

December 14, 2009

The Middlesex Governing Body met in regular session in the Conference Room of the Town Hall. Mayor Luther H. Lewis, Jr. called the meeting to order at 7:30p.m. and gave the invocation. Members present were Commissioners Harold Meacombs, Luke Robinson, Derek Bissette, Fred Hough, and J.W. McClenny. Police Chief Ferrell and Dale Bachmann were present and the only guest was David Hartigan (Hartigan Management). John Anthony, Anthony and Tabb, PA, was present, arriving at approximately 8:30 p.m.

Mayor Lewis opened the floor for public comment. Being no public questions or comments, Mayor Lewis closed the session.

The November minutes were approved in a motion by Commissioner Hough, seconded by Commissioner Robinson, and carried unanimously.

Administrator Peggy Bissette presented a new agenda to replace the original due to several additions and requested the Board to adopt the new agenda. Commissioner Robinson moved to approved the new agenda. His motion was seconded by Commissioner McClenny and carried unanimously.

In a motion by Commissioner Bissette, seconded by Commissioner Robinson, and carried unanimously, the November financial statements were accepted as correct as presented by Clerk Lambert.

Chief Ferrell advised the Board that he had received two free laptops from Nash County that they were no longer using. He also stated he had four applicants for the vacant police officer position but they were dragging their feet getting all their information to him so he had not been able to complete all the background checks. Ferrell should have all this available at the next meeting.

Administrator Bissette advised that four tons of trash were diverted from the landfill due to recycling at a savings of \$55 per ton. She added that we had neither received any money from recycling, nor had we been billed for anything to date. Once she gets all the figures from Utility Director Jeff Waddell, she will complete a cost comparison for recycling.

Administrator Bissette brought the Board up to date on all the ongoing projects as follows:

TOWN HALL ROOF REPAIRS: The roof was sprayed at no cost and the building did not leak on 12-2-09, and again on 12-8-09, after a very heavy rain. ACC Contracting will have to come back another time when it is dry to spray the cap.

NEW METER INSTALLATION: Only 10-15 more meters have been installed since the last meeting. This is a very slow going project due to many sewer pump problems, generator problems, sewer backups, and Jeff was on vacation a week at the end of November. Dale Bachmann is working part time to fill the vacancy left by Shawn Pond's resignation.

ENERGY GRANT-AUDIT REPORT: Robert DuBose came Friday, December 4<sup>th</sup> to recheck some lighting in town hall and he now has everything he needs to finalize the audit report, which we hope to receive before the January meeting.

SANITATION/RECYCLING: Many residents are stating that they are filling up their recycle carts before it is being picked up once a month. Therefore, we are picking up recycled materials every two weeks. We are working on calendars showing garbage and recycle dates to distribute with the refrigerator magnets. Four residents have requested backyard pickup due to health reasons and Bissette noted that these houses need to be distinguished somehow for the utility department. Bissette advised these four residents that we would give them back door pickup, but to get us a note from their doctor on their next visit. This would stop able citizens from requesting back door pickup just because they did not want to bring their trash and recycle curbside. Sanitation Commissioner Derek Bissette said he did not think we should charge extra for this service. The Board agreed and thought the doctors' note was a good idea.

David Hartigan with Hartigan Management presented a letter of commitment, grant application, and a Resolution for adoption to apply for a Building Reuse and Restoration Grant from the NC Rural Center on behalf of Future Graphics in order for them to renovate the old Fawn Industries building. The grant, totaling \$190,000, is a one to one match and Future Graphics would be responsible for half of the project cost. They currently have 14 existing full time jobs and the grant requires they add five (5) new jobs that must remain filled for a period of at least six months. The Town of Middlesex's portion of \$6,500 will be paid by Future Graphics and, in turn, this is to be paid to Hartigan Management for their services according to Mr. Hartigan.

Commissioner Hough voiced concerns regarding the responsibility of Middlesex having to repay grant funds if Future Graphics failed to hire the five employees and retain all five for a six month period. Mr. Hartigan stated that the town could assure their collateral by including this requirement in the loan agreement before signing.

Questions arose regarding filing a lien due to the fact that Phil & Linda Killete are the property owners, not Future Graphics. Mayor Lewis added that the town attorney would review all documents and advise the town regarding any risks to make sure the town is covered. Commissioner Bissette added that the town should only agree if we are the number one lien holder, not in line after several other lien holders.

Asking about the repayment if the project did not pan out, Hartigan stated that he did not think the Rural Center would make Middlesex pay the funds back. Administrator Bissette disagreed stating that every grant she had ever applied for through the Rural Center, citing examples of the Hanes and Quinn Powder projects, the Rural Center always told her the same rules: the town would be responsible for paying back the grant. Bissette advised that if they hired three employees that stayed six months, then the town would have to pay back the grant portion for the two positions not filled.

Administrator Bissette voiced her concern that she would like to have the word "vacant" removed from a sentence in the letter of commitment referring to the building, since Future Graphics had already moved in. She explained to Mr. Hartigan that the town had a good relationship with the NC Rural Center and did not want to jeopardize that relationship in any way. Mr. Hartigan said it was fine if the word "vacant" was removed, and he pointed out in the application where he had made it clear that Future Graphics had already moved in the building in order to begin needed repairs.

Mr. Hartigan and Mayor Lewis pointed out that this step is only the filing of the grant application at this time and if the grant was awarded, we would definitely have the town attorney review the terms of the loan agreement very closely. Commissioner Bissette moved to approve the letter of commitment to apply for the Building Reuse and Restoration Grant on behalf of Future Graphics and adopt the resolution to apply for the grant. Commissioner Robinson seconded his motion and it carried unanimously.

Commissioner Bissette moved to approve a corrected 2009 tax release for Kathleen Edwards in the amount of \$219.99 verses the \$153.05 approved at the November meeting. His motion was seconded by Commissioner Meacombs and carried unanimously.

Commissioner Robinson moved to approve a 2009 tax discovery for Brinks Security in the amount of \$4.80 and to approve a release in the amount of \$313.55 for JIBE Enterprises (new owner Southwinds Properties). Commissioner Hough seconded and the motion carried unanimously.

Administrator Bissette advised the Board that she would begin advertising for a full time Utility Worker after her discussion today with Dale Bachmann, adding that Dale stated he does not want the job full time and will remain part time to assist to cover the vacancy left by Shawn Pond.

John Anthony, Anthony & Tabb PA, presented the 2008-2009 audited financial statements, adding that they had been approved by the NC State Treasurer's office. He advised the Board that his opinion was the June 30, 2009 financial statements offered a fair presentation of the town's financial condition. John pointed out that the Management Discussion and Analysis (MD&A) prepared by Gary Pittman, was a recap of the financial statements. John stated that cash and cash equivalents were \$1,712,868, which were \$90,000 less than last year, but that we had \$200,000 less debt. The figures show the town has plenty of reserves for rough times.

The General Fund Expenditures were under budget \$236,000 and the fund is in good financial condition. John added the town should watch the Water and Sewer Fund and that we may hear from the Local Government Commission due to a loss created by depreciation and amortization of facilities, stating that this is a real expense because of the need for maintenance and upkeep of the facilities. This is up from \$100,000 loss last year. John warned that the town must either reduce expenses and he really didn't see where we could reduce, or increase revenues by increasing rates. He warned that we probably would get a letter from the Local Government Commission because the Water and Sewer Fund should be self supporting, without transfers from other funds for operations or to pay off debt. Although this fund lost money, John said the water & sewer expenditures came in \$62,848 under budget and we did good in terms of estimating our budget and staying within budget.

The property tax collection rate was 97.2%, with only \$6,100 left uncollected in 2008 taxes. John advised the Board that in over thirty four years of audits, the records presented were in the best shape that he has ever audited and gave the office staff credit for such good record keeping. Commissioner McClenny expressed his appreciation to the good job being done by the office staff.

Commissioner Bissette advised John that we increased on our water and sewer rates September 1<sup>st</sup> so we have taken action and John stated that was good and a step in the right direction. Mayor Lewis thanked John for his report.

Being no further old business, Commissioner Robinson moved to adjourn.

Clerk Lambert administered the oath of office to Mayor Luther H. Lewis, Jr., and Commissioners Derek Bissette and Harold Meacombs. Administrator Bissette asked about ethics training for elected officials. The Board added that they would like to have the training in the form of a web based seminar at the town hall. Clerk Lambert will check into a webcast training session.

Mayor Lewis called the meeting to order to discuss new business. The first item of new business was to adopt a Resolution of Participation in the Nash County 2009 Transportation Plan and to appoint a representative. Mayor Lewis and the other Commissioners thought Mayor Lewis was the already the representative because he had attended a couple of meetings already. Commissioner Robinson moved to adopt the Resolution of Participation and to appoint Mayor Lewis as the Middlesex representative. Commissioner Meacombs seconded the motion and it carried unanimously.

Town Administrator Bissette reviewed proposed 2009-2010 budget amendments as follows:

		<u>INCREASE</u>	<u>DECREASE</u>
10-343-0300	Powell Bill Sales Tax Refund	100.00	
10-367-0100	Sales Tax Refund		100.00
10-359-0300	Bad Debts Collected	15.00	
10-390-0100	Gen Fund Bal Appropri.		15.00
10-373-0401	Wellness Park Grant	11,040.00	
10-390-0100	Gen Fund Bal Appropri.		11,040.00
10-351-0000	Court Fees	120.00	
10-390-0100	Gen Fund Bal Appropri.		120.00
10-390-0100	Gen Fund Bal Appropri.	75,000.00	
10-335-0000	Miscellaneous Revenue	885.00	
30-390-0000	Transfer from GF to Water	12,840.00	
30-390-1000	Transfer from GF to Sewer	14,540.00	
10-590-7405	Wellness Park-Principal	48,505.00	
10-660-6900	Transfer to Water/Sewer	27,380.00	
30-800-7703	NC231 Loan Principal	14,540.00	
30-810-7701	Well #4 Principal	12,840.00	

Commissioner Bissette seconded and the motion carried unanimously.

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

