

CITY OF EDEN, N. C.

The regular meeting of the City Council, City of Eden, was held on Tuesday, November 17, 2015 at 7:30 p.m. in the Council Chambers, 308 E. Stadium Drive. Those present for the meeting were as follows:

Mayor:	(absent)	Wayne Tuggle, Sr.
Council Members:		Donna Turner
		Jim Burnette
		Angela Hampton
		Jerry Epps
		Darryl Carter
		Neville Hall
		Jerry Ellis
City Manager:		Brad Corcoran
City Clerk:		Sheralene Thompson
City Attorney:		Erin Gilley
Deputy City Clerk:		Deanna Hunt
Representatives from Departments:		
News Media:		Dallas Britt, Eden News; Roy Sawyers, RCENO

MEETING CONVENED:

Mayor Pro Tem Burnette called the regular meeting of the Eden City Council to order and welcomed those in attendance. He explained that the Council meets the third Tuesday of each month at 7:30 p.m. and works from a prepared agenda; however, time would be set aside for business not on the printed agenda.

INVOCATION:

Mr. Lemuel Hardison, Pastor, North Spray Christian Church, gave the invocation followed by the Pledge of Allegiance.

RECOGNITIONS & PROCLAMATIONS:

- a. Presentation by Cindy Adams, Tourism & Events

Ms. Cindy Adams presented a PowerPoint presentation on John E. Grogan Park.

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ROLL CALL:

Mayor Pro Tem Burnette explained that Mayor Tuggle was ill and unable to attend the meeting.

SET MEETING AGENDA:

A motion was made by Council Member Ellis seconded by Council Member Turner to set the meeting agenda. All Council Members voted in favor of this motion.

PUBLIC HEARINGS:

- a. Consideration of a zoning map amendment request and adoption of an Ordinance to rezone property located at the northwest corner of Price Road and Plantation Road from Residential-20 to Residential-Suburban. Request submitted by The Outdoor Group, LLC. The request was amended by the Planning Board to include additional properties. ZONING CASE Z-15-08
- b. Consideration of a Resolution adopting a statement of consistency regarding the rezoning of property located on the Price Road and Plantation Road from Residential-20 and Residential-4 to Residential Suburban.

The City has received a zoning map amendment request filed by The Outdoor Group, LLC for property located on the northwest corner of Price Road and Plantation Road. The request is to rezone the property from Residential-20 to Residential-Suburban.

The Planning and Inspections Department recommends approval of the map amendment request as amended to include additional five (5) additional properties. At a special meeting, the Planning Board voted to recommend that the City Council approve this request as amended to include the additional properties. The five (5) additional properties are to be rezoned from Residential-20 and Residential-4 to Residential-Suburban.

Mayor Pro Tem Burnette called for a public hearing and asked Ms. Kelly Stultz, Director of Planning & Inspections to come forward.

Ms. Stultz explained that the request is to rezone approximately 4.89 acres from Residential 20 to Residential Suburban. The R-20 district is established as a district in which the principal use of the land is for single family residences. The regulations of the district are intended to protect existing residential areas with minimum lot sizes of 20,000 square feet and to encourage, in selected portions of the incorporated area, the subdivision of undeveloped property into lots with a minimum of 20,000 square feet. The R-S district is established to provide reasonable safeguards for areas characterized by suburban residential and agricultural uses. The intent of this district is: (1) to encourage continued use of land for low density residential and agricultural purposes; (2) to retain the open characteristics of land areas on the fringe of the city; (3) to provide a transitional zone between higher density residential districts of the city and low density residential and agricultural districts of the county; and (4) to provide interim land use control to land areas until such time as a more intense use of land is warranted. Provision is made for reduction

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of the minimum lot size where public or community sewerage and water systems are available.

The subject parcel is located in an area characterized by residential and agricultural uses on large parcels. There has been no development pressure in the area. The subject parcel adjoins a large parcel that is split-zoned R-4 and R-20, and to the north of that property along Plantation Road are several R-4 and R-20 parcels. To the east and west of these properties are large areas of R-S property. Staff is of the opinion that it would not make sense to rezone just the subject parcel to R-S, but it would be practical to rezone the entire area on the west side of Plantation Road to R-S to be in harmony with the rest of the area. Therefore, staff recommends that the request be amended to include these properties in the rezoning request:

- 7060-0052-4960 - Plantation Road
- 7060-0052-7092 – 230 Plantation Road
- 7060-0051-7858 – 198 Plantation Road
- 7060-0051-4811 – 194 Plantation Road
- 7060-0051-2470 – 1811 Price Road

Based upon the character of the area and the rural agricultural and residential uses in the area, staff recommends in favor of the amended request.

Mayor Pro Tem Burnette asked if anyone would like to speak in favor or in opposition of this request. As no one came forward to speak he then declared the public hearing closed.

Mayor Pro Tem Burnette stated that when they rezone this in R-20 the lot size is a minimum of 20 thousand square feet. He asked if all those parcels meet that to be rezoned to which Ms. Stultz replied in the affirmative.

A RESOLUTION ADOPTING A
STATEMENT OF CONSISTENCY REGARDING
A PROPOSED AMENDMENT TO THE
CITY OF EDEN ZONING ORDINANCE
CASE NUMBER Z-15-08
MAP AMENDMENT

WHEREAS, pursuant to North Carolina General Statutes Chapter 160A-383, prior to adoption or rejection of any zoning amendment, the Eden City Council is required to adopt a statement as to whether the amendment is consistent with the Land Development Plan and why the City Council considers the action taken to be reasonable and in the public interest;

WHEREAS, on August 21, 2007, the Eden City Council adopted the Land Development Plan. Plans such as the City of Eden Land Development Plan are not designed to be static but are meant to reflect the City of Eden's needs, plans for future development and to remain in compliance with North Carolina State Law and the City of Eden's ordinances;

WHEREAS, the City of Eden Planning Board received a request to rezone property at Price Road and Plantation Road from Residential-20 to ResidentialSuburban;

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WHEREAS, On November 3, 2015, the City of Eden Planning Board voted to recommend approval of the rezoning request and to recommend that five additional properties located on Price Road and Plantation Road be rezoned from Residential-20 and Residential-4 to Residential-Suburban.

STATEMENT OF NEED:

The request is to rezone property located at Price Road and Plantation Road from R-20 to R-S. Staff is of the opinion that this request would be appropriate for the subject property because of the rural residential character of the area and the other R-S properties in the area. However, staff believes it would also be appropriate to rezone the adjoining and surrounding R-20 and R-4 properties to R-S to maintain consistency of zoning in the area.

STATEMENT OF CONSISTENCY:

The goals of the 2007 City of Eden Land Development Plan, as amended, are to make smart growth decisions by carefully managing growth to:

- A. Strategically locate new land development in the most appropriate places.
- B. Maintain and enhance Eden's community character and heritage.
- C. Use infrastructure investments as effectively as possible.
- D. Attract new jobs and a more diverse tax base.
- E. Protect natural, cultural and historic resources and open space as we grow.

WHEREAS, The Eden City Council has considered the written recommendation of the City of Eden Planning Board and has held a public hearing on the proposed amendment, and the Council desires to adopt a statement describing why the adoption of the proposed amendment is consistent with the City of Eden Land Development Plan, as amended, and why the City Council considers the proposed amendment to be reasonable and in the public interest;

NOW THEREFORE, BE IT RESOLVED BY THE EDEN CITY COUNCIL THAT:

1. The Eden City Council finds that the proposed amendment to the City of Eden Zoning Ordinance is consistent with the goals and recommendations of the 2007 City of Eden Land Development Plan, as amended.
2. At no time are land use regulations or plans of the City of Eden or any jurisdiction in the State of North Carolina permitted to be in violation of the North Carolina General Statutes.
3. Therefore, based upon the foregoing information, the amendment to the Zoning Ordinance is reasonable and in the public interest.

Approved and adopted and effective this 17th day of November, 2015

CITY OF EDEN

BY: Wayne R. Tuggle, Sr., Mayor

ATTEST:

Sheralene Thompson, CMC
City Clerk

A motion was made by Council Member Hall seconded by Council Member Hampton to approve the zoning map amendment and approve the adoption of an Ordinance to rezone property located at the northwest corner of Price Road and Plantation Road from Residential-20 to Residential-Suburban, ZONING CASE Z-15-08 and also adopt the

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resolution adopting a statement of consistency regarding the rezoning of property located on the Price Road and Plantation Road from Residential-20 and Residential-4 to Residential Suburban. All Council Members voted in favor of this motion.

REQUESTS AND PETITIONS OF CITIZENS:

Mr. Scotty Fain, 250 The Boulevard and 807 Hill Street addressed the City Council.

Mr. Fain explained that this was in regard to a news article about water rate increase. He understood that they did owe the EPA but it was hard. It hurt business owners such as himself when water bills increase, as customers they have to choose whether to have work done on their vehicles, all of that was affected. When you get hit by Duke Power going up or health insurance nearly tripling. You say it is just a dollar here and a dollar there, but when you have like a dollar here and you know water, yes it is a necessity. Trash pick up was a necessity. He then presented a water bill that said 1200 gallons consumed the sewage was \$24, water was \$19 and garbage was \$18.75.

He understood that Miller was leaving and he understood that they were consuming 900,000 gallons of water. With Miller leaving or maybe somebody else would move in, who knows, with 900,000 being consumed and you think about it, you are not going to get the revenue and he did not think Miller was close enough to the river to pump in their own water so he was thinking that all of that was coming directly to the city. If he was not mistaken, he believed that Miller had their own pre-treatment but the point was, not all of that would be going into their sewage. So, how much were they going to be saving as far as far as how much was going to be treated. He did understand that they were not going to be making the money coming in but they were not going to have all that water going into the sewage because they were shipping it out all over creation with their product. Who was to say something else might come in, he did not know. He would just ask them to consider not raising the water and sewer rates on the people of Eden, the people who vote and support them. He also noted that if they look on the little papers that they get from the State to get their tags renewed they have a \$5.00 city vehicle tax so they have \$5.00 right there that is hit on them. Then everything else that was coming in, nickel and dime them to death and he was just asking everybody to consider not raising the rates on the people of Eden. They were people who were trying to build this community. He was a business person trying to do what he could for the city. He understood that according to the article the city had 20 years to pay the EPA back and he was sure if it came to it the people of Eden would be happy to have some kind of fundraiser to help get the city out of debt. He noted that students from the high school could get out into the community, working to see what needs to be done. He asked them to not punish the good people that were on fixed incomes. For the people who were purposely late every single month then those were the people he would say to maybe raise their late fees or whatever.

Mayor Pro Tem Burnette thanked Mr. Fain for coming and expressing his concerns. He thought it was a great night to be there because the City Manager would be giving a presentation about what funds they do need and if he had suggestions on what they could do to raise money as opposed to having to raise rates they would be glad to sit down and

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talk with him about that. However, when he did see the significance of the amount of money that was going to have to be raised to afford the repairs that need to be made along with the loss in the revenue from Miller it was very significant.

Ms. Ann Barrington, 784 Summit Loop addressed the City Council.

Ms. Barrington explained that she was concerned about the City of Eden. They need to be careful how they were charging their citizens. She could give them several examples. She stated that she worked at Miller and one of the biggest concerns that they had was their utility costs and number one their water costs. That plant could make a wonderful water bottling company but when a company comes into this town and sees that they keep raising rates, people are moving out and there were empty houses, that was not good advertisement.

Mike Dougherty has been advertising that they were a retirement community. They do not have anything for a retirement community. They should be a growing community. If they advertise that, how were they going to get industry in there. They have a lot of people in there on social security. They have not received a raise this year and they did not get a raise last year but her water bill since April of 2014 until now, not counting the months she used her pool, has gone up \$18 to \$20.

She stated that she had a stepmother who was on fixed income and they were helping her because everything was going up on her. Even merchants participating in Riverfest it was \$75.00 it went over \$300.00. She stated that she could understand charging someone out of town but they were trying to keep their industry and their shops and everybody here and she had talked to three different shop owners and they were not in Riverfest because the price went up so high.

She felt like they were a great city and can grow. They have a great police and fire department. They need to be careful how they charge their citizens and the water bills have been raised several times. A lot of people were concerned about that and she thanked them for listening to her.

Mayor Pro Tem Burnette thanked Ms. Barrington for her comments. She was correct, they were seeing the costs of living going up everywhere whether it was telephone, utilities or whatever and it was very difficult. This Council was faced with a very difficult decision that they were going to have to make. He asked her to stay and see the City Manager's presentation.

UNFINISHED BUSINESS:

- a. Confirming Support for Voluntary Curbside Recycling Program.

Mayor Pro Tem Burnette turned the floor over to Mr. Brad Corcoran, City Manager.

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Mr. Corcoran explained that over the course of the past couple of months there has been a significant amount of discussion concerning the issue of curbside recycling. As I have previously reported, Mr. Stan Joseph, Manager of Community and Municipal Relations for Waste Management has indicated that Waste Management would be willing to provide curbside recycling services every other week for those residents interested in receiving this service as part of a voluntary program supported by the City Council.

The monthly cost would be \$3.85 initially.

Mr. Lance Metzler, Rockingham County Manager has confirmed the county will provide the initial 96-gallon recycling cart to any residence interested in signing up for this service.

According to Mr. Joseph, interested customers would call a 1-800 number directly to Waste Management and they would get them signed up. He stated by signing them up, an account would be established and Waste Management would let them know what day their service would be on. He further stated that Waste Management would make sure a County provided recycling cart was delivered to their home and Waste Management would commence curbside recycling service every other week. The residents would then be billed by Waste Management at the established rate.

Due to the need to advertise this service, educate the citizens on what is taking place, fully implement various community outreach efforts, get trucks, hire drivers and set routes, Mr. Joseph is recommending an implementation date of July 1, 2016. If the City wanted to proceed earlier then he stated he would have to check with his operations team to see the earliest start-up date they could do.

For those citizens not interested in signing up for this service the City will still be providing the use of 6 drop-port recycling locations as well as the comprehensive recycling station.

Staff feels this is a win-win situation. Those citizens interested in the service will have the ability to sign up for the service and those citizens not interested in the service will not be required to participate in the funding of the service.

The staff recommends the City Council adopt a motion confirming its support for the creation of a voluntary curbside recycling program as outlined in this memorandum.

Council Member Carter questioned what the county price was to which Mr. Corcoran replied he believed it was \$1.21, he knew it was part of a package. Waste Management provides curbside recycling plus the trash pick up plus once a month bulk pick up for \$13.99.

Council Member Ellis commented that he thought this was a good deal for their citizens. It was optional and was not mandatory for anybody.

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Council Member Turner also thanked the City Manager for continuing to pursue this and she hoped a lot of people take advantage of it and it was a very fair price.

Mayor Pro Tem Burnette agreed that it seemed to be a win-win situation. A lot of their concerns were, along with the fact that they would like to have curbside recycling was the fact that they felt they could not put that on top of everyone with what they were facing with the water and sewer rates.

Council Member Epps questioned if they were going to have enough people signed up for it to be beneficial to which Mr. Corcoran replied that they explained that there were going to be trucks already in the areas because they were providing the service county-wide. So they were already be in those areas surrounding the City of Eden. He also pointed out that they needed to remember that once an individual signs up with Waste Management they become their customer. This was not a contract where they come back and work through the city or the city would have any say over the prices. So, they helped get the program set up, interested people will sign up with Waste Management, they will be billed by Waste Management, any complaints they have will go to Waste Management, and any future increases will be determined by Waste Management.

Council Member Ellis pointed out that was only for recycling.

Council Member Hall asked that if they decided they wanted to raise their rates and it became cost prohibitive and they decided they did not want this program anymore, the county will come back and get the container to which Mr. Corcoran replied that he would imagine they would. He did say that they were not requiring citizens to sign up for a contract period of two years or three. If someone signs up and decides they did not like it or were not using the service they could stop it at any time.

Council Member Hampton also thanked the City Manager because she was really concerned that it would be mandatory and with the increase of their water and sewer and everything to have this mandatorily put on their citizens would be too much.

A motion was made by Council Member Ellis seconded by Council Member Turner to approve the Voluntary Curbside Recycling Program. All Council Members voted in favor of this motion.

b. Boards and Commissions Appointments.

The following seats on the City Boards and Commissions are up for appointment/reappointment in 2016 or are vacant and remain to be filled.

Board of Adjustment

Kennith White	Term Expires 2015	Ward 1- Councilwoman Turner
Barney Walker	Term Expires 2015	Ward 3 – Councilwoman Hampton
Diana Biggs	Term Expires 2015	Ward 7 – Councilman Ellis

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Roger Brown	Term Expires 2015	Mayor Tuggle
Community Appearance Commission		
Pam Adkins	Term Expires 2015	Ward 2 – Councilman Burnette
Vacant		Mayor Tuggle
Historic Preservation Commission		
Vacant		Ward 6 – Councilman Hall
George Underwood	Term Expires 2015	Ward 7 – Councilman Ellis
Vacant		Mayor Tuggle
Planning Board		
Jerry Holland , Jr.	Term Expires 2015	Ward 6 – Councilman Hall
Carol Helms	Term Expires 2015	Mayor Tuggle
Matthew Smith	Term Expires 2015	ETJ *(appointment must be made by
Council and approved by County Commissioners)		
Tree Board		
Vacant		Ward 3 – Councilwoman Hampton
Paul Dishmon	Term Expires 2015	Ward 4 – Councilman Epps

A motion was made by Council Member Hampton seconded by Council Member Hall to approve the appointment of Norma Purcell to Tree Board. All Council Members voted in favor of this motion.

NEW BUSINESS:

- a. Approval and Adoption of Amendment to City Code 16-237 Discontinuance of Service Upon Failure to Pay Charges and Policy FIN-11 Finance Reconnect Policy.

Mayor Pro Tem Burnette asked Ms. Tammie McMichael, Director of Finance & Personnel to come forward.

Ms. McMichael explained that currently their water and sewer customers have 20 days to pay their water bill. They add a \$10.00 late fee to their account if the bill is not paid by the due date. If the account is still delinquent after 10 more days, they charge them a \$25.00 reconnect fee if they don't pay before they disconnect their service. The reconnect fee is not applied directly to the customer's account. Therefore, on the day of cut off, staff is having to contact the meter technician to see if he has gotten to the property if the customer comes in to pay. They have customers call them to pay when the meter technician is literally standing in their yard to avoid the reconnect fee.

The current ordinance and policy does not allow them to immediate charge the delinquent customers the reconnect fee unless they actually disconnect their service. They also pull or lock the meters, if the account is still delinquent 10 more days after the cutoff date. Currently, they give a total of 30 days before they disconnect service and 40 days before

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they pull or lock the water meter. These customers are already extremely late and, it is not fair to customers who are at the beginning of the cut off list to have to always pay the reconnect fee.

They believe customers should not be allowed to negotiate with the meter technician to avoid paying the reconnection fee. When they have approximately 200 customers a month on the cut off list, it creates a lot of confusion in the office. It is constant confrontations with customers in the office and on the telephone discussing whether their water has been turned off or not. She explained that she contacted 11 other municipalities who **apply the penalties immediately when the list is generated**. It was staff's recommendation that they amend the ordinance & policy to state that they are going to apply these late payment penalties when the list is generated. They believe if a customer is delinquent, they should be required to pay the penalty no matter where his name appears on the list.

Mayor Pro Tem Burnette pointed out that this was very appropriate as one of their citizens who spoke earlier had mentioned applying a fee onto those who were late paying their fees.

A motion was made by Council Member Hall seconded by Council Member Ellis to approve and adopt Adoption of Amendment to City Code 16-237 Discontinuance of Service Upon Failure to Pay Charges and Policy FIN-11 Finance Reconnect Policy. All Council Members voted in favor of this motion.

b. Consideration and Approval of Water and Sewer Rate Increases.

Mr. Corcoran provided copies of the presentation to anybody who wanted a copy. He also stated that he would be happy to discuss the presentation with Mr. Fain or Ms. Barrington if they would like.

He wanted to mention two things. They had mentioned if they had looked at what they would be saving as a result of Miller leaving and yes that had been taken into consideration. Unfortunately, because they have to operate the plants 24-hours a day and 7 days a week, 365 days a year, there was not as much to cut as you would think. Basically they would save approximately \$100,000 in chemicals and electricity.

Also, MillerCoors, since they have been there have had contract rates. While she was correct that they were constantly worried about all of their utility rates he could assure them and he would be willing to share with them what they pay for water. What they paid for water was a fraction of what anyone else pays. He could also tell them that their water rates were as low as could be and when they made the decision to leave, they did not approach them, they did not give them an opportunity to speak with them, it was a decision that was made outside the United States by corporate. It was important to know that when they look at what they were paying that was not even close to what Miller was paying. Miller was paying a very, very small rate and he would be happy to share what those rates were.

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On September 14th MillerCoors announced the closing of its brewery after 38 years of business here in Eden.

Although the complete shutdown will not take place until September 2016, they have been told the transition for this closing will begin in January 2016.

The closing of MillerCoors will result in approximately \$900,000 less water and wastewater revenue for the City of Eden (COE) – just from MillerCoors.

Earlier this year the COE, Rockingham County and the North Carolina Department of Commerce were successful in negotiating an economic incentive package to retain and expand the Mohawk Industries' (Karastan Rugs) operation here in Eden.

While the negotiation was a HUGE success by enabling the retention of 180 jobs, the addition of approximately 100 jobs and the diversification of the Karastan facility by increasing manufacturing of thirty (30) new products, it did result in lower water and wastewater rates for Mohawk Industries and will result in approximately \$88,021 less water and wastewater revenue for the COE.

Two weeks ago, the Henry County Public Service Authority (PSA) in Virginia informed us they've decided to build a water main to the Sandy Level Community in Henry County, Virginia. This will result in approximately \$44,667 less water revenue for the COE.

Accompanying the closing of MillerCoors will be secondary and ancillary customer impacts resulting in approximately \$120,982 less water and wastewater revenue for the COE according to estimates prepared by W. K. Dickson Engineering.

The total amount of lost water and wastewater revenue as outlined on the previous slides is approximately \$1,153,670.

With the MillerCoors announcement, they will have lost approximately \$5.0 MILLION DOLLARS in NET water/sewer revenue per year due to four industry closings since 2006: *Parkdale Mills (11-01-06)*, *Liberty Textiles (07-31-07)*, *Hanesbrands International (02-05-09)* and *MillerCoors (09-01-16)*.

On January 3, 2012 the EPA issued an Administrative Order (AO) ordering the COE to eliminate all Sanitary Sewer Overflows (SSOs).

Eden is the ONLY municipality in the State of North Carolina that is under an AO for SSOs.

Failure to comply with this order can result in civil penalties and fines of \$37,500 per day.

Recent estimates (February 2015) from their consulting engineer W.K. Dickson projects the cost to comply with the AO from the EPA is approximately \$36.3 million and could

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end up being significantly higher when some of the additional condition assessments are completed.

From 1987 – 2001, Eden averaged a staggering 2,028,819 gallons in SSOs on an annual basis. During this period of time, the City NEVER heard anything from the EPA concerning their SSOs.

In 2001, the COE became proactive in their efforts to reduce SSOs. During the past 15 years, they have spent more than \$30.8 million on improvements to their sewer collection system that are having a desirable influence on reducing their SSOs. Nearly \$13 million of this spending has taken place since the EPA AO was issued in January 2012.

During 2011-2015, Eden averaged only 109,593 gallons per year in SSOs for a reduction of 94.60% compared to the annual average of 2,028,819 gallons during 1987-2001.

If they discount 2013, which resulted in 335,557 gallons of SSOs due to 49.02 inches of annual rainfall (second highest amount in the last 17 years), the annual average for 2011, 2012, 2014 and 2015 combined is only 53,102 gallons of SSOs for a reduction of 97.39%.

Despite their progressive attitude and the enormous amount of work they have completed since 2001, the EPA is hitting their community with this unfunded mandate that already has, and will continue, to cost their citizens millions upon millions of dollars.

As a result of the EPA AO and projects already underway, they were faced with immediate funding needs. Some of the immediate projects that will need to be funded during the next fiscal year include the Junction and Bridge Street Pump Station Rehabilitation Projects, Covenant Branch – Meadow Greens Force Main Project, the Inflow & Infiltration Repair/Sewer Fix It Program and the upcoming annual debt service payments associated with the \$2.9 million dollar Kuder Street Phase 3 Project, the \$3.7 million dollar Matrimony Creek Project and the \$3.6 million dollar Tanyard Branch Project.

According to their audited financial statements, the fund balance in the Water and Sewer Fund as of June 30, 2015 was \$5,918,992. This is a decrease of \$639,310 or approximately 9.75% when compared to the June 30, 2014 total of \$6,558,302.

On June 30, 2011 the fund balance in the Water and Sewer Fund equaled \$11,333,437.

Due to insufficient revenues to meet their ongoing capital improvement needs they have been forced to use \$5,414,445 (47.77%) in fund balance during just the past four years. This underscores the need to raise rates to generate additional revenue as soon as possible.

According to the June 30, 2015 audited financial statements, there are a total of five (5) water/wastewater construction projects currently underway with a combined total cost of \$15,011,786.

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Of this total, he was pleased to report that \$5,074,000 will be received in the form of grants and principal forgiveness loans. However, this still leaves a balance of \$9,937,786 to be funded through low-interest loans and revenues from the Water and Sewer Fund. While \$6,790,238 of the \$15,011,786 in costs has already been spent there is still a remaining commitment equal to \$8,221,548 with \$5,397,263 of this total needing to come from loans and city revenues.

As most are aware, the Water and Sewer Fund is an Enterprise Fund. This means their rates must be sufficient enough to fully fund all of the necessary costs. This is a legal requirement stipulated in Section 143C-1-3 (a) (6) of the NC General Statutes that is administered by the Local Government Commission (LGC) for NC.

Unfortunately, the City Council has been put in the predicament of being forced to raise their existing services rates substantially and immediately (Example – Town of Mayodan when Unifi closed).

WHY Are We Raising Rates???

Water

Closing of MillerCoors

Sewer

EPA Administrative Order

Background

Raftelis Financial Consultants, Inc., has projected the average residential water and wastewater bill (4,000 gallons per month) for a customer living inside the city will need to be increased from \$60.11 per month to \$141.96 per month (increase of 136.2%) by 2035.

Also, due to the closure of MillerCoors, the EPA AO and other factors already discussed, Raftelis has stated they will need to substantially increase their water and wastewater rates by 2017.

Specifically, they've projected they need to generate \$1,994,830 in additional annual combined revenue by 2017. According to the February 2015 report entitled, "Water and Wastewater Rates and Rate Structures in North Carolina" published by the North Carolina League of Municipalities (NCLM) and the UNC Environmental Finance Center (UNC), the pressure to maintain low or relatively low rates has the potential to force utilities to run a deficit or avoid making necessary operational and capital expenditures.

Ideally, rates should reflect the cost of providing service, which depends on many diverse factors including regulatory unfunded mandates such as the EPA AO, the size of treatment facilities and infrastructure, customer base characteristics, usage patterns, as well as the age and condition of assets to name a few examples.

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It's important to note that two neighboring utilities with similar sized customer bases may have very different costs that justify very different rate structures and rates.

Data also shows that utilities with low rates do not generate sufficient revenue to properly maintain their system's assets, which could ultimately lead to longterm adverse costs and service impacts (Ex. – Eden 1987 – 2001 when they averaged a staggering 2,028,819 gallons in SSOs annually that went unaddressed).

According to the February 2015 NCLM/UNC report the median monthly amount charged for zero gallons of water is currently \$15.00 (Eden \$9.85), \$31.32 for 5,000 gallons (Eden \$31.10) and \$53.16 for 10,000 gallons (Eden \$52.35).

As a point of comparison, a gallon of potable water at a major grocery retailer is approximately \$1.00 while the median bill for 5,000 gallons of tap water in Eden is approximately \$0.0062 per gallon, or 161 times cheaper.

Wastewater bills are generally higher than water bills. The median monthly wastewater bill for customers disposing of zero gallons is \$16.00 (Eden \$9.22), \$38.42 for 5,000 gallons (Eden \$39.27) and \$65.31 for 10,000 gallons (Eden \$69.32).

Base Charges

Base charges contribute to revenue stability because they don't vary from month to month, regardless of consumption. Unfortunately, due to the loss of some significant industrial customers and reduced usage by their residential and commercial customers their consumption levels have continued to drop for the past ten years.

This has caused a serious financial hardship due to their reliance on volumetric charges in lieu of base charges.

Consider the following:

Billable water gallons have decreased from 3,150,306,200 gallons in FY 2005-06 to a projected 621,665,900 gallons by FY 2016-17. This is a reduction of approximately 80.27%.

Billable wastewater gallons have decreased from 1,769,763,100 gallons in FY 2005-06 to a projected 434,233,300 gallons in FY 2016-17. This is a reduction of approximately 75.47%.

The current median residential base charge for the 510 water utilities and 424 wastewater utilities included in the 2015 NCLM/UNC report cited previously is \$15.00 per month for water (Eden \$9.85) and \$16.00 per month for wastewater (Eden \$9.22). For combined utilities, the median combined water and wastewater base charge is \$31.00 per month (Eden \$ 19.07).

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Currently, they have 6,719 water accounts and 6,312 wastewater accounts. A \$1.00 increase per month on the existing water base rate would generate additional annual revenue of \$80,628 and a \$1.00 increase per month on the existing wastewater base rate would generate additional annual revenue of \$75,744.

Volumetric Charges

Eden currently utilizes a uniform rate structure when it comes to the volumetric charges for water and wastewater.

In a uniform rate structure, the rate at which water and wastewater is charged does not change as the customer's usage changes.

Currently, their volumetric charge per 1,000 gallons of water for their residential and commercial customers is \$4.25 and the volumetric charge per 1,000 gallons of wastewater for their residential customers is \$6.01 and \$9.71 for their commercial customers.

Residential customers in North Carolina consume an average of 4,000 to 5,000 gallons per month. In Eden, their residential customers are averaging 4,000 gallons per month.

Among the 510 water rate structures and 424 wastewater rate structures in the 2015 NCLM/UNC report cited previously, the median price for 1,000 gallons (not including base charges) at the consumption level of 4,000 gallons/month is \$4.31 per 1,000 gallons for water (Eden \$4.25) and \$5.50 per 1,000 gallons for wastewater (Eden \$6.01).

Currently, they have 6,719 water accounts and 6,312 wastewater accounts.

A \$0.01 increase per month per 1,000 gallons on the existing water volume rate would generate additional annual revenue of only \$4,617 and a \$0.01 increase per month per 1,000 gallons on the existing wastewater volume rate would generate additional annual revenue of only \$4,468.

Recommendations

Over the course of the past several weeks' staff has held several meetings to discuss recommendations concerning future rate increases for 2016 and beyond. In addition, a City Council work session was held just last week on November 9th to discuss this same topic.

First, they continue to believe it makes better sense to increase rates incrementally on a consistent basis over time rather than do nothing, wait, and then be forced to adopt more substantial rate increases at a later date.

This is the same philosophy they used previously when dealing with the financial ramifications associated with the closing of Hanes Brand International.

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Second, due primarily to the closing of MillerCoors and the EPA AO there is a need to increase their water and wastewater rates sufficient enough to generate \$1,994,830 in additional annual combined revenue by 2017.

Third, predicting the future is not possible. Due to the uncertainties surrounding what the EPA will or will not do in response to the implementation schedule outlined in their EPA AO remediation plan, they will not be making additional rate increase recommendations for future years (beyond 2016 and 2017) until a final plan of action has been formally approved by the EPA and accepted by the COE.

Based on their desire to increase rates incrementally, rather than all at once, they believe the best course of action is to split the needed increase for all of their customers over a nine month period with the first rate increase becoming effective January 1, 2016 and the second rate increase becoming effective September 1, 2016.

This corresponds with the reduction in production from MillerCoors anticipated to start in January 2016 and the full closing of this facility in September 2016. It is their hope that no additional increases will be needed during 2017.

Proposed Rate Structure

During the City Council work session five (5) different rate structure proposals were discussed. As a result of your input, option 5 has been selected and it includes the following:

Effective January 1, 2016 AND September 1, 2016 increase the base rate on water and wastewater accounts for customers living inside the City by \$2.50 each. In addition, increase the volumetric rates for customers residing inside the City by \$0.84 per 1,000 gallons on water and \$0.49 per 1,000 gallons on wastewater.

These two increases will generate approximately \$1,178,796 in new annual water revenue and \$816,584 in new annual wastewater revenue for a combined total of \$1,995,380 based on current conditions.

The rate increases for customers living outside the City will be doubled compared to customers living inside the City. This is unchanged from their current rate structure.

The impact on their average residential customer (4,000 gallons per month) who lives inside the City limits will be as follows:

Rate Changes & Average W/S Bill @ 4,000 Gallons/Month

Category	Current	Increase	01-01-16	Increase	09-01-16
Water – Base	\$ 9.85	\$ 2.50	\$ 12.35	\$ 2.50	\$ 14.85
Water – Volume	\$ 4.25	\$ 0.84	\$ 5.09	\$ 0.84	\$ 5.93
Sewer – Base	\$ 9.22	\$ 2.50	\$ 11.72	\$ 2.50	\$ 14.22

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Sewer – Volume	\$ 6.01	\$ 0.49	\$ 6.50	\$ 0.49	\$ 6.99
Avg. Water Bill	\$26.85	\$ 5.86	\$32.71	\$ 5.86	\$38.57
Avg. Sewer Bill	\$33.26	\$ 4.46	\$37.72	\$ 4.46	\$42.18

Economic Development Rate

Current Economic Development Rate

On Any Usage That Exceeds 5,000,000 Gallons Per Month (Non-Contract)

Per 1,000 Gallons Usage Charge: \$ 3.50 Water and \$ 4.96 Wastewater

Proposal

Current proposal based on existing conditions is to add another level for any usage that exceeds 750,000 gallons per month but is less than 5,000,000 gallons per month for any account.

They were recommending the volumetric charges for usage in excess of \$750,000 but less than 5,000,000 gallons per month be established at \$4.25 per 1,000 gallons of water and \$9.71 per 1,000 gallons of wastewater. The first 750,000 gallons each month would be based on the regular volumetric rates in place at that time for all commercial and non-contract industrial customers.

Impact On Average

Residential Customer

If the proposed increases are adopted, the monthly bill (September 2016) for the AVERAGE residential customer (4,000 gallons) for the three different services provided by the City would be as follows:

- Water Service - \$38.57
- Sewer Service - \$42.18
- Refuse Collection Services \$18.75

They believe these prices will still be very competitive with the monthly costs for other utilities and services such as electricity, natural gas, internet, cell phone, cable TV, and telephone.

Again remember why

- Water
- Closing of MillerCoors
- Sewer
- EPA Administrative Order

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Mr. Scotty Fain was allowed to address the Council again and he expressed thanks for being allowed extra time. He stated just some ideas, how could they combat rate increases. Well obviously, just with himself and every family in the United States we have to go by cuts. Also, he would say the Federal Government needs to go by cuts. By saying that he was saying he has worked with the Church of Christ and had been at many gospel campaigns and they have compassed towns in two weeks. If the city employees, if they just took one day with every city employee and went door to door and got petitions and brought them before the Governor, the House of Representatives, he thought that they could get some kind of answer from the EPA or some kind of leniency, if they have everybody sign a petition and bring it before their leaders. That was their job to take care of them and speak for them.

Also since everybody in general was having to make sacrifices what if they took away five cents an hour from every city employee so that they could keep this city going. If you took 100 city employees and he had figured this up just a little while ago, they would be making \$3,800 per city employee per year. Look how much that would take away from what they were lacking. He offered to go see the EPA on his own dime. He stated that he would do anything that he could do to help. This was important and his livelihood depended upon what happened in this city.

Mayor Pro Tem Burnette stated that they have met with the Governor and also the head of the Department of Environmental Quality. They have met with their Washington, D.C., Representative, Mark Walker and others. They were aware of the situation. The progress is very slow moving in terms of what they were able to do versus what they were required to do. The City Manager did not mention a program that he has put in place for cuts in the city staff. That was over a million dollars and that was figured into this as well. They did appreciate that he was there and expressing his concerns as well as volunteering to help and they would follow up with him on that.

Mr. Corcoran added that he would be happy to meet with him or Ms. Barrington.

Mayor Pro Tem Burnette stated that one of the things people ask was why do you not use your reserve funds. He asked if this was right, they had right now about \$5.9 million in their reserve fund but the construction costs that they were looking at amounted to almost \$5.4 million.

Mr. Corcoran replied that was correct and the other thing was to remember that on the current budget you allocated fund balance to be used between now and June 30th. So, they anticipated a full year of Miller. So, if Miller starts reducing production at all between now and June 30th, that was additional money they were going to lose. You need to keep some money, for instance if the Railroad Pump Station were to go down today they have been told that immediate repairs could cost millions of dollars. He asked them to recall the drought that occurred back in the early 2000s, and the river had gotten so low that they had to spend hundreds of thousands of dollars to bring in pumps to put out into the middle of the river to pump. So it was never smart business practice to take that fund balance down to zero. He also thought that the fact that it had gone to about a 47% reduction was quite

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significant. He also noted that if they looked at what the fund balance was in 2001 the only blessing was thank goodness they were able to build out that fund balance over time because that rainy day did come.

Council Member Ellis and Council Member Carter both agreed that the Council had to make decisions they did not want to make but they had to make those decisions.

A motion was made by Council Member Turner seconded by Council Member Ellis to approve the water and sewer rate increases. All Council Members voted in favor of this motion.

REPORTS FROM STAFF:

No Reports Scheduled.

CONSENT AGENDA:

- a. Consideration and Approval of Minutes for October 20, 2015.
- b. Approval and Adoption of Budget Amendment 3.

The City along with the Aging, Disability and Transit Service (ADTS) of Rockingham County received a grant from the NC Department of Transportation to enhance the mobility for seniors and individuals with disabilities. The attached amendment increases the General Fund revenue for the grant amount and increases the RCATS Transportation line item in Special Appropriations.

Subject: Budget Amendment # 3

	Account #	From	To	Amount
General Fund Revenues				
RCATS Transportation Grant	10-3350-00920	\$ -	\$ 34,500.00	<u>\$ 34,500.00</u>
General Fund Expenditures				
RCATS Transportation	10-9920-69850	\$ 13,200.00	\$ 47,700.00	<u>\$ 34,500.00</u>

Appropriates grant funds for the RCATS Transportation System.

Adopted and effective this 17th day of November, 2015.

Attest:

Sheralene Thompson, City Clerk

Wayne Tuggle, Mayor

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c. Approval and Adoption of Budget Amendment 4.

When the City purchases vehicles with installment purchases, it is required to show the loan proceeds as revenue and the payment to the vendor as an expenditure in the financial statements. The attached amendment increases the General Fund revenue line item "loan proceeds" and also increases the Solid Waste Department Capital Outlay – Vehicles for the purchase of a new leaf truck.

Subject: Budget Amendment # 4

	Account #	From	To	Amount
General Fund Revenues				
Loan Proceeds	10-3850-86000	\$ 248,800.00	\$ 418,000.00	<u>\$ 169,200.00</u>
General Fund Expenditures				
Solid Waste C/O Vehicles	10-4710-55000	\$ -	\$ 169,200.00	<u>\$ 169,200.00</u>

Appropriates loan proceeds for Solid Waste leaf truck.

Adopted and effective this 15th day of November, 2015.

Attest:

Sheralene Thompson, City Clerk

Wayne Tuggle, Mayor

d. Consideration of Uncollectible Code Enforcement Fees.

After review of the following accounts, it is evident that these are legally uncollectible.

Based upon this and upon recommendation of their accountant Judy Rouse, they request that the following amounts be written off so they will no longer show as delinquent accounts receivable. Continuing to include such amounts in the financial records of the City could result in a distorted age trial balance.

1. The statute of limitation on the collection of the following properties has expired:

Account Number	Name	Amount	Date Billed
20243	Rosabelle Wilkerson	200.00	06/02/2005
20243	Rosabelle Wilkerson	175.00	08/24/2005
11149	D. Floyd Osborne Heirs	175.00	08/24/2005
10454	Willie & Rosetta Stewart	550.00	06/22/2005
20393	Robert R. Hairston Estate	400.00	09/28/2005

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20440	Lennie F. Phillips	350.00	06/22/2005
		TOTAL	1,850.00

- 2. The property at 991 Harris Street was the subject of foreclosure proceedings by the Rockingham County Tax Department. The proceeds were less than the taxes due therefore the City of Eden did not receive payment for the code enforcement fees due. Foreclosure is the sole remedy for debt owed and must be removed.

Account Number	Name	Amount	Date Billed
21987	Christopher W. Anthony	129.00	05/28/2015
		TOTAL	129.00

The removal of these line items will more accurately reflect the amounts that are actually due and collectible by the City of Eden.

- e. Confirm the amount of the indebtedness of demolition costs to be collected in the same manner as special assessments.

The following properties have been the subject of housing code actions and the structures situated on the property have been demolished pursuant to an Ordinance adopted by the Eden City Council. The cost of the demolition is noted as follows:

209 Moir Street 7,300.00
 1006 Sharpe Avenue 3,800.00

This particular lien is collected in the same manner as special assessments. We need for you to formally establish this lien and then to authorize legal action. When we appear in court, your formal action will be proven through the minutes.

- f. Adopt Order of Collection for nuisance abatement fees to be collected as delinquent property taxes.

The attached is a list of properties which have had nuisance violations and the costs associated with the abatement of the violation (copies of the invoices have been delivered to the City Clerk with the Order of Collection).

These particular liens are collected in the same manner as delinquent property taxes. We need for you to formally establish these liens and then to authorize legal action. When we appear in court, your formal action will be proven through the minutes and the execution of the attached Order of Collection.

11/5/2015 NUISANCE ABATEMENT FEES

Acct No	Street No.	Street Name	Owner	Date Billed	Amount Billed
22184	320	E. Aiken Rd.	Reynolds, Martin Jr.	9/6/2015	118.36
20427	232	Blackstock St.	Angela Brooks (mow)	07/15/15	98.75
11197	139	The Boulevard	Gillie, Brenda D. (mow)	06/09/15	120.50
21254	1231	Carolina Ave.	Wise Choice Investments (mow)	09/29/15	118.36

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20243	1116	Center Church	Wilkerson, Rosabelle Heirs (mow)	07/15/15	167.11
21341	709	Circle Drive	Carter, Carol J. (mow)	09/06/15	98.03
20232	739	Circle Drive	Willard, Jami (mow)	09/06/15	98.03
22076	802	Clarkway Drive	Shively, Lisa Lofton (mow)	06/18/15	97.00
22076	802	Clarkway Drive	Shively, Lisa Lofton (mow)	09/29/15	118.36
22093	308	Clifton St.	Dock Bud Tilley Estate (mow)	06/09/15	89.00
22093	308	Clifton St.	Dock Bud Tilley Estate (mow)	09/06/15	118.36
21107	643	Creekridge Dr.	Stone, Teresa (mow)	09/06/15	137.03
11047	601	Early Ave.	Criner, Dianna (mow)	05/28/15	138.50
21229	607	Elm St.	Bullins Family Homes, LLC (mow)	06/25/15	175.06
21229	607	Elm St.	Bullins Family Homes, LLC (mow)	09/06/15	118.36
20637	607	Fieldcrest Rd.	Deboe, Elga (mow)	06/09/15	97.00
20637	607	Fieldcrest Rd.	Deboe, Elga (mow)	09/29/15	152.54
22107	624	Fraker Pl.	Singer, Brandi & James (mow)	09/29/15	118.36
10454	1229	Irving Ave.	Stewart, Willie & Rosetta (bushog Lot)	07/15/15	90.95
11505	1238	Irving Ave.	Melvin, R. Martin (mow)	09/06/15	152.54
21136	625	Lee Street	Anderson, Susan Terry (mow)	05/28/15	89.00
21136	625	Lee Street	Anderson, Susan Terry (mow)	09/29/15	118.36
22174	711	McConnell Ave.	Carter, Billie Joe	06/09/15	154.00
21704	405	Moir Street	Lowery, Dean (mow)	09/29/15	118.36
22176	429	Moir Street	Dunn, Jean G. (mow)	06/18/15	79.05
22176	429	Moir Street	Dunn, Jean G. (mow)	09/29/15	118.36
21209	428	Morgan Rd.	Real Estate Specialists, LLC (mow)	06/09/15	89.00
21623	609	North St.	Lyons, Nadine Tinsley Estate (mow)	11/18/14	83.60
21957	616	Oak St.	Springboard Legacy Ltd. (mow)	05/28/15	97.00
22181	814	Oak St.	TM Property Solutions, LLC	07/15/15	105.07
22175	721	Patrick St.	Stroud, Porsha & Adrian Hairston	06/18/15	60.25
21594	105	Periwinkle Rd.	McDaniel, Karen (mow)	05/28/15	97.00
21594	105	Periwinkle Rd.	McDaniel, Karen (mow)	06/29/15	118.36
20334	501	Price St.	Tucker, Rosetta (mow)	09/06/15	186.72
21988	617	Spring St.	Church, Peggy Jean (mow)	09/06/15	118.36
21232	723	Spring St.	Kirkman, Myrtle Heirs	06/09/15	97.00
21232	723	Spring St.	Kirkman, Myrtle Heirs	09/06/15	118.36
22097	1218	E. Stadium Dr.	Harris, Susan V. & Daniel A. (mow)	11/06/14	160.10
22097	1218	E. Stadium Dr.	Harris, Susan V. & Daniel A. (mow)	06/09/15	114.00
22097	1218	E. Stadium Dr.	Harris, Susan V. & Daniel A. (mow)	09/06/15	152.54
22096	318	Sunset Dr	Saramir Corporation, Inc.	11/06/14	81.00
21208	913	Willow St.	Njeh, Felix (mow)	09/29/15	118.36
					4,896.05

g. Consideration of a Request to Set a Rate for Landfill Leachate.

City staff met with Duke Energy personnel in October to discuss Duke Energy's needs for the coal ash landfill that they were building. Duke Energy requested of the water utilities that we provide a rate for treating leachate, provide viability and information for a tie in of a small leachate force main to the Railroad

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force main near Edgewood Road, and evaluate the feasibility of our plan to accept the coal ash leachate and treat it. This evaluation and resolution of their request has taken six months to put together.

The force main tie in would be made in a Duke Energy right-of-way and Duke Energy Engineers are working to see if that is a feasible option. Terry Shelton has been in contact with WK Dickson concerning the tie-in point for the Railroad Force Main. The only issues with this tie-in are to be sure that our pumping capacity in the Railroad Force Main is not compromised in any way and the point of connection does not interfere with the footprint of our Covenant Branch Force Main Relief project that will be starting in about 12 months.

Melinda Ward has carefully examined the analysis information on the coal ash leachate and believes that based on the information provided, we can treat it in our wastewater plant without pretreatment, if concentrations of constituents in the leachate don't go significantly higher than stated in the available information. The State will require an Industrial Pretreatment Permit be issued to Duke Energy for the Leachate Discharge into our collection system by the City for compliance monitoring, control of what is discharged to us, and to protect the integrity of our Wastewater Treatment Plant and the Dan River to which we discharge treated water.

The last part of their request is to develop a leachate treatment rate. Currently, our rate with the County for landfill leachate is \$19.43 per 1000 gallons. The County leachate is a generally composed of known common components from domestic and industrial sources. The leachate from coal ash landfills is a relatively new type of leachate to treat although information on the constituents in the coal ash leachate is growing rapidly. I spoke with the Public Utilities Director for the City of Sanford, Victor Czar, regarding their charges for treating coal ash leachate. Their rate is \$130.00 per 1000 gallons.

This charge is based on an existing charge they had in their approved ordinances. The rate is what they have charged for 1000 gallons of industrial septage that is conveyed to the wastewater plant. In Sanford, they have agreed to accept leachate generated from the landfill operations in Chatham and Lee Counties that will eventually be pumped to Sanford via a force main that is yet to be built. Duke Energy has a company named Charah Inc., as their contractor to handle all of this work. Charah is contracting with Sanford to handle the leachate treatment. Public Utilities Director Czar said that the \$130 per 1000 gallons rate had been offered to Charah and that they had accepted the rate.

Our staff is inclined to recommend that our rate will need to be increased above the County rate for several reasons. A higher rate is warranted because, the current leachate rate with the County was developed as a government rate to provide for community betterment at a reasonable cost; and the risk associated with treating the coal ash leachate could have unexpected impacts on our treatment plant. In addition to the factors noted in the previous sentence with treatment of the coal ash leachate, there will possibly be a public outcry about treating the coal ash leachate in our facilities.

Each of these factors must be considered in accepting and treating the leachate as City Council sets a rate to charge for this service. The City Staff recommends that the City Council set a rate of \$50.00 per 1000 gallons of leachate that is treated. Sanford limited flow rates to 200 gallons per minute or 288,000 gallons per day. We will also likely establish a flow rate limit of around 200 gallons per minute. We will be expecting anywhere between 5,000 and 288,000 gallons per day based on activity in the landfill cells and rainfall during construction. This is expected to continue for up to five years until the landfill is closed. After the landfill is completed and sealed, the residual flows will likely be less than a 1000 gallons per day and ultimately may stop in a few more years. Revenue from this project for example could be \$112,500 per month based on 75,000 gallons per day at \$50 per 1000 gallons. We have attached a spreadsheet of possible charges and the revenues that would be generated. The spreadsheet anticipated possible revenues for daily, monthly, and annual revenue that might be expected for various rates that could be charged for the shown amounts of flow in thousands of gallons.

A motion was made by Council Member Hampton seconded by Council Member Ellis to approve the Consent Agenda. All Council Members voted in favor of this motion.

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ANNOUNCEMENTS:

No announcements were made at this time.

ADJOURNMENT:

A motion was made by Council Member Turner seconded by Council Member Hall to adjourn. All Council Members voted in favor of this motion. This motion carried.

Respectfully submitted,

Sheralene S. Thompson,
CMC, MMC, NCCMC
City Clerk

ATTEST:

James Burnette, Mayor Pro Tem