



TOWN OF PINE LEVEL
MINUTES OF RECESSED
BOARD OF COMMISSIONERS MEETING
MAY 17, 2012
6:30 P.M.

CALL TO ORDER

Mayor Jeff Holt called a meeting of the Pine Level Board of Commissioners back into regular session at 6:30 p.m. on Thursday, May 17, 2012 at the Pine Level Town Hall, after having recessed earlier on May 10, 2012.

ROLL CALL

 X COMMISSIONER KAREN ANDERSON
 X COMMISSIONER ANTHONY GUDAC
 COMMISSIONER JIMMY GARNER
 X COMMISSIONER PHIL PITTMAN
 X MAYOR JEFF HOLT

STAFF PRESENT

Consultant Dan Simmons and Engineer Gene Cobb, Public Works Superintendent Ray Stuckey and Town Clerk Sharon Thompson

BUDGET DISCUSSION

Mayor Holt reiterated the highlights of the budget document, including no increases in taxes, water, sewer or garbage rates. He explained that the debt obligation on the town hall and water plant were met in the budget and that \$65,000 was included for the fire department. He questioned the contribution to the fire department and whether or not the board agreed with that. Commissioner Gudac said he would like to leave the contribution in the budget. The mayor also mentioned the increases being proposed by the county in water and sewer charges, and whether or not the board would want to pass those along. Commissioner Gudac suggested to leave the rates as is, since they could be adjusted at any point during the year. Mayor Holt also said that Ray Stuckey had brought in a proposal to replace one of the town's SCAG mowers. The board felt they could handle that in the budget without an increase.

The mayor said there have been several complaints lately about the conditions at the park. Commissioner Pittman said the county used to give grants to be used at the park, but they have basically disappeared. Mayor Holt said he wanted to meet with the recreation committee members and talk about their fund-raising efforts for the recreation department. He said all the recreation programs could not be funded solely on registration fees, because they simply are not a moneymaker for the town. Commissioner Gudac said it might be a great time to look at federal monies

since it is an election year and all of those running for office want to get their names out in front of the public. He said there are "pork barrel" funds available.

Mayor Holt summarized his thoughts on the budget once again and asked how the board wished to proceed. They unanimously agreed to call for a public hearing at the regular meeting in June.

MOTION TO CALL FOR HEARING: Pittman

SECOND: Gudac

VOTE: unanimous

CHANGE IN JUNE MEETING

The board unanimously agreed to move the regular meeting in June from Thursday, June 14th up one week to Thursday, June 7th at 7:00 p.m.

MOTION: Gudac

SECOND: Pittman

VOTE: unanimous

NEW WELL PROPOSAL

At 6:45 p.m. Mayor Holt commented that he had another meeting he had to attend and would have to leave. He said that Gene Cobb and Dan Simmons had a proposal to present to the board concerning additional wells, and that Mayor Pro tem Pittman would preside over the remainder of the meeting. Mr. Simmons commented that they talked earlier with Johnston County Utilities Director Tim Broome about the possibility of the county purchasing water from the town. He said Johnston County purchases water from other counties and from Smithfield at 75% of the bulk rate. He also said that the town's current well produces 150,000-160,000 gallons a day and they felt that it is probably nearing capacity. If the town wishes to sell water to the county, additional well sites would be required. Mr. Simmons discussed several scenarios, if the town should have one, two or three new wells, and the cost from USDA and the annual revenues if water should be purchased by Johnston County. Mr. Simmons said that the interest rate with USDA was fixed at 2.75% and the town could borrow on a forty-year loan. He also thought that three additional wells might require that the town hire additional personnel to operate the treatment plants.

He explained that USDA would require a Preliminary Engineering Report upfront, which the town would have to pay for. He estimated \$15,000 to dig each well and test it, and that would have to be paid upfront, but could be reimbursed from the borrowed funds. He thought that the county would most likely participate in the upfront costs, perhaps as much as 50%. Commissioner Gudac asked how much water would the county guarantee to purchase; Mr. Simmons said they would guarantee 20 years and would purchase as much water as the town would agree to sell them. Commissioner Gudac asked about the county using the old rock quarry in Princeton. Mr. Simmons said that would be an expensive proposition and he thought the county would try and put that off as long as possible. Mr. Cobb said the county is currently using river water and they have problems with THM's, which are carcinogens. Mr. Simmons said he would like to pursue three well sites and get options on the sites to drill the wells first and then to either purchase the site or abandon it, if it does not produce good water.

Commissioner Pittman commented that the town might need additional water reserves, if the economy should turn around and start to grow. Commissioner Gudac said he would hate to dig a well and it be tainted by high iron content. He said there would need to be some legwork done beforehand on checking the usefulness of proposed sites. Mr. Simmons said the proposal was all up to the town, but it seemed to be a good time to talk with the county and get more water reserves for the town and make a profit too. Commissioner Pittman said the board members had a lot of information to review to make an informed decision. He asked how would the water be supplied to the county. Mr. Simmons said the county would build their own pumping facility to get the water, maybe at the old tank site. He thought that it would be best to have treatment facilities at each well site. He said the sites would have to be near 8" water lines and have sewer available nearby, to take care of backwash discharge. Mr. Simmons also pointed

out that Tim Broome plans to retire 07-01-13, and it would be better to proceed with the proposal before Mr. Broome leaves the county, and while the county is ready to act. Commissioner Pittman said the matter should go on the board's next agenda.

MEETING ADJOURNED

There being no further business, at 7:12 p.m. the meeting was adjourned.

MOTION TO ADJOURN: Gudac

SECOND: Anderson

VOTE: unanimous

TOWN CLERK

MAYOR