

Emergency Meeting Minutes  
09-29-2011

Mayor Lewis called the emergency session to order at 8:30 a.m. to consider a grant application to NC DENR to extend the town's water line on Buck Deans Road to the Free Will Baptist Children's Home and adopt a Resolution to apply at the request of the Children's Home. The meeting met the criteria for an emergency meeting because the grant deadline is Friday, September 30, 2011 and the town did not receive the revised grant application until 5:00 p.m. on Thursday, September 29, 2011.

Members present were Commissioners Harold Meacombs, Fred Hough, Luke Robinson, Dale Bachmann and J.W. McClenny. Guests were Leo Green, Green Engineering, and Gary Lee, President of the Free Will Baptist Children's Home.

Mayor Lewis advised the Board that he met with Mike Myers with Envirolink, who is contracted by the town as ORC for the water and sewer system, to review the grant application. Mike agreed that all items that were requested to be changed by the town have been changed.

Page 5 of the application states that the town is allowed to adjust the water rate billed. The rate included for application purposes is the current out of town rate of \$8.00 per thousand gallons and \$8.00 accessibility fee for each meter. The rate will be reviewed based on a review of revenues and expenditures at the time the project is completed.

Mayor Lewis stated the contract was in order, but he wanted to state for the record that the town was only agreeing to apply for the grant and no contracts would be signed at this time. Before the town agrees to move forward with the project, the following was stated for the minutes by Mayor Lewis that:

- (1) The Children's Home must present a hold harmless agreement to the town stating that the town will not be liable for any expenses if the grant is not awarded. The Preliminary Engineering Report and any work to date is the responsibility of the Children's Home if these expenses are not covered by the grant.
- (2) The project must be a 100% principal forgiveness if a loan is awarded instead of grant funds.
- (3) It is understood between all parties that the town is only agreeing to apply, and the town is not committed to accept the money.

- (4) The final contract will be reviewed by the Board and the town attorney and some items may be subject to change.

Gary Lee advised the board that he was just waiting to get the hold harmless agreement from his attorney.

Leo Green added that if the loan was awarded at 100% principal forgiveness that it would be stated in the contract.

Commissioner Bachmann moved to adopt the Resolution to apply for the grant to extend the town's water line on Buck Deans Road to the Children's Home. His motion was seconded by Commissioner Robinson and carried unanimously. The Resolution is attached and are part of these minutes.

Being no further business, Commissioner Meacombs moved to adjourn.

Jennifer Lambert  
Town Clerk

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