

**City of Boiling Spring Lakes**  
**Minutes**  
**Board of Commissioners Special Meeting**  
**September 27, 2011**  
**City Hall - 6:30 p.m.**

**1. Call to Order** – Mayor White called the meeting to order at 6:30 p.m.

**2. Attendance:** In attendance at the meeting were Mayor White, Commissioner Craig Caster, Commissioner Charlie Carroll, Interim Manager Paul Sabiston, City Clerk Linda Merry, and City Attorney Elva Jess. Commissioner Kinney and Commissioner Troscianiec could not attend the meeting. Also in attendance were property owners in the sewer benefit area.

**3. Discussion**

Mayor White explained that property owners in the benefit area were concerned about the \$3.4 million cost estimate. The County had originally given an estimate of \$1.5 million and approximately \$ 9,200 per parcel. The Board had made the decision to turn over the water system based on these amounts. He invited comments from property owners in attendance.

**Joyce Warner** - Ms. Warner shared information from a 2008 Preliminary Engineering Report prepared by W.K. Dickson. According to the report, the cost to build the entire system (collection system, transmission system, and pump station) would be about \$ 4 million. Now the County estimates that the collection system alone will cost \$ 3.4 million (\$ 2,631,000 for construction, \$ 252,725 for engineering, \$ 300,000 for financing costs, and \$ 215,000 for easements). The numbers just don't make sense. Her 1.6 acre tract would be assessed \$ 22,000, which is more than double the original \$ 9,200 estimate. She believes the project will place a hardship on the property owners, especially those with multiple parcels.

Ms. Warner suggested asking the County to revert to the original benefit area. As it stands now, the property owners would bear the entire burden of the project, including the cost for 797 acres owned by the State, plus the cost to provide sewer to the two schools. The County has agreed to waive the capital recovery fees and tap fee for the schools in exchange for a pump station easement. This passes the cost of that easement back to the property owners.

**Guy Auger** – Mr. Auger was angry that he had paid \$ 100,000 to develop a septic system for his commercial properties, and now he would be assessed \$ 200,000 for sewer. The current system is in good shape and is operating well below capacity. He refuses to pass along the cost to his tenants, as they cannot afford to pay more. Property owners who cannot afford their assessment will face foreclosure proceedings. Eventually the County and the banks will own the entire commercial district.

This project only benefits the schools. Their septic system has been in trouble for years.

**Susie Rollyson** – Ms. Rollyson, who is the Secretary for the ABC Board, reported that due to current economic conditions, the ABC Store would not be able to afford the assessment. She encouraged the Board to actively engage in economic development research.

**Boyd Stanley** – Mr. Stanley commented that all septic systems will eventually fail, so we must install sewer to protect the health of our lakes. The County promised to build a package treatment facility by 2012. They took our water system over a year ago and have been benefiting from the profits, but the work on the sewer system has not begun. He expects the Board to represent the interests of the people with the County, to watch them with an eagle eye, and he does not see that happening.

He also questioned why a small residence would be charged the same assessment rate as the schools, which would have hundreds of students using the system each day.

**George Moncrief** – Mr. Moncrief asked if grants awarded to the school system would be applied toward the cost of the entire project. Mr. Sabiston explained that grants would only pay expenses for the schools.

**Barbara Glidden** – Ms. Glidden suggested asking the County to revert to the original benefit area.

**Rudy Dixon** – Mr. Dixon spoke in favor of sewer, but for the \$ 1.5 million that was originally estimated.

**Dale Richardson** – We will not have solid numbers to work with until the project is bid.

**Mayor White** – The Mayor suggested putting the County on notice to not obtain financing until the bidding process is complete and the numbers can be analyzed. Per the contract, the City can stop the project prior to the County obtaining financing, but would be responsible for engineering costs to date, approximately \$ 252,000.

#### **4. Action**

**A motion** was made by Commissioner Carroll and seconded by Commissioner Caster to ask the City Attorney to draft a letter to Brunswick County sharing the City's concerns about the sewer project, including the following points

- Request that the County allow financing for ten years. This change to the contract must be in writing.
- Request that the County proceed with selection of the assessment method.
- Request that the County wait to obtain financing until after the bidding process is complete and the property owners and Board have the opportunity to consider the bid results.

**Vote: 3-0**

#### **5. Adjourn**

**A motion** was made by Commissioner Caster and seconded by Commissioner Carroll to adjourn the meeting

**Vote: 3-0**

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Linda Merry, CMC, City Clerk

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Richard White, Mayor