

## **REGULAR MEETING, MONDAY, NOVEMBER 20, 2006**

The regular meeting of the Hope Mills Board of Commissioners was called to order by Mayor Dees at 7:30 p.m. Commissioners Luther, Smith, Gorman, and Collins was present. Commissioner Legge was absent due to an out of town commitment.

Others present were Town Attorney William R. Davis, Police Chief John Hodges, Police Captain John Smith, Public Works Director Bruce McLaurin, Finance Director David Stafford, Fire Chief Chuck Hodges, and Kimberly Lockamy, Human Resources Administrator.

Rev. Ron Godbolt, Christ Gospel Church, gave the invocation, and Mayor Dees led the Pledge of Allegiance.

### **1. CONSIDERATION OF APPOINTMENT OF INTERIM TOWN MANAGER.**

Mayor Dees noted the Board would need to enter into Closed Session to discuss this matter.

### **2. AGENDA ADJUSTMENTS, ADDITIONS, DELETIONS TO THE AGENDA.**

Commissioner Collins made a motion to add a Closed Session to discuss a personnel matter. Commissioner Smith seconded, and the motion carried unanimously.

Commissioner Gorman made a motion to add introduction of new Police Department personnel. Commissioner Luther seconded, and the motion carried unanimously.

### **3. INTRODUCTION OF NEW POLICE DEPARTMENT PERSONNEL.**

Chief Hodges introduced Elyse Hunter and Jennifer Culbertson, Dispatchers, and Russell Conway, Russell Hill, Matt Norris, and Maynard Smith, Police Officers.

Chief Hodges welcomed the new employees and said they would be a great addition to the Hope Mills Police Department. Chief Hodges stated Hope Mills was a good town and was a good place to live and work.

### **4. STATUS REPORT ON HOPE MILLS LAKE/DAM PROJECT.**

Mr. Gordon Rose, McKim & Creed, reported to the Board that in August he informed the Board the bid documents were underway and would take approximately 60-90 days to complete. Mr. Rose said it had taken a little longer as the Corps of Engineers permit needed some minor adjustments. Mr. Rose said the front end bid documents were prepared and had been submitted to Attorney Davis for his legal review. He reported the technical specifications were prepared as well and were mostly complete.

Mr. Rose commented regarding the next steps in the process, specifically pre-qualifying bidders process. Mr. Rose said that an experienced licensed general contractor, bonding capacity, capacity to do the work, would be considered as part of this process as this project was a very specialized job and the Town needed to be protected with good qualified contractors. Secondly, Mr. Rose stated the advertisement for bidders had to be published, and they had contacted a number of newspapers as well as the Associated General Contractors where they would have a set of the plans available for review in their plan room. Mr. Rose stated that no later than December 15<sup>th</sup> he expected the pre-qualified forms to be received and he was looking at approximately 30 days after that probably the middle to the end of January to accept bids. Mr. Rose

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stated then the bids would come back before the Board with a recommendation from his office and finally the Board would have approval. Mr. Rose recommended the Town have its funding in place and stated this was from a legal standpoint that financing must be in place before awarding the contract.

Additionally, Mr. Rose stated there had been some concerns regarding the permit expiring in March, 2007. He explained the nationwide permitting process, and said all nationwide permits have expiration dates, but he fully anticipated renewal of this permit on or about March 18, 2007. He said at that point the Town would continue to move forward with construction and estimated the construction completion date would take approximately two years to complete the project. Further, Mr. Rose said as long as construction was underway prior to March 18<sup>th</sup>, the Town would have until March 18, 2008 to complete the project, however, he did not anticipate any problems. Mr. Rose stated that they were prepared to move forward on this project and would advertise the project this week.

In response to a question from Mayor Dees, Mr. Rose stated that the bids would be opened and publicly read. Mayor Dees noted he had asked for a revised estimated construction cost, and stated this would be needed before the Town could seek funding. Mr. Rose responded his firm would be working on these cost estimates and would get this information to the Board as quickly as possible.

In response to a question from Commissioner Gorman, Mr. Rose said he fully expected if the permit expired that it would be renewed and the Town would have more than enough time to complete the project.

In response to a question from Commissioner Luther, Mr. Rose said that he did not feel that once the project began it would stop, and he fully anticipated the permit would be renewed and authorized with no problems.

In response to a question from Commissioner Collins, Mr. Rose stated they felt it would be in the best interest of the Town to go through a pre-qualifying bidders process.

Mayor Dees offered a point of clarification that the Town must get its audits completed before being able to get financing. He stated this was anticipated by the first of the year and felt that all this would fall into place. Mr. Rose stated that the contractors would be in a position to start and this would actually be the best time of the year to begin a project. Additionally, Mayor Dees noted they could start clearing the project in January.

Mayor Dees opened the floor for public comments. He stated the project was proceeding full speed ahead.

Lisa Waring, President of the Friends of the Hope Mills Lake, thanked the Board for its support of the Bluegrass Festival at the lake on November 11<sup>th</sup> and said this was a great community celebration with an estimated crowd of over 600 people. Ms. Waring said the Friends of the Lake had 608 members and was a fast growing organization and recognized the Friends of the Lake board members present. Ms. Waring expressed special thanks and appreciation to Judy Williams who personally raised \$5,000.00, Big T's, and thanked the Police Chief and Police Officers, and stated she was hoping to have many more of these type of events in the future.

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### **5. STATUS REPORT ON RECREATION CENTER.**

Mayor Dees read into the record a progress report on the Hope Mills Recreation Center as provided by Ms. Kilgore, Parks and Recreation Director:

1. Mr. Gordon Johnson has spoken with the North Carolina Department of Insurance and the letter of approval to occupy the building will be issued either today or tomorrow.
2. The amount paid to date on the building is \$2,126,150.00.
3. The amount still owed for the contractor's final retainage is \$267,319.00 and that bill will be issued the week of November 27, 2006. However, the contractor did not spend that whole amount. The final amount is still in negotiations and the Town will only owe the reduced negotiated fee.
4. The Certificate of Occupancy is anticipated to be issued the week of November 27, 2006.
5. There are a few items left to be completed on the contractor's punch list, but these will not prevent us from occupying the building.
6. Mr. Johnson will make his final review of the building the week of November 27, 2006, and that will close out the project.

### **6. PUBLIC COMMENTS.**

There were none.

### **7. CONSENT AGENDA.**

Mayor Dees presented the consent agenda and asked if there were any items the Board wished moved to the regular agenda for discussion.

Commissioner Gorman made a motion to approve the consent agenda as presented. Commissioner Luther seconded, and the motion carried unanimously.

- a) Consideration to approve Minutes of the November 6, 2006 Regular Meeting.

Minutes approved as written.

- b) Consideration to accept donation of 1993 Chevrolet Caprice from Cumberland County, value \$800.00.

Police Chief John Hodges requested the Town accept a 1993 Chevrolet Caprice, VIN number 1G1BL5378PW116682, from the Cumberland County Central Maintenance Facility. He reported the value of the vehicle was \$800.00.

Donation of 1993 Chevrolet Caprice accepted.

"END CONSENT AGENDA"

8. PUBLIC HEARING: CASE NO. P06-7. CONSIDERATION OF THE REZONING FROM R15 RESIDENTIAL DISTRICT TO O&I OFFICE AND INSTITUTIONAL DISTRICT, OR TO A MORE RESTRICTIVE ZONING CLASSIFICATION, FOR

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**AN AREA LOCATED AT 4664 LEGION ROAD, CONTAINING 0.55 ACRES MORE OR LESS, AND BEING THE PROPERTY OF TINA M. ODOM AND HUSBAND, LARRY ODOM.**

Mayor Dees noted the Town Manager had recommended that this matter be referred to the Planning Board for recommendation, however, since the Town had already published a legal ad and letters had been mailed to property owners, he felt it appropriate for the Board to conduct the public hearing.

Mayor Dees opened the public hearing.

Tony Willis, stated he lived at the back of the property, and commented that all the surrounding property was zoned R15 Residential and asked why was this one parcel being requested for rezoning. Mr. Willis stated that this property should remain residential.

Fulton West, 4676 Legion Road, stated he lived next door to the property. Mr. West stated he felt approval of the rezoning would be spot zoning and may result in a domino effect. Mr. West expressed opposition to the rezoning.

John Melvin, stated he lived next door to the property, and expressed concerns there were a lot of residential areas being rezoned to commercial properties. Mr. Melvin expressed concerns about losing the neighborhood as residential, and stated he opposed the rezoning.

Joe Simpson, 4689 Legion Road, stated he was not opposed to the Odoms, but expressed concerns what would be next if this property was rezoned. Mr. Simpson said he wanted to keep this a residential neighborhood.

Bill Speight, 4723 Legion Road, said the Board was elected to create change for the good. He asked the Board to protect the residential neighborhood, and stated he did not like the possibility of a domino effect. Mr. Speight said he also spoke for Mr. Al Brafford who was opposed to the rezoning as well. Mr. Speight asked the Board to protect the residential area.

Tina Odom, 4379 Cameron Road, stated she had provided a package of information to the Board members giving findings of fact to support the use of the property. Mrs. Odom stated that O&I was not an isolated use and had been granted other times in other areas of town. Mrs. Odom said she was asking for the least rezoning, and said she understood the residents wanted their neighborhood to remain residential. Mrs. Odom stated she felt commercial zoning was increasing in this area due to progress and growth and commented regarding the traffic. Mrs. Odom stated she was requesting O&I because it was the best use for the property, and denying the rezoning would not give peace and tranquility to the neighborhood. Mrs. Odom said that the rezoning request met all the criteria implemented.

In response to a question from Mayor Dees, Mrs. Odom said that she only planned to use this property for a construction company and real estate office and there would be no outside storage. She said there would be no changes to the appearance of the outside of the property and she would only have one sign and it would not be a big commercial sign. Mrs. Odom said the office hours would be 8:30 to 5:00 and this was a small business. Mrs. Odom said if the property was rezoned she would not live in the house, however, if the property was not rezoned, she would move into the house and

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open a home occupancy business.

Roland Schmidt, 3583 Barbary Bluff, said he had previously lived on Legion Road. Mr. Schmidt commented about rezoning properties in the middle of residential districts and said this type of zoning destroyed a residential area. Mr. Schmidt expressed concerns if the property was rezoned O&I then what would come next, more commercial property rezoning requests. Mr. Schmidt said he was very opposed to the rezoning on Legion Road. He recommended that the Board deny this request.

Anna Hooker, 4711 Legion Road, asked why the Hope Mills Zoning Board did not hear this request.

Mayor Dees said it was his understanding the Planning Board did not hear the case because there was lack of a quorum but the Town Board could refer this matter back to the Planning Board for recommendation if it chose to.

Ms. Hooker said she did not receive a letter regarding the public hearing nor did Mr. Speight.

Mayor Dees stated staff would check into this.

Ms. Hooker stated she was opposed to the rezoning. She noted there was a vacant lot next to the subject property and expressed concerns that they also would be requesting rezoning and this would create a domino effect. Ms. Hooker noted that there were some businesses along Legion Road, but they were a good distance from this property.

Harvey Elmore, 4636 Legion Road, stated he loved this area and appreciated it being a residential area. Mr. Elmore said he had no objections with the Odoms, but he did oppose the rezoning.

There being no one else to speak, the public hearing was closed.

**Commissioner Luther made a motion to refer this matter to the Hope Mills Planning Board for recommendation.** Commissioner Luther expressed concerns that something had gotten out of sequence, and felt that the Board should have a recommendation from the Hope Mills Planning Board. **Commissioner Smith seconded, and the motion carried unanimously.**

### **9. CONSIDERATION OF REQUEST FROM HCC INVESTMENTS TO CLOSE A PORTION OF HILL STREET.**

Mayor Dees noted information in the agenda packets regarding HCC Investments request to close a portion of Hill Street.

**Commissioner Smith stated he had not had a chance to talk with the residents on Hill Street, and made a motion to refer this matter to the Hope Mills Planning Board for recommendation. Commissioner Luther seconded, and the motion carried unanimously.**

### **10. PRESENTATION: NCLM STRATEGIC DIRECTIONS INITIATIVE VIDEO, AND ADOPTION OF RESOLUTION.**

The Board viewed a brief CD from the North Carolina League of Municipalities giving background information on the Strategic Directions Initiatives. Mayor Dees asked the Board to provide their comments for the vision survey and he would compile all answers and submit them to the League on behalf of the Town.

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Commissioner Gorman made a motion to adopt the resolution. Commissioner Collins seconded, and the motion carried unanimously.

### RESOLUTION

WHEREAS, the North Carolina League of Municipalities has undertaken a strategic visioning process to determine how to continue to meet the needs of its members as the League approaches its second century of operation;

WHEREAS, the Strategic Directions Initiative Steering Committee studied the history of the organization, the forces that shaped the League and the trends that are likely to occur;

WHEREAS, the NCLM Strategic Directions Initiative Steering Committee has examined the strengths, weaknesses, opportunities and threats that face the League in the years ahead;

WHEREAS, the committee has talked with municipal elected and appointed officials, as well as NCLM staff members, to determine what members value about the League;

WHEREAS, the committee has proposed to strengthen the League by developing a mission statement that makes explicit why the League exists;

WHEREAS, the committee is proposing core values that define how the League lives its mission, with these being: ethical; fair and equitable; financially sound; good government and public service are valuable; inclusive, collaborative, engage partners, stakeholders and external actors; innovative and forward-thinking; municipalities matter; nonpartisan; open and transparent; and unity;

WHEREAS, the committee is proposing that the League focus on strengthening member communication, participation and engagement; strengthening the League's governance capacity; and strengthening policy development and representation of municipal interests in an increasingly regional, global and intergovernmental world; and

WHEREAS, the governing board of the TOWN OF HOPE MILLS, NC has reviewed the proposed mission statement, core values and strategic directions, developed by the Strategic Directions Initiative Steering Committee;

NOW THEREFORE BE IT RESOLVED that the governing board of the TOWN OF HOPE MILLS, NC hereby endorses the findings of the committee, encourages the NCLM Board of Directors to adopt the recommendations and move the League forward to its preferred future.

Adopted this 20<sup>TH</sup> day of November, 2006.

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EDDIE DEES, MAYOR

ATTEST:

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Phyllis C. Register, MMC, Town Clerk

#### **11. INFORMATION ITEMS:**

##### **a) Discussion of possible statute violations.**

Mayor Dees read the following statement:

Prompted by recent frustration over the inability to get financial statements and the lateness of our audits, I have researched the state General Statutes concerning Local Government Budget and Fiscal Control. State laws and help from the state's Local Government Commission, have made me aware of a number of things that involve possible unbudgeted spending. I do not believe there is any criminal wrongdoing. I do believe, however, there are a number of performance issues that have resulted in state statute violations. I feel it is my duty, my obligation, to make these findings public.

It is the direct responsibility of management to keep the

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governing body informed of all financial transactions - particularly those that are not budgeted. It is the Governing Body's responsibility to ensure that management does so. In that regard, all of us have to accept responsibility for some of what has occurred. Many of these possible violations have occurred over a number of years, some of them just since July. In my opinion, if the Governing Body had asked the right questions through the years, these things may not have occurred. But likewise, had the Governing Body received financial reports as requested, some of these violations might have been prevented.

I have had conversations with Vance Holloman and Sharon Edmundson, of the Local Government Commission, and one of our town auditors, Mark Hedgepeth, about our concerns and they have all expressed concerns as well. These possible state statute violations - which the Governing Body is ultimately responsible for and which will eventually be brought out when the audit reports are completed - include the following:

For starters, the Local Government Budget and Fiscal Control Act (159-25), says that the Finance Officer "as often as may be requested by the governing body, shall prepare and file with the board a statement of the financial condition of the local government." As you know, that has not happened. I reported that to the LGC and was told that is was a general statute violation and a "performance problem that should never be tolerated.

Secondly, state laws dictate that we have a Capital Project Ordinance for all capital projects and that money can not be used to fund projects without such an ordinance. State Statute 159-13.2© says "if a local government intends to authorize a capital project, it shall not begin the project until it has adopted a balanced project ordinance for the life of the project. A project ordinance is balanced when revenues estimated to be available for the project equal appropriations for the project. A project ordinance shall clearly identify the project and authorize its undertaking, identify the revenues that will finance the project, and make the appropriations necessary to complete the project." Statute 159-13.2 (d) says that "Each ordinance shall be entered in the minutes of the governing board. Within five days after adoption, copies of the ordinance shall be filed with the finance officer, the budget officer, and the clerk of the governing body". Statute 159-13.2 (f) says furthermore that "Each year the budget officer shall include in the budget information concerning the capital project."

State Statue 159-22 states that "No withdrawal may be authorized for any purpose not specified in the ordinance establishing the fund or in a resolution or ordinance amending it.

No withdrawal may be made which would result in an appropriation for purposes for which an adequate balance of eligible moneys is not then available in the (established) capital reserve fund.

State statute 159-28 (a) reads: "No obligation may be incurred for a capital project unless the project ordinance includes an appropriation authorizing the obligation and an unencumbered balance remains in the appropriation sufficient to pay the sums obligated by the transaction." It also states that "if an obligation is evidenced by a contract... the contract shall include on its face a certificate stating that the instrument has been preaudited to assure compliance with this subsection." It goes on to say: "When a bill is presented, the finance office shall either approve or disapprove the necessary disbursement. If the claim

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involves...a project ordinance, the finance officer may approve the claim only if... The budget ordinance or project ordinance includes an appropriation authorizing the expenditure."

To make the required preaudit certificate, one must know the unencumbered balance of the capital project appropriation. This certificate assures compliance that the budget includes an appropriation for the contract and that unencumbered moneys remain in the appropriation to cover payments for the contract. Any finance officer or deputy finance officer giving a false certificate is personally liable for any sums illegally committed or disbursed thereby according to General Statute 159-28 (e).

The town has evidently violated all of the above by failing to properly prepare Capital Project Ordinance Additions for the Town Dam Project Ordinance or the Recreation Center Addition Project Ordinance. In both of these projects, expenditures were made in excess of the appropriations authorized by the project ordinances.

In other words, the town failed to prepare the proper paperwork. That is technical but... these things were done without Board knowledge or Board approval, but the Board perhaps should have known better. This is an on-going pattern that has taken place over many years in this town. These actions will require corrective Board action and they will show up as statute violations on our audits. This board must retroactively write Capital Project Ordinance Additions and Budget amendments where needed, after the fact, acknowledging our mistakes, and asking the state for their indulgence in working with us through these mistakes.

Two days ago, on Saturday, the Board received the following letter from the North Carolina State Treasurer's Office:

November 15, 2006

The Honorable Eddie Dees, Mayor  
Town of Hope Mills  
5770 Rockfish Road  
Hope Mills, North Carolina 28348-5770

Dear Mayor Dees:

The staff of the Local Government Commission has analyzed the audited financial statements of the Town of Hope Mills (Town) for the fiscal year ended June 30, 2004. Corrective action in the following areas is required.

The Town's audited financial statements were not received by our office until October 30, 2006, over two years after the end of the fiscal year for which the report was issued. Our records indicate that the 2003 report was issued over eleven months after year end. Because of the delay in the issuance of the 2004 audited financial statements, the 2005 audit has been delayed, and the 2006 audit is not likely to be completed in a timely manner as well. Late financial reports identify financial and operational problems after it is too late for the Board to take any effective action. As stewards of the public's resources, the governing body is responsible for ensuring that the audited financial statements are available to the public in a timely manner. Information in the reports is needed by various external groups such as the North Carolina General Assembly, federal and state agencies that provide funding, and other public associations. We have received letters from the Town dated February 17, 2005 and September 22, 2006, which explain the cause of the delays. The Town did not have a contingency plan for the Finance Director's extended absences. Based on our conversations with you, your board, and your staff, we know that the late completion of these audits has caused substantial delays in funding for two major capital projects

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in which the Town is participating. The Board must take steps to ensure that future audits are completed in a timely manner. It is our understanding that the projected completion date for the 2005 audit is November 30, 2006, and for the 2006 audit, December 31, 2006. Please write to use to confirm those estimated completion dates.

At June 30, 2004, the Phase II Storm Water Drainage Project Fund had a deficit of \$39,049. A project ordinance has been adopted for this Fund, which indicates that revenues should equal expenditures over the life of the project. The project ordinance should be reviewed. If it is determined that all revenue and expenditure estimates are reasonable, no further action is needed. If it is determined that all revenues will not be realized or expenditures will exceed the amount budgeted, the ordinance should be amended to reflect additional revenues sources or reduce expenditures.

In the Hope Mills Dam Capital Project Fund, expenditures were made in excess of the appropriations authorized by the project ordinance. For the most part, the excess expenditures were offset by revenues in excess of the budget. However, the finance officer is liable for any sums disbursed not in accordance with a duly adopted project ordinance [G.S. 159-28(e)]. We urge the governing board, if you have not already done so, to revise the project ordinance to adjust appropriations to a cover the remaining estimated expenditures. The North Carolina Department of State Treasurer Policies Manual contains a section on budgeting that provides guidance in establishing and maintaining budgetary controls. A copy of this section can be downloaded from our website at <http://www.nctreasurer.com>. Select "State and Local Government" followed by "Auditing and Reporting Resources" and "Policies Manual".

We noted various weaknesses concerning your Town's internal control system that were communicated to you in the management letter. We are especially concerned that the auditor reported as material weaknesses the lack of fiscally responsible leadership by management and the lack of effective oversight by the Board. This weakness has manifested itself in the two year delay in completion of the 2004 and 2005 audits. The auditor also has reported that there is a material weakness in the lack of separation of duties among personnel and that too much reliance is placed on the finance officer to allow for an adequate control environment. Again, this weakness is most evident in the delay in completion of the 2004 and 2005 audited financial statements. Each of the items noted by the auditor was identified to assist the Board in improving the Town's overall accounting system. We urge the Board to continue to develop a corrective action plan immediately and begin eliminating these serious internal control weaknesses. We understand that the Town has recently contracted for bookkeeping help with an outside party to assist in the work needed to bring the audits current. Again we urge the Board to continue to look for ways to improve the control environment, reduce the reliance on one employee for financial reporting, and to provide the needed fiscally responsible leadership to move the Town forward.

According to our records, your governing board neglected to respond to our letter regarding the audited financial statements for the fiscal year ended June 30, 2003. Please write to us about your plans to resolve these matters. Please include in your response a copy of your most recent interim financial statements and any material amendments to the 2006-2007 budget ordinance, including capital project ordinances. If you have any questions please contact me at (919) 807-2380.

Sincerely,

Sharon Edmundson, CPA  
Director, Fiscal Management Section

I want to ensure everyone that this type of financial mismanagement has not been condoned by me. I think I speak for the entire board in saying

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it will not continue to be a problem. Any future capital projects will be properly executed and budgetary amendments done promptly. Every effort will be made to complete audits and see that this is not a recurring problem. We will work closely with the LGC to follow the letter of the law in the future and to correct past transgressions as soon as possible.

I realize that many of these actions, all of which are a matter of public record, have caused this town many credibility issues statewide and with our own citizens. I have also asked the Local Government Commission to closely investigate the town's finances during the audit process. I have assured them we will comply with their directions. I want to remove even the slightest hint of any wrongdoing by this board and take whatever action is necessary to correct these and any other problems.

Commissioner Collins stated that when he came on board in December he knew about the audits. Commissioner Collins said he had preached constantly that the audit must be done with no success. Commissioner Collins said this must stop and the Town must get someone to do the right thing.

### **b) NCLM Annual Conference, Fayetteville, October, 2007 - Steering Committee Report.**

Mayor Dees reported that he met with the Steering Committee and the conference was going to be held at the Crown Center. Mayor Dees noted that the Town had been asked to consider hosting the Youth Summit at the new Recreation Center.

### **c) Update on possible rural transportation system.**

Mayor Dees stated there were discussions for a rural transportation system that would hopefully benefit and help Hope Mills. He said at this point it looked like a possibility as state and federal grants had been received for this project.

### **d) State Transportation Improvement Program Public Meetings.**

Mayor Dees noted a letter had been received from the North Carolina Department of Transportation concerning a series of meetings across the state in the coming months to hear comments and answer questions about the Draft 2007-2013 Transportation Plan. Mayor Dees noted on December 13<sup>th</sup> there would be a meeting at the Bladen Community College Auditorium in Dublin for Division 6.

## **12. OLD BUSINESS.**

There were none.

## **13. STAFF CONCERNS.**

There were none.

## **14. OFFICIAL CONCERNS.**

Commissioner Collins commented as follows:

1. Welcomed all the new Police Officers and Dispatchers and said he felt they will do a good job.
2. Stated he enjoyed the Bluegrass Festival and the Veterans Day Ceremony and he thanked everyone involved for doing a great job.

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3. Thanked all the residents from across the lake for coming to the festival.
4. Commissioner Collins said that this was a good Board and he felt that if the Town gets its financial reports and audits done, then the Town can move on and make Hope Mills what it should be.

Commissioner Luther commented as follows:

1. Thanked all the citizens for coming and said she wished they would attend all the meetings. She said it would help a lot to know how they feel, because the Board was there to fulfill their wishes. Commissioner Luther said that the only way the Town was going to grow is to grow together.
2. Stated all the things brought to the Board's attention by the state were a concern, and assured the public that the Board was not aware of the violations and they will be corrected.
3. Thanked everyone for coming out to the meeting and asked that they continue to come to the meetings.

Commissioner Smith commented as follows:

1. Thanked Rev. Godbolt for the invocation.
2. Welcomed all the new Police Officers and Dispatchers.

Commissioner Smith said Chief Hodges stated that the citizens in the audience is who they work for, and said as a Board that is who they work for and they are about 13,000 strong that are not here tonight. He said a job of a Town Commissioner is to ensure that those citizens have essential services like police, fire protection, and sanitation services. Commissioner Smith said he could not be everything to some, but he tried to be something to everyone and he is here to try and represent all the citizens of Hope Mills.

Commissioner Smith said that he did not want to accept the resignation of the Town Manager because he felt this would delay the projects that the Town has at hand. He stated that he was a big boy and if the resignation of Roy Taylor moves this town forward, and does not slow down the process of completing audits, that were late before Mr. Taylor took the job as Town Manager, then he will eat the crow.

Further, he said if the spillway project which the previous Board and this Board supports on record and through resolution of support, and resolution of intent to borrow the money does not slow down the process, then he will eat the crow.

Commissioner Smith stated that the one thing the previous Board did not have that the citizens who spoke at the last meeting, who all but asked for the resignation of our Town Manager had is hindsight. Commissioner Smith said it is easy to Monday night quarterback, when you have the ability to know should have been done or what events might have taken place after the earthen dam broke. He said the hard thing is making decisions and then making it work. The events that followed the dam breakage could not have been seen by any of us. The Corps of Engineers stipulations, the

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permits, the hurricanes, the delays but here we are no water in the lake and a town still to run.

Commissioner Smith said he hoped the town could hire a Town Manager in a timely fashion for the good of our town, which he swore to represent and complete what was needed to be done to get this town back on track. A new day is at hand and what we do with it is up to us. Are we going to work together, or look for others to blame. Said he hoped the latter is in our future, and he thanked the citizens and employees for their support.

Commissioner Gorman commented as follows:

1. Stated he concurred with everything that had been said.
2. Stated he was glad everyone came tonight and he appreciated the people who expressed their views.
3. Welcomed the new Police Officers and Dispatchers.
4. Said the Veteran's Day Ceremony was excellent, the Bluegrass Festival turned out extremely well, and he looked forward to more events.
5. Commissioner Gorman said he supported the Mayor and the Board in their endeavors to get these ordinances right.
6. Stated he wanted to see the audits completed December 30<sup>th</sup>.
7. Stated he would like to see water back in the lake and from what he had heard it should be a year from March.
8. Said if there is anything he could do for the citizens just give him a call.
9. Stated that there has been a lot going on the last six months, six weeks, and six days and we all need to group together now and go in one direction and that direction is progress for the Town of Hope Mills.

Mayor Dees commented as follows:

1. Thanked everyone for coming and thanked everyone for their concerns, thanked them for their understanding.
2. Wished everyone a happy Thanksgiving and days ahead.
3. Reminded everyone of the Town annual Christmas Parade and the Festival of Lights which will take place on Saturday December 2<sup>nd</sup>.
4. Congratulated the Friends of the Lake on the Veteran's Day Bluegrass Festival at the lake.
5. Congratulated the VFW on the great Veteran's Day Ceremony.
6. Welcomed the new employees, and to the existing employees and the department heads that have endured the

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last few days, thanked them for doing an outstanding and professional job.

7. Reminded everyone of the next Town Board Meeting, Monday December 4<sup>th</sup> at 7:30 p.m.

Mr. John Henley requested to address the Board.

Commissioner Collins made a motion to allow Mr. Henley to speak to the Board. Commissioner Luther seconded, and the motion carried unanimously.

Mr. John Henley requested that any citizen who wished to have copies of the financial documents and information be provided the same.

Mayor Dees noted this was a public record, and asked citizens wanting copies to please see the Town Clerk and there would be a nominal fee for printing.

Commissioner Luther commented that this year along with the parade and Festival of Lights on December 2<sup>nd</sup>, the Town would have its first annual Tree Lighting Ceremony immediately before the Festival of Lights. She said this was going to be a very exciting and great time and invited everyone to attend.

### **15. CLOSED SESSION PURSUANT TO NCGS 143-318.11(A)(3)(5)(6) TO CONSULT WITH THE ATTORNEY ON MATTERS WITHIN THE ATTORNEY-CLIENT PRIVILEGE AND TO DISCUSS PERSONNEL MATTERS.**

At 8:50 p.m., upon a motion by Commissioner Gorman, seconded by Commissioner Luther and unanimously carried, the Board entered into Closed Session for the purpose as stated.

Mayor Dees called for a ten minute break prior to the Closed Session and asked the Board Members to assemble promptly at 9:00 p.m.

### **16. RETURN TO REGULAR SESSION.**

At 10:05 p.m., upon a motion by Commissioner Collins, seconded by Commissioner Luther and unanimously carried, the Board returned to regular session.

### **17. CONSIDERATION OF CLOSED SESSION MINUTES.**

Commissioner Gorman made a motion to seal the minutes of the Closed Session until such time as the release of the information would no longer frustrate the purpose of the Closed Session, and further no action was taken. Commissioner Smith seconded, and the motion carried unanimously.

### **18. RECESS OF MEETING.**

Mayor Dees commented the Board needed to recess the meeting to continue a Closed Session to further discuss the appointment of an Interim Town Manager.

At 10:10 p.m., upon a motion by Commissioner Luther, seconded by Commissioner Collins and unanimously carried, the meeting was recessed to Monday, November 27, 2006, 7:00 p.m.

**REGULAR MEETING, MONDAY, NOVEMBER 20, 2006**

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EDDIE DEES, MAYOR

ATTEST:

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Phyllis C. Register, MMC, Town Clerk