

Jim Palenick

From: Jim Palenick [jpalenick@dallasnc.net]
ent: Friday, March 07, 2014 11:06 AM
o: 'Rick Coleman'; 'ronniemorrow@att.net'; 'jjerryc2@att.net'; 'jcmalker@gmail.com';
'huggybarber@att.net'; 'hoylewithers@yahoo.com'
Cc: 'MStroupe'; 'dhuffman@dallasnc.net'; 'David Kahler'; 'A. Martin'; 'Gary Buckner'; 'Steve Lambert'; 'Bill Trudnak'; 'J. Thomas Hunn'
Subject: Town Manager's Weekly Report (#66)

Mayor & Board of Aldermen(Women):

Please accept the following as the **Town Manager's Report for the Week-ended, Friday, March 7, 2014.**

- As a precursor to this Fiscal-Year's Budget development I was researching our ABC (Alcoholic Beverage Control System) revenues and realized that the Town of Dallas has never received any distribution of profits (if they existed) from the ABC store in Dallas operated on our behalf by the Gastonia ABC Board under terms of the 10-year contract that was entered into in late 2006. To this end, I contacted representatives of the ABC Board to understand why no payments have been made and was informed that, to-date, two primary reasons are to blame. First, per the contract, the Board has been recouping the so-called "start-up" costs associated with creating the store, which amounted to \$221,300.00. Second, the profit margin for the store, and apparently for the State-regulated Gaston stores in general, is very low. Having said this, however, I was further informed that because the "start-up" costs are now very nearly fully repaid; and because recent years have shown an uptick in profit-margin; the Board will be approving beginning profit distribution to Dallas with the upcoming FY2014-15 Budget. The projection for the FY2014-15 year is around \$4,000, with the next two successive Budget years then moving up to \$5,000 and \$6,000 respectively.
- We have bid out the property and casualty insurance for our Fire department apparatus and found a specialty Fire Underwriter who will provide equal coverage for a total cost which will decrease existing premiums by \$1,600 a year. We will be formalizing coverage on Monday of next week. This is the only coverage which is not combined with our other blanket policy for property and casualty as provided and serviced by the Watson Insurance Agency of Gastonia.
- It looks as though we have now reached a final answer and conclusion as to the costs and provision for employee health care coverage for the upcoming premium year beginning April 1st. Rather surprisingly, and with great relief and satisfaction, it looks as though we will be able to maintain the same program coverages we currently have, while switching from Blue-Cross/Blue-Shield to United as the carrier, for total costs very similar to what we currently have. Lake Norman Benefits have come forward with this proposal and we will be meeting with them on Tuesday to finalize this package and if all goes as planned we will then bring it to that evening's Board Meeting for final approval. This will mean we won't have to schedule a special Meeting to approve the plan prior to our coverage-year commencement on April 1st. Further, we are incredibly pleased given that the BC/BS quote was to incur an increase of at least 30% over last year's premiums.
- On Monday, members of the Dallas Historic Courthouse Foundation met briefly at the Courthouse building to look at color samples for the standing-seam metal roof which will go on the building. The group reached a clear consensus in choosing "Hartford Green", a very dark green which will closely match the colors of the shutters. The Architect and contractor were subsequently informed of the decision and the roof materials were then ordered so that such installation can now move forward consistent with the established schedule.
- Advanced Development Concepts, the contractor for Phases II and III of the Water-line replacement project, has increased their efforts and added multiple crews –so you are and will be seeing more locations with street cuts and disruptions. In this regard, we have reiterated with them and our engineers that efforts are to be made regularly to see that "cuts" are to be maintained and kept filled and packed so that motorists aren't jolted and their cars not damaged as they traverse over the various impacted locations.

Thank You,

James M. (Jim) Palenick
Interim Dallas Town Manager
110 N. Holland St.
Dallas, NC 28034
704-922-3176 office
704-214-1031 cell
jpalenick@dallasnc.net