

Jim Palenick

From: Jim Palenick [jpalenick@dallasnc.net]
Sent: Friday, May 03, 2013 10:31 AM
To: 'rcdc18@charter.net'; 'ronniemorrow@att.net'; 'hoyle withers'; 'huggybarber@att.net'; 'JOHN BEATY'; 'Martin, Scott'
Cc: 'Maria Stroupe'; 'Gary Buckner'; 'slambert@dallasnc.net'; 'David Kahler'; 'dhuffman@dallasnc.net'; 'A Martin'; 'Bill Trudnak'; 'J. Thomas Hunn'
Subject: Town Manager's Report (#28)

Mayor & Board of Aldermen:

Please accept the following as the **Town Manager's Report for the Week-ended Friday, May 3, 2013.**

- On Wednesday evening, a 13-year-old girl became stuck in one of the infant/toddler swing seats on the swing-set next to the Gym. As you might imagine, since these are built and designed for infants and toddlers when accompanied by an adult, such use by a 13-year-old was inappropriate. In any event, a friend walked over to the Police Department who, in turn summoned the Fire Department and responding firefighters cut her out of the seat without any significant injury. We do not expect any claims or litigation because of the lack of real harm and due to the clear negligence on the part of the girl in using the seat obviously not designed for someone her age and size. We have ordered a new seat to replace the damaged one which was removed.
- As we continue to use the National, on-line municipal auction site "GovDeals" to dispose of surplus property and assets, we are finding that we are truly maximizing value. This past week, the 1998 Chevy truck surplussed by the Electric Department, and which was of little ostensible value given its mileage and condition, fetched a surprising \$3,600 – more than twice the "reserve" placed on it. Likewise, the old trailers that came with the Peak-shaving generators and sat in the yard rusting for a decade, also sold for well beyond twice what we had anticipated.
- Early this week I completed all the Budget development and review sessions with the Department Heads and since that time, Maria and I have been consolidating and finalizing the comprehensive draft budget proposal for FY2013-14. To that end, I hope to have the completed Draft, along with the Budget narrative message, completed by the close of Business on Monday, May 13th. If I achieve that, we will then get it distributed to each of you which will, in turn, allow 10 days of review time prior to our scheduled Budget Work Session on the 23rd.
- As you will recall, bids/proposals for our Waterline redevelopment financing/debt issuance were due from Financial institutions by the close of business last Friday. I am now pleased to report that the result of that effort has yielded a proposal from the Gastonia Main-Branch of BB&T to provide \$3.6Million in Capital for the project to be repaid over 20 years, using level yearly debt-service payments, at 3.59%. If we were to need and use the entire \$3.6Million, that will result in yearly debt payments from our Water/Sewer Fund of approximately \$255,000; and, of course proportionately less if we borrow \$3Million in keeping with our original Budget. At the May 13th Meeting, you will be asked to formally adopt a resolution awarding the debt financing to BB&T consistent with these terms. We will also, at that meeting, both know the final construction costs of Phases II and III; and award contracts to the winning Bidders based on those numbers. With all the non-CDBG-funded work then fully quantified and determined, we will know with certainty how much total debt to incur to cover all Phases of the project.
- Doug Huffman and I are continuing to push Duke Energy representatives to be responsive to our need to acquire a tiny sliver of property they own (next to property we already owned and a parcel we acquired from New South for this purpose) so that we might move forward with our new Substation construction. Unfortunately, with this matter, like virtually everything else that we deal with them on, they are unresponsive, recalcitrant, and less than helpful, at best. To that end, I am holding up on putting their requested amendment to the Purchase Power Agreement (based on the Progress/Duke Merger) on the Agenda for your approval, because the only way I can seemingly get their attention is to, in effect, hold something "hostage" that they want, in order to get something we want. Let's just call it "negotiations"..... I will let you know as we hear anything further.

- We have continued to solicit and review bids and purchase proposals for 6,000, high-efficiency CFL (compact fluorescent) light bulbs to distribute as a Thank You to our Electric customers (2 each) in honor of our 150th Anniversary, and are near to identifying the best price, quality and custom-printing/packaging that we have been looking for. We expect to make the purchase soon and get the bulbs shipped for distribution this Summer.

Thank You,

Jim Palenick
Interim Town Manager