



**OAK RIDGE TOWN COUNCIL SPECIAL CALLED MEETING
DECEMBER 5, 2024 - 4:30 P.M.
OAK RIDGE TOWN HALL**

MINUTES

Although the meeting was called as a Joint Town Council/Water Advisory Committee meeting, not enough Committee members were present for a quorum.

Members Present

Jim Kinneman, Mayor
Mike Stone, Mayor Pro Tem
Ann Schneider
Michael Greeson
Jim Harton

Staff Present

Bill Bruce, Town Manager
Sandra Smith, Town Clerk/Asst. Town Mgr.

Water Committee Members Present

Spencer Sullivan, Chair
Paul Magnabosco, Alternate

1. CALL TO ORDER

Mayor Jim Kinneman called the meeting to order at 4:30 p.m.

2. APPROVAL OF AGENDA

Councilwoman Ann Schneider made a motion to approve the agenda and Mike Stone seconded. The motion was passed unanimously (5-0).

3. NEW BUSINESS

Discussion of Current and Future Water Initiatives

Water Advisory Chair Spencer Sullivan began by saying the Water Advisory Committee had wanted to meet with Town Council for some time in order to educate all Council members on the full history of creating a municipal water system and the Committee's recommendations on moving forward. He said the purpose of the meeting was to review the need for water, history, current efforts, and future efforts. He directed Council to a Powerpoint presentation on the screen, which is hereby incorporated by reference and made a part of the minutes. He described how state statute indicated that water was one of the eight essential services which are required, and said the Town had pursued water as a high priority since it incorporated. He also explained how groundwater, which is the main source of water in Oak Ridge, is not necessarily easy to obtain or reliable as far as quantity or quality. Sullivan described how a system made up of interconnected community wells was currently being pursued, but said that surface water was more

dependable. He said that the current Development Ordinance requires a community well system that is turned over to the Town for developments of 30 houses or more. He said the model was developed for the Town with assistance from Envirolink, but that many housing developments in Oak Ridge have water systems that belong to Aqua that have become older, were built with smaller mains, or are inadequate in terms of quality or quantity to serve their customers. He said the Town could run parallel lines for older systems not built to the Town's specifications.

Town Manager Bill Bruce said that with money the state had granted to Guilford County and the towns in northwest Guilford was later divided between the jurisdictions after all they all determined it was too expensive to build a system based on a study done by Timmons Group. He said the Town hired The Wooten Company to work on engineering for a water system to be used for fire protection and as a starting point for a municipal system, first considering eight to ten 30,000-gallon tanks to be placed at various sites around the town. After additional consideration, the idea for a single elevated tank began to take shape. Bruce said the Town knew it had the funds for engineering and construction of the elevated tank and perhaps a portion of a water main, and began working on an agreement to purchase water from Winston-Salem/Forsyth County Utilities. Permits had been secured for the water tower, a bid had been awarded, and a preconstruction meeting held. He said the Town believed it would have state permits in hand for the water main from Forsyth County by the end of 2024, and the project could be bid out by spring 2025. Bruce said it was time to begin thinking about recruiting customers and creating a marketing strategy to be implemented after the Town receives a fee analysis from Envirolink.

Assistant Town Manager/Town Clerk Sandra Smith presented the draft brochure that she and Councilwoman Ann Schneider developed, and the Town had enlisted help from a graphic artist. Smith said they had looked at the brochure done in Vance County and felt something better could be created given Oak Ridge's needs. She said there were a few blanks in the brochure that represented fees that would need to be set by Council.

Bruce said he had spoken with the former manager of Vance County, who had been employed there when they began work on their system. He said as the line was being designed, the County agreed to waive connection fees; that deadline was later extended so that more residents could take advantage of the fee waiver or a reduction. Vance County did not receive any funds from the state, so it borrowed money to create its system. He said Vance County was trying to recruit customers for the first 10 years, and it took that long for the system to operate profitably. Bruce said Envirolink was currently reviewing costs and would make a recommendation on what fees should be charged.

Councilman Jim Harton commented that the water system would be a positive factor for property owners along the line. Paul Magnabosco agreed, saying the installation of hydrants should also cause fire insurance rates to decrease for those property owner.

Mayor Kinneman said the Town would need to borrow money or request more from the state when major costs arise beyond what the Town has received.

Bruce said marketing would be a key element in obtaining customers.

Councilman Mike Greeson asked how many homes would need to connect in a neighborhood with an existing water system. Mayor Kinneman said Council would need to decide how many connections would make running lines into the neighborhood viable. Sullivan said that residents with community water systems are used to paying for water and for irrigation, and that the Town establishes the rate and has the ability to change it at any time without going to the state like private water systems are required to do.

Councilman Mike Stone asked if residents on the opposite side of the road from the water line would be required to pay more to connect. Sullivan said the Town would likely average the cost and charge the same rate for connections on both sides of the road.

Discussion then ensued on the proposal from the Village Woods Property Owners Association to take over the Village Woods water system. Although it would be predicted to lose money since the model for the ordinance was based on 30 connections and, when built out, Village Woods would only have 20, it would be added to the Town's overall customer base. Sullivan asked what kind of message the Town would be sending if it took the "we-don't-want-you" approach for a neighborhood that wants to be part of the Town system. He said not taking over the system would not be looking at the overall system long term and the need for as many customers as possible.

Mayor Kinneman said he was struggling with the fact that the addition of Village Woods system would not make any money, something he thought could concern taxpayers.

Councilwoman Ann Schneider said the Town should be looking at the entire water system, and that it would be good any time the system grows. She said the addition of Village Woods would be a kickstart to the system, the same as when the Town wanted to purchase the Autumn Ridge system, which has only 24 homes. She said it would be worth it to obtain it because it is located in a dense area.

Councilman Stone said that by taking over the Village Woods system, the Town would be taking over its financial burdens.

Sullivan said the Council had not had the opportunity to discuss the Enterprise Fund or the potential next steps, and said he was willing to attend another meeting so those topics could be discussed.

4. PUBLIC COMMENTS

- None

5. ADJOURNMENT

Mayor Jim Kinneman made a motion to adjourn the meeting at 6:12 p.m., and Councilwoman Ann Schneider seconded. The motion was passed unanimously (5-0).

Respectfully Submitted:

Sandra B. Smith, CMC, NCCMC
Asst. Town Manager/ Town Clerk

Jim A. Kinneman
Mayor