,248	628,128	678,676	626,797	592,371	537,280	602,981	612,406	701,134	8,001,592
County Government	893,849	816,179	850,704	904,111	828,387	861,835	884,510	761,614	734,742	824,278	597,236	644,127	9,601,572
County School	682,292	565,893	1,100,374	1,152,028	1,003,352	848,810	631,279	692,989	960,867	919,397	1,145,021	1,200,358	10,902,660
University System Healthcare	2,504,699	2,367,475	2,509,700	2,214,240	1,343,861	1,419,309	1,467,096	1,432,670	1,282,641	1,711,734	1,571,644	2,412,159	22,237,228