



**TOWN OF GRIFTON
BOARD OF COMMISSIONERS
SPECIAL MEETING**

Wednesday, March 30, 2011
7:00 PM

AGENDA

- A. Meeting Called to Order.
- B. Pledge of Allegiance to the Flag of the United States of America.
- C. Recognition of Persons to Be Heard (**NOTE: Comments are limited to 5 minutes per person. Everyone addressing the Board shall first state their name and their residential physical address**).
- D. PUBLIC HEARING (**NOTE: The public is asked to adhere to the following guidelines for the Public Hearings:**
- Register with the Town Clerk by printing your name, address and phone number on the sign-in sheet.
 - Step to the podium in front of the Board. State your name clearly. Direct comments to the full Board, not an individual member.
 - Be concise; avoid repetition; limit comments to five minutes or less; designate a spokesperson for large groups.
 - Each person may speak once for a specific Public Hearing.
1. Sanitary Sewer Rehabilitation Project *Page 4*
- E. ACTION ITEMS
1. Resolution No. 2011-04 – Accepting USDA/RD Letter of Conditions *Page 12*
- F. Commissioner's Comments
- G. Adjourn



March 30, 2011

MEMORANDUM

TO: Mayor and Commissioners

FROM: Joe Albright, Manager

SUBJECT: Manager's Comments for March Special Meeting

Below I have attempted to summarize and provide explanation for each agenda item.

Item D-1: Public Hearing – Sewer Rehabilitation Project

In 2005, our sewer system was evaluated by the Wooten Company. This study revealed line deterioration resulting in significant inflow and infiltration (I&I). As a result, approximately 15,000 LF of gravity sewer line needs to be rehabilitated or replaced, including manholes and service laterals at a projected cost of \$1.748 million. Because the Town is unable to fund this amount, grant funding was sought through the NC Rural Center and the NC Clean Water Management Trust Fund (CWMTF). While we were unable to secure CWMTF monies, we were successful in obtaining \$500,000 from the Rural Center. However, without additional funds, this project is still not feasible. Therefore, I have met with representatives from the USDA Rural Development. They have indicated that a combination of grant and loan funds are available. Thus, we have received a Letter of Conditions from the USDA/RD.

The funding sources break down as follows:

Rural Center Grant	\$500,000
USDA/RD Grant	\$675,000
USDA/RD Loan	\$573,000
Town of Grifton	<u>\$ 0</u>
TOTAL	\$1,748,000

The loan from the USDA would be at 3.375% interest with an annual debt service of approximately \$27,500 per year.

Item E-1: Resolution No. 2011-04 – Accepting USDA/RD Letter of Conditions

Based on the above information, I recommend approval of Resolution No. 2011-04 accepting the USDA/RD Letter of Conditions for the Grant/Loan for the Sewer Rehabilitation Project.