

**SPECIAL MEETING
BUDGET WORKSHOP
MINUTES**

March 11, 2004

Council Present:

David Stamey, Mayor
Joe Wesson
Gerelene Blevins
Eddie Bowman
Joe Norman
Pat Harrison

Staff Present:

Bob Frye
Bonnie Mann

Mayor David Stamey called the meeting to order at 2:30 pm and welcomed all in attendance.

Eddie Bowman gave the invocation.

Mayor David Stamey led all in the pledge of allegiance.

Joe Norman made motion to adopt the agenda, with Eddie Bowman seconding.

Town Administrator Bob Frye opened the discussion by providing the Council with information regarding current year revenue estimates and the upcoming year's revenue estimates. He also reviewed what a Fund Balance was.

Other information discussed included the following: current cash balances, future budget needs and proposed Capital Budget requests.

Of the Capital Budget requests discussed in detail were the estimates for each departments needs.

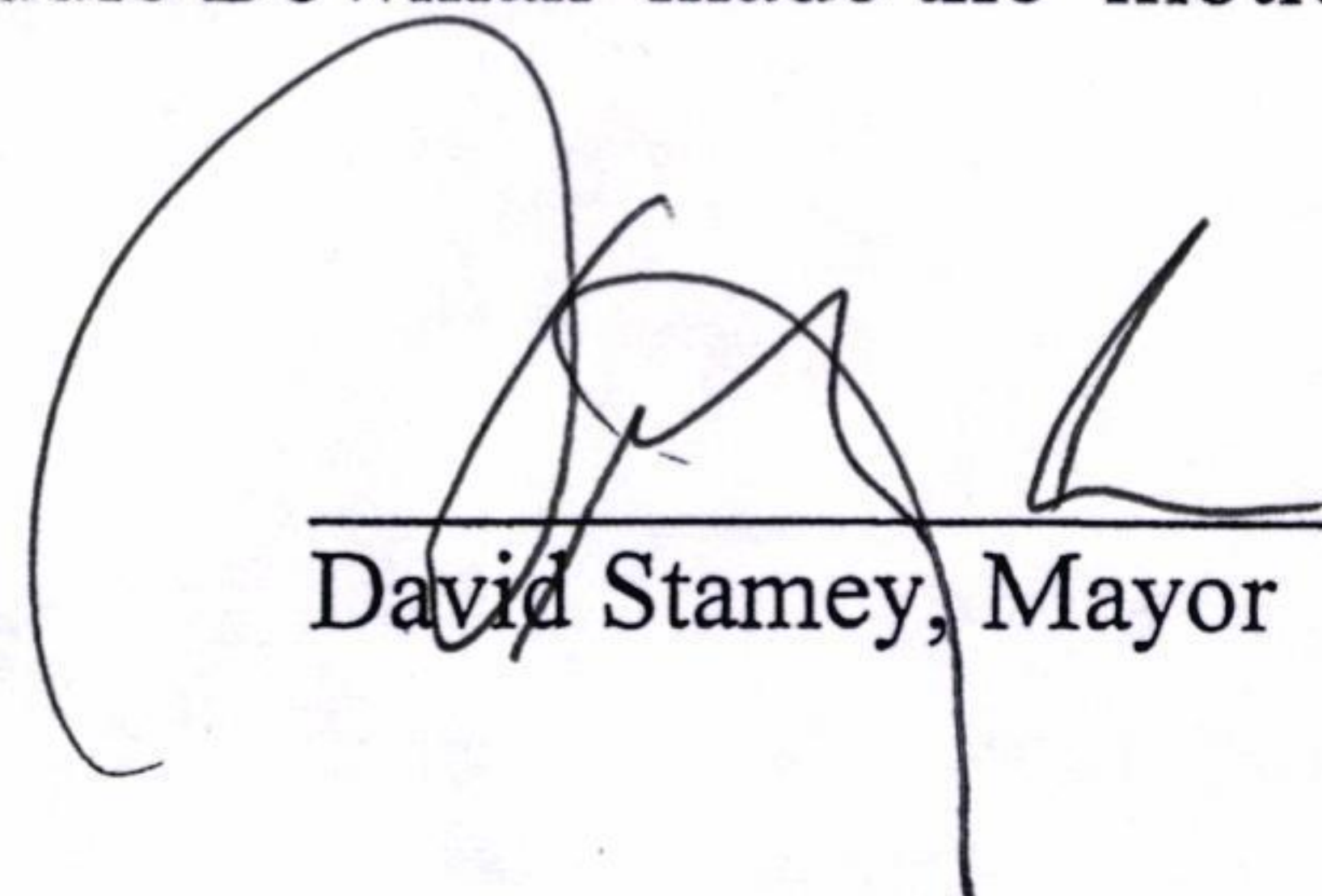
Mayor Stamey requested that Joe Norman take over the meeting at 3:00. When Mayor Stamey returned at 3:30 he took back over the meeting.

Town Administrator Bob Frye also added another item not on the Agenda, a position for a new Parks and Recreation Director. Also discussed were ways to alievate problems with South Caldwell Optimist.

At 4:30 Mayor Stamey moved for adjournment. Eddie Bowman made the motion, Joe Wesson seconded, with all in favor.



Bonnie Mann, Finance Director


David Stamey, Mayor

April 6, 2004

Mr. David Stamey, Mayor
Town of Sawmills, NC
4076 US Highway 321-A
Granite Falls, NC 28630

Re: Conley Creek Access Area Lease Agreement between Duke Energy Corporation and the Town of Sawmills, NC

Dear Mayor Stamey:

Duke Energy Corporation ("Duke") hereby agrees to provide to the Town of Sawmills \$85,000.00 for the development of public recreation facilities at the Conley Creek Access Area for work to be completed and invoiced by December 30, 2005. Duke's commitment to provide these funds is contingent on the Town of Sawmills' expenditure of an additional \$85,000.00 on complementary public recreation facilities which shall be expended by the end of FY 2005-2006 (June 30, 2006).

Those facilities which are eligible for Duke funding specifically include restrooms, walking and or fishing trails and picnic shelters/areas. Duke will promptly pay all invoices for work associated with such facilities that are submitted to, and approved by Duke Power Lake Management ("Lake Management") up to the \$85,000.00 funding limit, whether invoiced by the Town of Sawmills or by a third party contractor upon approval of the Town of Sawmills. Lake Management reserves the right to conduct on-site inspections at their discretion.

Prior to any construction activity, staff from Lake Management, Town of Sawmills, Western Piedmont Council of Governments, NC Wildlife Resources Commission and NC Division of Parks and Recreation will jointly develop a Site Specific Development Plan for the placement and the construction of the facilities that will be funded.

If the above terms and conditions are acceptable, please sign below and forward to my attention at the address above. If you should have any questions, you may contact Bill Ambrose at (704)382-8587.

Sincerely,



George A. Galleher, PE
Manager, Lake Management
Duke Energy Corporation

Town of Sawmills

By: _____
Name: _____
Title: _____