

A Conference was held in the Council Chamber in the City Hall on Thursday, June 8, 1967, with Mayor Brookshire presiding, and Councilmen Alexander, Jordan, Short, Smith, Tuttle and Whittington present.

Absent: Councilman Stegall.

Present for the County Commissioners were Chairman Campbell and Commissioners Martin and Potter.

Absent: Commissioners Atkinson and Peterson.

PURPOSE OF MEETING.

Mayor Brookshire stated the purpose of the conference is to discuss water and sewer, particularly water with regard to needs of the Westinghouse Corporation.

DISCUSSION OF FEASIBILITY REPORT AND REVIEW OF REPORT.

Mayor Brookshire stated all of us appreciate the fact that this is one community whether it is called Greater Mecklenburg or Metropolitan Charlotte. Whatever problems the county has, the city has an interest in them, and he would hope the situation is the same when turned around. This is a matter that has been under community consideration for a good many years. The subject has been discussed by the elected officials of both city and county and studied and discussed by other groups in the community.

He advised City Council is willing and eager to cooperate in any way it can within the policies of the city within the areas of feasibility and equity. He acknowledged receipt of the Feasibility Report prepared by Mr. Baker of Henningson, Durham and Richardson, and stated because members of Council, including himself, have not had much time in which to give this report close attention or study he asked if Mr. Campbell would explain it and answer any questions that members of Council might have following the explanation.

At Mr. Campbell's request, Mr. Potter explained the report stating the study shows if the County goes to the use of city water at the present plan, it would have a deficit of \$22,500.

He stated they are in a position of having to furnish water to Westinghouse, and they have agreed to do that. In determining the water needs of Westinghouse, it became evident they were not going to use enough water other than to dig some good size wells. Therefore, the County went into the possibility of of furnishing water to Arrowood Southern and to Pineville.

He stated the Engineers have developed two basic plans. There are about fifty different combinations of plans - lay pipes the size of those there now and put in booster stations and do all kinds of things. In order to simplify this so the Council and the Commission could understand it, they asked Mr. Baker to bring it down to the two basic plans with two alternates with each of those.

The first plan provides for a 24-inch line connected to the city at Freeland Drive to run down to approximately where Arrowood is - down Highway No. 49. From there would be a 24-inch line down to Westinghouse and a 24-inch line over to Pineville. That is designated on Page 6 of the Report as Plan A-1. The alternate to this is to run an 8-inch line from Arrowood to Pineville. That is Plan A-2. Plan A-2 shows a deficit of \$166,280 with a 16-inch line over to Westinghouse from Arrowood rather than a 24-inch line.

Both of these plans buying water from the City under the present announced policy would result in a deficit to the County. The alternate to that is Plan B, which

is a treatment plant built on the river with a 24-inch line to Arrowood and a 24-inch line to Pineville, with an alternate of an 8-inch line.

If the County goes under the City's announced plan, the County will have a deficit in its water operations and water sales of from \$66,000 to \$122,000 a year. This is based entirely on what is now available. They cannot go out and predict how many houses are going to tie onto this line and how many industries are going to tie onto the lines.

Mayor Brookshire asked Mr. Potter to explain further "customers now available". Mr. Potter replied this is Arrowood Southern, Pineville and Westinghouse, these three customers; that is all they are talking about. They have talked to both Arrowood and Pineville, and Pineville with a 6-inch line has a tank which he understands fills up Sunday morning early and the rest of the week is about empty and by the end of the week is almost empty, so they have not room for expansion down there. Arrowood Southern is in need of water; they have a 12-inch line down to Arrowood Southern now and they could use more. The County is proposing to furnish water to both these facilities as well as Westinghouse.

Mr. Potter stated the estimates are listed on Page 3 of the report. The municipal demand for the Town of Pineville at present is 250 thousand gallons; the industrial demand of Arrowood is 567 million gallons per year.

Councilman Short stated the City is furnishing about 117 million gallons a year to Arrowood and Pineville and on Page 7 of the Report they speak of figures which amount to about 27 million gallons a year being used by Westinghouse. This is about 144 million gallons, but they speak of 567 million gallons - more than 3 times as much on Page 3. Based on what the City is now providing and what Westinghouse has said they would use - Mr. Potter has said a couple of good wells could provide it - this is about a total of 144 million gallons. That he does not understand Page 3 as it speaks of more than three times as much water being consumed and he believes this was the figure used in computing the rates. He asked where are these customers?

Mr. Potter replies these customers are based on projections and the demands of these facilities over the past years. He stated he is not here to debate whether or not this engineering report suits the City or its engineers. He is here to find out one thing and one thing only - whether or not the City will sell water to the County at a price it can afford to pay without building its own facilities. They have to provide these facilities. If they do not agree with the report, he suggests this be taken up with Mr. Baker later on. He is not an engineer and does not intend to get into that. Councilman Short stated he is asking only for information; that he did not mean to imply anything else. Mr. Potter stated what he did not want to get into is a debate over footage and cost and lines as he does not know and does not pretend to know. He does know they have been told there will be a deficit if they buy water from the city under the present policy. The only thing they are after this afternoon is to find out whether or not the City will sell the county water; and if so, at what price?

Councilman Short asked if this kind of information would not be helpful in the city's determining that? That he assumes it is by the fact they were given the report to go by. Mr. Potter replied the report indicates the county's expected usage which is 567 million gallons per year, and if they do not agree with this, that is their privilege. But that is the information they have and that is what they are going by. Councilman Short stated he is not saying he disagrees with it, but merely asked a question based on the fact that present usage in that area, plus the County's own projected usage for the Westinghouse people, does not seem to add up to more than about 1/3 of that figure.

Mr. Campbell asked if the City would be willing to sell the county 567 million gallons of water per year, and if so, at what cost? Mr. Potter stated they would be here all day if they got into the technicalities of the report.

Councilman Jordan asked if the City could furnish the county 567 million gallons a year, adequately without hurting the city? Mr. Franklin, Water Superintendent, replied the city has plenty of water available.

Councilman Smith asked what the County's engineers think they can pay for this water? Mr. Potter replied in order to have a little leeway for capital expansions, the County could probably pay around four or five cents per hundred cubic feet of water, and the City is now asking nine and a half.

Mayor Brookshire stated we have a very high regard and respect for Mr. Baker. He is a man of ability and professional standing. That we do have to assume that Mr. Baker is promoting his own business and the business of his company and it is only reasonable to expect that this report having been put into the hands of the City would be studied carefully, particularly by our own staff. He asked Mr. Veeder, City Manager, to report on the staff's study and conclusions or reactions to the report itself.

Mr. Campbell stated when he called the Mayor and asked about a meeting, that he said they wanted to talk about whether or not the city would sell the county water and if so, at what cost. That this is what he told Mr. Potter. They are willing to listen to Mr. Veeder and anyone else for the rest of the afternoon but it is his understanding that this is not a part of the agenda for the meeting. He will not say they are not interested, because they are. They are not prepared to take any action or make any comments on anything Mr. Veeder has to say about the report.

Mayor Brookshire replied he would suggest that no conclusion be drawn this afternoon by either the County Commissioners or the City Council. He understands they are here to study the report, to ask the County to explain and then with the County's permission to ask questions about the report. This is talking about a project in which it is suggested that both the city and county cooperate as fully as possible on the feasible, practical and equitable basis. As long as the report has been made public, we on this side of Alexander Street should have an opportunity to exam it and to say publicly how we agree with it and in what respects we do not agree.

Mr. Campbell stated this is not what they asked for this afternoon. That they paid for the report. Mr. Potter stated he does not think that anything Mr. Veeder or anyone else could say this afternoon about the report is going to resolve the basic issue - will you sell us water and if so, at what price?

Mr. Campbell asked if a time limit could be put on how long Mr. Veeder may take going over the report, and then come back to the subject matter? Mayor Brookshire replied of course, we can come back; that he did not put a time limit on Mr. Campbell or Mr. Potter; that he is willing for them to explain this in as much detail as they want. If there is to be full cooperation - which he hopes there will be - there must be an understanding and meeting of the minds on the problems involved.

Councilman Jordan asked if Chairman Campbell would agree to let Mr. Franklin or Mr. Veeder tell Council what this is actually going to cost and how much the City will go in the hole on the **basis** they are asking? Mayor Brookshire replied he would think that both members of Council and members of the County Commission and the news media representatives present would be very much interested in that.

Mr. Veeder stated he would try to keep his report as brief as possible.

We start out on the premise that the report prepared for the county government suggested two basic courses of action for furnishing water in the areas: First to extend the existing distribution system of the City; or second, to construct and operate a separate facility and a treatment and distribution system.

The review made of the report tends to indicate and imply that all the potential factors made have not been fully considered, and some of the report's conclusions appear to be predicated on limited or selected information and data. As an example, the proposal to develop a new distribution system and a new source of supply seems to be based on the requirements of three customers - Pineville, Arrowood Southern and Westinghouse. Two of these three customers - Pineville and Arrowood Southern - are already served by the distribution system of the City, and together they represent 96% of the water projected by the feasibility report for the County. This is pointed out in Exhibit A indicating by the simple bar chart, the projected use of the area now served by the City system, and the low bar chart indicating the projected usage in areas not now served by the city system.

The two city customers talked about are in fact not now utilizing the full potential capacity of the mains which connect to the city system. One and a quarter million gallons per day is presently available at the end of the city's 12 inch main in Arrowood at elevation 780. The average daily consumption in Arrowood during the past 12 months has been 84,150 gallons a day. The average daily consumption in Pineville during the same period has been 237,000 plus gallons a day. The combined total average daily meter consumption of both these customers are 321,000 plus gallons or 0.322 million gallons a day. This is less than 23% of the capacity which is available from the city's system at Arrowood.

In the feasibility report the cost of all lines proposed under the first plan excluding the line from Arrowood to Pineville is a million two plus. Another \$90 thousand is estimated to supplement the existing six inch mains to Pineville.

The estimated cost of building the proposed water treatment plant under the new system is \$1,960,000. This is 47% more than the capital outlay required under modification of Plan A-1. This cost comparison they have tried to present in a fashion in Exhibit B. They think it is also of some importance that the cost comparison as presented in the report does not appear to us to take into consideration the rather significant difference in the size of potential service areas of the alternatives. Nor does the report acknowledge any anticipation of normal growth patterns or additional customers wishing to connect for service.

Plan A - this is the one that would propose tying into the city's system - proposes distribution lines totaling over 65,400 feet plus a radial extension of the city's distribution system through an urban fringe area of high potential growth. Plan B - which would call for the construction of a new system - would require only 39,000 feet of distribution mains, one of which traverse the fringe area between the area to be served by the plant and the city. The point here is made by Exhibit C, the extension of mains proposed by using the city's source of supply which would provide service to an area at least 50% larger than the service that would be provided under proposed Plan B.

On Exhibit C the first bar is one of the distance of the lines for Plan A and the second is Plan B, more lines can serve more areas than with Plan A. It would seem that the first alternative - Plan A - achieves the desirable goal of bringing water service to a greater number of people in a shorter period of time in relation to dollars spent.

We do not quite understand the computations in the feasibility report as shown on Page 6. It seems reasonable to assume that potential customers would prefer to pay the minimum bill - this again is using the figures in the feasibility report - of \$153 thousand plus rather than \$176 plus thousand proposed to implement Plan B, particularly when the minimum bill would progressively decrease with new customers and additional usage. It appears the figures used in making the cost comparisons do not reflect the higher potential additional revenues under Plan A, nor do they appear to consider potential connection privilege fees from future customers under either plan.

Rather than deal on comments related to the feasibility report, we thought it more appropriate to recommend an approach we thought would have some merit toward obtaining a better solution to a joint need by both the City and County governments.

We think this lies within the framework of existing policies. We think it can be done at a cost substantially less than either plan set forth. Data prepared shows that a 16-inch line can be constructed to Westinghouse via Arrowood at an estimated cost of \$650,000. This line would deliver 2.6 million gallons per day at Arrowood Road, which together with the 1.4 m.g.d now provided by the existing 12 inch line would make available 4 m.g.d at this general location. This is equal to the 4 m.g.d which would be produced by the proposed new treatment plant. Also other possible extensions through the city system would be feasible in accommodating any expanded water requirement in the Pineville Area.

The new policies recently adopted by Council provide two alternatives. The one that would call for the greatest city participation in financing the project we are now talking about would call for the following type of figures, and is covered in Exhibit D.

Total cost of project	\$650,000
Portion within city limits, estimated	<u>80,000</u>
Balance, jointly financed	\$570,000

Applying the 70-30 formula in the policy, this would call for the city to finance \$399,000 and the county government to finance some \$171,000.

(Mr. Veeder stated Council members have not seen this report any sooner than the members of the County Board. The Council has not endorsed this report by virtue that it is being presented today. This is a staff report and does not bear endorsement by the Council.)

There is some merit in dealing on a cooperative basis with units of government. For purposes of recognizing the needs of another unit of government, we think if Council is willing to consider it, that the \$171,000 the County Commissioners might be required to provide and get this under way, could be refunded from privilege connection charges. The growth in the area would produce something in the vicinity of averaging out to \$8,000 a year toward this end. Also, under the city policy there could be an estimated minimum monthly charge (based on our estimated) of \$4,657. This would be applied pro rata to customers based on service area and size of connection with any difference not paid by customers, paid by the county.

This minimum rate is formulated for good reasons. One to provide the breakeven point in furnishing service, and two to provide the yardstick for testing the fiscal as well as the economic feasibility of a specific project. Regardless of the approach adopted, there is no escape from the fiscal reality that sufficient funds must be provided to meet current cash requirements for operations. The hard fact is that either a minimum rate must apply during initial period of operations, or an operating deficit will occur that must be subsidized from other sources.

Recognizing today's facts of fiscal problems of local government, the possibility of subsidizing this type of operation with property tax money he suspects is one that would not appeal to either of the governing boards.

To summarize our staff's aspects of this, we have tried to come up with an alternative plan. This summary falls into the following four points:

1. The present requirements for water in the Arrowood Southern and Pineville areas are now adequately supplied by existing city lines. These areas represent over 95% of the potential revenues projected in the feasibility report, and as pointed out in the report are essential to the implementation of Plan B- that calls for the separate system, taking over of city customers.
2. Water currently being provided at double rates to Pineville and Arrowood Southern result in lower usage charges than are projected under the proposed Plan B which creates a separate water facility.

Mr. Veeder stated he is reminded of Mr. Potter's comments that he would like the city to sell the county water at four and a half cents. The feasibility report reflects the best they can do to sell water would be about 23 cents, and they would like to buy it for four and a half.

3. The immediate need for the construction of a 24-inch main to Pineville we do not believe is supported by a review of present capacity and usage.
4. We think the immediate problem appears to be the extension of water service to Westinghouse. We believe that implementation of the plan proposed by the Water Department will provide the 16-inch diameter main specified by Westinghouse. This size main will make available approximately 1,800 gallons per minute at the Westinghouse site. Since their requirements are specified as 350 gallons per minute, an excess capacity of 1,450 gallons per minute or approximately 2.0 m.g.d will be available in the area which includes Arrowood Southern and Pineville.

Mr. Campbell stated he personally agrees with Mr. Veeder's statement on Page 3 of the review - "Regardless of the approach adopted, there is no escape from the fiscal reality that sufficient funds must be provided to meet current cash requirements for operations. The hard fact is that either a minimum rate must apply during initial period of operations or an operating deficit will occur that must be subsidized from other sources." He stated this seems to be a problem that both the City and County are up against. That he thinks we need to break our thinking down into two halves - which Mr. Veeder conventionally forgot at the tail end - that the water system is divided into a supply and a distribution element. If the water can be supplied by the city at the cost mentioned by Mr. Potter, then he thinks we all want to entertain some way of getting it done. The county has the obligation of making it stand on its own feet.

Mr. Potter stated he feels the basic question is whether or not the city is going to sell them water, and this is all they came to find out?

Mayor Brookshire stated when Mr. Campbell made the statement that this **should** stand on its own feet, he would have to agree 100%. Water is a type of service that should be paid for primarily by the users. That he thinks industry is no exception, but he does think you can take into account the fact that industry is entitled to some other considerations because of the benefits which they provide to the total community - contributions to the economy, its employment, its payroll, its taxes and all that sort of things. On the subject of taxes on the bases of a \$60 million dollar investment - and he understands it is to be a \$65 million investment - on an assessment ratio of 60%, and at a tax rate of \$1.64, this would produce about \$594,000 a year. That he appreciates the fact that the installation will bring new families into the community of Charlotte and Mecklenburg who will have to be houses, and whose children will have to be educated. It is a very fine thing, and if

it is not, our Chamber of Commerce is spending a good deal of money annually in trying to attract new business and industry to our community. The Council's actual responsibility and sworn responsibility is to meet the needs within the city limits; the Commissioner's are elected county-wide with the responsibility to furnish the needs wherever they occur and as they develop throughout the county. If in supplying this particular need, the County runs a deficit on the basis of buying water from the city at current cost, or at the bare price, he would remind them that it would be 80% of the citizens of the county who live in the city who would be helping to carry such a deficit.

Councilman Smith asked Mr. Potter if the water the county proposes to purchase is at the city limits and is on a wholesale basis? Mr. Potter replied it would be around Freeland Drive. Councilman Smith stated the county would handle all distribution and principal service; all the city will be doing is pouring water into the county's pipes, and they take it from there on a wholesale proposition. He asked at what rate the city is metering water to the subdivisions? Mr. Potter replied at present it is being metered at 19 cents a hundred cubic feet. Councilman Smith stated recognizing the fact these industries are very vital to the growth of the county, why could we not get together with Mr. Franklin and the Administration here and see what is the bottom rate we can sell this wholesale water to the county? How will this affect the city on building new treatment facilities for the expansion of the county use in the future? Are we reaching the saturation point? If they need "x" number of cubic feet of water and this would be increased over time, what will it burden the city with in the cost to provide more water treatment facilities. Or is this just the surplus the city has, that it could very well afford to sell at a discount?

Councilman Short stated his question implies that the city has spent some several millions of dollars creating this surplus and it is just that mainly, but if it cost money to create these plants to create this surplus, can it just be treated as plus business? Councilman Smith replied industry makes this approach many times - that when you reach the saturation point, you can wholesale your product, this is fair trade.

Councilman Smith stated if the City has the capacity to pull this water out of the Catawba River and treat it and run it through our facilities, then he thinks we should be very flexible on letting these people have the water at a reasonable price and it seems a reasonable price is being debated today - what is a reasonable price, or what can the city afford in cooperation with our own people to come up with; or do we have to sit by some rate we established in the past at this time? This is a new thing and we have to face it - this big plant capacity and other plants are coming in and he knows what is in the minds of our administration is to proceed on the basis we have been proceeding. That it is costing the city relatively little more money to take this raw water out of the Catawba River, and turn it into the pipes they are going to provide, then let's see what it amounts to. What does it cost after it is set up like it is today to run more water through there; what does it really indicate cost-wise to us.

Mr. Veeder stated when you talk about water rates you cannot talk in terms of one class of customers only. When you talk about water rates you have to relate one scale of rates to another, otherwise you run into difficulties. That we have some reason to believe there is a need for a good close hard professional look at our whole rate schedule right now; and it is recommended to Council as part of the budget. This would be an exercise in looking at the rates to make sure we are doing the right thing. That it would not be reasonable to provide water to someone at less than it cost to produce it; this would mean that other users would have to subsidize this type of situation, and this is not good.

Councilman Jordan asked Mr. Potter how the County arrived at the rate they have suggested, and if the City was consulted as to whether the rate would be applicable? Mr. Potter replied that is the question they are here for today; they arrived at it by taking their construction cost and backing it up by the price they have to buy water, and they will sell it at 19 cents a hundred cubic feet.

Councilman Whittington stated this report prepared by Mr. Charles Baker was presented to him today when he walked in; **that he did not know the purpose of** the Board of County Commissioners coming today except to talk about the problem of water and sewer. Cost has never been mentioned to him; and he had not seen, prior to the meeting today at 3:30, the review of the feasibility report by the City's professionals of what the County's professionals has presented to them. Based on what Mr. Potter has said, he would agree that their problem is to get water to Westinghouse and if they go the route as proposed by Mr. Baker they will go parallel with the City's line or tie in at Freeland Drive at the city limits, and furnish water to two of the city's present customers beyond the city limits - Arrowood and Pineville. It seems to him what both bodies should do now - he cannot answer Mr. Potter's question today because he does not have the advice of the city's experts and not having known what the county would propose - is to have the city staff and the county staff get together on the question Mr. Potter has given today for answer, and both bodies have an opportunity to study, or at least the Council would have an opportunity to study the County's report, and the review of the report and come back in a week or three days and resolve this. That the citizens of both the county and the city are getting a little tired of hearing about something that we do not seem to be able to resolve, and the only way it will be resolved ever is to talk about facts, and the County has presented them. He stated he suggests that we go in either the direction of Mr. Baker and his people and the city people trying to resolve the question, or that Council be given an opportunity to study the two reports and meet back at a time the Mayor and Chairman would call a meeting.

Mayor Brookshire stated while we are jointly assembled he thinks we should resolve the question of whether we are talking about the city selling the county water for Westinghouse and Arrowood and City of Pineville, or whether we want to concentrate our efforts on a solution to the problem of getting water to the Westinghouse plant.

Mr. Campbell stated he is sorry Mr. Whittington did not get a copy of their report; they did not get them either until Monday morning and immediately turned them over to Mr. Veeder for distribution. Mr. Veeder replied he received three copies and at the time this was set up as a committee meeting and on that basis he did not think they would need more copies.

Mr. Campbell stated they appreciate Mr. Veeder's report because it contains information that will have to be turned over to Mr. Baker. Also, he thinks there is certain information available to the County and Mr. Baker which Mr. Veeder did not have when his report was made. Primarily, they are in a position where they are pushed for time on the Westinghouse commitment; and are also in a position where they have two good county residents - the City of Pineville and Arrowood - saying they are in need of water. He has a letter from Pineville in which the Mayor stated for the future growth of the community they are in desperate need of more water, so any consideration made of running anything out to Westinghouse should include these other needs.

Councilman Whittington stated the City Council is obligated to help the County get water to Westinghouse and anyone else who needs it. But as to the question of what is the cost the city wants to charge the county to get it there, he cannot answer as it is a highly technical thing and he would be shortsighted if he did not listen to the city's experts, and he thinks the same would be true of the Commissioners with their experts.

Mr. Campbell stated they do have a time pressure and should have been digging lines already. From their engineer, in whom they have faith, they understand there is a way to put the water line out to Westinghouse and make it self supporting. This is one choice they have. The alternate is to work with the city facilities which they would like to do, and the way they can do it with the city facilities is to get the water for 4 to 5 cents. They do not expect the Council to make a decision like this when they have not heard of this before today, but he asked if they could settle on a decision by Monday as to whether or not the City can sell the county water and for what price. That he does not think a joint meeting is needed for that.

Councilman Short stated he has had the report for several days and has gone over it; that he did not pick up from the report that the question to be answered is whether the city can sell the water for 4 or 5 cents at Freeland Drive. He asked how the city was suppose to know this was the agenda even though they might have had a lengthy time to study the report. Where is the question presented in the material?

Mr. Campbell replied he thought he told Mayor Brookshire when the arrangements were made for the meeting that the county would like to discuss whether or not the city would sell the county water, and if so, at what cost and with what reservations? Councilman Short stated this material seems to invite the City's evaluation of four possible plans. Plan A being one which the city's staff and other have evaluated, but we are not told we are not suppose to evaluate these plans as presented. He does not see anything that limits the agenda. The material presented does encompass something along this line, but perhaps a thousand other points also, and he does not know that the City had anyway to realize they were suppose to limit this agenda to that one out of the possible hundred or so points that should have been discussed.

Mayor Brookshire stated the question is in two parts. One, can we furnish the water and will we? The answer is yes. Two, as to price? We will have to arrive at a price that we think represents our cost and not accept a figure that indicates being far below cost to sell. He asked the City Manager if we can try to come up with a figure that we can sell them water? Mr. Veeder replied he would presume collectively we are after the better solution of all solutions available. There are a number of solutions available. That we seemed to have zeroed in on one and have gotten to the point where we have concluded this is the best solution, therefore all others cannot be discussed. He suggests in the best interest of all parties - consumers, county government and city government - there may be solutions other than the specific one that seems to restrict it by virtue of the way it has been voiced.

Councilman Tuttle stated he believes Mr. Franklin and Mr. Veeder can say now whether or not it is half way possible to come up with a four or five cent rate by Monday. Mr. Veeder replied the answer is no. Councilman Tuttle stated if this is the case why hold the county off until Monday; if we want to discuss it further fine, but there is no need to wait until Monday to say we cannot give them a four or five cent rate.

Mayor Brookshire stated Mr. Veeder has touched on the crux of this matter and that is the suggestion that we try to work out a program or plan that will cost the least money to the city, the county and the customers. That he would suggest that we let the city's professionals, and the County's professionals including their consultant, take this and chew it over. He would think all would be interested in finding the best possible solution.

Mayor Brookshire stated the City can supply the water, but the selling price of four or five cents would be under the city's cost, which if the city complied with would have to be on the basis of city subsidy and at the cost of present water users.

Councilman Alexander asked if the County is in a position to tell the city whether they are willing for the city to go into a discussion of attempting to see what we can work out on the fees? Mr. Campbell replied they are happy to have ~~anything that~~ will come up with a better solution; they do have time pressure and have to move along. He requested that Mr. Veeder and Mr. Franklin sit down with Mr. Baker and Mr. Weatherly this week and give them the benefit of any suggestions they have. That Mr. Baker is going to look over Mr. Veeder's report. If they can get together and come up with any new suggestions, they have asked Mr. Baker to make himself available next Monday, when they have to come up with some decision.

Councilman Alexander asked Mr. Veeder if he is in a position to come up with an answer by Monday? Mr. Veeder replied anytime you can work jointly towards a common solution, you should be able to make progress. When you work on some other basis you end up in an advisory position which is not too productive.

Mayor Brookshire stated Mr. Campbell has made the suggestions that the city's professionals meet with the county's staff and Mr. Baker and get on this as quickly as possible to try to bring back a recommendation of the best possible solution. Mr. Campbell stated he suggested they get together as they have asked Mr. Baker to be available for their meeting on Morning morning at which time they have to make some final decision as to what way they are going, and they would like Mr. Baker's recommendations, and if he feels he needs Mr. Veeder to explain some change fine. If the idea is to have another joint meeting he does not believe the County has time.

Councilman Short asked if the conferencing Mr. Campbell is authorizing the county's engineer to have with the City's staff limited to some matter of amount of money per 100 cubic feet which the city would sell to the county and presupposes two water systems in Mecklenburg County, or does his authorization allow latitude for discussing various proposals? Mr. Campbell replied yes, the first question is dead as the City has said this afternoon it cannot sell water for that cost, so that question is over and done with. The suggestion now is that the combined talents of the best water engineering brains be pooled to see if a solution better than B-2 is available. If it is that good, he would think it could be put into shape by Monday.

Councilman Smith stated this Council has not set in formal session and said that four or five cents is ~~dead~~. It has been suggested that it is dead, but he is not going on record that it is dead.

Mayor Brookshire thanked all those present for having attended the conference session this afternoon, and stated the meeting stands adjourned.

Ruth Armstrong, City Clerk