

CITY OF EDEN, N.C.

A special meeting of the City Council, City of Eden, was held on Thursday, January 9, 2020 at 6:30 p.m. in the Council Chambers, 308 E. Stadium Drive. Those present for the meeting were as follows:

Mayor:	Neville Hall
Council Members:	Darryl Carter
	Gerald Ellis
	Jerry Epps
	Angela Hampton
	Phillip Hunnicutt
	Bernie Moore
	Bruce Nooe
Interim City Manager:	Terry Shelton
City Clerk:	Deanna Hunt
City Attorney:	Erin Gilley
News Media:	Roy Sawyers, Rockingham Update

MEETING CONVENED:

Mayor Hall called the special meeting of the Eden City Council to order and welcomed those in attendance. Council Member Epps gave an invocation followed by the Pledge of Allegiance led by Deputy Police Chief Clint Simpson.

SET MEETING AGENDA:

Mayor Hall noted one item needed to be added to the end of the agenda because Council had determined in good faith that it was essential to discuss and act on the item immediately: Agenda Item 8 - consideration of a resolution for a Building Reuse Grant Application.

A motion was made by Council Member Epps to set the agenda. Council Member Moore seconded the motion. All members voted in favor of the motion. The motion carried.

Consideration of a presentation regarding the Unified Development Ordinance by design, engineering and planning firm Stewart.

Mayor Hall called on Planning and Inspections Director Kelly Stultz.

Ms. Stultz introduced Chad Sary, of Stewart, Inc., who gave a presentation.

Mr. Sary began by providing information about the firm and the process they would be going through over the next 12 months. Their main office was in Raleigh but they also have offices in Durham, Charlotte, Wilmington and Columbia, S.C. They started out as a structural engineering group 26 years ago and now have grown to eight practice areas. He specifically worked in municipal planning and mobility. The firm served local governments all across the state and focused on small- to mid-sized communities. Their planning services include land use and development ordinance writing, which was why he was there today. He added that the firm recently was pleased to partner with the N.C. League of Municipalities.

He explained that in NCGS 160A-381(a): “For the purpose of promoting health, safety, morals, or the general welfare of the community, any city may adopt zoning and development regulation ordinances. These ordinances may be adopted as part of a unified development ordinance (UDO) or as a separate ordinance.” He explained that currently, the City has their development ordinances separate. Eden has a zoning ordinance, a subdivision ordinance, watershed, flood, etc. They have all of these ordinances that are spread out and are looking to integrate those into one document. It reduces inconsistencies and redundancies and it provides implementation of goals and recommendations of comprehensive land use plans.

For the project schedule, he explained that the work program would be divided into five phases. Phase 1: Project Initiation (January 2020). This phase allowed the firm to get to know the community and spend some time in the land use regulation documents to understand what the regulations are. They also have stakeholder interviews coming up to hear from the community. Phase 2: Code Assessment and UDO Framework (February – March 2020). This would be an assessment with a very objective viewpoint of the City’s strengths and weaknesses on their development ordinances and it would also set up that framework that the UDO was going to look like. Phase 3: UDO Preparation and Composition (March – October 2020). He explained that this was the bulk and when they will deliver the new UDO, a lot of it was reorganized with a lot of existing things that they have now brought together. Phase 4: Adoption (October – November 2020). With this phase, they will move into the adoption phase where the Planning Board will make a recommendation and it would ultimately come back to the City Council for adoption. Phase 5: Implementation and Training (November – December 2020). This may include some new processes or training that might come out of this. They would provide that training to the Planning Board and Board of Adjustment as well as the City Council.

Mr. Sary explained that one of the parts of the process was public engagement and transparency. These are critically important steps for any land use or planning documents. On January 27, City staff will identify those stakeholders in the community that they want to listen to and learn what their thoughts are. They would like to have people from the development community, technical community, elected and appointed officials, neighborhood community, economic development and people who really use this document or are familiar with it. There would be a Steering Committee, they had talked about using the Planning Board, to shepherd this process as they go through it. They will use the City website for updates to give the opportunity for citizens and interested folks to inquire and see the process. There would be two open house workshops that would be informal and allow people to see the process and learn about it. There will be one in the early stages and one towards the end. There would be public meetings and public hearings that they would have with the Planning Board and then the City Council.

He reiterated that overall there was a general reorganization and consolidation of existing documents, incorporating recommendations from the City’s Comprehensive Land Use Plans, and they want to make sure it was reflective of current general statutes. In January 2021, new legislation was coming from the General Assembly deciding that the counties and cities had too many different things as far as land use and zoning goes and they want to combine it into one. They would be working to make sure the City followed that. They would review zoning districts and look at some best practices. There would be an approach to development standards, a modernized table of permitted uses, and ultimately the end goal was to have a more user-friendly document. These documents get very thick and long so they want to include graphics, charts and illustrations so they were easier to understand. This would help with inconsistencies, redundancies and unnecessary cross-references that are in the code.

Mr. Sary presented an example of the final product which included graphics. The two things that most people want to get out of a zoning ordinance are answers about putting something somewhere and if they placed it there, what their setbacks would be. In the City’s current code, someone may have to flip through several sections which may be conflicting in another part so one of the things they want to do is incorporate a table of permitted uses with a chart to make it easier for the average citizen to come in and

see how their property is zoned and what their setbacks are. It was incredibly important to have graphics as part of the UDO to cut down on the text. He said the first public workshop would be February 10 at City Hall.

Council Member Hunnicutt pointed out the county was doing the same thing right now and he questioned how the two would be connected or even if they would need to be.

Ms. Stultz explained that she had discussed this with County Planning Director Carrie Spencer, as they were all going through this same process. She hoped that as much as possible, what something was in Eden would be the same in the county to avoid confusion because their development committee works in both jurisdictions. She added that it was a perfect for them to be doing this at the same time.

Council Member Hunnicutt said he agreed and that was what he was trying to understand, if part of her process was engaging with the county and their team relative to areas of common interest. He thought there needed to be some connectivity.

Ms. Stultz replied that they were and Ms. Spencer has included her in some meetings already.

Council Member Nooe added that Eden was fairly well represented on the committee working on that process. He was on the committee helping with that.

Ms. Stultz also added that the county's needs and the City's needs were not always going to be parallel but when they are they need to make sure they try to make it as seamless as possible.

Council Member Carter asked if it would be included in the ETJ.

Ms. Stultz replied that some of it would be included in the UDO. She explained that because they were more urban, even their ETJ was more urban than the rest of the county, it would be a little different than what the county zoning would be.

Mayor Hall stated that from time to time they may find a conflict in a ruling that they made or past councils made as opposed to something that was originally in the document. When they were dealing with a relic like the City's zoning ordinance, there was a good chance they would find some issues. If that was the case, he asked if they had to bring those to Council or if they would do it all at the end.

Ms. Stultz explained that hopefully they can get the Council all familiar and ready with sections of it as they go. It would be an ultimate adoption and if they adopt it in November, it would not be effective until January 1 because the statutes do not change until then.

Mr. Sary added that one point of the UDO would be the initial introduction part or administrative part or whatever it will be called, and in that they would mention how the other ordinances were being replaced by this.

Mayor Hall said that did not require a vote, just the final product.

Mr. Sary replied yes.

As there were no other questions, Mayor Hall thanked Mr. Sary for the presentation.

Consideration of an updated report on the progress and costs of the EPA Administration Order of Consent and consideration of an updated report on the progress and costs of change order #1 for the Southern Virginia Megasite waterline project.

Mayor Hall called on Interim City Manager Terry Shelton.

Mr. Shelton explained that he wanted to give Council an update on the Southern Virginia (SoVA) waterline that goes to the Megasite and also the EPA Remediation Plan. The two projects were very separate and different but they are closely linked because of the cost and available funding coming basically from the same source. The current waterline project was moving well ahead of schedule and could likely be completed before July 1. The current project was bid to encompass the construction of a transmission line from the city limits to the Virginia-North Carolina state line. That project was bid and came in at a favorable price, about \$1.5 million under the engineer's estimate, so that made it close to \$2 million under the budget number they were working with. Going back to the cancelation of the Southern Electric Project in 2016, originally they had two projects, one in town and the other out of town, to build a 30-inch transmission line to the state line that would have provided up to 10 million gallons of water per day (MGD). The Southern Electric Project that was withdrawn was to have used 2 million gallons constantly and would have peaked at 4 million. The original project was scaled back due to a reduction in water demand from up to 10 MGD to projected 5 to 6 MGD. The new project would address the reduced water demand for a 20-inch waterline from the city limits to the state line. He pointed out that this 20-inch waterline was about 70 percent complete.

Mr. Shelton explained that one of the considerations that has come up was that they have \$4.886 million of financing available which was grant money. If they do the project as it stands right now, the contractor's bid for the new project came in at \$4,777,183 and that becomes an issue because if the grant money that they receive from the State of North Carolina was \$1,886,400 and they do not spend at least a certain amount of money, then they would lose about \$1 million because it was awarded based on what the original forecast cost was going to be. They had approached the contractor to get a cost estimate for a change order to start building at the city limits and start coming back toward the Freedom Park tank. He explained that the original waterline project was designed to provide the waterline to the state line, but also it was designed to reinforce the backbone of the existing waterlines in the Draper area from the Freedom Park tank to the city limits on Highway 311/770. At some point they would have to build a reinforcement line going down and joining the 20-inch line with a 16-inch line to reinforce how much water they could send that way. Currently with the benefit of the grant money they could possibly not get, if they spend money now and bring that line further up toward the Freedom Park tank, it was kind of like you spend a little and you get a lot more out of it so they were looking at doing that.

Currently, they actually have \$10.5 million worth of funding available in grants and loans from the economic development agency of the federal government, and \$1 million in grant money from legislative action of the state, as well as the \$1.886 million from the Division of Water Infrastructure. In addition to that, they have the remainder making up to \$10.5 million as zero interest loan money and also low interest loan money. The zero interest is used first and once it was exhausted it would go to a loan that has a cap on it of 1.53 percent interest. It was still very reasonable money but with all of that being said, they have \$1.25 million worth of debt service that will retire on previous water and sewer loans they have outstanding right now. Those would retire in 2022 and would free up that amount of debt service. They will have about \$750,000 of debt service committed to the \$15 million zero interest loan from Connect NC Funding for the EPA Administrative Order of Consent (AOC) Remediation projects. This would leave \$500,000 of available debt service funding for either the SoVA waterline or the EPA Remediation or part to both projects. He thought they should probably accept the change order and begin building the waterline up toward the Freedom Park tank. The contractor was willing to allow them to build it as much as they want to put money into it. He explained that was where the debt service part of it comes in. He recommended that they not use more than half of the \$500,000 on the waterline and save \$250,000 for the EPA projects, but that would be at Council's discretion.

The other piece he was looking at was the waterline, hopefully when industry comes in down there, it would become a source of revenue. That would help pay back on this project as well as other projects as they go forward. The waterline that would be built coming up through the Draper area would also be tied into existing waterlines to service the neighborhood and various areas in Draper so that it reinforces the main lines that go down through Fieldcrest Road and Stadium Drive.

Council Member Ellis questioned that it if reinforced them to which Mr. Shelton replied that it would contribute to reinforcing the pressure in those areas as well as water quality.

Council Member Ellis asked if it would take away the odor in the one area.

Mr. Shelton replied that was on the sewer side and part of that issue will go away if they start getting sewer coming back from the Megasite as they would start turning over the water that was in that line. He said basically on the SoVA waterline, for each \$1 million in loan funding they assume, the debt service will be about \$54,000 per year for 20 years so if they committed \$250,000 of their debt service money that would be available to this project, they could probably do about \$4.5 million worth of work as far as bringing that line up toward Freedom Park. Once it was brought it up as far as they are willing to spend money on it then it leaves that much less that they would have to install at a later date when revenues were more readily available to finish out that backbone reinforcement line. Currently, to spend about \$2.65 million, he thought that would make them eligible to receive all of the grant money that was available. He thought that would make the greatest utilization and the debt service that would use would be about \$143,600 a year. That would still leave roughly about \$100,000 available if they wanted to commit it to bringing the waterline further up toward Freedom Park. All of this was still fluid and changing because the EPA projects they received bids on in November came out at a really high amount of money. Construction was booming right now and contractors have all the work that they want and they pretty much just pitch a number out and if people accept it they are really happy with it and if they don't then they still have the work that they have, so it was not a good bid environment at all.

Originally the EPA projects were set up once Connect NC bond money became available and the City was eligible to apply for \$31.666 million. We were fortunate that it was awarded to us and the City had to provide a \$2 million match which brought it up to a total of \$33,666,666. They set their remediation plan schedule in such a way that they had about \$28.5 million worth of work and they had at least a 10 percent contingency. They felt they were in pretty good shape with that and then they got the total amount of \$48,900,000 once all the bids came in November. This revelation led work on making critical decisions as to how they would still comply with their EPA AOC going forward. The deadline was still April 2022 to complete the work.

He noted that the following measures were implemented:

1. Redesigning the projects to bare bones as possible and still stop the sanitary sewer overflows (SSOs) and achieve compliance.
2. Sought additional funding without success thus far.
3. Looked at projects that could be delayed to a later date that are not critical to stopping SSOs at this moment and their need to be compliant with the EPA order.
4. Looking at additional funding that will be offered late this spring for what is called resiliency funding to stop SSOs due to storm-related events such as recent hurricanes.
5. Looking into the possibility of having the EPA transfer the AOC's oversight of our compliance to stop SSOs to the N.C. Division of Environmental Quality in order to extend our time to complete less critical projects within the next five or more years.

Mr. Shelton explained that originally before the Connect NC bond money became available, the City employed Raftelis to do financial studies, creating water rates to support the EPA Remediation the City would need to do. The City actually had a schedule to comply within a 20-year period and once the Connect NC Bond money became available, the thought was the City would be able to get enough money to do all of that work in a five-year period. He stated that on Monday, the City presented to the regional office in Winston-Salem the plan of transferring oversight to the state and they were amenable to working with the City any way they could as long as the EPA was on board. The EPA representative had phoned him that day and told him they were not sure exactly what steps would have to be taken to terminate the existing EPA order because it was a legal document and he was not sure they have ever terminated one early. The staff overseeing it from Atlanta will be meeting next Tuesday to consider it and see what might be possible. If they do decide that there is some way to move the oversight to N.C. DENR, the only step left with the regional offices on board would be to get DENR in Raleigh to approve it and that can probably happen pretty easily. The state did seem amenable to moving the time schedule out at least five years, maybe 10 to 15, which would give the City time to seek more funding.

The SoVA waterline comes into this as the funding is going to be questionable in trying to figure out how to finance some of the things not included in the current funding. Pushing some of these projects back on a schedule was going to become debt service that would have to be faced in the future. He hoped what would happen would be either industry coming into the interior of the City that would provide water and sewer revenue or else the waterline and sewer that they have going into the Megasite would be able to yield revenue and help avoid any future water rate increases to finance this going along in three to seven years. One thing they do not have was the retiring of other debts between 2022 and 2031 and there were no loans in water and sewer that will mature and yield any debt service. In 2031, there was just a fairly small amount which was probably a few hundred thousand that would become freed up so they would have about a nine-year stretch where it would have to finance any new projects on either the revenue increases as they were going along or water rate increases to help pay that debt service.

Council Member Moore asked when the EPA was meeting to which Mr. Shelton replied that they would meet next Tuesday but he did not know when he would hear back from them; however, he thought it was favorable that they were willing to consider it.

Council Member Moore thought the City putting forth the effort should say something.

Mr. Shelton thought that would be taken into consideration. He had to send them some additional information yesterday. One of the things the City would be graded on for how they were doing was the number of overflows per hundred miles of line in the ground. During the last 12 months, the City has had 14 and they have 161 miles of pipe in the ground so he did not know how their grading criteria runs but he felt like they were decent numbers. The person who handled the City's account thought that would be important in what they consider doing. He hoped that they perceive this as being favorable and that they were willing to discuss it further.

Council Member Hunnicutt asked in terms of next steps if Mr. Shelton and Finance would basically put forth a recommendation for the Council. He asked when Council should anticipate recommendations as to how to get this done.

Mr. Shelton stated that most of it will hinge on what the EPA tells them. If the EPA says they have to get it done in two years, he did not think there was any conceivable way possible the City could stay on schedule and complete it. They have gone through and pared down these projects to the point that they were somewhere around \$35 million right now in projects considered critical to achieving compliance. They had taken out quite a few things figuring that they would push them back in the schedule to a later date, maybe five years out. The Smith River siphon needed replacing due to wear but they could do some

repair work on it and probably push it along for another five to 10 or maybe 15 years, and that was just that project. It was about \$880,000 for the structure and then bypassing while it was being constructed would probably be another \$500,000 or so. There was significance in that but right now it was not critical to whether there were overflows or not. It was a potential source but it was compliant right now as far as the way it was operating. Once they were more in focus with the balance sheets of what the numbers were going to look like, they would share that with Council so they would know what money they have coming in and what they need to be spending and what the needs were at this point. He did not put spreadsheets or anything in this presentation because it was so fluid right now with what they may or may not need to do. As they move along, he thought it would come more into focus as to what they need to do.

Council Member Hunnicutt asked if he was correctly saying that they were about \$14 million underfunded to which Mr. Shelton replied that it was probably closer to \$10 million and if they would let them spread it over time it would make it much easier to work with those numbers.

Council Member Nooe asked if Mr. Shelton had a map of all the projects that had been completed, the ones that were critical and the ones that can be put off.

Mr. Shelton said one could be produced. Currently, there were eight separate and distinct contracts in what they cover and they hoped they have about three or four of them ready to bid out probably in the next 60 days. He would like to get that stuff started so they would be in good shape before April 2022. To give them one example of how high the numbers were, the Junction and Bridge Street Pump Stations were originally in the engineering costs to be completely rehabbed at about \$5 million. The contractor's bids on them were \$12 million.

Council Member Nooe asked if Mr. Shelton had looked at other options of installation. Council Member Nooe had spoken with Keith Duncan and he may be willing to supervise. He added that he did not know if the City would have a crew or if they could look at other options to get the cost per foot down, where the City could hire competent people to do some of their own installations.

Mr. Shelton replied that some of the projects they have already decided they would do in-house. As far as these pump stations, one contractor was willing to work with them and just replace exactly what was there in kind rather than making improvements in them and that contractor talked like he could do it for about \$4 million or so which would help greatly in getting the City back on track.

Council Member Moore asked if that would that still be in compliance to which Mr. Shelton explained that it would but it was just not the ideal situation hoped for. Mr. Shelton explained that the existing pump stations have worked for about 53 years as they are so the design will work, there were just issues with OSHA compliance and they were going to make some improvements in it that would make them more serviceable for the maintenance crews. If they can get them rehabbed for \$4 million he would say do it and hopefully get another 30, 40 or 50 years out of them.

Mayor Hall said basically what happened was when the EPA came in and told them they needed to do these repairs and get in compliance, the City had engineers and cost estimates of everything it would take to do it. It made sense at the time while the equipment was here with employees, and the ground open or the piece of bridge torn down, to put back something to last a long time. It has taken two or three years to get to these points and in the meantime, prices have gone up from \$5 million to \$12 million on one piece. The decision has to be made now as they were basically just going back and putting a bandage on things that have to be fixed to meet compliance. He knew employees repaired the culvert and it took a long time. That was probably going to be restrictive on them because of the timeline. They would not know until they hear from the EPA if there would be an extended timeline. If so, they have the option to use more

City employees. Currently, there are two years to do it and they would have to hire a bunch of people which probably would be cost prohibitive as opposed to having a bid for it.

He explained that the reason they were talking about this tonight was because of the \$500,000 they have available in debt service. The question was whether they borrow enough money that that \$500,00 could be used to go all on the sewer line, for the EPA work, or do they use part of it to extend the waterline that they were going to want to do in the future. He pointed out that if they did not extend the waterline to the point that they spend the \$7.5 million that was budgeted, they were walking away from about \$1.8 million worth of grant money. They did not want to leave that grant money on the table because they were going to be doing that project at some point. He thought the difference in that, however much that cost them in debt service, the rest of that he would love to see go towards the sewer stuff. He thought that was what Mr. Shelton was asking them, for some direction on what to do with that \$500,000. Mr. Shelton had worked in the utilities for 40 years and Mayor Hall would love to have his recommendation. They had talked earlier this week and agreed that they want to try to use some of it on both projects.

Mr. Shelton replied that would be his preference. He would love to be able to finish that waterline all the way up to the tank but he was not sure at this point if they need to obligate all of that debt service to one project. The other piece of it was the waterline has the potential to bring revenue to them. What money they spend on the sewer lines was just replacements and there would not be any new revenue generated because of their sewer repairs. It only gets them compliant. If it was his money and he was spending it out of his pocket right now he would commit \$200,000 to the waterline and bring it up as far as they could and then hold the \$300,000 in reserve for dealing with the sewer at this point.

Council Member Epps agreed and said that was good policy.

Mayor Hall stated that if the EPA does release the City to the state, there was no guarantee they would extend the time but when they talked with them back in 2016 it appeared that would be less time pressed. If that happens, they would know before their January (regular) meeting so if he wanted to update them on that after they have given him the results then they would know they could be put under North Carolina and he thought that would also impact where they would rather spend the debt service.

Mr. Shelton added that tonight his purpose was just to be able to tell them where they stand on this so that nobody gets surprised later on depending on how this will eventually work out.

Council Member Epps commended them on what they have done so far. Council tried to keep water rates down and by the grants and work that has been done in-house, it had saved Council from having to go to their citizens so far.

Council Member Carter asked if another line would be required to boost the supply and demand to the Megasite after the waterline was downsized to a 20-inch line.

Mr. Shelton replied that if it really builds out and they get to a point that they want more than 6 MGD, the City would probably go back and put a 16 inch or something parallel to what they were putting in now to supply the additional. At that point, hopefully there was enough revenue being generated that it would make it easier to do.

Council Member Hunnicutt asked how much the City was saving by dropping the size of the waterline.

Mayor Hall stated that it was several million dollars.

Mr. Shelton explained that for the original to go from the in-town out-of-town portions, it was a two-piece project, and was right around \$18 million. Right now, they have an opportunity to probably put it in the ground for \$10.5 million. That would be 20 inch up to the city limits and a 16 inch the rest of the way.

Mayor Hall pointed out that the Danville people assured them 20 inch was all they would need at this point. There were some grants they were concerned about losing because they had applied for them with a 30-inch line. Mr. Shelton went back to them and they funded the grant at 20 inch for the same amount. They have a fraction of what it actually cost coming from the taxpayers.

Council Member Hunnicutt stated that he understood that the monies they were talking about to extend this backbone was time sensitive and asked if it was to be spent only on the waterline.

Mayor Hall explained that in order to get the grant, and the time sensitivity he assumed that it was while they were there doing it, this was what the contractor would give the City the price at.

Council Member Hunnicutt stated so there was a time issue relative to the fact that he was already on site.

Mr. Shelton added they have made a couple of trips to Raleigh to ask for the funding. They had originally approved about \$9.5 million and then the City concluded they were going to need about \$7,025,000 to do it from the city limits to the state line. When that bid came in so low, they did not want to lose any grant money so they went back and asked to do the in-town portion of that line and they were receptive to that idea and willing to continue the funding. It was probably about as good of a deal as you would get as most of the money that was in loan form was zero percent interest.

Consideration of engaging Developmental Associates, LLC, in the search for a new city manager.

Mayor Hall called on Mr. Shelton.

Mr. Shelton explained that he and Mayor Hall had several conversations with Reidsville Mayor Jay Donecker and City Manager Preston Mitchell. Both suggested the City strongly consider using a professional service to find the next city manager and Developmental Associates is the company they recommended. After talking with League of Municipalities Personnel Specialist Hartwell Wright in the initial stages of starting a search for a city manager, he was convinced that they could handle this job in-house. He believed that they could save money doing it themselves and get a good city manager with guidance from the information that Mr. Wright gave them, but he was no longer convinced they could get the great city manager that Eden needs with the conventional resources they have for the selection process. One of the things about this company's process that impressed him most was the fact that a city manager (Mr. Mitchell) that went through the process as a candidate has nothing but praise for the process and describes it as great experience. These comments reflect his opinion as an employee who was hired. In a conversation with Mayor Donecker, he has nothing but praise for the process as well. His comments reflect his opinion as a member of the Council and the employer of this city manager. He found it most encouraging that there was a positive outcome for the employer and the employee from this company assisting the Council in the hiring process.

Mr. Shelton stated that he now believed that the Council should strongly reconsider how they would go about the search for the new manager. In discussions with Dr. Stephen Straus, a principal in Developmental Associates, Dr. Straus points out a number of things that are flawed with the common interview process they have typically undertaken, especially for a position with the magnitude of city

manager. He points out that the common interview is incapable of providing the opportunity to directly observe more critical managerial competencies, such as leadership, interpersonal presentation writing supervisory and community meeting facilitation skills.

In the past four years, Developmental Associates has partnered with these municipalities to hire their managers: Wake Forest, Burlington, Morrisville, High Point, Clayton, Concord, Holly Springs, Chapel Hill, Mills River, Rutherfordton, Rolesville, Angier, Wendell, Zebulon, Reidsville and currently in process with Waxhaw, all in North Carolina, as well as Williamsburg, Va., and Statesboro, Ga. They also assisted Apex, Greensboro, Charlotte, Southern Pines, Garner, Wilmington and Morrisville with searches for assistant city managers. During the past eight years, this company has partnered with clients to fill over 150 executive positions. Developmental Associates is not a traditional headhunting company. They rely on more objective, systematic and accurate methods to recruit, screen and evaluate candidates in a method they call talent identification and assessment. Their approach has three goals with respect to recruitment, screening and selection. First, they provide high quality candidates from a national and statewide recruitment base. Second, many clients tell them that they based their previous selection decisions on less information than they received through just Developmental Associates' applicant screening process. Third, they provide the most in-depth and accurate information possible about the top candidates for this position to enable you to make the most informed decision possible.

Developmental Associates does the following in their assessment process: They develop a customized application that candidates must complete online that would be tailored to the specific challenges facing Eden. They conduct intensive interviews with each of the top candidates (up to 15). They do the interviews using structured questions based on the needs of Eden with a detailed scoring system. They use a psychological inventory called the Emotional Intelligence Inventory (EQi 2.0). The EQi, which is validated for employment, provides them with information on critical skills of the candidate, such as problem solving, assertiveness, interpersonal relations and teamwork. They use an in-depth survey assessing the candidate with written challenges the candidate would face as the Eden City Manager.

Developmental Associates also provides an assessment center where the candidate would participate in designed exercises that stimulate the responsibilities of the position. These responsibilities will include tasks such as budget presentation, developing written project plans, facilitating staff meetings, conducting performance-based role plays and resolving HR issues with individual departments to directly observe the skills of the candidate. These methods do not limit the discretion of the Council to select a top candidate; instead they enhance the quality of the information they would have at their discretion in making screening, assessment and final interview selection decisions.

Mr. Shelton recommended that Council consider hiring Developmental Associates for the search for the new city manager. This would be a 180 degree turn from the original plan to do this in-house. Switching to Developmental Associates would allow Council to meet fewer times for interviewing and making choices in this process. He believed it would also allow Council to decide with much better and vetted information in their selection of top candidates and ultimately the city manager. The base cost would be \$17,000. Additional costs could be incurred in their own in-house search to bring final selected candidates to Eden for in-person evaluation, interviewing and simply for the candidate to visit Eden and interact with Council and citizens. In terms of what they will pay the next city manager in the long term, the cost of this vetting process was very small. He thought that Developmental Associates can help them find the well vetted and skilled city manager that they wanted and the citizens can have confidence in the manager of their City. He asked that Council consider this information and vote to allow Dr. Straus to make a presentation to Council on January 21 at the regular monthly meeting. He would further ask that Council consider a vote on whether to hire his firm to partner with them in their search for a new city manager.

Mayor Hall thanked Mr. Shelton for putting the information together. When they met with Mr. Wright, he was convinced that Council and staff were well suited to make this decision but as he had talked with different municipalities and agencies, he thought this was such a big decision to be made and he did not think there would be any shame in getting some help from people who do it professionally. Those people know the questions to ask and they know the psychological exam and they score candidates on that, they bring the results to Council and they narrow it down from the whole pool to 15 or so, then narrow it down again to about six. Those candidates go through more testing and role-playing type situations and they are narrowed down to three or four who come to Eden. Ultimately, it was the Council's decision who they hire. It was only about 65 days, two and a half to three months to do the whole thing. It was a very intense process for the applicants.

It was a very thorough process and they know when they bring them that list of three or four that all of those will be qualified. He also pointed out that if they select a candidate based on the firm's recommendation and the person they hire does not stay at least two years then their company will come back and do the process again at no charge. They obviously have a good reputation and a good standing with the candidates so within three to four months, Eden would have hopefully hired a city manager and there was a really good chance nobody in the room knows them. He thought it was OK to let somebody else be the middle man and bring those people in because the Council would not ever know all they need to know about them as opposed to this group who does background checks and information. He was a big fan. He would say too they did get a bid from another company today, very similar but not as intense, and the bid was very similar in price in his opinion but the company was located in Georgia and Developmental Associates was in Chapel Hill. He closed by asking if anyone objected to having Developmental Associates come to the Council meeting (January 21) to which it was unanimous consent to have them come and present.

Mayor Hall asked Mr. Shelton to reach out to Dr. Straus and let him know that they would like a presentation at the regular meeting and at that point they would vote on whether to engage his company.

Consideration of Council representative appointments to the Strategic Planning Commission, Eden Downtown Development Corporation and the Eden Youth Council.

Mayor Hall explained that these did not particularly require a vote but he wanted to put it on the agenda because these people were going to be representing the Council with these different organizations. Council Member Hunnicutt expressed interest in working with the Strategic Planning Commission and the Eden Downtown Development Corporation. Council Member Ellis is willing to volunteer his time with the Eden Youth Council.

A motion was made by Council Member Epps seconded by Council Member Moore to approve the appointments of Council Member Hunnicutt to the Strategic Planning Commission and the Eden Downtown Development Corporation and Council Member Ellis to the Eden Youth Council. All members voted in favor of the motion. The motion carried.

Consideration of a resolution to call for a public hearing to declare a moratorium of the permitting of certain land uses.

Mayor Hall called on Ms. Stultz.

Ms. Stultz explained that she and the city attorney have been working with the Police Department on a series of issues for the last several months. She explained that they were asking the City Council to call for a public hearing that would be held at the January regular meeting to have a moratorium on issuing permits for gaming and game of chance type businesses.

Mayor Hall clarified that these were commonly known as sweepstakes.

Ms. Stultz explained that a moratorium would allow 60 days for the City Council and the Planning Board to make decisions on how they might want to manage it in the future.

City Attorney Erin Gilley added that it was a moratorium on developmental permits, on new businesses.

A motion was made by Council Member Moore seconded by Council Member Nooe to adopt a resolution calling for a public hearing at the January regular meeting to declare a moratorium of the permitting of certain land uses. All members voted in favor of the motion. The motion carried.

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EDEN CALLING FOR A PUBLIC HEARING TO BE HELD BY THE CITY COUNCIL ON THE QUESTION OF ADOPTING AN ORDINANCE ESTABLISHING A 60 DAY MORATORIUM ON DEVELOPMENTAL APPROVALS FOR CERTAIN LAND USES

WHEREAS N.C.G.S. §160A-381(e) authorizes cities to adopt temporary moratoria on certain development approvals; and

WHEREAS N.C.G.S. §160A-381(e) requires that before adopting an ordinance imposing a development moratorium with a duration of 60 days or any shorter period, the governing board shall hold a public hearing and shall publish a notice of the hearing in a newspaper having general circulation in the area not less than seven days before the date set for the hearing; and

WHEREAS the City of Eden has no zoning ordinances of general application governing the proper and appropriate location of game rooms and games of skill; and

WHEREAS the City of Eden wishes to hear from interested citizens whether a 60 day moratorium would unreasonably interfere with projects or approvals that would disrupt or impede economic development or the generation of jobs; and

WHEREAS if a moratorium is established, the City of Eden will act expeditiously so that no efforts to develop any of the above-listed uses is unreasonably interfered with; and

WHEREAS it is the intent of the City of Eden to adopt zoning ordinances of general application governing the appropriate locations and procedures for approving game rooms and games of skill uses not currently specifically governed under the City of Eden Zoning Ordinance.

NOW, THEREFORE, BE IT RESOLVED, by the City Council for the City of Eden that:

Section 1. A public hearing on the question of adopting an ordinance establishing a 60 day moratorium on development approvals for game rooms and games of skill in the City of Eden and its extraterritorial jurisdiction shall be held on January 21, 2020.

Section 2. Notice of the public hearing shall be duly published in a newspaper having general circulation in the area not less than seven days before the date set for the hearing. Notice of the time and place of the public hearing shall be given and included in the notice.

APPROVED, ADOPTED AND EFFECTIVE this the 9th day of January, 2020.

CITY OF EDEN

BY: Neville Hall, Mayor

ATTEST: Deanna Hunt, City Clerk

Consideration of a resolution for a Building Reuse Grant Application.

Mayor Hall called on Economic Development Director Mike Dougherty.

Mr. Dougherty explained that the N.C. Department of Commerce offers building reuse grants, one of which would come before Council on January 21 for Gildan. There was also another company he was working with and there would be 62 initial employees above the county wage plus \$10 million in investment. The grant application was due very quickly and needed a resolution to support it. A five percent match was required and that would come out of local incentives that they would be giving them so there was no additional cost to the citizens.

A motion was made by Council Member Epps seconded by Council Member Ellis to adopt the resolution for a Building Reuse Grant Application. All members voted in favor of the motion. The motion carried.

City Council Resolution

WHEREAS, the Eden City Council has previously indicated its desire to assist in economic development efforts within the City; and,

WHEREAS, the Eden City Council wishes the City to pursue a formal application with the NC Department of Commerce Rural Division Building Reuse funding to benefit "Project A" and will invest monies in the amount of 5% of the grant amount (up to \$25,000) toward proposed renovations as committed to the application; and,

WHEREAS, The Eden City Council certifies it will meet all statutory requirements of the Program,

NOW THEREFORE, be it resolved by the Eden City Council that:

Upon receipt of the Grant Agreement for the 2020 Building Reuse project by the NC Department of Commerce Rural Division, the Eden Mayor and/or City Manager are hereby authorized to proceed with the execution of documents and return them to the funding agencies in the interest of proceeding with the grant execution.

The Eden Mayor and/or City Manager are hereby authorized to execute daily grant related documentation which includes documentation such as the grant agreement, general correspondence between the City and the proposed business and/or the funding agency (as necessary.) Any documentation which reflects a change in the original scope of work and/or amendment related activities, must be brought before the Eden City Council for approval.

NOW THEREFORE BE IT RESOLVED, by the Eden City Council that the City of Eden is authorized to submit a formal application to the NC Department of Commerce Rural Division for approval of a Building Reuse Grant to benefit "Project A."

Adopted this 9th day of January, 2020 in Eden, NC

BY: Neville Hall, Mayor

ATTEST: Deanna Hunt, City Clerk

ADJOURNMENT:

As there was no further business to discuss, a motion was made by unanimous consent to adjourn.

Respectfully submitted,

Deanna Hunt
City Clerk

ATTEST:

Neville Hall
Mayor