

**TOWN OF BLACK CREEK**  
TOWN BOARD MEETING

Date: Dec 11, 2007

Time: 7:30 P.M.

Place: Black Creek Town Hall

Present: Mayor Howard Moore, Commissioners Seltzer (outgoing), Smith, Godwin, Lucas, Franks, Dawson (incoming)

Absent: None

Minutes Taped Yes

**Quorum Present:** Yes

**Mayor Moore:** *Meeting for December 11, 2007 is now in session. The first item would be consideration of our November minutes. Motion made by Commissioner Godwin to approve the minutes, second by Commissioner Smith, all in favor say I, all opposed. Motion carried unanimously. Next thing is to approve the payment of the December bill. Motion made by Commissioner Lucas to pay the December bills, second by Commissioner Godwin, all in favor say I, all opposed. Motion carried unanimously. Before we have the swearing in ceremonies, I would like to take this time to recognize outgoing Commissioner Seltzer's for many years of service on the board. I would like to say on behalf of the board to say thank you for a job well done. Does anybody else have anything else they want to say?*

**Commissioner Seltzer:** *I just want to say it has been an honor and a privilege to work with ya'll. It's been a very rewarding time; I've seen a lot of improvements happen to Black Creek. I look forward to ya'll continuing that.*

**Mayor Moore:** *We're going to take the oath. Who's going to do the swearing in and where? How are we going to do this? You can't come up here can you?*

**Barbara Aycock:** *No, you are going to have to stand up at the front stage for me to get a good picture. I enjoyed the one we took at the last election.*

**Candy Minshew:** *When I say I, each of you will repeat and state your name. This is swearing in of Commissioners, Roland Lucas, Elton Franks, Roland Godwin, Mack Smith, and Ellen Dawson. I do solemnly swear that I will support and maintain the constitution and the laws of the United States. And the constitution and the laws of North Carolina not in consistent therewith, and that I will faithfully discharge the duties of my office as commissioner of the town of Black Creek, so help me God. And now we will do the swearing in of Mayor Howard Moore. I, Howard Moore do solemnly swear that I will support and maintain the constitution and the laws of the United States, and the*

*constitution and the laws of North Carolina not in consistent therewith, and that I will faithfully discharge the duties of my office as mayor of the town of Black Creek, so help me God.*

**Mayor Moore:** *First item of the agenda is Mr. Kevin O'Donnell from Nova Energy to provide information.*

**Kevin O'Donnell:** *Good evening. I appreciate the opportunity to come before ya'll tonight. Ya'll are probably getting tired of seeing me, I've been here so much the past few months. I did want to come before you tonight and briefly fill you in on what has happened and where we're going, and a couple of other minor things. What you are now receiving is a power point presentation that I prepared today. Just so you know, what I'm trying to do is meet with all the towns to kind of summarize where we've been over the last few months and where we're going. What I want to go over just briefly, ya'll know that we formed rate stabilization. And the reason for that is because we saw what was happening in the wholesale market. I've had some questions come up recently, asking why I developed this rate stabilization plan. I just wanted to go back over that briefly and just let everyone know we did it just to be prepared for what we knew was happening with the rate wholesale increases. Over on the third page the contract was filed at the utilities commission. We got some opposition to it. An industrial group filed opposing to it. But the utilities commission did approve it late October. We are good to go now with Progress Energy. There is one more filing that has to be made and that is with the federal energy regulatory commission, I'm not anticipating any problems with that. But just to let you know that there is one more regulatory hurdle that we have to clear. But everything is looking pretty good now with that contract. I will tell you there was a tremendous amount of work, and I appreciate ya'lls support and especially Barbara helping me out getting some letters to state legislators to support our utilities commission, that did help tremendously, and I really appreciate your help and support, and particularly Barbara helping out the way that she did. That regulatory approval took a long time. I think ya'll probably remember about six months ago I was kind of upset with the way things were going at the utilities commission. But the end result was we got approval. And that is going to save this town a lot of money. With this new contract with Progress Energy we now have some of the lowest electric rates in the state. With this new contract we're going to be able to stay low. In the next few months I'm going to be doing a rate study on Black Creek's books, and the purpose of that is to try to get us in a position where we know exactly where our rates are, relative to our wholesale cost. For several pages on this power point I talk about retail rates very briefly but it's important to understand that our wholesale cost from Progress is going to fluctuate every month. And there may be months down the road say in the summer of next year when Progress Energy has a nuclear plant go off line, when that happens their fuel cost are going to go up, because they are going to burn a lot of natural gas. When that occurs, our cost of power is going to go up. It's just something we have to live with. That was the best contract that was available to us. But it's going to cause us to be somewhat nimble with our retail rates. Over the next few months I'll be working with Barbara doing this rate study, and when I come back to ya'll what I'm going to be proposing is we set a rate hopefully starting the next fiscal year July 1 that will be a fixed rate. We'll monitor our monthly fuel cost each and every month and then we're going to true up those fuel cost at the end of next year, in other words June 30<sup>th</sup> 2009. We'll true that up*

*for the previous year, and there will be an increment of rates. This kind of rate making is the stuff I do with utilities commissions in North and South Carolina all the time, so I'm very familiar with it. It will be a new thing for ya'll and it will mean increments, and decrements in rates, but we'll get through it. This kind of increment and decrement in what we call an experience and modification factor is used with CP&L Progress Energy retail customers every year. And I'm part of that process every year. So we are basically going to fall in line with what their retail customers are doing. We'll follow the same process, it will be a little bit different for us, but it's going to be the same kind of process. The effect on the retail rates at least for right now because we have the rate stabilization fund I think we're going to be able to get through before the end of the year without having another rate increase. I think we're good to go on our retail rates at least through the end of the fiscal year. That's dependant upon what happens with Progress Energy's wholesale bills and their cost of fuel. If they stay relatively low I think we're good to go. If they go up, I may be back before ya'll before the summer of next year to discuss retail rates. The only other thing I want to talk to ya'll about is something that has been going on behind the scenes. I think Barbara and Greg have seen me sending e mails back and forth. We had to file with Southeastern Electrical Liability Council because we are part owners of the tri town substation. And because we are hooked up to a Progress Energy transmission line we have to fall into their liability standards. Within the past couple of months I've made about 5 filings to the SERC, regarding our liability. To be honest these standards written were really not intended to pull us with the size of our town into the liability standards. I tried to get us exempted from these new reliability standards but SERC said ok if we start with you where do we stop. They basically said, we understand your towns are small, however we can't exempt you because the next person is going to come along and ask to be exempt, and you fall within all the other criteria to get a 115 kb substation, so forth and so on, we need to have ya'll included. So we're part of it. We made five filings, we also had to spend some money because our under frequency relay at the tri town substation was fried, hit by lightning. We spent some money to get that fixed because that was one of the requirements that we get completed. Interestingly when I went to make that filing on December 1 the filing wasn't up on the SERC internet portal anymore. So I called a fellow down there and he said, well we took that down because when the time it was first up and now we realized that standard really didn't apply this year. It will apply next year in 2008. In essence we got our frequency a little bit early. It had to be done so we got it done early. We will continue to make filings about 3 to 6 of these filings every year. I do it on the internet, so we'll continue to make these filings; there are penalties for not making these filings, so we will make them when they need to be made. That's all, I just wanted to come in and update everyone about the NCUC filing with Progress Energy and the SERC filings, and where we are with that. We're set to roll over with Progress Energy on February 1. I've been trying to contact Dominion and see if everything is cleared up on their end, and they don't seem to return my phone calls. We're set to go February 1. That's all I have for you. Just wanted to fill you in on some things behind the scenes.*

**Mayor Moore:** *We appreciate the report and all the hard work you've put into getting this contract through, because I know it's been tough sweating it out.*

**Kevin O'Donnell:** *I was rather animated that night. Because it didn't make any sense to have opposition that we did. There are a lot of things that went on behind the scenes.*

*There are actually two industrial groups here in NC. One of them filed to opposing us, and one of them did not. It just so happens that the one that I work with did not. Long and short of it is the utilities commission approved the contract. Things worked out quite well, Barbara really helped, and ya'lls support was great. I would like to have some sort of celebration around the middle of February. I'm going to meet with a Progress Energy employee late Friday afternoon and talk to him about having some of their folks come down and get together with everyone. Barbara and I talked about maybe going to the community center right behind us here, and inviting all four towns to come in, and Nova will pay for it. Thank you, if there are no questions I'll be on my way.*

**Barbara Aycock:** *Mayor Moore, everybody has a copy of the contract in the back of these books in the miscellaneous area.*

**Mayor Moore:** *I need to apologize, I neglected a while ago to welcome our new commissioner on board, so welcome aboard Ellen Dawson. The next thing is to appoint a Mayor Pro-Tem. Do I hear any nominations or discussion? Roland Lucas has been nominated by Commissioner Godwin, and seconded by Commissioner Franks. You don't need a second for a nomination, but are there any more nominations? All in favor of Roland being Mayor Pro-Tem say I, Roland is mayor pro tem then. We need to appoint a new member for the hiring committee for the police department. That is something that was vacated by Commissioner Seltzer. Commissioner Lucas nominated Commissioner Godwin and he agreed. All in favor of Commissioner Godwin taking that position say I. Commissioner Godwin has it then. Next thing is to assign departments to the commissioners. Do you want to leave them like they are and let Ellen take Commissioner Seltzers? Motion made by Commissioner Godwin to leave them like they are and let Ellen take the vacated position, seconded by Commissioner Lucas, all in favor say I, all opposed, motion carried unanimously. We need an advisor for the Ralph M. Smith Center. Commissioner Godwin nominates Mack Smith, all in favor say I. Mack has it. We need to appoint a representative to The Upper Coastal Plains Council of Government. I have been the representative and Commissioner Seltzers as an alternate. Commissioner Godwin nominates that the mayor continue to be the representative. All in favor say I. I've got that, now we need an alternate. Elton has been nominated, all in favor say I. Elton is the alternate. We need to adopt a conflict of interest for this rural center grant we're applying for. You all have a copy of that. Do I hear some discussion on that? Do I hear a motion to adopt this resolution conflict of interest for the rural center grant? Motion made by Commissioner Godwin to adopt, seconded by Commissioner Smith, all in favor say I, all opposed, motion carried unanimously. Now we need to adopt this certification Business Enterprise 10% goal. Motion made to adopt by Commissioner Lucas, seconded by Commissioner Franks, all in favor say I, all opposed, motion carried unanimously. North Carolina Step demonstration, Ms. Aycock, do you want to talk about that?*

**Barbara Aycock:** *This NC Step grant offered by the Rural Center has become available again that we voted on, I think two years ago. I just want to share with the board the reason it's here is I just wanted the board to be aware that it is available. I didn't want somebody to come back later and say, well why didn't we apply for it. But the Rural Center expects a whole lot, I have talked to the towns that have received this grant, they*

*expect elected officials to attend certain meetings. They expect elected officials to be really involved. And they are very strict about attending meetings and representations from the town. We've only tried once for this one and were turned down the first time. Commissioner Smith asks what the benefits are. Well, it's a \$200,000.00 grant; they come in and provide professional advice on achieving your goals you have stated you want to do. You have to decide what you want to do for the town and then they give expert help to help you get there. But they also expect you to participate in this, and if they have a meeting they expect you to be there. It's a lot of work. It's not a matching grant, and you use the money for whatever you decide to do for your town. We went through a scenario of this training when Dennis Patton came down 2 years ago. It's a hard grant to get. They expect a lot for that \$200,000.00. Mr. Patton called me and asked me if the town was interested in applying again. I told him I had to seek the board's approval before we could commit to this. At all the meetings I've been to recently I've spoken to other towns who have been involved and they stated they did not realize what was involved and how much work it was.*

**Mayor Moore:** *Motion made not to apply by Commissioner Godwin, seconded by Commissioner Lucas, all in favor say I, all opposed, motion carried unanimously. Now we have this getting success with your consulting engineer.*

#### **RURAL CENTER PRESENTATION**

**Barbara Aycock:** *When I went to the Rural Center in Kenansville on November 14, 2007 for a conference on "Getting to Success with your Consulting Engineer." They request, as part of getting extra points for the grant since they/Rural Center could not provide a conference for all towns, that I supply you with information that was given out by them at the conference. You all have a copy of the presentation. Some of the highlights that were given were conflict. Ms. Yolander Burrell of the Rural Center provides the information on the guidelines to help prevent conflict. One of the interesting things was the panel discussion on "What works and what don't. Mr. Steve Brides of City of Wilmington gave an informative presentation on Selection and Evaluating tools. Mr. Joseph Glass of Fayetteville talked about Contract Negotiation 101. Pointers of dealing with the engineers will be very helpful in the future as we good forward for grants Each of you have copies of the presentations at the conference, take time and read them more closely. This does not require any action from the board just that you are aware of the information the Rural Center provided and that I have given you an overview. I will have it submitted with the minutes and we will turn the minutes in with the grant to the Rural Center, which counts for points toward the grant. Commissioner Smith asks how many points we need. I am working on every point I can get because every point will be valuable. I think the presentation gives 10 points for the notification to the board on this information.*

**Mayor Moore:** *I have here a resolution from The North Carolina League of Municipalities and it concerns our late Mayor Ralph Smith. And it reads as follow, Whereas during the past year death has taken from our midst Ralph Smith, who served the Town of Black Creek faithfully and well for 43 years; and whereas Ralph Smith contributed materially over these years to the advancement of good municipal government in North Carolina; Now therefore be it resolved by the North Carolina League of Municipalities, in annual conference assembled this 16<sup>th</sup> day of October 2007,*

that the delegates do hereby express their sorrow at the passing of Ralph Smith, former Commissioner, and Mayor of the Town of Black Creek, who made lasting contributions to good municipal government, and whose memory we are proud to honor. Be it further resolved that this resolution be made a part of the permanent records of the North Carolina League of Municipalities, and that copies be forwarded to the family of Ralph Smith and to the Town of Black Creek. And I will turn this over to Mack, Mayor Smith Son. We come now to commissioners business. Commissioner Lucas do you have anything?

**Commissioner Lucas:** The only thing I have is everybody has seen the new gazebo. It's gone up in a week's time. They did real good, all its lacking is the electrical. Every thing structure is in. Barbara states that Greg worked very hard to get the foundation in and she wanted to thank him because it would not have gotten done otherwise. Barbara states that we would like to purchase a couple of benches to put in the gazebo with some of the grant. It's a beautiful piece and it is very well built. It's got a lifetime guarantee. I make a motion that we purchase the benches.

**Mayor Moore:** Motion made by Commissioner Lucas to purchase the benches, seconded by Commissioner Smith, all in favor say I, all opposed, motion carried unanimously. Commissioner Franks do you have anything? Commissioner Godwin?

**Commissioner Godwin:** I was talking to Greg yesterday and he informed me that they recently finished the water down on Mercer Street. It was a bigger job than what we thought it was going to be. But he's also working on the light lines over on Scuppernon. We're trying to get that in there so the guy can get his houses sold and built. I know there have been some questions about some other things that haven't been done, that is the main reason that they haven't been done. I feel like that was priority one and the other could come in second. All the cable and phone over on Mercer Street has been changed over, it's just a matter of the phone company doing their part.

**Mayor Moore:** Commissioner Smith?

**Commissioner Smith:** The thing on the well. Do we have to do something about that now, or can it wait until next month. Greg states that it can wait until he can get a person to come and give information about it to them. Commissioner Smith states that he would like to wait unless it was emergency situation. I don't want to rush to buy something. I want to know what I'm buying before I buy something on a whim. If we're going to spend that kind of money I want to know what I'm buying it for. Unless it's something that is going to shut us down if we don't do it right this minute. Then line up a presentation and tell him to come make his spill.

**Mayor Moore:** Commissioner Dawson do you have anything. Department head business is next.

**Commissioner Smith:** I need to ask Barbara something. On the planning board, what day did we set up a meeting? Barbara states that she has already set it up for December 20<sup>th</sup>. Basically he/Erader Mills has found a house that will fit it without having to move it. When he brings that house plan in for review, I want to know how far that house is from

*that drainage pipe, which is not on here. I take it our setback is 12 feet. He's showing 18. The main thing is if there's a problem there, is there enough room to work on it. He might want to slide that thing over 15 feet. If you put a backhoe there and you have to work on it, you've got to have room. He needs to give as much room as he can give from it in my opinion. He's 18.2 feet from the driveway, what we're suggesting here is that he come 15 feet from the driveway. Barbara states the planning board will meet December 20<sup>th</sup> at 7:30. If that drainage ditch collapses, whose responsibility is it to fix it? Greg states that is a good question. He's not going to move it; he's going to leave it there. He's changed his mind because it cost too much money. Commissioner Godwin asks if the town closed in that ditch. Greg states not since he's been here. We have done the part at the other end. Greg states that we have that same issue down on Church Street. Mack states that she tiled it. They filled it in with rocks and it's not draining, and water backs up into the street now. Greg states it's been like that for years. Mack states the problem is the tile that is in that ditch is not reinforced. They put more rocks in that ditch about two weeks ago Supt. Gates stated. Mack states, I want to make sure he understands that is his problem if something goes wrong with it. If something happens, is he required to fix it? That's a good question. We need to contact George Weaver on that. The same thing applies to all of them. As a private property owner you cannot put something in that obstructs the flow of natural water I would think that would be the way it is. We need to get in touch with George Weaver and find out what the law states on it. Then we can inform Erader Mills, of what he has to do.*

**Mayor Moore:** *We will move on to Department Head business. Greg, do you have anything? Ms. Aycock?*

**Barbara Aycock:** *I made a code of ordinance book with all the ordinances to be reviewed, and if we want to change anything, or add any updates to the ordinances we just need to make them and get back with me. There are some that have been hand written, marked through and different thing have been added. You just might want to update some things about the junk cars ordinance, etc. Commissioner Godwin asks didn't we already update this. No that was personnel policies stated Commissioner Lucas.*

**Mayor Moore:** *Joe do you have anything? Candy?*

**Candy Minshew:** *Did ya'll make a decision about what I'm supposed to tell Russ Varnell when he calls back about the community building on the reduced rate?*

**Mayor Moore:** *I think they decided not to give a reduced rate because the church paid the full price. We feel like it's a reasonable rate and we should treat everybody the same. Does anybody in the audience have anything?*

**Audience Member:** *I do. I noticed a couple of things in the park that I wanted to ask about. I'm Rhonda O'Neal and I live at 300 Church Street. I've noticed a couple of things at the park that were broken, like one of the teeter totter things are broken. I wanted to ask you also about the concrete thing at the park that has the wires sticking up out of it, what is that besides an eye soar. Greg states that it is not going to be there much longer, it's where a light used to be. The only reason I asked is because I'm over*

there a lot with my kids and the bigger kids are always over there messing with it. Mayor Moore: It's going to be taken out shortly stated Supt Gates. Ms. O' Neal One of the teeter totters is broken. It's not the handle, it does not tilt. The other thing that is the orange bucket, I'm not sure how it works. I just hear everybody say you can't get on it because it's broke. Thank you.

**Mayor Moore:** Thank you, we'll check into these things.

**Commissioner Smith:** Thank you for coming tonight.

**Commissioner Godwin:** I've got one more thing. Does the board want me to talk to Robert Strickland about having a meeting, or Greg and I talk to him, or what. Mayor Moore says he thinks it would be appropriate for Greg and Roland to talk to him first. If then he wants to come before the whole board then we will do that.

**Mayor Moore:** Don't forget Griff's on the 14<sup>th</sup> at 7:30 the towns Christmas party. And also New Years Eve at the senior center they are going to have another heart drop at midnight. Carolyn Lee has worked on our Heritage Day committee for several years now, and she lost her son this morning I think we need to remember her and her family in our thoughts and prayers. Motion to adjourn made by Commissioner Smith, seconded by Commissioner Godwin, all in favor say I, all opposed, motion carried unanimously, meeting adjourned.

Meeting Adjourned

**Barbara Aycock**  
Barbara Aycock

**Howard Moore**  
Mayor Howard Moore

**Commissioners:** Lucas, Franks, Godwin, Smith, Dawson