

FRANKLIN COUNTY BOARD OF COMMISSIONERS
MINUTES OF A CLOSED SESSION

DATE: April 16, 2012

STATUTORY REFERENCE/PURPOSE: North Carolina General Statute 143-318.11 (a)(5) to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange, or lease.

MEMBERS OF BOARD OF COMMISSIONER PRESENT: Chair Shane Mitchell, Vice-Chair Robert Swanson, Commissioners Don Lancaster, Harry Foy, David Bunn, Sidney Dunston and Cedric Jones.

STAFF PRESENT: County Manager Angela L. Harris, Clerk to the Board Kristen G. King, County Attorney Pete Tomlinson, Finance Director Chuck Murray and Public Utilities Director Bryce Mendenhall.

SUMMARY: The topic of closed session was the potential purchase of water and sewer utilities from the Town of Youngsville. The Board was provided a draft letter of intent prepared by County Attorney Pete Tomlinson. Chairman Mitchell stated his understanding the letter was positively received on April 12, 2012 by the Town of Youngsville Board of Commissioners.

Mrs. Harris stated financial documents provided by Youngsville had been reviewed and noted the town does not possess the customer base to have an efficiency in their utilities system. Acquiring the asset, she said, would create more of an efficiency for the County.

Mr. Mendenhall stated the County supplies all water to Youngsville and removes all of its wastewater. He said the system is fairly simple and said their pump stations are older than those of the County and would need to be evaluated. Mr. Mendenhall said the systems would need to be compatible and said radio remote meter readers would be needed in order to provide drive-by readings.

Mr. Murray stated the net value of Youngsville's system is \$625,000. He said the letter of intent calls for its purchase price at \$150,000 realizing a \$475,000 net gain to the County. He stated the town is at a "break even" on its operational budget. He suggested a ten-percent discount to the town's current water and sewer customers for a period of three years. He emphasized there is no debt to purchase the system but rather a complete

Date Approved by the Board: 5/21/12

exchange of assets. He said the town had asked that one of its long time staff members be employed by the county if the purchase took place.

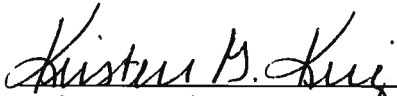
Mr. Tomlinson stated Youngsville had the opportunity to discuss the matter the previous week in closed session. He noted there may be some tweaking, but commented the proposal was well within the framework suggested by County staff.

Mr. Mendenhall reiterated the \$150,000 purchase price was suggested by Youngsville.

Chairman Mitchell stated the town would be ridding itself of the asset based on their current financial situation.

The Board was satisfied with the general concepts outlined.

Mrs. Harris noted the purchase could lead to similar conversations with other municipalities.


Kristen G. King, Clerk to the Board


E. Shane Mitchell, Chairman



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**CLOSED SESSION MINUTES
FRANKLIN COUNTY BOARD OF COMMISSIONERS**

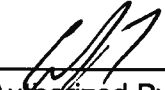
MEETING DATE: April 16, 2012

PUBLIC INSPECTION STATUS

A. Must Remain Confidential Permanently:

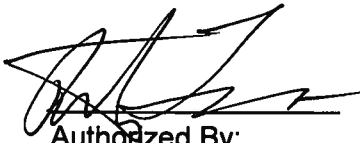
Authorized By: _____ Date _____
Pete Tomlinson
Franklin County Attorney

B. Released for Public Inspection:



Authorized By: _____ Date 2/22/13
Pete Tomlinson
Franklin County Attorney

C. Pending Further Review:



Authorized By: _____ Date 5-21-12
Pete Tomlinson
Franklin County Attorney
5-24-12
6-27-12

The Franklin County Board of Commissioners met for a Closed Session in the Commissioner's Meeting Room of the Franklin County Administration Building, 113 Market Street, Louisburg, NC, on the date indicated above.

The purpose of the meeting was to discuss matters relating to:

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|-------------------------------------|-------------------------|--|
| <input type="checkbox"/> | G.S. 143-318.11 (a) (1) | Not a Public Record |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (2) | Scholarship/Academic |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (3) | Attorney-Client Privileged Communication |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (4) | Industry/Economic Development |
| <input checked="" type="checkbox"/> | G.S. 143-318.11 (a) (5) | Real Property Purchase/Contracts/Leases |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (6) | Personnel |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (7) | Criminal Investigation |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (8) | Board of Education Emergency Response |
| <input type="checkbox"/> | G.S. 143-318.11 (a) (9) | Public Safety (Act of Terrorism) |