

**TOWN OF VALDESE
TOWN COUNCIL MEETING
JANUARY 4, 2010**

The Town of Valdese Town Council met on Monday, January 4, 2010, at 7:00 p.m., in the Town Council Chambers at Town Hall, Valdese, North Carolina. The following were present: Mayor James L. Hatley, Councilman Gary L. Delp, Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, Deputy Town Clerk Thelda B. Rhoney, and various department heads.

Absent: Councilman Keith Ogle

A quorum was present.

Mayor Hatley called the meeting to order at 7:00 p.m. He offered the Invocation and led in the Pledge of Allegiance to the Flag.

APPROVAL OF MINUTES: Motion was made by Councilman Black, seconded by Councilwoman Oxentine to approve the minutes of the December 7, 2009, Council meeting. The vote was unanimous.

OPEN FORUM/PUBLIC COMMENT:

REQUEST FOR SPEED BUMP BY STEVE KIDDY, 205 HERITAGE DRIVE, NW, VALDESE

Mr. Kiddy (Town of Valdese Fire Engineer) said last May he submitted a petition for a speed bump on Heritage Drive with signatures of 14 of the 17 residents in his neighborhood. He wanted to know the status of the Speed Control Policy.

Town Manager Jeff Morse said since the first speed bump was installed in a neighborhood there have been approximately five additional requests and the Planning Board made a recommendation. The policy will come before Council at its February meeting for review.

Mayor Hatley invited Mr. Kiddy to attend the February Council meeting to see what action would be taken.

PRESENTATION TO TYLER SHATLEY, NORTH CAROLINA HIGH SCHOOL 2009 MALE ATHLETE OF THE YEAR

Mayor Hatley presented a sign to Tyler Shatley and said four signs would be placed at all entrances at the Town of Valdese corporate limits. Tyler was a straight-A student while playing football, track and wrestling at East Burke High School. He said Tyler now attends Clemson University where he plays football. Although Tyler is not a citizen of the Town of Valdese, his father, Neil Shatley, owns a business, Alray Tire, in Valdese.

Mayor Hatley thanked East Burke High School Principal Rexanna Lowman for attending the meeting.

AMENDMENT TO PERSONNEL POLICY – FAMILY MEDICAL LEAVE ACT (FMLA) Town Attorney Marc Mitchell presented the following resolution:

RESOLUTION

WHEREAS, at its November 2, 2009, regular meeting the Town Council of the Town of Valdese amended the Town's personnel policy by providing that the Town would grant up to twelve (12) weeks of Family and Medical Leave during any 12-month period to eligible employees in accordance with the Family Leave Act of 1993 (FMLA) and that the 12-month period in which the twelve (12) weeks of entitlement occurs shall be a "rolling 12-month period" measured backward from the date an employee uses any FMLA leave as allowed by the personnel policy; and

WHEREAS, the Town Council at its November 2, 2009, meeting agreed that this amendment would not become effective until after 60 days after the Town employees were notified of the change; and

WHEREAS, the Town employees were notified of this change in policy on November 4, 2009; and

WHEREAS, the Town Council desires to confirm the change to Section 17 of the Town personnel policy that was adopted by the Town Council at its November 2, 2009, meeting;

IT IS, THEREFORE, RESOLVED by the Valdese Town Council that Section 17 of the Valdese Personnel Policy is amended as follows:

January 4, 2010, MB#30
Governmental Administration
APPENDIX A
PERSONNEL POLICY

ARTICLE VII. HOLIDAYS AND LEAVES OF ABSENCE

Section 17. Family and Medical Leave

The Town will grant up to 12 weeks of family and medical leave ~~per twelve months~~ during any 12-month period to eligible employees in accordance with the Family and Medical Leave Act of 1993 (FMLA). The 12-month period in which the 12 weeks of entitlement occurs shall be a "rolling" 12-month period measured backward from the date an employee uses any FMLA leave as allowed by this policy. The leave may be paid (coordinated with the Town's Vacation and Sick Leave policies), unpaid, or a combination of paid and unpaid. Earned Compensatory time may also be used during FMLA leave. Unpaid leave will be granted only when the employee has exhausted all appropriate types of paid leave. Additional time away from the job beyond the 12-week period may be approved in accordance with the Town's Leave without Pay policy.

To qualify for FMLA coverage, the employee must have worked for the employer 12 months or 52 weeks; these do not have to be consecutive. However, the employee must have worked 1,250 hours during the twelve-month period immediately before the date when the FMLA time begins.

Family and medical leave can be used for the following reasons:

1. the birth of a child and in order to care for that child;
2. the placement of a child for adoption or foster care;
3. to care for a spouse, child, or parent with a serious health condition;
4. the serious health condition of the employee; or
5. military exigency.

An employee who takes leave under this policy will return to the same job or a job with equivalent status, pay, benefits, and other employment terms. The position will be the same or one that entails substantially equivalent skill, effort, responsibility, and authority.

A serious health condition is defined as a condition that requires inpatient care at a hospital, hospice, or residential medical care facility, or a condition which requires continuing care by a licensed health care provider. This policy covers illness of a serious and long-term nature resulting in recurring or lengthy absences. Generally, a chronic or long term health condition that results in a period of incapacity of more than three full consecutive days involving treatment by a health care provider would be considered a serious health condition.

If a husband and wife both work for the Town and each wishes to take leave for the birth of a child, adoption or placement of a child in foster care, or to care for a parent (not parent in-law) with a serious health condition, the husband and wife together may only take a total of 12 weeks leave under FMLA.

An employee taking leave for the birth of a child may use paid sick leave for the period of actual disability, based on medical certification. The employee shall then use all paid vacation and accrued compensatory time for the remainder of the 12-week period. Sick leave may not be used to care for a healthy newborn or healthy children.

The request for the use of leave must be made in writing by the employee and approved by the Department Head or Town Manager.

"Military Exigency" is a qualifying exigency arising out of the fact that the fact that the employee's spouse, son, daughter, or parent is a military service member (reserve or National Guard) under a call or order to federal active duty in support of a contingency operation. Qualifying events are:

1. deployment of service member with seven or fewer days notice;
2. military ceremonies and events such as family-assistance or informational programs related to the family member's active duty or call to active duty;
3. urgent, immediate childcare or arranging for alternative childcare for the children of service members;
4. attending school or daycare meetings relating to the child of service member;
5. making financial or legal arrangements related to a family member's active duty status or call to active duty; or
6. post-deployment activities for a period of ninety days after the termination of the service member's active duty status.

Military Caregiver Leave: An eligible employee whose spouse, son, daughter, parent or next of kin is a current service member who is undergoing treatment, therapy, recuperation or outpatient treatment or has temporary disability retirement for injury or illness sustained in the line of duty, is eligible for 26 weeks of leave in a single 12 month period. During a single 12 month period, the employee is eligible for a total of 26 weeks of all types of FMLA leave.

This the 4th day of January, 2010.

/s/ James L. Hatley, Mayor

ATTEST: /s/ Town Clerk

Councilman Delp made a motion to adopt the aforementioned resolution, seconded by Councilwoman Stevenson. The vote was unanimous.

VEHICLE PURCHASE – POLICE DEPARTMENT Police Chief John Suttle requested two police vehicles on state contract at \$22,500 each for a total of \$45,000 from Bill Smith Ford in Southern Pines. The Police Department has a vehicle with 140,000 miles with an additional 10,000 miles proposed by July 2010 and the vehicle has had two transmissions. The second vehicle has 115,000 miles. In March 2010 the price will increase by \$500 per vehicle and there is a six month period in a year police vehicles are not available on the state contract. Chief Suttle, Finance Director Jerry LaMaster, and Mr. Morse reviewed financing. Mr. LaMaster said if two vehicles were purchased financing could be with BB & T.

Town Manager Jeff Morse recommended that Council authorize staff to order two police vehicles and authorize the finance director to work with BB & T regarding financing and staff would be back on normal schedule with the purchase of police vehicles and make the final payment to the fund balance. Staff would make the first payment for the police cars in July 2010 in the amount of \$25,000 and the final payment would be made in the following budget year.

After a lengthy discussion, Councilman Delp made a motion to purchase two new police vehicles and for staff to handle the financing to borrow the money.

Mayor Hatley said the motion failed due to the lack of a second.

Councilman Delp made a motion to purchase one police vehicle, seconded by Councilwoman Stevenson. The vote was unanimous.

Finance Director Jerry LaMaster reviewed for Council that if staff would borrow \$45,000 for two cars which would not be included in the current budget. The first payment of \$22,500 plus interest would be due July 30, 2010 (next year's fiscal budget) and the second and final payment of \$22,500 plus interest would be due the following budget year on July 30, 2011.

Chief Suttle said with a shortage of vehicles he reviewed the hours a patrol car is driven daily and one car had to be driven 24 hours a day, which increased the mileage on one vehicle.

Staff would bring the financing issue to the February Council meeting.

Councilman Delp amended his motion to purchase two police vehicles, seconded by Councilwoman Stevenson. The vote was unanimous.

VEHICLE PURCHASE – PUBLIC WORKS DEPARTMENT, STREET DIVISION Public Works Director Bryan Duckworth said after the snow storm staff discussed they used to have four snow removal vehicles and now they only have two snow removal vehicles plus a backhoe. He said the dump trucks were too big to turn around at a dead end road and could not get past vehicles parked along the roads. He said the Town Manager asked if there were other vehicles the department could use as a snow plow which takes at least a one ton truck. They lost a truck due to an accident in October, at no fault to the town, and a check was received for approximately \$4,000. He said state contact on a new one ton truck cost \$22,929 at Vic Bailey Auto and would take 12 to 16 weeks for delivery. A used truck could be purchased for approximately \$16,000 which normally have high mileage. It would cost approximately \$4,500 to mount a snow plow on a one ton truck. The remainder of funds could come from the Powell Bill Funds.

Mayor Hatley thanked the management of WSVM Radio for the nice editorial about the Public Works Department that was aired after the recent snow storm on the good job performed by the employees. He thanked the Public Works Department and requested that Mr. Duckworth let his employees know they were appreciated.

Mr. Morse said staff does not add capital outlays in the budget because staff is not sure of the financial situation at the time the budget is prepared. When there is a request or emergency, staff brings the request to Council for approval.

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Mayor Hatley said if there were proper plans for capital outlays there would not be a need for these type requests and he would ask that capital outlays be set aside at the budget planning retreat.

After a brief discussion, Councilman Black made a motion to purchase a new, one ton truck, seconded by Councilwoman Oxentine. The vote was unanimous.

MUNICIPAL ENVIRONMENTAL ASSESSMENT COALITION (MEAC) Town Manager Jeff Morse staff received a request from Executive Director Ellis Hankins, NC League of Municipalities (NCLM), requesting cities and towns join a Coalition to fund impact statement on rules to operate water and wastewater plants for the "Triennial Review" for proposed limits for wastewater nutrients and metals strategy to be imposed by the State. He recommended that Valdese join the Coalition and the NCLM would advise the cost after they find out the interest from other local governments across the state.

After a brief discussion, Councilman Black made a motion to reply to Mr. Hankins and signal our intent to join the MEAC depending upon the expense, seconded by Councilwoman Stevenson. The vote was unanimous.

REQUEST TO MODIFY I & I PROJECT – CLINE STREET Mr. Duckworth said in September 2009 staff requested \$9,500 funding for two projects on Cline Street. Staff found a lot of Inflow/Infiltration (I & I) was entering farther up stream off the right-of-way and there were flooding issues on December 2 and Christmas Day due to heavy rains. There is approximately \$4,700 funding remaining for sealing the manholes and he requested that those funds be used to find out where the I & I was entering.

After a brief discussion, Councilwoman Stevenson made a motion to approve the request from staff as presented, seconded by Councilwoman Oxentine. The vote was unanimous.

MAYOR AND COUNCIL COMMENTS:

INTERSECTION OF BOUCHARD AVENUE, NE/BELLVIEW AVENUE, NE Councilman Delp said several rental homes had been built at this location and there were a lot of children and he received a request to have a Children Playing warning sign installed at this intersection.

Councilwoman Stevenson asked about the Waldensian Mill Project. Mr. Morse said staff was waiting for an announcement next week about the President's Recovery Act funding. Mr. Erwin is working on the building.

Mr. Morse said there would be a **VEDIC Meeting on Tuesday, January 19, 2010, 10:30 a.m.**, and the VEDIC Board would be taking a field trip to Davidson to hear a presentation on a feasibility study at the new location of Our Town Cinemas in Davidson. VEDIC would hold its meeting in Davidson. He invited Council to attend the meeting. Mr. Morse described his recent visit to Our Town Cinemas in Davidson.

DRIVEWAY AT WHISNANT STREET, SE Mayor Hatley said he was approached by Neil Shatley, owner of Alray Tire, who shares a road/driveway with the Town of Valdese Public Works Department. Mr. Shatley would like to acquire the road that is there now and he would incur the cost in the amount of approximately \$80,000 to install a dual road with curbing in between to separate the road/driveways for the two businesses. Mayor Hatley requested that staff work with Mr. Shatley and report the findings back to Council.

MANAGER'S REPORT:

WESTERN PIEDMONT COUNCIL OF GOVERNMENTS ANNUAL MEETING, TUESDAY, JANUARY 26, 2010, 6:30 P.M., CROWNE PLAZA, HICKORY, NC Mr. Morse announced the annual meeting.

SMOKING POLICY Mr. Morse said Dr. McFadden proposed a Smoke Free Zone at the December 2009 Council meeting and he recommended a policy at least at the Recreation Center entrances as a starting point to be presented at the February 2010 Council meeting.

At 8:15 p.m., there being no further business to come before the Council, Mayor Hatley adjourned the meeting.

The next meeting is a regularly scheduled for Monday, February 1, 2010, 7:00 p.m.

Town Clerk

Mayor

**TOWN OF VALDESE
TOWN COUNCIL SPECIAL MEETING
JANUARY 19, 2010**

The Town of Valdese Town Council met in a Special Meeting on Tuesday, January 19, 2010, at 10:00 a.m., at the Valdese Town Hall Council Chambers, 121 Faet Street, SW, Valdese, North Carolina. The purpose of the special meeting was to approve a proposed Interbasin Transfer (IBT) settlement agreement.

The following were present: Mayor James L. Hatley, Councilwoman Susan Stevenson, Councilman Gary Delp, and Councilwoman Vickie Oxentine. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, and Deputy Town Clerk Thelda B. Rhoney.

Absent: Councilman Keith Ogle and Councilman Chip Black

A quorum was present.

INTERBASIN TRANSFER (IBT) SETTLEMENT AGREEMENT

At 10:00 a.m., Mayor Hatley called the meeting to order and said the special called meeting was for the purpose of approving a proposed IBT Settlement Agreement. He offered the Invocation and led in the Pledge of Allegiance to the Flag.

Mayor Hatley asked if anyone wished to speak. No one spoke.

Mayor Hatley presented the agreement. After a brief discussion Town Manager Jeff Morse called Charles D. Case, Partner, Hunton & Williams LLP, to join the meeting via a conference call to further describe the agreement.

Town Attorney Jeff Morse said he personally did not attend the meeting when the agreement was being discussed by the Coalition Members nor had he discussed the agreement with anyone.

Note: Copy of agreement on file in the Office of Town Manager.

After a brief discussion, Councilman Delp made a motion to approve the IBT Settlement Agreement, seconded by Councilwoman Stevenson. The vote was unanimous.

At 10:25 a.m., there being no further business to come before the Council, Mayor Hatley adjourned the meeting.

Town Clerk

Mayor

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**TOWN OF VALDESE
TOWN COUNCIL SPECIAL MEETING – Invitation to attend the VEDIC Meeting
JANUARY 19, 2010**

On Tuesday, January 19, 2010, at 10:30 a.m., the Valdese Town Council was invited to attend the Valdese Economic Development Investment Corporation (VEDIC) meeting at Valdese Town Hall to travel to Our Town Cinemas, 227 Griffith Street in Davidson, NC.

The following were present: Mayor James L. Hatley, Councilwoman Susan Stevenson, Councilman Gary Delp, and Councilwoman Vickie Oxentine. Also present were Town Manager Jeffrey V. Morse and Deputy Town Clerk Thelda B. Rhoney.

Absent: Councilman Keith Ogle and Councilman Chip Black

A quorum was present. No action was taken on behalf of Council.

VEDIC Members present: Chairman Rick McClurd, Chuck Moseley, Clark Erwin, Ed Hallyburton, Eddie McGimsey, Elizabeth Furr, John Fredrickson, and Wayne Harris. Note: Mayor Hatley and Jeff Morse serves on the VEDIC Board.

Absent: Brett Howell, Bruce Hawkins, Lia Yang, and Coach Paul Combs

A VEDIC quorum was present.

The VEDIC Board conducted the following business:

1. Approval of Minutes from September 23, 2009
2. Our Town Cinemas – Feasibility Study
3. Golden LEAF Foundation Grant Proposal
4. Pending Loan Application – Fun Cycles
5. Closing Comments and Adjourn

At 1:00 p.m., the VEDIC meeting adjourned and everyone returned to Valdese.

The next Council meeting is a regularly scheduled for Monday, February 1, 2010, 7:00 p.m.

Town Clerk

Mayor

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**TOWN OF VALDESE
TOWN COUNCIL MEETING
FEBURARY 1, 2010**

The Town of Valdese Town Council met on Monday, February 1, 2010, at 7:00 p.m., in the Town Council Chambers at Town Hall, Valdese, North Carolina. The following were present: Mayor James L. Hatley, Councilman Keith Ogle, Councilman Gary L. Delp, Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, Deputy Town Clerk Thelda B. Rhoney, and various department heads.

Absent: None

A quorum was present.

Mayor Hatley called the meeting to order at 7:00 p.m. He offered the Invocation and led in the Pledge of Allegiance to the Flag.

APPROVAL OF MINUTES: Motion was made by Councilwoman Stevenson, seconded by Councilwoman Oxentine to approve the minutes of the January 4, 2010, Council Meeting and January 19, 2010, Special Council Meetings. The vote was unanimous.

OPEN FORUM/PUBLIC COMMENT:

SNOW REMOVAL

Mr. Matt Ferris, owner of Cornerstone Antiques, 100 Main Street East and West asked if snow plowing could be different on Main Street and instead of pushing snow along the street if it could be removed because people could not get into the stores on Main Street for several days. He said the town workers do a great job with snow removal.

Public Works Director Bryan Duckworth said the state is in charge of clearing Main Street and when pushing snow there is no way to direct it as if goes off the plow onto the side of the road/street into the parking spaces. If it does not go onto the parking spaces it has to go onto the sidewalks. The only alternative would be after the snow, time permitting, staff would need to take a dump truck and load the snow which would be very time consuming.

Town Manager Jeff Morse said if time permits, perhaps staff could clear several parking spaces.

AUDIT REPORT PRESENTATION - FY 08-09 – LOWDERMILK CHURCH & CO., LLP (Copy of audit on file in the Office of Finance Director.) Mr. Phil Church of Lowdermilk Church & Co., presented the 2008-2009 audit. He said they gave a clean, unqualified opinion and the audit was submitted to the Local Government Commission which was approved. Mr. Rick Hammer reviewed the general fund, utility funds and audit highlights. He said ad valorem tax collections were \$1,534,699 which was 99.32 percent of the levy.

After a brief discussion, Councilman Delp made a motion to accept the 2008-2009 audit report as presented by Mr. Hammer, seconded by Councilman Ogle. The vote was unanimous.

APPROVAL OF FY 09-10 AUDIT CONTRACT - LOWDERMILK CHURCH & CO., LLP Town Manager recommended approval of the FY 09-10 Audit Contract in the amount of \$13,770.

Councilman Ogle made a motion to approve the 2009-2010 Audit Contract with Lowdermilk Church & Co., seconded by Councilwoman Oxentine. The vote was unanimous.

JACUMIN PARK LAND ACQUISITION Mayor Hatley requested that Jim Brinkley, Brinkley & Associates, describe how he appraised the property in the amount of \$4,000.

Mr. Brinkley requested that Town Manager Jeff Morse allow him to disclose confidential information and the results of his appraisal. Mr. Morse said with Council approval he would authorize Mr. Brinkley to release information that he gathered as part of his appraisal for the Town of Valdese.

Mr. Brinkley said he did an appraisal on a small strip of land directly behind Town Hall adjoining the Jacumin property. He obtained a copy of a survey from Senator Jacumin. The property contained approximately 519 square feet and he tried to compare with similar sales in the area and due to the economy there have not been may sales in the past year or two; however, he used three sales that were zoned central business 1) Larry Earp, 209 Main Street (18,425 square

feet) - \$185,000 – August 2008 and he deducted \$40,000 from the cost as the house and corner building were removed; 2) parcel on South Center Street in Hildebran (site of new Bojangles) purchased in April 2008, sold for \$300,000, and was 57,499 square feet; and 3) South Sterling Street in Morganton, 15,245 square feet, sold in February 2009. There were several other sales in Morganton on South Sterling Street he did not use and they sold for \$10.40; \$10.85; and \$10.00 per square foot. Traffic count on three comparable sales he used ran between 5,000 – 10,000 vehicles per day. He recommended a total of \$7.69 per square foot x 519 rounded to \$4,000 for appraisal of the property.

Senator Jacumin introduced Paul Hart, Breeden Realty. He said they were interested in the property in order to give back to the citizens so the handicap could get into the park and he contended the property was not comparable at all because business could not be located or property could not be improved upon as the property was only 7' x 8' x 70'.

Mr. Hart said they contacted two appraisers, Eric Greer and Clint Lytle, who tried to appraise but could not find any comparables so they determined price by the following: 1) Senator Jacumin purchased the adjoining property in 2000 and square footage price he paid which was above the tax value; and 2) they have square footage price of the Valdese tax evaluation in 2000 and increase that figure 33 percent. He said the square foot price \$3.04 + 33 % rising valuation = \$4.04 per square foot for a total of \$2,097.65.

Mayor asked Mr. Hart if he was an appraiser and Mr. Hart said no.

Town Manager Jeff Morse said you would take total square footage then get the cost of a square foot as a comparable.

Mr. Hart said that was what they did, they took the total square footage of the property that Senator Jacumin purchased in 2000 and found it was \$3.04 per square foot then they increased with rising valuation. Mr. Morse said they appraised on valuation and Mr. Brinkley appraised by the fair market appraisal value.

Councilman Ogle asked why Senator Jacumin did not sign the Deed of Easement as recommended by Council at its October 2009 meeting. Senator Jacumin said the stipulations were not what he was trying to do with the project.

Mayor asked who would own the land. Senator Jacumin said initially it would belong to him then he was looking to give to the Trail of Faith.

Town Attorney Marc Mitchell asked about the access for handicap which would be at the back of the property on Town owned property and would be a different legal issue and may need a buffer. Mr. Mitchell said if Senator Jacumin purchased the property with the idea to use as a handicap access and Council or a future council or the next owner of the property does not believe it is safe any longer they could legally close the road. Senator Jacumin said handicap would have to enter from Main Street at that time.

Senator Jacumin said there would be a gate at the back entrance so the park could be closed after hours.

Mayor Hatley said there would be costs associated with the sale of the property such as appraisal, deeds, stamps, etc., and all costs estimated at \$1,000. The town had an appraisal for a fair price of the property and he would not want to see disposal of property that is owned by the citizens of Valdese for less money. He said if Senator Jacumin had hired a licensed appraiser to perform an appraisal and the property would have been less than Mr. Brinkley's appraisal the Council could settle in the middle.

Town Attorney Marc Mitchell briefly reviewed NC Statutes regarding sale of town-owned property.

Councilwoman Oxentine said police and fire would be using adjoining property. Mr. Morse said the adjoining town-owned property as a practice had been blocked off during festivals and Family Friday Night events.

Councilwoman Stevenson asked if the handicap could enter from the street. Senator Jacumin said they could sit at the bottom of the seating.

Councilman Black made a motion to table this issue until the March 1, 2010 Council meeting to further study the property, seconded by Councilwoman Oxentine. The vote was unanimous.

JACUMIN ROAD WATERLINE EXTENSION Mr. Morse said in December 2008 Council authorized a waterline extension on Jacumin Road. Staff is requesting an additional extension of 900 feet of waterline and the project was planned for funds from two fiscal budget years. A proposal was received from Ronnie Franklin Contractors at \$6.25 a

foot, same cost as the previous installation price. Funds to complete the project are available in the Triple District budget that was set aside from the merger.

Councilman Ogle made a motion to approve the completion of Jacumin Road waterline extension, seconded by Councilwoman Stevenson. The vote was unanimous.

UTILITY FINANCIAL ASSISTANCE PROGRAM Mayor Hatley welcomed Pastor Dan Lyons and the Pastor Kevin Frederick. Town Manager Jeff Morse said due to the work of Pastor Lyons and Pastor Frederick and the Valdese Unified Missions, that due to the financial crisis there would be a program to assist families in need with their utility bills. Valdese funds could not be used to support the Triple District customers because they were not in the Valdese corporate limits and staff felt all customers needed to be treated the same. Mr. Morse said Orange County had a round-up program to assist emergency programs. Pastor Lyons recommended that the Valdese Unified Missions use their funds for the Triple District and town funds for the Valdese residents. Mr. Morse said the committee worked closely with David Smith, Burke County DSS. Mr. Morse presented the following recommendations on the program on behalf of ASU Intern Kyle Nowak:

Valdese Utilities Financial Assistance Program Overview

The Town of Valdese now offers a utility bill assistance program. The purpose of this program is to provide limited emergency funds to help pay the utility bill for a customer experiencing financial hardship resulting from job loss, medical crisis, etc. Emergency funding may cover an applicant's entire utility bill including water, sewer, garbage, and recycling.

Qualifications:

1. The applicant must have a Town of Valdese or Triple District utility account.
2. The applicant's utility account must be for service to a single family residence.
3. The applicant must reside at the residence.
4. The applicant's circumstances must warrant financial assistance.
5. The applicant's monthly income must be 150% of the federal poverty level, or lower.

# IN HOUSEHOLD	MAXIMUM MONTHLY INCOME	# IN HOUSEHOLD	MAXIMUM MONTHLY INCOME	# IN HOUSEHOLD	MAXIMUM MONTHLY INCOME
1	1300	5	3100	9	4900
2	1750	6	3550	10	5350
3	2200	7	4000	11	5800
4	2650	8	4450	12	6250

Limitations:

1. An applicant may not apply for assistance more than 2 times during any 24-month period.
2. If an applicant has been approved for assistance 2 times within a 24-month period, the applicant must wait 12 months from the date of the last application before applying for additional assistance.
3. The amount of assistance shall be determined by Valdese Unified Missions, a nonprofit corporation; however, in each instance the approved assistance shall be for no more than 3 months and the amount of assistance shall not exceed \$100 in any month.
4. The amount of funds in the Valdese Utilities Financial Assistance Program is limited and can affect the availability of assistance.

Application Process:

- Applications are available at Valdese Town Hall and Triple District.
- The applicant shall first take the completed application to the Valdese Town Hall or Triple District.
- Once the Town has verified an application, applicants have 48 hours to take the application and verification documents to Burke County Department of Social Services (DSS) for review.
- Provided the application and required verification documents are taken to DSS within 48 hours after Town has verified the application the applicant's service will not be disconnected and service will continue until a decision on assistance is made.
- DSS will review the application and it will then send the application, along with DSS's recommendation as to whether financial assistance should be approved, to Valdese Unified Missions.
- Valdese Unified Missions will make the final decision as to whether the applicant will receive assistance and, if so, the amount of the assistance.
- Valdese Unified Missions will send a letter to the applicant informing the applicant and the Town of Valdese as to its decision.
- Valdese Unified Missions shall remit to the Town of Valdese from the assistance fund the utility payments it approves.

Valdese Utilities Financial Assistance Program
(application)

Mayor Hatley said this would need to be publicized and Mr. Morse said the media would be contacted.

Pastor Lyons on behalf of Valdese Unified Missions is awaiting receipt of their nonprofit status.

Town Attorney Marc Mitchell said before the program could become effective, an agreement would need to be approved between the town and Valdese Unified Mission after the Mission receives its nonprofit status.

After a brief discussion, Councilman Ogle made a motion to approve the program with the aforementioned changes to the documents and that \$5,000 from the General Fund be donate to the Valdese Unified Mission which would become effective after the agreement between the town and the mission is approved by Council. The motion was seconded by Councilwoman Stevenson and carried unanimously.

SMOKING ORDINANCE AMENDMENT Mr. Morse presented the revised smoking ordinance amendment. Town Attorney Marc Mitchell reviewed the proposed amendment including the civil penalty fee of \$25. **(NOTE: Ordinance may be found in Ordinance Book No. 8, page 200.)**

Mayor requested that Staff contact Dr. Ed McFadden about Council action on the Smoking Ordinance.

Councilman Ogle made a motion to adopt the Smoking Ordinance Amendment, seconded by Councilwoman Stevenson. The vote was unanimous.

SPEED CONTROL POLICY Planning Director Larry Johnson presented the following proposed policy:

TOWN OF VALDESE SPEED CONTROL POLICY

Speed Hump

The Valdese Town Council may authorize the installation of speed humps on town owned streets when other less intrusive traffic calming measures are impractical or shown to be ineffective and when the street conditions meet the following criteria:

1. The street must be classified as a local residential street.
2. The pavement width must be no greater than 22 feet (measured from the edges of pavement).
3. The street must be a municipally maintained street for which the Town receives Powell Bill funding.
4. The posted speed limit must be 25 mph or less.
5. The street must not serve as a primary emergency, medical services or truck route.
6. The street grade must not be greater than eight (8) percent.
7. The area of the street where the speed hump is to be installed must have a minimum block length of 500 feet (500 feet for each additional speed hump).
8. The street must have a minimum average daily total (ADT) of 400 vehicles per day and a maximum ADT of 2,500 vehicles per day.
9. The speed of at least 75% of the traffic on the street must exceed the posted speed limit by at least 6 mph.
10. The proposed installation of the speed hump must be supported by the Police, Fire and Public Works Departments.

APPROVAL PROCESS:

Upon receipt of a request for a speed hump, the Town Manager shall authorize an investigation to determine whether the first seven criteria referred to above have been met. If these criteria are met, the Town Manager shall authorize staff to provide the requesting party with a petition form.

Upon receipt of a petition that complies with the requirements of this policy, the Town Manager shall cause traffic monitoring devices to be used to determine the ADT count and vehicles speeds. If all ten of the criteria referred to above are met, a recommendation will be prepared for the Town Council outlining all relevant information concerning the street. Town Council will then consider the matter and, in its discretion, approve or reject the request for the installation of a speed hump.

INSTALLATION PETITION:

1. The petition for installation of a speed hump as referred to above must bear the signatures of the owners of at least 75% of the residences in the affected area as defined by staff. The affected area shall be determined by staff taking into consideration the location and the number of residents who will be affected by the proposed speed hump.
2. The signatures must be obtained on a Petition for Speed Humps form provided by the Town.
3. Multi-unit buildings with one owner will be treated as one residence.
4. In the case of multi-unit buildings with multiple owners (condominiums, e.g.), each separately owned unit will be treated as a residence.
5. The petition must include the signatures of the owners of all property directly adjoining the proposed speed hump location.
6. Signatures will be checked by Town staff for validity.

FUNDING:

The installation of speed humps is subject to the availability of funding. Those streets not meeting the criteria for a speed hump will be considered for alternative measures where appropriate. Priority will be given to petitions in the order they are received.

DESIGN AND LOCATION:

Approved speed humps shall be designed and located in compliance with applicable standards and practices, including the following:

- Speed humps should be placed a minimum of 200 feet from any intersection.
- Warning and speed signs shall be installed.
- Speed humps should be installed so as to avoid street features such as driveways, drainage, utilities, severe horizontal and vertical curves, and other traffic control devices.
- Speed humps shall be placed at or near a street light if possible.
- Speed humps shall be identified with appropriate reflective material.

REMOVAL PETITION:

Following a review and analysis period of at least three (3) months after installation, the Town Council may order that a speed hump be removed upon its receipt of a removal petition on a form provided by the Town containing signatures of at least 50% of the affected area. Signatures shall be counted in the same manner as signatures in speed hump installation petitions are counted.

INDEPENDENT TOWN ACTION:

This policy sets forth the procedure and guidelines the Valdese Town Council will normally use in deciding whether to install or remove a speed hump. The Valdese Town Council may, however, at any time order the installation or removal of a speed hump without complying with the policies and procedures set forth above if the Town Council determines that such action is required in order to provide for the welfare and safety of the citizens of the Town.

Approved this 1st day of February, 2010.

/ James L. Hatley, Mayor

After a brief discussion, Councilman Black made a motion to approve the aforementioned Speed Control Policy, seconded by Councilwoman Oxentine. The vote was unanimous.

FINANCING RESOLUTION FOR POLICE VEHICLES Finance Director Jerry LaMaster presented the following resolution:

Resolution Approving Financing Terms

WHEREAS: The Town of Valdese ("Town") has previously determined to undertake a project for two (2) new police vehicles (the "Project"), and the Finance Officer has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

1. The Town hereby determines to finance the Project through Branch Banking and Trust Company ("BB&T"), in accordance with the proposal dated January 7, 2010. The amount financed shall not exceed \$45,000.00, the annual

interest rate (in the absence of default or change in tax status) shall not exceed 3.00%, and the financing term shall not exceed two (2) year from closing.

2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the Town are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution. The Financing Documents shall include a Financing Agreement and Deed of Trust and a Project Fund Agreement as BB&T may request.

3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by Town officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.

4. The Town shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The Town hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

5. The Town intends that the adoption of this resolution will be a declaration of the Town's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The Town intends that funds that have been advanced, or that may be advanced, from the Town's general fund, or any other Town fund related to the project, for project costs may be reimbursed from the financing proceeds.

6. All prior actions of Town officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this 1st day of February, 2010.

/s/ James L. Hatley, Mayor

Attest: /s/ Town Clerk

Councilman Black made a motion to adopt the aforementioned resolution, seconded by Councilman Delp. The vote was unanimous.

MAYOR AND COUNCIL COMMENTS

Councilman Ogle thanked the Public Works Director Bryan Duckworth and Public Works Staff for the fine job clearing streets after the recent snow.

Councilman Ogle said some of the downtown street lights were still out. Mr. Duckworth said staff submits a report to Duke Energy every month and will continue until all lights are working.

Councilman Black recommended the shrubbery be trimmed around the Welcome to Valdese signs.

Councilwoman Oxentine asked if there was a report on the Alray Tire property. Mr. Morse said staff was working with Mr. Shatley. Planning Director Larry Johnson said he and Mr. Duckworth were in the process of locating utilities and Mr. Shatley is not sure how much property he needs.

Councilman Delp asked about the town limits located on Highway 70 coming from Rutherford College as the town limits sign was missing. Staff was directed to check on the sign.

Councilwoman Oxentine asked about the Rutherford College Water Contract. Mr. Morse said staff received a proposed contract and Town Attorney was working on the contract. Mr. Morse said a special meeting would need to be held with Rutherford College officials to discuss the contract.

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At 8:38 p.m., there being no further business to come before the Council, Mayor Hatley adjourned the meeting.

The next meeting is a regularly scheduled for Monday, March 1, 2010, 7:00 p.m.

Town Clerk

Mayor

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**TOWN OF VALDESE
TOWN COUNCIL MEETING
MARCH 1, 2010**

The Town of Valdese Town Council met on Monday, March 1, 2010, at 7:00 p.m., in the Town Council Chambers at Town Hall, Valdese, North Carolina. The following were present: Mayor James L. Hatley, Councilman Keith Ogle, Councilman Gary L. Delp, Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, Deputy Town Clerk Thelda B. Rhoney, and various department heads.

Absent: None

A quorum was present.

Mayor Hatley called the meeting to order at 7:00 p.m.

Councilman Black offered the Invocation.

Mayor Hatley led in the Pledge of Allegiance to the Flag.

APPROVAL OF MINUTES: Motion was made by Councilman Ogle, seconded by Councilman Delp to approve the minutes of the February 1, 2010, Council meeting. The vote was unanimous.

OPEN FORUM/PUBLIC COMMENT:

VALDESE PEE WEE BASKETBALL TEAM PROCLAMATION Mayor Hatley presented the following proclamation to the team and coaches:

Valdese Pee Wee Basketball Team

WHEREAS, the Valdese Pee Wee Basketball Team is made up of the following Third Graders from Valdese Elementary School: Jaylen Abee, Fletcher Abee, Jeremiah Daye, Lyle Holland, Griffin Martin, Easton Rhoney, and Dillon Robinson; and

WHEREAS, the Valdese Pee Wee Basketball Team is led by Head Coach Charles Martin and Assistant Coach Jeff Holland; and

WHEREAS the Valdese Pee Wee Basketball Team placed first in Burke County with an undefeated season; and

WHEREAS, the Valdese Pee Wee Basketball Team also represented Valdese in two tournaments in December 2009 placing first in both at Glen Alpine and Oak Hill; and

WHEREAS, the Valdese Pee Wee Basketball Team represented Valdese in a Western Youth Tournament with a first place finish; and

WHEREAS, the Valdese Pee Wee Basketball Team will be representing the Town of Valdese the weekend of March 6, 2010, in the USSSA Division and will be facing teams from all over the region.

NOW, THEREFORE, I, James L. Hatley, Mayor of the Town of Valdese, North Carolina, on behalf of the Valdese Town Council do hereby proclaim Monday, March 1, 2010, as the

“Valdese Pee Wee Basketball Team Day”

in Valdese and encourage all citizens to join me in recognizing the Valdese Pee Wee Basketball Team, Coaches, and Parents.

This 1st day of March, 2010.

/s/ James L. Hatley, Mayor

Mr. Morse thanked Parks and Recreation Director Tim Rhoney and Athletic Programs Supervisor Joey Lindsay for the great work they do with our kids.

PETITION FROM RESIDENTS – ITALY STREET, NE, LOUISE AVENUE AND RODORET STREET Mr. David Smith, 505 Italy Street, NE, submitted a petition on behalf of residents on said streets. The petition alleges Speed Freak's Rod Shop, owned by Jason Seidel, 200 Italy Street, NE, and vacant lot on the corner of Italy Street and Guigou Avenue, is causing traffic flow issues for Italy Street, NE, Bobo Avenue and Guigou Avenue by not providing sufficient parking spaces for the business and the customers are parking in traffic lanes on the street. Residents were concerned about safety of large trucks entering Sara Lee Bakery, runoff from Guigou Avenue, and old tires being stored on the property creating a breeding ground for mosquitoes.

Mr. Morse said staff had talked with Mr. Seidel to clean up the lot and one resolution would be to stripe North Italy Street in the problem area and paint no parking on the road and add no parking signs and then it would be strictly enforced. Planning Director Larry Johnson was asked to check the ordinance for what could be included in the Central Business District and the issue could be sent to the Planning Board. Staff could speak with UPS drivers and request they make deliveries on Guigou Avenue.

Mr. Johnson said the illegal parking could be addressed with stripping, no parking signs, and enforcement by the town. He would personally meet with Mr. Seidel regarding the tires and the overall condition of the property. If the silt fence is down the Town's stormwater agent could ask Mr. Seidel to replace but it is not a requirement as well as screening is not a requirement.

Town Attorney Marc Mitchell said if the ordinance were amended the requirements could be amortized.

Mayor Hatley thanked the citizens on Italy Street for coming forward and he said staff would resolve as many issues as possible with Mr. Seidel.

Mr. Morse said to establish as a no parking area there would need to be an ordinance to designate no parking on both sides of the street and staff would make sure.

REQUEST FROM ISABELLE BARUS, 113 BARUS AVENUE Ms. Barus said her property was involuntarily annexed between 1981 - 1983 and she was concerned about the condition of her unpaved street. She was representing residents on Barus Avenue and Owens Avenue. She requested the street be paved in 2002 using Powell Bill funds and the town's policy require the owner pay one-third of the paving cost and each person on the petition agreed to pay but the work was never done. She said water meters were installed in the right-of-way on Laurel Street and situated on the Zimmerman Speagle property for homes on Barus Avenue and there has been no replacement of waterlines in approximately 48 years. She said there were a lot of verbal agreements and handshake agreements and requests for installation of the water tap, meter and connection to the Barus' homes has been made since 1996 and the requests have been denied because the agreements were not in writing. The water currently serving the Barus' homes does not meet NC Clean water guidelines. With the installation of a fire hydrant then sewer lines were installed and the above ground spring and creek went underground and diminished in water capacity and became a storm water runoff collection site which was not approved by the state. They have storm water drainage issues that the property owners have to clean up after heavy rain/storms. Ms. Barus requested the following:

1. Honor verbal and handshake agreements to John and Isabelle Barus and Jeanine Barus to install a new water tap, meter and connection to their houses, per agreement with Herb Garrou, former Project Manager.
2. Contact Karen Carswell (Claude & Margie Owens were the previous owners) to see if she would also need a new water tap and meter to her property, covered under the same verbal and handshake agreement.
3. Prepare Barus Avenue in accordance with NC Department of Transportation (NCDOT) street guidelines, to allow for an 18 ft. of paved street and 8 ft of ditch line. Use vacant land and property lines as guidelines.
4. Allow for off street parking at all homes on this street. The Carswell property does not have any parking space on their property, so they use on street parking. They also use Jeanine Barus' upper driveway as a turnaround routinely, plus the cul-de-sac for turning.
5. After installation of the water lines and meters, repair, maintain or pipe and cover the ditch on the south side of Barus Avenue, maintain, replace or reroute the culvert crossing under Barus Avenue onto the Zimmerman Speagle property. Curb and guttering as outlined in NCDOT, Powell Bill and North Carolina storm water guidelines.
6. Pave with asphalt Barus Avenue in its entirety to the cul-de-sac, Barus, Cornerstone Baptist Church and Mitchell property street right-of-way, at no cost to the property owners, with Powell Bill funds.
7. Repair, maintain, pipe and/or cover the ditch on Owens Avenue. Curb and guttering as outlined in NCDOT, Powell Bill and North Carolina storm water guidelines.
8. Pave with asphalt Owens Avenue in its entirety (from Laurel Street to Lovelady Road) in accordance with NCDOT and Powell Bill guidelines, at no cost to the property owners (if property owners are in agreement).

Ms. Barus requested all projects be completed within one year of approval, encompassing 2009-2010 and 2010- 2011 budget years.

Mayor Hatley said staff would address the issues.

Mr. Morse said staff drove Barus Avenue this date and it is a problem and he explained the issues with graveled roads. He said as soon as the weather improves, Lowman Brothers would be contracted to reshape the street, fix the ditch line and gravel. He reviewed the Town's policy of paving unpaved streets and said two-third cost is paid by the residents. He recommended that staff meet with Ms. Barus and her daughter Jeanine at Town Hall to review each concern and discuss in detail. Perhaps compromises or agreements could be reached so when returning to Council at the April meeting, all concerns could be fully addressed although all concerns may not be able to be accomplished.

Mr. Duckworth said he would pull water samples. Residents were concerned about discolored water and were told it was because they were on the end of a waterline. Mr. Morse said the water issue would be addressed immediately.

Councilwoman Stevenson made a motion to authorize Lowman Brothers to scrape and gravel Barus Avenue in the amount of \$1,526 from Powell Bill Funds, seconded by Councilman Delp. The vote was unanimous.

RECOGNITION OF TYLER ZIMMERMAN – BOY SCOUT TROOP # 202, FIRST UNITED METHODIST CHURCH

Mayor Hatley recognized Mr. Zimmerman who was working on a badge.

BURKE HOSPICE & PALLIATIVE CARE PRESENTATION Mr. Vince Bartlome - Vice President of Support Services presented statistics about their facility. In 1980 there were 302 NC patients served by Hospice and by 2008 there were 39,322 NC patients served. The average length of stay at the Burke Hospice was 109 days and their average daily census was 144. He briefly reviewed the new construction of an eight bed inpatient facility. He said outside organizations were coming into the county taking business from Burke Hospice.

Mr. Morse thanked Mr. Bartlome and commended the Hospice staff and President and Chief Executive Officer Ron LaSalle.

AGREEMENT WITH VALDESE UNIFIED MISSIONS FOR VALDESE UTILITIES FINANCIAL ASSISTANCE PROGRAM Town Attorney Marc Mitchell reviewed the following agreement:

VALDESE UTILITIES ASSISTANCE PROGRAM AGREEMENT

THIS AGREEMENT is made and entered into this 1st day of March, 2010, by and between the TOWN OF VALDESE, a North Carolina municipal corporation (the Town), and VALDESE UNIFIED MISSION, a North Carolina nonprofit corporation (Valdese Unified Mission).

WITNESSETH:

WHEREAS, G.S. 160A-456 authorizes a town to appropriate and expend funds for programs concerned with welfare needs of persons of low and moderate income; and

WHEREAS, G.S. 160A-20.1 authorizes a town to contract with and appropriate money to a corporation in order to carry out a public purpose that the town is authorized by law to engage in; and

WHEREAS, the Town Council has determined that because of the financial hardship many of its low and moderate income citizens are suffering due to job loss, medical crisis and other such situations, the Town should make some financial assistance available to help qualified applicants pay their town utility bills; and

WHEREAS, to provide for such emergency utility bill assistance, the Town has developed and adopted a program known as the Valdese Utilities Financial Assistance Program (the Utilities Assistance Program); and

WHEREAS, Valdese Unified Mission has agreed to assist the Town in implementing the Utilities Assistance Program as set forth in this agreement; and

WHEREAS, under the terms of the Utilities Assistance Program, an applicant will take his or her application for assistance and the required verification documents to the Burke County Department of Social Services (DSS) for review, and DSS will then send the application, along with DSS's recommendation as to whether financial assistance should be approved, to Valdese Unified Mission; and

WHEREAS, under the terms of the Utilities Assistance Program, Valdese Unified Mission will then make a final decision using the guidelines established by the Utilities Assistance Program as to whether the applicant should receive financial assistance and, if so, the amount of that assistance; and

WHEREAS, Valdese Unified Mission has also agreed to hold funds appropriated by the Town from time to time for use in this program (the Town Utility Assistance Funds) and disburse those funds in accordance with the terms of the Utilities Assistance Program and this agreement; and

WHEREAS, Town Utility Assistance Funds may be used only to provide assistance to qualified applicants who are residents of the Town; and

WHEREAS, Valdese Unified Mission has therefore agreed to attempt to raise additional funds to provide utility bill assistance to Triple District water customers through the Utilities Assistance Program; and

WHEREAS, the parties desire to set forth in this agreement their respective responsibilities in implementing the Utilities Assistance Program;

IT IS THEREFORE AGREED AS FOLLOWS:

1. Valdese Unified Mission shall maintain its status as a North Carolina nonprofit corporation at all times during the term of this agreement.
2. Upon receiving Town Utility Assistance Funds, Valdese Unified Mission shall deposit those funds into a federally insured bank account established by Valdese Unified Mission to hold those funds and it shall disburse those funds according to the terms of this agreement. If Valdese Unified Mission should disburse all available Town Utility Assistance Funds, it shall promptly notify the Town that it has no Town Utility Assistance Funds to distribute.
3. Town Utility Assistance Funds may be used only to provide utility assistance to the residents of the Town of Valdese. Valdese Unified Mission shall therefore undertake to raise additional funds (the Triple District Funds) which it will use to provide utility assistance to Triple District water customers through the Utilities Assistance Program.
4. Upon Valdese Unified Mission receiving from DSS an application for utility assistance and DSS's recommendation as to whether utility assistance should be approved, Valdese Unified Mission shall promptly, using the guidelines set forth in this agreement and in the Utilities Assistance Program, make a final determination as to whether utility assistance should be provided to that applicant and, if so, the amount of the assistance.
5. Upon making a determination as to whether utility assistance should be granted and, if so, the amount of the assistance, Valdese Unified Mission shall promptly notify the applicant and the Town of its decision by letter.
6. If Valdese Unified Mission determines that utility assistance should be provided to a Town resident, Valdese Unified Mission shall promptly remit to the Town from the Town Utility Assistance Funds the amount of the approved assistance, together with notice to the Town of the applicant for whom the assistance is being provided and the bills to which that assistance should be applied. If Valdese Unified Mission determines that utility assistance should be provided to a Triple District customer, Valdese Unified Mission shall promptly remit to the Town from the Triple District Funds the amount of the approved assistance, together with notice to the Town of the applicant for whom the assistance is being provided and the bills to which the assistance should be applied.
7. Valdese Unified Mission agrees that the decisions it makes shall be based on the applicant's need and the criteria set forth in the Utilities Assistance Program, and it specifically agrees that it will not discriminate against any applicant on the basis of age, race, gender, religion, national origin, sexual orientation, disability or any other legally protected classification.
8. Valdese Unified Mission agrees to provide the Town with an accounting of its receipts and disbursements of Town Utility Assistance Funds and such other information relating to its administration of the Utilities Assistance Program as the Town may reasonably request from time to time.

9. Either party may terminate this agreement at any time upon giving written notice of termination to the other party. Upon such termination, Valdese Unified Mission shall promptly return to the Town all undisbursed Town Utility Assistance Funds and it shall provide the Town such accountings relating to those funds as the Town may reasonably request.

IN WITNESS WHEREOF, the parties have executed this agreement as of the day and year first above written.

TOWN OF VALDESE

By: _____

VALDESE UNIFIED MISSION

By: _____

Mr. Morse said there may be a minor administrative fee provided by the town which would be determined after the Unified Mission receives its nonprofit status and the agreement could be amended.

Councilman Ogle made a motion to approve the aforementioned agreement, seconded by Councilwoman Oxentine. The vote was unanimous.

RESOLUTION FOR IBT SETTLEMENT AGREEMENT

RESOLUTION OF THE VALDESE TOWN COUNCIL AUTHORIZING APPROVAL OF SETTLEMENT OF CONTESTED CASE: COALITION TO PROTECT THE CATAWBA V. N.C. ENVIRONMENTAL MANAGEMENT COMMISSION

WHEREAS, in response to the request by the cities of Concord and Kannapolis, North Carolina for a certificate authorizing the interbasin transfer ("IBT") from the Catawba River, the Town of Valdese joined together with other local governments in North and South Carolina in forming the Protect the Catawba Coalition ("Coalition") monitoring and expressing concern regarding the IBT request; and

WHEREAS, after the North Carolina Environmental Management Commission ("EMC") granted the requested IBT to Concord and Kannapolis, the Coalition and its member local governmental entities authorized the filing of a Petition for Contested Case Hearing ("Petition") at the North Carolina Office of Administrative Hearings ("OAH") challenging the IBT (the "Appeal"); and

WHEREAS, the Coalition and its members are dedicated to taking all necessary actions to protect the Catawba River and its environment and water users, including our citizens, and to that end have been actively pursuing the Appeal and also successfully secured the amendment of the North Carolina law governing the issuance of future IBTs, in order to protect the Catawba River and its water users, including our citizens and businesses; and

WHEREAS, based on the fact that the Appeal process contemplates that parties should consider mediation of the issues in any appeal, representatives of the Coalition participated in a multi-day mediation of the Appeal with the Catawba Riverkeeper and representatives of the other parties in the Appeal, which mediation resulted in a tentative settlement agreement embodied in a proposed settlement agreement; and

WHEREAS, the proposed settlement agreement protects the Catawba River and its environment and water users by significantly limiting interbasin withdrawals from the Catawba by Concord and Kannapolis during times of drought; and

WHEREAS, the proposed settlement agreement protects the Catawba River and its environment and water users by significantly limiting interbasin withdrawals from the Catawba by limiting withdrawals from the Catawba until Concord and Kannapolis have taken sufficient actions to withdraw at least half of their allowed withdrawal from the Yadkin River; and

WHEREAS, the proposed settlement agreement protects the Catawba River and its environment and water users by significantly limiting interbasin withdrawals from the Catawba by requiring Concord and Kannapolis to engage in stringent water conservation measures as a condition of their withdrawals; and

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WHEREAS, the proposed settlement agreement protects the Catawba River and its environment and water users by imposing additional conditions and restrictions on Concord and Kannapolis and their use of the water from the Catawba, including provisions regarding pricing, sale and resale, measurement, reporting and other provisions designed to ensure that the settlement accomplishes its purposes; and

WHEREAS, the proposed settlement agreement explicitly provides a private right to monitor and enforce its terms and conditions by the Coalition and any Coalition member signatory, including the right to stipulated daily monetary penalties in the event of default; and

WHEREAS, the proposed settlement agreement, through its terms and conditions, provides protections and assurances to the Coalition and its member entities that would not have been available through a pursuit of the Appeal, due to the nature of the IBT appeal process.

NOW, THEREFORE, BE IT RESOLVED that the Town Council of the Town of Valdese approves of the terms of the proposed settlement agreement and authorizes its execution and implementation on its behalf as a member of the Coalition, subject to execution of the proposed settlement agreement by Concord and Kannapolis and the Catawba Riverkeeper; and

NOW, THEREFORE, BE IT FURTHER RESOLVED that counsel for the Coalition, Hunton & Williams LLP, is hereby authorized: (a) to sign the settlement agreement on behalf of the Town of Valdese in a form approved by Valdese Town Council, on its behalf individually and as a member of the Coalition, (b) to file appropriate documents at OAH to withdraw and dismiss the Appeal; and (c) to take such other actions as re reasonable and necessary to implement the settlement agreement in the form approved.

This Resolution is effective upon its adoption this the 1st day of March, 2010.

/s/ James L. Hatley, Mayor

ATTEST: /s/ Town Clerk

/s/ Marcus W. H. Mitchell, Town Attorney

Councilman Delp made a motion to adopt the aforementioned resolution, seconded by Councilwoman Stevenson. The vote was unanimous.

RESOLUTION FOR RURAL CENTER BUILDING REUSE – RESTAURANT Mr. Morse said the owners of a proposed restaurant for downtown Valdese, Pons 1893, (former Brown's Carpet) were requesting a reuse grant. The owners were proposing over \$185,000 of their own funds. Total cost of the project was \$303,000 of which \$114,268 from the Rural Center grant would be applied to the project. They plan to create approximately 12 jobs and the Rural Center applies up to \$12,000 per job as its formula in deciding the grant and the company is responsible to ensure those full-time jobs are created for a minimum of six months. The Town would provide a 3 percent match.

**Town of Valdese Resolution
Authority to Apply
The Rural Center
Building Reuse and Restoration Grants Program
Development Grant
Pons 1893**

WHEREAS, the North Carolina General Assembly authorized in 2005 funds to the North Carolina Rural Economic Development Center (The Rural Center) to stimulate economic development and job creation. A portion of the funding authorized the making of grants to aid eligible units of government to stimulate the reuse of vacant buildings that will spur economic activity and job creation; and

WHEREAS, the Town of Valdese desires to assist through grant funding the economic reuse of Pons 1893 property, a building in downtown Valdese; and

WHEREAS, the Town of Valdese intends to request from NC Rural Center grant assistance for the project from the Development Grant category of the Building Reuse and Restoration Grant Program for the "up-fitting" and restoration of the facility.

NOW THEREFORE BE IT RESOLVED, BY THE VALDESE TOWN COUNCIL:

That the Town of Valdese will provide a minimum 3% match for an estimated \$115,000 grant request, if approved for a grant.

That Jeffrey V. Morse, Town Manager, and successors so titled, is hereby authorized to execute and file an application on behalf of the Town of Valdese with The Rural Center for a grant to assist in the pre-development of the project described above.

That Jeffrey V. Morse, Town Manager, and successors so titled, is hereby authorized and directed to furnish such information as The Rural Center may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the Town of Valdese has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to the grants pertaining thereto.

Adopted this the 1st day of March 2010 at Valdese, North Carolina.

/s/ James L. Hatley, Mayor

Councilman Black requested to be recused from voting since one of the owners was a relative.

Councilman Ogle made a motion to recuse Councilman Black from voting on the resolution, seconded by Councilwoman Stevenson. The vote was unanimous.

Councilman Ogle made a motion to adopt the aforementioned resolution to apply for a grant in the amount of \$114,968, seconded by Councilwoman Stevenson. The vote was unanimous.

FEMA RESOLUTION Fire Chief Charlie Watts presented the following resolution due to storm damage to the Police/Fire Complex and Recreation Center. He said by approving the resolution that Mr. Morse would be appointed as the primary agent and he would be appointed as secondary agent.

RESOLUTION DESIGNATION OF APPLICANT'S AGENT North Carolina Division of Emergency Management	
Organization Name (hereafter named Organization) Town of Valdese	Disaster Number: 1871
Applicant's State Cognizant Agency for Single Audit purposes (If Cognizant Agency is not assigned, please indicate): North Carolina Department of Crime Control and Public Safety	
Applicant's Fiscal Year (FY) Start	Month: July Day: 1st
Applicant's Federal Employer's Identification Number 56 - 6001355	
Applicant's Federal Information Processing Standards (FIPS) Number - -	
PRIMARY AGENT	SECONDARY AGENT
Agent's Name Jeff Morse	Agent's Name Charles Watts
Organization Town of Valdese	Organization Valdese Fire Department
Official Position Town Manager	Official Position Fire Chief
Mailing Address	Mailing Address

P.O. Box 339	P.O. Box 339
City ,State, Zip Valdese, N.C. 28690	City ,State, Zip Valdese, N.C. 28690
Daytime Telephone (828) 879-2120	Daytime Telephone (828) 879-2103
Facsimile Number (828) 879-2139	Facsimile Number (828) 879-2106
Pager or Cellular Number (828) 443-0654	Pager or Cellular Number (828) 443-0881

BE IT RESOLVED BY the governing body of the Organization (a public entity duly organized under the laws of the State of North Carolina) that the above-named Primary and Secondary Agents are hereby authorized to execute and file applications for federal and/or state assistance on behalf of the Organization for the purpose of obtaining certain state and federal financial assistance under the Robert T. Stafford Disaster Relief & Emergency Assistance Act, (Public Law 93-288 as amended), Chapter 166A of the North Carolina General Statutes, or as otherwise available. BE IT FURTHER RESOLVED that the above-named agents are authorized to represent and act for the Organization in all dealings with the State of North Carolina and the Federal Emergency Management Agency for all matters pertaining to such disaster assistance required by the grant agreements and **the assurances printed on the reverse side hereof**. BE IT FINALLY RESOLVED THAT the above-named agents are authorized to act severally. PASSED AND APPROVED this 1st day of March, 2010.

GOVERNING BODY Susan Stevenson, Mayor Pro Tem	CERTIFYING OFFICIAL
Name and Title Chip Black, Councilman / Vicki Oxentine, Councilwoman	Name James L. Hatley
Name and Title Keith Ogle, Councilman / Gary Delp, Councilman	Official Position Mayor
Name and Title	Daytime Telephone (828) 879-2120

CERTIFICATION

I, **James L. Hatley**, (Name) duly appointed and **Mayor** (Title) of the Governing Body, do hereby certify that the above is a true and correct copy of a resolution passed and approved by the Governing Body of **The Town of Valdese** (Organization) on the **1** day of **March, 2010**.

Date: 03/01/2010

Signature: /s/ James L. Hatley

Mr. Morse said the town sustained over \$60,000 in roof damages. He said town staff had also contacted the insurance carrier and FEMA would only cover what the insurance carrier would not cover. FEMA was in the process of evaluation pre-existing conditions prior to the snow storms. He said there would be significant costs to the town that would have to come from the General Fund.

Councilman Ogle made a motion to adopt the aforementioned resolution, seconded by Councilwoman Oxentine. The vote was unanimous.

ADVERTISE FOR BIDS FOR ROOF REPLACEMENT – POLICE/FIRE COMPLEX Fire Chief Charlie Watts presented an estimate from Robert B. Salsbury Architect, P.A., for roof repair. The Police/Fire Complex and roof over the Planning Director's office was estimated at \$67,477 which does not include the current town hall facility.

Mr. Morse requested that Council authorize staff to begin advertising for bids.

Councilwoman Stevenson made a motion to authorize staff to advertise for bids for roof repair, seconded by Councilwoman Oxentine. The vote was unanimous.

MOTOR VEHICLE RECORDS POLICY Fire Chief Charlie Watts presented the following policy as recommended by the Workmans Comp carrier of current and new hire employees. The policy includes seat belt laws (state law) and cell phone use (as recommended by the NC League of Municipalities which may become state law):

March 1, 2010, MB#30
TOWN OF VALDESE
MOTOR VEHICLE AND EQUIPMENT POLICY

A. Safe Vehicle Operations

1. Purpose

As with your personal vehicle, driving is a privilege, not a right. The purpose of this policy is to serve as a minimum standard for the safe operation of Town of Valdese vehicles. This policy covers all vehicles regardless of type and size, type of assignment, or condition of the vehicle. Town employees are responsible for the vehicle in their possession.

2. Personnel Affected

This policy will apply to all personnel who operate motorized equipment owned or leased by the Town. This policy will apply to all employees, supervisors, and Department Directors who operate or may operate a Town vehicle. Some departments that have special types of equipment, most notably the Fire Department and the Police Department, will have specific qualification and training requirements not covered in this policy.

3. Best Practice Guidelines

a. License and Insurance

All employees operating Town of Valdese vehicles shall have a valid North Carolina Driver's License in their possession during employment hours. Employees are also required to report to their supervisor immediately any moving citation they receive that will affect their ability to operate a vehicle. Finally, drivers of town vehicles will make sure there is an insurance card in the glove box of the vehicle that summarizes the current coverage in force. If it is missing the employee will notify their supervisor immediately.

b. Pre-Operation Inspection

All mobile equipment will be inspected prior to daily operations. This will consist of at least a visual inspection to insure that there are no obvious mechanical conditions that are in need of repair. If conditions are noted the supervisor will be advised so a determination can be made as to whether or not the vehicle should be removed from service.

c. Housekeeping within Vehicles

Vehicle compartments will be kept clear of materials that could constitute a safety hazard in the operation of the vehicle. Unsecured tools, loose debris or other items that could contribute to an accident will be removed or secured immediately.

d. Passenger Rules

Vehicles that are used to transport personnel, regardless of the distance, will be equipped with seating as supplied by the manufacturer. Neither employee nor the passenger will ride in the standing position or outside the seating area such as riding on the tailgate of a pickup truck.

e. Seat Belts

All passengers (including the driver) shall wear seat belts when the vehicle in motion, in accordance with North Carolina State Law. (General Statute 20-135.2A)

f. Securing Materials

The operator is responsible for ensuring that all materials are properly secured onto or in the vehicle before proceeding. If materials exceed the end of the vehicle, appropriate flags or lighting shall be added to the end of the material.

g. Backing Operations

Each operator shall make every effort to position his/her vehicle so that it is not necessary to back-up. When vehicles must be backed and rear vision is obstructed, a spotter must be used. If no spotter is available the operator will dismount the vehicle and walk around the vehicle to make sure the area that is to be backed into is clear. Next, back slowly with great care.

Whenever possible, back your vehicle into a parking space when traffic allows. This will allow you to drive forward with an obstructed view rather than backing out into the flow of traffic.

All large trucks and equipment should be equipped with back-up alarms.

h. Warning Lights and Striping

Many of our vehicles are equipped with visual warning equipment for added safety when responding to emergency situations. This equipment must be maintained to the highest degree possible to protect our employees and the public we serve. Similarly, our utility vehicles are equipped with strobe lights and reflective striping that outlines the vehicle. This warning equipment (flashing lights, etc.) should be operated anytime the vehicle is in use. When these items need to be repaired or replaced advise your supervisor so immediate maintenance can be performed.

i. Cell Phone Use

Wireless phones have become another tool required to do our jobs effectively. Operating a vehicle safely requires your full attention. Cell phones must be used as follows:

1. Place outgoing calls when parked or pulled off onto the shoulder of the road.
2. Similarly, receive incoming calls once you have pulled off the road. Allow voice mail to pick-up and then return the call once you are parked in a safe area.

4. Required Training

Each supervisor shall review this policy with new hires and with each existing employee on an annual basis.

5. Policy Review and Update

The Safety Director will review this policy on an annual basis to ensure its applicability and make any necessary changes.

B. Driver Qualifications

1. Purpose

This guideline is established to create minimum standards by which the Town of Valdese regulates the operation of Town owned vehicles.

The Town of Valdese reserves the right to refuse employment based upon the criteria detailed in this guideline concerning the applicant's established driving history. Additionally, the Town of Valdese reserves the right to alter a job assignment of an employee who meets the criteria listed concerning driving record infractions occurring during employment.

2. Personnel Affected

This policy shall apply to all Town of Valdese employees who operate Town owned or leased vehicles and equipment. This policy also applies to those employees who operate their privately owned vehicle while conducting Town of Valdese business.

3. Procedure / Guidelines

Eligibility is dependent upon possession of a valid North Carolina State Driver's License appropriate for the equipment/vehicle being operated and the satisfactory review of all driving history and equipment operation records concerning the employee.

Any Town of Valdese employee receiving a citation on a traffic related issue shall be required to notify his or her supervisor before the beginning of the next shift. Any employee found guilty of a traffic related issue shall be required to notify his or her supervisor before the beginning of the next work shift following the conviction. The burden of disclosure lies with the employee. Any employee who fails to report incidents that will affect driving status will be removed from a driving position for a minimum of thirty (30) days and will be subject to disciplinary action up to and including termination.

All Town of Valdese employees shall be required to carry on their person their valid State of North Carolina Driver's License during employment hours. Any employee not having this in their possession will be held to the requirement of progressive disciplinary procedure in the Town of Valdese Personnel Policy.

4. Required Pre-Employment Certification

The following restrictions shall apply to the Motor Vehicle Records (MVR) of initial hires into positions which require a valid North Carolina State Driver's License:

- 4.1 Any applicant who does not have a current and valid driver's license, or whose license is suspended shall not be approved for employment.
- 4.2 An applicant who, at the time of application, has more than nine points accumulated over the past five years or more than six points in any one of those five years shall not be approved for employment. The date of conviction shall be utilized as the reference date for consideration.
- 4.3 An applicant who has a history during the past five years of two or more suspensions or three or more revocations shall not be approved for employment.
- 4.4 An applicant that has been convicted of driving while intoxicated, impaired or under the influence of drugs or alcohol within the past three years shall not be approved for employment.
- 4.5 The Department Director will have prospective applicant's (DCI) Driver's History checked before any offer of employment is made.

5. Required Annual Certification for Employees

The DCI History of all employees who operate Town of Valdese vehicles / equipment will be reviewed annually. It will be the Department Director's responsibility to ensure that each employee's driver's history is reviewed as required above.

The Valdese Police Department will assist Department Directors with obtaining the DCI driver's history report for the North Carolina Department of Motor Vehicles.

Should the annual review find an employee whose driver's history is questionable or unacceptable, a Review Panel consisting of the Town Manager, Department Director, Human Resource Officer and the Safety Director will convene for a full review of the employee's driving history when necessary.

The Review Panel will review specified driving records and other pertinent documents to determine if the driving record is acceptable. In making such a determination the panel shall consider the following: (1) the degree of fault, if any, on part of the employee for any accident or other violation, (2) any input of the relevant department director or supervisor, (3) any input from the employee.

The employee whose driving record is being reviewed will be given the opportunity, but will not be required, to appear before the panel to make a statement or explanation. The Review Panel may ask

questions in order to further understand the employee's driving records. The employee may also provide a written statement if desired.

An employee whose job classification does not require driving Town vehicles/equipment shall not drive any Town of Valdese vehicles or equipment upon determination by the Review Panel that his/her MVR is unacceptable.

If the Review Panel decides that a driving record of an employee whose job classification requires driving Town of Valdese vehicles and equipment is unacceptable, the employee will be placed on non-disciplinary suspension by the department head or temporarily assigned other non-driving duties. If at the end of twenty workdays the employee has not been placed in another position for which he/she is qualified or has in some other way been accommodated without negatively affecting department operations, the employee will be terminated.

If the Review Panel decides that the employee's driving record is not serious enough to warrant suspension, the panel may at their discretion allow the employee to continue to drive but may place conditions on the employee's driving privileges.

Driving privileges which have been suspended may be fully or conditionally reinstated based on an acceptable record. It is the employee's responsibility to request a review.

Prior to taking any negative action based on suspension of driving privileges affecting an employee, the department director shall convene a meeting with the employee to describe the action and to allow the employee an opportunity to respond. Should the employee provide any information which had not been previously considered by the Review Panel and which, in the judgment of the department director, might have materially affected the decision of the panel, the department director shall notify the Human Resource Officer immediately. The Human Resource Officer shall review the information and reconvene the panel if necessary.

Regular fulltime employees have the right to appeal a suspension of driving privileges directly to the Town Manager.

Any employee charged with and/or convicted of controlled substance or alcohol related offense must notify his/her department director within one work day of the offense charge/conviction. Failure to notify the department director will result in disciplinary action, up to and including dismissal. If an employee's job assignment requires a valid driver's license and the employee's driver's license is revoked or suspended, the employee will be subject to disciplinary action, up to and including dismissal. Failure to notify the department director of any revocation shall result in disciplinary action, up to and including dismissal.

TOWN OF VALDESE
DRIVER'S RECORD CHECK

The Town of Valdese Police Department is hereby authorized, per my signature below, to release my driving record to the Town of Valdese for review, provided that the position(s) for which I am applying for or are currently assigned to requires that I operate either a town-owned vehicle or my own vehicle at least once a week, in the course of performing the duties and responsibilities of said position(s).

I understand that such record will be considered during the personnel selection process to a degree determined appropriate by the hiring authority in conjunction with insurance requirements and safety standards for the Town of Valdese. I further understand that the Town of Valdese may use this authorization at any time during my employment to ensure continued compliance with the safety standards of the Town.

POSITION: _____
DEPARTMENT: _____
NAME OF OPERATOR: _____
HOME ADDRESS: _____
CITY: STATE: ZIP CODE: _____

This 1st day of March, 2010.

/s/ James L. Hatley, Mayor

After a brief discussion, Councilman Delp made a motion to approve the aforementioned policy, seconded by Councilwoman Stevenson. The vote was unanimous.

AMENDMENT TO TASER POLICY Police Chief presented the following proposed amendments:

AMENDMENTS TO TASER POLICY

II. Taser Deployment

- A. The purpose of this policy is to furnish the officer with guidelines for the deployment and use of the Taser to control a given situation.
- B. In accordance with the Valdese Police Department's Standard Operating Guideline of using the minimum amount of force necessary to effect an arrest or restrain a combative and/or violent suspect, this agency authorizes the use of the Taser.
- C. The Taser will be considered high on our use of force continuum. This nonlethal weapon will by no means be a replacement for other nonlethal arrest or restraint measures that can be used to prevent injury to the officer, arrestee or bystanders.
- D. The Taser may be deployed and used in Deadly Force Situations when the officer's and/or public's safety is not put at risk by such use.
- E. Target areas for the deployment of the Taser X26 will be as follows, (Front chest area at or below nipple line, back at or below neck line, legs, and arms). **Under no circumstances will the officer intentionally aim at the head of the suspect with the intention of firing probes into this area.**

IV. Handling and Care

- A. Inspection:
 - 1. ~~Each officer will inspect the Taser at the beginning of his shift. The officer is required to check for structural defects and missing parts. The officer shall remove the air cartridge (**While the Taser is on Safe**) from the front of the Taser and, while the air cartridge is off, the officer shall take the safety off and pull the trigger. Once an electrical arc is observed, the Taser shall be placed back on safe. **Do not let the Taser cycle for the total 5 seconds.** The Taser should be turned off after 1 second. This will help to preserve battery life.~~
 - 2. ~~If the Taser is not functioning properly, the officer shall secure the Taser in the lock box and notify the Chief of Police.~~
 - 1. Each officer will inspect the Taser X26 at the beginning of their shift. Check for structural defects of the plastic and missing parts.
 - 2. With the Taser in the "SAFE Mode" remove the air cartridge from the front of the Taser. While the air cartridge is off take the safety off and pull the trigger. Once an electrical arc is observed **let the Taser cycle for the total 5 seconds.** Shut the Taser off after the 5 second cycle. If the Taser is not functioning properly secure the device back in the Taser lock box and notify the Chief of Police or Officer in Charge of Taser Maintenance.
- B. The Taser is like any other issued equipment in that proper handling and care will ensure that the Taser will function properly on a day to day basis.
- C. The Taser has a digital data download which will be monitored for any unauthorized discharge without justification (For example: excessive test fires, unexplained firing of air cartridges). Playing with the Taser with or without the air cartridge removed will not be tolerated and will subject the officer to disciplinary action.

This 1st day of March, 2010.

March 1, 2010, MB#30

Councilman Ogle made a motion to approve the aforementioned amendments to the Taser Policy, seconded by Councilwoman Oxentine. The vote was unanimous.

ARBOR DAY 2010 PROCLAMATION

ARBOR DAY 2010 PROCLAMATION

WHEREAS, in 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and

WHEREAS, the holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska; and

WHEREAS, 2010 is the 138th Anniversary of the holiday and Arbor Day is now observed throughout the nation and the world; and

WHEREAS, trees can reduce the erosion of our precious topsoil by wind and water, cut our heating and cooling costs, moderate the temperature, clean the air, produce life-giving oxygen and provide habitat for wildlife; and

WHEREAS, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires, and beautify our community; and

WHEREAS, trees, wherever they are planted, are a source of joy and spiritual renewal; and

WHEREAS, the Town of Valdese has received the prestigious Tree City USA award for the past 22 years.

NOW, THEREFORE, I, James L. Hatley, Mayor of the Town of Valdese, North Carolina, do hereby proclaim Friday, March 19, 2010, as the 138th Anniversary celebration of

"Arbor Day 2010"

in the Town of Valdese and the town will help sponsor the Fourth Grade Foresters of North Carolina as the Fourth Graders at Valdese Elementary School roll up their sleeves and plant a tree on Friday, March 19, 2010, and the students will become members of the Fourth Grade Foresters of North Carolina. Fourth Graders at Valdese Elementary School will also receive 80 trees to take home and plant, and I urge all citizens to celebrate Arbor Day and to support efforts to protect our trees and woodlands; and

FURTHER, I urge all citizens to plant trees to gladden the heart and promote the well-being of this and future generations.

This 1st day of March, 2010.

/s/ James L. Hatley, Mayor

Councilwoman Stevenson made a motion to adopt the aforementioned proclamation, seconded by Councilman Ogle. The vote was unanimous.

SET APRIL 9, 2010 AS TAX LIEN ADVERTISING DATE

Councilwoman Oxentine made a motion to set the Tax Lien Advertising date as April 9, 2010, seconded by Councilwoman Stevenson. The vote was unanimous.

APPOINTMENT OF 2010-2011 BUDGET REVIEW COMMITTEE Mayor Hatley recommended that he and Town Manager Jeff Morse, Councilman Black, and Councilman Delp serve on the Budget Review Committee.

Councilman Ogle made a motion to approve the aforementioned recommended appointments to the 2010 Budget Review Committee, seconded by Councilwoman Oxentine. The vote was unanimous.

BUDGET AMENDMENTS Finance Director Jerry LaMaster presented the following two budget amendments:

BUDGET AMENDMENT NO. 4

Subject: Fire Dept CDBG Grant – Smoke Detectors

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

Action Suggested:

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

<u>Acct. No.</u>		<u>Debit</u>	<u>Credit</u>
10.5300.330	Dept Supplies	<u>1,000</u>	
Total		<u>\$ 1,000</u>	

This will result in a net increase of \$ 1,000 in the expenditures of the General Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

10.3970.531	CDBG Grant	<u>1,000</u>	
Total		<u>\$ 1,000</u>	

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

BUDGET AMENDMENT NO. 5

Subject: Police Cars

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

Action Suggested:

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

<u>Acct. No.</u>		<u>Debit</u>	<u>Credit</u>
10.5100.740	Capital Outlay	<u>45,000</u>	
Total		<u>\$45,000</u>	

This will result in a net increase of \$45,000 in the expenditures of the General Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

10.3970.762	BB&T Loan – Police	<u>45,000</u>	
Total		<u>\$45,000</u>	

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Councilman Black made a motion to approve the two aforementioned budget amendments, seconded by Councilwoman Oxentine. The vote was unanimous.

MAYOR AND COUNCIL COMMENTS:

Councilman Delp thanked staff for replacing the Valdese Town Limits sign on Highway 70.

March 1, 2010, MB#30

Councilman Ogle asked about the property past Lowman's Grading on Eldred Street which was not in the Town of Valdese, there was an issue with mud. Mr. Johnson said staff could notify the property owner to try and keep four-wheelers off his property. Mr. Johnson said it might also be a NC Department of Transportation issue with the ditch.

Mayor Hatley received a complaint about an abandoned mobile home on Hauss Ridge that is destroyed where kids are hanging out and drug paraphernalia was found. He requested that Mr. Johnson try to contact the property owner.

MANAGER'S REPORT:

ANNUAL BUDGET RETREAT, MONDAY, MARCH 15, 2010 – 3:00 P.M. – 8:00 P.M., OLD ROCK SCHOOL, WALDENSIAN ROOM

CONTINUE MARCH 1 MEETING ON THURSDAY, MARCH 4, 2010, 7:00 P.M., RUTHERFORD COLLEGE TOWN HALL TO DISCUSS WATER CONTRACT

The Town Attorney and Town Council recommended that Town Staff and the Town Attorney work on an agreement with Rutherford College's attorney and staff before a joint meeting was held with Rutherford College.

STORMWATER PROJECT EXTENSION – WASTEWATER DEPARTMENT BUDGET Mr. Morse requested retaining the services of Norman Cook (former ASU Intern and Federal Stimulus worker) in order to facilitate completion of the in-progress stormwater mapping project at a rate of \$12 per hour and would amount to an expenditure of \$8,280 - \$12,480 over a six month timeframe.

Councilwoman Oxentine made a motion to approve the aforementioned budget request, seconded by Councilwoman Stevenson. The vote was unanimous.

OVERTIME SNOW REMOVAL Mr. Morse reported that due to the significant snow fall and the hard work by the Public Works Department that \$6,219.15 was expended and these funds were not in the budget.

At 8:57 p.m., there being no further business to come before the Council, Mayor Hatley adjourned the meeting.

The next meeting is a regularly scheduled for Monday, March 15, 2010, 3:00 p.m., Old Rock School, Waldensian Room for the Annual Budget Retreat.

Town Clerk

Mayor

tr

**TOWN OF VALDESE
TOWN COUNCIL SPECIAL MEETING
MARCH 25, 2010, 4:00 p.m. – 6:00 p.m.**

The Town of Valdese Town Council met in a Special Meeting on Thursday, March 25, 2010, at 4:00 p.m., at the City of Morganton Council Chambers, 305 East Union Street, Morganton, North Carolina. The purpose of the special meeting was to attend a Webinar on Ethics Training for Local Elected Officials. (NOTE: The 2009 session of the NC General Assembly enacted legislation requiring that governing boards of towns and cities receive two hours of ethics training by January 1, 2011.)

The following were present: Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, Councilman Chip Black and Councilman Keith Ogle.

(Mayor Hatley and Councilman Delp received the Ethics training at previous sessions.)

A quorum was present. No action was taken.

ETHICS TRAINING FOR LOCAL ELECTED OFFICIALS

At 4:00 p.m., the meeting was called to order and the aforementioned Members of Council participated in a Webinar offered by the NC League of Municipalities.

The meeting adjourned at 6:00 p.m.

The next Council meeting is a regularly scheduled for Monday, April 5, 2010, 7:00 p.m.

Town Clerk

Mayor

tr

**TOWN OF VALDESE
TOWN COUNCIL SPECIAL MEETING
MARCH 25, 2010, 4:00 p.m. – 6:00 p.m.**

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The following were present: Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, Councilman Chip Black and Councilman Keith Ogle.

(Mayor Hatley and Councilman Delp received the Ethics training at previous sessions.)

A quorum was present. No action was taken.

ETHICS TRAINING FOR LOCAL ELECTED OFFICIALS

At 4:00 p.m., the meeting was called to order and the aforementioned Members of Council participated in a Webinar offered by the NC League of Municipalities.

The meeting adjourned at 6:00 p.m.

The next Council meeting is a regularly scheduled for Monday, April 5, 2010, 7:00 p.m.

Town Clerk

Mayor

tr

**TOWN OF VALDESE
TOWN COUNCIL MEETING
APRIL 5, 2010**

The Town of Valdese Town Council met on Monday, April 5, 2010, at 7:00 p.m., in the Town Council Chambers at Town Hall, Valdese, North Carolina. The following were present: Mayor James L. Hatley, Councilman Keith Ogle, Councilman Gary L. Delp, Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, Deputy Town Clerk Thelda B. Rhoney, and various department heads.

Absent: None

A quorum was present.

Mayor Hatley called the meeting to order at 7:00 p.m.

Councilwoman Oxentine offered the Invocation.

Mayor Hatley led in the Pledge of Allegiance to the Flag.

APPROVAL OF MINUTES: Motion was made by Councilman Ogle, seconded by Councilwoman Stevenson to approve the minutes of the March 1, 2010 Council meeting and March 25, 2010 special session for ethics training. The vote was unanimous.

OPEN FORUM/PUBLIC COMMENT:

Mayor Hatley presented the following Commendation to Troy T. Sudderth:

**“Valdese Police Department Meritorious Civilian Award of Valor
Presented to
Troy T. Sudderth**

The Mayor, Town Council and the Valdese Police Department publicly acknowledge and express with deep appreciation for his acts of valor on March 15, 2010. Troy Sudderth, without hesitation and with courage, came to the aid of Sergeant W. S. Boyles while the officer was alone and fighting with an assault suspect that had attacked the officer. The selfless acts of Troy Sudderth ended a dangerous series of events that could have ended with serious injuries or even death to the officer and the suspect.

Date: April 5, 2010”

Mayor Hatley thanked Mr. Sudderth. Police Chief John Suttle and Sergeant Boyles thanked Mr. Sudderth as well.

Mr. Sudderth said he appreciated the job the police does every day to keep his family safe and that is why he stopped to help.

Mayor Hatley asked if there were others who wished to speak. No one spoke.

MUNICIPAL ENVIRONMENTAL ASSESSMENT COALITION (MEAD) – PROJECT PARTICIPATION AGREEMENT

Mr. Morse said the agreement with the NC League of Municipalities in the amount of \$250 was for a joint Coalition of cities and towns to fund an impact statement on rules to operate water and wastewater plants for the “Triennial Review” for proposed limits for wastewater nutrients and metals strategy to be imposed by the State.

Mayor Hatley said he had talked with Representative Hugh Blackwell who will champion an event for Burke County municipalities in Raleigh and Mayor Hatley mailed a letter to each Mayor in Burke County requesting a list of unfunded mandates including the cost. When received Mayor Hatley will forward to Representative Blackwell.

Councilwoman Oxentine made a motion to approve the aforementioned agreement, seconded by Councilman Delp. The vote was unanimous.

AUTHORIZATION TO HIRE FOR OPEN POSITIONS – COMMUNITY AFFAIRS DEPARTMENT AND PUBLIC WORKS DEPARTMENT

Community Affairs Director Barbara Hefner requested Council authorize her to hire for an open position due to the resignation of Administrative Assistant Jennifer Draughn. Ms. Hefner received approximately 70 applications.

Councilman Ogle made a motion to authorize Ms. Hefner to hire an Administrative Assistant, seconded by Councilwoman Stevenson. The vote was unanimous.

Public Works Director Bryan Duckworth requested Council authorize him to hire a part-time Administrative Assistant position that was vacated last July by Joe Thompson. The position would become full time effective July 1, 2010.

After a brief discussion, Councilman Ogle made a motion to approve a full time Administrative Assistant position (not part time), seconded by Councilman Black. The vote was unanimous.

APPOINTMENTS – VALDESE ABC BOARD Mayor Hatley said he would make three nominations and he and Mr. Morse would go to Raleigh to petition Representative Blackwell for legislature to authorize five members. Mayor Hatley made the following nominations:

Town Manager Jeff Morse, Chairman, one-year term
John Mark Rostan, two-year term
Jennifer Hudson, three-year term

Town Attorney Marc Mitchell briefly reviewed the NC Statutes pertaining to ABC Appointments.

Mayor Hatley said he planned to attend the ABC Board meetings and invited Members of Council, Police Chief and Fire Chief to attend the meetings. He said guests who attended the ABC Board meetings would be there to observe and not to make decisions or comments unless requested to do so.

After a brief discussion, Councilwoman Stevenson made a motion to approve the aforementioned nominations by Mayor Hatley as well as terms and Chairman, seconded by Councilman Black. The vote was unanimous.

STAFF APPOINTMENTS - NC RURAL WATER BOARD Public Works Director Bryan Duckworth briefly described the functions of the NC Rural Water Board and recommended Triple Distribution Superintendent Archie Lowman be appointed as Delegate and himself as Alternate Delegate.

Councilman Delp made a motion to approve the appointment of Triple Distribution Superintendent Archie Lowman as Delegate and Public Works Director Bryan Duckworth as Alternate Delegate, seconded by Councilman Ogle. The vote was unanimous.

AMENDMENT TO MOTOR VEHICLE AND EQUIPMENT POLICY Fire Chief Charlie Watts requested a modification of the policy to comply with state law.

**Town of Valdese
Motor Vehicle and Equipment Policy**

3. Best Practice Guidelines

i. Cell Phone Use

~~Wireless phones have become another tool required to do our jobs effectively. Operating a vehicle safely requires your full attention. Cell phones must be used as follows:~~

- ~~1. Place outgoing calls when parked or pulled off onto the shoulder of the road.~~
- ~~2. Similarly, receive incoming calls once you have pulled off the road. Allow voice mail to pick-up and then return the call once you are parked in a safe area.~~

Wireless phones have become another tool required to do our jobs effectively. The use of wireless phones while operating a Town of Valdese vehicle shall be in accordance with North Carolina General Statute 20-137.3. Further, when using a wireless phone while operating a town vehicle every effort should be made to use the hands free feature.

This 5th day of April, 2010.

/s/ James L. Hatley, Mayor

Attest: /s/ Town Clerk

Councilman Ogle made a motion to adopt the aforementioned amendment, seconded by Councilwoman Stevenson. The vote was unanimous.

MAYOR AND COUNCIL COMMENTS

Councilwoman Stevenson said she received a complaint that vehicles were parking on both sides of the street at Faet/Bobo and there were concerns emergency vehicles could not get through. She recommended only parking be allowed on one side of the street.

Mr. Morse recommended yellow tape on one side of the street during Family Friday Nights so no one would park as well as enforcement.

Councilwoman Oxentine asked if citizens were complying with issues on the fire report. Chief Watts said if citizens did not comply the Fire Marshal would issue a citation.

Councilman Black asked if the town was receiving request for assistance from the financial assistance water program. Mr. Morse said the Unified Mission was working to obtain their nonprofit status. Town Attorney Mitchell believed they had what they needed to operate as a nonprofit.

Councilwoman Stevenson asked about a letter from a citizen who had an issue with their water bill. Utility Customer Services Manager Debbie Jones said their water was disconnected for nonpayment and they were not happy about the reconnect fees.

MANAGER'S REPORT:

UPDATE ON BARUS AVENUE Mr. Morse said staff met with Ms. Jeanine Barus on what was available and was not available. Following is a staff report:

Barus Avenue

Road:

- Road was scraped and 4 loads of gravel was placed on the road
- Lowman's Grading indicated too wet and muddy to pull ditch
- Remainder of ditch work and additional gravel scheduled mid April; additional run off, from Laurel Rd catch basin and Mitchell Property to the south, will be addressed at this time

Water:

- Samples were taken – Results of all tests were within state specs
- Resident at 113 Barus Ave was mailed copy of results

Location of Ms. Barus' meter:

- Meter is located at the intersection of Laurel Rd and Barus – Reason: 6 inch line down Barus was not constructed when the Barus' inquired about water service – The 6 inch was installed for Fire Protection when annexed into the city limits in 1980
- Meter is currently serving 2 residences (111 & 113) – This is not allowed under our current ordinance – Each dwelling must be metered separate – Relocation of these taps are scheduled for Wednesday April 7th – Barus' will be responsible for plumbing hook up (meter to dwelling) – This will satisfy the said verbal agreement, between the Town of Valdese and Ms. Barus, made during Sewer Construction in 1983

Paving will be addressed when signed petition is received:

- Currently not enough right-of-way available at the end of cul-de-sac to satisfy current paving/subdivision ordinance
- Current paving estimate on file in the amount of \$29,000 and this does not include survey cost or additional paving for widened cul-de-sac and road width to 22 ft

Sewer Right-of-Way:

- Has been and will continue to be mowed yearly
- Additional drain pipe will be installed, if needed, to keep this right-of-way passable at all times
- Right-of-way was mowed and inspected on 3/19
- Right-of-way was reported passable with the exception of swamp area near the Barus property • Additional repairs to drainage area will be addressed

April 5, 2010, MB#30

Ms. Jeanine Barus said she was working with Public Works Director Bryan Duckworth on right-of-way and road issues. She thanked Council for understanding and working with the residents on Barus Avenue.

Mr. Morse said staff had met with the Barus family several times and the residents on Barus Avenue were working on a street paving petition.

NEW TOWN HALL BLOCK WALL Mr. Morse reported there would be a change order forthcoming for \$10,700 for the wall behind the building would be extended by two feet for safety reasons.

TAP FEES – CONSERVATION CAMP ROAD PROJECT Mr. Morse said Burke County was successful in getting a grant to extend waterlines to Conservation Camp Road as several families ran out of water during the last drought. Staff was working with those residents on tap fees and a lot of the families are experiencing financial difficulties. Staff was allowing the residents to make a deposit and add a payment schedule to their monthly water bills. He requested Council authorize a higher fee if the residents do not take advantage of the taps as the lines are being installed at a cost of \$1,000 for a tap for the same side of the street as the waterline and \$1,200 across the street from the waterlines.

Council recommended staff work with the residents to tap on now rather than later.

ANNUAL BUDGET RETREAT RESCHEDULED FOR TUESDAY, APRIL 13, 2010, 3:00 P.M. – 8:00 P.M., WALDENSIAN ROOM

VALDESE TRIATHLON – SATURDAY, APRIL 17, 2010, 9:00 A.M.

CLOSED SESSION

Mayor Hatley called for a Closed Session pursuant to NC General Statute 143-318.11 (a) (4) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations.

At 7:45 p.m., Councilwoman Oxentine made a motion to recess into Closed Session pursuant to NC General Statute 143-318.11 (a) (4) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations. The motion was seconded by Councilman Delp and carried unanimously.

At 8:10 p.m., Councilman Ogle made a motion to return to open session, seconded by Councilwoman Stevenson. The vote was unanimous.

At 8:10 p.m., Mayor Hatley adjourned the meeting.

The next meeting is an Annual Budget Retreat scheduled for Tuesday, April 13, 2010, 3:00 p.m., Waldensian Room, Old Rock School.

Town Clerk

Mayor

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**TOWN OF VALDESE
TOWN COUNCIL MEETING
APRIL 13, 2010 – ANNUAL BUDGET RETREAT**

The Town of Valdese Town Council met for the Annual Budget Retreat on Tuesday, April 13, 2010, at 3:00 p.m., in the Waldensian Room at the Old Rock School, Valdese, North Carolina. The following were present: Mayor James L. Hatley, Councilman Keith Ogle, Councilman Gary Delp, Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Deputy Town Clerk Thelda B. Rhoney, and all Department Heads. Also in attendance were Lab Technician/Operator Jerry Conley and ASU Intern Kyle Nowak.

Absent: None

A quorum was present. No action was taken.

Ms. Sharon McBrayer, *News Herald* was in attendance.

Mayor Hatley called the meeting to order at 3:00 p.m.

Mayor Hatley welcomed everyone and said this would be a tough budget year due to economic conditions beyond our control and we would face the issues just like everyone else. He said he would not entertain an increase to the tax rate because of the elderly and a lot of citizens without jobs. He commended staff for the work they do. Mayor does not want to balance budget on the backs of employees.

Town Manager Jeff Morse said we are facing a difficult budget year. State shared revenues are down and the state's investment portfolio for the retirement systems is down and cities and towns will be required to increase its contribution of 2 percent of salary.

Mr. Morse said local governments provide services to the public and his philosophy is to continue to provide services. We have to adjust to the economic situation. He offered a brief overview of the current General Fund and Utility Funds. He reviewed costs to voluntarily eliminate phosphorus for our wastewater which would eventually become a state requirement.

Mr. Morse gave a brief update on the New Town Hall and said it would be under roof next week and is 27 days behind schedule due to inclement weather this past winter.

WATER

Mr. Morse said staff had concerns about water and wastewater flow. The Town of Valdese was built on dye houses. Three million gallons of water are pumped daily at the water plant where 8-9 million per day used to be pumped. Most costs are fixed whether 3 million or 9 million gallons are pumped daily. The facility was built in 1983 and per state rules we cannot eliminate more jobs at the water plant. He did not expect reductions from the remaining wet industries for next fiscal year. Same issues with large, bulk rate, and contract customers (Icard, Burke County and Rutherford College). He said staff would sustain by looking at fixed cost and set rates around the fixed costs instead of variable rates/costs. He said with previous loss of large wet industry the rates were increased.

Mr. Morse said a rate increase would be required next fiscal year to cover \$150,000 – \$200,000 in loss of revenues. Staff proposed an increase to the fixed rate cost which would not exceed \$2 month per meter or a maximum of \$24 per year for all Valdese customers, Burke County, Icard, Triple District, and Rutherford College. With the proposed increase, Valdese would still have the lowest cost for utility services for one-third of the residents in the state. Industry would receive not more than 5 percent per year per 1,000 gallon usage.

Mr. Morse thanked Dave Cook for working with Lab Technician/Operator Jerry Conley at the Water Plant. Mr. Cook said in order to feed fluoride, a 10-year contract was required.

WATER/SEWER CONSTRUCTION

Mr. Morse said rates would have to more than triple to replace 60 miles of terra cotta water/sewer lines within the town limits.

Mr. Morse said there may be a perspective industry interested in Valdese that would present challenges due to a heavily industrialized discharged. The industry proposes 40 new employees. A feasibility study would have to be

done on the old Hoyle Pretreatment Plant. Two basins of 5,000 gallons each could be put back into service. The Wooten Company or West Associates could do a feasibility study to see if the two basins could be used in the operation. Basins would need to be covered so no odors would escape because the location is near Draughn High School. If the basins could not be put back into operation, the town may not be interested in the project. The industry does its own pretreatment and the town would take affluent and do additional treatment.

Mr. Morse said ASU Intern Kyle Nowak obtained a \$200,000 grant for the Wastewater Treatment Plant for energy savings, approximate \$60,000 savings per year.

Mr. Morse said a rate increase would be the last option. Staff was working to efficiently operate the plants and vacant positions were not being filled.

GENERAL FUND

Ad valorem taxes were the major source of revenues for the next fiscal year in the amount of \$1,489,679. He commended Tax Collector Greg Cannon for collecting 99 percent of the taxes for Valdese. Motor vehicle taxes were a source of revenue in the proposed amount of \$118,000 as well as boats and recreational vehicles - \$7,000. He thanked Utilities Customer Services Manager Debbie Jones for the debt set off program and over \$3,000 have been collected. Other revenues: Occupancy Tax Revenue – \$30,000; beer/wine licenses – state withheld 70 percent and cities/towns only getting 30 percent – \$3,000 projected; Cable TV Franchise fees - \$65,000 (held harmless by the state); Interest earned off investments - \$20,000 at ½ - 2 percent; Rents – \$43,740 (Old Rock School and others); Utility franchise tax proceeds – past budget \$370,000 and proposed budget only \$327,000; Powell Bill – \$139,000; State sales tax – \$746,000 – local option sales tax; and hold harmless - \$112,000. The Valdese Housing Authority provides approximately \$18,000 in lieu of taxes.

There is no proposed increase in the following fees: refuse collection fees which is currently \$10 per month and is listed on the utility bill; recycling - \$1.30 per customer and 85 percent of our citizens are now recycling (state does not allow plastic bottles in landfills).

Mr. Morse said Department Heads have prepared the proposed FY 2010-2011 Budget the same or less than last year. The Expense side was where the challenges are.

Staff was proposing a \$160,000 deficit and would be looking at employee fringe benefit package; healthcare costs projections of possibly a 20 percent increase - \$110,000; 2 percent retirement increase - \$30,000;

At 4:25 p.m., Mayor Hatley called for a ten minute break.

At 4:35 p.m., Mayor Hatley called the meeting back to order.

Mr. Morse said two positions approved at the last Council meeting would be only part-time and not full-time. Two possible retirees would return to work 20 hrs per week and the Town's mission could be accomplished on a temporary basis. He said staff would avoid passing any additional cost onto citizens and would continue to provide core services, arts, drama, and travel/tourism.

Mayor Hatley asked about furloughs. Mr. Morse said Department Heads recommended furloughs instead of salary cuts. A 5 percent reduction in salary would amount to approximately \$50,000 savings in the General Fund.

Mr. Morse recommended temporary measures until the economy recovers. He mentioned The Settings Development; Lake Vistas Development, and ABC issues. He gave a brief update on the Waldensian Mill Project.

Mr. Morse said incentives were important and recommended council create a funding mechanism into VEDIC as economic incentives for old buildings to revitalize enterprises. Funding would come from retired debt service, and he recommended \$25,000 - \$50,000 be budgeted per year.

Mr. Morse said the ABC Board would meet on Thursday, April 15, at 6:00 p.m. The proposed ABC Store was located at Heritage Shopping Center and they did not anticipate any major challenges. A consultant was brought in to look at the building, shelving and give cost estimates. The ABC Board was working with an accounting firm to create a business plan and obtain a line of credit from a bank. There would be an office in the ABC Store to accommodate the ABC Board. Goal to keep operating cost to minimum of \$6 per square foot - \$2,500 month for over 5,000 square feet of space. The ABC Board was not entertaining merger with Morganton although the General Assembly may establish one board per county.

Mr. Morse briefly reviewed main projects.

Recreation Director Tim Rhoney

Revenues were down 10 percent due to loss of four weeks of youth basketball due to inclement weather including one Saturday with 12 teams – loss of concessions, gate fees and bowling revenues in the amount up to \$8,000. He estimated \$290,000 next year in revenues.

Current membership ranging from 525 to 550

Overall budget request down from last year and capital outlay for big ticket items were not in the operating budget

A Master Plan would have to be developed if the town were to apply for a PARTF grant at a cost of \$25,000 and could be conducted by a group at ASU at one-third of the cost

Three year capital – replaster pool – \$55,000

Change or convert chlorine sanitizing system to a salt sanitizing system – initial cost \$40,000

Bubble – two years ago it would have cost \$225,000 to replace the bubble over the swimming pool

Replace interior pool lining - \$59,000 (current liner over 10 years old)

Gym floor – must be replaced at some point in time – \$80,000 - original floor installed in 1938

When Tiger gym is reopened the heating system would have to be redone and leaking pipes repaired

Five poles on two fields are rotting – estimate to replace poles which must be replaced with metal or steel – one field \$90,000 and both fields \$150,000

Public Works Director Bryan Duckworth

Capital outlay - delayed

Increase 1.5 percent in all five areas of public works due to retirement increase, healthcare and equipment maintenance costs

There are 14 employees in Public Works

Some services are contracted

Asking employees to do more with less was becoming a juggling act and it would be difficult asking them to take a salary cut

Plans for office to be open four hours per day and use automated phone answering service

Recycling percentages are up due to no plastic bottles allowed in landfills

Recommended picking up brush, etc. every other week – north side one week and south side next week

Not feasible to cut services to citizens

Will continue to address aging equipment maintenance on case by case basis

Based on surrounding systems and national level the town is ahead of the curve with its distribution/collection system

Staff is performing monthly water audits to make sure every drop of water is billed

Staff is aggressive and proactive with utility system

Closely monitoring some areas – A 6" waterline had broken 13 times since last June on Robinson Road and needs replacing

Powell Bill would be down \$26,000 next year – staff proposes paving up to two areas and patching remaining areas

Planning & Development Director Larry Johnson

His proposed budget is increased by 3.1 percent

The town needs a comprehensive land use plan in the future

Mr. Johnson announced this was his last year in full time capacity with the Town of Valdese

His department impacted by the economy. In 2008 there were 40 permits, \$4 million and last year 29 permits – \$2 million

His only contract would be with the Western Piedmont Council of Governments

Mayor Hatley recommended staff stay on top of vacant buildings to keep the town looking good. Regarding the old high school – Senator Jacumin informed the Mayor that the building is certified as structurally unfit and should be torn down.

Police Chief John Suttle

His proposed budget was 4.8 percent less than last year

Good on vehicles until FY 2013-2014

Good on computer situation

He distributed information about modems in police cars using analog

Morganton donated four modems to the Valdese Police Department

The department received a truck from the military with 12,000 miles and is currently being painted. Police and fire will share the truck of which they need for severe weather

GPS programs have been beneficial

He reviewed equipment received from the Governor's Highway Safety Program

All weapons are up to date except one

Need computers for police vehicles at a proposed cost of \$5,000. Council recommended placing in the budget for police officer safety

Mayor thanked Chief Suttle for building one of the best Police Departments in the area.

At 6:00 p.m., Mr. Morse invited everyone to enjoy dinner.

At 6:45 p.m., Mayor Hatley called the meeting back to order.

Fire Chief Charlie Watts

Existing ladder truck purchased in 1985 and is 30 years old – would cost \$650,000 to replace and repairs are needed and parts are hard to find

Air packs are 10 years old - replacing air packs would cost approximately \$90,000

Renovations needed on 30 year old existing building – no major renovations have been done in 30 years except Communications Center and a new roof is needed

Fire Department runs 500 calls yearly

Received \$2,700 in state grants for a laptop and 100 smoke detectors

His department is one employee short and he is using part-time employees

Mr. Morse said there would be some debt service retiring in several years and those funds could be used for capital outlay

Mayor Hatley said he wanted to see a line-item in the budget for high dollar items

Finance Director Jerry LaMaster said there have been no contributions to those type line-items in recent years

Community Affairs Director Barbara Hefner

Revenue goals are being met and her proposed budget is increased by 4 percent

She said Vickie Hyde was hired by the town to work with the Old Colony Players

Used to pay \$11,800 to Old Colony Players and now those funds are coming from the occupancy tax

They are doing less advertising and pushing what we already have in town such as the Old Colony Players

She recommended replacing chiller, replacing roof, paint outside of building, update stage lighting, and carpet/tile for the auditorium

Mr. Morse said the Old Colony Players was an integral part of our town and staff wants to continue to make sure they are successful.

Accounting Services Manager Greg Cannon

Proposed a \$60,000 decrease in expenses which included \$50,000 reduction for incentive to Meridian

Burke County Library – \$48,000 (same as last year)

NC STEP/VEDIC \$10,000 budgeted instead of \$20,000

Debt service – \$80,000 (same as last year)

Mr. Morse said Economic Development – comes out of utility fund and staff tries to bring in wet industries

Wastewater Plant Superintendent Greg Padgett

Current permit expired February 28 and staff is awaiting the new permit with additional monitoring issues for increased sampling – no increased cost

State wants smaller numbers of phosphorus going into the lake

Decreased budget for stormwater and the WPCOG will assist with stormwater education

Staff is looking at new industry

Capital outlay – nothing urgent at the moment

Eventually there will be a cost for stormwater

Water Plant Superintendent David Cook

Transferred one of their vehicles to Public Works

Mr. Cook works part-time and they have two vacant positions

Not pumping as much but have maintenance and yard work. They used stimulus workers for 6 months at no cost to the Town of Valdese

Budget down from last year. Lab/Tech Operator Jerry Conley involved in every day operation of the water plant including budget

Wants to implement a Supervisory Control and Data Acquisition (SCADA) Instrumentation - A lot of mechanical and electrical chart records now under SCADA would be computerized. Currently have 10 charts and it costs \$2,000 per year for charts. All equip would be on screen; tank levels; and tied into Triple District

Must have a certified operator if the plant is pumping

With a SCADA system, staff could monitor plant from home and monitor when someone must come in and use other employees for maintenance and grounds

Cost for SCADA - \$50,000 to \$55,000 and would pay for itself in one year

Water plant in good shape and the electrical switch gear is aging

Distribution Superintendent (Triple District) Archie Lowman

Briefly reviewed revenues, expenses, water tanks, and water quality

Paint water tank - \$112,000 to paint two tanks (needs painting every 10-12 years)

Briefly discussed combining areas of Triple system with Valdese system to better serve/increase customers

Remaining funds from merger could only be used for Triple District

Mayor and Council comments:

Councilman Black

Mr. Black was concerned about benefit of 50 percent family insurance paid by the town that all employees did not receive

Councilwoman Oxentine

Ms. Oxentine said all Department Heads have done a good job and we would have to take things as they come

Councilwoman Stevenson

Staff works well together and helps each other and knows each other needs

Would not want to see salary cuts because worked so hard to get salaries increased

Would like to see greenway but not at this time due to other things affected by the economy

Councilman Delp

Mr. Delp said as a first timer he was impressed at what was going on at the meeting and wish all citizens of Valdese could experience this and how much work staff put into the meeting

Staff showing great joy in saving positions and he would like to keep positions as well

Last thing would be for employees to take a cut in salary

Mr. Morse said he needs full-time positions for Police Chief, Planning Director and Water Plant Superintendent and the retiring department heads had agreed to come back part-time to assist full-time staff. He said employees were willing to do more.

Councilman Ogle

He said the employees are giving more

Recommended not giving up full-time employees then later decide got to have them and there are no funds available for salaries

Mr. Morse said department head positions must be full time. He said Council had full fiduciary responsibility for the Town of Valdese.

At 7:45 p.m., there being no further business, Mayor Hatley adjourned the meeting.

The next meeting is a regularly scheduled meeting for Monday, May 3, 2010, 7:00 p.m.

Town Clerk

Mayor

**TOWN OF VALDESE
TOWN COUNCIL MEETING
MAY 3, 2010**

The Town of Valdese Town Council met on Monday, May 3, 2010, at 7:00 p.m., in the Town Council Chambers at Town Hall, Valdese, North Carolina. The following were present: Mayor James L. Hatley, Councilman Keith Ogle, Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, Deputy Town Clerk Thelda B. Rhoney, and various department heads.

Absent: Councilman Gary L. Delp

A quorum was present.

Mayor Hatley called the meeting to order at 7:00 p.m. He offered the Invocation and led in the Pledge of Allegiance to the Flag.

APPROVAL OF MINUTES: Motion was made by Councilman Black, seconded by Councilwoman Stevenson to approve the minutes of the April 5, 2010 regular and closed session and April 13, 2010 Budget Retreat. The vote was unanimous.

OPEN FORUM/PUBLIC COMMENT:

PASTOR LYONS, FIRST UNITED METHODIST CHURCH – UPDATE ON UTILITY FINANCIAL ASSISTANCE PROGRAM Pastor Lyons said the Valdese Unified Mission is incorporated through the state of North Carolina as a nonprofit corporation. The officers are in place and they have had an organizational meeting and would kick off the program this fall. They are ready to pursue the Valdese Utility Assistant Program. They already have pledges for Triple District in the amount of \$700 plus two additional groups that would be contributing.

He presented the following application process and what they added:

**Valdese Unified Mission
Valdese Utilities Financial Assistance Program
Application Process**

1. Neighbor acquires an application from the Valdese Town Hall
2. Applicant takes completed application to Valdese Town Hall
 - a. [The Applicant signs a Charity Tracker Release of Information form.](#)
3. Town verifies the application – The Town will place a hold on any disconnection order, until the application process is completed
4. Within 48 hours of Town verification, applicant takes application and verification documents to Burke County Department of Social Services (DSS) for review
5. DSS reviews the application
6. DSS sends application with DSS recommendation regarding whether financial assistance should be approved to Valdese Unified Mission
 - a. [Via fax \(828-874-0880\) to the Financial Assistance Ministry \(FAM\) at Waldensian Presbyterian Church, who will administer the program.](#)
7. The FAM will make a final decision regarding whether or not an applicant will receive financial assistance and how much
 - a. [Its regular office hours \(Tuesdays and Thursdays 2-4pm\)](#)
8. The FAM sends a letter to the applicant and the Town of Valdese informing the parties of its decision
9. [The FAM submits a check request the Valdese Unified Mission treasurer and/or acting bookkeeper to](#) remit the payment to the Town of Valdese for the approved amount.
 - a. [The FAM enters the appropriate information into the Charity Tracker system.](#)
10. If the applicant is approved for assistance for consecutive months, the applicant is responsible for submitting those bills to FAM for remittance by repeating #9 & #10

CharityTracker

The CharityTracker Assistance Network, “*hereinafter referred to as “CharityTracker”*”, is a shared, computerized record keeping system that captures information about people experiencing need for emergency services, including but not

limited to assistance with utility bills, medications, rent/mortgage payments, etc. Valdese Unified Mission (Administrating Agency) administers CharityTracker on behalf of participating agencies of the CharityTracker Assistance Network.

I understand that all information gathered about me is personal and private and that I do not have to participate in CharityTracker. I have had an opportunity to ask questions about CharityTracker and to review the basic identifying information, which is authorized by this release for the CharityTracker Assistance Network Participating Agencies to share. I also understand that information about non-confidential services provided to me by CharityTracker participating agencies may be shared with other CharityTracker Participating Agencies. This Release of Information will remain in effect for 3 years from the date noted under my signature at the bottom of this page unless I make a formal request to this Organization that I no longer wish to participate in CharityTracker.

I authorize Valdese Unified Mission, as a CharityTracker Participating Agency, to share my basic, identifying and non-confidential service transactions/information with other CharityTracker Participating Agencies. I authorize the use of a copy of this original to serve as an original for the purposes stated above. I further authorize Valdese Unified Mission (Participating Agency), as a CharityTracker Participating Agency, to share my dependent's basic, identifying and non-confidential service transactions/information with other CharityTracker participating agencies.

Printed Name of client and/or parent-legal guardian

X

Client and/or Parent-Legal Guardian's Authorizing Signature

Date

Mr. Morse said staff would coordinate with the Mission and he would coordinate with staff to provide a notice that would be sent to all utility customers.

Mayor Hatley thanked Pastor Lyons for his work on the project.

Mayor Hatley asked if there was any one else who wished to speak. No one spoke.

AUTHORIZATION TO DISPOSE OF SURPLUS EQUIPMENT – PUBLIC WORKS DEPARTMENT Public Works Director Bryan Duckworth requested Council authorize the following items be approved for surplus auction by GovDeals at a minimum bid of \$400 and if this amount is not received, vehicles would be sold for scrap metal:

- 1996 Ford Ranger – Transmission removed, intake leaking, body condition
- 1994 Ford F150 – Wrecked vehicle, several other parts have been used for other truck repairs
- 2005 Ford Crown Vic – Wrecked – Remainder of parts no longer fit vehicles in fleet
- 2003 Ford Crown Vic – Bad Transmission - Remainder of part no longer fit vehicles in fleet

Councilman Ogle made a motion that the aforementioned items be declared surplus and sold as recommended by Mr. Duckworth, seconded by Councilwoman Oxentine. The vote was unanimous.

SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) INSTRUMENTATION – WATER PLANT Water Superintendent David Cook requested Council authorize the purchase of a SCADA system.

Mr. Cook said we have many old chart recorders that are going to need replacing in the near future, because they either need repairing or have become obsolete. These chart recorders control many aspects of the water plant. One chart recorder controls the raw water pumps and allows them to come on at a certain level. Another chart recorder controls the finished water pumps and allows them to come on at a certain level. We already have one chart recorder that is out of service at this time. This recorder allows staff to see and know the chlorine residual in our finished water. Staff can test this manually and do tests every two hours to make sure that the water plant stays in compliance. With this chart recorder we could see immediately what the chlorine residual is in our finished water. The cost of replacing these chart recorders would be around two to three thousand dollars each. With ten chart recorders, this could become a costly endeavor. These chart recorders also take charts which run anywhere from twenty-five dollars to sixty dollars per 100 charts. We use about 4 packs a year for each of our 10 recorders. This comes to about two thousand dollars a year.

Staff could also reduce man hours and the need to fill unfilled job vacancies. This would save the town money in several ways. First, the town could save money on salaries with two less jobs filled. Staff could go to a different shift format. Staff would no longer have the need to run the water plant twenty-four hours a day. With the water plant already being at a bare minimum of people needed to run the water plant efficiently, this would allow staff to have more workers on each shift. Operations could be reduced to two shifts, and the operators brought to first shift would help do the work around the plant that is taking longer to do because of the lack of manpower due to the reduction of two employees as stated above. This would also allow staff to cut out part of the need for overtime pay. Having more than one operator on a shift would decrease the need for plant coverage if someone had to be out of work due to sickness or vacation. There would still be times when you needed someone to fill in for an absent operator, maybe in the evening or an occasional weekend, but this would reduce the occurrences in which this would be needed. Weekends hours could also be reduced. Having a SCADA system would allow staff to see what was happening at the plant from home. If the plant needed to come on during the weekend, someone would be called in. If the plant didn't need to come on until the next day you would not have to bring any one in for that particular shift. Mr. Cook said the SCADA system could be monitored through the Internet instead of two dedicated phone lines saving \$171 per month.

The inclusion of a SCADA system at the Valdese water plant would allow the plant to become a more efficient, less costly, state of the art, water plant that the Town of Valdese could be proud of. With the savings from not filling the above mentioned positions and the money saved from not replacing the above mentioned chart recorders, the town could easily recoup its cost for the SCADA system within one to two years. These saving would not only be for next year's budget, but they would be savings that would be felt in the ongoing budget years. SCADA would change the way we receive data from all aspects of our water plant. Staff would be able to keep an eye on our plant from home and would be able to troubleshoot any problems that the plant might be having. This may save money on call backs and would save a lot of wasteful trips for technicians that might or might not have been needed to start with.

Companies	Bids
Smart Electric Company	\$244,423
Connelly Springs Electric	\$ 86,400
Dorsett Technologies, Inc.	\$ 86,852 (\$72,057 – Revised price 4/27/10)
Instru-Logic Corporation	\$ 65,000
Eastern Automation Services	\$ 64,900
Instrument Services, Inc.	\$ 61,675

Not only is ISI the lowest bid, but they also come highly recommended. We have been to several different water plants to see SCADA systems. ISI installed the City of Morganton's SCADA system and it is an excellent system. They have had no major problems and are very pleased with their system and ISI's service. ISI already services some of our instruments and we have a good working relationship established with them. That is why we are recommending ISI to install our SCADA system with the price of \$61,675. Funds would come from the Capital Reserve Fund.

After a brief discussion, Councilman Ogle made a motion to approve the purchase of a SCADA System from Instrument Services, Inc., in the amount of \$61,675, seconded by Councilwoman Stevenson. The vote was unanimous.

AWARD OF BID - ROBINSON ROAD WATERLINE REPLACEMENT PROJECT Public Works Director Bryan Duckworth requested Council approve a contract for waterline replacement on Robinson Road. Contract to be awarded to the lowest bidder, Beam Construction, (Douglas 'Chris' Beam) in the amount of \$22,692.14. One change order was identified, the addition of a ¾-inch meter to reconnected to new line – Cost \$213 – Total Project Bid \$22,905.14 – Project to be completed by June 30th 2010. Funds would come from Capital Reserves – Utility.

Other Bids: Ronnie Franklin – F and S Contractors - \$25,631.39; Ronny Turner Construction - \$29,481; and Wesson Septic - \$26,218.

After a brief discussion, Councilman Ogle made a motion to approve the lowest bid with Beam Construction for a total project bid of \$22,905.14 as presented by Mr. Duckworth, seconded by Councilwoman Stevenson. The vote was unanimous.

AWARD OF BID - DEWATERING BUILDING ROOF REPLACEMENT – WASTEWATER TREATMENT PLANT Wastewater Superintendent Greg Padgett presented informal bids that were received for the repair/replacement of the roof to the dewatering building at the wastewater plant. Bids were received from three different companies. Staff attempted to make contact with a fourth company as well, but never heard back from them after leaving two messages.

Staff recommended awarding the contract to Baker Roofing in the amount of \$26,123 without options. The Town has done business with Baker in the past with good success.

Other bidders:

Bowman: Chose to go with an old quote that did not even address all our requirements, Price: \$16,904, to tear off and replace roof not including replacing any of the decking, Price: \$ No Estimate
to replace rusted steel deck would be charged on a time and materials basis. Total: \$ 16,904 plus whatever is needed to replace rusted steel deck. Only 10 year manufacturer's warranty

Wallace: Price: \$17,300, to tear off and replace roof system with (2) 1" layers of ISO insulation, Price: \$14,800, to replace rusted steel deck with new decking. Total: \$32,100, Includes 20 year warranty.

Baker: Price: \$14,423, to tear off and replace roofing system with Firestone 3" ISO95 + insulation, Price \$4.50 square foot (2600 sq. ft.), to replace rusted steel deck with new decking, Price: \$11.25 / linear foot (224 linear feet), to replace the parapet wall cap (if necessary), Total: \$ 28,643 with options, Total: \$ 26,123 without option, Includes 20 year warranty

Mr. Morse said funds would come from Capital Reserves.

After a brief discussion, Councilwoman Stevenson made a motion to approve the aforementioned bid with Baker Roofing in the amount of \$26,123 without options, seconded by Councilman Ogle. The vote was unanimous.

RESOLUTIONS FOR TRIPLE DISTRICT WATER SYSTEM HYDRAULIC MODEL – RURAL CENTER GRANT APPLICATION Town Manager Jeff Morse described the need for a Hydraulic Model for Triple District and he presented the following resolutions:

**Planning Program
AUTHORIZING RESOLUTION BY GOVERNING BODY OF THE APPLICANT**

WHEREAS, In the summer of 2008, the North Carolina General Assembly included a \$50 million appropriation to the North Carolina Rural Economic Development Center in the FY2007-2009 state budget, for the purpose of making grants to rural communities in need of water and wastewater infrastructure improvements; and

WHEREAS, The Town of Valdese has need for and intends to construct or rehabilitate a publicly-owned treatment works or an alternate wastewater system, for wastewater collection systems or for water supply and distribution systems, project described as a Computer Hydraulic Model of the Triple Community Water System; and

WHEREAS, The Town of Valdese intends to request grant assistance from the Planning Grants Program for the project;

NOW THEREFORE BE IT RESOLVED, BY THE TOWN COUNCIL OF THE TOWN OF VALDESE:

That the Town of Valdese will arrange financing for all remaining costs of the project, if approved for a grant.

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That Jeffrey V. Morse, Town Manager, and successors so titled, is hereby authorized to execute and file an application on behalf of the Town of Valdese with the NCREDC (Rural Center) for a grant to assist in the construction of the project described above.

That Jeffrey V. Morse, Town Manager, and successors so titled, is hereby authorized and directed to furnish such information as the Rural Center may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the Town of Valdese has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to the grants pertaining thereto.

May 3, 2010, MB#30

Adopted this the 3rd day of May, 2010 at the Town of Valdese, North Carolina.

This 3rd day of May, 2010

/s/ James L. Hatley, Mayor

Attest: /s/ Town Clerk

**PLANNING GRANTS PROGRAM
ADOPTION OF PROJECT BUDGET AND COMMITMENT TO LOCAL MATCH
BY
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That the Town of Valdese has adopted the project budget as described in the Planning Grants Program application package; and

That the Town of Valdese will provide a local commitment match of \$7,778 for the project if approved for a grant from the North Carolina Rural Economic Development Center.

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2009 – 2010 Clean Water Partners' Infrastructure Program
Planning Grant Application
Tab 5 – Project Budget
for the
Computer Hydraulic Model of the Triple Community Water System
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Expenditures:

Data Acquisition	\$ 2,000
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Develop Model	\$10,000
Calibrate Model	\$ 5,000
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Evaluate Future Improvements	\$ 3,000
Final Report	\$ 3,500
Grant Administration	\$ 1,500
Total Expenditures	\$30,000

Revenues:

Rural Center Planning Grant	\$22,222
Local funds – Applicant	\$ 7,778
Total Revenues	\$30,000

Councilman Black made a motion to approve the aforementioned resolutions as presented by Mr. Morse, seconded by Councilwoman Oxentine. The vote was unanimous.

MAYOR AND COUNCIL COMMENTS:

DATA STORAGE AND RETRIEVAL SYSTEM

Mayor Hatley said at the recent NC League of Municipalities board meeting they are installing a data storage and retrieval system. He asked the Director of Information Systems if he would attend a Valdese Council meeting to describe what they are using and Mayor Hatley would invite him to attend the June meeting.

RECYCLING

Councilwoman Stevenson said there was confusion about what can be put in the recycling bins. She recommended that staff add recycling information to the mailings that are sent out to citizens.

Ms. Stevenson said there was a nice article in *WNC Magazine* about the Founder's Day Festival.

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Councilwoman Oxentine said Eva Ramsey had given the home at this location to The Streets and they would be cleaning out the house and she requested town staff park a dump truck in front of the house.

MANAGER'S REPORT:

STATE EMPLOYEES CREDIT UNION – ATM MACHINE Planning Director Larry Johnson introduced Sara Vella, Rutherford College Branch Manager.

Ms. Vella introduced Mr. Andrew Griffin, Senior Vice President, Enola Branch. They received a request from Jack-B-Quick to have the ATM machine removed from that location. An ATM is deemed successful if there are 3,000 transactions per month and the ATM at Jack-B-Quick had close to 6,000 transactions per month and is the most active ATM at her branch. It is important for state employees to have an ATM curbside and with Mr. Johnson's assistance a location was identified across the street from the Town Hall/Police/Fire Complex. Leasing space for an ATM machine would give some revenue back to the Town of Valdese.

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Mr. Morse said town staff would work with the credit union staff on the ATM Machine location. An agreement could be approved at the next Council meeting.

Councilman Ogle made a motion for town staff to work with Credit Union Staff and bring a lease back to council, seconded by Councilwoman Oxentine. The vote was unanimous.

FAMILY FRIDAY NIGHTS

Community Affairs Director Barbara Hefner reported that the Family Friday Night events would begin Friday, May 7, 2010, with "Ridgecrest Band" & "Bobby Denton & Laurel Creek Band."

FOUNDER'S FESTIVAL – MAY 28 & 29, 2010 Ms. Hefner said the festival would be held at the Trail of Faith and on Friday morning, May 28 school children would be bused in to see the event and the school or children would pay a fee. That evening the gates would be opened at 3:00 p.m., for the displays and music. There is an admission fee of \$2 for adults and a \$1 fee for children under 12 and on Saturday admission fee for adults is \$4 and \$2 for children under 12.

Mr. Morse said the town would participate only by providing police personnel and garbage cans and garbage pick up. Tourism would contribute \$400 for the May 28 music and the Trail of Faith and she reported the Trail stops charging admission fee at 6:00 p.m., when the music starts.

VALDESE YOUTH COUNCIL APPOINTMENT

Deputy Town Clerk Thelda Rhoney said staff recommended the appointment of Chris Baker, Sophomore at Draughn High School. Mr. Baker's address is 1201 Carolina Street, SE, and he is the son of Jerry and Laura Baker.

Councilman Ogle made a motion to appoint Chris Baker to the Valdese Youth Council, seconded by Councilwoman Stevenson. The vote was unanimous.

ACTING POLICE CHIEF – JACK MOSS Mr. Morse introduced Jack Moss.

May 3, 2010, MB#30

At 7:50 p.m., Mayor Hatley adjourned the meeting.

The next meeting is a regularly scheduled meeting for Monday, June 7, 2010, 7:00 p.m., Valdese Town Hall, Council Chambers.

Town Clerk

Mayor

tr

**TOWN OF VALDESE
TOWN COUNCIL MEETING
MAY 3, 2010**

The Town of Valdese Town Council met on Monday, May 3, 2010, at 7:00 p.m., in the Town Council Chambers at Town Hall, Valdese, North Carolina. The following were present: Mayor James L. Hatley, Councilman Keith Ogle, Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, Deputy Town Clerk Thelda B. Rhoney, and various department heads.

Absent: Councilman Gary L. Delp

A quorum was present.

Mayor Hatley called the meeting to order at 7:00 p.m. He offered the Invocation and led in the Pledge of Allegiance to the Flag.

APPROVAL OF MINUTES: Motion was made by Councilman Black, seconded by Councilwoman Stevenson to approve the minutes of the April 5, 2010 regular and closed session and April 13, 2010 Budget Retreat. The vote was unanimous.

OPEN FORUM/PUBLIC COMMENT:

PASTOR LYONS, FIRST UNITED METHODIST CHURCH – UPDATE ON UTILITY FINANCIAL ASSISTANCE PROGRAM Pastor Lyons said the Valdese Unified Mission is incorporated through the state of North Carolina as a nonprofit corporation. The officers are in place and they have had an organizational meeting and would kick off the program this fall. They are ready to pursue the Valdese Utility Assistant Program. They already have pledges for Triple District in the amount of \$700 plus two additional groups that would be contributing.

He presented the following application process and what they added:

**Valdese Unified Mission
Valdese Utilities Financial Assistance Program
Application Process**

1. Neighbor acquires an application from the Valdese Town Hall
2. Applicant takes completed application to Valdese Town Hall
 - a. [The Applicant signs a Charity Tracker Release of Information form.](#)
3. Town verifies the application – The Town will place a hold on any disconnection order, until the application process is completed
4. Within 48 hours of Town verification, applicant takes application and verification documents to Burke County Department of Social Services (DSS) for review
5. DSS reviews the application
6. DSS sends application with DSS recommendation regarding whether financial assistance should be approved to Valdese Unified Mission
 - a. [Via fax \(828-874-0880\) to the Financial Assistance Ministry \(FAM\) at Waldensian Presbyterian Church, who will administer the program.](#)
7. The FAM will make a final decision regarding whether or not an applicant will receive financial assistance and how much
 - a. [Its regular office hours \(Tuesdays and Thursdays 2-4pm\)](#)
8. The FAM sends a letter to the applicant and the Town of Valdese informing the parties of its decision
9. [The FAM submits a check request the Valdese Unified Mission treasurer and/or acting bookkeeper to](#) remit the payment to the Town of Valdese for the approved amount.
 - a. [The FAM enters the appropriate information into the Charity Tracker system.](#)
10. If the applicant is approved for assistance for consecutive months, the applicant is responsible for submitting those bills to FAM for remittance by repeating #9 & #10

CharityTracker

The CharityTracker Assistance Network, “*hereinafter referred to as “CharityTracker”*”, is a shared, computerized record keeping system that captures information about people experiencing need for emergency services, including but not

limited to assistance with utility bills, medications, rent/mortgage payments, etc. Valdese Unified Mission (Administrating Agency) administers CharityTracker on behalf of participating agencies of the CharityTracker Assistance Network.

I understand that all information gathered about me is personal and private and that I do not have to participate in CharityTracker. I have had an opportunity to ask questions about CharityTracker and to review the basic identifying information, which is authorized by this release for the CharityTracker Assistance Network Participating Agencies to share. I also understand that information about non-confidential services provided to me by CharityTracker participating agencies may be shared with other CharityTracker Participating Agencies. This Release of Information will remain in effect for 3 years from the date noted under my signature at the bottom of this page unless I make a formal request to this Organization that I no longer wish to participate in CharityTracker.

I authorize Valdese Unified Mission, as a CharityTracker Participating Agency, to share my basic, identifying and non-confidential service transactions/information with other CharityTracker Participating Agencies. I authorize the use of a copy of this original to serve as an original for the purposes stated above. I further authorize Valdese Unified Mission (Participating Agency), as a CharityTracker Participating Agency, to share my dependent's basic, identifying and non-confidential service transactions/information with other CharityTracker participating agencies.

Printed Name of client and/or parent-legal guardian

X

Client and/or Parent-Legal Guardian's Authorizing Signature

Date

Mr. Morse said staff would coordinate with the Mission and he would coordinate with staff to provide a notice that would be sent to all utility customers.

Mayor Hatley thanked Pastor Lyons for his work on the project.

Mayor Hatley asked if there was any one else who wished to speak. No one spoke.

AUTHORIZATION TO DISPOSE OF SURPLUS EQUIPMENT – PUBLIC WORKS DEPARTMENT Public Works Director Bryan Duckworth requested Council authorize the following items be approved for surplus auction by GovDeals at a minimum bid of \$400 and if this amount is not received, vehicles would be sold for scrap metal:

- 1996 Ford Ranger – Transmission removed, intake leaking, body condition
- 1994 Ford F150 – Wrecked vehicle, several other parts have been used for other truck repairs
- 2005 Ford Crown Vic – Wrecked – Remainder of parts no longer fit vehicles in fleet
- 2003 Ford Crown Vic – Bad Transmission - Remainder of part no longer fit vehicles in fleet

Councilman Ogle made a motion that the aforementioned items be declared surplus and sold as recommended by Mr. Duckworth, seconded by Councilwoman Oxentine. The vote was unanimous.

SUPERVISORY CONTROL AND DATA ACQUISITION (SCADA) INSTRUMENTATION – WATER PLANT Water Superintendent David Cook requested Council authorize the purchase of a SCADA system.

Mr. Cook said we have many old chart recorders that are going to need replacing in the near future, because they either need repairing or have become obsolete. These chart recorders control many aspects of the water plant. One chart recorder controls the raw water pumps and allows them to come on at a certain level. Another chart recorder controls the finished water pumps and allows them to come on at a certain level. We already have one chart recorder that is out of service at this time. This recorder allows staff to see and know the chlorine residual in our finished water. Staff can test this manually and do tests every two hours to make sure that the water plant stays in compliance. With this chart recorder we could see immediately what the chlorine residual is in our finished water. The cost of replacing these chart recorders would be around two to three thousand dollars each. With ten chart recorders, this could become a costly endeavor. These chart recorders also take charts which run anywhere from twenty-five dollars to sixty dollars per 100 charts. We use about 4 packs a year for each of our 10 recorders. This comes to about two thousand dollars a year.

Staff could also reduce man hours and the need to fill unfilled job vacancies. This would save the town money in several ways. First, the town could save money on salaries with two less jobs filled. Staff could go to a different shift format. Staff would no longer have the need to run the water plant twenty-four hours a day. With the water plant already being at a bare minimum of people needed to run the water plant efficiently, this would allow staff to have more workers on each shift. Operations could be reduced to two shifts, and the operators brought to first shift would help do the work around the plant that is taking longer to do because of the lack of manpower due to the reduction of two employees as stated above. This would also allow staff to cut out part of the need for overtime pay. Having more than one operator on a shift would decrease the need for plant coverage if someone had to be out of work due to sickness or vacation. There would still be times when you needed someone to fill in for an absent operator, maybe in the evening or an occasional weekend, but this would reduce the occurrences in which this would be needed. Weekends hours could also be reduced. Having a SCADA system would allow staff to see what was happening at the plant from home. If the plant needed to come on during the weekend, someone would be called in. If the plant didn't need to come on until the next day you would not have to bring any one in for that particular shift. Mr. Cook said the SCADA system could be monitored through the Internet instead of two dedicated phone lines saving \$171 per month.

The inclusion of a SCADA system at the Valdese water plant would allow the plant to become a more efficient, less costly, state of the art, water plant that the Town of Valdese could be proud of. With the savings from not filling the above mentioned positions and the money saved from not replacing the above mentioned chart recorders, the town could easily recoup its cost for the SCADA system within one to two years. These saving would not only be for next year's budget, but they would be savings that would be felt in the ongoing budget years. SCADA would change the way we receive data from all aspects of our water plant. Staff would be able to keep an eye on our plant from home and would be able to troubleshoot any problems that the plant might be having. This may save money on call backs and would save a lot of wasteful trips for technicians that might or might not have been needed to start with.

Companies	Bids
Smart Electric Company	\$244,423
Connelly Springs Electric	\$ 86,400
Dorsett Technologies, Inc.	\$ 86,852 (\$72,057 – Revised price 4/27/10)
Instru-Logic Corporation	\$ 65,000
Eastern Automation Services	\$ 64,900
Instrument Services, Inc.	\$ 61,675

Not only is ISI the lowest bid, but they also come highly recommended. We have been to several different water plants to see SCADA systems. ISI installed the City of Morganton's SCADA system and it is an excellent system. They have had no major problems and are very pleased with their system and ISI's service. ISI already services some of our instruments and we have a good working relationship established with them. That is why we are recommending ISI to install our SCADA system with the price of \$61,675. Funds would come from the Capital Reserve Fund.

After a brief discussion, Councilman Ogle made a motion to approve the purchase of a SCADA System from Instrument Services, Inc., in the amount of \$61,675, seconded by Councilwoman Stevenson. The vote was unanimous.

AWARD OF BID - ROBINSON ROAD WATERLINE REPLACEMENT PROJECT Public Works Director Bryan Duckworth requested Council approve a contract for waterline replacement on Robinson Road. Contract to be awarded to the lowest bidder, Beam Construction, (Douglas 'Chris' Beam) in the amount of \$22,692.14. One change order was identified, the addition of a ¾-inch meter to reconnected to new line – Cost \$213 – Total Project Bid \$22,905.14 – Project to be completed by June 30th 2010. Funds would come from Capital Reserves – Utility.

Other Bids: Ronnie Franklin – F and S Contractors - \$25,631.39; Ronny Turner Construction - \$29,481; and Wesson Septic - \$26,218.

After a brief discussion, Councilman Ogle made a motion to approve the lowest bid with Beam Construction for a total project bid of \$22,905.14 as presented by Mr. Duckworth, seconded by Councilwoman Stevenson. The vote was unanimous.

AWARD OF BID - DEWATERING BUILDING ROOF REPLACEMENT – WASTEWATER TREATMENT PLANT Wastewater Superintendent Greg Padgett presented informal bids that were received for the repair/replacement of the roof to the dewatering building at the wastewater plant. Bids were received from three different companies. Staff attempted to make contact with a fourth company as well, but never heard back from them after leaving two messages.

Staff recommended awarding the contract to Baker Roofing in the amount of \$26,123 without options. The Town has done business with Baker in the past with good success.

Other bidders:

Bowman: Chose to go with an old quote that did not even address all our requirements, Price: \$16,904, to tear off and replace roof not including replacing any of the decking, Price: \$ No Estimate
to replace rusted steel deck would be charged on a time and materials basis. Total: \$ 16,904 plus whatever is needed to replace rusted steel deck. Only 10 year manufacturer's warranty

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May 3, 2010, MB#30

At 7:50 p.m., Mayor Hatley adjourned the meeting.

The next meeting is a regularly scheduled meeting for Monday, June 7, 2010, 7:00 p.m., Valdese Town Hall, Council Chambers.

Town Clerk

Mayor

tr

June 7, 2010, MB#30

ABC STORE The Valdese ABC Board is receiving bids for renovations. They have proposals out to four banks for cash flow and funding. They will begin working on job descriptions and their goal is a September opening. He said Jenny Hudson and Mark Rostan are doing a fabulous job serving on the Valdese ABC Board.

Mayor Hatley asked about petitioning legislators to add two additional members to the Valdese ABC Board. Mr. Morse said currently three members is an adequate number but it would be up to Council.

ASU INTERNS Mr. Morse introduced ASU Interns Jessica Yandow and Paul Lowe.

At 8:17 p.m., there being no further business to come before the Council, Mayor Hatley adjourned the meeting.

The next meeting is a regularly scheduled meeting on Monday, June 28, 2010, 7:00 p.m., for the Budget Public Hearing. This meeting will also serve as the July 2010 Council meeting.

Town Clerk

Mayor

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BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the Utility Fund, the expenditures are to be changed as follows:

<u>Acct. No.</u>		<u>Debit</u>	<u>Credit</u>
30.8110.040	Professional Services	<u>\$ 21,500</u>	
	Total	<u>\$ 21,500</u>	

This will result in a net increase of \$21,500 in the expenditures of the Utility Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

30.3990.000	Capital Reserve	<u>\$ 21,500</u>
	Total	<u>\$ 21,500</u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Councilwoman Stevenson made a motion to approve the five aforementioned budget amendments, seconded by Councilman Ogle. The vote was unanimous.

MAYOR AND COUNCIL COMMENTS:

SPEED BUMPS

Councilman Delp said he received a request from Mr. Larry Earp, Pineburr Avenue, to have a study done on his street for feasibility for a speed bump.

Planning Director Larry Johnson said staff would perform the study and seven of the ten criteria in the policy would need to be met before the property owner could petition for the speed bump.

Councilwoman Oxentine said Mr. Earp's neighbor requested a copy of the policy.

ATM MACHINE

Councilwoman Stevenson asked about the ATM machine on town property. Town Attorney Marc Mitchell said he would review the lease agreement in the amount of \$3,000 per year.

WSVM

Councilwoman Stevenson asked about the radio station. Mayor Hatley said the radio station is closed and he understood the owner was not marketing the station for sale and still owns the WSVM call sign.

MANAGER'S REPORT:

VALDESE UTILITY ASSISTANCE PROGRAM Mr. Morse said the goal is to begin the program July 1, 2010.

Mayor Hatley requested staff prepare a letter to the Ministerial Association from the Mayor thanking them for their work on this program and especially to thank Pastor Dan Lyons for his work on the program.

OUR TOWN CINEMAS MOVIE THEATER PROJECT Mr. Morse said he recently met the group in Davidson. The project was not eligible for a \$200,000 grant. Mr. Morse would go to The Rural Center on June 8th to inquire about some grant funds.

WALDENSIAN MILL PROJECT

Mr. Morse and Mayor Hatley met with the Rostan Foundation officials on the Waldensian Mill Project. The Rostans may have some interest in the project for a community room.

The Computer Center made it through the final round of the Department of Commerce and staff waiting to hear if a grant will be received.

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

Action Suggested:

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

<u>Acct. No.</u>		<u>Debit</u>	<u>Credit</u>
10.6200.740	Capital Outlay	<u>\$ 7,500</u>	
	Total	<u>\$ 7,500</u>	

This will result in a net increase of \$ 7,500 in the expenditures of the General Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

10.3970.300	Transfer From Util Fund		<u>\$ 7,500</u>
	Total		<u>\$ 7,500</u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Budget Amendment No. 8

Subject: WWTP Energy Grant Project

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

Action Suggested:

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the Utility Fund, the expenditures are to be changed as follows:

<u>Acct. No.</u>		<u>Debit</u>	<u>Credit</u>
30.8110.040	Professional Services	<u>\$ 5,000</u>	
	Total	<u>\$ 5,000</u>	

This will result in a net increase of \$ 5,000 in the expenditures of the Utility Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

30.3990.000	Capital Reserve		<u>\$ 5,000</u>
	Total		<u>\$ 5,000</u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Budget Amendment No. 9

Subject: WWTP Pre-Treatment Analysis

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

Action Suggested:

June 7, 2010, MB#30
Budget Amendment No. 6

Subject: Rock School Auditorium - Entertainment

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

Action Suggested:

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

<u>Acct. No.</u>		<u>Debit</u>	<u>Credit</u>
10.6250.452	Entertainment	<u>\$ 8,900</u>	
	Total	<u>\$ 8,900</u>	

This will result in a net increase of \$ 8,900 in the expenditures of the General Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

10.3970.026	Rock School Auditorium		\$ 8,900
	Total		<u>\$ 8,900</u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Budget Amendment No. 7

Subject: Transfer to the General Fund

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

Action Suggested:

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the Utility Fund, the expenditures are to be changed as follows:

<u>Acct. No.</u>		<u>Debit</u>	<u>Credit</u>
30.8110.920	Trans To Gen Fund	<u>\$ 7,500</u>	
30.8110.990	Contingency		<u>\$ 7,500</u>
	Total	<u>\$ 7,500</u>	<u>\$ 7,500</u>

This will result in a net increase of \$ 7,500 in the expenditures of the Utility Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

	Total		<u>\$ _____</u>
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Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Budget Amendment No. 7A

Subject: Recreations John Deere Vehicle

the industrial discharge going back into Lake Rhodhiss. The company is an industrial cleaning company and they wash linens, factory linens that are used to wipe down oily equipment. The facility is currently in Hickory and is interested in Valdese because of the primary clarifiers that can add the necessary pretreatment. Staff wants to make sure the sewer discharge can be pretreated and meet all state regulations and will not create challenges at the wastewater treatment plant making sure no environmental issues would be created for Lake Rhodhiss. He requested that Council approve an agreement with The Wooten Company for pretreatment analysis. Once staff received a final plan it would be presented to state agencies for grants to upgrade the primary clarifiers, there would be no town funds used, only grant funds and funds from the company.

Councilman Black asked if the town spends \$21,500 for engineering was staff confident it could obtain a grant. Mr. Morse said yes.

Councilman Delp made a motion to approve an agreement with The Wooten Company for Kleen Tech, Inc., Pretreatment Facility Evaluation in the amount of \$21,500, seconded by Councilman Ogle. The vote was unanimous.

AGREEMENT WITH THE WOOTEN COMPANY FOR AERATION BASIN AND INFLUENT PUMP STATION IMPROVEMENTS Mr. Morse said the town received an energy grant and a engineering approval is a requirement. Staff recommends an agreement with The Wooten Company in the amount of \$34,300.

Councilman Ogle made a motion to approve an engineering agreement with The Wooten Company for Aeration Basin and Influent Pump Station Improvements in the amount of \$34,300, seconded by Councilwoman Oxentine. The vote was unanimous.

AWARD OF BID FOR ROOF REPLACEMENT - POLICE/FIRE/TOWN HALL COMPLEX Fire Chief Charlie Watts said Architect Robert Salsbury recommended the award of bid to Johnson Roofing from Marion. He recommended a TPO type roof with a 20 year warranty and the seals are heated instead of taped in the amount of 72,313.

Mr. Morse requested Mr. Salsbury also offer a deduct for the current town hall roof (-\$12,818). He said Council would need to decide whether to reroof the entire complex or just police and fire.

Councilwoman Stevenson asked if the plan was to tear down the current town hall or did police and fire need the space. Chief Watts said they were out of space and there are a lot of questions if the current town hall were torn down because it is attached to the Fire Department and electrical systems, phone systems, plumbing are all connected and may be complicated to separate. Chief Watts and Mr. Morse said there were currently no plans for the current town hall.

Mayor Hatley believed it would be cheaper to repair the roof on the current town hall until a decision could be made on its use.

After a brief discussion, Councilwoman Oxentine made a motion to reroof the entire Police/Fire/Town Hall Complex and award the bid to the lowest bidder, Johnson Roofing, for a TPO type roof with a 20 year warranty in the amount of \$72,313, contingent upon staff getting references on Johnson Roofing, seconded by Councilman Ogle.

Councilman Black asked about Johnson Roofing since they came in \$20,000 less than Conover Construction & Roofing which raises the question what are they leaving out. Chief Watts said all bidders did look at the roof.

Other Bids: Ballard Roofing - \$119,930; and Conover Construction & Roofing - \$91,400.

Mr. Morse said funding would come from the Capital Reserve Fund.

The vote carried unanimously.

BOARD AND COMMISSION REAPPOINTMENTS – VALDESE ECONOMIC DEVELOPMENT INVESTMENT CORPORATION (VEDIC) Mayor Hatley recommended the reappointment of Clark Erwin and Elizabeth Furr for a three-year term.

Councilman Ogle made a motion to approve Mayor Hatley's recommendation to reappoint Clark Erwin and Elizabeth Furr for a three-year term, seconded by Councilwoman Stevenson. The vote was unanimous.

BUDGET AMENDMENTS Finance Director Jerry LaMaster presented the following five budget amendments:

PROJECT TITLE: Hydraulic Model for the Triple Community Portion of the Valdese Water Distribution System**ADDRESS:** PO Box 339

121 Faet Street

Valdese, North Carolina 28690

Provide a copy of correspondence indicating commitment of these funds with the application.

1. Local Funds. Include loans and cash matches from the applicant.

Amount: **\$10,000**Type: **Budget Allocation**

2. Other Funds. Include other grant funds. Please attach commitment letters from those agencies to this form when submitting.

Amount: \$

Source:

Amount: \$

Source:

Amount: \$

Source:

Amount: \$

Source:

Applicants for Planning Grant funds may provide the local commitment dollars from a number of sources. NCGS 159 provides guidance on the sources and uses of funds available to units of local government. It also provides that 1) units of local government must operate on a balanced budget and 2) must provide audits and financial statements to the North Carolina Local Government Commission (LGC), the agency that monitors local government units and oversees debt issuance. Public Authorities and Special Districts are covered under NCGS 159.

NCGS 159, Subchapter (IV), Article 4, Local Government Bond Act, provides that the net debt of any unit cannot exceed 8% of the assessed value of property subject to taxation by the unit. Revenue bonds and Installment Purchase Agreement debt, while regulated by the LGC, are currently not covered in this limit.

NCGS 162A, Article 1, Water and Sewer Authorities, provides that such authorities have the power to issue revenue bonds and revenue refunding bonds to finance capital improvements, subject to LGC approval.

In reviewing applications for Planning Grant Funding, the Rural Center will take into consideration the applicant's financial position relative to other, similar units of local government (as through the Ability to Pay Ranking

SIGNATURE OF CHIEF ELECTED OFFICIAL/AUTHORIZED REPRESENTATIVE

James L. Hatley, Mayor

TYPED NAME AND TITLE

DATE This 7th day of June, 2010

After a brief discussion, Councilman Black made a motion to adopt the aforementioned resolutions, seconded by Councilwoman Oxentine. The vote was unanimous.

RURAL CENTER GRANT AWARD - WATER AND SEWER RATES STUDY, DEVELOPMENT OF LEAK DETECTION/REPAIR PROGRAM & RECLAIMED WATER EVALUATION Mr. Morse announced the town received a grant from The Rural Center for a Water and Sewer Rates Study in the amount of \$37,037.

Councilman Ogle made a motion to accept the grant award and allow staff to sign the grant documents, seconded by Councilman Delp. The vote was unanimous.

AGREEMENT WITH THE WOOTEN COMPANY FOR PRE-TREATMENT ANALYSIS (KLEEN TECH) Mr. Morse said Kleen Tech proposed to move a major portion of its facility to Valdese to the old wastewater treatment plant property and they would use 200,000 gallons of water and sewer per day. There are two existing basins at the old plant that could be put back in service to provide additional pre-treatment for the proposed facility which is critical to

June 7, 2010, MB#30

That Jeffrey V. Morse, Town Manager, and successors so titled, is hereby authorized and directed to furnish such information as The Rural Center may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the Town of Valdese has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to the grants pertaining thereto.

Adopted this the 7th day of June 2010 at Valdese, North Carolina.

/s/ James L. Hatley, Mayor

After a brief discussion, Councilman Ogle made a motion to adopt the aforementioned resolution, seconded by Councilwoman Stevenson. The vote was unanimous.

REVISED RESOLUTION FOR TRIPLE DISTRICT WATER SYSTEM HYDRAULIC MODEL – RURAL CENTER GRANT APPLICATION Mr. Morse presented the revised resolution:

**AUTHORIZING RESOLUTION BY GOVERNING BODY OF THE APPLICANT
Planning Grants Program**

WHEREAS, The Appropriation Planning grant funds has authorized the making of grants to aid eligible units of government in financing the cost of planning for construction of wastewater treatment works, wastewater collection systems, and water supply systems, water conservation projects; and

WHEREAS, The Town of Valdese has need for and intends to plan for the construction or rehabilitation of a publicly-owned treatment works or an alternate wastewater system, for wastewater collection systems or for water supply and distribution systems, project described as Hydraulic Model for the Triple Community Portion of the Valdese Water Distribution System; and

WHEREAS, The Town of Valdese intends to request grant assistance from the Planning Grants Program for the project;

NOW THEREFORE BE IT RESOLVED, BY THE TOWN COUNCIL OF THE TOWN OF VALDESE:

That Town of Valdese will arrange financing for all remaining costs of the project, if approved for a grant.

That Town of Valdese will provide for efficient operation and maintenance of the project on completion of construction thereof.

That Jeffrey V. Morse, Town Manager, and successors so titled, is hereby authorized to execute and file an application on behalf of Town of Valdese with the NCREDC (Rural Center) for a grant to assist in the construction of the project described above.

That Jeffrey V. Morse, Town Manager, and successors so titled, is hereby authorized and directed to furnish such information as the Rural Center may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That Town of Valdese has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to the grants pertaining thereto.

Adopted this the 7th day of June, 2010, at Valdese, North Carolina.

/s/ James L. Hatley, Mayor

ATTEST: /s/ Clerk

COMMITMENT OF OTHER FUNDS FORM
Planning Grants Program
between
North Carolina Rural Economic Development Center, Inc.
and

Adopted this the 7th day of June, 2010.

TOWN OF VALDESE
By: /s/ James L. Hatley, Mayor

ATTEST: /s/ Town Clerk

After a brief discussion, Councilman Ogle made a motion to adopt the aforementioned ordinance, seconded by Councilwoman Stevenson. The vote was unanimous.

BURKE COUNTY SEWER BILL Human Resources Officer/Utility Customer Services Manager Debbie Jones reviewed Burke County's March sewer bill (Curville Street meter) in the amount of \$71,174.34 plus a late fee of \$7,117.43 for a total of \$78,291.77. Burke County corresponded with Treatment Plant Superintendent Greg Padgett and an adjustment of the bill was recommended by town staff.

Mr. Padgett said Mr. Carson (Burke County) did a calibration and some adjustments were made and the town did a calibration after Mr. Carson. Mr. Padgett said during this time Burke County's usage for that month equated to 66 percent of the total flow at our plant and typically their flow is 18-20 percent range. Mr. Padgett reviewed several reasons for the higher readings including something as simple as a tree limb or trash caught in the line. The line is not checked daily by the Town or Burke County. He recommended an adjustment to the bill.

Ms. Jones said Burke County is up to date on their bill; they paid the balance of the March bill after the adjustment and the April bill of \$53,000 for a total of \$89,000.

Mr. Morse requested Council authorize an adjustment to the Burke County sewer bill in the amount of \$49,919.30. He said Burke County is experiencing issues with inflow and infiltration and they are smoke testing their lines.

Councilman Ogle made a motion to approve and adjustment to Burke County for sewer in the amount of \$49,919.30 and an adjustment would not be allowed again unless brought to Council before an adjustment is made by staff, seconded Councilman Delp. The vote was unanimous.

AUTHORIZING RESOLUTION WITH THE RURAL CENTER FOR MOVIE THEATER PROJECT Mr. Morse presented the following resolution:

**Town of Valdese Resolution
Authority to Apply
The Rural Center
Building Reuse and Restoration Grants Program
Development Grant
Our Town Cinemas Movie Theater**

WHEREAS, the North Carolina General Assembly authorized in 2005 funds to the North Carolina Rural Economic Development Center (The Rural Center) to stimulate economic development and job creation. A portion of the funding authorized the making of grants to aid eligible units of government to stimulate the reuse of vacant buildings that will spur economic activity and job creation; and

WHEREAS, The Town of Valdese desires to assist through grant funding the economic reuse of Waldensian Mill Property – Our Town Cinemas Movie Theater, a building in downtown Valdese; and

WHEREAS, The Town of Valdese intends to request from NC Rural Center grant assistance for the project from the Development Grant category of the Building Reuse and Restoration Grant Program for the "up-fitting" and restoration of the facility:

NOW THEREFORE BE IT RESOLVED, BY THE VALDESE TOWN COUNCIL:

That the grant would provide for five full time jobs at \$12,500 per job, an estimated \$62,500 grant request.

That Jeffrey V. Morse, Town Manager, and successors so titled, is hereby authorized to execute and file an application on behalf of the Town of Valdese with The Rural Center for a grant to assist in the pre-development of the project described above.

MALT BEVERAGE AND UNFORTIFIED WINE ORDINANCE Town Attorney Marc Mitchell presented the following ordinance:

**AN ORDINANCE REGULATING
THE CONSUMPTION AND POSSESSION OF
MALT BEVERAGES AND UNFORTIFIED WINE**

WHEREAS, municipalities are granted the authority to regulate or prohibit the consumption and possession of malt beverages and unfortified wine pursuant to the provisions of N.C.G.S 18B-300(c); and

WHEREAS, it is in the public interest to prohibit the consumption and possession of such beverages in particular locations under certain circumstances;

NOW, THEREFORE, BE IT ORDAINED by the town council of the Town of Valdese, North Carolina that:

Section 8-10001 Definitions. In addition to the common meanings of words, the following definitions shall be applicable herein:

(a) "Malt beverage" shall mean beer, lager, malt liquor, ale, porter, and any other brewed or fermented beverage except unfortified or fortified wine as defined in G.S. 18B-101, containing at least one-half of one percent (0.5%), and not more than fifteen percent (15%), alcohol by volume. [G.S. 18B-101(9)]

(b) "Open container" shall mean a container whose seal has been broken or a container other than the manufacturer's unopened original container. [G.S. 18B-300(c)]

(c) "Public street" shall mean any highway, road, street, avenue, boulevard, alley, bridge, or other way within and/or under the control of the town and open to public use, including the sidewalks of any such street.

(d) "Unfortified wine" shall mean any wine of sixteen percent (16%) or less alcohol by volume made by fermentation from grapes, fruits, berries, rice or honey; or by the addition of pure cane, beet or dextrose sugar; or by the addition of pure brandy from the same type of grape, fruit, berry, rice or honey that is contained in the base wine and produced in accordance with the regulations of the United States.

Section 8-10002 Consumption on the Public Streets and on Municipal Property Prohibited. It shall be unlawful for any person who is not an occupant of a motor vehicle to consume malt beverages and/or unfortified wine on the public streets. Furthermore, it shall be unlawful for any person to consume malt beverages and/or unfortified wine on any property, whether located inside or outside the corporate limits, owned, occupied or controlled by the town including, but not limited to, public buildings and the grounds appurtenant thereto, municipal parking lots, public parks, playgrounds, recreational areas, tennis courts, and other athletic fields.

Section 8-10003 Possession of Open Containers on the Public Streets and on Municipal Property Prohibited. It shall be unlawful for any person who is not an occupant of a motor vehicle to possess any open container of malt beverage and/or unfortified wine on the public streets. Furthermore, it shall be unlawful for any person to possess any open container of malt beverage and/or unfortified wine on any property, whether located inside or outside the corporate limits, owned, occupied, or controlled by the town including, but not limited to, public buildings and the grounds appurtenant thereto, municipal parking lots, public parks, playgrounds, recreational area, tennis courts, and other athletic fields.

Section 8-10004 Possession During Special Events Prohibited. It shall be unlawful for any person to possess malt beverages and/or unfortified wine on public streets, alleys, or parking lots which are temporarily closed to regular traffic for special events, unless the town council adopts a resolution making other provisions for the possession of malt beverages and/or unfortified wine at the special event.

Section 8-10005 Penalty. Violation of this ordinance shall constitute a misdemeanor punishable in accordance with N.C.G.S. 14-4.

Section 8-10006 Severability; Conflict of Laws. If this ordinance or application thereof to any person or circumstance is held invalid, such invalidity shall not affect other provisions or applications of the ordinance which can be given separate effect and to that end the provisions of this ordinance are declared to be severable. All ordinances or parts of ordinances in conflict with this ordinance are hereby repealed.

Section 8-10007 Effective Date. This ordinance shall be effective upon adoption.

**TOWN OF VALDESE
TOWN COUNCIL MEETING
JUNE 7, 2010**

The Town of Valdese Town Council met on Monday, June 7, 2010, at 7:00 p.m., in the Town Council Chambers at Town Hall, Valdese, North Carolina. The following were present: Mayor James L. Hatley, Councilman Keith Ogle, Councilman Gary L. Delp, Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, Deputy Town Clerk Thelda B. Rhoney, and various department heads.

Absent: None

A quorum was present.

Mayor Hatley called the meeting to order at 7:00 p.m.

Councilwoman Stevenson offered the Invocation.

Mayor Hatley led in the Pledge of Allegiance to the Flag.

APPROVAL OF MINUTES: Motion was made by Councilman Ogle, seconded by Councilwoman Oxentine to approve the minutes of the May 3, 2010, Council meeting. The vote was unanimous.

OPEN FORUM/PUBLIC COMMENT:

GIRL SCOUT TROOP 683

Mayor Hatley recognized Barbie Heilman, Scout Leader.

Ms. Sara Owens, Forest Avenue, Girl Scout Troop 683 presented the Town with a copy of "The ABC's of the Town of Valdese," a portion of their Gold Award in conjunction with Waldensian Museum.

Mayor Hatley thanked the Girl Scouts.

Mayor Hatley recognized Rev. Dr. Kevin Frederick and his son Sam. Sam was working on his Boy Scout Citizenship in the Community Merit Badge.

Mayor Hatley asked if anyone else wished to address the Council. No one spoke.

FY 2010 – 2011 BUDGET REVIEW AND SET PUBLIC HEARING DATE Town Manager Jeff Morse offered a brief review of the FY 2010-2011 Budget. He said there was a 2.77 percent increase in the General Fund from last year which includes healthcare and the increase in retirement. He commended the Department Heads for developing a zero-based budget this year and each line-item was reviewed. A new source of revenue is the beer and wine tax. Town employees would not receive salary increases for the second year. He briefly reviewed the Utility Fund. There is a significant amount of fluctuation to our largest water customers – Valdese Weavers, Valdese Manufacturing (Meridian), and our contract customers as well as a reduction in water sales. The state is requiring additional testing and infrastructure updates to our water and wastewater systems. Staff is working on pilot programs to deal with phosphorus issues. Staff recommends a rate increase to the residential minimum bill of \$2 per month and the large, wet industries would receive a 5 percent increase. He said with a reduction in operating costs and with vacant positions not being filled that staff presented a balanced budget for the next fiscal year.

Mr. Morse said the New Town Hall should be completed by the end of July. He recommended Council authorize staff to move forward to create an Economic Development Fund for Valdese that mirrors The Rural Center's Building Reuse Program that provides incentives to upgrade buildings that have been vacant for at least six months. He recommended allocating \$50,000 per year for this program to help entice new businesses such as restaurants, retail stores, etc. He said the Valdese Economic Development Investment Corporation (VEDIC) would manage the program and the VEDIC bylaws would have to be revised.

After a brief discussion, Councilman Black made a motion to call a public hearing on June 28, 2010, 7:00 p.m., on the FY 2010-2011 proposed budget, seconded by Councilwoman Oxentine. The vote was unanimous.

with VanNoppen Marketing to recruit new businesses, restaurants, theaters, etc. Mr. Morse wanted current businesses to know they were not being forgotten.

UPDATE ON NEW TOWN HALL PROJECT Mr. Morse said the sidewalk needed to be replaced from the Mears Building to the New Town Hall on Rodoret Street at a proposed cost of \$18,000. He proposed \$3,000 for additional work for traditional ceilings in the Council Chamber and Multipurpose Room rather than the proposed clouds. He said \$36,000 was added because video recorders were not being proposed at this time. He said all items were covered by the project contingency funds.

CLOSED SESSION Mayor Hatley called for a Closed Session Pursuant to NC General Statute 143-318.11 (a) (6) To consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee.

At 8:32 p.m., Councilman Ogle made a motion to recess into Closed Session Pursuant to NC General Statute 143-318.11 (a) (6) To consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee. The motion was seconded by Councilman Delp and unanimously carried.

At 8:41 p.m., Councilman Ogle made a motion to return to Open Session, seconded by Councilwoman Oxentine. The vote was unanimous.

Mayor Hatley stated there were no changes in the Town Managers compensation.

At 8:42 p.m., there being no further business to come before the Council, Mayor Hatley adjourned the meeting.

The next meeting is a regularly scheduled meeting on Monday, August 2, 2010, 7:00 p.m.

Town Clerk

Mayor

tr

Total Expenditures	80,000
	0

<u>TCW FUND</u>		<u>Increase (Decrease)</u>
Total Revenue:		-24,204
Water Charges	31.3710.010	(25,000)
Water Charges	31.3710.010	(9,204)
Capital Reserve	31.3990.000	10,000
Expenditures:		
Water Dept.		(24,204)
Supplies	31.8130.330	3,000
	31-8130-	
Contract Services	450	7,000
Contribution To Utility	31.8130.921	(25,000)
Contingency	31.8130.922	(9,204)
Total Expenditures		(24,204)
		0

Councilman Black made a motion to approve the aforementioned Year End Budget Amendment, seconded by Councilman Delp. The vote was unanimous.

AUTHORIZATION TO HIRE FOR OPEN POSITION – POLICE DEPARTMENT Chief Suttle requested to hire for a vacant position that recently became available.

After a brief discussion, Councilman Ogle made a motion to approve staff to hire for an open position at the Police Department, seconded by Councilwoman Stevenson. The vote was unanimous.

MAYOR AND COUNCIL COMMENTS:

PINEBURR SPEED BUMP Councilwoman Oxentine said she received a complaint that the speed bump currently on Pineburr was smoothed out during the street paving. Planning Director Larry Johnson said Council had the authority to remove speed bumps and if the one on Pineburr was no longer effective, it could be removed.

Mr. Johnson reported on the request received by Councilman Delp for an additional speed bump on Pineburr Avenue SW and the request did not meet all the criteria for a speed bump. Town staff would notify the petitioners.

MANAGER'S REPORT:

ROOF REPLACEMENT - POLICE/FIRE/TOWN HALL COMPLEX - REFERENCES Fire Chief Charlie Watts reported that he was only able to contact two references for Johnson Roofing - 1) Maintenance Director Dennis Lowman, J Iverson Riddle Center; and 2) Floyd Kennedy, Firestone reported good work and responsive to any questions customers may have, honest, and the best roofer they ever used. Architect Robert Salsbury requested Johnson Roofing review their bid because it was \$20,000 lower than the other bids and the bid was accurate. Mr. Morse said the current town hall facility may be used by a nonprofit.

REVIEW OF TRAVEL & TOURISM PLAN Mr. Morse said ASU Interns Jessica Yandow and Paul Lowe had been working to update a list of downtown facilities and he recommended \$3,000 be set aside to offset any consulting fees

June 28, 2010, MB#30

Group Insurance	10.6200.060	3,000	
Maint & Repair - Bldgs	10.6200.150	2,000	
Dept Supplies	10.6200.330	2,000	
Misc	10.6200.570	5,000	
Community Affairs			18,500
Salaries	10.6250.022	15,000	
FICA	10.6250.050	300	
Old Colony Players	10.6250.923	3,200	
Total Expenditures		<u>109,500</u>	

0

UTILITY FUND

**Increase
(Decrease)**

Total Revenue:

80,000

Burke Cnty - E. Burke System

WW	30.3810.030	60,000
ICARD	30.3810.070	20,000

Expenditures:

Water Dept. 30,000

Salaries	30.8100.020	7,000
Professional Services	30.8100.040	7,500
Group Insurance	30.8100.060	3,500
Utilities - Elec	30.8100.130	(10,800)
M&R Equip	30.8100.150	14,000
Chemicals	30.8100.332	(10,800)
Insurance & Bonds	30.8100.540	3,600
Contribution to GF	30.8100.920	30,000
Contingency	30.8100.990	(14,000)

Waste Water Dept. 9,500

Professional Services	30.8110.040	(10,000)
Group Insurance	30.8110.060	(5,000)
M&R Bldgs & Grounds	30.8110.150	28,000
Utility Expense - Elect	30.8110.130	20,000
Chemicals	30.8110.332	(5,000)
Wood Chips	30.8110.336	3,000
Dues & Subscriptions	30.8110.530	6,500
Contribution to GF	30.8110.920	30,000
Contingency	30.8110.990	(28,000)
Contingency - W&S	30.8110.990	(30,000)

Water & Sewer Const. Dept. 40,500

Salaries	30.8120.020	2,500
M&R Buildings & Grounds	30.8120.150	32,000
Dept Supplies	30.8120.330	6,000

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Expenditures:

Governing Body			3,000
Group Insurance	10.4100.060	2,000	
Misc	10.4100.570	1,000	
Administration			7,514
Postage	10.4200.111	4,000	
Travel	10.4200.140	5,000	
NC Sales Tax	10.4200.370	2,000	
Contract Services	10.4200.450	10,000	
Debt Service	10.4200.962	(1,900)	
Contingency	10.4200.990	(11,586)	
Public Works Admin			4,500
Salaries	10.4250.020	4,000	
FICA	10.4250.050	200	
Retirement	10.4250.070	300	
Maintenance & Grounds			(6,000)
Part Time Pay	10.4350.022	(2,000)	
M&R Bldg	10.4350.150	(1,000)	
M&R Equip	10.4350.160	(2,000)	
Dept Supplies	10.4350.330	(1,000)	
Planning			1,900
Group Insurance	10.4900.060	500	
M&R Auto	10.4900.170	200	
Dept Supplies	10.4900.330	100	
Contract Services	10.4900.450	100	
Insurance & Bonds	10.4900.540	1,000	
Police			19,086
Extra Duty Hours	10.5100.024	7,000	
Professional Services	10.5100.040	1,000	
Contract Services	10.5100.450	586	
Insurance & Bonds	10.5100.540	4,500	
Capital Outlay	10.5100.740	1,500	
Contribution to CRF	10.5100.961	4,500	
Fire			15,000
Part Time Pay	10.5300.022	7,000	
M&R Vehicle	10.5300.170	5,000	
Insurance & Bonds	10.5300.540	3,000	
Powell Bill			34,000
Capital Equip	10.5700.720	30,000	
Snow & Ice Removal	10.5700.155	3,000	
M&R Vehicle	10.5700.170	1,000	
Recreation			12,000
Salaries	10.6200.020	11,000	
Over Time	10.6200.021	500	
Part-Time	10.6200.022	(11,500)	

REQUEST FROM HISTORIC VALDESE FOUNDATION, INC. (HVF) Mr. Morse said the Historic Valdese Foundation (HVF) requested that the Town of Valdese accept full control and responsibility for the Annual Festival of the Glorious Return beginning with the 2010 Festival due to liability insurance. HVF will continue to try to raise money for the festival, provide advice and citizen input.

After a brief discussion, Councilman Black made a motion to approve the aforementioned request, seconded by Councilwoman Oxentine. The vote was unanimous.

REQUESTS TO SELL BEER & WINE AT THE WALDENSIAN FESTIVAL Mr. Morse said there were three vendors requesting to sell beer and wine at the Waldensian Festival: Dolce Vita, Inc., Waldensian Style Wine; Valdese American Legion Post 234; and Waldensian Heritage Wines.

Mayor Hatley said he would go on record that he would not support the beer/wine tent at a future festival if there were any problems with anyone passing beverages outside the tent entrance and exit. Mr. Morse said there would be monitors.

Councilman Delp made a motion to approve the three aforementioned requests to sell beer and wine at the Waldensian Festival, seconded by Councilwoman Stevenson.

Voting Aye: Ogle, Delp, Stevenson, and Black

Voting Nay: Oxentine

Mayor Hatley said the motion carried.

REAPPOINTMENT – VALDESE ECONOMIC DEVELOPMENT INVESTMENT CORPORATION (VEDIC) Mayor Hatley recommended the reappointment of Ed Hallyburton for a three-year term.

Councilwoman Stevenson made a motion to approve the reappointment of Ed Hallyburton to the VEDIC Board of Directors, seconded by Councilwoman Oxentine. The vote was unanimous.

WPCOG AGREEMENT 2010-2011 TECHNICAL PLANNING ASSISTANCE Planning Director Larry Johnson requested that Council approve a contract in the amount of \$17,200 for assistance to the Manager, Planning Director, and Planning Commission. The contract was from July 2010 to June 2011.

Councilman Black made a motion to approve the aforementioned Technical Assistant Agreement with the Western Piedmont Council of Governments, seconded by Councilwoman Stevenson. The vote was unanimous.

LEASE WITH STATE EMPLOYEES CREDIT UNION - ATM MACHINE Ms. Sara Vella, Rutherford College Branch Manager introduced Amanda Clark. Town Attorney Marc Mitchell said the lease agreement was for three years in the amount of \$3,000 per year which could be extended for two – three year periods. The first renewal period would be \$3,600 per year and the second renewal would be \$4,200 per year.

Councilman Ogle made a motion to approve the aforementioned lease with the State Employees Credit Union for placement of an ATM Machine on town property, seconded by Councilwoman Oxentine. The vote was unanimous.

FY 2009-2010 YEAR END BUDGET AMENDMENT Finance Director Jerry LaMaster presented the following year end budget amendment:

SUPPLEMENTAL YEAR END BUDGET AMENDMENT

<u>GENERAL FUND</u>		Increase (Decrease)
Total Revenue:		<u>109,500</u>
Rents	10.3310.000	5,000
Sales Tax Refund	10.3670.000	10,500
From Utility	10.3970.300	60,000
PB Fund Balance	10.3991.000	34,000

The fee schedule for utility service for TRIPLE COMMUNITY is as follows:

Inside Water

(Consumption/1000 gal.)

0 – 3	\$22.20
4 – 10	3.98
Over 10	3.10

Utility Deposits

Non-owner Resident	\$ 75.00
Non-owner Commercial	75.00
Non-owner Industrial	100.00

Reconnect \$ 25.00

Late Penalty 10% after 15th of month bill is due. Amended policy now included for large users. If the penalty exceeds \$200.00 the amended policy becomes effective.

Section VII: The Budget Officer is hereby authorized to transfer appropriations within a fund as contained herein under the following conditions:

- (A) He may transfer amounts between objects of expenditures within a department without limitation and without a report being required.
- (B) He may transfer amounts of \$1,000.00 between departments of the same fund with an official report on such transfer at the next regular meeting of the Town Council.
- (C) He may not transfer any amounts between funds or from any contingency appropriation within any fund without approval of the Town Council.

Section VIII: Copies of this budget ordinance and accompanying documents shall be furnished to the finance office, budget officer, and other department heads of the Town of Valdese to be kept on file by them for their direction in the disbursement of funds.

Upon introduction by Town Manager Jeffrey V. Morse, motion to adopt by Councilman Ogle, and seconded by Councilwoman Oxentine, this ordinance was adopted on this the 28th day June, 2010, with the following vote: Ayes: Ogle, Delp, Stevenson, Oxentine, and Black. Noes: none.

/s/ James L. Hatley, Mayor

Attest: /s/ Town Clerk

PRESENTATION FROM JOHN DUKE FROM HICKORY/POTENTIAL RESTAURANT PROJECT Mr. Duke said he and his wife live in Hickory and own two restaurants there, Table 220 (seats 90) and Market on Main (business luncheons and catering), and they have purchased property at The Settings. Mr. Duke is interested in opening a restaurant/possible catering business in Valdese located beside Jack B Quick (former Castle's Café) on Main Street East in the building owned by Jerry Baker. He is interested in an upscale sandwich shop with a brick oven and outdoor seating. The building needs to be renovated including a new roof. He recommends the restaurant be opened six days per week and closing at 9:00 p.m., and possibly 10:00 p.m. - 11:00 p.m., on weekends. He was looking for grant funding to assist in renovations. Mr. Duke said he would have to fund the up-fitting of equipment, furniture, and contents. He said the property owner would match any type grant funding Mr. Duke could obtain for renovations on anything attached to the building. He was looking at five to seven jobs. He was looking at a two-year lease with options to renew for eight years.

Mr. Morse said he estimated grant funding at \$10,000 per job. Mr. Morse said no action acquired now and asked if Council would allow staff to work with Mr. Duke.

Mayor Hatley said he appreciated Mr. Duke for having an interest in Valdese and it sounded like an exciting project.

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0 - 3	\$10.06	Admin. Billing Charge	\$5.46
4 - 5	1.96		
6	4.21	User Charge	1.82
7 - 300	1.96		
301 - 3000	1.88		
3001 - Plus	.93		

Outside Water - Town System
(Consumption/1000 gal.)

0 - 3	\$21.51
4 - 300	3.93
301 - 3000	3.71
3001 - Plus	1.88

Outside Wastewater - Town System
(Discharge/1000 gal.)

Double Inside Rate

The fee schedule for utility service for COMMERCIAL CUSTOMERS is as follows:

Inside Water
(Consumption/1000 gal.)

Fixed Meter Charge - \$11.00

0 - 3	\$10.20
4 - 5	1.98
6	4.28
7 - 300	1.98
301 - 3000	1.91
3000 - Plus	0.95

Inside Wastewater
(Discharge/1000 gal.)

Minimum charge
up to 3000 gals. \$5.52

Cost per 1000 gal. 1.84

Outside Water - Town System
(Consumption/1000 gal.)

Fixed Meter Charge - \$11.00

0 - 3	\$21.84
4 - 300	4.00
301 - 3000	3.76
3001 - Plus	1.91

Outside Wastewater-
Town System
(Discharge/1000 gal.)

Double Inside Rate

The fee schedule for utility service for RESIDENTIAL CUSTOMERS is as follows:

Inside Water
(Consumption/1000 gal.)

Fixed Meter Charge - \$11.00

0 - 3	\$11.13
4 - 5	2.37
6	4.53
7 - 300	2.37
301 - 3000	2.28
3001 - Plus	1.37

Inside Wastewater
(Discharge/1000 gal.)

Minimum charge
up to 3000 gals. \$5.25

Cost per 1000 1.75

Outside Water - Town System
(Consumption/1000 gal.)

Fixed Meter Charge - \$11.00

0 - 3	\$23.62
4 - 300	4.74
301 - 3000	4.52
3001 - Plus	2.74

Outside Wastewater-
Town System
(Discharge/1000 gal.)

Double Inside Rate

BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF VALDESE, NORTH CAROLINA, THAT:

Section I: The following amounts are hereby appropriated to the fund set forth for the operation of the town government and its activities for the fiscal year beginning July 1, 2010 and ending June 30, 2011 in accordance with the chart of accounts heretofore established for this town:

GENERAL FUND \$ 4,427,587

Governing Body	\$ 72,892
Administration	835,595
Public Works	209,852
Maintenance & Grounds	170,704
Planning	97,406
Police	811,739
Fire	590,304
Street	141,336
Powell Bill	159,335
Sanitation	217,633
Recreation	790,375
Tourism/Community Affairs	330,416

UTILITY FUND \$ 4,829,647

Water	1,507,665
Wastewater	1,790,132
Water/Sewer Const.	484,146
Triple District	1,047,704

TOTAL EXPENDITURES \$ 9,257,234

Section II: It is estimated, and therefore appropriated, that the following revenues will be made available to the respective funds for the fiscal year beginning July 1, 2010 as follows:

GENERAL FUND \$ 4,427,587

UTILITY FUND \$ 4,829,647

TOTAL REVENUES \$ 9,257,234

Section III: There is hereby levied an ad valorem tax at the rate of forty cents (\$0.40) per one hundred dollars (\$100) valuation of property as listed for taxes as of January 1, 2010, for the purpose of raising a portion of the revenue listed in the General Fund appropriation in Section II of this ordinance. This rate, based upon an estimated total valuation of \$383,713,057 will generate a levy of \$1,489,679 with an estimated collection rate of 98% less \$12,000 reserved for discounts.

Section IV: As set forth in the Utility Fund Non-Departmental Section of the FY 2010-2011 budget document, the amount of \$417,769 is appropriated for the purpose of debt service and that this amount is sufficient for the complete and proper payment of all bond principal, bond interest and commissions on the outstanding debt of the town relating thereto for the fiscal year beginning July 1, 2010, and ending June 30, 2011.

Section V: Long Term Monitoring surcharge for industrial pretreatment program.

Program Cost: \$15,500

Section VI: The fee schedule for utility service for INDUSTRIAL CUSTOMERS is as follows:

<u>Inside Water</u>	<u>Inside Wastewater</u>
(Consumption/1000 gal.)	(Discharge/1000 gal.)

**TOWN OF VALDESE
TOWN COUNCIL MEETING
JUNE 28, 2010**

The Town of Valdese Town Council met on Monday, June 28, 2010, (this meeting also served as the July Council Meeting) at 7:00 p.m., in the Town Council Chambers at Town Hall, Valdese, North Carolina. The following were present: Mayor James L. Hatley, Councilman Keith Ogle, Councilman Gary L. Delp, Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, Deputy Town Clerk Thelda B. Rhoney, and various department heads.

Absent: None

A quorum was present.

Mayor Hatley called the meeting to order at 7:00 p.m. He offered the Invocation and led in the Pledge of Allegiance to the Flag.

APPROVAL OF MINUTES: Motion was made by Councilman Black, seconded by Councilwoman Stevenson to approve the minutes of the June 7, 2010, Council meeting. The vote was unanimous.

OPEN FORUM/PUBLIC COMMENT:

FIREWORKS – DAVID THOMPSON Mr. Thompson said due to new NC Statutes and before firework shows, counties or municipalities had to approve. He said County Fire Marshal Mark Pitts requested Fire Chief Charlie Watts get authorization for the fireworks display in Valdese on July 2. He thanked the Town for allowing use of the Old Rock School for three training work sessions. Within his organization they have one-fourth of the operators and one-third of the assistants licensed in the state of North Carolina and they would have 17 shows in two states.

Councilman Ogle made a motion to approve the aforementioned request for a fireworks show in the Town of Valdese on Friday, July 2, seconded by Councilman Delp. The vote was unanimous.

NC DEPARTMENT OF LABOR SAFETY AWARDS PROGRAM Fire Chief Charlie Watts said the following departments received safety awards and if there was an accident the awards started over: Administration (City Hall, Planning, and Rock School) – 15 years; Fire – 1 year; Public Works – 3 years; Recreation – 1 year; Wastewater – 13 years; Water and Triple Community – 1 year.

Mayor Hatley asked if anyone else wished to address the Council. No one spoke.

FY 2010 – 2011 BUDGET PUBLIC HEARING Mayor Hatley opened the public hearing.

Town Manager Jeff Morse said there were required increases in the state retirement and required additional testing and chemicals for phosphorus removal. Large water users in Valdese were still operating. He said there would be no increases on water consumption but there would be a rate increase to the residential minimum bill of \$2 per month and the large, wet industries would receive a 5 percent increase.

Mr. Morse recommended that Council contribute \$200,000 for a Movie Theater Project and \$50,000 to the Valdese Economic Development Investment Corporation (VEDIC).

Ms. Sandi Walker, 124 Main Street West, asked for clarification on several items. Mr. Morse answered her questions.

Mayor Hatley asked if anyone wished to speak for or against the budget as presented.

There being no one else wishing to speak, Mayor Hatley closed the public hearing.

FY 2010 – 2011 ADOPTION OF ORDINANCE

**TOWN OF VALDESE
BUDGET
FISCAL YEAR 2010 - 2011**

BUDGET ORDINANCE

August 2, 2010, MB#30

At 8:40 p.m., Members of Council recessed into Closed Session.

At 8:50 p.m., Mayor Hatley became ill and left the meeting. Town Clerk John "Chip" Black presided.

At 9:05 p.m., Councilman Ogle made motion to return to Open Session, seconded by Council Delp. The vote was unanimous.

At 9:05 p.m. there being no further business to come before the Council, Town Clerk John "Chip" Black adjourned the meeting.

The next meeting is a regularly scheduled meeting on Monday, September 13, 2010, 7:00 p.m. (second Monday due to Labor Day holiday).

Town Clerk

Mayor

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MANAGER'S REPORT:

35TH ANNUAL WALDENSIAN FESTIVAL, SATURDAY, AUGUST 14, 2010 Mr. Morse announced the festival date.

Community Affairs Director Barbara Hefner announced there would be a beer/wine garden run by American Legion. She said the children's rides would not be located behind the Old Rock School this year and would be located across the street from the current Town Hall. The music begins at 6:00 p.m., on Friday evening and the Car Show would begin at 5:00 p.m. There would be a dance floor on Friday night. She said vendors would remain until 9:00 p.m., on Saturday evening.

NEXT COUNCIL MEETING DATE – MONDAY, SEPTEMBER 13, 2010, 7:00 P.M., DUE TO LABOR DAY HOLIDAY

Mr. Morse announced the date of the next Council Meeting due to Labor Day Holiday.

NEW TOWN HALL UPDATE Mr. Morse said the contractor proposes to be completed with the New Town Hall by the middle of September, depending on the weather. Furniture should be delivered the first week of September, depending on interior finish work. Mr. Morse said he would update Council on change orders at the September Council meeting and said the budget was still within the 10 percent contingency.

ABC STORE Mr. Morse said bids were in and renovations should be complete and installation of shelving by August 23. There is a possibility the store could be open by September 1. He said the next ABC Board meeting was August 3, 2010. The initial order had been approved by Raleigh. They are within the budget. The board will award bids for the security system and signage at its August 3 meeting.

CARPET/TILE – OLD ROCK SCHOOL AUDITORIUM Community Affairs Director Barbara Hefner presented a request to have the carpet replaced in the auditorium. The carpet is 15-years old and is a safety hazard; it is ripped and stained. She presented three quotes: H & A Carpet of Hickory, Inc. - \$19,566.73 which staff recommends. (Other quotes: Shields Incorporated, Greensboro area, three options from \$14,750 to \$15,925 which did not include removal and replacement of chairs and Brown's Carpet & Interiors - \$12,112 and a quote from Ray Brittain Construction to remove five sections of seating and remove existing tile, clean floors and haul off waste - \$400 per section for a total of \$2,000.)

Mr. Morse said funding would come from Capital Reserves. Mayor Hatley requested Mr. Morse prepare a report of how much funds remain in Capital Reserves. Mr. Morse said approximate \$200,000. Finance Director Jerry LaMaster said Auditors are due this week and they would have the exact amount in Capital Reserves.

Ms. Hefner said there were fewer activities in the auditorium during the month of September which would be a good time to replace the carpet.

Mayor Hatley said staff would have to monitor the area and not allow food/drink in the auditorium.

Councilman Black requested that this item be Tabled allowing for more details at a later meeting. Robert Heilman said the proposed carpet was a 26 oz. nylon Berber.

CLOSED SESSION Mayor Hatley called for a Closed Session pursuant to NCGS 143-318.11 (a) (3) To consult with the Town's Attorney concerning pending litigation; and (4) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations. The action approving the signing of an economic development contract or commitment, or the action authorizing the payment of economic development expenditures, shall be taken in an open session.

At 8:35 p.m., Councilman Ogle made a motion to recess into Closed Session pursuant to NCGS 143-318.11 (a) (3) To consult with the Town's Attorney concerning pending litigation; and (4) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations. The action approving the signing of an economic development contract or commitment, or the action authorizing the payment of economic development expenditures, shall be taken in an open session. The motion was seconded by Councilman Black and carried unanimously.

At 8:35 p.m., Mayor Hatley called for a 5-minute break before recessing into Closed Session.

August 2, 2010, MB#30

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the Utility Fund, the expenditures are to be changed as follows:

<u>Acct. No.</u>		<u>Debit</u>	<u>Credit</u>
30.8120.740	Capital Outlay	<u>7,841</u>	
30.8100.741	Capital Outlay		<u>7,841</u>
Total		<u>\$7,841</u>	<u>\$7,841</u>

This will result in a net increase of \$ 7,841 in the expenditures of the Utility Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

Total	<u>\$</u>
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Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Councilman Delp made a motion to approve the three aforementioned budget amendments, seconded by Councilman Black. The vote was unanimous.

RESOLUTION TO SUPERSEDE ORDINANCE FOR MALT BEVERAGES AND UNFORTIFIED WINE Town Attorney Marc Mitchell said when Council adopted the recent beer and wine ordinance there was a duplicate ordinance that was mis-numbered and the recent ordinance superseded. In order to clean up the code he presented the following resolution:

RESOLUTION

WHEREAS, on June 7, 2010, the Town Council of the Town of Valdese adopted an ordinance regulating the consumption and possession of malt beverages and unfortified wine; and

WHEREAS, the June 7th ordinance was intended to replace and supersede the ordinance set forth in Section 8-2026 of the Valdese Code of Ordinances;

IT IS THEREFORE RESOLVED that Section 8-2026 of the Valdese Code of Ordinances titled Malt Beverages and Unfortified Wine is hereby rescinded and that section shall be of no further effect, said section having been replaced by Section 8-10001 et. seq., the Ordinance Regulating the Consumption and Possession of Malt Beverages and Unfortified Wine, adopted by the Town Council on June 7, 2010.

This the 2nd day of August, 2010.

TOWN OF VALDESE
By: /s/ James L. Hatley, Mayor

ATTEST: /s/ Town Clerk

Councilman Ogle made a motion to adopt the aforementioned resolution, seconded by Councilman Delp. The vote was unanimous.

MAYOR AND COUNCIL COMMENTS:

STREET LIGHT REQUEST Councilwoman Oxentine said she received a request for a street light on Sterling Street at the end of Burke Mills. Mr. Morse said staff would go to the area after the meeting.

FOOD LION – PARKING IN FIRE LANE Councilwoman Oxentine request staff address the parking in fire lane at Food Lion. Mr. Morse said staff would investigate and bring back to Council at the September Council meeting.

Mayor Hatley requested that Mr. Morse draft a letter to Larry Earp, Myra's Ice Cream Shop, thanking him for the tent he allowed the Town to use for the Farmers Market over the past several years. Mayor Hatley said the tent rented out for \$465 for weekends. Mr. Morse said the letter would be prepared this week for the Mayor's signature.

Mayor Hatley commented on a letter received from Mr. and Mrs. Charles Glass Smith from Greenville, South Carolina, about the Town of Valdese and what a great town. He requested that Public Works Director Bryan Duckworth share the letter with staff.

August 2, 2010, MB#30
BUDGET AMENDMENT NO. 1

Subject: Transfer to the General Fund

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the Utility Fund, the expenditures are to be changed as follows:

<u>Acct. No.</u>		<u>Debit</u>	<u>Credit</u>
30.8100.920	Trans To Gen Fund	36,157	
30.8110.920	Trans To Gen Fund	<u>36,156</u>	
	Total	<u>\$ 72,313</u>	

This will result in a net increase of \$ 72,313 in the expenditures of the Utility Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

30.3990.001	Capital Reserve		<u>72,313</u>
	Total		<u>\$ 72,313</u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

BUDGET AMENDMENT NO. 1A

Subject: Town Hall Roof

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

<u>Acct. No.</u>		<u>Debit</u>	<u>Credit</u>
10.4200.150	M&R of Buildings	24,104	
10.5100.150	M&R of Buildings	24,104	
10.5300.150	M&R of Buildings	<u>24,105</u>	
	Total	<u>\$ 72,313</u>	

This will result in a net increase of \$ 72,313 in the expenditures of the General Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

10.3970.300	Transfer From Util		<u>72,313</u>
	Total		<u>\$ 72,313</u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

BUDGET AMENDMENT NO. 2

Subject: Meter Reading Device

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

August 2, 2010, MB#30

Councilman Delp made a motion to accept the aforementioned Tax Statement Annual Settlement for 2009, seconded by Councilwoman Oxentine. The vote was unanimous.

CHARGE TO COLLECT TAXES FOR 2010 Mayor Hatley read the charge for Tax Collector Gregory Cannon to collect taxes for 2010 and Mayor Hatley administered the oath for Tax Collector Greg Cannon to Collect Taxes for 2010.

RENEWAL OF LEASE AGREEMENTS – OLD ROCK SCHOOL Community Affairs Director Barbara Hefner requested the following lease agreements be extended with the following businesses:

Valdese Printing lease extended till August 2011

Faith Community Church lease extended till August 2011

Piedmont and Western Railroad lease extended till August 2011

Carolina Financial Group extended till August 2011

After a brief discussion, Councilman Ogle made a motion to approve the aforementioned lease agreements, seconded by Councilman Black. The vote was unanimous.

CANOPY COVER FOR FARMERS MARKET Community Affairs Director Barbara Hefner said Myra's provided a canopy for the Farmers Market which was destroyed in a recent wind storm. She requested a canopy for the Farmers Market participants to protect them from the sun and heat. She recommended a metal carport cover, 20 x 41. Eagle Carports offered a quote of \$2,595 plus tax with a gable with an addition seven feet higher.

After a brief discussion, Councilman Ogle made a motion to approve the canopy cover in the amount of \$2,595, seconded by Councilwoman Oxentine.

Mr. Morse said staff mentioned a more permanent structure. Planning Director Larry Johnson recommended something smaller, more permanent with wood which would be more aesthetically pleasing.

After a brief discussion, Mayor Hatley called for the vote:

Voting aye: Ogle, Delp, Oxentine

Voting nay: Black

Mayor Hatley said the motion carried 3 to 1.

REQUEST FROM AMERICANA COFFEE, ESPRESSO AND ANTIQUES Mr. Matt Ferris requested authorization to allow customers to enjoy wine on the sidewalk 20-feet from his store and the width of his store of 25-feet front during the Waldensian Festival. Mr. Ferris would have someone monitoring the area. The area would be closed during the Friday and Saturday night concerts. The area would be available for patrons to enjoy wine from 9:00 a.m. until 6:00 p.m., on Friday and Saturday.

After a brief discussion, Councilman Black made a motion to approve Mr. Ferris' request, seconded by Councilman Delp.

Voting aye: Ogle, Delp, and Black

Voting nay: Oxentine

Mayor Hatley said the motion carried 3 to 1.

UTILITY SERVICE DEPOSIT INCREASE Utility Customer Services Manager Debbie Jones requested an increase from \$75 to \$100 in the utility deposit for those that rent or live in a mobile home and do not own the property for which the mobile home is located on.

After a brief discussion, Councilman Delp made a motion to approve a Utility Service Deposit Increase from \$75 to \$100, seconded by Councilman Black. The vote was unanimous.

PROBATION PAY INCREASE Mr. Morse requested this item be Tabled until the September Council meeting.

BUDGET AMENDMENTS Finance Director Jerry LaMaster presented the following three budget amendments:

August 2, 2010, MB#30

NOW THEREFORE BE IT RESOLVED that the Town of Valdese agrees to be a party to the referenced Interlocal Agreement and authorizes and directs the Mayor to execute said Agreement.

BY VOTE OF THE TOWN OF VALDESE TOWN COUNCIL BY: Councilman Black, AND SECOND BY: Councilwoman Oxentine. The vote was unanimous.

This the 2nd day of August, 2010.

/s/ James L. Hatley, Mayor

ATTEST: /s/ Town Clerk

AGREEMENT WITH WPCOG FOR ASSISTANCE IN SUPPORTING THE STORMWATER PARTNERSHIP

Treatment Plant Superintendent Greg Padgett said with the new mandated outreach rules for stormwater, the Western Piedmont Stormwater Partnership was planned to be an on going collaborative effort of local governments and Valdese costs were \$1,039.47 plus a \$1,000 base fee, which was in the budget.

Councilman Black made a motion to approve the aforementioned request, seconded by Councilman Ogle. The vote was unanimous.

ENGINEERING SERVICES AGREEMENT WITH THE WOOTEN COMPANY FOR WATER & SEWER RATE STUDY, LEAK DETECTION PROGRAM AND RECLAIMED WATER USE

Mr. Morse said a grant was received for the engineering services from The Rural Center in the amount of \$37,037 and the Town's match was \$12,963. The Engineering Services Agreement with The Wooten Company in the amount of \$50,000. Town Attorney Marc Mitchell recommended that Item G (ownership and property interest of the documents) and Item H (limited liability) of the agreement with The Wooten Company be deleted.

After a brief discussion, Councilman Black made a motion to approve the aforementioned agreement with the two deleted changes, seconded by Councilman Ogle. The vote was unanimous.

TAX STATEMENT ANNUAL SETTLEMENT FOR 2009 - PROPERTY AND MOTOR VEHICLE Tax Collector Greg Cannon presented the following tax statement:

Tax Statement Annual Settlement for 2009:

Property Valuations

Real Estate	\$301,264,683
Personal Property	62,846,718
Age Exemption	-3,688,901

Total Prop. Valuation Subject to Tax	
Tax Rate per \$100 Valuation (.40/100)	\$360,422,500

Gross Levy

Levy	\$1,441,690
Discoveries	37,322
Late List Penalties	896
Total Levy	\$1,479,908

Less Collected as of 6/30/2009	\$1,455,161
Uncollected 2008 Taxes	24,747

Ratio of Taxes Collected to Total Levy	98.33%
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Annual Settlement of the Classified Motor Vehicle Property Taxes for 2008:

Levy	\$112,000
2009 Collection by Burke Co. Tax Office	\$112,831
Less Collection Cost (1.5% Levy)	1,680

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Development Investment Corporation (VEDIC) Small Business, Low-Interest, Loan Pool Program.

NOW THEREFORE BE IT RESOLVED that the Valdese Town Council fully supports the Town of Valdese's application to the Golden LEAF Foundation for grant funds to implement and be responsible for a \$250,000 grant for the Valdese Economic Development Investment Corporation (VEDIC) Small Business, Low-Interest, Loan Pool Program.

Adopted this 2nd day of August, 2010.

/s/ James L. Hatley, Mayor

ATTEST: /s/ John "Chip" Black, Town Clerk

After a brief discussion, Councilman Black made a motion to support the Town of Valdese application to the Golden LEAF Foundation for grant funds and adopt the aforementioned resolution to support the application, seconded by Councilman Delp. The vote was unanimous.

Mayor Hatley directed Town Manager Jeff Morse to submit documents to Attorney Mitchell on setting up the loan committee for Burke County.

AWARD BID FOR WATER PLANT FLUORIDE SYSTEM REPAIRS Water Resources Director David Cook said fluoride was a highly corrosive chemical and it is a state requirement that a professional engineer be involved with any improvements. Bids were received for the fluoride system repairs and staff recommended the bid be awarded to Triangle Contractors, Morganton, NC in the amount of \$32,600, with no alternates. NC Oral Health will provide a \$10,000 grant for the project. (Other bids: Shoreline Enterprises, Mooresville, NC - \$38,425; Kemp Construction, Inc., Sherrills Ford, NC - \$41,953; Ridgeline Building Corporation, Morganton, NC - \$34,900; Connelly Springs Electric, Inc., Connelly Springs, NC - \$44,085; and BW Solutions, Lowell, NC \$46,213.36.) Mr. Cook also recommended an emergency eyewash station in an estimated amount of \$725 plus \$350 to install.

Councilman Ogle made a motion to approve the aforementioned request by staff, seconded by Councilwoman Oxentine. The vote was unanimous.

RESOLUTION OF SUPPORT FOR INTERLOCAL AGREEMENT FOR WPCOG-OWNED OFFICE FACILITY Mr. Morse presented the following resolution:

**RESOLUTION
TOWN OF VALDESE
SUPPORT FOR INTERLOCAL AGREEMENT
WPCOG-OWNED OFFICE FACILITY**

WHEREAS, Western Piedmont Council of Governments (WPCOG) plans to acquire real estate and construct a new building to serve as its office facility;

WHEREAS, WPCOG has rented office space since its formation in 1968;

WHEREAS, WPCOG will continue to need office space for its operations and service to its member local governments;

WHEREAS, WPCOG's current office space lease will expire on September 30, 2010;

WHEREAS, WPCOG is allowed by its duly approved Charter and By-Laws, and by North Carolina General Statute 160A-475 to own real property for use as its office facility;

WHEREAS, the WPCOG Policy Board has approved borrowing up to \$3 million from the United States Department of Agriculture (USDA) to acquire real estate and construct the planned office facility;

WHEREAS, the Town of Valdese has been an active member of WPCOG for more than 40 years;

WHEREAS, WPCOG has provided valuable assistance to the Town of Valdese for more than 40 years and now needs our help in securing financing for its office facility;

WHEREAS, WPCOG is required by the North Carolina Local Government Commission to have an Interlocal Agreement in place as additional security for its financing, which is attached thereto;

WHEREAS, G.S. 9-1074(c)(2) provides that after failure of an owner of a dilapidated dwelling to comply with the order of a CEO within the time specified therein, unless injunctive relief has been sought the CEO shall submit to the Town Council an ordinance ordering the CEO to cause such dwelling to be removed or demolished as provided in the CEO's original order and, pending removal or demolition, to place a placard on such dwelling as provided by G.S. 160A-443 and Section 1076 of the minimum housing code;

NOW, THEREFORE, BE IT ORDAINED BY THE TOWN COUNCIL OF THE TOWN OF VALDESE, NORTH CAROLINA THAT:

1. The CEO is hereby authorized and directed to place a placard on the exterior of the dwelling located at 124 Hauss Ridge Road, Valdese, North Carolina (Tax PIN 2743415148) containing the following legend:

"This building is unfit for human habitation; the use or occupation of this building for human habitation is prohibited and unlawful."

2. The CEO is hereby authorized and directed to have the above-described dwelling removed from the premises in accordance with his order dated July 22, 2010, and in accordance with Section 9-1074(c)(2) of minimum housing code, based upon the owner's failure to comply with such order.

3. The cost of the removal of the dwelling shall constitute a lien against the real property upon which the cost was incurred. As provided in Section 9-1077 of the minimum housing code, such lien shall be filed, have priority, and be collected in the same manner as the lien for special assessments as established by Article 10, Chapter 160A of the General Statutes

4. This ordinance shall become effective upon its adoption.

ADOPTED THIS THE 2nd DAY OF AUGUST, 2010.

TOWN OF VALDESE
By: /s/ James L. Hatley, Mayor

ATTEST: /s/ Town Clerk

Councilman Delp made a motion to adopt the aforementioned Ordinance, seconded by Councilman Ogle. The vote was unanimous.

RESOLUTION AUTHORIZING TOWN AND VEDIC TO PARTICIPATE IN GOLDEN LEAF SMALL BUSINESS LOAN PROGRAM Town Manager Morse said the Town/VEDIC had applied for a \$250,000 grant from The Golden LEAF Foundation to continue the low-interest loan program that VEDIC started with Rural Center Funds and the program will be expanded to include all of Burke County's small businesses and entrepreneurs and will use same process and procedures established for the VEDIC loan program. Staff found out at the last minute the 501c3 IRS Tax status had not been processed for VEDIC and the application was for the Town of Valdese and VEDIC will implement the county-wide loan program and can be changed over once VEDIC receives tax status. Additional members will be appointed to the VEDIC board from Burke Development Inc. Funds budgeted by the Town of Valdese could only be used for businesses within the corporate limits of Valdese. Mayor Hatley said Town Attorney Marc Mitchell would also need to look at the documents. He presented the following resolution:

**RESOLUTION AUTHORIZING TOWN OF VALDESE AND
VALDESE ECONOMIC DEVELOPMENT INVESTMENT CORPORATION (VEDIC)
TO PARTICIPATE IN GOLDEN LEAF SMALL BUSINESS,
LOW-INTEREST LOAN POOL PROGRAM**

WHEREAS, the Valdese Economic Development Investment Corporation (VEDIC) was established in 2009 with the goals of promoting economic development in the Town of Valdese; and

WHEREAS, Valdese is located in Burke County, which has been identified as a Tier 1 County, the highest indicator of economic distress; and

WHEREAS, VEDIC's goal is to improve the quality of life for the citizens of Valdese by retaining and creating jobs as well as providing education for individuals that are interested in starting their own businesses; and

WHEREAS, the Valdese Town Council is requested to fully support the Town of Valdese's application to the Golden LEAF Foundation for grant funds to implement and be responsible for a \$250,000 grant for the Valdese Economic

August 2, 2010, MB#30

WHEREAS, Lyme disease is difficult to diagnose because it imitates other conditions and no reliable laboratory test can prove who is infected or bacterial-free, which often leads to misdiagnosis; and

WHEREAS, early indicators of infection include flu-like symptoms, characterized by chills, headache, fatigue, muscle and joint aches, and swollen lymph nodes; and

WHEREAS, weeks or months later, patients with untreated or under-treated Lyme disease can suffer from serious, permanent and sometimes life-threatening damage to the brain, joints, heart, eyes, liver, spleen, blood vessels, and kidneys. For this reason it is imperative that all who develop this disease receive immediate treatment; and

WHEREAS, the best solution to the threat of Lyme disease is to educate people about the seriousness of the illness and the need to practice personal preventive techniques when engaging in outdoor activities, such as frequent tick checks, use of tick repellent and proper tick removal.

NOW, THEREFORE, I, James L. Hatley, Mayor of the Town of Valdese, do hereby proclaim the month of August 2010 as "LYME DISEASE AWARENESS MONTH" and urge all citizens to learn about Lyme disease and how to protect themselves and prevent this illness so they "Don't get sick from the bite of a tick."

Adopted this the 2nd day of August, 2010.

/s/ James L. Hatley, Mayor

Councilman Ogle made a motion to adopt the aforementioned proclamation, seconded by Councilman Delp. The vote was unanimous.

ORDINANCE DIRECTING THE CODE ENFORCEMENT OFFICER TO REMOVE THE DWELLING LOCATED AT 124 HAUSS RIDGE ROAD Town Attorney Marc Mitchell presented the following ordinance and town staff will have the mobile home removed and the town will pay for removal and the place a lien on the property and sell the property and foreclose the lien to get the money back for removal. Planning Director Larry Johnson said it would cost approximately \$2,200 to have the mobile home removed.

**AN ORDINANCE DIRECTING THE CODE ENFORCEMENT OFFICER TO REMOVE THE DWELLING
LOCATED AT 124 HAUSS RIDGE ROAD, VALDESE, NORTH CAROLINA, PURSUANT TO
SECTION 9, ARTICLE D OF THE CODE OF ORDINANCES OF THE TOWN OF VALDESE**

WHEREAS, as required by Section 9-1074 of the Code of Ordinances of the Town of Valdese (the town code), the Code Enforcement Officer for the Town of Valdese (CEO) served a complaint and notice of hearing on Giannaro Russo, owner of the dwelling and lot located 124 Hauss Ridge Road in Valdese, North Carolina, as more particularly described in that deed recorded in Book 943, page 2252, Burke County Registry (Tax PIN 2743415148), notifying Mr. Russo that it appeared to the CEO, upon inspection, that the dwelling located at such address was unfit for human habitation and in violation of Article D of Part 9 of the town code (the minimum housing code); and

WHEREAS, the CEO also served a copy of the complaint and notice of hearing on Wachovia Bank, N.A., Beneficiary, and upon TRSTE, Inc., Trustee, of the deed of trust against the property; and

WHEREAS, the CEO conducted a hearing upon the complaint at 10:00 a.m. on Thursday, June 17, 2010; and

WHEREAS, Giannaro Russo attended the hearing and, following completion of the hearing, the CEO entered an order pursuant to Section 9-1074 of the minimum housing code in which the CEO determined that the dwelling was dilapidated as defined by Section 9-1062 of the minimum housing code and the CEO ordered Giannaro Russo, owner of the dwelling, to repair, alter or improve the dwelling so as to comply with the minimum housing standards of fitness established by the minimum housing code or else vacate and remove the dwelling from the property, such action to be completed on or before July 9, 2010; and

WHEREAS, Giannaro Russo did not appeal the order and, in fact, according to the CEO Giannaro Russo agreed that the dwelling was dilapidated and that it should be removed from the premises; and

WHEREAS, Giannaro Russo has failed to comply with the CEO's order in that the dwelling has not been brought up to the minimum standards of fitness established by the minimum housing code and it has not been removed from the premises; and

minimum of 25% from the business – the remaining funds can be from other grant sources. CDBG funds for this category are limited to a maximum of \$750,000 per unit of government per program year.

Shell Buildings & Certified Industrial Sites- Loans for publicly owned industrial shell buildings are available from the CDBG Revolving Loan Fund (RLF) based on the projected number of jobs to be created. The funds are provided in the form of a 2% simple interest loan with a five-year term with interest only payments during the first two years beginning on the July 1st after closing. The principal will amortize over the remaining three years. A dollar for dollar match is required by the local government applicant. Up to \$500,000 from the RLF is available for industrial site certification. Loans to eligible communities can assist with the costs associated with certifying industrial sites.

NC CDBG ECONOMIC RECOVERY PROGRAM – Almost \$21.8 Million or 46% of the CDBG funds for 2010 will be spent in this category. They will be awarded from the existing pool of unfunded CDBG Recovery (ARRA) applications already submitted in 6/09. Funding priority will be based on addressing communities with high levels of unemployment.

SMALL BUSINESS AND ENTREPRENEURIAL ASSISTANCE – \$1 Million in 2010 and \$3 Million in 2011. This has been a pilot program and the Governor's office decided last week to include in 2010 and to make permanent in 2011. The purpose of this program is to provide funding to local governments to develop a coordinated effort to stimulate growth in the small business/entrepreneurial sector. The guidelines for this program are tentatively scheduled to be available in mid-August from the Division of Community Assistance.

HOUSING DEVELOPMENT (HD) – Applications already accepted for 2010 and under review. For 2011 will be integrated into the NC Catalyst Program. Currently these funds are to increase the supply of affordable housing with priority to rental units. The funds can provide grants to local governments for water or sewer, hazardous material removal, vacant building/land acquisition by an eligible non-profit and certain historic rehabilitation activities.

SCATTERED SITE HOUSING - These funds are awarded on a non-competitive basis every three years and Burke County's will be funded in 2010 with houses already selected. These funds do not go against the yearly allocation limit of \$1.25 million.

INFRASTRUCTURE (CDBG-IF) - Will return next year combined with the Water/Sewer Connection (hook-up) Grant. The funds can be used for water and wastewater transmission lines and connection lines to serve low to moderate-income neighborhoods to correct severe health or environmental needs. Maximum grant amount \$750,000 with a 5% match.

WATER/SEWER CONNECTION GRANT- None in 2010, but will be combined with Infrastructure for 2011. This category provides grants up to \$75,000 to connect low-income households to existing water and sewer lines.

COMMUNITY REVITALIZATION –None in 2010 but with 2011 funds will be replaced with NC Catalyst Program that is not finalized yet. Anticipate that it will allow for housing rehabilitation, housing development activities, some public facilities and infrastructure.

Local governments may not receive more than a total of \$1,250,000 in combined awards in one year.

Mayor Hatley asked if anyone wished to speak either for or against. There being no one wishing to speak, Mayor Hatley closed the public hearing.

LYME DISEASE AWARENESS PROCLAMATION Mayor Hatley presented the following proclamation:

“LYME DISEASE AWARENESS MONTH”

WHEREAS, ticks carrying the bacteria *Borrelia burgdorferi* that causes Lyme Borreliosis, commonly known as Lyme disease, continues to spread across North Carolina; and

WHEREAS, the North Carolina Division of Public Health now encourages physicians to consider the clinical diagnosis of Lyme disease in residents who may be infected with the bacteria, contracted within North Carolina; and

WHEREAS, the number of reported cases of Lyme disease among residents of North Carolina continues to increase, yet the Centers for Disease Control estimates that on average there are ten missed cases for every case reported; and

**TOWN OF VALDESE
TOWN COUNCIL MEETING
AUGUST 2, 2010**

The Town of Valdese Town Council met on Monday, August 2, 2010, at 7:00 p.m., in the Town Council Chambers at Town Hall, Valdese, North Carolina. The following were present: Mayor James L. Hatley, Councilman Keith Ogle, Councilman Gary L. Delp, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, Deputy Town Clerk Thelda B. Rhoney, and various department heads.

Absent: Councilwoman Susan Stevenson

A quorum was present.

Mayor Hatley called the meeting to order at 7:05 p.m. He offered the Invocation and led in the Pledge of Allegiance to the Flag.

APPROVAL OF MINUTES: Motion was made by Councilman Ogle, seconded by Councilwoman Oxentine to approve the Regular and Closed Session Minutes of the June 28, 2010, Council meeting. The vote was unanimous.

OPEN FORUM/PUBLIC COMMENT Mayor Hatley asked if anyone wished to speak. No one spoke

PROJECT LIFESAVER – PILOT CLUB Police Chief John Suttle described the Project Lifesaver Program, a program where an individual has wandering issues due to autism, dementia, Alzheimer's, etc., could get a transmitter bracelet the size of a watch and a caregiver would alert the police department who would use the tracking devices and normally the rescue is under 30 minutes. The Pilot Club proposes the program to be run through the Police/Fire Departments and they would contribute two tracking devices, several transmitter bracelets and training. Chief Suttle introduced Debbie Eller, Valdese Pilot Club. Ms. Eller said there were 36 members dedicated to the project. They received a \$5,000 matching grant and they would have a booth at the upcoming Waldensian Festival to introduce the program and accept financial support and individuals could sponsor a bracelet. The Pilot Club also plans to give presentations in the community to bring awareness.

Councilwoman Oxentine made a motion to approve the Project Lifesaver Program, seconded by Councilman Ogle. The vote was unanimous.

CDBG FIRST PUBLIC HEARING Mayor Hatley opened the public hearing.

Town Manager Jeff Morse reviewed the following programs under the CDBG program:

**COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) FUNDS
FIRST PUBLIC HEARING 2010/2011**

North Carolina receives approximately \$45 million in Community Development Block Grant (CDBG) funds each year. Local governments can apply for these funds for various activities for projects that enhance the viability of communities by providing decent housing and suitable living environments and by expanding economic opportunities, principally for persons of low- and moderate-income. Two public hearings must be held to receive public comment on any project and this is the first public hearing for projects for the upcoming year.

ECONOMIC DEVELOPMENT (CDBG-ED)

These applications are received on a continuous basis. The funds may be used for the construction of public facilities or may provide low interest loan funds in tandem with a bank for private investment. The industry or business must commit to create or retain permanent full-time jobs, of which 60% are for persons in households with low to moderate income. The grants available for public facilities may include water, sewer, street, gas, etc. Projects in Burke County have no match requirement and the amount per job is \$15,000 for tax credit eligible businesses (manufacturing for example) and \$10,000 for non tax credit businesses. The maximum amount of funds available per project is \$1 million.

Building Reuse – These funds can be used in conjunction with a private for-profit business that proposes to restore a vacant building (minimum of 30 days vacancy) to economic use resulting in the creation or retention of permanent, full-time jobs by the project company. The grant provides \$20,000 per job for 3J Tax Credit eligible businesses (manufacturing for example) and \$12,000 for businesses not eligible for tax credits. \$1:\$1 matching funds with a

**TOWN OF VALDESE
TOWN COUNCIL MEETING
SEPTEMBER 13, 2010**

The Town of Valdese Town Council met on Monday, September 13, 2010, at 7:00 p.m., in the Town Council Chambers at Town Hall, Valdese, North Carolina. (The meeting was held on Monday, September 13, 2010, due to Labor Day Holiday on Monday, September 6, 2010.) The following were present: Mayor James L. Hatley, Councilman Gary L. Delp, Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, Deputy Town Clerk Thelda B. Rhoney, and various department heads.

Absent: Councilman Keith Ogle

A quorum was present.

Mayor Hatley called the meeting to order at 7:00 p.m. He offered the Invocation and led in the Pledge of Allegiance to the Flag.

APPROVAL OF MINUTES: Motion was made by Councilwoman Oxentine, seconded by Councilwoman Stevenson to approve the Minutes and Closed Session Minutes of the August 2, 2010, Council meeting. The vote was unanimous.

OPEN FORUM/PUBLIC COMMENT:

Mayor Hatley asked if anyone wished to speak. No one spoke.

OLD ROCK SCHOOL MARKETING PLAN – ALLEN VANNOPPEN Mr. VanNoppen said his firm had been given the task to create an innovative, forward thinking marketing plan that embraces and supports all of Valdese Merchants for the long term. They would engage forward thinking techniques that appeal to current and future communications among a whole spectrum of demographics. They will be meeting with Downtown Merchants later this month. They would create a marketing apparatus that speaks to the renovations and growth that Valdese is seeing and the tourist and residents you would have in the downtown area from wireless, smart phones, ipads, advertisement for upcoming movie theater, and methods for educational opportunities so folks would know where to go, where to eat and where to shop.

Mr. Morse said staff was trying to develop a marketing campaign that promoted the current merchants as well as all merchants. He said the most important thing was the merchants would be involved with the marketing plan.

Councilman Black recommended more direct contact with the people who live in Valdese that have no idea what is going on downtown.

RESOLUTION FOR AUTHORITY TO APPLY TO THE RURAL CENTER BUILDING REUSE AND RESTORATION GRANTS PROGRAM Mr. Morse presented the following resolution for Kellex expansion to retrofit a facility located across the street from their main facility to accommodate a new product line of furniture:

**Town of Valdese Resolution
Authority to Apply
The Rural Center
Building Reuse and Restoration Grants Program
Development Grant
August 2010**

WHEREAS, the North Carolina General Assembly authorized in 2005 funds to the North Carolina Rural Economic Development Center (The Rural Center) to stimulate economic development and job creation. A portion of the funding authorized the making of grants to aid eligible units of government to stimulate the reuse of vacant buildings that will spur economic activity and job creation; and

WHEREAS, the Town of Valdese desires to assist through grant funding the economic reuse of the former Hickory Hill property, a building in downtown Valdese; and

WHEREAS, the Town of Valdese intends to request from NC Rural Center grant assistance for the project from the Development Grant category of the Building Reuse and Restoration Grant Program for the “up-fitting” and restoration of the facility:

NOW THEREFORE BE IT RESOLVED, BY THE VALDESE TOWN COUNCIL:

That the Town of Valdese will provide a \$20,000 match for an estimated \$480,000 grant request, if approved for a grant.

That Jeffrey V. Morse, Town Manager, and successors so titled, is hereby authorized to execute and file an application on behalf of the Town of Valdese with The Rural Center for a grant to assist in the development of the project described above.

That Jeffrey V. Morse, Town Manager, and successors so titled, is hereby authorized and directed to furnish such information as The Rural Center may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the Town of Valdese has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to the grants pertaining thereto.

Adopted this the 13th day of September 2010 at Valdese, North Carolina.

/s/ James L. Hatley, Mayor

Councilman Black made a motion to adopt the aforementioned resolution for a Rural Center grant in the amount of \$480,000 with a \$20,000 Town of Valdese match, seconded by Councilwoman Stevenson. The vote was unanimous.

RESOLUTION TO SELL STOCKS AND BONDS Finance Director Jerry LaMaster said from the wishes of Mr. Carlton E. Caruso, Sr., who passed away, was to donate stocks to the Town of Valdese for improvements to the Recreation Center’s Tennis Program. A resolution was needed allowing Mr. LaMaster to sell the stocks. Mr. Morse believed \$10,000 was the approximate value of the stocks.

RESOLUTION

BE IT RESOLVED by the Town Council of the Town of Valdese that Jerry LaMaster, Finance Officer for the Town of Valdese, is hereby authorized to buy, sell, assign, and endorse for transfer, certificates representing stocks, bonds, or other securities now registered or hereafter registered in the name of the Town of Valdese, a North Carolina municipal corporation.

ADOPTED THIS, THE 13TH DAY OF SEPTEMBER, 2010.

TOWN OF VALDESE

By: /s/ James L. Hatley, Mayor

ATTEST: /s/ Town Clerk

Councilman Black made a motion to adopt the aforementioned resolution to allow Mr. LaMaster to buy, sell, assign, and endorse for transfer, certificates representing stocks, bonds, or other securities for the Town of Valdese. The motion was seconded by Councilwoman Stevenson and carried unanimously.

RESOLUTION APPROVING WATER SHORTAGE RESPONSE PLAN Water Superintendent Dave Cook presented the Water Shortage Response Plan. Councilman Delp was concerned about the water bill costs being 1.5 times during Level 3 which does not encourage him to use less water. Mayor Hatley recommended staff clarify and present the plan at the next Council meeting.

After a brief discussion, Councilman Delp made a motion to table this item until October 4, 2010 Council Meeting, seconded by Councilwoman Stevenson. The vote was unanimous.

LITTER SWEEP – FALL 2010 Mayor Hatley said the Governor proclaimed September 18 – October 2, 2010, as Fall 2010 Litter Sweep and he asked if the town would like to continue to participate in this program.

Councilwoman Stevenson made a motion to participate in the Fall 2010 Litter Sweep, seconded by Councilwoman Oxentine. The vote was unanimous.

SET PUBLIC HEARING DATE FOR REZONING APPLICATION 1-8-10 Planning Director Larry Johnson said the Planning Board received a request from James and Molly Phipps for a proposed rezoning of their property located at 713 Pineburr Avenue, SE, to rezone from R-8 Residential High Density to R-12 Residential Low Density allowing for domestic animals, further identified as Burke County Tax Map #74-18-2-4. He recommended Council hold a public hearing at its October 4, 2010 meeting.

Councilman Delp made a motion to set the date as October 4, 2010, 7:00 p.m., for the public hearing for rezoning application 1-8-10, seconded by Councilwoman Stevenson. The vote was unanimous.

SET DATE FOR JOINT MEETING WITH TOWN COUNCIL AND PLANNING BOARD TO REVIEW PROPOSED ZONING AMENDMENTS Mr. Johnson said two dates were proposed, November 8 and November 15, and the Planning Board recommended the date of Monday, November 15, 2010, 4:00 p.m., Valdese Town Hall. Staff would provide the amendments to Council in enough time for them to review prior to the meeting.

Councilwoman Stevenson made a motion to meet with the Valdese Planning Board to review proposed zoning amendments on Monday, November 15, 2010, 4:00 p.m., Valdese Town Hall, seconded by Councilwoman Oxentine. The vote was unanimous.

Mayor Hatley requested the Deputy Town Clerk e-mail the date to Council and the Planning Board. Mr. Johnson said the proposed amendments would be delivered to Council by the first Monday in November 2010.

PROBATION PAY INCREASE HR Officer Debbie Jones said there were five employees hired in 2008 at hiring rate and had not received increases to minimum pay grade for their positions. Staff requested the five employees be brought up to the minimum pay grade which would be a 5 percent increase and would be retroactive.

Mr. Morse said salaries had been frozen for the past two years. Staff contacted the consultant that prepared the Town's pay plan who recommended the five employees were eligible for the increase. This was also stated in the Town's Personnel Ordinance. Ms. Jones said the increase was not automatic and in the future that department heads would be responsible for notifying payroll about increases to minimum pay grade. Mayor Hatley said in the future that those type increases would not need to come before Council.

Councilwoman Stevenson made a motion to authorize salary increases, retroactive, for five eligible employees, seconded by Councilwoman Oxentine. The vote was unanimous.

CARPET/TILE – OLD ROCK SCHOOL AUDITORIUM Community Affairs Director Barbara Hefner recommended the lowest bidder, Brown's Carpet - \$14,112 which includes removal of seats. Other Bids: Shields Incorporated - \$14,750; H & A Carpet of Hickory - \$19,566.73; Carolina Interiors Flooring Outlet, Inc. - \$21,672.90; and Church's Carpet, Inc. - \$22,648.35.

Mr. Morse said staff talked with a lot of vendors and the key to carpet is proper installation and he recommended Brown's Carpet plus hiring an outside inspector to observe and oversee the installation to the Town's specifications not to exceed \$1,000. Mayor Hatley recommended a written agreement with Brown's Carpet. Mr. Morse requested the Town Attorney draft an agreement with Brown's Carpet. Ms. Hefner told Mr. Brown that an inspector would be working with the carpet installation.

After a brief discussion, Councilman Delp made a motion to accept the lowest bid with Brown's Carpet in the amount of \$14,112 and authorize the signing of an agreement prepared by Town Attorney Marc Mitchell, seconded by Councilwoman Stevenson.

Voting aye: Delp, Stevenson and Oxentine

Voting nay: Black

The motion carried.

Councilman Delp made a motion to hire an inspector for the carpet installation, seconded by Councilman Black. The vote was unanimous.

NCLM ANNUAL CONFERENCE – DELEGATE Mayor Hatley recommended the appointment of Councilman Delp to serve as delegate at the NC League of Municipalities Annual Conference, October 23-26, 2010, Winston-Salem.

Councilwoman Oxentine made a motion to appoint Councilman Delp to serve as delegate at the aforementioned NCLM Annual Conference, seconded by Councilwoman Stevenson. The vote was unanimous.

REAPPOINTMENT TO WPCOG REGIONAL RECREATION COMMISSION Mayor Hatley recommended the reappointment of Parks & Recreation Director Tim Rhoney to serve on this commission.

Councilwoman Stevenson made a motion to reappoint Parks & Recreation Director Tim Rhoney to the WPCOG Regional Recreation Commission, seconded by Councilman Black. The vote was unanimous.

REAPPOINTMENT TO VALDESE HOUSING AUTHORITY Mayor Hatley recommended the reappointment of Rev. Tim Horltdt for a five-year term which would expire October 31, 2015.

Councilwoman Oxentine made a motion to reappoint Rev. Tim Horltdt to the Valdese Housing Authority for a five-year term, seconded by Councilwoman Stevenson. The vote was unanimous.

BUDGET AMENDMENTS Finance Director Jerry LaMaster presented the following two budget amendments:

Budget Amendment No. 3

Subject: Transfer to the General Fund

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

Action Suggested:

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the Utility Fund, the expenditures are to be changed as follows:

<u>Acct. No.</u>		<u>Debit</u>	<u>Credit</u>
30.8100.920	Trans to Gen Fund	\$ 2,500	
30.8110.920	Trans to Gen Fund	<u>2,500</u>	
	Total	<u>\$ 5,000</u>	

This will result in a net increase of \$5,000 in the expenditures of the Utility Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

30.3990.001	Capital Reserve		<u>\$ 5,000</u>
	Total		<u>\$ 5,000</u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Budget Amendment No. 3A

Subject: Utility Assistance Program

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

Action Suggested:

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

<u>Acct. No.</u>		<u>Debit</u>	<u>Credit</u>
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10.4200.453	Utility Assistance	<u>\$ 5,000</u>
Total		<u>\$ 5,000</u>

This will result in a net increase of \$5,000 in the expenditures of the General Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

10.3970.300	Transfer from Util	<u>\$ 5,000</u>
Total		<u>\$ 5,000</u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Councilwoman Stevenson made a motion to approve the two aforementioned Budget Amendments, seconded by Councilman Black. The vote was unanimous.

NEW TOWN HALL UPDATE Mr. Morse reviewed the following Change Orders, and most were requested by the town and the project is still with the contingency funding for the New Town Hall Project. He said there may be a final change order with the final draw down payment:

Change Order	Purpose of Change Order	Amount	Total
Note: Award of Bid to Denver Construction on 9/21/09			\$1,427,000
No. 1	Rip rock 3' outside of the building envelope, rock removal and relocation of CB2, cut, remove, replace existing sidewalk, curb and gutter	\$10,610.88	\$1,437,610.88
No. 2	Change fin. hardware, change mirrors in large toilets, install approximately 125' sub drain on eastern edge of pavement and install sub-drainage @ retaining wall	\$11,402.50	\$1,449,013.38
No. 3	Add 640 sf to top of segmental block retaining wall	\$11,164.38	\$1,460,177.76
No. 4	Vinyl to carpet on walk-off mats; add beam, lintels, rake angles; extra truss/framing for attic access; Panel B 225 a to 400 a/breakers; increase 5-hm throat/2-tlt.mirrors; add framing/drywall for beams; add ADA auto door opener; add wash stone@ found. Drain; trench rock for site plumbing; and add gutters/downspouts	\$28,788.51	\$1,488,966.27
No. 5	Remove/replace city walks @ site; add (2)"W" & (1) "M" fixture; change etched glass design; wrap	\$44,779.11	\$1,533,745.38

	steel beams front offices; revisions in multi-purpose; council chamber rev; add recept./ph.outlet; floor changes per finish schedule; cloud changes per site visits		
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Planning Director Larry Johnson said the project should be completed within the next four to six weeks.

MAYOR AND COUNCIL COMMENTS:

VALDESE EXITS – I-40

Councilman Delp said several citizens had mentioned to him about petitioning the state for signs on Interstate 40 that read, “Valdese next three exits” on exits 111, 112, and 113.

Mr. Morse said he received the same request from a Planning Board Member and he would initiate the request.

TREES - CEMETERY

Councilwoman Oxentine said the trees at the cemetery appear to all have the blight. Mr. Morse and Public Works Director Bryan Duckworth said staff would check on the trees.

RESTAURANT

Councilwoman Stevenson asked about the restaurant proposed by John Duke. Mr. Morse said Mr. Duke is still interested in opening a restaurant in Valdese.

CONSENT AGENDA

Mayor Hatley said staff needs to find ways to shorten the Council meetings and one way would be with adding a Consent Agenda to the Council agenda to save time. Mr. Morse said staff would begin with the October 2010 Council agenda.

RECYCLING BROCHURES FOR CITIZENS

Councilwoman Stevenson asked about information being sent out about what items can be recycled. Public Works Director Bryan Duckworth said staff received an updated brochure from GDS and the information is on the Town’s website but there was not a mass mailing. Councilwoman Stevenson said she would like to see the information mailed to every homeowner.

Councilwoman Stevenson said she had received a complaint about drainage at a resident’s home and she thanked Mr. Duckworth as the Public Works staff took care of the issue immediately.

Councilman Delp credited Town Manager Jeff Morse for bringing jobs to Valdese upon the Kleen Tech announcement.

MANAGER’S REPORT:

UPDATE ON POLICE/FIRE ROOF REPAIRS

Mr. Morse offered a brief update on the new roof at the current town hall complex. He said Triangle Contractors made repairs needed due to previous roof work.

He said a report was received about the mold/mildew at the Police/Fire Complex and proposals are being received from contractors for repairs and would be brought to council for approval. He said the bid would consist of cleaning, ceiling tile replacement and some sheetrock repairs.

CALL PUBLIC HEARINGS ON OCTOBER 4, 2010, FOR CDBG GRANT AND ECONOMIC DEVELOPMENT INCENTIVES FOR KLEEN TECH

Councilman Black made a motion to authorize staff to advertise for a public hearing on October 4, 2010, 7:00 p.m., for CDBG Grant and Economic Development Incentives for Kleen Tech, seconded by Councilwoman Oxentine. The vote was unanimous.

BURKE COUNTY REACT

Mr. Morse said Burke County REACT was currently located at the facility where Kleen Tech was interested in locating and Kleen Tech would be purchasing the building erected by REACT. Staff is trying to locate a place for REACT on Town-owned property, possibly one acre near the Kleen Tech site or an acre at the old

September 13, 2010, MB#30

McGalliard Creek plant. REACT is also talking with Burke County and that Valdese was committed to assisting Burke County REACT in helping them locate to another facility.

At 8:07 p.m., there being no further business to come before the Council, Mayor Hatley adjourned the meeting.

The next meeting is a regularly scheduled for Monday, October 4, 2010, 7:00 p.m.

Town Clerk

Mayor

tr

**TOWN OF VALDESE
TOWN COUNCIL MEETING
SEPTEMBER 13, 2010**

The Town of Valdese Town Council met on Monday, September 13, 2010, at 7:00 p.m., in the Town Council Chambers at Town Hall, Valdese, North Carolina. (The meeting was held on Monday, September 13, 2010, due to Labor Day Holiday on Monday, September 6, 2010.) The following were present: Mayor James L. Hatley, Councilman Gary L. Delp, Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, Deputy Town Clerk Thelda B. Rhoney, and various department heads.

Absent: Councilman Keith Ogle

A quorum was present.

Mayor Hatley called the meeting to order at 7:00 p.m. He offered the Invocation and led in the Pledge of Allegiance to the Flag.

APPROVAL OF MINUTES: Motion was made by Councilwoman Oxentine, seconded by Councilwoman Stevenson to approve the Minutes and Closed Session Minutes of the August 2, 2010, Council meeting. The vote was unanimous.

OPEN FORUM/PUBLIC COMMENT:

Mayor Hatley asked if anyone wished to speak. No one spoke.

OLD ROCK SCHOOL MARKETING PLAN – ALLEN VANNOPPEN Mr. VanNoppen said his firm had been given the task to create an innovative, forward thinking marketing plan that embraces and supports all of Valdese Merchants for the long term. They would engage forward thinking techniques that appeal to current and future communications among a whole spectrum of demographics. They will be meeting with Downtown Merchants later this month. They would create a marketing apparatus that speaks to the renovations and growth that Valdese is seeing and the tourist and residents you would have in the downtown area from wireless, smart phones, ipads, advertisement for upcoming movie theater, and methods for educational opportunities so folks would know where to go, where to eat and where to shop.

Mr. Morse said staff was trying to develop a marketing campaign that promoted the current merchants as well as all merchants. He said the most important thing was the merchants would be involved with the marketing plan.

Councilman Black recommended more direct contact with the people who live in Valdese that have no idea what is going on downtown.

RESOLUTION FOR AUTHORITY TO APPLY TO THE RURAL CENTER BUILDING REUSE AND RESTORATION GRANTS PROGRAM Mr. Morse presented the following resolution for Kellex expansion to retrofit a facility located across the street from their main facility to accommodate a new product line of furniture:

**Town of Valdese Resolution
Authority to Apply
The Rural Center
Building Reuse and Restoration Grants Program
Development Grant
August 2010**

WHEREAS, the North Carolina General Assembly authorized in 2005 funds to the North Carolina Rural Economic Development Center (The Rural Center) to stimulate economic development and job creation. A portion of the funding authorized the making of grants to aid eligible units of government to stimulate the reuse of vacant buildings that will spur economic activity and job creation; and

WHEREAS, the Town of Valdese desires to assist through grant funding the economic reuse of the former Hickory Hill property, a building in downtown Valdese; and

WHEREAS, the Town of Valdese intends to request from NC Rural Center grant assistance for the project from the Development Grant category of the Building Reuse and Restoration Grant Program for the “up-fitting” and restoration of the facility:

NOW THEREFORE BE IT RESOLVED, BY THE VALDESE TOWN COUNCIL:

That the Town of Valdese will provide a \$20,000 match for an estimated \$480,000 grant request, if approved for a grant.

That Jeffrey V. Morse, Town Manager, and successors so titled, is hereby authorized to execute and file an application on behalf of the Town of Valdese with The Rural Center for a grant to assist in the development of the project described above.

That Jeffrey V. Morse, Town Manager, and successors so titled, is hereby authorized and directed to furnish such information as The Rural Center may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the Town of Valdese has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to the grants pertaining thereto.

Adopted this the 13th day of September 2010 at Valdese, North Carolina.

/s/ James L. Hatley, Mayor

Councilman Black made a motion to adopt the aforementioned resolution for a Rural Center grant in the amount of \$480,000 with a \$20,000 Town of Valdese match, seconded by Councilwoman Stevenson. The vote was unanimous.

RESOLUTION TO SELL STOCKS AND BONDS Finance Director Jerry LaMaster said from the wishes of Mr. Carlton E. Caruso, Sr., who passed away, was to donate stocks to the Town of Valdese for improvements to the Recreation Center’s Tennis Program. A resolution was needed allowing Mr. LaMaster to sell the stocks. Mr. Morse believed \$10,000 was the approximate value of the stocks.

RESOLUTION

BE IT RESOLVED by the Town Council of the Town of Valdese that Jerry LaMaster, Finance Officer for the Town of Valdese, is hereby authorized to buy, sell, assign, and endorse for transfer, certificates representing stocks, bonds, or other securities now registered or hereafter registered in the name of the Town of Valdese, a North Carolina municipal corporation.

ADOPTED THIS, THE 13TH DAY OF SEPTEMBER, 2010.

TOWN OF VALDESE

By: /s/ James L. Hatley, Mayor

ATTEST: /s/ Town Clerk

Councilman Black made a motion to adopt the aforementioned resolution to allow Mr. LaMaster to buy, sell, assign, and endorse for transfer, certificates representing stocks, bonds, or other securities for the Town of Valdese. The motion was seconded by Councilwoman Stevenson and carried unanimously.

RESOLUTION APPROVING WATER SHORTAGE RESPONSE PLAN Water Superintendent Dave Cook presented the Water Shortage Response Plan. Councilman Delp was concerned about the water bill costs being 1.5 times during Level 3 which does not encourage him to use less water. Mayor Hatley recommended staff clarify and present the plan at the next Council meeting.

After a brief discussion, Councilman Delp made a motion to table this item until October 4, 2010 Council Meeting, seconded by Councilwoman Stevenson. The vote was unanimous.

LITTER SWEEP – FALL 2010 Mayor Hatley said the Governor proclaimed September 18 – October 2, 2010, as Fall 2010 Litter Sweep and he asked if the town would like to continue to participate in this program.

Councilwoman Stevenson made a motion to participate in the Fall 2010 Litter Sweep, seconded by Councilwoman Oxentine. The vote was unanimous.

SET PUBLIC HEARING DATE FOR REZONING APPLICATION 1-8-10 Planning Director Larry Johnson said the Planning Board received a request from James and Molly Phipps for a proposed rezoning of their property located at 713 Pineburr Avenue, SE, to rezone from R-8 Residential High Density to R-12 Residential Low Density allowing for domestic animals, further identified as Burke County Tax Map #74-18-2-4. He recommended Council hold a public hearing at its October 4, 2010 meeting.

Councilman Delp made a motion to set the date as October 4, 2010, 7:00 p.m., for the public hearing for rezoning application 1-8-10, seconded by Councilwoman Stevenson. The vote was unanimous.

SET DATE FOR JOINT MEETING WITH TOWN COUNCIL AND PLANNING BOARD TO REVIEW PROPOSED ZONING AMENDMENTS Mr. Johnson said two dates were proposed, November 8 and November 15, and the Planning Board recommended the date of Monday, November 15, 2010, 4:00 p.m., Valdese Town Hall. Staff would provide the amendments to Council in enough time for them to review prior to the meeting.

Councilwoman Stevenson made a motion to meet with the Valdese Planning Board to review proposed zoning amendments on Monday, November 15, 2010, 4:00 p.m., Valdese Town Hall, seconded by Councilwoman Oxentine. The vote was unanimous.

Mayor Hatley requested the Deputy Town Clerk e-mail the date to Council and the Planning Board. Mr. Johnson said the proposed amendments would be delivered to Council by the first Monday in November 2010.

PROBATION PAY INCREASE HR Officer Debbie Jones said there were five employees hired in 2008 at hiring rate and had not received increases to minimum pay grade for their positions. Staff requested the five employees be brought up to the minimum pay grade which would be a 5 percent increase and would be retroactive.

Mr. Morse said salaries had been frozen for the past two years. Staff contacted the consultant that prepared the Town's pay plan who recommended the five employees were eligible for the increase. This was also stated in the Town's Personnel Ordinance. Ms. Jones said the increase was not automatic and in the future that department heads would be responsible for notifying payroll about increases to minimum pay grade. Mayor Hatley said in the future that those type increases would not need to come before Council.

Councilwoman Stevenson made a motion to authorize salary increases, retroactive, for five eligible employees, seconded by Councilwoman Oxentine. The vote was unanimous.

CARPET/TILE – OLD ROCK SCHOOL AUDITORIUM Community Affairs Director Barbara Hefner recommended the lowest bidder, Brown's Carpet - \$14,112 which includes removal of seats. Other Bids: Shields Incorporated - \$14,750; H & A Carpet of Hickory - \$19,566.73; Carolina Interiors Flooring Outlet, Inc. - \$21,672.90; and Church's Carpet, Inc. - \$22,648.35.

Mr. Morse said staff talked with a lot of vendors and the key to carpet is proper installation and he recommended Brown's Carpet plus hiring an outside inspector to observe and oversee the installation to the Town's specifications not to exceed \$1,000. Mayor Hatley recommended a written agreement with Brown's Carpet. Mr. Morse requested the Town Attorney draft an agreement with Brown's Carpet. Ms. Hefner told Mr. Brown that an inspector would be working with the carpet installation.

After a brief discussion, Councilman Delp made a motion to accept the lowest bid with Brown's Carpet in the amount of \$14,112 and authorize the signing of an agreement prepared by Town Attorney Marc Mitchell, seconded by Councilwoman Stevenson.

Voting aye: Delp, Stevenson and Oxentine

Voting nay: Black

The motion carried.

Councilman Delp made a motion to hire an inspector for the carpet installation, seconded by Councilman Black. The vote was unanimous.

NCLM ANNUAL CONFERENCE – DELEGATE Mayor Hatley recommended the appointment of Councilman Delp to serve as delegate at the NC League of Municipalities Annual Conference, October 23-26, 2010, Winston-Salem.

Councilwoman Oxentine made a motion to appoint Councilman Delp to serve as delegate at the aforementioned NCLM Annual Conference, seconded by Councilwoman Stevenson. The vote was unanimous.

REAPPOINTMENT TO WPCOG REGIONAL RECREATION COMMISSION Mayor Hatley recommended the reappointment of Parks & Recreation Director Tim Rhoney to serve on this commission.

Councilwoman Stevenson made a motion to reappoint Parks & Recreation Director Tim Rhoney to the WPCOG Regional Recreation Commission, seconded by Councilman Black. The vote was unanimous.

REAPPOINTMENT TO VALDESE HOUSING AUTHORITY Mayor Hatley recommended the reappointment of Rev. Tim Horltdt for a five-year term which would expire October 31, 2015.

Councilwoman Oxentine made a motion to reappoint Rev. Tim Horltdt to the Valdese Housing Authority for a five-year term, seconded by Councilwoman Stevenson. The vote was unanimous.

BUDGET AMENDMENTS Finance Director Jerry LaMaster presented the following two budget amendments:

Budget Amendment No. 3

Subject: Transfer to the General Fund

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

Action Suggested:

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

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30.8110.920	Trans to Gen Fund	<u>2,500</u>	
	Total	<u>\$ 5,000</u>	

This will result in a net increase of \$5,000 in the expenditures of the Utility Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

30.3990.001	Capital Reserve		<u>\$ 5,000</u>
	Total		<u>\$ 5,000</u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Budget Amendment No. 3A

Subject: Utility Assistance Program

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Action Suggested:

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10.4200.453	Utility Assistance	<u>\$ 5,000</u>
Total		<u>\$ 5,000</u>

This will result in a net increase of \$5,000 in the expenditures of the General Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

10.3970.300	Transfer from Util	<u>\$ 5,000</u>
Total		<u>\$ 5,000</u>

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Councilwoman Stevenson made a motion to approve the two aforementioned Budget Amendments, seconded by Councilman Black. The vote was unanimous.

NEW TOWN HALL UPDATE Mr. Morse reviewed the following Change Orders, and most were requested by the town and the project is still with the contingency funding for the New Town Hall Project. He said there may be a final change order with the final draw down payment:

Change Order	Purpose of Change Order	Amount	Total
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	steel beams front offices; revisions in multi-purpose; council chamber rev; add recept./ph.outlet; floor changes per finish schedule; cloud changes per site visits		
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Planning Director Larry Johnson said the project should be completed within the next four to six weeks.

MAYOR AND COUNCIL COMMENTS:

VALDESE EXITS – I-40

Councilman Delp said several citizens had mentioned to him about petitioning the state for signs on Interstate 40 that read, “Valdese next three exits” on exits 111, 112, and 113.

Mr. Morse said he received the same request from a Planning Board Member and he would initiate the request.

TREES - CEMETERY

Councilwoman Oxentine said the trees at the cemetery appear to all have the blight. Mr. Morse and Public Works Director Bryan Duckworth said staff would check on the trees.

RESTAURANT

Councilwoman Stevenson asked about the restaurant proposed by John Duke. Mr. Morse said Mr. Duke is still interested in opening a restaurant in Valdese.

CONSENT AGENDA

Mayor Hatley said staff needs to find ways to shorten the Council meetings and one way would be with adding a Consent Agenda to the Council agenda to save time. Mr. Morse said staff would begin with the October 2010 Council agenda.

RECYCLING BROCHURES FOR CITIZENS

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Councilman Delp credited Town Manager Jeff Morse for bringing jobs to Valdese upon the Kleen Tech announcement.

MANAGER’S REPORT:

UPDATE ON POLICE/FIRE ROOF REPAIRS

Mr. Morse offered a brief update on the new roof at the current town hall complex. He said Triangle Contractors made repairs needed due to previous roof work.

He said a report was received about the mold/mildew at the Police/Fire Complex and proposals are being received from contractors for repairs and would be brought to council for approval. He said the bid would consist of cleaning, ceiling tile replacement and some sheetrock repairs.

CALL PUBLIC HEARINGS ON OCTOBER 4, 2010, FOR CDBG GRANT AND ECONOMIC DEVELOPMENT INCENTIVES FOR KLEEN TECH

Councilman Black made a motion to authorize staff to advertise for a public hearing on October 4, 2010, 7:00 p.m., for CDBG Grant and Economic Development Incentives for Kleen Tech, seconded by Councilwoman Oxentine. The vote was unanimous.

BURKE COUNTY REACT

Mr. Morse said Burke County REACT was currently located at the facility where Kleen Tech was interested in locating and Kleen Tech would be purchasing the building erected by REACT. Staff is trying to locate a place for REACT on Town-owned property, possibly one acre near the Kleen Tech site or an acre at the old

September 13, 2010, MB#30

McGalliard Creek plant. REACT is also talking with Burke County and that Valdese was committed to assisting Burke County REACT in helping them locate to another facility.

At 8:07 p.m., there being no further business to come before the Council, Mayor Hatley adjourned the meeting.

The next meeting is a regularly scheduled for Monday, October 4, 2010, 7:00 p.m.

Town Clerk

Mayor

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**TOWN OF VALDESE
TOWN COUNCIL MEETING
OCTOBER 4, 2010**

The Town of Valdese Town Council met on Monday, October 4, 2010, at 7:00 p.m., in the Town Council Chambers at Town Hall, Valdese, North Carolina. The following were present: Mayor James L. Hatley, Councilman Keith Ogle, Councilman Gary L. Delp, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, Deputy Town Clerk Thelda B. Rhoney, and various department heads.

Absent: Councilwoman Susan Stevenson

A quorum was present.

Mayor Hatley called the meeting to order at 7:00 p.m. He offered the Invocation and led in the Pledge of Allegiance to the Flag.

OPEN FORUM/PUBLIC COMMENT:

Mayor Hatley asked if anyone wished to speak. No one spoke.

CONSENT AGENDA: (enacted by one motion)

Councilman Ogle made a motion to approve the Consent Agenda, seconded by Councilman Delp. The vote was unanimous.

APPROVED MINUTES – SEPTEMBER 13, 2010

APPROVED REQUEST TO FILL A VACANT PATROLMAN POSITION – POLICE DEPARTMENT

APPROVED ENGINEERING AGREEMENT WITH THE WOOTEN COMPANY FOR VALVE REPLACEMENT AT THE INFLUENT PUMP STATION IN THE AMOUNT OF \$11,400

CALLED FOR PUBLIC HEARING ON NOVEMBER 1, 2010, 7:00 P.M., FOR ADOPTION OF WATER SHORTAGE RESPONSE PLAN

CALLED FOR PUBLIC HEARING ON NOVEMBER 1, 2010, 7:00 P.M., FOR ADOPTION OF STORMWATER ORDINANCE – PHASE II

APPROVED APPOINTMENT OF MOLLY MURRAY TO THE VALDESE YOUTH COUNCIL

End Consent Agenda

ITEM(S) REMOVED FROM CONSENT AGENDA - NONE

PUBLIC HEARING - REZONING PETITION #1-8-10 JAMES AND MOLLY PHIPPS, 713 PINEBURR AVENUE, SE

Mayor Hatley opened the Public Hearing and asked if anyone wished to speak either for or against.

Planning Director Larry Johnson presented the rezoning petition and he said the Planning Board recommended approval of the following Ordinance amendment from R-8 Residential High Density to R-12 Residential Low Density in order to house a domestic animal (horse):

**ORDINANCE
AN ORDINANCE OF THE VALDESE TOWN COUNCIL
AMENDING THE VALDESE ZONING MAP**

BE IT HEREBY ORDAINED by the Town Council of Valdese, North Carolina, that Rezoning Petition #1-8-10 filed by James and Molly Phipps requesting the rezoning of a parcel under their ownership from R-8 Residential High Density to R-12 Residential Low Density. The parcel is located at 713 Pineburr Avenue, SE, Valdese, North Carolina, and can be further identified as Burke County Tax Map Number 74-18-2-4 and Burke County PIN 2743222731.

This 4th day of October, 2010.

/s/ James L. Hatley, Mayor

Mr. Johnson said the public hearing was properly advertised and posted and notices were mailed to adjoining property owners. No comments were received.

There being no one else wishing to speak, Mayor Hatley closed the public hearing.

After a brief discussion, Councilman Black made a motion to approve the aforementioned rezoning from R-8 Residential High Density to R-12 Residential Low Density seconded by Councilwoman Oxentine. The vote was unanimous.

PUBLIC HEARING - REZONING PETITION #2-8-10 TOWN OF VALDESE, 690 LOVELADY ROAD, NE

Mayor Hatley opened the Public Hearing and asked if anyone wished to speak either for or against.

Planning Director Larry Johnson presented the rezoning petition and he said the Planning Board recommended approval of the following Ordinance amendment:

**ORDINANCE
AN ORDINANCE OF THE VALDESE TOWN COUNCIL
AMENDING THE VALDESE ZONING MAP**

BE IT HEREBY ORDAINED by the Town Council of Valdese, North Carolina, that Rezoning Petition #2-8-10 filed by the Town of Valdese rezoning property located at 690 Lovelady Road, NE, Valdese, North Carolina, from R-12 Low Density Residential to M-1 Manufacturing (2 tracts). The property can be further identified as Burke County Tax Map Numbers: 76-50-2-2 and 76-50-2-5 and Burke County PIN: Tract 1 – 2744413334 and Tract 2 – 2744319627.

This 4th day of October, 2010.

/s/ James L. Hatley, Mayor

Mr. Johnson said the public hearing was properly advertised and posted and notices were mailed to adjoining property owners. No comments were received.

There being no one else wishing to speak, Mayor Hatley closed the public hearing.

Councilman Ogle made a motion to approve the aforementioned rezoning from R-12 Low Density Residential to M-1 Manufacturing (2 tracts), seconded by Councilman Black. The vote was unanimous.

SECOND PUBLIC HEARING - CDBG - KLEEN TECH

Mayor Hatley opened the Public Hearing and asked if anyone wished to speak either for or against.

Town Manager Jeff Morse said the Town of Valdese would be applying for a \$450,000 grant through the NC Department of Commerce, Community Development Block Grant Program (CDBG). The purpose of the grant would be to provide upgrades to the two basins at the old wastewater treatment plant located at 690 Lovelady Road, NE, Valdese. Kleen Tech would need the facility upgraded to provide additional pretreatment. A public hearing is required to receive public comment.

There being no one else wishing to speak, Mayor Hatley closed the Public Hearing.

PUBLIC HEARING - ECONOMIC DEVELOPMENT INCENTIVES – KLEEN TECH Mayor Hatley said this item would need to be tabled.

Councilman Ogle made a motion to table the aforementioned agenda item, seconded by Councilwoman Oxentine. The vote was unanimous.

Mr. Morse said the public hearing would be advertised for the next Council meeting.

AUTHORIZING RESOLUTION FOR KLEEN TECH Mr. Morse presented the following resolution:

October 4, 2010, MB#30

**TOWN OF VALDESE
AUTHORIZING RESOLUTION AND CERTIFICATION
CDBG – ECONOMIC DEVELOPMENT
KLEEN TECH INC. PROJECT**

WHEREAS, various State and Federal agencies provide funds to municipalities to meet the needs of local governments in financing the cost of Economic Development; and

WHEREAS, the Department of Commerce will be the State administering agency for the Community Development Block Grant Program; and

WHEREAS, the Community Development Block Grant Program has Economic Development funds available to local governments to maintain or create new jobs for low and moderate income people; and

WHEREAS, Valdese has held two public hearings and solicited and received citizen input regarding the Kleen Tech, Inc. Economic Development project.

NOW, THEREFORE, BE IT RESOLVED BY THE VALDESE TOWN COUNCIL:

That the Town of Valdese will substantially comply with all Federal, State and local laws, rules, regulations and ordinances pertaining to the project and to Federal and State grants pertaining thereto.

That, Jeffrey V. Morse, Town Manger and successors so titled are hereby authorized to develop, execute and file an application on behalf of the Town of Valdese to appropriate Federal and State agencies to secure funds for the Economic Development Project.

That, Jeffrey V. Morse, Town Manager and successors so titled are hereby authorized and directed to furnish such information as the appropriate governmental agencies may request in connection with such applications for the project; to make the assurances and certifications as contained above, and to execute such other documents as may be required in connection with the construction of the project.

That this Resolution shall take effect immediately upon its adoption.

Adopted this 4th day of October 2010 at Valdese, North Carolina.

/s/ James L. Hatley, Mayor

/s/ Clerk

Councilman Black made a motion to adopt the Authorizing Resolution and Certification for CDBG – Economic Development Kleen Tech Inc. Project, seconded by Councilman Ogle. The vote was unanimous.

ADOPTION OF CODE OF ETHICS POLICY Town Attorney Marc Mitchell presented the following Code of Ethics Policy (NC General Statute 160A-86 requires municipalities to adopt by January 1, 2011):

**CODE OF ETHICS FOR THE
TOWN COUNCIL OF THE
TOWN OF VALDESE, NORTH CAROLINA**

PREAMBLE

WHEREAS, the Constitution of North Carolina, Article I, Section 35, reminds us that a “frequent recurrence of fundamental principles is absolutely necessary to preserve the blessings of liberty;” and

WHEREAS, a spirit of honesty and forthrightness is reflected in North Carolina’s state motto, *Esse quam videri*, “To be rather than to seem;” and

WHEREAS, Section 160A-86 of the North Carolina General Statutes requires local governing boards to adopt a code of ethics; and

WHEREAS, as public officials we are charged with upholding the trust of the citizens of this town, and with obeying the law;

NOW, THEREFORE, in recognition of our blessings and obligations as citizens of the State of North Carolina and as public officials representing the citizens of the town of Valdese, and acting pursuant to the requirements of Section 160A-86 of the North Carolina General Statutes, we the town council of the town of Valdese do hereby adopt the following General Principles and Code of Ethics to guide the town council in its lawful decision-making.

GENERAL PRINCIPLES UNDERLYING THE CODE OF ETHICS

- The stability and proper operation of democratic representative government depend upon public confidence in the integrity of the government and upon responsible exercise of the trust conferred by the people upon their elected officials.
- Governmental decisions and policy must be made and implemented through proper channels and processes of the governmental structure.
- Council members must be able to act in a manner that maintains their integrity and independence, yet is responsive to the interests and needs of those they represent.
- Council members must always remain aware that at various times they play different roles:
 - As advocates, who strive to advance the legitimate needs of their citizens
 - As legislators, who balance the public interest and private rights in considering and enacting ordinances, orders and resolutions
 - As decision-makers, who arrive at fair and impartial quasi-judicial and administrative determinations.
- Council members must know how to distinguish among these roles, to determine when each role is appropriate, and to act accordingly.
- Council members must be aware of their obligation to conform their behavior to standards of ethical conduct that warrant the trust of their constituents. Each official must find within his or her own conscience the touchstone by which to determine what conduct is appropriate.

CODE OF ETHICS

The purpose of this Code of Ethics is to establish guidelines for ethical standards of conduct for the town council of the town of Valdese and to help determine what conduct is appropriate in particular cases. It should not be considered as substitute for the law or for a council member's best judgment.

SECTION 1. Council members should obey all laws applicable to their official actions as members of the council. Council members should be guided by the spirit as well as the letter of the law in whatever they do.

At the same time, council members should feel free to assert policy positions and opinions without fear of reprisal from fellow council member or citizens. To declare that a council member is behaving unethically because one disagrees with that council member on a question of policy (and not because of the council member's behavior) is unfair, dishonest, irresponsible and itself unethical.

SECTION 2. Council members should act with integrity and independence from improper influence as they exercise the duties of their offices. Characteristics and behaviors consistent with this standard include the following:

- Adhering firmly to a code of sound values
- Behaving consistently and with respect toward everyone with whom they interact
- Exhibiting trustworthiness
- Living as if they are on duty as elected officials regardless of where they are or what they are doing
- Using their best independent judgment to pursue the common good as they see it, presenting their opinions to all in a reasonable, forthright, consistent manner
- Remaining incorruptible, self-governing and unaffected by improper influence while at the same time being able to consider the opinions and ideas of others
- Disclosing contacts and information about issues that they receive outside the public meetings and refraining from seeking or receiving information about quasi-judicial matters outside of the quasi-judicial proceedings themselves
- Treating other council members and the public with respect and honoring the opinions of others even when the council members disagree with those opinions
- Not reaching conclusions on issues until all sides have been heard

- Showing respect for their offices and not behaving in ways that reflect badly on those offices
- Recognizing that they are part of a larger group and acting accordingly
- Recognizing that individual council members are not generally allowed to act on behalf of the council but may only do so if the council specifically authorizes it, and that the council must take official action as a body.

SECTION 3.a. Council members should avoid impropriety in the exercise of their official duties. Their official actions should be above reproach. Although opinions may vary about what behavior is inappropriate, this council will consider impropriety in terms of whether a reasonable person who is aware of all of the relevant facts and circumstances surrounding the council member's action would conclude that the action was inappropriate.

SECTION 3.b. If a council member believes that his or her actions, while legal and ethical, may be misunderstood, the member should seek the advice of the council's attorney and should consider publicly disclosing the facts of the situation and the steps taken to resolve it (such as consulting with the attorney).

SECTION 4. Council members should faithfully perform the duties of their offices. They should act as the especially responsible citizens whom others can trust and respect. They should set a good example for others in the community, keeping in mind that trust and respect must continually be earned.

Council members should faithfully attend and prepare for meetings. They should carefully analyze all credible information properly submitted to them, mindful of the need not to engage in communications outside the meeting in quasi-judicial matters. They should demand full accountability from those over whom the council has authority.

Council members should be willing to bear their fair share of the council's workload. To the extent appropriate, they should be willing to put the council's interests ahead of their own.

SECTION 5. Council members should conduct the affairs of the council in an open and public manner. They should comply with all applicable laws governing open meetings and public records, recognizing that doing so is an important way to be worthy of the public's trust. They should remember when they meet that they are conducting the public's business. They should also remember that local government records belong to the public and not to council members or their employees.

In order to ensure strict compliance with the laws concerning openness, council members should make clear that an environment of transparency and candor is to be maintained at all times in the governmental unit. They should prohibit unjustified delay in fulfilling public records requests. They should take deliberate steps to make certain that any closed sessions held by the council are lawfully conducted and that such sessions do not stray from the purposes for which they are called.

Adopted this 4th day of October, 2010.

Deputy Town Clerk Thelda Rhoney said all Members of Council had attended the required two hours of Ethics Training.

Councilman Delp made a motion to adopt the aforementioned Code of Ethics Policy, seconded by Councilman Ogle. The vote was unanimous.

AWARD OF BID FOR STORM REPAIRS - POLICE/FIRE COMPLEX Mr. Morse said interior repairs were needed to the Police/Fire Complex due to the recent storm and heavy rain. Staff recommended a bid with Triangle Construction to remove/replace ceiling tiles; remediate, disinfect and clean offices; clean interior duct system, light fixtures, repair vents as needed and provide duct insulation as needed; and provide an "Indoor Air Quality Report" before and upon completion of work via real time indoor air quality monitors in the amount of \$18,150. A bid was also received from Mold and Mildew Specialists LLC in the amount of \$18,500.

Mayor Hatley asked about the interior walls. Mr. Morse said repair and paint to interior walls could be taken care of with a change order if needed.

Fire Chief Watts said on the south exterior brick wall of the Police Department, every 18-inches there were metal straps that held the walls together and because of leaks the metal had rusted and pushed the mortar joints out which allowed moisture to get into the wall.

Mr. Morse said mortar repair would be a separate proposal that he could request from Triangle and would not have to be re-bid. He would e-mail Council the cost to repair mortar and to paint the interior.

Mr. Morse said the mortar work would be done first then the painting and air quality has to be up to EPA standards by the completion of the repairs.

Mr. Morse also recommended several dehumidifiers for the Police/Fire Complex.

Councilman Delp made a motion to award the bid for repairs to the Police/Fire Complex to Triangle Construction in the amount of \$18,150 plus the aforementioned work as mentioned by staff in the proper order, seconded by Councilman Ogle. The vote was unanimous.

MAYOR AND COUNCIL COMMENTS:

Councilman Ogle thanked Accounting Services Manager Greg Cannon for assisting the Young Family with burial plots.

Mayor Hatley requested that Mr. Morse advise Council of dates for the ABC Store Grand Opening and new Town Hall Grand Opening as well as moving date to the New Town Hall.

MANAGER'S REPORT:

Mr. Morse made the following announcements:

1. Draughn High School Parade Downtown Valdese on Tuesday, October 5, 2010, 7:00 p.m. Council Members meet at 6:15 p.m., at Town Hall to ride in the parade.
2. Joint Meeting with Valdese Planning Board on Monday, November 15, 2010, 4:00 p.m., Valdese Town Hall.
3. "Treats in the Streets" would be held in Valdese on October 29, 2010, beginning at 3:00 p.m. until 5:00 p.m., and immediately following will be a costume judging contest for the children. The costume judging will be done at the stage area in the Town parking lot. Three of our Youth Council Members will be judging the costume contest.

MOLD ON TREES – CEMETERY Deputy Town Clerk Thelda Rhoney said Pubic Works Director Bryan Duckworth contacted the Agriculture Extension Agent to inspect the trees. They reported it was black mold on the pods but the trees were fine.

RECYCLING BROCHURE Ms. Rhoney said Staff was working on a recycling brochure to mail to the citizens. Mr. Morse said Kyle Nowak, ASU Intern, was working on the project.

At 7:40 p.m., there being no further business to come before the Council, Mayor Hatley adjourned the meeting.

The next meeting is a regularly scheduled for Monday, November 1, 7:00 p.m.

Town Clerk

Mayor

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**TOWN OF VALDESE
TOWN COUNCIL MEETING
OCTOBER 4, 2010**

The Town of Valdese Town Council met on Monday, October 4, 2010, at 7:00 p.m., in the Town Council Chambers at Town Hall, Valdese, North Carolina. The following were present: Mayor James L. Hatley, Councilman Keith Ogle, Councilman Gary L. Delp, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, Deputy Town Clerk Thelda B. Rhoney, and various department heads.

Absent: Councilwoman Susan Stevenson

A quorum was present.

Mayor Hatley called the meeting to order at 7:00 p.m. He offered the Invocation and led in the Pledge of Allegiance to the Flag.

OPEN FORUM/PUBLIC COMMENT:

Mayor Hatley asked if anyone wished to speak. No one spoke.

CONSENT AGENDA: (enacted by one motion)

Councilman Ogle made a motion to approve the Consent Agenda, seconded by Councilman Delp. The vote was unanimous.

APPROVED MINUTES – SEPTEMBER 13, 2010

APPROVED REQUEST TO FILL A VACANT PATROLMAN POSITION – POLICE DEPARTMENT

APPROVED ENGINEERING AGREEMENT WITH THE WOOTEN COMPANY FOR VALVE REPLACEMENT AT THE INFLUENT PUMP STATION IN THE AMOUNT OF \$11,400

CALLED FOR PUBLIC HEARING ON NOVEMBER 1, 2010, 7:00 P.M., FOR ADOPTION OF WATER SHORTAGE RESPONSE PLAN

CALLED FOR PUBLIC HEARING ON NOVEMBER 1, 2010, 7:00 P.M., FOR ADOPTION OF STORMWATER ORDINANCE – PHASE II

APPROVED APPOINTMENT OF MOLLY MURRAY TO THE VALDESE YOUTH COUNCIL

End Consent Agenda

ITEM(S) REMOVED FROM CONSENT AGENDA - NONE

PUBLIC HEARING - REZONING PETITION #1-8-10 JAMES AND MOLLY PHIPPS, 713 PINEBURR AVENUE, SE

Mayor Hatley opened the Public Hearing and asked if anyone wished to speak either for or against.

Planning Director Larry Johnson presented the rezoning petition and he said the Planning Board recommended approval of the following Ordinance amendment from R-8 Residential High Density to R-12 Residential Low Density in order to house a domestic animal (horse):

**ORDINANCE
AN ORDINANCE OF THE VALDESE TOWN COUNCIL
AMENDING THE VALDESE ZONING MAP**

BE IT HEREBY ORDAINED by the Town Council of Valdese, North Carolina, that Rezoning Petition #1-8-10 filed by James and Molly Phipps requesting the rezoning of a parcel under their ownership from R-8 Residential High Density to R-12 Residential Low Density. The parcel is located at 713 Pineburr Avenue, SE, Valdese, North Carolina, and can be further identified as Burke County Tax Map Number 74-18-2-4 and Burke County PIN 2743222731.

This 4th day of October, 2010.

/s/ James L. Hatley, Mayor

Mr. Johnson said the public hearing was properly advertised and posted and notices were mailed to adjoining property owners. No comments were received.

There being no one else wishing to speak, Mayor Hatley closed the public hearing.

After a brief discussion, Councilman Black made a motion to approve the aforementioned rezoning from R-8 Residential High Density to R-12 Residential Low Density seconded by Councilwoman Oxentine. The vote was unanimous.

PUBLIC HEARING - REZONING PETITION #2-8-10 TOWN OF VALDESE, 690 LOVELADY ROAD, NE

Mayor Hatley opened the Public Hearing and asked if anyone wished to speak either for or against.

Planning Director Larry Johnson presented the rezoning petition and he said the Planning Board recommended approval of the following Ordinance amendment:

**ORDINANCE
AN ORDINANCE OF THE VALDESE TOWN COUNCIL
AMENDING THE VALDESE ZONING MAP**

BE IT HEREBY ORDAINED by the Town Council of Valdese, North Carolina, that Rezoning Petition #2-8-10 filed by the Town of Valdese rezoning property located at 690 Lovelady Road, NE, Valdese, North Carolina, from R-12 Low Density Residential to M-1 Manufacturing (2 tracts). The property can be further identified as Burke County Tax Map Numbers: 76-50-2-2 and 76-50-2-5 and Burke County PIN: Tract 1 – 2744413334 and Tract 2 – 2744319627.

This 4th day of October, 2010.

/s/ James L. Hatley, Mayor

Mr. Johnson said the public hearing was properly advertised and posted and notices were mailed to adjoining property owners. No comments were received.

There being no one else wishing to speak, Mayor Hatley closed the public hearing.

Councilman Ogle made a motion to approve the aforementioned rezoning from R-12 Low Density Residential to M-1 Manufacturing (2 tracts), seconded by Councilman Black. The vote was unanimous.

SECOND PUBLIC HEARING - CDBG - KLEEN TECH

Mayor Hatley opened the Public Hearing and asked if anyone wished to speak either for or against.

Town Manager Jeff Morse said the Town of Valdese would be applying for a \$450,000 grant through the NC Department of Commerce, Community Development Block Grant Program (CDBG). The purpose of the grant would be to provide upgrades to the two basins at the old wastewater treatment plant located at 690 Lovelady Road, NE, Valdese. Kleen Tech would need the facility upgraded to provide additional pretreatment. A public hearing is required to receive public comment.

There being no one else wishing to speak, Mayor Hatley closed the Public Hearing.

PUBLIC HEARING - ECONOMIC DEVELOPMENT INCENTIVES – KLEEN TECH Mayor Hatley said this item would need to be tabled.

Councilman Ogle made a motion to table the aforementioned agenda item, seconded by Councilwoman Oxentine. The vote was unanimous.

Mr. Morse said the public hearing would be advertised for the next Council meeting.

AUTHORIZING RESOLUTION FOR KLEEN TECH Mr. Morse presented the following resolution:

October 4, 2010, MB#30

**TOWN OF VALDESE
AUTHORIZING RESOLUTION AND CERTIFICATION
CDBG – ECONOMIC DEVELOPMENT
KLEEN TECH INC. PROJECT**

WHEREAS, various State and Federal agencies provide funds to municipalities to meet the needs of local governments in financing the cost of Economic Development; and

WHEREAS, the Department of Commerce will be the State administering agency for the Community Development Block Grant Program; and

WHEREAS, the Community Development Block Grant Program has Economic Development funds available to local governments to maintain or create new jobs for low and moderate income people; and

WHEREAS, Valdese has held two public hearings and solicited and received citizen input regarding the Kleen Tech, Inc. Economic Development project.

NOW, THEREFORE, BE IT RESOLVED BY THE VALDESE TOWN COUNCIL:

That the Town of Valdese will substantially comply with all Federal, State and local laws, rules, regulations and ordinances pertaining to the project and to Federal and State grants pertaining thereto.

That, Jeffrey V. Morse, Town Manager and successors so titled are hereby authorized to develop, execute and file an application on behalf of the Town of Valdese to appropriate Federal and State agencies to secure funds for the Economic Development Project.

That, Jeffrey V. Morse, Town Manager and successors so titled are hereby authorized and directed to furnish such information as the appropriate governmental agencies may request in connection with such applications for the project; to make the assurances and certifications as contained above, and to execute such other documents as may be required in connection with the construction of the project.

That this Resolution shall take effect immediately upon its adoption.

Adopted this 4th day of October 2010 at Valdese, North Carolina.

/s/ James L. Hatley, Mayor

/s/ Clerk

Councilman Black made a motion to adopt the Authorizing Resolution and Certification for CDBG – Economic Development Kleen Tech Inc. Project, seconded by Councilman Ogle. The vote was unanimous.

ADOPTION OF CODE OF ETHICS POLICY Town Attorney Marc Mitchell presented the following Code of Ethics Policy (NC General Statute 160A-86 requires municipalities to adopt by January 1, 2011):

**CODE OF ETHICS FOR THE
TOWN COUNCIL OF THE
TOWN OF VALDESE, NORTH CAROLINA**

PREAMBLE

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WHEREAS, a spirit of honesty and forthrightness is reflected in North Carolina’s state motto, *Esse quam videri*, “To be rather than to seem;” and

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Deputy Town Clerk Thelda Rhoney said all Members of Council had attended the required two hours of Ethics Training.

Councilman Delp made a motion to adopt the aforementioned Code of Ethics Policy, seconded by Councilman Ogle. The vote was unanimous.

AWARD OF BID FOR STORM REPAIRS - POLICE/FIRE COMPLEX Mr. Morse said interior repairs were needed to the Police/Fire Complex due to the recent storm and heavy rain. Staff recommended a bid with Triangle Construction to remove/replace ceiling tiles; remediate, disinfect and clean offices; clean interior duct system, light fixtures, repair vents as needed and provide duct insulation as needed; and provide an "Indoor Air Quality Report" before and upon completion of work via real time indoor air quality monitors in the amount of \$18,150. A bid was also received from Mold and Mildew Specialists LLC in the amount of \$18,500.

Mayor Hatley asked about the interior walls. Mr. Morse said repair and paint to interior walls could be taken care of with a change order if needed.

Fire Chief Watts said on the south exterior brick wall of the Police Department, every 18-inches there were metal straps that held the walls together and because of leaks the metal had rusted and pushed the mortar joints out which allowed moisture to get into the wall.

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Mr. Morse also recommended several dehumidifiers for the Police/Fire Complex.

Councilman Delp made a motion to award the bid for repairs to the Police/Fire Complex to Triangle Construction in the amount of \$18,150 plus the aforementioned work as mentioned by staff in the proper order, seconded by Councilman Ogle. The vote was unanimous.

MAYOR AND COUNCIL COMMENTS:

Councilman Ogle thanked Accounting Services Manager Greg Cannon for assisting the Young Family with burial plots.

Mayor Hatley requested that Mr. Morse advise Council of dates for the ABC Store Grand Opening and new Town Hall Grand Opening as well as moving date to the New Town Hall.

MANAGER'S REPORT:

Mr. Morse made the following announcements:

1. Draughn High School Parade Downtown Valdese on Tuesday, October 5, 2010, 7:00 p.m. Council Members meet at 6:15 p.m., at Town Hall to ride in the parade.
2. Joint Meeting with Valdese Planning Board on Monday, November 15, 2010, 4:00 p.m., Valdese Town Hall.
3. "Treats in the Streets" would be held in Valdese on October 29, 2010, beginning at 3:00 p.m. until 5:00 p.m., and immediately following will be a costume judging contest for the children. The costume judging will be done at the stage area in the Town parking lot. Three of our Youth Council Members will be judging the costume contest.

MOLD ON TREES – CEMETERY Deputy Town Clerk Thelda Rhoney said Pubic Works Director Bryan Duckworth contacted the Agriculture Extension Agent to inspect the trees. They reported it was black mold on the pods but the trees were fine.

RECYCLING BROCHURE Ms. Rhoney said Staff was working on a recycling brochure to mail to the citizens. Mr. Morse said Kyle Nowak, ASU Intern, was working on the project.

At 7:40 p.m., there being no further business to come before the Council, Mayor Hatley adjourned the meeting.

The next meeting is a regularly scheduled for Monday, November 1, 7:00 p.m.

Town Clerk

Mayor

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**TOWN OF VALDESE
TOWN COUNCIL MEETING
NOVEMBER 1, 2010**

The Town of Valdese Town Council met on Monday, November 1, 2010, at 7:00 p.m., in the Town Council Chambers at Town Hall, Valdese, North Carolina. The following were present: Mayor James L. Hatley, Councilman Keith Ogle, Councilman Gary L. Delp, Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, Deputy Town Clerk Thelda B. Rhoney, and various department heads.

Absent: None

A quorum was present.

Mayor Hatley called the meeting to order at 7:00 p.m. He offered the Invocation and led in the Pledge of Allegiance to the Flag.

OPEN FORUM/PUBLIC COMMENT:

PRESENTATION BY GIRL SCOUT TROOP #10463, SCOUT LEADER JAMIE NORTON Girl Scouts Agnes Hardenstine and Ashley Parker presented a PowerPoint presentation on Recycling on Main Street Program. They were working on their Silver Award Project. They showed photos of two types of recycling bins. They presented recycling facts and the following website addresses:

www.Earth911.com; www.freegreencan.com; www.professorshouse.com; and www.greenercorners.com

They propose to have a recycling bin next to each trash bin on Main Street and two public parks: Children's Park and McGalliard Falls Park. They met with Town Manager Jeff Morse, GDS Manager, Wade Goossens who offered to pick up the bins at no cost to the town, and Bryan Duckworth, Director of Public Works, and the town would provide liners for the recycling bins. They asked if there were available grant funds; they have submitted a grant to Free Green Cans, which make their money by paid advertisements on the side of the cans and if they do not receive the free cans then what cans are they going to purchase (at least 15 bins are needed at \$200 each - \$3,000 total); budget issues; and if Free Green Cans do not offer the grant for cans they asked if the town could absorb the cost.

Town Manager Jeff Morse said he would ask Intern Kyle Nowak to work with the Girl Scouts to find funding for the cans.

Ms. Parker said they had submitted a questionnaire and Mr. Duckworth assisted them with town information and when they hear back from the Free Green Can Company which would work with the town on advertising.

Mayor Hatley said this project was important and said staff needed to find a way to support the project by working with the merchants for funding or grants. He commended the Girl Scouts. Mayor Hatley said by consensus of the Council, the Scouts had the town's support.

PRESENTATION OF PLAQUE OF APPRECIATION FROM HOSPICE - Ron LaSalle, Executive Director, Hospice of Burke County

Mr. LaSalle wanted to thank the employees of the Town of Valdese for the support over the years and especially during the construction of their inpatient facility. He commended Larry Johnson, Jeff Morse, John Suttle, and Mark Icard. He presented a plaque to Mr. Morse that read, "Thank you Town of Valdese for Supporting our Hospice House on Enon Road, a safe haven for our neighbors with serious illnesses and their families. November 1, 2010."

He recommended one improvement for the Town of Valdese – the Old High School needs repair which takes away from the Trail of Faith.

Mayor Hatley thanked Mr. LaSalle. He said the Town tried unsuccessfully to purchase the Old High School and now the building has been declared unfit and unstable and would have to be torn down. He also thanked Mr. LaSalle for being the Grand Marshal for the Town's Christmas Parade on Saturday, December 4, 2010.

PROCLAMATION – SHARON MCBRAYER, REPORTER – "MORGANTON NEWS HERALD" Mayor Hatley presented the following a Proclamation to Ms. McBrayer that read:

PROCLAMATION FOR SHARON McBRAYER

WHEREAS, Sharon McBrayer is leaving her position at the *Morganton News Herald*, a position she has held for approximately 10 years, and has accepted a position with the *Hickory Daily Record*; and

WHEREAS, Sharon McBrayer is a native of Valdese; and

WHEREAS, Sharon McBrayer's position as a Reporter with the *Morganton News Herald* has included accurate articles covering events such as the Valdese Town Council Meetings, Waldensian Festivals and Footraces, Triathlons, Family Friday Nights, July 4th Events, Old Colony Players Outdoor Dramas, Farmer's Market, and Annual Christmas Parades; and

WHEREAS, Sharon McBrayer has always been professional and her news reporting has been accurate, fair and factual; and

WHEREAS, Sharon McBrayer presented news in a way that was clear, readable, concise, and interesting; and

WHEREAS, the Town of Valdese appreciates Sharon McBrayer's dedication to being a professional Reporter and her efforts in keeping all citizens informed and updated on issues and events of concern to our community.

NOW, THEREFORE, I, James L. Hatley, Mayor of the Town of Valdese, North Carolina, do hereby proclaim November 1, 2010, as "SHARON McBRAYER DAY" in Valdese, Burke County, North Carolina, in honor of her extraordinary service in reporting news to the citizens of Valdese and the surrounding areas and we extend to her our best wishes and wish her great success in her new position with the *Hickory Daily Record*.

This 1st day of November, 2010.

/s/ James L. Hatley, Mayor
/s/ Jeffrey V. Morse. Town Manager

Ms. McBrayer thanked Mayor Hatley and the Town of Valdese.

CONSENT AGENDA: (enacted by one motion)

Councilman Ogle made a motion to approve the following three items on Consent, seconded by Councilman Delp. The vote was unanimous.

APPROVED MINUTES – OCTOBER 4, 2010

AWARD OF BID TO REPLACE OUTSIDE PRIMARY CLARIFIER MOTOR CONTROL CENTER (MCC) – WASTEWATER TREATMENT PLANT Approved Award of Bid to the lowest bidder, Buckner Electric Company, Inc., Morganton, in the amount of \$26,400 to Replace Outside Primary Clarifier Motor Control Center (MCC) Panel for the lime sludge pumps at the Wastewater Treatment Plant. (Other bids: Smart Electric Company, Inc., Connelly Springs - \$32,468 and Connelly Springs Electric, Inc. - \$36,550.)

AUTHORIZED STAFF TO HIRE FOR OPEN POSITION – PUBLIC WORKS DEPARTMENT

VEDIC APPOINTMENTS Mayor Hatley removed from Consent and placed under Item removed from consent.

BUDGET AMENDMENTS Councilman Black removed from Consent and placed under Item removed from consent.

ITEM(S) REMOVED FROM CONSENT AGENDA:

APPROVAL OF AMENDED VALDESE ECONOMIC DEVELOPMENT INVESTMENT CORPORATION (VEDIC) BYLAWS AND RESOLUTION ADDING VEDIC (PROVISIONAL BOARD) APPOINTMENTS Removed from Consent and placed under Item removed from consent.

Town Manager Jeff Morse said the Town received a grant from Golden LEAF in the amount of \$250,000 to develop a countywide business loan pool program to be administered by VEDIC. He said there were provisional board members to be approved by the Council.

Town Attorney Marc Mitchell briefly reviewed the following amendments:

BYLAWS OF VALDESE ECONOMIC DEVELOPMENT INVESTMENT CORPORATION

**ARTICLE III
BOARD OF DIRECTORS**

SECTION 3.2a. The Town Council of the Town of Valdese may appoint provisional directors whose only duty will be to act on applications for loans or grants from funds not restricted to the corporate limits of the Town of Valdese. Upon recommendation of the governing body of each town participating in the Burke Development, Inc. (BDI), the Burke Chamber of Commerce, the Burke Tourism Development Authority, and the Town Council of the Town of Valdese may appoint one provisional VEDIC board member representing each participating organization. Provisional Directors will not have voting rights except in regard to applications for loans or grants from funds not restricted to the corporate limits of the Town of Valdese. Provisional Directors will be appointed to three-year terms.

**ARTICLE IV
MEETINGS OF THE BOARD OF DIRECTORS**

SECTION 4.5 QUORUM AND VOTING. At all meetings of the Board of Directors, a majority of the entire board, excluding Provisional Directors, shall constitute a quorum for the transaction of the business, and a vote of the majority of the directors present and voting in person shall be the act of the Board of Directors, except where the Articles of Incorporation, these Bylaws or North Carolina law requires a greater vote. For all votes on applications for loans or grants from funds not restricted to the corporate limits of the Town of Valdese a majority of the Provisional Board consisting of Provisional Directors and the Chair of the Board or his/her designee, shall constitute a quorum. Voting by proxy shall not be allowed.

SECTION 4.8 REMOVAL. The Board of Directors may remove any director, except provisional directors, who is absent from three (3) consecutive scheduled meetings or who is absent from more than 60% of the board meetings during any fiscal year. The Provisional Board may remove any provisional director who is absent from three (3) consecutive scheduled meetings at which applications for loans or grants from funds not restricted to the corporate limits of the Town of Valdese are considered or who is absent from more than 60% of such scheduled meetings during any fiscal year.

**ARTICLE VI
COMMITTEES**

SECTION 6.2 COMPOSITION, DUTIES AND RESPONSIBILITIES OF THE EXECUTIVE COMMITTEE. The Chairman shall serve as the Chairman of the Executive Committee. The Executive Committee shall consist of the officers of the Corporation and such others as may be designated by the Chairman and approved by the Board of Directors. The duties of the Executive Committee are to advise the Chairman and the Board of Directors on Corporation business, review and recommend loan and grant applications and perform such other duties as may be assigned by the Board of Directors.

**ARTICLE IX
GENERAL PROVISIONS.**

SECTION 9.1 PURPOSES. This Corporation is organized by the Town of Valdese, North Carolina (the Town), to assist the Town in the promotion, stimulation, development and advancement of the business prosperity and economic welfare of the Town and its citizens; to encourage and assist in any lawful manner the location of new business and industry in the Town; to assist existing business and industry in the Town; and to cooperate and act in conjunction with other organizations, public and private, in the promotion and advancement of industrial, commercial, and recreational developments in the Town. Because a strong county-wide economy is essential to the economic well-being of the citizens of Valdese, the Corporation is also authorized to seek funding and establish loan and grant programs to increase business activity in the entirety of Burke County.

Amended this 1st day of November, 2010.

Councilman Ogle made a motion to approve the aforementioned amended VEDIC Bylaws, seconded by Councilwoman Stevenson. The vote was unanimous.

Mr. Morse presented the following resolution:

**RESOLUTION APPOINTING MEMBERS FROM BURKE COUNTY TO THE VALDESE ECONOMIC
DEVELOPMENT INVESTMENT CORPORATION (VEDIC) TO ASSIST IN THE GOLDEN LEAF SMALL
BUSINESS LOAN POOL PROGRAM**

WHEREAS, the Valdese Town Council is requested to fully support the Town of Valdese's application to the Golden LEAF Foundation for grant funds to implement and be responsible for a \$250,000 grant for the Valdese Economic Development Investment Corporation (VEDIC) Small Business Loan Pool Program for Valdese and Burke County; and

WHEREAS, Burke Development, Inc. (BDI), which serves all municipalities in Burke County, recommended the following appoints to the VEDIC Board of Directors - Provisional Board of Directors to serve on issues related to the Golden LEAF Project only:

Ruth Ann Suttle, Burke County Commissioner
Matt Settlemyer, Drexel Town Manager
Bill Satterwhite, Rutherford College Councilman
Forrest A. Fleming, City of Morganton Councilman
Emily Williamson, Western Piedmont Community College
Michael McNally, Burke County Chamber of Commerce Executive Director
Sharon Jablonski, City of Morganton Main Street Director

WHEREAS, the Town of Connelly Springs, in Burke County, recommends the appointment of its Mayor Johnny E. Berry to the VEDIC Board of Directors.

NOW THEREFORE BE IT RESOLVED that the Valdese Town Council appoints the following to the VEDIC Board of Directors - Provisional Board of Directors to serve on issues related to the Golden LEAF Project only: Ruth Ann Suttle, Matt Settlemyer, Bill Satterwhite, Forrest A. Fleming, Emily Williamson, Michael McNally, Sharon Jablonski and Johnny E. Berry.

Adopted this 1st day of November, 2010.

/s/ James L. Hatley, Mayor

ATTEST: /s/ Town Clerk

After a brief discussion, Councilman Ogle made a motion to adopt the aforementioned resolution appointing Provisional Directors to VEDIC, seconded by Councilwoman Stevenson. The vote was unanimous.

BUDGET AMENDMENTS Removed from Consent and placed under Item removed from consent. Finance Director presented the following budget amendments:

Budget Amendment No. 4

Subject: Rock School Carpeting

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

<u>Acct. No.</u>		<u>Debit</u>	<u>Credit</u>
10.6250.150	M&R of Buildings	15,213	
10.6250.040	Professional Services	<u>1,200</u>	
Total		<u>\$16,413</u>	\$

This will result in a net increase of \$ 16,413 in the expenditures of the General Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

10.3970.300	Transfer From Utility Fund	<u>16,413</u>
Total		<u>\$16,413</u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Budget Amendment No. 5

Subject: Farmer's Market Pavilion

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

<u>Acct. No.</u>		<u>Debit</u>	<u>Credit</u>
10.6250.150	M&R of Buildings	<u>3,600</u>	
	Total	<u>\$ 3,600</u>	\$

This will result in a net increase of \$ 3,600 in the expenditures of the General Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

Acct.
No.

10.3970.300	Transfer From Utility	<u>3,600</u>
	Total	<u>\$ 3,600</u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Budget Amendment No. 6

Subject: Down Town Marketing Plan

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

<u>Acct. No.</u>		<u>Debit</u>	<u>Credit</u>
10.6250.040	Professional Services	<u>5,000</u>	
	Total	<u>\$ 5,000</u>	\$

This will result in a net increase of \$ 5,000 in the expenditures of the General Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

10.3970.300	Transfer From Utility	5,000
	Total	<u>\$ 5,000</u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Budget Amendment No. 7

Subject: Transfer to the General Fund

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the Utility Fund, the expenditures are to be changed as follows:

<u>Acct. No.</u>		<u>Debit</u>	<u>Credit</u>
30.8100.920	Trans To Gen Fund	12,507	
30.8110.920	Trans To Gen Fund	<u>12,506</u>	
	Total	<u>\$25,013</u>	\$

This will result in a net increase of \$ 25,013 in the expenditures of the Utility Fund. To provide funding for the above, funds will be moved from contingency. These additional revenues have already been received.

30.3990.001	Capital Reserve		<u>25,013</u>
	Total		<u>\$25,013</u>

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

Budget Amendment No. 8

Subject: Insurance & Bonds Budget Adjustments

As per discussions held in previous council meetings pertaining to the subject, the following budget amendment is essential in order to appropriate the necessary funds.

BE IT ORDAINED by the Governing Board of the Town of Valdese, North Carolina that the following amendment is made to the annual budget ordinance for the fiscal year ending June 30, 2010:

Section 1. To amend the General Fund, the expenditures are to be changed as follows:

<u>Acct. No.</u>		<u>Debit</u>	<u>Credit</u>
10.4100.540	Insurance & Bonds		144
10.4200.540	Insurance & Bonds	666	
10.4250.540	Insurance & Bonds	525	
10.4350.540	Insurance & Bonds	907	
10.4900.540	Insurance & Bonds		227
10.5100.540	Insurance & Bonds	1,336	
10.5300.540	Insurance & Bonds		852
10.5600.540	Insurance & Bonds	1,634	
10.5800.540	Insurance & Bonds	1,653	
10.6200.540	Insurance & Bonds		7,152
10.6250.540	Insurance & Bonds	<u>1,654</u>	
	Total	<u>\$8,375</u>	<u>\$8,375</u>

This will result in a net change of \$ -0- in the expenditures of the General Fund.

Section 2. Copies of this budget amendment shall be furnished to the Clerk to the Governing Board, to the Budget Officer and the Finance Officer for their direction.

After a brief discussion, Councilman Delp made a motion approving the five aforementioned budget amendments, seconded by Councilwoman Stevenson. The vote was unanimous.

PUBLIC HEARING FOR ADOPTION OF WATER SHORTAGE RESPONSE PLAN

Mayor Hatley opened the Public Hearing and asked if anyone wished to speak either for or against.

Water Superintendent Dave Cook presented the plan and recommended Council adopt the following resolution:

RESOLUTION FOR APPROVING WATER SHORTAGE RESPONSE PLAN

WHEREAS, North Carolina General Statute 143-355 (l) requires that each unit of local government that provides public water services or plans to provide such services shall, either individually or together with other such units of local government, prepare and submit a Water Shortage Response Plan; and

WHEREAS, as required by the statute and in the interests of sound local planning, a Water Shortage Response Plan for the Town of Valdese, has been developed and submitted to the Valdese Town Council for approval; and

WHEREAS, the Town of Valdese finds that the Water Shortage Response Plan is in accordance with the provisions of North Carolina General Statute 143-355 (l) and that it will provide appropriate guidance for the future management of water supplies for the Town of Valdese, as well as useful information to the Department of Environment and Natural Resources for the development of a state water supply plan as required by statute.

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Valdese, North Carolina, that Water Shortage Response Plan entitled, **Water Shortage Response Plan, Town of Valdese, North Carolina, dated July 23, 2010**, is hereby approved and shall be submitted to the Department of Environment and Natural Resources, Division of Water Resources; and

BE IT FURTHER RESOLVED that the Valdese Town Council intends that this plan shall be revised to reflect changes in relevant date and projections at least once every five years or as otherwise requested by the Department, in accordance with the statute and sound planning practice.

This the 1st day of November, 2010.

/s/ James L. Hatley, Mayor

ATTEST: /s/ John "Chip" Black, Town Clerk

Councilman Delp was concerned about how citizens knew about the different stages of drought.

Mr. Cook said the proposed plan was posted at Town Hall, Triple District, and the Town's website; however, the fact that we were in a Stage 1 Drought was not posted on the website. The Catawba Wateree Drought Management Group was responsible for getting the word out to regional newspapers.

Mr. Morse said staff would place the drought information on the Town's website. Mayor Hatley asked if it could be announced on WSVM Radio. Mr. Morse said yes.

Councilman Black asked if commercial and industrial water users were included in Stage 1 and 2. Mr. Cook said no, they were not included in Stage 1 and 2.

There being no one else wishing to speak, Mayor Hatley closed the public hearing.

Councilman Black made a motion to adopt the aforementioned Resolution Adopting the Water Shortage Response Plan as amended (to exclude all non-commercial and industrial in Stage 1 and 2), seconded by Councilwoman Oxentine. The vote was unanimous.

CDBG AGREEMENT FOR KLEEN TECH Mr. Morse introduced Wayne Harris who was serving as a consultant for the Town and was working with Kleen Tech and the Western Piedmont Council of Governments on projects. Mr. Morse said the town was applying for a \$450,000 Community Development Block Grant (CDBG), through the NC Department of Commerce for Kleen Tech to upgrade two aeration basins located at the old Hoyle Waste Treatment plant. He said a public hearing would be held for Kleen Tech incentives at the December Council Meeting. Town Attorney Marc Mitchell had recommended changes to the Public Facilities Agreement. Mr. Harris said the Public Facilities Agreement came from the Department of Commerce. Attorney Mitchell said his recommendations could be addressed in the Incentives Agreement in December.

Councilman Delp made a motion to approve a Public Facilities Agreement with Kleen Tech, seconded by Councilwoman Oxentine. The vote was unanimous.

ADOPTION OF RESOLUTION FOR NATURAL HAZARD MITIGATION PLAN Fire Chief Charlie Watts presented the Natural Hazard Mitigation Plan and said it was required by the federal government in order for the Town to be eligible for FEMA funds should the town experience any natural disasters such as ice storms, tornados, etc.

MULTI-JURISDICTIONAL PLAN: ADOPTION BY THE LOCAL GOVERNING BODY OF THE TOWN OF VALDESE

Requirement § 201.6(c)(5) *For multi-jurisdictional plans, each jurisdiction requesting approval of the plan must document that it has been formally adopted.*

**TOWN OF VALDESE
RESOLUTION ADOPTING THE
BURKE COUNTY MULTI-JURISDICTIONAL
HAZARD MITIGATION PLAN**

WHEREAS, the citizens and property within Burke County are subject to the effects of natural hazards that pose threats to lives and cause damage to property, and with the knowledge and experience that certain areas of the county are particularly vulnerable to flooding, high winds, severe winter storms, wildfires, drought and other natural hazards; and

WHEREAS, the County desires to seek ways to mitigate the impact of identified hazard risks; and

WHEREAS, the Legislature of the State of North Carolina has in Part 6, Article 21 of Chapter 143; Parts 3, 5, and 8 of Article 19 of Chapter 160A; and Article 8 of Chapter 160A of the North Carolina General Statutes, delegated to local governmental units the responsibility to adopt regulations designed to promote the public health, safety, and general welfare of its citizenry; and

WHEREAS, the Legislature of the State of North Carolina has in Section 1 Part 166A of the North Carolina General Statutes (adopted in Session Law 2001-214 --- Senate Bill 300 effective July 1, 2001), states therein in Item (a) (2) "For a state of disaster proclaimed pursuant to G.S. 166A-6(a) after August 1, 2002, the eligible entity shall have a hazard mitigation plan approved pursuant to the Stafford Act"; and

WHEREAS, Section 322 of the Federal Disaster Mitigation Act of 2000 states that local governments must develop an All-Hazards Mitigation Plan in order to be eligible to receive future Hazard Mitigation Grant Program Funds and other disaster-related assistance funding and that said Plan must be updated and adopted within a five year cycle; and

WHEREAS, Burke County has performed a comprehensive review and evaluation of each section of the previously approved Hazard Mitigation Plan and has updated said plan as required under regulations at 44 CFR Part 201 and according to guidance issued by the Federal Emergency Management Agency and the North Carolina Division of Emergency Management; and

WHEREAS, it is the intent of the Burke County Board of Commissioners to fulfill this obligation in order that the County will be eligible for federal and state assistance in the event that a state of disaster is declared for a hazard event affecting the County; and

WHEREAS, the Town of Valdese actively participated in the planning process of the multi-jurisdictional [Burke County] plan and has fulfilled all the requirements pertaining to jurisdictions participating in a multi-jurisdictional planning as established by FEMA.

NOW, THEREFORE, BE IT RESOLVED that the Town Council of the Town of Valdese hereby:

1. Adopts the Burke County Hazard Mitigation Plan; and
2. Separately adopts the sections of the plan that are specific to the Town of Valdese;
3. Vests Chief of the Valdese Fire Department with the responsibility, authority, and the means to:
 - (a) Inform all concerned parties of this action;
 - (b) Develop an addendum or annex to the Burke County Hazard Mitigation Plan as warranted by the unique situation of the Town;

- (c) Cooperate with Federal, State and local agencies and private firms which undertake to study, survey, map and identify floodplain and other hazard areas, and cooperate with neighboring communities with respect to management of adjoining floodplain and other hazard areas in order to prevent exacerbation of existing hazard impacts.
3. Appoints the Chief of the Valdese Fire Department to assure that the Hazard Mitigation Plan is reviewed annually and every five years as specified in the Plan to assure that the Plan is in compliance with all State and Federal regulations and that any needed revisions or amendments to the Plan are developed and presented to the Town Council of the Town of Valdese for consideration.
4. Agrees to take such other official action as may be reasonably necessary to carry out the objectives of the Hazard Mitigation Plan and the addendum and/or annex of the Town of Valdese to said Plan.

Adopted on this 1st day of November, 2010.

/s/ James L. Hatley, Mayor

Certified by: /s/ John "Chip Black, Town Clerk

Councilman Black asked if there was any way of notifying residents, such as a siren, that a tornado was approaching. Chief Watts said there was no way of notifying residents and he recommended citizens purchase weather radios.

Councilwoman Stevenson made a motion to adopt the aforementioned Resolution for the Natural Hazard Mitigation Plan, seconded by Councilwoman Oxentine. The vote was unanimous.

BRIEFING ON 911 COMMUNICATIONS Fire Chief Charlie Watts said Homeland Security was approached regarding consolidating communications in Burke County. Due to a lack of state funds to support Public Safety Answering Points (PSAPs) and there are four in Burke County and Valdese being one of the four. They have made site visits to other counties that have consolidated communications. A consulting group had been hired using 911 funds to look at the project with final report due December 31, 2010. Chief Watts recommended consolidating communications because the calls can be answered quicker with a shorter response time for fire, police and EMS.

Council thanked Chief Watts for the update.

LOCAL FUNDING FOR WALDENSIAN MILL PROJECT Town Manager Jeff Morse said the project is close to completion with a proposed public computer center, two screen movie theater, restaurants, offices, retail shops, etc. He introduced Beverly Carlton, Executive Director, Olive Hill Community Economic Development Corporation, Inc., who received a grant from the federal government for a computer center at Waldensian Mill. Mr. Morse reviewed a current funding plan for the overall facility as follows:

North Carolina Rural Center	\$ 400,000
Town of Valdese	200,000
Rostan Foundation Grant	50,000
Rostan Foundation 2 yr loan	100,000
VEDIC	128,000
Private investment	\$1,000,000

Mr. Morse request final direction from Council to proceed with the project at the aforementioned funding level. He said Attorney Mitchell would prepare contracts. All funds would be through VEDIC and the Town would provide funds in the amount of \$300,000 (\$200,000 plus the Rostan Foundation 2 yr loan). Mr. Clark Erwin, Owner of the Waldensian Mill would donate to the town space for a Movie Theater Project.

Attorney Mitchell said he had concerns if the movie theater project did not go and they did not pay the rent. There would be no money coming in and the town would own the space and then the issue becomes what the condominium charges would be for common areas and heating and air conditioning and expenses just to move into the building. Mayor Hatley said these issues would need to be addressed.

Mr. Morse said he had conversations with the developer and if the project did not go and it became a vacant facility the town's portion of the common area would be put on hold and the town would not be responsible until another renter came into the center to utilize that space. Mr. Morse said he had requested that Attorney Mitchell be completely satisfied with his concerns as well as the concerns of Council. Attorney Mitchell said he could not satisfy that the

movie theater would be a success or that the operations would not default and there could be hundreds of thousands of public money to construct a movie theater.

Councilman Black asked if the rent in the amount of \$3,000 starting in the second year was the only element of cash flow the town was expecting. Mr. Morse said yes.

Mr. Morse said the developer would need a commitment from Council that if everything for a movie theater project works out, all questions could be answered, to Council's satisfaction if Council would be supportive of moving forward on the project. Attorney Mitchell asked as a matter of policy if everything gets worked out would this be a wise investment of funds. He said there are a lot of details and agreements to be worked out such as agreement with The Rostans, the loan terms to be paid back, movie theater negotiations for lease arrangements, condominium fees set up and negotiations on charges for the town, guarantees (if any) from movie theater operators, issues of benefits of a movie theater to the town for the money, etc. Attorney Mitchell said if issues get worked out within some reason, conceptually is that something Council thinks is a good thing and to look into and pursue further or not.

Mr. Morse said the town had a space at the Waldensian Mill and bring in a management team to operate a two screen, 120 seat, movie theater to bring people to Valdese. The concept behind the project is to provide things for people to do in Valdese. He said the town was offering a \$200,000 grant and \$100,000 loan for a movie theater and the town would protect its investment as the owner of the Waldensian Mill would turn over 8,000 square feet of space to the town. There would be assets worth at least \$500,000 and if the movie theater was not a success the town could recover \$.50 to \$.60 on the dollar plus the town would have 8,000 square feet to rent to someone else. The project is not just a movie theater project but opportunities for retail, offices, etc. Valdese Manufacturing is allowing the town additional parking. He said Council would be committing the funds if Attorney Mitchell could satisfy all contractual requirements.

Mayor Hatley called for the vote to proceed with the movie theater project at the Waldensian Mill pursuant to Attorney Mitchell making sure contractual documents are good and fair, knowing that Attorney Mitchell would not know if the project were to proceed but that contracts are right and legal.

After a brief discussion, Councilman Black made a motion to not proceed with the Movie Theater Project.

Mayor Hatley said the motion failed due to the lack of a second.

Councilman Delp made a motion to continue investigating the movie theater project until everything is worked out and funds would not be committed until everything was worked out.

Mayor Hatley asked Councilman Delp if his motion was to allocate the funds at a later date and Councilman Delp said yes. Councilman Delp said he was hoping this project would work and he is willing to take the chance of moving forward with the project. Mayor Hatley asked Councilman Delp that he was voting on the project as presented. Councilman Delp said yes.

The motion was seconded by Councilman Ogle.

Voting aye: Councilman Delp and Councilman Ogle

Voting nay: Councilman Black

Not voting: Councilwoman Oxentine and Councilwoman Stevenson

Mayor Hatley reminded Council before he proceeded with the meeting that those who did not vote either way that their vote would be considered a yes vote.

Mayor Hatley said the motion carried 4 to 1.

Mayor Hatley said he was not feeling well and asked to be excused from the meeting. Mayor Pro Tem Stevenson presided.

FUNDING FOR ROOF REPAIRS – RECREATION CENTER Park and Recreation Director Tim Rhoney said he learned this date that the roof repairs were within the budget of the check received for roof damage in the amount of \$2,500 and would not exceed that amount.

Councilwoman Oxentine made a motion to approve the aforementioned roof repairs, seconded by Councilman Ogle. The vote was unanimous.

MAYOR AND COUNCIL COMMENTS:

Councilman Delp said he appreciated the opportunity to attend the recent NC League of Municipalities Annual Conference in Winston-Salem. He said he had received three e-mails from people he met there and one of them requested information about Valdese's Public Assistance Utility Program. He said it was a great networking opportunity.

Councilman Ogle said there was a complaint about Washington Avenue, a dirt road behind the old Burke Baptist Church. The citizens were requesting that the road be graveled. Public Works Director Bryan Duckworth said he would check the road.

Mayor Pro Tem Stevenson said she would like to see better communications with citizens on issues such as drought stages and recycling. Mr. Morse said staff would continue to work on ways to get information out to our citizens utilizing our water bills. Councilman Black said staff may want to look at using envelopes in order to add announcements with the water bill mailing. Public Utilities Manager Debbie Jones said the Finance Director was checking into envelopes.

Mayor Pro Tem Stevenson asked about the relocation of REACT. Mr. Morse said staff was working closely with REACT.

MANAGER'S REPORT: Town Manager Jeff Morse made the following announcements:

REMINDER OF JOINT MEETING WITH VALDESE PLANNING BOARD ON MONDAY, NOVEMBER 15, 2010, 4:00 P.M., AT THE NEW VALDESE TOWN HALL LOCATED AT 102 MASSEL AVENUE, SW

REMINDER OF ANNUAL MEETING WITH VALDESE MERCHANTS ON THURSDAY, NOVEMBER 18, 2010, 6:30 P.M., OLD ROCK SCHOOL, WALDENSIAN ROOM

REQUEST TO CLOSE TOWN HALL FOR THE MOVE TO THE NEW TOWN HALL – FRIDAY, NOVEMBER 19, 2010
Mr. Morse said employees would be working.

Councilman Black made a motion to close Town Hall on Friday, November 19, 2010, to facilitate the move, seconded Councilwoman Oxentine. The vote was unanimous.

VALDESE CHRISTMAS PARADE, SATURDAY, DECEMBER 4, 2010, 10:00 A.M.

ANNOUNCEMENT OF THE RETIREMENT OF POLICE CHIEF JOHN SUTTLE; AUTHORIZATION TO HIRE FOR OPEN POSITION – POLICE DEPARTMENT; RESOLUTION DECLARING WEAPON AND BADGE SURPLUS; AND RETIREMENT RECEPTION ON THURSDAY, DECEMBER 2, 4:00 - 6:00 p.m., NEW TOWN HALL

**RESOLUTION AWARDDING TO
RETIRING POLICE CHIEF JOHN SUTTLE
HIS BADGE AND SERVICE SIDE ARM**

WHEREAS, G.S. 20-187.2 provides that a retiring member of a town law enforcement agency may receive, at the time of his retirement, the badge worn or carried by such retiring officer during his service with the town; and

WHEREAS, G.S. 20-187.2 further provides that the governing body of a municipal law enforcement agency may, in its discretion, award the retiring member the service side arm of such retiring member upon his securing a permit as required by G.S. 14-402 et. seq. or G.S. 14-409.1 et. seq. or without permit provided the weapon shall have rendered incapable of being fired; and

WHEREAS, Police Chief John Suttle will be retiring on December 1, 2010, and the town council wishes to honor and thank Chief Suttle for his service as Police Chief of the Town of Valdese by awarding to him his badge and service side arm at the time of his retirement.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF VALDESE THAT, in consideration of the dedicated service provided to the Town of Valdese by Police Chief John Suttle and upon his

securing a permit as required by G.S. 14-402, Chief John Suttle is to be awarded, at no additional cost to him, his badge and the side arm assigned to him at the time of his retirement.

ADOPTED BY THE VALDESE TOWN COUNCIL THIS 1ST DAY OF NOVEMBER, 2010.

TOWN OF VALDESE

By: /s/ James L. Hatley, Mayor

ATTEST: /s/ Town Clerk

Councilman Ogle made a motion to adopt the aforementioned resolution and to authorize staff to hire for open position, seconded by Councilwoman Oxentine. The vote was unanimous.

REQUEST TO SELL WINE Community Affairs Director Barbara Hefner said she received a request from Clint Bernard, Americana Stage, regarding a performance by David Holt at the Old Rock School on November 19, 2010 and requested wine sales by Waldensian Heritage Winery.

Councilman Black made a motion to authorize wine sales at the aforementioned event, seconded by Councilman Delp. The vote was unanimous.

GRAND OPENING – VALDESE ABC STORE Mr. Morse reported the Grand Opening was well attended and things were going well. The ABC Store Manager and employees are doing an excellent job.

GRAND OPENING OF BIG JON'S TOBACCO & BEVERAGE (former Childers Market located on Hwy 70) Community Affairs Director Barbara Hefner invited Council to attend the grand open this Thursday, November 4, 2010, 3:45 p.m. Mr. Morse requested as many Council Members as possible to please attend the grand opening.

At 8:55 p.m., there being no further business to come before the Council, Mayor Pro Tem Stevenson adjourned the meeting.

The next meeting is a special, joint meeting with the Valdese Planning Board on Monday, November 15, 2010, 4:00 p.m., to review proposed amendments to the Valdese Zoning Ordinance. The meeting will be held at the New Town Hall located at 102 Massel Avenue, SW, Valdese, North Carolina.

Town Clerk

Mayor

tr

**TOWN OF VALDESE
TOWN COUNCIL SPECIAL MEETING WITH VALDESE PLANNING BOARD
MONDAY, NOVEMBER 15, 2010, 4:00 p.m. (First Meeting in the New Town Hall)**

The Town of Valdese Town Council held a Special Meeting with the Valdese Planning Board on Monday, November 15, 2010, at 4:00 p.m., at the new Valdese Town Hall located at 102 Massel Avenue, SW, Valdese, North Carolina. The purpose of the special meeting was to review proposed amendments to the Zoning Ordinance.

The following were present: Mayor James L. Hatley, Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, and Councilman Chip Black.

Absent: Councilman Gary Delp and Councilman Keith Ogle.

A quorum was present. No action was taken.

Planning Board Members Present: Chairman Roy Sweezy, John Rostan, Scott Watts and Barry Zimmerman (left at 5:00 p.m.). Absent: Jean Dalmas and David Thompson

Also present were Town Attorney Marc Mitchell, Town Manager Jeffrey V. Morse, Planning Director Larry Johnson, Deputy Town Clerk Thelda B. Rhoney, ASU Intern Kyle Nowak and Western Piedmont Council of Governments Representative Laurie LoCicero.

REVIEW OF PROPOSED AMENDMENTS TO THE VALDESE ZONING ORDINANCE

At 4:00 p.m., Mayor Hatley called the meeting to order. He thanked the Members of the Planning Board for the work they do.

Mr. Johnson, Ms. LoCicero and Mr. Nowak review the proposed major changes to the Zoning Ordinance. Members of Council recommended a few minor changes to the proposed amendments.

At 5:00 p.m., Mayor Hatley called for a five minute break. At 5:05 p.m., Mayor Hatley called the meeting back to order.

At 5:30 p.m., everyone enjoyed dinner catered by Bill Viggers.

At 6:15 p.m., Mayor Hatley adjourned the meeting and again thanked everyone for attending.

The next Council meeting is a Joint Meeting with the Valdese Downtown Merchants on Thursday, November 18, 2010, 6:30 p.m., Old Rock School, Waldensian Room.

Town Clerk

Mayor

tr

**TOWN OF VALDESE
TOWN COUNCIL SPECIAL MEETING WITH VALDESE MERCHANTS ASSOCIATION
THURSDAY, NOVEMBER 18, 2010, 6:30 p.m.**

The Town of Valdese Town Council joined the Valdese Merchants Association for dinner on Thursday, November 18, 2010, at 6:30 p.m., at the Old Rock School. The purpose of the meeting was for an annual joint dinner meeting with the Valdese Merchants Association (VMA). The following were present: Mayor James L. Hatley and Councilwoman Vickie Oxentine.

Absent: Councilman Keith Ogle, Councilman Gary Delp, Councilwoman Susan Stevenson, and Councilman Chip Black.

A quorum was not present and no action was taken.

Also present: Town Manager Jeffrey V. Morse and Community Affairs Director Barbara Hefner.

At 6:30 p.m. Mayor Hatley called the meeting to order.

Community Affairs Director Barbara Hefner introduced her new assistant, Morrissa Walker. She also introduced Laura Snipes, Valdese Merchant Association President. Ms. Hefner invited everyone to enjoy dinner catered by Giovannis.

Ms. Snipes welcomed new prospective members and informed them of the dates and times of the next meeting. She said the VMA has a scholarship fund and awarded their first scholarship this year. She offered a brief report concerning upcoming events: December 4, 2010 - Christmas Parade and December 10 -Christmas in Valdese event.

Town Manager Jeff Morse reported on town news and he introduced Alan VanNoppen, VanNoppen Marketing who provided a brief report concerning the new business marketing plan. Mr. VanNoppen said he was in the first stages of gathering information. He projected that part of the new plan would be to purchase a domain name for Valdese Merchants website. He stated that Ms. Hefner and Ms. Walker would continually update the website and the merchants would need to provide any information that needed to be added to the website. Each merchant would have their own page on the website. He also suggested that if merchants had any ideas to pass them on to Ms. Hefner and she would forward to Mr. VanNoppen.

Mayor Hatley thanked everyone for attending and appreciated all the hard work that the merchants do in supporting the Town of Valdese.

At 7:45 p.m., Mayor Hatley adjourned the meeting.

The next meeting is a Special Council Meeting on Tuesday, November 30, 2010, 11:30 a.m., New Town Hall for a public hearing regarding new town hall financing.

Town Clerk

Mayor

tr

**TOWN OF VALDESE
TOWN COUNCIL SPECIAL MEETING
NOVEMBER 30, 2010, 11:30 a.m.**

The Town of Valdese Town Council met in special session on Tuesday, November 30, 2010, at 11:30 a.m., at the New Town Hall, located at 102 Massel Avenue, SW, Valdese, North Carolina. The purpose of the meeting was regarding financing for the new town hall. The following were present: Mayor James L. Hatley, Councilman Gary L. Delp, Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, and Deputy Town Clerk Thelda B. Rhoney.

Absent: Councilman Keith Ogle

A quorum was present.

Mayor Hatley called the meeting to order at 11:30 a.m. He offered the Invocation and led in the Pledge of Allegiance to the Flag. He said the purpose of the special meeting was to hold a public hearing and adopt resolutions for financing agreements for the permanent financing of the construction of the New Town Hall.

PUBLIC HEARING – ENTERING INTO FINANCING AGREEMENTS FOR THE PERMANENT FINANCING OF THE CONSTRUCTION OF THE NEW TOWN HALL Mayor Hatley opened the public hearing.

Town Attorney Marc Mitchell reviewed documents for permanent financing of the new town hall. A deed of trust was required and the USDA - Rural Development was securing notes for financing. The statutes require a public hearing be held to solicit public comment on the proposed financing. He said a public hearing was held in 2005 for the Installment Financing Agreement to Fund Construction of a New Town Hall in the amount of \$1.2 million. The total cost of the project is \$1,826,500; therefore, a public hearing must be held on the remaining \$626,500 loan. He said the interest rate had gone down from 4.25% to 3.75%. There will be two separate promissory notes - \$1.2 million and \$626,500. Both would be secured by the deed of trust on the property. Payments due annually over 40 years for both notes. He said the loan would close at 2:00 p.m., this date. He reviewed the documents and recommended Council adopt the following resolution.

Mayor Hatley asked if anyone else wished to speak. There being no one to speak, Mayor Hatley closed the public hearing.

ADOPTION OF RESOLUTION AUTHORIZING THE FINANCING OF THE \$1,826,500 FOR THE COST OF THE NEW TOWN HALL THROUGH TWO LOANS FROM RURAL DEVELOPMENT (\$1,200,000 AND \$626,500) AND THE EXECUTION OF RELATED DOCUMENTS Attorney Mitchell presented the following resolution:

RD-NC 1942-47-1

Position 5
Loan Resolution
(Public Bodies)
(REAL ESTATE ONLY)

A RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF VALDESE AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING AND/OR EXTENDING ITS TOWN HALL (HEREIN AFTER CALLED FACILITY) TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

WHEREAS, it is necessary for the TOWN OF VALDESE

(Public Body)

(herein after called the Public Body) to raise a portion of the cost of such undertaking by the approval and execution of an Installment/Purchase Contract (herein after called Contract) in the principal amount of \$626,500.00 pursuant to the provisions of NORTH CAROLINA GENERAL STATUTES: and

WHEREAS, the Public Body intends to obtain assistance from Rural Development, United States Department of Agriculture (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking.

NOW THEREFORE, in consideration of the premises the Public Body hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the adoption of the Contract containing such items and in such forms as are required by State statutes and as are agreeable and acceptable to the Government.

2. To refinance the unpaid balance, in whole or in part, of the Contract upon the request of the Government if at any time it shall appear to the Government that the Public Body is able to refinance its debt obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333(c) of said Consolidated Farm and Rural Development Act [U.S.C. 1983(c)].

3. To provide for, execute, and comply with Form FmHA 400-4, Assurance Agreement," and Form FmHA 400-1, "Equal Opportunity Agreement," including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.

4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Public Body. Such indemnification shall be payable from the same source of funds pledged to pay the loan or any other legal permissible source.

5. That upon default in the payments of any principal and accrued interest on the loan or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the loan or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan may be construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Public Body, and default under any such instrument may be construed by the Government to constitute default hereunder.

6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.

7. Not to defease the Contract, or to borrow money, enter into any contract or agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of the Government if such undertaking would involve the source of funds pledged to pay the indebtedness.

8. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.

9. To provide for the receipt of adequate revenues to meet the requirements of debt service, operation and maintenance, and the establishment of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by Rural Development.

10. To acquire and maintain such insurance and fidelity bond coverage as may be required by the Government.

11. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the Government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.

12. To provide the Government at all reasonable times, access to all books and records relating to the facility and access to the facility so that the Government may ascertain that the Public Body is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.

13. That if the Government requires that a reserve account be established and maintained, disbursements from that account may be used when necessary for payments due if sufficient funds are not otherwise available. With the prior written approval of the Government, funds may be withdrawn for:

- (a) Paying the cost of repairing or replacing any damage to the facility caused by catastrophe.
- (b) Repairing or replacing short-lived assets.
- (c) Making extensions or improvements to the facility.

Any time funds are disbursed from the reserve account, additional deposits will be required until the reserve account has reached the required funded level.

14. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain Rural Development's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right of action against the Public Body.

15. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.

16. To accept a grant in an amount not to exceed \$-0- under the terms offered by the Government; that the and of the Public Body are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant, and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instruments, shall be binding upon the Public Body for the life of the loan. The provisions of sections 6 through 16 hereof may be provided for in more specific detail in the Contract; to the extent that the provisions contained in such Contract should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Public Body and the Government or assignee.

The vote was: Yeas ____ 4 ____ Nays ____ 0 ____ Absent ____ 1 ____

IN WITNESS WHEREOF, THE TOWN COUNCIL OF THE TOWN OF VALDESE has duly adopted this resolution and caused it to be executed. By the officers below in duplicate on the 30th day of November, 2010.

Jeffrey V. Morse, Town Manager

Attest: /s/ Thelda B. Rhoney, Deputy Town Clerk

Councilman Black made a motion to adopt the aforementioned resolution for a loan of \$625,500, seconded by Councilwoman Stevenson. The vote was unanimous.

ADOPTION OF RURAL DEVELOPMENT LOAN RESOLUTION AUTHORIZING \$626,500 LOAN FROM RURAL DEVELOPMENT IN ADDITION TO THE \$1.2 MILLION DOLLAR LOAN PREVIOUSLY APPROVED Town Attorney Marc Mitchell presented the following resolution:

**RESOLUTION APPROVING
INSTALLMENT FINANCING AGREEMENTS
(USDA, RURAL DEVELOPMENT)**

WHEREAS, the Town of Valdese (the Town) previously approved the construction of a new town hall for the Town (the new Town Hall); and

WHEREAS, the Town obtained financing for the construction of the new Town Hall through a loan from Branch Banking and Trust Company (BB&T); and

WHEREAS, the Town has obtained a commitment for permanent financing of the construction and furnishing of the new Town Hall through two loans from the United States Department of Agriculture, Rural Development (Rural Development), one loan being in the principal amount of \$1.2 million dollars and the other loan being in the principal amount of \$626,500 (the loans); and

WHEREAS, the annual interest rate owed in connection with the loans will be 3.75%;

WHEREAS, in order to close the loans, the Town will be required to execute promissory notes, a deed of trust, installment/purchaser contracts and related documents, including an Equal Opportunity Agreement and an Assurance Agreement; and

WHEREAS, G.S. 160A-20 authorizes a unit of local government to finance or refinance the construction of improvements on real property by contracts that create in the property on which the improvements are located a security interest to secure repayment of monies made available for construction; and

WHEREAS, G.S. 160A-20 also authorizes a unit of local government to finance the purchase of personal property such as furniture and equipment used to furnish the new Town Hall and grant a security interest in such purchased furniture and equipment; and

WHEREAS, the Town has held a public hearing in connection with the proposed permanent financing of the construction of the new Town Hall as required by G.S. 160A-20; and

WHEREAS, the Town Council is of the opinion that the proposed permanent financing documents should be approved and that the proper officers of the Town should be authorized and directed to execute such documents as necessary in connection with the closing of the loans;

IT IS THEREFORE RESOLVED AS FOLLOWS:

1. The Town shall obtain permanent financing for the construction and furnishing of the new Town Hall through the loans.

2. All financing contracts and related documents to be executed on behalf of the Town in connection with the closing of the loans shall be consistent with the terms set forth above. The proper officers and employees of the Town are authorized and directed to execute and deliver such financing documents, and to take all such further action as they may consider necessary or desirable to close the loans and complete the permanent financing of the construction and furnishing of the new Town Hall as contemplated by this resolution. Those documents shall include Promissory Notes, a Deed of Trust, Installment Financing/Purchase Agreements and such other related documents as required by Rural

Development.

3. Officers and employees of the Town are also authorized and directed to execute on behalf of the Town the Equal Opportunity Agreement and the Assurance Agreement as required by Rural Development/

THIS RESOLUTION WAS ADOPTED THIS 30th DAY OF NOVEMBER, 2010.

TOWN OF VALDESE
By: /s/ James L.. Hatley, Mayor

Attest: /s/ Thelda B. Rhoney, Deputy Town Clerk

Councilman Black made a motion to adopt the aforementioned resolution for installment financing for USDA - Rural Development, seconded by Councilwoman Oxentine. The vote was unanimous.

Town Manager Jeff Morse introduced Ms. Julie N. Chang, Reporter with The News Herald.

At 11:43 a.m., Mayor Hatley adjourned the meeting and invited Council to enjoy lunch catered by Myra's.

The next meeting is a regularly scheduled meeting on Monday, December 6, 2010, 7:00 p.m., New Town Hall.

Town Clerk

Mayor

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**TOWN OF VALDESE
TOWN COUNCIL MEETING
DECEMBER 6, 2010 (Continued December 13, 2010)**

The Town of Valdese Town Council met on Monday, December 6, 2010, at 7:00 p.m., in the Valdese Town Hall, Town Council Chambers, 102 Massel Avenue, SW, Valdese, North Carolina. The following were present: Mayor James L. Hatley, Councilman Keith Ogle, Councilman Gary L. Delp, Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, Deputy Town Clerk Thelda B. Rhoney, and various department heads.

Absent: None

A quorum was present.

Mayor Hatley called the meeting to order at 7:00 p.m. He offered the Invocation and led in the Pledge of Allegiance to the Flag.

OPEN FORUM/PUBLIC COMMENT No one spoke.

CONSENT AGENDA: (enacted by one motion)

Councilman Ogle made a motion to approve the Consent Agenda, seconded by Councilwoman Stevenson. The vote was unanimous.

APPROVED MINUTES – REGULAR MEETING OF NOVEMBER 1 AND SPECIAL MEETINGS OF NOVEMBER 15, NOVEMBER 18, AND NOVEMBER 30, 2010

ADOPTED RESOLUTION - 2011 MEETINGS CALENDAR

**Resolution
Adopting 2011 Town Council Meeting Schedule**

WHEREAS, pursuant to Section 2-1011 of the Town of Valdese Code of Ordinances, there shall be a regular meeting of the council at the town hall, on the first Monday in each month, at 7:00 p.m., unless another place, date or time shall be designated.

NOW, THEREFORE, BE IT RESOLVED that the Town of Valdese Town Council adopts the following Meeting Schedule for 2011:

January 3, 2011
February 7, 2011
March 7, 2011
March 21, 2011 – 3:00 p.m. – 8:00 p.m., Monday, Annual Budget Retreat – New Town Hall
April 4, 2011
May 2, 2011
June 6, 2011
June 27, 2011 – Budget Public Hearing; also serves as the July Council Meeting
August 1, 2011
September 12, 2011, Monday, 7:00 p.m., due to Labor Day Holiday
October 3, 2011
November 7, 2011
November 17, 2011, 6:30 p.m., Thursday, Annual Meeting with Valdese Merchants Association, Old Rock School, Waldensian Room
December 5, 2011

This 6th day of December, 2010.

/s/ James L. Hatley, Mayor

APPROVED GRANT AGREEMENT FROM THE RURAL CENTER FOR TRIPLE DISTRICT HYDRAULIC MODEL

Grant in the amount of \$20,000 plus a \$10,000 town match.

APPROVED RENEWAL OF LEASE AGREEMENT WITH SHERRY'S DANCE STUDIO Approval of extended lease until November 6th, 2011 in the amount of \$264 per month.

APPROVED ANNUAL CERTIFICATION OF FIREMEN Approved following list of firefighters for certifying eligibility for line-of-duty death benefits and pension fund credit:

Guy Abee; George Anthony; Ernest Milton Bertalot; Dwayne E. Branch; Sherrill Brittain; John Campbell; Nicky Ray Carswell; Lew Edwards; James Todd Frizsell; Herb Garrou; Eric Greene; Jack Stuart Harris; Jeffery S. Harvey; Gregory L. Icard; Mark Icard; Steve A. Kiddy; Seth P. Kovak; Willard D. Lackey; Jackie L. Lail; Michael T. Maltba; Dustin Thomas McKinney; Reva S. Michael; Thomas Heath Oxentine; Joshua C. Paris; Timothy G. Parton; Danny L. Pendergrass; Tyler Warren Phillips; Douglas E. Price; Marnie L. Price; Mark Queen; Nick Earl Reed; Nick Earl Reed, Jr.; Ricky A. Rhoney, Jr.; David Rust; William Shook; Gregory Stafford; David Cobb Thompson; Earl Ward; Leonard Charles Watts; and Tim Williams

ITEM(S) REMOVED FROM CONSENT AGENDA:

ENGINEERING AGREEMENT WITH THE WOOTEN COMPANY FOR TRIPLE DISTRICT HYDRAULIC MODEL - \$30,000 Town Attorney Marc Mitchell recommended Item H on page 4 of the agreement be deleted. (Copy of Agreement on file in the Office of Town Manager.)

Councilman Ogle made a motion to approve the aforementioned agreement with the deletion of Item H, page 4, seconded by Councilwoman Oxentine. The vote was unanimous.

PUBLIC HEARING – ORDINANCE FOR PROPOSED ZONING AMENDMENTS Mayor Hatley opened the public hearing and asked if anyone wished to speak either for or against.

Planning Director Larry Johnson gave a brief overview of the proposed amendments. He said amendments were reviewed in the joint Council/Planning Board workshop on November 15, 2010. He said the Planning Board worked over a year on the amendments and recommended Council approve the proposed zoning amendments.

There being no one else wishing to speak, Mayor Hatley closed the public hearing.

NOTE: Ordinance for Zoning Amendments may be found in Ordinance Book No. 8, pg 202.

Councilwoman Stevenson made a motion to approve the amendments to the Zoning Ordinance, seconded by Councilman Delp. The vote was unanimous.

PUBLIC HEARING AND APPROVAL OF KLEEN TECH ECONOMIC DEVELOPMENT INCENTIVES AGREEMENT Mayor Hatley opened the public hearing and asked if anyone wished to speak either for or against.

Town Attorney Marc Mitchell reviewed the following agreement, as amended:

**ECONOMIC DEVELOPMENT GRANT AGREEMENT
(Kleen-Tech, Inc.)**

THIS AGREEMENT is made and entered into as of the ___ day of December, 2010 (the "Agreement"), by and between the TOWN OF VALDESE (the "Town"), a North Carolina municipal corporation; and KLEEN-TECH, INC. (the "Company"), a North Carolina corporation.
WITNESSETH:

WHEREAS, the Town is vitally interested in the economic welfare of its citizens and the creation and maintenance of jobs, and the Town therefore wishes to provide the conditions necessary to stimulate investment in the local economy, create and retain jobs and encourage economic growth and development; and

WHEREAS, the Company has considered locating a facility in the Town which would create jobs; and

WHEREAS, as an inducement to cause the Company to locate a facility in the Town and make the investments and create the jobs as hereafter described, the Town has agreed to donate to the Company a parcel of land as authorized by G.S. 158-7.1; and

WHEREAS, the Town has determined that the fair market value of the property to be donated to the Company is \$75,000; and

WHEREAS, the Town has further determined that, taking into account prospective tax revenues from improvements to be constructed on the property to be donated to the Company, prospective sales tax revenues to be generated in the Town as well as other prospective tax revenues or income coming to the Town over the next ten (10) years as result of the conveyance of the property to the Company, the consideration to be received will exceed the fair market value of the donated property; and

WHEREAS, the Town has determined the probable average hourly wage to be paid to workers working at the Company's facility to be located at the donated property and the Town has determined that the conveyance will stimulate the local economy, promote business and result in the creation of a substantial number of jobs in the Town that pay at or above the median average wage in Burke County; and

WHEREAS, the Town has held a public hearing in accordance with G.S. 158-7.1(d);

IT IS THEREFORE AGREED AS FOLLOWS:

1. DEFINITIONS. In administering and construing this Agreement, the following definitions shall apply:

Aerator Basins. The basins and related appurtenances located on property owned by the Town and which the Town has agreed to lease to the Company.

Facility. The building to be constructed by the Company on the Property which shall contain at least 15,000 square feet of heated floor space.

Machinery Act. The laws of North Carolina governing the listing, appraisal, assessment and collection of taxes on property. Subchapter II, Chapter 105, North Carolina General Statutes.

Property. The parcel to be conveyed to the Company pursuant to the terms of this Agreement, more particularly described as being parcel or tract containing 4.983 acres more or less as shown in that plat recorded in Plat Book 40, page 105, Burke County Registry. The Property will be conveyed together with and subject to a joint easement for ingress, egress and regress over and across that 40-foot wide private drive as shown in Plat Book 40, page 105, Burke County Registry.

Qualified Employees. Permanent, fulltime employees of the Company who work fulltime at the Facility.

2. GRANT OF PROPERTY. Subject to the terms and conditions set forth in this Agreement, the Town shall convey the Property to the Company. The title to the Property shall be conveyed by special warranty deed, subject to all easements, rights of way and restrictions and other matters that are of record at the time of the conveyance of the Property.

3. CONDITIONS TO GRANT OF PROPERTY. The Town's obligation to convey the Property to the Company as an economic development grant shall be subject to the following conditions:

- a. The Company shall have provided to the Town plans and drawings of the Facility acceptable to the Town, and the Company shall have entered into a contract for the construction of the Facility.

- b. The Company shall have obtained a commitment for the financing of the construction of the Facility.

- c. The Company shall have provided to the Town evidence satisfactory to the Town that the cost of constructing the Facility shall be at least \$700,000.

- d. The Company shall have provided the Town with evidence satisfactory to the Town that the Company will purchase equipment and machinery to be located at the Facility costing at least \$300,000 and that the Company has obtained a commitment for the financing of the purchase of that equipment and machinery.

- e. The parties shall have entered into a mutually acceptable agreement pursuant to which the Company will lease the Aerator Basins from the Town.
- f. The Company shall be ready, willing and able to close its construction loan financing for the construction of the Facility within ninety (90) days from the date of this Agreement.
- g. There shall have been no material changes in the Company's business which could adversely affect the ability of the Company to construct the Facility, operate its industrial laundry business at the Facility or meet its job creation and other obligations under this Agreement.
- h. The Company shall have provided the Town with such documentary evidence of the Company's fulfillment of these conditions as the Town shall have reasonably requested.
- i. Timothy Glenn shall have executed and delivered to the Town the guaranty agreement referred to in subparagraph 7.b. of this Agreement.

4. CLOSING. Subject to the terms and conditions set forth in this Agreement, the Town shall convey the Property to the Company immediately prior to the recording of the deed of trust securing the construction loan to be obtained by the Company to pay for the construction of the Facility; provided, however, closing shall take place within ninety (90) days from the date of this Agreement.

5. CONSTRUCTION OF FACILITY. The Company shall complete the construction of the Facility as follows:

- a. The Facility shall be completed substantially in accordance with the plans and specifications presented to and approved by the Town.
- b. The Facility as completed shall contain at least 15,000 square feet of heated floor space.
- c. Construction of the Facility shall be completed within one (1) year from the date of this Agreement.
- d. The cost of constructing the Facility shall be at least \$700,000.

6. COMPANY OBLIGATIONS. In consideration of the conveyance of the Property to the Company, the Company agrees as follows:

- a. The Company shall purchase machinery and equipment at the cost of at least \$300,000 within one (1) year from the date of this Agreement, and the Company shall thereafter maintain machinery and equipment at the Facility taxable by the Town having a value of the least \$300,000 for a period of least ten (10) years from the date of this Agreement. The Company shall from time to time provide the Town with such evidence as reasonably requested by the Town to enable the Town to confirm the value of the machinery and equipment owned by the Company and kept at the Facility.
- b. The Company anticipates employing at least seventy-three (73) qualified employees at the Facility. The Company shall, however, employ and maintain a minimum of thirty (30) Qualified Employees at the Facility within five (5) years from the date of this Agreement, and at least thirty (30) Qualified Employees shall be employed by the Company at the Facility as of December 31, 2012. The Company shall from time to time provide the Town with such evidence as reasonably requested by the Town to enable the Town to confirm the number of Qualified Employees employed by the Company at the Facility.
- c. Within three (3) years from the date of this Agreement, the Company's water usage at the Facility shall equal or exceed an average of 50,000 gallons per day.
- d. Beginning January 1, 2013, and continuing for a period of seven (7) years thereafter, the minimum monthly water and sewer bill to be paid to the Town by the Company shall be that amount that would be charged by the Town based upon the Company using an average of 50,000 gallons of water per day. In any month during this period of time in which the Company uses less than an average of 50,000 gallons of water per day, the Company shall nevertheless be bill and pay for water and sewer as if its usage was an average of 50,000 gallons per day.

f. The Company shall begin operating an industrial laundry at the Facility within one (1) years from the date of this Agreement and the Company shall continue to operate the industrial laundry at the Facility for at least five (5) years from the date the Company commences its laundry operation at the Facility.

7. **CLAW-BACK PROVISIONS.** If the Company fails to meet the following obligations under this Agreement, the Company shall compensate the Town as follows:

a. If the Company fails to employ at least thirty (30) Qualified Employees at the Facility as of December 31, 2012, the Company shall, within ninety (90) days from such date, pay to the Town a sum calculated as follows: The parties shall determine the number of Qualified Employees employed by the Company at the Facility as of December 31, 2012, and determine the percentage by which the Company missed its 30 Qualified Employee requirement. For example, if the number of Qualified Employees employed by the Company as of December 31, 2012 is 24, the Company would have employed 80% of the Qualified Employees it is required to employ and it would therefore have missed this requirement by 20%. The parties would then multiply the percentage by which the Company missed the 30 Qualified Employee requirement by the value of the Property. That amount is the amount that would have to be repaid by the Company to the Town. For example, if the Company is 20% short in the number of Qualified Employees it hires, the amount to be repaid by the Company to the Town would be \$15,000 (20% x \$75,000).

b. Upon the failure of the Company to construct the Facility in accordance with the terms of this Agreement, the Company shall within thirty (30) days of demand by the Town reconvey the Property to the Town. If the Company is unable to reconvey to the Town title to the Property free from liens and encumbrances because of foreclosure or a prior deed of trust or other lien or encumbrance against the Property which was not a matter of record at the time of closing, in lieu of reconveying the Property to the Town the Company shall pay to the Town within thirty (30) days of demand by the Town the purchase value of the Property. This obligation to pay the agreed purchase value of the Property to the Town shall be secured by a guaranty agreement in form satisfactory to the Town to be executed by Timothy Glenn and delivered to the Town at or prior to closing.

These Claw-Back provisions shall not be construed as affecting any other rights or remedies the Town may have in the event of the Company's breach of any of its obligations under this Agreement.

8. **MISCELLANEOUS.**

a. This Agreement shall be binding upon the parties hereto and their respective permitted successors and assigns.

b. No delay or omission of the right to insist on strict performance of any covenant or condition of this Agreement shall be a waiver of the right of the Town to insist upon strict performance of those covenants or conditions.

c. All prior representations, negotiations and agreements between the parties hereto are merged into this Agreement and this Agreement alone shall set forth the full understanding of the parties.

d. Any amendments to this Agreement shall be set forth in writing, shall refer to this Agreement and shall be signed by the parties.

IN WITNESS WHEREOF, the Town and the company, pursuant to the authority duly given, have executed this Agreement of the day and year first above written.

TOWN OF VALDESE

By: /s/ Jeffrey V. Morse, Town Manager

KLEEN-TECH, INC.

By: /s/ Timothy Glenn, President

There being no one else wishing to speak, Mayor Hatley closed the public hearing.

Mr. Morse introduced Tim Glenn and his brothers. Mr. Tim Glenn thanked the town for the opportunity to bring his business to Valdese.

After a brief discussion, Councilman Black made a motion to approve the Incentives Agreement with Kleen Tech, seconded by Councilwoman Oxentine. The vote was unanimous.

LEASE OF AERATOR BASINS – KLEEN TECH Town Attorney Marc Mitchell reviewed the lease agreement. (Copy on file in the Office of Town Manager.)

Councilman Black made a motion to approve the aforementioned Lease Agreement, seconded by Councilwoman Stevenson. The vote was unanimous.

CELL TOWERS DONATION AND ASSIGNMENT AGREEMENT Town Attorney Marc Mitchell presented the following agreement:

**CELL TOWER DONATION
AND ASSIGNMENT AGREEMENT**

THIS AGREEMENT is made and entered into as of the 6th day of December, 2010, by and between ELK RIVER CAPITAL PARTNERS, LLC, a North Carolina limited liability company (Elk River) and the TOWN OF VALDESE, a North Carolina municipal corporation (the Town).

WITNESSETH:

WHEREAS, the Town entered into a lease agreement with Elk River dated September 10, 2001, pursuant to which the Town leased to Elk River a parcel of land and easements for the construction and maintenance of a lattice tower and other appurtenances (the Elk River Lease); and

WHEREAS, Elk River subsequently constructed a lattice tower and related appurtenances on the leased property (the tower); and

WHEREAS, Elk River entered into a tower and ground space license agreement with Carolina West Wireless, Inc., a North Carolina corporation, (Carolina West) dated December 29, 2006 (the License Agreement), pursuant to which Elk River conferred a license upon Carolina West enabling Carolina West to occupy attachment locations on the tower as more particularly set forth in the License Agreement; and

WHEREAS, pursuant to the terms of the License Agreement, Carolina West pays to Elk River a license fee in the basic amount of \$1400 per month; and

WHEREAS, Elk River has agreed to donate and convey to the Town all of its right, title and interest in the tower and all other appurtenances and improvements constructed by Elk River on the property it is leasing from the Town; and

WHEREAS, Elk River has also agreed to assign to the Town of its rights and the Town has agreed to assume all of Elk River's obligations under the License Agreement; and

WHEREAS, the town council of the Town has agreed to accept the donation of the tower and related improvements and accept the assignment of the License Agreement pursuant to the terms of this agreement; and

WHEREAS, because Elk River will not longer own the tower, the parties have agreed to cancel the Elk River Lease;

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Elk River hereby donates and transfers to the Town the tower and all other appurtenances and improvements owned by Elk River and located within the site Elk River is presently leasing from the Town under the terms of the Elk River Lease.
2. Elk River hereby assigns and transfers to the Town all of its right, title and interest in the License Agreement, and the Town hereby accepts such assignment and agrees to assume Elk River's obligations under the License Agreement. Elk River represents that it is in full compliance of all of its obligations under the License Agreement and that Carolina West is the only entity that has licensed space on the tower.
3. The parties hereby cancel the Elk River Lease effective as of the date of this agreement, and each party releases the other from any and all obligations and liability under that lease.

IN WITNESS WHEREOF, the parties have executed this agreement as of the day and year first above written.

December 6, 2010, MB#30

TOWN OF VALDESE

By _____

ELK RIVER CAPITAL PARTNERS, LLC

By: _____

Councilman Delp made a motion to approve the aforementioned agreement, seconded by Councilman Ogle. The vote was unanimous.

REQUEST FROM OLD COLONY PLAYERS Town Morse Jeff Morse said Vickie Hyde, Old Colony Players General Manager requested to sell wine at the Old Rock School on December 10 and 11 during the production of "Tuna Christmas." Waldensian Winery has an off-premise permit and will follow all guidelines.

Councilman Ogle made a motion to approve the aforementioned request, seconded by Councilman Black.

Voting aye: Councilman Ogle, Councilman Delp, Councilwoman Stevenson, and Councilman Black

Voting nay: Councilwoman Oxentine

REQUEST FROM ROBERT KEARNS Town Morse Jeff Morse said Robert Kearns requested to sell wine at the Old Rock School on December 18 during the Blue Christmas Benefit Concert. Waldensian Winery has off-premise permit and will follow all guidelines.

Councilman Ogle made a motion to approve the aforementioned request, seconded by Councilman Black.

Voting aye: Councilman Ogle, Councilman Delp, Councilwoman Stevenson, and Councilman Black

Voting nay: Councilwoman Oxentine

SIGN MAINTENANCE PROGRAM – REFLECTIVITY REQUIREMENTS Public Works Director Bryan Duckworth briefly reviewed the new federal traffic sign standards. He request authorization to hire a traffic engineer, J. M. Teague Engineering and Consulting, to conduct a complete roadway sign and pavement marking assessment and also a night time reflectivity test in the amount of \$2,000.

Councilman Black made a motion to approve the aforementioned request in the amount of \$2,000, seconded by Councilman Ogle. The vote was unanimous.

BOARD AND COMMISSION APPOINTMENTS/REAPPOINTMENTS Mayor Hatley recommended the following appointments/reappointments to board and commissions:

2010 Board and Commission Appointments/Reappointments

Valdese Planning Board & Board of Adjustment (4-year terms)

Reappointment of John Rostan, Jean Dalmas, and Alternate – Barry Zimmerman

Recreation Commission (3-year terms)

Reappointment of Jerry Baker

Appointment of Christopher "Chip" Cooper to replace Kristy Hodges who did not wish to be reappointed

Firemen's Relief Fund (2-year terms)

Reappointment of Sherrill Brittain and Greg Cannon

Rock School Advisory (4-year terms)

Reappointment of Tim Skidmore

Arbor-Beautification (3-year terms)

Reappointment of Carolyn Yancey (c/o Your Floral Bouquet)

Public Art Commission (3-year terms)

Reappointment of Marc Mitchell

Western Piedmont Sister Cities Association (no terms)

Appointment of Charles R. "Chuck" Moseley to replace Jim Jerome Williams who resigned

Appointment of Community Affairs Director Barbara Hefner as Town of Valdese Representative

Councilman Ogle made a motion to approve the aforementioned appointments recommended by Mayor Hatley, seconded by Councilwoman Oxentine. The vote was unanimous.

STORM DRAINAGE SYSTEM REPAIRS – SPRINGWOOD Mr. Duckworth recommended Council award a bid to Valdese Concrete in the amount of \$7,999 for storm drainage improvements to Oakland Court NE in the Springwood Subdivision. (Other bid from Beam Grading & Construction, Inc., Morganton - \$9,150.)

Councilman Black made a motion to approve a bid from Valdese Concrete for improvements to Oakland Court NE, seconded by Councilwoman Oxentine. The vote was unanimous.

MAYOR AND COUNCIL COMMENTS:

Councilman Delp thanked Public Works Director Bryan Duckworth on street repairs in Councilman Delp's neighborhood. He said our public works staff is very good at what they do.

Councilman Black said he had a constituent who requested to have leaves picked up through the town's website and was impressed by the quick response of staff. Mayor Hatley requested staff prepare another press release that the citizens can use the web site for citizen request for services.

Councilwoman Stevenson said Mr. Kyle Nowak was working on a brochure for recycling and should be ready to look at next month. Mayor Hatley said it was important to make our citizens aware of what to do with items to be recycled.

Mayor Hatley thanked all departments for their hard work for a successful parade on December 4. He also thanked Town Manager Jeff Morse and staff for all the work on the New Town Hall.

MANAGER'S REPORT:

MOVIE THEATER PROJECT Mr. Morse said at the last meeting Council voted to authorize the Movie Theater Project to move forward although two Council Members were not ready to vote. He had spoken with each Council Member individually and it was the consensus that the Movie Theater Project was a great project; however, with the downturn in the economy and with being unsure about the upcoming budget he recommended that the project be tabled indefinitely.

Mr. Clark Erwin said he believed this was a wise move by the town at this time. Mr. Morse said the Olive Hill Computer Center plans to locate in the Waldensian Mill. He thanked Mr. Erwin for his work with the Waldensian Mill.

Mayor Hatley said the town does not know about state funding for the next budget year.

Councilman Ogle made a motion to table the Movie Theater Project indefinitely, seconded by Councilwoman Oxentine. The vote was unanimous.

TOWN OFFICES WILL BE CLOSED DECEMBER 24 AND 27, 2010, IN OBSERVANCE OF CHRISTMAS AND DECEMBER 31, 2010, IN OBSERVANCE OF NEW YEAR'S DAY

REACT – TRIPLE DISTRICT Mr. Morse gave a brief update on relocating the REACT Office on property located at Triple District. Mr. Morse would schedule a site meeting with Mr. Archie Lowman and Mr. Terry Houston.

CLOSED SESSION Mayor Hatley called for a Closed Session Pursuant to NC General Statute 143-318.11 (a) (6) To consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee.

At 8:15 p.m., Councilman Ogle made a motion to recess into Closed Session Pursuant to NC General Statute 143-318.11 (a) (6) To consider the qualifications, competence, performance, character, fitness, conditions of appointment, or conditions of initial employment of an individual public officer or employee. The motion was seconded by

3 Councilwoman Oxentine and unanimously carried. Mayor Hatley called for a five minute break and at 8:20 p.m., Members of Council recessed into Closed Session.

At 8:30 p.m., Councilman Ogle made a motion to return to Open Session, seconded by Councilwoman Stevenson. The vote was unanimous.

CONTINUATION OF DECEMBER 6, 2010 COUNCIL MEETING UNTIL MONDAY, DECEMBER 13, 2010, 11:00 A.M. TO AWARD BIDS FOR REPLACEMENT MOTORS – WATER PLANT AND WASTE TREATMENT PLANT After a brief discussion, at 8:37 p.m., Mayor Hatley RECESSED the meeting until December 13, 2010, 11:00 a.m.

CONTINUATION OF DECEMBER 6, 2010 COUNCIL MEETING – MONDAY, DECEMBER 13, 2010, 11:00 A.M.

At 11:00 a.m., Mayor Hatley reconvened the meeting.

The Town of Valdese Town Council reconvened on Monday, December 13, 2010, at 11:00 a.m., in the Valdese Town Hall, Town Council Chambers, 102 Massel Avenue, SW, Valdese, North Carolina. The following were present: Mayor James L. Hatley, Councilman Keith Ogle, Councilman Gary L. Delp, Councilwoman Susan Stevenson, Councilwoman Vickie Oxentine, and Councilman Chip Black. Also present were Town Manager Jeffrey V. Morse, Town Attorney Marc Mitchell, and Deputy Town Clerk Thelda B. Rhoney.

Absent: None

A quorum was present.

AWARD BID AND CONTACT FOR REPLACEMENT MOTORS – WASTEWATER TREATMENT PLANT Mr. Morse said the Town received a \$200,000 grant from the NC State Energy Office and The Wooten Company had obtained informal bids on motors for the Wastewater Treat Plant that would save energy. He introduced Mr. Clarence Lockamy with The Wooten Company.

Mr. Lockamy said staff planned to purchase a pump for the Water Plant and a pump for the Wastewater Plant and the original project was modified by deleting the proposed work at the water plant and recommended replacing two influent pumps at the Wastewater Treatment Plant. He recommended that Council withdraw the following bids for both water and wastewater plans as bids were not within budget:

A. C. Schultes of Carolina, Inc., Wallace, NC - \$411,209; Haren Construction, Etowah, TN - \$411,000; Hickory Construction Company, Hickory, NC - \$414,000; J. L. Construction Co., Inc., Greenville, SC - \$401,000; and McCall Brothers, Charlotte, NC - \$432,720.

Councilman Ogle made a motion to authorize the bids withdrawn for pumps at the water and wastewater plants, seconded by Councilwoman Stevenson. The vote was unanimous.

Mr. Lockamy presented bids for a pump system at the Wastewater Treatment Plant. He recommended the lowest bidder McCall Brothers, Charlotte, NC - \$197,030 (McCall Brothers had previously done work for Triple District). Other bids: A. C. Schultes of Carolina, Inc., Wallace, NC - \$221,210; Haren Construction, Etowah, TN - \$216,300; Hickory Construction Company, Hickory, NC - \$204,000; and J. L. Construction Co., Inc., Greenville, SC - \$224,400.

Councilman Ogle made a motion to approve the bid and contract with McCall Brothers in the amount of \$197,030, seconded by Councilman Delp. The vote was unanimous.

At 11:10 a.m., Councilman Ogle made a motion to adjourn, seconded by Councilwoman Stevenson. The vote was unanimous.

The next meeting is a regularly scheduled for Monday, January 3, 2011, 7:00 p.m.

Town Clerk

Mayor

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