Unsealed by the Board of Commissioners on 11/13/2023.

MINUTES TRANSYLVANIA COUNTY BOARD OF COMMISSIONERS September 11, 2018 – CLOSED SESSION

Pursuant to NCGS 143-318.11 (a) (4) to discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, closed session was entered into at 10:26 a.m. Present for the first closed session were Vice-Chairwoman Page Lemel, Commissioners Chappell, Hawkins and Phillips, Rosman Town Mayor Brian Shelton (arrived late), County Manager Jaime Laughter, Transylvania Economic Alliance Executive Director Josh Hallingse, Transylvania Economic Alliance Director of Existing Business Services Eric Caldwell, and Clerk to the Board Trisha Hogan.

Closed Session #1

Mr. Hallingse provided an update on the Gaia Herbs project. He first provided a brief history.

In May 2017, Gaia Herbs began experiencing issues due to growth in managing their wastewater and unable to keep up with the permit requirements. As a result, the NC Division of Environmental Quality (DEQ) issued notices of violation because Gaia Herbs' onsite septic system could not accommodate its operations. Gaia Herbs contacted Transylvania Economic Alliance for assistance. The Alliance engaged a wastewater engineer to design a pretreatment system that would reduce wastewater effluent; however, this turned out to be an extremely expensive option. The Alliance collaborated with the engineer to determine if connection to a public system would be an option. WGLA Engineering modeled out a path to the Town of Rosman' wastewater treatment facility. Gaia Herbs did not want its property subject to zoning and annexation issues, making the connection to Rosman ideal. Connection to the City of Brevard's facility would have required annexation under their existing water-sewer extension policy. Based on this information, the Alliance facilitated the relationship between Gaia Herbs and the Town of Rosman for the development of the route, connection of utilities, placement of pump stations, etc.

The Alliance has been working with the Town of Rosman to understand their capacity from an industrial waste standpoint being that Gaia Herbs' wastewater is highly concentrated (25,000 BOD/L vs acceptable level of 25 BOD/L). Gaia Herbs is trying to figure out a dilution/pretreatment solution to reduce its BOD/L to acceptable levels and therefore is designing and building a pretreatment facility onsite based on the Town of Rosman's feedback.

From a permitting standpoint, DEQ permits the provider; then the municipal system regulates who taps into it. A town, in order to hook up industry to its wastewater treatment system, must have a sewer use ordinance in place. The Town of Rosman already has an ordinance in place, but they do not yet have an industrial customer provision. The Alliance intends to help the Town update the ordinance to include an industrial ordinance which will explain how the customer will be regulated and will be detailed and lengthy in nature to cover industrial users.

In the meantime, the Alliance and Gaia Herbs will continue working with a civil engineer to understand the costs to the Town of Rosman and seek grants to help reduce the overall costs of the project.

Mr. Hallingse reported it has been a lengthy process to draft the ordinance language. The Town of Rosman has not yet adopted the ordinance, but it is on their Board of Aldermen's agenda for approval this evening. Gaia Herbs has been concerned about the delay. The Alliance has been the "middle man" in trying to chart a path forward. The City of Brevard has expressed an interest in being the sewer provider for Gaia Herbs and has come forth with an offer to forego its policy of requiring annexation after seeing the ARC grant.

Mr. Hallingse reported that the Alliance has applied for grant funding for the project from the following: Appalachian Regional Commission, Community Development Block Grant, and NC Commerce.

Commissioner Lemel felt this was an opportunity for the Town of Rosman to get to a point to accept industrial waste and it would be important for economic development. She asked if the Alliance had met with the Board of Aldermen to coach them on why it is so important for them to approve the ordinance on their agenda tonight.

Commissioner Phillips inquired if Rosman had the capacity to add on future industrial customers. Mr. Hallingse reported that they are using only 25% of their capacity now.

Mr. Caldwell noted that in terms of capacity, the Alliance has been encouraging Gaia with its pretreatment facility and encouraging Rosman with its administrative capacity with the passage of the ordinances, which were modeled after State ordinances and expected to be approved by the Board of Aldermen tonight. The Town and Gaia have also established a pump and haul agreement for Gaia to spread its effluent in the meantime.

Mr. Hallingse said his number one priority has been trying to meet the needs of Gaia Herbs. The worst case scenario would be that they hook onto the Town's utilities and the Town is unable to manage them causing the fines to continue because of discharge and they are subsequently unable to get permitted by DEQ.

The Alliance wanted to be clear to the Board of Commissioners about why this process is taking so long. Mr. Caldwell reiterated that the goal is to keep Gaia Herbs viable, but also not to build something that is a financial burden to the Town of Rosman or one that hurts their system.

Commissioner Hawkins asked if Gaia Herbs would have the same pretreatment requirements if they were to hook onto the City of Brevard's system. He stated that if Gaia is having concerns, perhaps it would have been prudent to contact the City of Brevard months ago and maybe that would have prompted the Town of Rosman to act more quickly. Mr. Caldwell pointed out that no time was wasted because there has been a lot of grant work involved in the meantime.

Commissioner Hawkins asked for confirmation that next steps would be that the Town of Rosman permits Gaia Herbs to use its facility providing that the Board of Aldermen passes its ordinance tonight. Mr. Hallingse confirmed. He stated that Gaia Herbs has designed a pretreatment facility to be built offsite and it is being installed. (Mayor Shelton joined the meeting at this time.) Mayor Shelton felt confident the ordinance will pass tonight. Responding to Commissioner Chappell, Mayor Shelton stated the rates are set in the budget, but the permit will set other parameters.

Mr. Hallingse stated that Gaia Herbs will build the pretreatment facility, submit the application to the Town of Rosman for review, which is very detailed, and the application will either be approved or denied based on the ordinance. Gaia Herbs is confident they can reduce their BODs to 250 per L.

Commissioner Hawkins inquired if the facility will require any additional staff. Mayor Shelton revealed the biggest concern is the testing; however, Gaia Herbs intends to have a staff person running the pretreatment facility. They intend to work with Town to keep a record of the BOD levels. He also noted, responding to various questions from Commissioners, that WGLA Engineering will lay an 8" line and it will be owned and operated by the Town of Rosman.

Mayor Shelton closed by saying he felt this was a great opportunity for the Town of Rosman and Transylvania County because it opens up the corridor for economic development, therefore making it so critical to have this type of infrastructure in place.

> S://Larry L. Chapman, Chairman Transylvania County Board of Commissioners

ATTEST:

S://Trisha M. Hogan, Clerk to the Board