

June 9, 2008

The regular scheduled meeting of the Middlesex Governing Body was called to order by Mayor Lewis at 7:30 p.m. and he gave the invocation. Members present were Commissioners Fred Hough, Luke Robinson, and Derek Bissette. Commissioner Harold Meacombs and J.W. McClenny were absent. The guest list is attached and are part of these minutes.

Mayor Lewis then opened the floor for the public comment session. There were no comments and the session was closed.

Commissioner Robinson moved to accept the May minutes as correct. His motion was seconded by Commissioner Bissette and it carried unanimously.

Administrator Bissette requested to change the agenda to add Brad Shepard's resignation under New Business, move the Closed Session to discuss the land purchase as the first item of business and interview Kara Mariotti and Robert Elsey for full time police officer positions in the Closed Session to discuss personnel matters. Mayor Lewis requested to move the request for holiday pay for Dennis Murray and Steve Glover to the last item of business. Commissioner Hough moved to approve the agenda with the requested changes. His motion was seconded by Commissioner Robinson, and it carried unanimously.

Commissioner Hough moved to go into Closed Session under G.S. 143-318-11(a)(5) to discuss the town's purchase of real property. Commissioner Bissette seconded the motion and it carried unanimously.

Back in Open Session, Administrator Peggy Bissette introduced Mike Hill with NC Rural Water Association. Mr. Hill completed and presented four very detailed scenarios on water and wastewater rate studies. All four studies indicated that our rates are well below what is needed to breakeven. Even the studies taking into consideration the loans only, including no depreciation or capital outlay indicates our rates are too low. Mr. Hill recommended and encouraged the Board to add an availability fee to cover the loans, depreciation costs and capital outlay. He also recommended to try to cut down on water lost by weekly flushing. Administrator Bissette stated she would work with Jeff Waddell on a new schedule, flushing less often. Mayor Lewis thanked Mr. Hill for his help.

In a motion made by Commissioner Hough, seconded by Commissioner Robinson, and carried unanimously the May financial statements were approved as correct.

Chief Ferrell advised the Board that NC Training and Standards came last week and completed a surprise audit and stated that the records were impeccable. Brad Shepard turned in his resignation and gave no notice. He advised that the 2003 Crown Vic was running good with the new fan.

Mr. Bob Strange, VP of Procurement at Fawn Industries, sent a letter requesting an adjustment to the April water and sewer bill due to a problem they experienced with a valve in the cooling tower. In April, 417,000 gallons of water went through their meter, and another 352,000 in May. Administrator Bisette advised the Board that the town had to pay Raleigh for treatment of this flow and that Jeff Waddell replaced their meter to make sure no problems were on the town's side. From Friday to today, Bisette advised, another 4,000 gallons went through with no one there, so it appears something may be hanging up. The Board agreed that we could not give an adjustment since the town has to pay Raleigh to treat, and agreed with Bisette to allow Fawn to split the May bill into two installments.

Administrator Bisette recommended to the Board to increase the cutoff fee from \$25 to \$50. She cited the rising price of gas, the fact that Utility Department Personnel make two trips for each cutoff, and that one person works one hour over their schedule on the day service is disconnected. Clerk Lambert pointed out that Bailey has been charging \$50 for years, and Spring Hope increased their cutoff fee to \$50 a few months ago. After a brief discussion, the Board agreed to leave the fee at \$25.

Bisette also requested the Board to increase the \$20 returned check fee to \$35, pointing out that most banks now charge \$35. The Board asked if the bank charges the town, and Bisette answered no. Clerk Lambert added that there is extra time spent trying to collect the check and extra bookkeeping involved. The Board agreed not to increase the \$20 returned check fee.

Due to some citizen complaints, and the fact that it is almost impossible to enforce the rules required for the return of the \$50 deposit required to rent the picnic tables at the park. Administrator Bisette recommended that we delete Item #2 on the Park Reservation Agreement and not require a deposit. Commissioner Bisette moved to remove Item #2 requiring a \$50 deposit for the picnic tables from the park reservation agreement, but everyone reserving the area should still sign the agreement. His motion was seconded by Commissioner Robinson and it carried unanimously.

After a brief discussion regarding the purchase of a police car to replace the 2001 Crown Vic with the blown up motor, Commissioner Bisette moved to purchase a car from the NC Highway Patrol as chosen by Mayor Lewis and Chief

Ferrell for about \$6,000. Commissioner Robinson seconded and the motion carried unanimously.

Administrator Bisette requested to table the review of the bid for the water and sewer lines on Planer Mill Road for the Quinn Powder Coating business. There was a big difference in the price of the two bids. Also, Bisette wants to further investigate a recent amendment to the Code of Ordinances, which states that Mr. Quinn would be responsible for getting his bids and have the work completed and then turning the lines over to the town. If this is indeed the case, the town may not be eligible to apply for the Rural Center grant.

The Proposed 2008-2009 Budget was submitted with no changes since the last meeting. Administrator Bisette requested that the Board reconsider increasing the water and sewer rates and add the availability fee by the lowest amount presented by Mr. Hill, so the town would at least cover its debt service. With no further discussion, Commissioner Hough moved adopt the budget by department by line item as follows:

<b>GENERAL FUND REVENUES</b>	<b>FUND 10</b>	<b>968,680</b>
<b>GENERAL FUND EXPENSES</b>	<b>ACCOUNT #</b>	<b>AMOUNT</b>
Governing Body	10-410-0000	6,940
Administration	10-420-0000	120,200
Tax Collections	10-460-0000	1,650
Legal	10-470-0000	8,000
Econ./Physical Dev./Zoning	10-490-0000	66,900
Public Buildings	10-500-0000	13,190
Community Building	10-502-0000	2,500
Police Department	10-510-0000	267,390
Police Drug Fund	10-511-0000	1,200
Public Safety	10-530-0000	20,000
Streets & Sidewalks	10-560-0000	73,670
Powell Bill	10-570-0000	83,000
Sanitation	10-580-0000	64,950
Parks & Recreation	10-590-0000	103,700
Cemetery	10-640-0000	1,100
Non-Departmental	10-660-0000	110,500
Library	10-680-0000	23,790
<b>Total General Fund Expense</b>		<b>968,680</b>
<b>Water Revenues</b>	<b>Fund 30</b>	<b>138,660</b>
<b>Water Expenditures</b>	<b>Fund 30</b>	<b>138,660</b>
<b>Sewer Revenues</b>	<b>Fund 30</b>	<b>350,685</b>
<b>Sewer Expenditures</b>	<b>Fund 30</b>	<b>350,685</b>
<b>TOTAL WATER &amp; SEWER</b>	<b>Fund 30</b>	<b>489,345</b>
<b>TOTAL 2008-2009 BUDGET</b>		<b>1,458,025</b>

Commissioner Robinson seconded and the motion carried unanimously.

Commissioner Bissette moved to release the following property taxes:

<u>Taxpayer</u>	<u>Year</u>	<u>Amount</u>	<u>Reason</u>
Dusablon, Francois Xavier	2007	\$ 2.88	Not in our jurisdiction
Wood, Charles Keith	2006	\$10.05	Not in our jurisdiction
	2007	\$ 8.18	Not in our jurisdiction

Commissioner Hough seconded the motion and it carried unanimously.

Commissioner Robinson moved to approve the following 2007-2008 Budget Amendments:

<u>FUND 30</u>	<u>DESCRIPTION</u>	<u>INCREASE</u>	<u>DECREASE</u>
<b><u>EXPENDITURES</u></b>			
<b>SEWER:</b>			
30-800-4400	RAL. SEWER SURCHARGES	\$1,670	
30-800-4500	CONTRACTED SERVICES	\$1,950	
30-800-5000	FINES & PENALTIES	\$1,300	
30-800-5500	PERMITS	\$600	
30-800-7406	QUINN POWDER COAT. PROJ	\$10,170	
30-800-7400	CAPITAL OUTLAY (LAND)	\$10,000	
	<b>TOTAL</b>	<b>\$25,690</b>	
<b>REVENUES:</b>			
30-375-9800	CONTINGENCY APPROP	\$25,690	
<b>WATER:</b>			
30-810-7700	WELL PROJECT	\$450	
30-810-6600	TRAINING		\$450

Commissioner Bissette seconded the motion and it carried unanimously.

Commissioner Robinson moved to go into Closed Session under G.S.143-318.11(a)(6) to discuss personnel matters and interview Kara Mariotti and Robert Elsey for full time Police Officers. His motion was seconded by Commissioner Hough and it carried unanimously.

Back in Open Session, Commissioner Bissette moved to pay Dennis Murray for 92.50 hours of accumulated holiday pay and Steve Glover for 96

hours of accumulated holiday pay totaling \$\$2,582.40. Commissioner Robinson seconded the motion and it carried unanimously.

Commissioner Robinson moved to hire Kara Mariotti and Robert Elsey as full time Police Officers at an annual salary of \$24,000 effective immediately contingent upon all paperwork being approved by NC Training and Standards. Commissioner Hough seconded the motion and it carried unanimously.

Brad Shepard's resignation was accepted in a motion entered by Commissioner Robinson, seconded by Commissioner Bisette and carried unanimously.

A motion was not entered on the purchase of land from Bobby Bisette on Selma Road due to the fact that Commissioner Derek Bisette excused himself from the vote due to a conflict of interest and there was no quorum present.

Being no further business, Commissioner Hough moved to adjourn.

Jennifer Lambert  
Clerk

Mayor Luther H. Lewis, Jr.  
Commissioners  
Fred Hough  
Luke Robinson  
Derek Bisette