

REGULAR MEETING

The Town Council of the Town of La Grange, North Carolina met in Regular Session at the Town Hall on November 6, 2006, at 7:00 p.m. with the following present:

Mayor Woodard H. Gurley; Mayor Pro Tem Bobby R. Wooten; Council Members Larry Gladney, Walter Ellis, Jr., George Koonce, Elliott Sutton and Jeff Thomas; Town Manager, John P. Craft; Town Clerk, Phyllis T. Harrison, CMC; Town Attorney, George Jenkins, Jr. Council Member Thomas arrived at 7:55 p.m.

Absent: None

Guest: 19

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

Mayor Gurley called the meeting to order. Invocation was given by Mayor Pro Tem Wooten. Mayor Gurley welcomed all guest and Council Members.

ITEM 4: PUBLIC HEARINGS

Public Hearing A. Proposed Amendment To Chapter 2, Article II, Division 2; Section 2-36, Time, Place of Regular Meetings. This hearing will address the Potential Relocation of the Meeting Place that the Town Council will conduct its Future Meetings Following the Relocation of the Town Hall.

Mayor Gurley opened the Public Hearing and ask for comments from citizens and Council Members.

Manager Craft told Council Members that they did have four choices of where they could hold their future meetings.

1. The old Town Hall that will now be used by the Police Department
2. The Fire Department
3. E.M.S. Station
4. New Town Hall on the Council on Aging side

Manager Craft said there were some concerns about continuing to hold the meetings at the old Town Hall because the public did not need to be in certain areas after the Police Department moved in.

Manager Craft said that with the fire department there was a problem with the availability of the town records, this is also true with the E.M.S building. Manager Craft stated that the Council on Aging side of the new Town Hall was a little smaller than the conference room at the old Town Hall but the fire marshal said we could probably have the same number of people in the building as at the old Town Hall.

Mrs. Carrie Kornegay, a local resident, was concerned about the Council on Aging and Manager Craft told her that this would not affect them. He said he had talked with Mrs. Minnie Ham who is the La Grange Director and Mr. Oscar Herring who is the Chairman for the Council on Aging for Lenoir County and they did not have a problem with the Council meetings being held on the side of the building that they occupy.

Motion was then made by Mayor Pro Tem Wooten and seconded by Council Member Sutton to close the Public Hearing. Motion carried 5-0 in favor of motion.

Motion was then made by Mayor Pro Tem Wooten and seconded by Council Member Sutton to amend Chapter 2, Article II, Division 2; Section 2-36. Time, Place of Regular

meetings in order to change the location to the COA side of the new Town Hall at 203 South Center Street. Motion carried 5-0 in favor of motion.

Public Hearing B: Consider the Permanent Closure of an Unimproved Portion of Oak Street. The proposed section of Oak Street to be closed is located west of Forest Drive.

Mayor Gurley opened the Public Hearing.

Manager Craft explained that Mr. Euell Watts of 312 Forest Drive has requested that the Town close an unimproved portion of Oak Street from the intersection of Forest Drive west of the intersection for a distance of 160 feet.

Manager Craft said in his opinion the unimproved portion of the street serves no purpose and will have no detrimental effects upon the Town or surrounding property owners should the street be closed.

With no concerns or comments motion was made by Mayor Pro Tem Wooten and seconded by Council Member Ellis to close the Public Hearing. Motion carried 5-0 in favor of motion.

Motion was then made by Council Member Ellis and seconded by Council Member Sutton to close the unimproved section of Oak Street. Motion carried 5-0 in favor of motion.

Public Hearing C: A Proposed Amendment to Chapter 12, Cemeteries of the Town Code of Ordinances which Updates Administrative Procedures for the Municipal Cemeteries

Mayor Gurley opened the Public Hearing

Manager Craft explained that the primary reason for the amendment to Chapter 12 of the Town Code of Ordinances is to correct the language within the ordinance that specifically mentions duties related to the Cemeteries is the responsibility of the "Public Works Director." Manager Craft stated that following Aubrey Rouse's retirement he decided we would no longer have a "Public Works Director " in title as he felt that the duties of that position have changed over the years and do not include all of the duties that would be expected of a Public Works Director. Manager Craft stated that Tyrone Morgan has been promoted from Crew Leader to Public Services Superintendent. Manager Craft said this amendment to the ordinance would clarify and correct the language within the Town Code of Ordinance.

With no public input or discussion, motion was made by Council Member Sutton and seconded by Mayor Pro Tem Wooten to close the Public Hearing. Motion carried 5-0 in favor of motion.

Motion was then made by Mayor Pro Tem Wooten and seconded by Council Member Ellis to approve the amendment to Chapter 12, Cemeteries of the Town Code of Ordinances. Motion carried 5-0 in favor of motion. Copy of amendment hereto attached.

ITEM 5: PUBLIC COMMENT PERIOD

There were no citizens that signed up for the Public Comment Period.

ITEM 6: AMENDMENTS TO AND APPROVAL OF THE AGENDA

Manager Craft requested that we remove 8A-Approval and Presentation of Proclamation for Gerald Severson and 8B-Approval and Presentation of Proclamation for Aubrey Rouse and reschedule for next month and add on 8J-Closure of School

Street Railroad Crossing and 8K-Memorandum of Agreement –Division of Water Quality.

Motion was made by Council Member Sutton and seconded by Mayor Pro Tem Wooten to amend the original agenda in order to make these changes. Motion carried 5-0 in favor of motion.

ITEM 7: CONSENT AGENDA

Motion was made by Mayor Pro Tem Wooten and seconded by Council Member Sutton to approve the Consent Agenda which consists of the following items:

A. Approval of Minutes

- 1. October 2, 2006, Regular Session**
- 2. October 19, 2006, Recessed Session**

B. Approval of 2006 Fire Department Funding Agreement with Lenoir County. Copy hereto attached.

Motion carried 5-0 in favor of motion.

ITEM 8C: REQUEST BY THE UNITED METHODIST CHURCH TO INSTALL NO PARKING SIGNS ON THE 100 BLOCK OF EAST BOUNDARY STREET

Manager Craft presented Council Members with a copy of a letter from Mr. Carl G. Hardy, Trustee of La Grange Methodist Church who is requesting that the Town install no parking signs along the fence of the church property located on the 100 block of East Boundary Street. This request is based on their concern for the safety of the children that are kept by the daycare operation on the church property.

Mr. Bob Dewar was present to represent the church and also stated that cars are presently parking in this area and littering the shoulders of the street with bottles, paper wrappings and other debris. He stated that bottles have been thrown across the fence in the play area and broken on the playground.

Discussion was held among Council Members and Council Member Sutton said he thought that the no parking signs would be a good idea and would help protect the children.

Motion was made by Council Member Gladney and seconded by Council Member Sutton to approve the no parking signs on the north side of Boundary Street to the end of the church property. Motion carried 5-0 in favor of motion.

ITEM 8D: DISCUSSION PERTAINING TO FUTURE UTILITY BILL FORMAT OPTIONS

Manager Craft reported to Council Members that he had spoken with representatives of Southern Imaging at the League Conference and had received several different examples of what a bill might look like if we choose to contract out our bill preparation and mailing. By contracting out we would have the ability to include inserts into the bills as we desire. We would also be able to include return envelopes at the cost of \$0.15 each. By using a contractor who handles significantly more mail than we do, they get a lower postage rate. Manager Craft said if we purchased our own piece of equipment it would cost us approximately \$5,000 and we would still have to devote staff time to operate the machine and purchase the blank bills and envelopes that would be required for the printing and mailing of bills.

Manager Craft provided Council Members with different samples of bills. He informed them that we no longer had an option as to whether or not to do this, we simply need to

decide on what style because we can no longer use the postcard type because of the software upgrade on the utility billing program.

Discussion was held among Council Members.

Motion was made by Mayor Pro Tem Wooten and seconded by Council Member Koonce that we allow Manager Craft to pursue prices on contracting out the printing of the new utility bills in 8 ½" by 11" paper form. Motion carried 5-0 in favor of motion.

ITEM 8E: APPROVAL OF AN ORDINANCE AMENDING THE FY-2006-2007 BUDGET

Manager Craft informed Council Members that Heith Harrison had made fairly good progress in regards to the demolition of the dilapidated structures. As a result of this we have expended the \$10,000 that was originally appropriated. Manager Craft said that we have approximately ten more structures that have been inspected and are nearly ready for demolition. Manager Craft said in order to expedite the demolition of these structures we will need to appropriate an additional \$15,000 from fund balance which will get us through the remainder of this fiscal year.

Motion was made by Mayor Pro Tem Wooten and seconded by Council Member Gladney to amend the 2006-2007 budget ordinance for the \$15,000 appropriation. Motion carried 5-0 in favor of motion. Copy hereto attached.

ITEM 8G: DISCUSSION PERTAINING TO FUTURE ELECTRIC RATES

Manager Craft informed Council Members that the ElectriCities Rate Committee and the Board of Directors of ElectriCities is to slightly lower the rate for its fuel adjustment surcharge by 1.5%. Manager Craft stated that due to this he was recommending that the Town's fuel adjustment charge be adjusted to reduce the burden on our customers by the same amount. Our fuel adjustment charge is now \$0.0089 per kwh. A reduction in the fuel adjustment charge of 1.5% would reduce the charges for the fuel adjustment down to \$0.00877 per kwh. This is a slight decrease but every bit we can do will help our customers. Manager Craft recommended that this change be effective with our March billing.

Motion was made by Mayor Pro Tem Wooten and seconded by Council Member Sutton to approve Manager Craft's recommendation. Motion carried 5-0 in favor of motion.

ITEM 8H: ESTABLISH DATE FOR ANNUAL RETREAT

After discussion Council Members decided to hold their annual retreat on Saturday February 17, 2007, from 8:00 a.m. to 4:00 p.m. at the Town Hall.

ITEM 8I: TOWN STAFF WORK SCHEDULE FOR VETERAN'S DAY AND THANKSGIVING HOLIDAYS

Manager Craft reminded Council Members that the Town offices will be closed on Friday, November 10, 2006 in observance of Veterans Day and Thursday, November 23, 2006 in observance of Thanksgiving.

Manager Craft said it has been requested by all employees (other than police officers) that they be allowed to take a vacation day on Friday, November 24, 2006, and close that day also.

Manager Craft recommended that the Council allow the Town staff to be off that day as long as they use vacation or comp time.

Motion was made by Council Member Ellis and seconded by Council Member Gladney to approve Manager Craft's recommendation. Motion carried 5-0 in favor of motion.

ITEM 8J: CLOSURE OF SCHOOL STREET RAILROAD CROSSING

Manager Craft reported to Council Members that Mr. Danny Gilbert representing Norfolk Southern Railroad Corporation has contacted him and requested that we expedite the closure of the School Street railroad crossing. Manager Craft said they are willing to fund the Town an additional \$7,500 if we will go ahead and close School Street crossing permanently.

Motion was made by Council Member Sutton and seconded by Council Member Ellis to have Norfolk Southern close the School Street railroad crossing at this time. Motion carried 5-0 in favor of motion. Copy of Resolution NO. 2006-11-184 hereto attached and filed in Resolution Book III.

ITEM 8K: MEMORANDUM OF AGREEMENT – DIVISION OF WATER QUALITY MONITORING STATION

Manager Craft stated as discussed last month he thought it was a good idea to allow the Division of Water Quality to install a ground monitoring station at the Wastewater Treatment Plant to monitor the levels of the aquifer.

After discussion motion was made by Council Member Gladney and seconded by Mayor Pro Tem Wooten to approve the Memorandum of Agreement with the Division of Water Quality to install the ground monitoring station and have it properly executed. Motion carried 5-0 in favor of motion.

ITEM 9A: DISCUSSION PERTAINING TO UTILITY DEPOSIT REQUIREMENTS

Manager Craft reminded Council Members that this was an item that was discussed in October and a motion made with a three to three vote but due to the absence of the Mayor it died on the floor.

Manager Craft said his recommendation remains unchanged. He said he still firmly believes that the deposit for those who have no credit or bad credit should be \$450.00 to minimize the Town's potential losses in the event that the new customers do not pay their utility bills. Manager Craft said with our current billing system it is possible for a customer to have in excess of 65 days usage before the account is cut off.

Mayor Gurley said he thought we could alleviate some of the problems if we went ahead and billed a customer if they came in during the time meters were read (around the 15th of the month) instead of waiting until the next month to bill them.

Lengthy discussion was held among Council Members concerning this item.

Motion was made by Council Member Thomas to stay with the \$450.00 deposit that was passed and that we also implement the program that the Mayor was talking about with the early catch-up billing. Motion carried 4 to 2 in favor of motion. Council Members Gladney and Koonce opposed.

ITEM 9B: DISCUSSION PERTAINING TO RETIREE HEALTH INSURANCE BENEFITS

Manager Craft reminded Council Members that the action taken at the September 11, 2006 meeting regarding the retiree health insurance is not entirely consistent with established case law. Manager Craft said in a similar matter, Bailey vs. the State of North Carolina the Supreme Court of N. C. held that the State was required to provide benefits to all persons that were "vested" in the program. In the Town's case those vested include Phyllis Harrison, Jimmy Sutton, Aubrey Rouse, Jerry Severson and Andrew Whitfield. The action taken at the September meeting did not include Andrew Whitfield so that motion needs to be amended or rescinded.

Lengthy discussion was held concerning this matter.

Motion was made by Council Member Gladney and seconded by Council Member Koonce that the Town pay retiree health insurance benefits in full for all that are now fully vested as listed above, and allow a \$500 cap per month for all other employees hired before October 4, 1994. The vote was three to three. Council Members Gladney, Koonce and Ellis were in favor of motion. Council Members Thomas, Sutton and Mayor Pro Tem Wooten voted against the motion. Mayor Gurley cast the tie breaking vote by being opposed to motion. Motion failed with three voting in favor of the motion and four against.

After further discussion motion was made by Council Member Gladney and seconded by Council Member Ellis to let the policy stay as it is for all vested employees; and all others hired before October, 1994 be covered on the Town's group policy and the Town pay the cap of \$500 and the employee pay the remaining balance of the insurance before the 15th of each month or the policy would be cancelled. Council Members Sutton, Thomas, Koonce and Mayor Pro Tem Wooten opposed. Motion failed with two voting in favor of motion and four against.

Motion was then made by Council Member Koonce to cover all employees hired before October, 1994. Motion died for lack of second.

With no further business to come before the Council, motion was made by Mayor Pro Tem Wooten to adjourn.

Phyllis T. Harrison, CMC, Town Clerk

Woodard H. Gurley, Mayor