

APRIL 16, 2012 SPECIAL CITY COUNCIL MEETING

PRESENTATION OF WATER PLANT EXPANSION PROJECT

The City Council of the City of Clinton, North Carolina, met in a special session at 6:00 PM on April 16, 2012, in the City Hall Training Room. Mayor Lew Starling, Councilmembers Turlington, Stefanovich, and Strickland were present. Councilmember Becton and Mayor Pro Tem Harris were absent.

City Manager John Connet; City Clerk Elaine F. Hunt; Assistant City Manager – Finance Director Shawn Purvis; Public Works Director Jeff Vreugdenhil; and City Attorney Dale Johnson were also present.

Chris Berendt, of The Sampson Independent, was present.

Chris Thomson, of The Wooten Company; Steven Smith, Area Specialist, of The USDA Rural Development; Judy E. Hunt, of The USDA Rural Development; and Aaron Gaskins, of The USDA were also present.

Mayor Starling called the session to order and City Clerk Elaine F. Hunt blessed the meal.

City Manager Connet introduced Chris Thomson to the group.

WATER EXPANSION & REDUNDANT FINISHED WATER LINE (USDA PROJECT)

Mr. Thomson presented a PowerPoint regarding the Water Expansion and Redundant Finished Water Line (USDA Project). He stated that this proposed expansion would increase the water supply to approximately 3 million gallons per day. He compared the projected City water demands with Smithfield Foods, Inc., purchasing water vs. Smithfield Foods, Inc., not purchasing water. Mr. Thomson further stated that Smithfield Foods, Inc., has two wells and run them 18 hours per day. He informed City Council that Smithfield Foods, Inc., wants the City as a redundant supply.

Mr. Thomas presented the proposed funding of the Water Expansion and Redundant Finished Water Line Project:

- Total Estimated Project Cost: \$4,836,000
- 40-year USDA loan at 2.75% interest
- Annual payment = \$201,000
- No penalty for early pay-off of USDA loan

Assistant City Manager – Finance Director Shawn Purvis informed everyone that the City of Clinton has several debts expiring this upcoming year.

City Manager asked City Council to approve the Letter of Conditions so that the City might move forward through the additional application processes as it relates to the expansion of the Water Plant, new water line, and installation of a new above ground water tank with a full understanding of the abovementioned proposed funding.

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Strickland, it passed unanimously to approve the Letter of Conditions so that the City might move forward through the additional application processes as it relates to the expansion of the Water Plant, new water line, and installation of a new above ground water tank with a full understanding of the abovementioned proposed funding.

ELEVATED WATER STORAGE TANK –SMITHFIELD PACKING, INC. – RURAL CENTER PROJECT

City Manager Connet informed City Council via email that the City has applied for an \$885,000 grant for a water tank project to serve Smithfield Foods, Inc. It was further stated that upon completion of the project, Smithfield Foods, Inc., may become a customer of the City at 500,000 gallons per day and the creation of approximately 100 jobs for North Carolina may be evident. Mr. Connet stated that the proposed site will be near Rowan Road. Total project cost is approximately \$1,770,000 to be divided equally between the Rural Center and the City of Clinton.

Mayor Starling questioned the method in which the City would pay this amount. Assistant City Manager – Finance Director Purvis presented several ways. Mr. Connet asked permission to contact Rural Center and move forward with this proposal.

No action was taken.

CLINTON FIRE DEPARTMENT

City Manager Connet stated that he recently met with the fire chiefs of Halls and Taylor Bridge Fire Departments. He stated that the meeting went extremely well and all were in agreement that a ladder truck is needed. He further stated that all agreed that a Quint is an adequate apparatus for the City of Clinton. He stated that if the Quint was purchased, it would be used on structure fires and commercial fire alarms only.

City Manager Connet explained that a Quint requires four people to satisfy ISO Rating; whereas, a ladder truck requires six people. He stated that presently, the Fire Department has four vehicles; however if the Quint is acquired, one pumper will be retired.

Mayor directed City Manager Connet to continue his research on the fire trucks and they will revisit this item at the next city council meeting.

CITY COUNCIL

Upon a motion made by Councilmember Strickland, seconded by Councilmember Turlington, it passed unanimously to adjourn this special session at 7:54 PM.

Elaine F. Hunt, MMC, City Clerk

Lew Starling, Mayor