

May 26, 2009

The Middlesex Governing Body met in Special Session in the Conference Room of the Town Hall to adopt a Resolution and Capital Project Ordinance authorizing to proceed with the new well and meter replacement grant project. Mayor Luther H. Lewis, Jr. called the meeting to order at 7:30 p.m. and gave the invocation. Members present were Commissioners Harold Meacombs, Fred Hough, Luke Robinson, Derek Bissette, and J.W. McClenny. No guests were present.

Administrator Bissette reviewed the Commitment of Other Funds Form indicating a NC Rural Center Grant of \$245,833 and the town's match of \$109,267, bringing the total project to \$355,100. She pointed out the updated project description, updated project line item budget and the engineering services agreement.

In the project budget, the grant administration of \$8,200 was taken out at the April meeting and Bissette explained that Michael Acquesta, the town engineer, requested that this amount be added back into the budget. He explained that there would be costs involved, even though Bissette will complete all the paperwork, because he would be responsible for reviewing and signing off on all invoices and submittals for grant reimbursements as required by the Rural Center. Commissioner Bissette added that he thought \$1,000 should be plenty to take care of this.

There was also a brief discussion regarding the construction observation costs. Mayor Lewis stated that according to the engineering services agreement, the cost of \$13,700 was only for two (2) two-hour site visits during well drilling, well hole development, and draw down testing, and two (2) site visits per week while construction is underway. He questioned Administrator Bissette, stating that this sounds high. Administrator Bissette advised that this amount was approved at the April meeting and that the \$13,700 was the maximum that could be charged, and was based on the USDA price curve for providing this service. She added that Michael Acquesta had agreed that he would coordinate visits with her and limit visits to only when she feels they are necessary.

Commissioner Bissette asked Administrator Bissette to talk to Acquesta and make sure there was "no overkill" on the engineering drawings for the well house and to keep it simple. Mayor Lewis added to advise him not to come back with a drawing like Fort Knox like they did on the picnic shelter at the wellness park.

Commissioner Bissette moved to reduce the well project budget for grant administration from \$8,200 to \$1,000, and accept the contract for the engineering services at \$26,495. Commissioner Robinson seconded and the motion carried unanimously.

Commissioner McClenny moved to adopt the Resolution to proceed with the well and meter project, adopt the Capital Project Ordinance, and approve the updated project description and updated project budget changing Grant Administration from \$8,200 to \$1,000 and Well #4 Testing and Enhancement from \$96,230 to \$103,460. Commissioner Robinson seconded the motion and it carried unanimously.

Administrator Bissette advised that the only change in the proposed 2009-2010 budget was the addition of the Recycling Grant that was omitted in error. The budget did not include any water, sewer, or sanitation rate changes, since rates were still being discussed. Commissioner Bissette added that he had gotten some information from Administrator Bissette and was working on a proposal but he had not completed his study.

Administrator Bissette stated that since the last budget meeting, she had completed a detailed study. She recommends to increase the water rate to \$6.25 per 1,000 gallons and add a \$2.00 flat fee, decrease sewer from \$13.00 to \$12.25 per 1,000 gallons and add a \$26.00 flat fee, and increase sanitation from \$11.75 to \$13.25 per month for residential, and \$19.50 to \$21.50 per month for businesses to make all utilities self sufficient in 2009-2010 with no reserves being used.

Mayor Lewis stated he was in favor of establishing a flat fee, with no rate increases because it was evident something had to be done, but maybe not have all the increase all at one time.

The Commissioners asked what was needed from savings to meet the water and sewer budget if no rates were increased and excluding the projects. The figure for water is approximately \$33,000 after removing the well and meter project and sewer would be \$97,500. Commissioner Bissette stated that citizens using less than the 2,000 gallon minimum, but paying the minimum bill each month, was not right, so he is working on a proposal and will have it ready at the June meeting. Mayor Lewis also asked that each Commissioner study the rates and try to come up with some solutions and come prepared to finalize the budget on June 8<sup>th</sup>.

In the final item of budget business, as requested at the last meeting, Administrator Bissette checked into contracted garbage pickup with Waste Industries. The rate per 90 gallon cart is \$11.71 per month, so it is cheaper for the town to continue to pick up the garbage.

Being no further business, Commissioner Robinson moved to adjourn.

Jennifer Lambert  
Clerk

Mayor Luther H. Lewis, Jr.  
Commissioners  
Harold Meacombs  
Fred Hough  
Luke Robinson  
Derek Bissette  
J.W. McClenny