

REGULAR MEETING

The Town Council of the Town of La Grange, North Carolina met in Regular Session at the Town Hall on March 2, 2009, at 7 p.m. with the following present:

Mayor Woodard H. Gurley; Mayor Pro Tem Bobby Wooten; Council Members Larry Gladney, George Koonce, Gregory Rouse and Clifton Harrison; Town Manager, John P. Craft; Town Attorney, George Jenkins, Jr.; Town Clerk, Nelda H. Johnson, CMC.

Absent: Elliott Sutton, Council Member

(Note: Council Member Sutton participated through telephone conference, but was not a voting participant.)

Guest: 10

ITEMS 1, 2, 3: CALL TO ORDER, INVOCATION, WELCOME

Mayor Gurley called the meeting to order and asked Mayor Pro Tem Wooten to give the invocation. Mayor Gurley welcomed all guest.

ITEM 4: PUBLIC HEARINGS

ITEM 4A: USDA RURAL DEVELOPMENT LOAN AGREEMENT FOR THE WELL PROJECT

Mayor Gurley opened the Public Hearing and turned the hearing over to Manager Craft

Manager Craft stated that the purpose of the Public Hearing was to receive public comment on the proposed loan to fund the remaining balance of the Well Project. Manager Craft gave information stating that \$350,000 was secured through a grant from the North Carolina Rural Center and the balance of the project is to be funded through USDA and the Town's required matching funds. The Town is in the process of building two new wells to provide an alternate water source as required by the Central Coastal Plain Capacity Use Area requirements. The Town is required to have a reduction in our water withdrawals from the Black Creek aquifer. Twenty-five percent was required by August 2008; and, an additional twenty five percent by the year 2013 and then another twenty-five percent by the year 2018. Future wells would draw from an aquifer closer to the ground service; it would likely be the Pee Dee aquifer or a superficial aquifer. This would provide the necessary water to meet the reduction by 2013.

Manager Craft called for any comments or questions.

Council Member Clifton Harrison asked that if the water levels continue to increase would the percentages be reduced.

Manager Craft stated that the rules have always included provisions to re-access the reduction depending on the performance of the aquifer. The first 25% reduction is in effect through the five year period. The Town can always go to the State and ask for re-evaluation.

Council Member Gladney asked where the proposed well sites would be located.

Manager Craft stated that one well site would be located off of North Caswell Street, just past Second Street and the second one between North Forbes Street and Herring Road.

Albert Lee Gray, 108 East Boundary Street, spoke stating that he was concerned that the water rates would go up for the citizens.

Manager Craft stated the funding had already been factored into our water rate plan over the next two years. There was a slight increase last year and another slight increase this year and then rates would level off by the year 2010.

Mayor Gurley called for additional questions and comments.

There being no more questions or comments, Mayor Gurley declared the Public Hearing closed.

ITEM 5: BOARD OF ADJUSTMENT

No cases.

ITEM 6: PUBLIC COMMENT PERIOD

Five citizens signed up to speak during the Public Comment Period.

(1) Fabienne Kittrell, 102 Dawson Street, in summary, spoke stating that she was a La Grange native and did purchase a home and her concern was about the Town's high utility rates. Ms. Dawson stated that she attended last month's Council Meeting and ideas were proposed to assist citizens in paying their bills including a new payment system that would allow customers to prepay or pay as you go system. The ideas presented only addressed paying the bills. Why can't the Town address the rates? Could the electric company the Town buys electricity from address that issue? People outside the city limits pay a much lower electric bill. Is not La Grange able to buy electricity from a different company? Why do we have to stay with a company who seems to charge a much higher rate? I was told that La Grange owes the company that supplies the electricity and until the balance owed is paid we are stuck with that electric company. Why not pay them off and choose a different company and pursue a less taxing electric company. These questions may have been addressed in previous meetings and may not be answered tonight, but if our Town wants to expand its appeal and increase population something has to be done. Why not begin with "Our Town is a friendly, family oriented, nice down home place to live, located near larger cities if you like the night life, close to the beach and has a competitive utility rate." As my elected officials, whom I voted for to serve my Town, you cannot allow such a burden to be placed on citizens, others and myself who pursue life, liberty and happiness.

- (2) Melvin White, 5755 Huntington Park Drive
- (3) Mitchell Williams, 5822 Huntington Park Drive
- (4) Maurice Goodall, 5847 Huntington Park Drive
- (5) John Miller, Jr., 5811 Huntington Park Drive

The above listed four speakers spoke on the same topic. In summary, each resident expressed very serious concerns with the new property owner of the adjacent wooded property of their subdivision. The new owner was allowing sportsman hunting on his land. Huntington Park Subdivision is a residential neighborhood and a part of the Town's limits; but, the wooded property is outside the Town's limits. Each resident is a homeowner and expressed numerous concerns on safety for their children, wives, themselves, and their property; should a tragedy happen, who would be responsible; hunters using high powered rifles; bullets ricocheting and missing the intended target; residents did not purchase their property knowing there would be hunting in their neighborhood; values of property could go down. Each resident asked the Council for their assistant in helping stop the hunting in their neighborhood and back yards before a tragedy happens.

Manager Craft responded first to Ms. Kittrell's concern on obtaining an alternate source for the Town's energy stating that the Town, years ago even before any of the present Council was seated, entered into a contract to purchase a part ownership in nuclear generator facilities in Wilmington at the Brunswick Nuclear Power Facility and Shearon-Harris in Raleigh. Also the Town has ownership in two coal-fired plants. In the 1960's there was a potential shortage of energy and municipalities were approached by the power companies at the time, CP&L and Duke Power, sought the assistance of other

entities that would help fund construction at those new facilities. Based on what the Town knew at that time, it was a logical step to join the power agencies. The North Carolina Eastern Municipal Power Agency is made up of 32 cities which the Town joined. The NCEMPA ownership of the power companies is about 20% and our Town's share of ownership is about 0.5%. The Town owes over Thirteen Million Dollars on the generation facilities and 46% of the Town's electric rates are debt related expenses. In the year 2019 two of the facilities will be paid for and there will be a slight reduction in debt service. The largest part of the NCEMPA debt is the Shearon-Harris Plant and it will be paid in 2026. The Town has a long term contract with Progress Energy and provided that the debt is not refinanced, it would be paid off in 2026 and then the Town may see a reduction in rates. The Town cannot sell power cheaper than Tri County EMC or Progress Energy. Tri County does not have ownership in any major generation facility. The EMC's were established to provide electricity to citizens outside municipalities and were funded in part by federal dollars in the rural areas and very little debt was created. The Town buys energy from Progress Energy and pays 20% of cost to operate the facilities in addition to the Town's debt service. The rates that have increased have been a result of higher nuclear fuel cost, higher coal cost, and outages in the nuclear facilities. The Town is contractually bound with Progress Energy.

Manager Craft responded to the four residents at Huntington Park Subdivision on their concern of sportsman hunting in their neighborhood by stating he would respond to each resident by letter on his findings. Manager Craft stated that Council Members Rouse and Gladney and he had actually been to Huntington Park and discussed the problem. Manager Craft stated that he had already sought advice from various agencies and other Towns on how to address the residents' concerns. Counties regulate hunting regulations and are based on a particular's county's stipulations; also, the Wildlife Resource Commission regulates hunting. In Town, within the city limits, it is prohibited to shoot a weapon but outside, in the county, it is allowed.

Manager Craft stated that he would continue to look into the hunting situation for any possible options/solutions.

After lengthy discussion concerning the hunting issue with the Huntington Park residents, Mayor Gurley stated that he would be glad to meet with the residents and the new owner of the property and help reach an agreement.

ITEM 7: AMENDMENT(S) TO AND APPROVAL OF AGENDA

Manager Craft requested the addition of ITEM 9E: AGREEMENT WITH NCEMPA RENEWABLE ENERGY DEVELOPMENT AND SERVICE AGREEMENT.

Motion was made by Council Member Gladney, seconded by Council Member Harrison to approve the printed agenda and the addition of ITEM 9E. Motion carried 5-0 in favor of motion.

ITEM 8: CONSENT AGENDA

- a. APPROVAL OF MINUTES
 - i. February 2, 2009 Regular Session Minutes
 - ii. February 2, 2009 Closed Session Minutes
- b. Willis Property Annexation Items
 - i. Town Clerk's Report of Sufficiency of Petition
 - ii. Approval of Resolution Establishing April 6, 2009 as date for Public Hearing to consider annexation. Copy of Resolution No. 2009-03-225 hereto attached and filed in Resolution Book IV.
- c. Establish March 18, 2009 at 5:30 p.m. as date and time of Special Meeting with County Commissioners

ITEM 9: NEW BUSINESS

ITEM 9A: DISCUSSION RELATED TO GARBAGE COLLECTION CONVENIENCE FEES & COMMERCIAL COLLECTION REQUIREMENTS

Manager Craft related to the Council that the Town was experiencing problems with businesses downtown utilizing the public trash cans along the street or another customers' in lieu of providing their own trash receptacle. Manager Craft continued that it is unfair to require residents to pay a convenience fee while businesses do not. When the Town originally contracted out garbage collection, businesses was give the option of taking care of their own garbage/trash. Business customers should be exempted only if a dumpster is utilized and only one exemption allowed per utility customer. Also, Manager Craft recommended that the Council adopt a \$50.00 fine when residential or commercial waste is deposited in street-side public containers or other customers' containers.

Manager Craft reviewed the current garbage collection fees for in-town residents and out-of-town residents as well as the current special pickup fees.

Manager Craft recommended a reduction in the rate structure for garbage collection fees to help our citizens.

PROPOSED IN-TOWN GARBAGE COLLECTION FEES

# of Carts	Cart Cost	Landfill Fees	Total Cost
No change for 1	\$10.50	\$6.75*	\$17.25
2	\$15.50	\$9.75	\$25.25
Each additional	\$5.00	\$3.00	\$8.00

*Includes \$1.25 yard waste landfill fee.

PROPOSED OUTSIDE TOWN GARBAGE COLLECTION FEES

# of Carts	Cart Cost	Landfill Fees	Total Cost
No change for 1	\$14.50	\$5.50	\$20.00
2	\$21.75	\$8.50	\$30.25
Each Additional	\$7.25	\$3.00	\$10.25

- **PROPOSED SPECIAL PICK UP FEE**
 - Items that are FREE if called in are:
 - Furniture
 - White Goods (old appliances)
 - Christmas Trees
 - Leaves, etc. during advertised periods
 - Yard Debris (grass clippings, limbs, leaves) and trees placed in brown carts
 - Tires
 - \$10.00 Pickups:
 - Anything called in that is not considered a free pickup
 - Construction debris includes wood, carpet, etc.
 - Yard Debris (grass clippings, limbs, leaves) and trees not placed in brown carts
 - \$25.00 Pickups
 - Anything NOT called in or placed in carts

In-Town Customers

- Reduce charges for additional carts from \$16.00 to \$8.00 (\$5.00 cart fee plus \$3.00 Landfill fee).
- Reduce charges for special pickups that are called in from \$25.00 to \$10.00
- All Commercial Customers must pay convenience fee or provide on site dumpster

Outside Town Customers

- Reduce charges for additional carts from \$20.00 to \$10.25 (\$7.25 cart fee plus \$3.00 landfill fee)

After discussion motion was made by Council Member Gladney, seconded by Council Member Rouse to approve the recommendation by Manager Craft on the proposed garbage fees/changes as discussed. Motion carried 5-0 in favor of motion.

ITEM 9B: ESTABLISH WEEK FOR A NEW ANNUAL CLEAN UP CAMPAIGN

Manager Craft recommended that two weeks each be established for "Clean up the Garden Spot" Campaign and recommended the first week in May and the first week in November. During this "clean up campaign" special pickup fees would be waived for items that are called in; normal \$25 fee should apply to items not called in; encourage the cleanup of properties in the Spring and Fall; allows citizens to cut or prune trees and shrubs without having to put them in the cart during this period.

After discussion, Manager Craft stated that he planned to contact the Boy Scouts for assistance during the cleanup campaign.

Motion was made by Council Member Harrison, seconded by Mayor Pro Tem Wooten to allow Manager Craft to coordinate the Spring clean up with the Chamber of Commerce, and determine the strategy on the Fall clean up. Motion carried 5-0 in favor of motion.

ITEM 9C: APPROVAL OF USDA LOAN DOCUMENTS

Manager Craft stated that after having received public comment during the Public Hearing earlier in the meeting, the Council will need to consider approval of the loan documents.

Motion was made by Council Member Gladney, second by Mayor Pro Tem Wooten to instruct the Mayor, Clerk, Attorney, and Manager to execute necessary documents for approval of the USDA loan. Motion carried 5-0 in favor of motion.

ITEM 9D: REVIEW DRAFT OF REVISED TOWN CODE OF ORDINANCES; CHAPTER 12, CEMETERIES

Manager Craft stated that he had been directed by the Council to update the Town's cemetery ordinances and presented a draft for the Council's consideration. Also, a Public Hearing will need to be scheduled to receive Public Comment prior to adoption and recommended April 6, 2009 as the date for the Public Hearing.

Manager Craft discussed with the Council in detail the proposed ordinance.

The Council desired to continue the discussion on the proposed cemetery ordinance at their annual retreat later this month and set the Public Hearing for public comment on April 6, 2009.

ITEM 9E: NCEMPA RENEWABLE ENERGY DEVELOPMENT AND SERVICE AGREEMENT

Manager Craft stated that the Town is required to comply with Senate Bill 3 Renewable Energy and Energy Efficiency Portfolio Standards as adopted by the NC General Assembly last year. The Town must comply with solar requirements by 2010 and required to comply completely by 2012.

Manager Craft recommended adoption of the NCEMPA RENEWABLE ENERGY DEVELOPMENT AND SERVICE AGREEMENT.

Motion was made by Council Member Harrison, seconded by Council Member Koonce to adopt said agreement. Motion carried 5-0 in favor of motion. Copy of agreement hereto attached.

ITEM 10: UNFINISHED BUSINESS

ITEM 10A: CHANGES TO UTILITY EQUAL PAYMENT PLAN

At present utility customers are allowed to begin participation in the Equal Payment Plan in June and in December. Manager Craft stated that he is recommending to Town Staff to offer our customers two additional options. Customers desiring to participate can be added into the payment plan in March, June, September or December.

Payments are based on an 11 month period with the 12th month as a “settle up” month. Customers desiring to participate in the plan must have electric services with the Town.

ITEM 10B: REMINDER OF MARCH 14, 2009 ANNUAL RETREAT

Manager Craft reminded the Council of the Annual Retreat to be held at the Town Hall on March 14, 2009 beginning at 8 a.m.

ITEM 10C: FINAL REPORT ON COMPLETION OF DOWNTOWN PARKING LOT

Manager Craft reported that all work on the downtown parking lot was complete which included demolition of the buildings, grading, compaction, weatherproofing side of building (Ideal Barber Shop), paving and striping the parking lot and landscaping.

Manager Craft stated that he had received some concerns over the hours that parking would be allowed.

After discussion, the Council agreed to allow parking until 11 p.m. and no overnight parking would be allowed. A sign will be posted.

ITEM 10D: PUBLIC EDUCATION – “WHAT SHOULD YOU KNOW ABOUT LEAD IN YOUR DRINKING WATER?”

Manager Craft stated that the State has asked the Town to have a public education session concerning lead in our drinking water. Several months ago two water samples from residences showed a higher than acceptable level of lead but it was not the water supply, but the water inside the homes. There is a specified age of homes between 1971 and 1984 that we have to test because those homes during that era utilized solder in copper pipes that is likely to contain lead.

The Town provided every customer a notice that gave details as to how to test their own water and also what the Town would do in response to positive tests. The Town would increase our testing frequency and the number of samples the Town takes on a monthly basis and continue to monitor for at least eighteen months.

ITEM 11: CLOSED SESSION

Motion was made by Mayor Pro Tem Wooten, seconded by Council Member Gladney to go into Closed Session as authorized by North Carolina General Statute 143-318.11 (a) (4) (5) (6). Motion carried 5-0 in favor of motion.

Motion was made by Mayor Pro Tem Wooten, seconded by Council Member Harrison to return to open session. Motion carried 5-0 in favor of motion.

ITEM 11 E: POLICE DEPARTMENT/SHERIFF’S DEPARTMENT CONTRACT

Motion was made by Council Member Harrison, seconded by Council Member Rouse to approve the contract between the Town of La Grange and Sheriff William Smith, Lenoir County Sheriff to provide police protection for the Town of La Grange effective July 1,

2009. Motion carried 5-0 in favor of motion. Copy of contract hereto attached and original on file in Clerk's office.

ITEM 12: ADJOURNMENT

Motion was made by Mayor Pro Tem Wooten, seconded by Council Member Gladney to adjourn. Motion carried 5-0 in favor of motion.

Nelda H. Johnson, CMC, Town Clerk

Woodard H. Gurley, Mayor