

**TOWN OF LONG VIEW
TOWN ALDERMEN MEETING
October 10, 2005**

The Town of Long View Board of Aldermen met on Monday, October 10, 2005 at 7:30 p.m in the Town Council Chambers of the Government Center in Long View, North Carolina.

BOARD PRESENT: The following members of the Board were present: Mayor Norman Cook, Alderman Ken Bumgarner, Alderman Randall Mays, Alderman Vernon Moyer, Alderman John McDaris, and Alderman Jackie Bowman.

STAFF PRESENT: The following members of staff were present: Town Administrator David Epley, Town Clerk Frances Hildebran, Town Attorney Redmond Dill, Police Chief Cecil Rogers, Police Investigator Brian Collins, Fire Chief Eric Shepherd, Town Planner Charles Mullis, Public Works Director David Draughn, and Finance Director Jamie Cozart.

OTHERS PRESENT: The following names represent other persons present at the meeting: Kay Clark, Joann Hall, Tim Caldwell, Mr. and Mrs. Jack White, officials from Drexel Heritage and others.

MEETING CALLED TO ORDER: Mayor Norman Cook called the meeting to order and gave the invocation.

APPROVAL OF MINUTES: Motion was made by Alderman Vernon Moyer, seconded by Alderman John McDaris to approve the September 12, 2005 regular and closed session minutes. The vote was unanimous.

PUBLIC HEARING – ECONOMIC DEVELOPMENT AGREEMENT: Mayor Norman Cook declared the Public Hearing open on the Economic Development Agreement. The Administrator noted that the purpose of the Public Hearing was to consider an Economic Development Agreement between Drexel Heritage and the Town of Long View. As an incentive to cause Drexel Heritage to locate certain operations and create jobs in the Town of Long View, the proposed agreement provides that the Town of Long View will make a total economic development grant available to Drexel Heritage in the amount of \$168,000.00 payable in seven annual installments of \$24,000.00 each beginning January the year following the beginning of the company's operation. The Town Board believes this project will stimulate and stabilize the local economy and result in the creation of a substantial number of new, permanent jobs in the Town. Any appropriations or expenditures made under the proposed agreement will be paid out of the general funds of the Town.

There being no further comments, Mayor Cook declared the Public Hearing closed.

Motion was made by Alderman Mays, seconded by Alderman Bowman to approve the Economic Development Agreement as noted in the public hearing notice. The vote was unanimous. The Board welcomed Drexel Heritage to Long View.

DREXEL HERITAGE OFFICIALS ADDRESSED THE BOARD: Chief Financial Officer Brian Milleson with Drexel Heritage addressed the Board and introduced Sr. Vice President Thad Monroe, Director of Upholstery David Lovelace and Human Resource Director Herman Price.

Mr. Milleson complimented the Town Board on the timely manner they got back to Drexel Heritage with the incentive package. He noted that Drexel Heritage went through a two year search and talked with several governing bodies throughout the area in trying to find a location so they could stay in the area and maintain their experienced employees. He noted that Drexel Heritage has a productive workforce and their upholstery production has doubled over the past few years. He stated they needed more space where they could modernize the facility to fit their future growth plans. He added that without the incentive package from the Town of Long View, Drexel Heritage probably would not have been able to relocate their company to this area.

He thanked the Board members for their vote of confidence in Drexel Heritage. He noted that they will be transferring 225 jobs and over a million dollars in machinery and equipment to the Long View plant. They have a long term lease and will be paying taxes, insurance, utilities and operating expenses on the building.

Senior Vice President Thad Monroe expressed his thanks to the Board for allowing Drexel Heritage to move to Long View. They plan to start operations by the end of March or the first of April and will be up and running by early May, 2006. They plan on having an open house and will be inviting the Board and staff to attend. He also informed the Board that within the next two years they will be spending over 2 million dollars in upgrading the machinery. He noted that their operations in Morganton were in three buildings with one building being one story, another being two stories and the third building being three stories which was not sufficient to build furniture.

Mr. Milleson thanked the Board again for being proactive with the furniture industry and for believing in them. He stated that the industry has had its challenges in today's environment and they were doing everything they could to be productive in today's market.

Mr. Milleson also expressed his appreciation to Administrator David Epley. He noted that Mr. Epley was great to work with. They came to David with some pretty tight time lines and he acted on their request in a very timely, professional and straight forward manner.

The Board noted that they looked forward to working with Drexel Heritage and they also thanked the Town staff and Attorney for working together on this project.

2004 – 2005 Audit Presentation: Chris Costner with Martin Starnes & Associates, CPAs, and P.A. presented to the Board the 2004 – 2005 Audit Report.

It was noted that the Town of Long View received an unqualified opinion which means the financial statements were approved by the Local Government Commission.

In the audit highlights the general fund revenues were \$2,768,395 and the expenditures were \$2,601,561. The general fund revenues increased by \$117,951. It was noted that the fund balance for 2005 increased by \$166,843. The general fund balance was \$2,883,592 and the unreserved fund balance was \$1,820,698 which is 70% of the general fund expenditures.

Mr. Costner reported that the 2005 Tax Collection rate was up from 94.70% in 2004 to 96.39% in 2005. In comparison to other municipalities with a population of 2,500 – 9,999 Long View was operating very efficiently.

Mr. Costner presented diagrams showing the net cost of services provided, general fund revenues by source and charts showing the general fund revenues comparing 2004 with 2005. He also presented charts showing general fund expenditures comparing 2004 with 2005.

It was reported that the water and sewer fund was making money this year compared to last year. In 2004 the Town lost \$166,243 in revenues and in 2005 the Town net gained \$178,422.

Mr. Costner also stated that there were no findings this year that needed to be corrected. He noted his firm also did a Yellow Book Audit which was an additional opinion for grants and that the Yellow Book Audit was a clean audit.

He thanked Finance Director James Cozart and his staff for the excellent job they did. It was noted the audit went great and the report was excellent.

Following the presentation motion was made by Alderman Bumgarner, seconded by Alderman McDaris to approve the 2004 – 2005 audit report. The vote was unanimous. The Board thanked Mr. Costner for the excellent job Martin, Starnes & Associates did.

PERSONNEL POLICY ADOPTED: The Personnel Policy was presented to the Board for final approval. Alderman Moyer noted that on page 10 he would like to see Section 7 - Salary Increases in the second paragraph amended to read: **Employees may be considered for advancement at the beginning of the new fiscal year** and not on their hiring (anniversary) date.

The Board was in agreement with this amendment and staff noted that they would strike **“on their hiring (anniversary) date”** from that paragraph.

Motion was made by Alderman Moyer, seconded by Alderman Bumgarner to approve the new Personnel Policy as written by the NC League of Municipalities Maps Group. The vote was unanimous.

PLANNING BOARD REAPPOINTMENTS: Town Planner Charles Mullis informed the Board that the term of office for Planning Board members, Harold Duckworth and Shirley Lowman expired in July 2005.

Both Planning Board members expressed an interest in being reappointed for another three year term.

Motion was made by Alderman Mays, seconded by Alderman Bumgarner to reappoint Harold Duckworth and Shirley Lowman for another three year term on the Long View Planning and Board of Adjustments. The vote was unanimous.

RESOLUTION OF SUPPORT – DOT WESTERN NC AREA CROSSING STUDY: Town Administrator Epley informed the Board that he had received a written proposal from Gannett Fleming Engineers for the Western North Carolina Area Crossing Studies for Norfolk Southern ‘S’ Line Salisbury to Asheville. The proposal called for grade crossing modifications for the 31st Street, SW Crossing #729 552H/MP S60.40 (close and remove the crossing as part of the relocation and reconstruction of the 33rd Street SW crossing) and the 33rd Street SW/SR 1124* - Crossing #729 551B/MP S60.50 (relocate the crossing as identified in the proposal.)

A resolution of support of the project was presented for the Board’s approval.

At this time there was detailed discussion among the Board members. Alderman Moyer noted his concern of what effect this project would have on the citizens of Long View and Penelope Baptist Church. It was noted that this proposal was part of the Transportation Improvement Program established by the Department of Transportation and that the DOT officials had met with Long View officials a number of years ago about the public safety reasons for this project.

The Police Chief was asked what he thought about the impact this would have on the traffic flow. Chief Rogers noted that he thought it would be okay and the purpose of the changes was to make the road safe.

Alderman Mays informed the Board that this proposal was part of the Transportation Improvement Plan which was improving the road to make a straight shot to the airport. He added that this project would not take place for another 14 – 15 years.

The Board asked the Town Attorney for his opinion and Mr. Dill noted that he felt like the Town may need to have a public hearing to let the citizens know in advance of the plans for this intersection.

Following further discussion motion was made by Alderman Bowman to table approval of the Resolution of Support and have the Town Planner to schedule a meeting with the citizens to discuss the proposed plans. Alderman Bumgarner seconded the motion and the vote was unanimous.

FINANCE REPORT: Finance Director James Cozart gave the Board a finance report. He reported that as of August 31, 2005 the budget was 17% complete. The general fund revenues were at 14.77% and the general fund expenditures were at 17.70%. It was noted there was a 3% increase in expenditures over revenues. The utility fund revenues were at 14.18% and the expenditures were at 12.20%.

The Board thanked Mr. Cozart for the excellent financial update and audit report.

ADMINISTRATOR'S REPORT: The Administrator informed the Board that the Town had not received the grant approval letter for the Western Ridge Project. However, it was expected anytime.

NC League Convention Update: Mr. Epley informed the Board that the NC League Convention starts Sunday, October 16th in Hickory. The Town had nine people attending the conference and everyone was asked to meet at Town Hall at 6:00 p.m on the 16th.

American Red Cross Thank You: The Town officials received a letter from the American Red Cross thanking them for their personal donation to the Katrina Relief Efforts.

CLOSED SESSION: The Board was informed that they needed to go into closed session to discuss potential litigation. Motion was made by Alderman Mays, seconded by Alderman Moyer to adjourn regular session and go into closed session at 8:30 p.m. The vote was unanimous.

Motion was made by Alderman Bumgarner, seconded by Alderman McDaris to adjourn closed session at 8:40 p.m. and return to regular session. The vote was unanimous.

BOARD COMMENTS: Alderman Bowman thanked the staff for the great job in recruiting Drexel Heritage to Long View.

Alderman Mays expressed his appreciation to the Street Department for the excellent job they have been doing in addressing some small disasters in town during the excessive rain.

Alderman Moyer noted his concern of the condition of the two houses the Town owns on 8th Avenue, NW across from the Airport. He stated that one looked very ragged and needed to be torn down and the other house needed to be spruced up with siding or paint to make it look better. Mr. Moyer added that the Town needed to be a good citizen and maintain its property.

It was stated by the Fire Chief that one of the houses was used by the Fire Department as a smoke house for training and the second house was of no use to them.

Following further discussion, it was recommended that staff obtain bids to demolish the run down house and to have the smoke training house cleaned up with new siding or paint to make its appearance more appealing.

There being no further comments or discussion motion was made by Alderman Bumgarner, seconded by Alderman McDaris to adjourn the meeting at 8:50 p.m. The vote was unanimous.

Town Clerk

Mayor