

The Village of Bald Head Island

June 28, 2007

Dear Bald Head Island Property Owners:

For the past year, the Village Council has been working on the issue of eliminating septic systems on Bald Head Island. There currently are fifty (50) septic systems in stage one and thirty-six (36) on Middle Island, with the possibility of adding another eighty (80) on Middle Island in the future.

In an effort to eliminate septic systems from the Island, the Council has been working on the feasibility of extending municipal sewer service to Middle Island. The Council has received numerous comments pro and con from concerned citizens and others regarding the feasibility, assessment and cost of extending municipal sewer service to Middle Island.

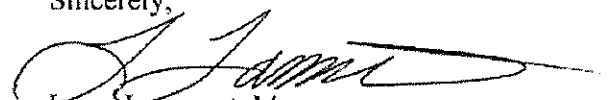
The need to eliminate septic systems is important for the environment on the Island. The current information available to Council indicates that we need to take action sooner rather than later. We have a water quality report completed in May of this year which indicates nitrate levels in the creek have increased markedly over the last six years.

The increase is most noticeable at the two testing stations by Middle Island. As you know, the major sources of nitrates are golf courses and septic systems. We know the golf course is not close to Middle Island and the only septic systems in the area are on Middle Island.

Therefore, the Council has decided to move forward with an Island-wide program to eliminate septic systems on Bald Head Island over the next twenty (20) years. This involves the prior passage on December 15, 2006 of the Utility Ordinance requiring that all septic systems be connected to the Village sewer system by the year 2027 or earlier if the septic system fails. At its Special Meeting on June 27, 2007, the Council voted to approve the lowest responsible bid for constructing the Middle Island sewer line in order for the construction to move forward. It is expected that construction will commence on or about October 2007. Each lot at Middle Island will be assessed, at the completion of construction, approximately \$5,600.00 for sewer construction. Were the Village to delay acting, this cost would increase substantially. To mitigate the economic impact to Middle Island septic system owners they will be given the opportunity to enter into a maintenance agreement, not later than January 1, 2008, with the Utility Department and will have their septic system replaced by the Utility at no cost to the property owner when it fails or is no longer maintainable.

The Council and Village Staff believe this is the most environmentally responsible program to eliminate Septic from the Island and for the environment of the Island in the future.

Sincerely,



Larry Lammert, Mayor