

**MINUTES FOR BOARD OF ALDERMEN MEETING**  
**September 13<sup>th</sup>, 2011**  
**6:00 PM**

The following elected officials were present: Mayor Coleman, Alderman Beaty, Alderman Friday, Alderman Huggins, Alderman Martin, and Alderman Withers.

The following staff members were present: Ed Munn, Interim Town Manager; Maria Stroupe, Administrative Services Director; Pennie Thrower, Town Attorney; Doug Huffman, Electric Director; Allen Scott, Police Captain; Bill Trudnak, Public Works Director; David Kahler, Community Development Director; Anne Martin, Recreation Director; and Steve Lambert, Fire Chief.

The Mayor called the meeting to order at 6:00 pm.

Mayor Coleman opened with the Invocation and the Pledge of Allegiance to the Flag. The Mayor asked if there were any additions or deletions to the agenda. Mayor Coleman had one correction to the agenda. Item 7A should be a public hearing, not listed under the old business heading. Mr. Withers made a motion to set the agenda including the correction, seconded by Mr. Friday, and carried unanimously.

Mr. Huggins made a motion to approve the minutes from the August 16, 2011 regular meeting, seconded by Mr. Friday, and carried unanimously.

**Recognition of Citizens:**

Mr. Randall Jones made a presentation to the Shop With A Cop Program. He would like to use his artwork to generate money for the program. Mr. Jones showed some examples of his artwork. He presented Sgt. Robbie Walls with a check for \$700 for the Shop With A Cop program in memory of his friend John Baker. This check represents the amount he has collected so far from the sale of his art. He has orders for more paintings and expects to make another donation closer to the holidays.

Ms. Ann Adams, 413 S. Rhyne St., has a flooding problem in her basement from water she believes is coming from the other side of her street. The Public Works Department has been to her residence and has trenched at her driveway. Mr. Trudnak is not sure what else the Town can do at this point. The basement is below street level and the driveway goes around the side of the house into the basement. He will continue to monitor the situation. There has not been a significant rain since the trenching was completed.

Mr. Brent Hoyle suggested putting Mr. Jones' artwork in local businesses to bring awareness to the Shop With A Cop Program.

**Awards and Recognition of Employees:**

Item 6-A, was a presentation from Mr. Mark Otersen from Electri-Cities who presented the Town of Dallas with two awards. (Exhibits A & B) The first award was for Exceptional Achievements in the area of Service Excellence. The second award was for Honorable Mention in the area of Energy Efficiency. Mr. Huffman accepted the awards on the Town's behalf.

Item 6-B recognized Maria Stroupe for 10 years of service to the Town. Ms. Stroupe was originally hired on August 24, 2001 as a Customer Service Representative. In November of 2004, she was promoted to Administrative Services Director. Mayor Coleman presented Ms. Stroupe with a Certificate of Recognition for her service. (Exhibit C)

Item 6-C recognized Paul Gibson for 10 years of service to the Town. Mr. Gibson was hired on August 27, 2001 as a Line Technician in the Electrical Department. He continues to serve the Town in this position. Mayor Coleman presented Mr. Gibson with a Certificate of Recognition for his service. (Exhibit D)

### **Public Hearing:**

Mr. Huggins made a motion to enter into a public hearing, seconded by Mr. Friday, and carried unanimously.

Item 7-A was a public hearing, moved from Old Business, concerning the voluntary annexation of Alder Ridge 3. (Exhibit E) The area is already zoned R-8 and is in our ETJ. Mr. Curtis Wilson asked how the growth in this area will affect the population of Dallas. There was conversation at a previous Board Meeting about watching the growth of Dallas. Mr. Kahler stated that this annexation would not affect the population of Dallas, as the lot being annexed will be part of existing backyards and roads. For information, there are approximately 60 houses in this sub-division. Currently, the population of Dallas is approximately 4400.

Mr. Friday made a motion to exit the public hearing, seconded by Mr. Huggins, and carried unanimously.

Mr. Martin made a motion to approve the voluntary annexation request for Alder Ridge 3, seconded by Mr. Friday, and carried with a 4-1 affirmative vote as follows: Yays – Mr. Friday, Mr. Huggins, Mr. Martin, and Mr. Withers. Nays – Mr. Beaty.

### **Old Business:**

The first item, Item 7-B, was a proposed Scope of Services for water and sewer line improvements for the Board to review. At the August Board Meeting, the staff was directed to prepare a scope of services for engineering services for water and sewer line improvements. (Exhibit F) Once the scope of services has been agreed upon, the process of selecting an engineering firm can begin. Based up the Board's direction, the staff will contact at least four engineering firms. These firms will then submit proposals consistent with the approved Request for Proposal/Scope of Service. The Board should establish the process to be used to select the engineering firm, specifically the role of staff, the Public Works Committee, and the full Board in the process. Mr. Beaty made a motion to approve the proposed Request for Proposal/Scope of Services and to direct Staff and the Public Works Committee to review the firms and bring a recommendation to the full Board, seconded by Mr. Friday, and carried unanimously.

The second item, Item 7-C, was information concerning a Fire Department generator and Tornado Siren. At the August Board meeting, staff was direct to get the used 45KW generator that could be purchased with switch gear, etc. for only \$15,000. Unfortunately, when staff contacted the owner of the generator the day after the meeting, he said that he had changed his mind and the generator was not for sale. The best option that has been found now is a new 50KW generator (Exhibit G) for \$23,150. Added to this cost would be some wiring and connections, so the complete turn-key price would be approximately \$28,000. This size generator would be able to power all of the Fire Department and a future tornado siren. Only the big garage bay heaters and the elevator would not be powered by the generator. A generator that could support the entire Fire Department would require a 150KW generator, with a purchase price of \$44,280. (Exhibit G) Our current budget only has a total of \$22,000 set aside for the tornado warning siren and no funds for a generator. This money can be redirected to a generator instead of a siren, if the Board so directs. If the decision is made to fund the generator, then an additional \$6000 will need to be transferred from elsewhere in the budget. To purchase the siren with the pole mounts and wiring would cost another \$20,000. The Board could authorize the generator in this year's budget and fund the siren in next year's budget. The generator would serve as the backup power for the siren. Mr. Munn was asked to inform the Board at the October meeting where the additional \$6000 could be

transferred from. Mr. Beaty made a motion to purchase the 45KW generator, seconded by Mr. Martin, and carried unanimously.

**New Business:**

Item 8-A, was an update of wholesale electric issues from Kevin O'Donnell, President of Nova Energy Consultants. (Exhibit H) Mr. O'Donnell asked the Board to give Mayor Coleman approval to sign amendments with Duke Energy upon the recommendation of Mr. O'Donnell, Mr. Munn, and Mr. Huffman once the details are resolved. Mr. Beaty made a motion giving Mayor Coleman the authority to sign amendments to the Duke Energy contract upon recommendations from Mr. O'Donnell, Mr. Munn, and Mr. Huffman, seconded by Mr. Huggins, and carried unanimously.

Item 8-B, was information concerning an asbestos and lead survey conducted at the Courthouse. A survey was conducted by The EI Group, Inc. regarding asbestos and lead based materials. (Exhibit I) At this point a walk-through of the building should be conducted by the Board to begin to identify the priority areas for clean up, repair, and reuse. Mr. Friday made a motion to conduct a walk-through of the building by the whole Board on Monday, September 26, 2011 at 5:00 pm, seconded by Mr. Withers, and carried unanimously.

Item 8-C, was a request to designate October 9-15 as Fire Prevention Week. During this week there will be approximately 250 children from Carr Elementary School touring the Fire Department and learning about fire safety. Also, Domino's Pizza is running a promotion to randomly give away free pizzas to customers with working fire alarms and have asked the Fire Department to participate. (Exhibit J) Mr. Huggins made a motion to recognize October 9-15 as Fire Prevention Week in Dallas, seconded by Mr. Friday, and carried unanimously.

Item 9, was a manager's report from Mr. Ed Munn, Interim Town Manager, highlighting various projects currently underway in Dallas.

**Closed Session:**

None

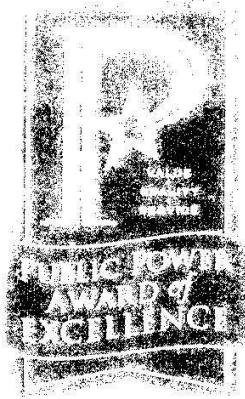
Mr. Friday made a motion to adjourn, seconded by Mr. Withers, and carried unanimously. (7:42)

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Rick Coleman, Mayor

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Maria Stroupe, Town Clerk



*Presented with honor to*

**DALLAS**

*for Exceptional Achievements in the Area of*

**SERVICE EXCELLENCE**

*Given at the 2011 Annual Conference  
Asheville, North Carolina  
August 26, 2011*

A handwritten signature in cursive script, reading 'Jennifer T. Stultz', positioned above a horizontal line.

JENNIFER T. STULTZ  
*Chair, ElectriCities Board of Directors*



*Presented with honor to*

**DALLAS**

*for Exceptional Achievements in the Area of*

**HONORABLE MENTION  
ENERGY EFFICIENCY**

*Given at the 2011 Annual Conference  
Asheville, North Carolina  
August 26, 2011*

A handwritten signature in cursive script, reading 'Jennifer T. Stultz', is written over a horizontal line.

JENNIFER T. STULTZ  
*Chair, ElectriCities Board of Directors*

# CERTIFICATE OF APPRECIATION

This certificate is awarded to

MARIA EDWARDS STROUPE

in recognition of her 10th anniversary with the Town of Dallas on August 24, 2011  
and in gratitude for her years of dedication and service

**TOWN OF DALLAS**



Rick Coleman \_\_\_\_\_ Date 9-13-11

Signature \_\_\_\_\_ Date 9-13-11

Signature Edna C. Allen \_\_\_\_\_

Signature \_\_\_\_\_

# CERTIFICATE OF APPRECIATION

This certificate is awarded to

PAUL MCRONALD GIBSON, JR.

in recognition of his 10th anniversary with the Town of Dallas on **August 27, 2011**  
and in gratitude for his years of dedication and service

## TOWN OF DALLAS



*Rich Coleman* \_\_\_\_\_  
Signature Date 9-13-11

*Edward C. Mann* \_\_\_\_\_  
Signature Date 9-13-11

\_\_\_\_\_  
Signature Date

**AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE TOWN OF  
DALLAS, NORTH CAROLINA**

WHEREAS, the Board of Aldermen has been petitioned under G.S 160A-31 to annex the area described below; and

WHEREAS, the Board of Aldermen has by resolution directed the Town Clerk to investigate the sufficiency of the petition; and

WHEREAS, the Town Clerk has certified the sufficiency of the petition and a public hearing on the question of this annexation was held at the Board Room at 6:00pm on September 13, 2011 after due notice by publication on Thursday September 1, 2011; and

WHEREAS, the Board of Aldermen finds that the petition meets the requirements of G.S. 160A-31;

NOW THEREFORE BE IT ORDAINED by the Board of Aldermen of the Town of Dallas, North Carolina that:

Section 1. By virtue of the authority granted by G.S. 160A-31, the following described territory is hereby annexed and made part of the Town of Dallas as of September 14, 2011: Beginning at an iron pin located S 07° 42' 18" W 193.30' from an iron pin found at the northeastern most corner of the Stowe property as recorded in Deed Book 1032 Page 889 of the Gaston County Register of Deeds, thence from said point of beginning S 84° 55' 04" W 403.44' to an iron pin found, thence S 19° 49' 27" W 184.96' to an iron pin set in the eastern line of the Rhyne property as recorded in Deed Book 640 Page 34 of the Gaston County Register of Deeds, thence two new lines through the Rhyne property N 74° 20' 36" W 82.07' to an iron pin set and N 54° 12' 04" W 320.70' to the point and place of beginning. Said tract containing 0.932 acres according to a survey prepared by Carolinas Design Group, PLLC dated May 31, 2011.

Section 2. Upon and after September 14, 2011, the above described territory and its citizens and property shall be subject to all debts, laws, ordinances, and regulations in force in the Town of Dallas and shall be entitled to the same privileges and benefits as other parts of the Town of Dallas. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10.

Section 3. The Mayor of the Town of Dallas shall cause to be recorded in the office of the Register of Deeds of Gaston County and in the office of the Secretary of State at Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1 above, together with a duly certified copy of this ordinance. Such a map shall also be delivered to the County Board of Elections, as required by G.S. 163-288.1.

Adopted this 13<sup>th</sup> day of September 2011.



\_\_\_\_\_  
Mayor

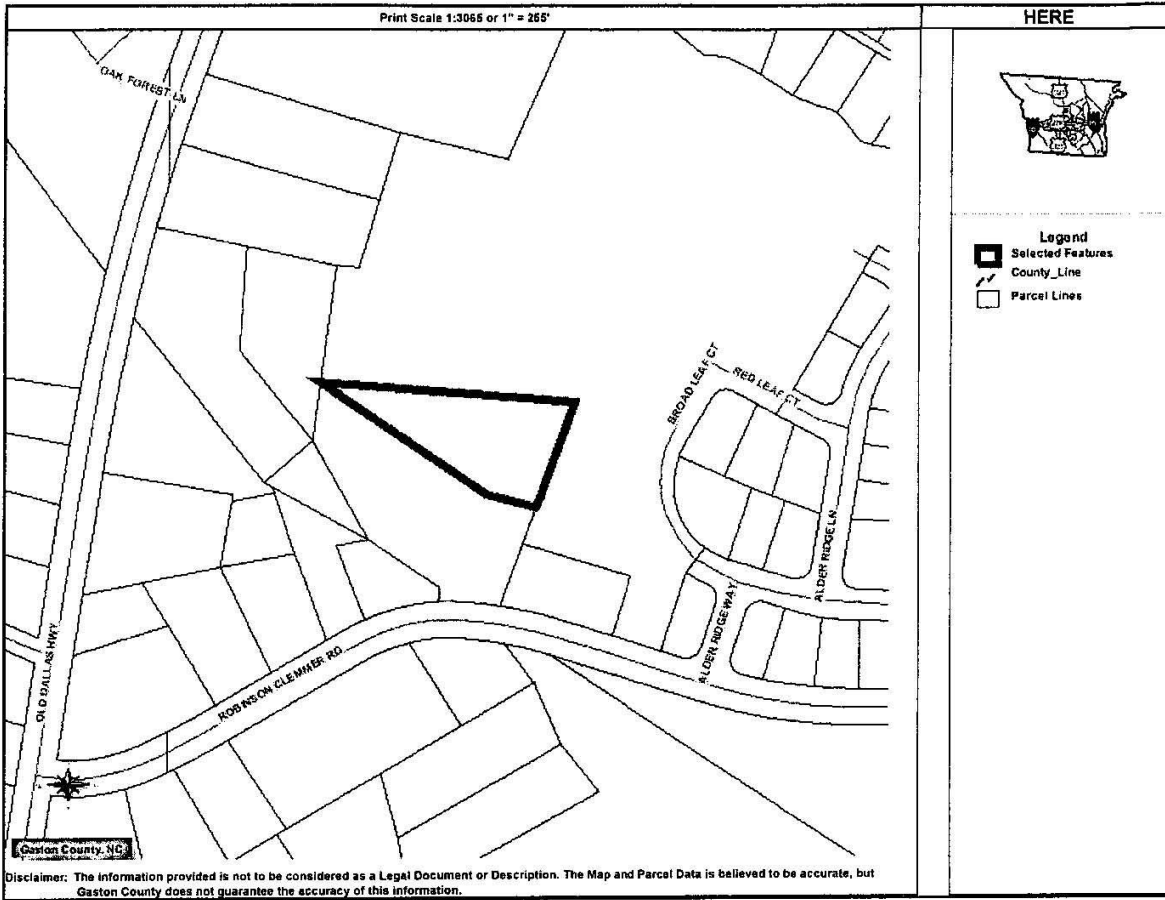
ATTEST:

APPROVED AS TO FORM:

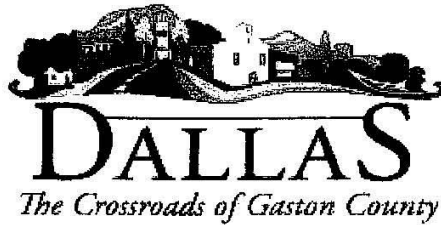
\_\_\_\_\_  
Clerk

\_\_\_\_\_  
Town Attorney

Re: Alders Ridge III Annexation



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**Mayor**  
Rick Coleman

**Aldermen**  
John Beaty  
Ed Friday  
Allen Huggins  
Scott Martin  
Hoyle Withers

**Town Manager**  
Ed Munn

**Town Clerk**  
Maria Stroupe

**Town Attorney**  
Pennie M. Thrower

**Public Works**  
Bill Trudnak

**Electrical**  
J. Doug Huffman

**Police Chief**  
Gary Buckner

**Planning**  
D. Kahler

**Fire Chief**  
Steve Lambert

**Recreation**  
Anne Martin

Town of Dallas  
210 N. Holland St.  
Dallas, NC 28034

**Phone:**  
704-922-3176

**Fax:**  
704-922-4701

**Web Page:**  
[www.dallasnc.net](http://www.dallasnc.net)



## REQUEST FOR PROPOSAL

The Town of Dallas is requesting proposals for engineering services to improve the Town's Water Distribution System. Firms are requested to provide the following information:

- \*Qualifications and related experience of the firm
- \*List of employees who will do the work and their qualifications
- \*Description of project approach and timeline
- \*Unit prices for engineering services
- \*Relevant References

Proposals must be submitted no later than October 4, 2011 by 2:00 pm. to the Town of Dallas Public Works Department, attn: Bill Trudnak, 700 E. Ferguson St. Dallas, NC 28034

### SCOPE OF SERVICES

#### Phase 1

1. Study and evaluate the Water Distribution System.
2. Determine problem areas and prioritize each.
3. Make recommendations for upgrades in Water Quality and Fire Flow.
4. Provide estimated costs, including engineering services, for the entire project broken down into four segments, with the most important listed first and the least important last.
5. Present and report your findings to the Public Works Committee and the Board of Aldermen.

#### Phase 2

1. Prepare plans as required by NC DNER and as required for construction.
2. Prepare the bid package.
3. Perform bid evaluation and report your findings to the Public Works Committee and the Board of Aldermen.
4. Inspect work during construction.
5. Submit As-Built Plans for Town records.

Questions concerning this Request for Proposal should be directed to Town Manager, Ed Munn at 704-922-3176 or Public Works Director, Bill Trudnak at 704-922-9961.

**Carolina**



Your Caterpillar Dealership

**QUOTATION**

**Project Name: Town of Dallas**

Town of Dallas  Date Issued: August 31, 2011	Deliver To: Town of Dallas Delivery Terms: F.O.B. Factory, Freight Allowed Expected Time for Submittals: 2 weeks Expected Delivery After Approved Submittals: 6-8 weeks Payment Terms: 100% billing upon delivery of equipment to site. All due Net 10 Prox. Quote Number: ARH11-0246-01
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Quantity	Description of Equipment	Price Per Item	Total Price**
1	G50LG Natural Gas fueled Standby Rated Genset. 50KW 120/208 V, 3Ø, 4W, 60HZ. Options Included: Steel Weatherproof Enclosure, 10 Amp Battery Charger, 12 Volt Battery System, H-100 Electronic Control Panel, Circuit Breaker, Electronic Isochronous Governor, Critical Grade Silencer, PMG Excitation, Jacket Water Heater, Remote Annunciator, Gen Run Relay, Neoprene Isolators Located between Engine and Base Frame, and other miscellaneous options.		
1	One New Automatic Transfer Switch 200 Amp, 120/208 Volt, 3 Phase, 3 Pole, 4 Wire, 60 Hz, NEMA 3R  Options Included: Test Switch, In-Phase Monitor, Position indication Lights, position contacts, standard exercise timer, and other miscellaneous options		
1	Carolina CAT Startup and Testing		
<b>TOTAL</b>			<b>\$ 23,150.00</b>

Charlotte, NC  
 P.O. Box 1095  
 Charlotte, NC 28201  
 9000 Statesville rd.  
 Charlotte, NC 28269



Anthony Hinson  
 (800) 277-6010 ext. 7443  
 (704) 731-7443  
 Fax (704) 597-7875  
 Cell (704) 618-6416

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Quantity	Description of Equipment	Price Per Item	Total Price**
1	G150LG Natural Gas fueled Standby Rated Genset. 150KW 120/208 V, 3Ø, 4W, 60HZ. Options Included: Steel Weatherproof Enclosure, 10 Amp Battery Charger, 12 Volt Battery System, H-100 Electronic Control Panel, Circuit Breaker, Electronic Isochronous Governor, Critical Grade Silencer, PMG Excitation, Jacket Water Heater, Remote Annunciator, Gen Run Relay, Neoprene Isolators Located between Engine and Base Frame, and other miscellaneous options.		
1	One New Automatic Transfer Switch 1,000 Amp, 120/208 Volt, 3 Phase, 3 Pole, 4 Wire, 60 Hz, NEMA 3R  Options Included: Test Switch, In-Phase Monitor, Position indication Lights, position contacts, standard exercise timer, and other miscellaneous options		
1	Carolina CAT Startup and Testing		
		TOTAL	\$ 44,280.00

\*\* Total price does not include any applicable taxes that may be charged and invoiced by Company to Customer. \*\*

This Sales Quotation is subject to all of the Conditions of Sale which are included in the Carolina CAT Terms and Conditions, the same being incorporated herein by reference. The terms quoted above shall expire forty-five (45) days following the Date Issued (the "Expiration Date"), unless a Sales Order Agreement is executed by Customer prior to the Expiration Date.

#### Exclusions :

1. PLANS & SPEC'S. WERE NOT PROVIDED.

#### Quotation Notes :

1. WE HAVE DETAILED THE EQUIPMENT PROPOSED. PLEASE REVIEW YOUR SPECIFICATIONS TO BE SURE THAT THE EQUIPMENT DESCRIBED ABOVE MEETS YOUR REQUIREMENTS.
2. This quotation covers items listed herein and does not constitute a specific job proposal.
3. All equipment furnished loose for installation by others unless specifically listed as installed.
4. We are quoting this equipment as a material supplier only, we do not include any offloading, installation, concrete pad, conduit, wiring, lugs, fuel, fuel piping, and other misc. hardware.
5. Start-Up, Testing, & Training to be performed during normal business hours unless specifically indicated otherwise.
6. Relay and/or System Coordination Study is not included unless specifically noted.
7. Telephone and verbal orders are to be confirmed in writing.
8. Sale is contingent upon customer signing a *Carolina CAT Sales Order Agreement Form*.
9. This quotation is made subject to Carolina Tractor Standard Terms and Conditions. Any changes to must be agreed upon in writing by Sales Manager.
10. This quotation is valid for Forty-five (45) days from date of issue.
11. Contracts which include penalties or liquidated damage clauses for failure to meet promised shipping dates are not accepted by or binding on Carolina CAT, unless accepted, and confirmed in writing by an officer of Carolina Tractor & Equipment Company at its corporate office.
12. Delivery dates listed above are only estimates based on current delivery times from the manufacturers, they are subject to change at any time. Firm delivery dates can only be obtained after equipment has been released for production by the manufacturer. Release for production occurs after submittals have been approved in writing by the customer or the customer's representative.
13. Exhaust parts may ship loose and require installation prior to startup.

Charlotte, NC  
P.O. Box 1095  
Charlotte, NC 28201  
9000 Statesville rd.  
Charlotte, NC 28269

**CAT**® Electric  
Power

Anthony Hinson  
(800) 277-6010 ext. 7443  
(704) 731-7443  
Fax (704) 597-7875  
Cell (704) 618-6416

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**E Munn**

**From:** Kevin O'Donnell [nova-ko@intrex.net]  
**nt:** Wednesday, August 31, 2011 9:55 AM  
**o:** Ed Munn; 'Doug Huffman'  
**Subject:** Sept. 13 Board Meeting

**Importance:** High

Ed:

Doug and I had a conversation this morning about my presentation to the board on Sept. 13. I know we have discussed this matter in the past, but I thought that I should put my discussion in an outline form for you this morning. Below are the items which I would like to discuss with the board.

1. **Renewable Energy Portfolio Standard (REPS) Contract Agreement** – this agreement will actually be an amendment to the power supply agreement (PSA) and will obligate Duke to meet all our REPS requirements. In return, the agreement will then obligate us to meet certain paperwork deadlines back to Duke. There are also limitations within the agreement as to what we can do on renewable power. First, there is no limit on the amount of renewable power that can be installed on our grid. HOWEVER, there is a difference in the payment structure. To be specific, the first 1 MW of renewable power will be priced to the town at our wholesale cost of power. In other words, the first MW will simply be an offset to our monthly billing demand. For all power over 1 MW, the town will get the current Duke avoided cost of power. What we do with those levels of compensation is up to the town, but my recommendation is to pass that payment back to the customer(s) in-total. I have run the nos. on which alternative is better – the Duke wholesale cost or its avoided cost. At the present time, Duke's avoided cost is higher than its embedded wholesale cost of power. I think that situation may change in a few years with its embedded cost being higher than its avoided cost. Hence, it really is a pure guess when you look into the future.
2. **Power Supply Amendment** – per my call of a couple of weeks ago, Duke has now agreed to guarantee us that we will not miss the peak. A situation involving one of their wholesale customers recently convinced Duke that it was in their best interest to assure its wholesale customers that they would not miss the peak. In return, Duke wants additional run hours on our generators. We will still be responsible for keeping our generators running in good order, but Duke will now tell us when to run so as not to miss the peak. Given that the stress of running the generators so as not to miss the peak has probably taken 10 years (at least) off Doug's life, I believe that what Duke described to me on the phone is a good deal.
3. **REPS Rider Adjustment** – we need to adjust the REPS rider for each class of our customers. As soon as we get our August retail billing determinants, I will be submitting new REPS riders to the town. I hope/expect to be able to present these new REPS rider at the Sept. 13 board meeting. The changes will be small in the grand scheme of our monthly bills.
4. **Rates Update** – we will be facing at least one more large wholesale cost change from Duke effective the first of this coming year. I will discuss what we may be looking at from Duke. I will also discuss Duke's retail rate case here in NC.
5. **Merger** – we have joined with the other 10-A towns to intervene in the NC Utilities Commission proceeding on the Duke/PEC merger. I will discuss what has happened so far – not much.

Ed – I was supposed to get items 1 and 2 above from Duke this past Friday. I do not yet have them, but I have an e-mail outstanding to Gennifer Rainey now. I am still expecting to bring these amendments to the board on the 13<sup>th</sup> of next month.

Kevin

**E Munn**

**From:** Kevin O'Donnell [nova-ko@intrex.net]  
**It:** Thursday, September 01, 2011 5:45 PM  
**cc:** Ed Munn; 'Doug Huffman'; 'Michelle Garmon'  
**Subject:** New REPS Riders

Ed, Doug, and Michelle:

I have completed the new Duke REPS riders for our upcoming billing cycle. I am disappointed to say that our retail true-up was off more than I anticipated. As a result, we will need to increase our retail rates more than I anticipated. Below are my recommended REPS riders, which are exactly the same as Duke's REPS riders for the coming year.

	Res	Comm	Ind.
Dallas	\$0.47	\$2.36	\$26.07

We should be lower than the Duke REPS riders due to the fact that we have SEPA. However, our true-up this past year came in higher than expected. Hence, in order to come close to breaking even, we will need to increase the REPS riders to these amounts.

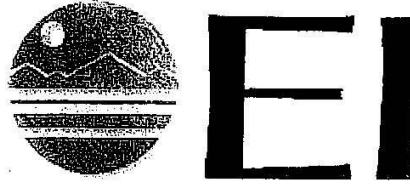
In the coming years (2012 and beyond), I hope/anticipate that our REPS riders will be lower than the Duke REPS riders.

Sorry for this ill-timed news, but this REPS bill came from the 2007 NC General Assembly and there is nothing we can do about it. The fees calculated above simply keep us whole relative to what Duke charges us.

in

Kevin W. O'Donnell, CFA  
 President  
**Nova Energy Consultants, Inc.**  
 1350-101 SE Maynard Rd.  
 Cary, NC 27511  
 919-461-0270  
 919-461-0570 (fax)

This message may contain highly confidential/confidential information that must not be distributed, copied and reproduced without proper approval by Nova Energy Consultants, Inc.. It is intended only for the use of the addressee(s) named above. If you are not the named addressee, you are not authorized to read, print, retain, copy or disseminate this message or any part of it. If you have received this message in error, please notify Kevin O'Donnell at Nova Energy Consultants, Inc. immediately by e-mail and delete all copies of the message.



August 30, 2011

Mr. Ed Munn  
Town of Dallas, NC  
210 N. Holland St.  
Dallas, North Carolina

Reference: **REVISED** Report of Asbestos and Lead Based Paint Survey  
Former Dallas Courthouse  
131 N. Gaston St.  
Dallas, North Carolina  
EI Project No. IHCH110178.00

Dear Mr. Munn:

The EI Group, Inc (EI) is pleased to present this report of asbestos bulk sampling and lead based paint testing services for The Town of Dallas, North Carolina. The purpose of the testing was to determine the presence and general location of asbestos containing materials (ACM) and lead based paint which may be impacted during future renovation/demolition of the structure. This report contains project information, survey methodology, results of sample analysis, and qualifications.

### 1.0 Project Information

The subject building for the survey was the former Town of Dallas Courthouse. The interior and exterior of the structure was assessed.

The survey was performed by EI Industrial Hygienist Lars Aamoth (NC Asbestos Inspector No. 12599 NC Lead Inspector No. 110216) and Curtis Duncan (NC Asbestos Inspector No. 10649). The survey consisted of evaluating the buildings for the presence of suspect materials which may contain asbestos. The survey involved detecting both friable materials (materials which can be pulverized or reduced to a powder by hand pressure when dry) and non-friable materials (materials which pose a hazard when sawn, sanded, drilled or pulverized). Homogeneous materials (based on material type, color, texture, etc.) were identified in various functional spaces (bathrooms, offices, hallways, break rooms, etc.) during the survey.

In order to determine if the suspect materials observed during the visual survey contained asbestos, representative bulk samples were collected and placed in sealed packages. Sampling was performed to National Emission Standard for Hazardous Air Pollutants (NESHAP) protocols. Samples were collected during the survey and submitted to EMSL, Inc. in Charlotte, North Carolina for analysis using the EPA recommended method of Polarized Light Microscopy (PLM) coupled with dispersion staining (Method No. EPA 600/M4-020-82, Dec. 1982). SAI participates in the National Voluntary Laboratory Accreditation Program (NVLAP). The material type, sample location and analytical

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results of each bulk sample are summarized in the attached Asbestos Bulk Analysis Sheets.

The building inspected consisted of a two-story antique building with one open room on the second floor and divided former office space on the first floor. The exterior of the building consists of brick covered in plaster. The roof of the facility is comprised of a metal roof system with flashing, silver paint, and some black mastic/sealant.

## 2.0 Asbestos Containing Materials

### Interior

- Plaster skim coat on first and second floors
- Red floor tile (bottom layer first floor)
- Gray floor tile (top layer first floor)

### Exterior

The exterior of the facility was found to contain the following materials which contain asbestos:

- Exterior white window caulk
- Exterior black roof mastic

All materials identified (both asbestos containing and non-asbestos containing) were found to be in good condition with a low potential for disturbance.

## 3.0 Lead Based Paint Testing

The buildings' structural integrity was intact throughout. The lead-based paint inspection determined that based on the levels defining lead-based paint hazards promulgated by EPA pursuant to section 403 of the Toxic Substances Control Act, several components sampled were positive for lead based paint.

The lead-based paint inspection shall determine whether lead-based paint is present in the building and, if present, which components contain lead-based paint. This shall be accomplished through the determination of the concentration of lead in paint on a surface-by-surface basis both inside the shopping center and on the exterior surfaces of the building by using a Niton XRF. Only accessible painted and/or varnished surfaces were sampled. The inspection shall be conducted following EPA's work practice standards for conducting lead-based paint activities (40 CFR 745.227), the U.S. Department of Housing and Urban Development (HUD) *Guidelines for the Evaluation and Control of Lead-Based Paint Hazards in Housing* (Guidelines) with the 1997 & 2000 revisions, and all state and local regulations except that a different visible color shall, by itself, result in a separate testing combination for a room equivalent. Samples are taken to represent component types; therefore it should be assumed that similar component types in the rest of that room or room equivalent also contain lead-based paint. If the

standard for lead-based paint in the jurisdiction is different from the HUD/EPA standard, which is 1.0 mg/cm<sup>2</sup>, the local jurisdiction's standard shall be used and the inspection report shall clearly indicate the standard. In addition, all requirements on XRF usage contained in the *Performance Characteristics Sheet* for the specific XRF being used were followed.

Information of the age, common paint history, construction materials and methods, and the total number of units in each complex were gathered from the owner's historical information. This information was used to determine whether the buildings and units could be grouped together.

This is a report of an inspection to determine if lead-based paint exists in the readily accessible areas of this complex and tested components. The presence or absence of lead-based paint applies only to tested surfaces on the date of the field visit. This survey was not completed in accordance with HUD protocol for residential dwellings.

According to EPA, lead in greater quantities than 1.0 mg/cm<sup>2</sup> must be present to be considered lead-based paint. However, detectable lead in quantities less than 1.0 mg/cm<sup>2</sup> may contribute to the development of lead dust hazards even though it is not considered a lead-based paint hazard. Positive components are listed in the table below:

		Color
CABINET	METAL	BEIGE
CABINET SHELF	WOOD	BEIGE
CROWN MOLDING	WOOD	GREEN
DOOR	WOOD	WHITE
DOOR CASING	METAL	WHITE
FASCIA	WOOD	WHITE
FASCIA	WOOD	WHITE
WALL	CONCRETE	WHITE
WINDOW	WOOD	WHITE
WINDOW CASING	WOOD	WHITE
WINDOW SASH	CONCRETE	BLACK
WINDOW SASH	WOOD	WHITE
WINDOW SILL	WOOD	WHITE

#### 4.0 Recommendations and Discussion

Reportedly, the above referenced structure may be renovated. Asbestos was found in floor tile and plaster wall systems on the first floor and should be removed in a manner appropriate for abating asbestos containing building materials. Asbestos was also found on the second floor in the skim coat (top) layer of plaster, 2% Chrysotile. As it is nearly impossible to separate the two layers during removal, it EI has requested the lab analyze these sample as composite. The composite sample analyzed the two layers (positive skim coat and negative rough coat) together and the result was less than 1% asbestos. With this material less than 1% EPA rules governing an abatement state no notification is necessary. However, OSHA rules would still apply.

#### 5.0 Qualifications

Our report is intended for the exclusive use of The Town of Dallas. Third party use of this report should only be performed with the expressed, written consent of The Town of Dallas. Our report is specific for the conditions of the dates and times of our on-site visits and should not be interpreted without first consulting EI.

The findings prepared by EI are based upon testing performed in the referenced building. Additional ACM or lead based paint may exist (undetected) in other areas due to their inaccessibility or due to the limited nature of our testing. Our recommendations are based on the guidelines presented in EPA, State of North Carolina or OSHA asbestos and lead based paint regulations.

EI appreciates the opportunity to provide our environmental services for this project. If you have questions or need additional information, please contact us at (704) 593-1640.

Respectfully,

**The EI Group, Inc.**



Lars Aamoth  
Industrial Hygienist



Vincent Maisto, MS, CIH  
Manager, Charlotte Operations

Attachments:

- PLM Laboratory Report
- XRF Data sheet for LBP

## National Fire Prevention Week (October 9-15, 2011)

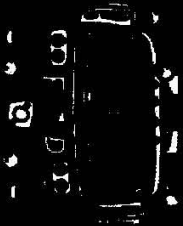
During National Fire Prevention Week, October 9 - 15, 2011 attention is focused on promoting fire safety and prevention; however we should practice fire safety all year long. Many potential fire hazards go undetected because people simply do not take steps to fireproof their home.

Many bedroom fires are caused by misuse or poor maintenance of electrical devices, careless use of candles, smoking in bed, and children playing with matches and lighters. Most potential hazards can be addressed with a little common sense. For example, be sure to keep flammable items like bedding, clothes and curtains at least three feet away from portable heaters or lit candles, and never smoke in bed. Also, items like appliances or electric blankets should not be operated if they have frayed power cords, and electrical outlets should never be overloaded.

### Fire Safety Checklist:

- Install and maintain a working smoke alarm outside of every sleep area and remember to change the battery at least once a year.
- Designate two escape routes from each bedroom and practice them regularly.
- Teach everyone the "Stop, Drop, and Roll" technique in case clothing catches on fire.
- Avoid storing old mattresses in the home or garage.
- Teach kids that matches, lighters and candles are tools, not toys. If you suspect that a child is playing with fire, check under beds and in closets for telltale signs like burned matches. Matches and lighters should be stored in a secure drawer or cabinet.

FIRE SAFETY FIRE SAFETY



### YOUR NEXT PIZZA COULD BE FREE!

Domino's Pizza and the Dallas Fire Department are rewarding customers who have properly functioning smoke alarms with FREE Domino's pizza!

When you order from Oct. 10- 12 you could be eligible to have your order delivered aboard a fire truck.

If all of the smoke alarms in your home are working, your pizza is FREE. If the smoke alarms are not working, the firefighters will replace the batteries and leave your home with a fully-functioning alarms.

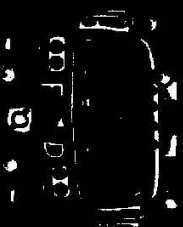
Always remember to regularly check your smoke alarms batteries. Together, we can make a difference and save lives!

Domino's Pizza  
3130 Dallas High Shoals Road  
Dallas, NC  
(704) 868-2063



OH YES WE DID!

FIRE SAFETY FIRE SAFETY



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