

CITY OF EDEN, N.C.

The continued regular meeting of the City Council, City of Eden, was held on Wednesday, February 16, 2000 at 5:00 p.m. in the Council Chambers, 338 W. Stadium Drive. Those present for the meeting were as follows:

Mayor:	Philip K. Price
City Manager:	Radford Thomas
Mayor Pro Tem:	John E. Grogan
Council Members:	Ronald H. Reynolds
	Ronald L. Janney
	Christine H. Myott
	William W. Rorrer
	C. H. Gover
	Garry Tudor
City Clerk:	Kim J. Scott
Administrative Staff	Sheralene Thompson

Representatives from City Departments:
Representatives from News Media:

Mickey Powell, The Daily News,
Alex DeGrande, Greensboro News
& Record.

MEETING CONVENED:

Mayor Price called the continued regular meeting of the Eden City Council to order and welcomed those in attendance. He explained that the first order of business would be consideration of approval of bids for the City Hall Renovations and asked the City Manager, Mr. Thomas for his comments.

(h) Consideration of approval of bids for City Hall Renovation.

Mr. Thomas explained that the item was under old business. He noted that they began the presentation at the Council Meeting the night before and asked that they recall that the architect had presented a recommendation and the low bidder was Lomax Construction. He stated that the Attorney was asked if there was a means to be able to work with a local contractor and he stated that they had spent some time today investigating that possibility. He stated that they needed a report from the Attorney at this point or some more information from Mr. Joyce (architect).

Mr. Charles Nooe, the City Attorney, explained that he pulled the General Statues, and some excerpts from the Institute of Governments publications and also some cases and faxed them over to Mr. Joyce. He stated that he had asked him to read them to consider whether not there was any basis to justify awarding the contract other than to the lowest responsible bidder.

He stated that several sections of the General Statue specifically state, and those provisions were not just directory or "may do this", those provisions were mandatory for municipal governments to follow. He noted that one of those sections states that the award of the contract be to the lowest responsible bidder or bidders taking into consideration quality, performance, and time specified in the bid for the performance of the contract. He stated that he went to the cases in order to look at what the courts have considered as factors that may be considered as affecting the quality of the performance and the exceptions that were contained in those two sections of the General Statues. He explained that the exceptions could be matters such as the financial responsibility of the bidders. An example would be if the city had requested the bidders to provide financial statements and the bidders had failed to do so. Another factor that could have been considered was if there had been problems in the past with a particular contractor completing its contracts on time and the quality of its work. He stated that those were the types of matters that could justify not awarding a contract to the lowest responsible bidders.

He stated that in discussing the various factors that might be taken into consideration in awarding the bid to a contractor other than the lowest responsible bidder, unless Mr. Joyce had learned something different, he had concluded that otherwise, based on the information he gave him, Lomax was a responsible contractor and he had had dealings with them before and in his opinion

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they were a responsible bidder, and on that basis, in his opinion, the appropriate bid should be awarded according to Mr. Joyce's recommendation.

A motion was made by Council Member Grogan seconded by Council Member Myott to accept the recommendation by the architect.

Council Member Janney asked how much it had cost, from the time of the first bid to the last, the original bid.

Mr. Nooe commented that was a legitimate question, but it was really not a factor to be considered in whether or not they vote to award the contract. He stated that the contract should be awarded on the information provided by the architect. He explained that any questions they may have of the architect with respect to those matters, but the funds were sufficient in the budget to award the contract and with all due respect as to why it was not awarded the first time or some other time, the differences should be after the vote.

Council Member Janney replied that he had no with that as long as he got the answers.

Action on the motion was as follows: All Council Members voted in favor of the motion.

Council Member Janney asked Mr. Joyce if he had all the bids, from the beginning, not the one that was not opened, because the first one was never opened. He asked that when the first bid was opened, what was first bid on the renovation.

Mr. Joyce replied that Barr Construction was low, \$1,187,000 and Alternate G-1, which was a part of that bid was \$24,000.

Council Member Janney asked, that was the first time he had made any changes on it to which Mr. Joyce replied that was September 21st.

Council Member Janney noted that there might have been one before that to which Mr. Joyce agreed.

As Mr. Joyce was looking through his information, Council Member Grogan asked if it was five hundred and fifty or six hundred thousand more than the original bid to which Mayor Price replied four sixty.

Council Member Gover asked what contributed to that kind of money to which Mayor Price replied that there were differences and additions.

Mr. Joyce noted that the bids of June 17, 1999, Barr Construction was low \$1,164,000. Alternate G-1 was \$16,000.

Council Member Janney asked if that was the first change to which Mr. Joyce replied that was the first bid they actually opened, the second time they received, (but) the first time they opened.

He stated that the second time, Lomax was low and this was on the 21st of September and it was \$1,188,500 base bid and Alternate G-1 was \$16,500.

He stated that the Council had before them the third time.

Council Member Janney agreed and the low bidder was Lomax to which Mr. Joyce agreed.

Mr. Nooe pointed out that Alternate G-1 was still to be added.

Mr. Thomas agreed and explained that G-1 had been with it from the beginning, with all three.

Mr. Joyce stated that at the third time they bid it they added Alternate G-2, Alternate G-3 and Alternate E-1.

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Council Member Janney asked if his total would come up to \$1,658,100 if he added all those together. He asked if that was close.

Mr. Joyce stated that it was \$1,658,100.

Council Member Janney stated that it was pretty obvious they could see the difference there. He stated that it was alarming. During all that time, when they had to go back and re-bid this, and he knew as he had his contract, he asked, what did the city pay him for all those additional times, as there was nothing in there that said he had to bid it four times. He asked if they paid him additional money for bidding.

Mr. Joyce replied in the affirmative.

Council Member Janney asked if he knew how much they paid him to which Mr. Joyce replied, not totally, not broken out like that. He stated that he believed the original contract called for something in the neighborhood of \$4,000 during the bidding and negotiating process.

Council Member Janney asked if it went up each time to which Mr. Joyce replied no and if he recalled correctly he charged them exactly the same charge for each re-bid, each time they re-advertised.

Council Member Janney stated, and they bid it four times, really.

Mr. Joyce agreed and explained that he thought that he charged them the very same thing as their original 1994-1995 contract. The additional monies paid them (architects), were paid on hourly rates, which was also part of this contract for the revisions that were done in the re-advertising process.

Council Member Janney stated that they would get to that. That was in addition to the \$16,000 and asked if he was correct to which Mr. Joyce replied in the affirmative. Council Member Janney asked if he had any idea of the total.

Mr. Joyce replied that there had been about three or four different invoices sent in.

Council Member Janney noted that it seemed he had seen one for twenty some thousand dollars to which Mr. Joyce replied that he was going to say between \$20,000 and \$25,000.

Council Member Janney asked that if they add \$21,000 to \$16,000 it would give them close to \$38,000 that they had to pay for those additional bids.

Mr. Joyce agreed and added additional bids and additional work that went into the project.

Mr. Nooe commented that for clarifications, if they were going to compare the three bids, to try to compare the third one with the first one, they had to pull out all the alternates but the one alternate that was in one and two to be compared, trying to get how much the price had gone up from the beginning.

Council Member Janney commented that he did to which Mr. Nooe replied that it sounded to him like he was adding all the alternates to this last one.

Council Member Janney stated that he had to the last one, but he did not add but one to the first one.

Mr. Nooe stated that was right, there should not be but one added to the second one and one added to the third if he was comparing and trying to reach how much it had gone up based on the original work specified.

Council Member Janney stated that would be \$1,650,000 to which Mr. Nooe asked if that included taking out all the alternates to which Council Member Janney replied that was every one but one, the \$15,000 and he had no problem with that figure. He stated that there was about a \$40,000 difference. He then mentioned six fifty and stated that there was not but \$8,000.

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Mr. Nooe stated that it would be more than that as he pulled out all the alternates but one. He stated that if he pulled out his total that he had he thought he would have pulled out the \$1,704,000 into and \$78,000...to which Council Member Janney stated it was one seven fifty.

Mayor Price referred to the new Council Members and asked Mr. Joyce to explain the new changes that were made basically and the rationale behind it. He stated that when they missed the time period, they had to change time periods and the new codes had gone into effect.

Mr. Joyce explained that the first major changes that they required to make, there was no choice. He stated that right after they opened the first set of bids; they were trying to get a permit in hand before July 1, 1999. He explained that they had a new accessibility code that was enacted as of that date in the state. That would have put more requirements on the projects, particularly dealing with upfitting the bathrooms and the corridors on the upper floors and access to and from the new Council Meeting Chambers. He stated that they were in fact able to obtain a building permit on the last day of June; however, that was rendered useless because they had to reject the bids. He explained that their first major round of revisions was additional upfittings of the two sets of gang toilets upstairs to bring them into compliance with the new accessibility codes. He stated that some new water fountains were added to meet the new codes and a lot of signage also had to be added to the project for posting on the building to meet those codes.

Mr. Thomas commented that he seemed to remember there were some changes to the rear stairwell that was to be put on the building to which Mr. Joyce noted that they had not done anything to the rear stair.

Mayor Price asked if 99% of it was the accessibility issue.

Mr. Joyce replied that was the first round of revisions and they had no choice about that. He stated that in September when they bid the project, they had to reject and again re-advertise and in an effort to, since the bids were still well below not only his estimate on the project, but well below the funds available for the project and in an effort to maintain some degree of fairness among the bidders, in other words in order to make the numbers change; they added Alternates G-2, G-3 and E-1 to the project. He explained that G-2 was the roofing of the new building and G-3 was screening the heating, air conditioning and electrical equipment out in the south yard and E-1 was adding an emergency generator for the entire building, not just for the Communications Room in the Police Department, but for the entire building. Those were the major revisions. He stated that the new base bid that they were looking at, also included recalibration of the heating and air conditioning controls and replacements of all the thermostats since that has been a major problem he had heard about. He stated that he did not bid that as an alternate because he felt that was something they definitely wanted to do.

Council Member Janney asked if that was in the base bid that was changed. He stated that now they had to back out of their original bid. He asked what that was and if it was somewhere around \$80,000 to \$100,000.

Mr. Joyce stated that he thought that was correct.

Council Member Janney stated that if they take \$100,000 more out of that...he then asked how much more it had cost to bid this thing from day one to now, he asked if he had looked at it.

Mr. Joyce replied that he had not in those terms.

Mr. Thomas added that there was also the security system that was included as part of the base bid as well to which Mr. Joyce explained that for this go round they had also included a card access security program on certain key doors downstairs. They had also included a new sound system for the Council Chambers. He stated that he really did not have a good feel of what the card access security system would cost by itself but the new speaker system was probably \$15,000.

Council Member Janney asked if \$28,000 would be close for all of it or would that be too high.

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Mr. Joyce stated that he would think \$20,000 to \$25,000 for the card access systems was probably a reasonable figure and he apologized for not having that before him as he had no idea that they were going to ask him.

Council Member Janney replied that he should have told him last night and he would have had it. He asked Mr. Joyce if he could stay and put his numbers together and tell them how much more it would cost.

In response to the question by Mayor Price as to if he could do that Mr. Joyce replied that he would try.

For clarification, Mr. Joyce asked if he was after the difference in the initial bid amount, which would be the base bid plus the Alternate G-1 and the amount that they were now looking at, base bid and Alternate G-1, deducting the card access security...to which Council Member Janney added, deducting anything that he put in base bid which was not in the original bid.

Mayor Price commented that he wanted to say that he was glad, as the thing ended up, that they had the accessibility changes in there. He stated that would be a great benefit to this community for many, many years to come.

NEW BUSINESS

(a) Consideration and approval of amendments to animal control ordinance.

Mr. Thomas explained that he had talked with the local veterinarian today about the agreement and he had received a verbal approval of the contract. He explained that this was basically the same agreement that they had before but they did make some changes to it to clarify some things that the veterinarian wanted clarified. He stated that other changes were of some benefit to both parties. He stated that some of those changes were previously, they had a five-year term and this would be a three-year contract. The fee that was being paid would increase to \$1200 per month and where any future increases would have been tied to the cost-of-living, the percentage of cost-of-living increase that city employees received since they no longer budget across the Board cost-of-living increases, it was kind of difficult to tie it to that, so they agreed that it would be adjusted 3% annually. He noted that in paragraph 5, he wanted to clarify that the cost for caring for the animals did not include medical expense; it would be boarding related expenses for food and those kinds of things.

Council Member Janney asked if any medical expenses would be born by the owner of the animal or by the city to which Mayor Price stated that if they pick them up the owners would pay.

Mr. Thomas replied that if they did pick them up, the owners would pay. If that owner claims the animal, the owner would have the responsibility of the medical expenses if any were rendered. He stated that if they have to render medical expenses, and the owner did not pick up the dog, and the animal was destroyed; then the city would have to pick up those medical expenses, but he would certainly like to think that if they bring a dog in there under the conditions that it would require a significant amount of medical expenses, then it would be in the best interest of the animal and the city...

Mr. Nooe pointed out that that was not going to be governed by the contract. That was going to be governed by a change in the ordinance. He noted that a number of sections of that city ordinance needed to be updated after it was made to apply to cats same as dogs, they still would need to go back in and recommend to Council which sections of the ordinance needed to be changed to get the cost to the owners up to what they were today as opposed as to what they were a number of years ago.

Mr. Thomas agreed that the fees needed to be adjusted to get a fee schedule in place to better reflect the cost they were incurring so that whatever those things may be the city was at worst breaking even on it. The fees would be enough coming in to pay whatever those expenses would be.

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Council Member Rorrer commented that he was reading open ended on medical expenses and they needed some control on that figure. He stated he did not have a problem with the original price but everything that was picked up needed something even if it was nothing but a bath or something for the mange.

Mr. Nooe agreed, but if it got abused, it could be terminated in 90 days.

Council Member Rorrer asked to back up a minute and questioned if it was in the other contract.

Mr. Thomas replied that that particular statement was not in the original contract that was something he (veterinarian) had requested.

Council Member Rorrer stated that they had to have some kind of control if it exceeded.

Mr. Nooe explained that currently, in order to modify the ordinance to apply to cats; they needed to get the contract approved so the vet would continue to accept the dogs and the cats. He stated that they could look at it monthly and if there was an abuse of the medical provisions then give the 90-day notice. He stated that there could be other measures that might be looked at to reduce the quantity of the work in addition to just discussing with the vet the problem about the medical expenses, but maybe if it did not work, they could give the 90-day notice and advertise and solicit other vets.

Council Member Grogan stated that what he was asking was to approve the contract at \$1200 a month; a three-year contract, which could be, adjusted at the end of the year 3% for three years.

Mr. Nooe added, and either party having the right to terminate on 90 days notice.

A motion was made by Council Member Janney seconded by Council Member Grogan that the 3-year contract with Dr. Grady Glasscock be approved. All Council Members voted in favor of this motion.

Mr. Thomas stated that would leave them in position to get the ordinance amended.

Mr. Nooe stated that he had two ordinances drawn, not to be acted on, but he would send them to the City Council for consideration that would amend the sections that apply to the dogs that need to apply to the cats. He stated that he would be sending one for the Council's consideration and right now, the current provision, with respect to dogs, and this would read cats, "any cat found off his owner's premises unless the owner is present and the cat is under the control of its owner". He explained that in the present ordinance that was "dogs" and now if they leave that provision to apply to cats also it would read the same as dogs, but if they decide to drop (c) and have it apply to the same as dogs in all respects except the requirement that if the cat was found off the owner's premises, then the owner must be present and the cat must be under control of the owner.

Mayor Price commented that really all he had done was add cats to the terminology.

(b) Consideration of two inch waterline replacement project list.

The memorandum explained that the Engineering Department requested authorization from Council to prepare plans to be submitted to NCDENR Public Water Supply Section for approval to obtain the "Authorization to Construct" for the 2" waterline replacements listed below:

A motion was made by Council Member Rorrer seconded by Council Member Grogan that the two-inch waterline project list be approved. All Council Members voted in favor of this motion.

(c) Consideration of financing for sewer vac and knuckleboom loader.

The memorandum contained information regarding analysis of proposals for the financing of the Sewer Vac/Knuckleboom Loader. Six (6) banks returned a proposal. The rates ranged from 4.50% to 8.25%. There were a number of options available for the city.

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Lowest interest rate quote was by Patrick Henry National Bank. The lowest monthly payment quote was by Wachovia Bank. Wachovia's quote was a payment in advance. This would mean that a payment would be due at the signing of the agreement and this would increase the APR from the stated rate of 4.60% to 4.79%.

It was recommended that Patrick Henry National Bank finance the Sewer Vac/Knuckleboom for a period of five years.

Mayor Price noted that this was detailed and there was a lot of documentation on this as the recommendation was to award the contract to Patrick Henry National Bank. He asked if there were any questions.

Council Member Janney questioned that in their vouchers there was a check made out for a sewer vac to which Mr. Thomas replied that was correct. Council Member Janney asked why they would have a check made out for it if they were going to finance it.

Mr. Thomas replied that was because upon acceptance of delivery they were required to pay for it. He explained that it had always been their intention that this piece of equipment would be financed and basically what they were doing through the financing was reimbursing the city. He stated that the money would be put back into the budget and then they would start on a payment program to pay it out over time as it was budgeted when it came in. He stated that if they had borrowed the money from the bank and had it sitting there he would see the check written for the same amount of money to pay for it, it would have just been from the proceeds from the financing. He stated that they needed to be careful about earning interest on money from financing, he did not think it would come into play, but he stated that they need to be careful how it was reported.

Council Member Janney noted that \$159,198 was what they paid to which Mr. Thomas replied that was correct.

A motion was made by Council Member Gover seconded by Council Member Reynolds to approve the request and award the contract to Patrick Henry Bank. All Council Members voted in favor of this motion.

(d) Consideration of Police dog purchase.

The memorandum explained that the Police Department has \$5,500 in its budget for the budget of a trained dog.

Mr. Thomas explained that request was to purchase a new trained dog for use by the Police Department. He stated that it was in this year's budget and they requested consideration of this as it was excess of \$5000 and needed to come to the Council.

A motion was made by Council Member Rorrer seconded by Council Member Gover that this be approved, subject to the handler living in the city limits of Eden.

Mayor Price asked that he again explain what his rationale was behind that to which Council Member Rorrer replied that he did not want another car going out of the city. He wanted the handler to live in the city because they have to take the car with the dog and that car was a city vehicle. He referred to the last handler and stated that he had traveled a good distance and he wanted it local. He stated that he did not care who it was, that was up to the Chief, he just wanted them to live in the city so that car would not be going outside the city as far as traveling backward and forward home. He added that he was not talking about it going out of the city if there was a need for it in Stoneville or wherever, as that was business.

Council Member Gover explained that his thinking on that was if they had a problem, then they did not have to wait until they called the dog in. Council Member Rorrer agreed that was another thing, it made a quicker response. Council Member Gover explained that if they had problems there in the city, it was right there and they did not have to wait until he came from "Timbuktu" or wherever he lived.

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Council Member Tudor commented that he would be interested in what the Police Chief had to say about that as he was new to the Council and had not been involved in a lot of those discussions about employees living in the city or not living in the city.

In response to that statement, Mayor Price asked the Chief if he could give them some of his thoughts on that.

Gary Benthin, Police Chief, stated that they have had one person express an interest in being the dog handler and he was not sure whether he lived in or outside the city as it was David Martin. He explained that they tentatively agreed that he would be the handler but they had to check his facilities and talk with him extensively and talk with his family before they designate him as the handler. He stated that if he lived in the city it was not a problem. He stated that it could be a problem, if for some reason he was not selected because of the team between a dog and a police officer. He explained that the police officer had to be better than the dog and there were very few people who make good dog handlers and they were really narrowing their potential handlers by requiring them to live inside the city.

Council Member Rorrer pointed out that when they went through the thing about the cars or whatever about a year and a half ago, his position then was, if they had another dog handler; he did not want him living out of the city. He stated that this was not something that just came up.

Chief Benthin replied that he understood that, but what he was trying to say was...to which Council Member Rorrer stated that he understood exactly what he was saying to which Chief Benthin replied that they might have to forego getting the dog.

Council Member Rorrer stated that he would say that if there were a major problem he would be willing to listen, not a minor problem but a major problem.

Chief Benthin explained that it was extremely important (to note) that when there was a problem with a canine team, it was almost always the handler so they had to be very careful who they pick.

Council Member Janney asked if he was saying that most their officers lived out of town to which Chief Benthin replied that he did not say anything at all like that. He stated that he had a very limited number of people who want to be dog handlers.

Council Member Janney stated that he had understood him to say, in the past, that it was critical that the dog and the handler matched up to, which Chief Benthin replied that was correct.

Council Member Tudor commented that his concerns were maybe, and he was going out further from the issue than what Council Member Rorrer had raised, but his vision for their city was that they be able to afford to their city employees, he guessed, the best wages and benefits possible so they could attract the best employees possible. He stated that when they talk about employees having to live in the city or having to live in the county; he wondered if they afford themselves the availability of the best possible employee. He stated that he wondered if this question was possibly limiting his ability to find the best possible person to work with the dog. He stated that maybe, he was outside the limits of what that issue was bringing up...to which Council Member Gover commented that he was looking at the dog like a fire truck, they need a fire truck there when they have a fire and the dog should be there to protect their people as quick as possible just like the fire truck needs to be there to put out a fire as quick as possible.

Chief Benthin stated that he understood their concerns but they made it very difficult to operate sometimes with some unnecessary restrictions.

Council Member Grogan commented that the way it had been stated and with the discussion that has been had, he thought that Council Member Rorrer stated that if there was a real problem of matching the people up then come back.

Chief Benthin replied that was fine, it may not be a problem at all as he did not know where David lived.

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Council Member Janney agreed and based on the fact that if David was not the handler and he had to go out of town, then the Chief could come back to the Board.

Action on the motion was as follows: Council Members Grogan, Rorrer, Reynolds, Gover, Janney and Myott voted in favor of this motion. Council Member Tudor voted in opposition. This motion carried.

Council Member Janney questioned the twenty-nine five hundred and asked if that was the line item number for the money in the budget to which Mr. Thomas replied that he believed that was right.

- (e) Consideration of Resolution making certain findings, ratifying the prior filing of an application with the Local Government Commission and appointing bond counsel and a financial advisor in connection with the proposed issuance of water and sewer refunding bonds (series 1991A) of the city.

Council Member Janney asked if they had to appoint that person before they bid or vote on the bond.

Mr. Thomas replied, yes as it kind of looked that way. He stated that quite honestly, they were going to have to bear with him because this was the first type of bond issue or refinancing he had been involved with. He stated that he had asked a lot of questions and so had Mr. Sharp. He stated that they had worked closely with the folks and their first understanding of this was that this whole thing that they have in their agenda packet, they were going to have to actually read it verbatim into the minutes. He explained that they went back and clarified so that they did not have to do that, but there were certain statements that they needed to make in regard to what they were doing. He stated that it did appear that part of it was a little bit backwards.

Mr. Thomas explained that what the Council had before them to consider was a resolution making certain findings ratifying the prior filing of an application with the Local Government Commission and appointing bond council and a financial advisor in connection with the proposed issuance of water and sewer refunding bonds. He stated that the filing had been made by the city with an application with North Carolina Local Government Commission for approval of the issuance not to exceed \$6,850,000 of water and sewer refunding bonds of the City of Eden. He explained that they were there to ratify, approve and confirm those findings. The law firm of Poyner and Spruill, LLP was hereby appointed to serve as their bond council. The firm of Robinson Humphrey Company was hereby appointed to serve as financial advisor to the city in connection with the issuance of those water and sewer refunding bonds. He explained that they were required to have a financial advisor. They received some proposals and reviewed them and investigated those proposals with people that deal with this more often to make sure their interests were being covered and they were satisfied that Robinson Humphrey Company was an appropriate firm to do this.

In looking at page 3, Mr. Thomas explained that those were the things that really had to be in place to begin the process and they have discussed it to some degree. He stated that there would be a point and time where they would look at the interest rates and the favorability of the savings they could possibly incur and they could stop the process at a particular point if the market was not favorable at that time. He explained that those were the things they needed to do to get the timing right and get into the process to see what was going to happen down the road.

Mr. Thomas explained that at this point, they were being asked to approve the bond order and resolution that makes those findings ratifying the filing of the application with the Local Government Commission and that appoints the bond counselor and appoints the financial advisor.

Council Member Janney asked, if he understood right, that was going to save \$30,000 a year.

Mr. Thomas replied that based on the current rates and the estimates that they have done, the net savings to the city would be approximately \$30,000 a year in interest.

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Council Member Janney asked that if they go out and hire some other people to work with them on those bonds, about how much were they going to be paying them to do that.

Mr. Thomas asked if he meant the attorneys...to which Council Member Janney replied, the attorneys, the financial advisors or whatever.

Mr. Thomas replied that he thought the attorney's fees were \$10,000 and the financial advisor was approximately \$9,000.

Council Member Janney asked if that was total, for the whole package or was that each year to which Mr. Thomas replied that was total for this particular bond issue, it was a one time fee that would be disbursed at the closing of the bonds.

He also noted that he had said that the \$30,000 a year was net savings. He explained that the fees would come off the top of that, so they were not looking at \$30,000 minus whatever they were going to have to pay in fees, so that would be a constant savings over the next seven years.

Council Member Rorrer commented that the Council had the paper work there but the public did not have it. He asked that for their benefit, when they start talking about borrowing money for bonds, people think they were going into debt.

Mr. Thomas agreed to which Council Member Rorrer asked him to briefly explain exactly what it was.

Mr. Thomas explained that refinancing of bonds was similar to refinancing a home. He stated that they were able to realize a more favorable interest rate at this point and time than at the time when the bonds were originally issued and sold. He explained that by doing the refinancing they were able to lower their interest cost just as one would be trying to do in refinancing their home. He added that they have the opportunity to do that at this point and time on this particular series of bonds, the 1991A's. He explained that they were not taking on new debt, they were just refinancing their existing debt and saving some money. He stated that if they could hold steady with interest rates, they were looking at about \$210,000 of interest that they would save over the next seven years, which was the remaining term on the bonds.

Council Member Janney added that it did not extend the length of the bond to which Mr. Thomas agreed. Council Member Janney stated that they were not financing for a longer period of time to which Mr. Thomas agreed.

Mr. Nooe commented that to assure it was accurate, the affidavit was that the outstanding debt 1999A was \$6,725,000 and the statement was made that this being done now would not increase the bond indebtedness. He asked why the figure for the new bond indebtedness \$6,850,000.

Mr. Sharp replied that the \$6,850,000 was the maximum order they were going for to which Mr. Nooe stressed that it could increase and Mr. Sharp agreed that it could.

Mr. Nooe stated that the other point was that they needed to ask the bond council if the name of the newspaper was important as to where it was being published.

Mr. Sharp replied that he could ask him that.

Council Member Janney commented that Mr. Nooe had raised a question and he wanted to know why they were going for that amount of money more than they need. He asked why they would go for \$6,850,000 if it was actually \$6,725,000.

Mr. Sharp replied that from what he was told and understood, the \$6,850,000 was the number that the bond attorneys looked at considering all possible fees, all possible items that may come up. He explained that this was what the maximum could be plus some other things. He stated that the actual bond would be about five million or so because they would not be able to finance

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CITY OF EDEN, N. C.

Minutes of the February 16, 2000 meeting of the City Council, City of Eden, N. C. continued:

the June 1st bond payment, which would be \$1,225,000. He stated that would have to be paid regardless.

Council Member Janney stated that was \$125,000 more to which Mr. Sharp agreed. Council Member Janney stated that they have eaten up four years of interest to which Mr. Sharp replied that there was a possibility. He explained that this bond order was for the maximum amount that they could borrow under that bond order, it was not for the amount they were going to borrow.

Mayor Price commented that it was the worst case scenario to which Mr. Sharp agreed.

Mr. Thomas explained that there would be several opportunities during the process for the Council to consider where it stands and whether they would want to proceed or not.

Mayor Price stated that at any time they could back out of it and Council Member Janney agreed and stated that they may not even let them do it.

Mr. Sharp replied that was true, they may not as they may get down there and the rates would be such that they would not allow them to do it.

Council Member Janney stated that he did not mind doing it, but he did not want it to exceed \$6,725,000 at his vote there. He stated that he did not want to add to the problem. If they were going to save money, then save money, not borrow more than was needed. He asked if that would pose a problem.

Mayor Price commented that they were giving him that higher figure as one to shoot for and he knew that would be a max and they would absolutely not go over that to which Mr. Sharp replied that was what he was told.

Council Member Grogan, referring to the agenda, asked if items e, f, and g were not all the same thing.

Mr. Thomas replied that he could cover the next two item as it all fell under the same hat, it was just different things.

Council Member Grogan asked if they should vote on each one individually to which Mr. Nooe replied that they could vote on it individually or all at one time.

Mayor Price suggested that as he was at it, to explain it all and be done with it. He asked Mr. Thomas to explain the sworn statement.

Mr. Thomas asked Mr. Sharp to address the sworn statement of debt.

Mr. Sharp explained that the sworn statement was basically a statement of all debts that the city owed that was guaranteed by the taxing authority of the state or the G.O. debt. He stated that it did not include any lease purchase agreements or notes that the city may have. He explained that it was only debt guaranteed by the taxing authority of the city. He noted that they listed both the '91A and '91B series, the new debt that they were asking for and then it gives them a total debt.

Council Member Janney asked if that was \$18,725,000 to which Mr. Sharp replied yes to which Council Member Grogan pointed out that was the original debt.

Mr. Sharp agreed and added that would be the gross debt. He stated that they then had to take what had been paid off and noted the net debt was on page 2, \$6,952,807, which was about 1.23% of their assessed value.

Mr. Thomas explained that the last item was just calling for the public hearing that would be held at the next regular Council Meeting on March 21st. He stated that would be to officially approve the order for the \$6,850,000.

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Minutes of the February 16, 2000 meeting of the City Council, City of Eden, N. C. continued:

A motion was made by Council Member Grogan seconded by Council Member Rorrer that items e, f, and g under a New Business be approved.

Council Member Janney commented that if it went over, \$6,725,000 could come back...to which Council Member Rorrer stated that they had a chance to stop it anywhere along the line and Council Member Janney stated he did not intend to borrow more money to which Council Member Rorrer agreed.

Action on the motion was as follows: All Council Members voted in favor of this motion.

Mr. Nooe questioned the agenda items that were voted on and apologized as he had misunderstood. He explained that they needed to vote on the resolution. He explained that they had to record the votes in Section 5 and it may be easier to keep it straight if they took the Sections in there because they had Section 5 (page 2), there was Section 2-5 and then they had an entirely different document attached to it.

Mayor Price explained that the first one would be on page 2, a resolution ratifying the application.

A motion was made by Council Member Tudor seconded by Council Member Myott that the resolution (Item 8(e)) be approved. All Council Members voted in favor of this motion.

The resolution read as follows:

RESOLUTION MAKING CERTAIN FINDINGS, RATIFYING THE PRIOR FILING OF AN APPLICATION WITH THE LOCAL GOVERNMENT COMMISSION AND APPOINTING BOND COUNSEL AND A FINANCIAL ADVISOR IN CONNECTION WITH THE PROPOSED ISSUANCE OF WATER AND SEWER REFUNDING BONDS OF THE CITY

BE IT RESOLVED by the City Council (the "Council") of the City of Eden, North Carolina (the "City"):

Section 1. The Council does hereby find and determine as follows:

- (a) Preliminary analysis has been completed to demonstrate the need for refunding all or a portion of the City's outstanding Water and Sewer Bonds, Series 1991A, dated January 1, 1991.
- (b) The annual audits of the City show the City to be in strict compliance with debt management policies and that the budgetary and fiscal management policies are in compliance with law.

Section 2. The prior filing by the City of an application of the City with the North Carolina Local Government Commission for approval of the issuance of not to exceed \$6,850,000 Water and Sewer Refunding Bonds of the City is hereby ratified, approved and confirmed.

Section 3. The law firm of Poyner & Spruill L.L.P. is hereby appointed to serve, but solely at the pleasure of the Council, as bond counsel to the City in connection with the issuance of the Water and Sewer Refunding Bonds.

Section 4. Robinson-Humphrey Company is hereby appointed to serve, but solely at the pleasure of the Council, as financial advisor to the City in connection with the issuance of the Water and Sewer Refunding Bonds.

Section 5. This resolution shall take effect immediately upon its passage.

Thereupon the resolution entitled "RESOLUTION MAKING CERTAIN FINDINGS, RATIFYING

THE PRIOR FILING OF AN APPLICATION WITH THE LOCAL GOVERNMENT COMMISSION AND APPOINTING BOND COUNSEL AND A FINANCIAL ADVISOR IN CONNECTION WITH THE PROPOSED ISSUANCE OF WATER AND SEWER REFUNDING BONDS OF THE CITY"

ORDER AUTHORIZING \$6,850,000 WATER AND SEWER REFUNDING BONDS

BE IT ORDERED by the City Council for the City of Eden, North Carolina:

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CITY OF EDEN, N. C.

Minutes of the February 16, 2000 meeting of the City Council, City of Eden, N. C. continued:

1. That pursuant to The Local Government Bond Act, as amended, the City of Eden, North Carolina, is hereby authorized to contract a debt, in addition to any and all other debt which said City may now or hereafter have power and authority to contract, and in evidence thereof to issue Water and Sewer Refunding Bonds in an aggregate principal amount not exceeding \$6,850,000 for the purpose of providing funds, with any other available funds, for refunding all or a portion of the City's outstanding Water and Sewer Bonds, Series 1991A, dated January 1, 1991, and paying certain expenses related thereto.
2. That taxes shall be levied in an amount sufficient to pay the principal of and the interest on said bonds.
3. That a sworn statement of debt of said City has been filed with the City Clerk and is open to public inspection.
4. That this order shall take effect upon adoption.

The City Council thereupon designated the Finance Director to make and file with the City Clerk the sworn statement of debt of the City which is required by The Local Government Bond Act, as amended, to be filed after the bond order has been introduced and before the public hearing thereon.

Thereupon, the Finance Director filed with the City Clerk, in the presence of the City Council, the sworn statement of debt as so required.

Thereupon, the order entitled "ORDER AUTHORIZING \$6,850,000 WATER AND SEWER REFUNDING BONDS" was passed upon introduction by the following vote: All Council Members voted in favor of this motion.

On motion duly made, seconded and carried, the City Council fixed 7:30 p.m. on February 15, 2000, in the City Hall in Eden, North Carolina, as the hour, day and place for the public hearing upon the foregoing and directed the City Clerk to publish said order, as required by The Local Government Bond Act, as amended, once in The Eden Daily News not later than the sixth day before said date.

I, Kim J. Scott, City Clerk of the City of Eden, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of the City Council of said City at a regular meeting held on February 15, 2000, as it relates in any way to (a) the adoption of a resolution making certain findings and ratifying the filing of an application with The Local Government Commission of North Carolina in connection with the proposed issuance of Water and Sewer Refunding Bonds and (b) the adoption of an order authorizing \$6,850,000 Water and Sewer Refunding Bonds and the calling of a public hearing upon such order and other related matters and that said proceedings are recorded in Minute Book No. _____ of the minutes of said City Council, beginning on page ____ and ending on page _____.

I DO HEREBY FURTHER CERTIFY that a schedule, stating that the regular meetings of said City Council are held on the third Tuesday of each month at 7:30 p.m. in the City Hall in Eden, North Carolina, was on file with me for a least seven calendar days prior to said meeting, all in accordance with G.S. 143-318.2.

WITNESS my hand and the corporate seal of said City this 15th day of February, 2000.

Kim J. Scott
City Clerk

- (f) Consideration of the sworn statement of debt for refinancing of 1991A series water and sewer bonds.

Mayor Price explained that the next item was the sworn statement of financing, which would appear on page 3.

Mr. Nooe explained that this was the liking for the name that introduced the order on page 3. He stated that the minutes needed to show that the Council person offered it (top of page 3), he explained that page 2 was the resolution and page 3 was the order.

Mayor Price explained that the second motion was on page 3 to which Mr. Nooe explained that a Council person needed to introduce an order authorizing it and they could just read the title.

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CITY OF EDEN, N. C.

Minutes of the February 16, 2000 meeting of the City Council, City of Eden, N. C. continued:

A motion was made by Council Member Myott seconded by Council Member Gover authorizing the order authorizing \$6,850,000 water and sewer refunding bonds. All Council Members voted in favor of this motion.

The sworn statement of debt made pursuant to the Local Government Bond Act, as amended was as follows:

CITY OF EDEN, NORTH CAROLINA SWORN STATEMENT OF DEBT MADE PURSUANT TO THE LOCAL GOVERNMENT BOND ACT, AS AMENDED

I, Ray Sharp, Finance Director of the City of Eden, North Carolina, having been designated by the City Council for said City to make and file with the City Clerk a statement of the debt of said City pursuant to The Local Government Bond Act, as amended, DO HEREBY CERTIFY that the following is a true statement as shown by the books in my office, not taking into consideration any debt incurred or to be incurred in anticipation of the collection of taxes or other revenues or in anticipation of the sale of bonds other than funding and refunding bonds:

(a) GROSS DEBT

(a)(1) Outstanding debt evidenced by bonds:	
Water and Sewer, Series 1999A	\$6,725,000
Water and Sewer, Series 1999B	<u>\$5,150,000</u>
Total	<u>\$11,875,000</u>
(a)(2) Bonds authorized by orders introduced, but not yet adopted:	
Refunding	<u>\$6,850,000</u>
Total	<u>\$6,850,000</u>
(a)(3) Unissued bonds authorized by adopted orders:	<u>0</u>
(a)(4) Outstanding debt, not evidenced by bonds:	<u>0</u>
(a) GROSS DEBT, being the sum of a(1), a(2), a(3) And a(4):	<u>\$18,725,000</u>

(b) DEDUCTIONS

(b)(1) Funding and refunding bonds authorized by orders introduced but not yet adopted:	<u>\$6,850,000</u>
(b)(2) Funding and refunding bonds authorized but not yet issued:	<u>0</u>
(b)(3) The amount of money held in sinking funds or otherwise for the payment of any part of the principal of gross debt other than debt incurred for water, gas, electric light or power purposes or sanitary sewer purposes (to the extent that the bonds are deductible under G.S. 159-55(b)):	<u>0</u>
(b)(4) Bonded debt included in gross debt and incurred, or to be incurred, for water, gas, electric light or power purposes:	<u>\$4,922,193</u>
(b)(5) Bonded debt included in gross debt and incurred, or to be incurred, for sanitary sewer system purposes (to the extent that said debt is made deductible by G.S. 159-55(b)):	<u>0</u>
(b)(6) Uncollected special assessments heretofore levied for local improvements for which any part of the gross debt	

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CITY OF EDEN, N. C.

Minutes of the February 16, 2000 meeting of the City Council, City of Eden, N. C. continued:

(that is not otherwise deducted) was or is to be incurred to the extent that such assessments will be applied, when collected, to the payment of any part of the gross debt: 0

(b)(7) The amount, as estimated by the Finance Director special assessments to be levied for local improvements for which any part of the gross debt (that is not otherwise deducted) was or is to be incurred, to the extent that the special assessments, when collected, will be applied to the payment of any part of the gross debt: 0

(b) DEDUCTIONS, being the sum of b(1), b(2), b(3), b(4), b(5), b(6) and b(7): \$11,772,193

(c) NET DEBT

(c) NET DEBT, being the difference between the GROSS DEBT (a) and the DEDUCTIONS (b): \$6,952,807

(d) ASSESSED VALUE

(d) ASSESSED VALUE of property subject to taxation by the City, as revealed by the City tax records and certified to the City by the assessor: \$563,333,724

(e) PERCENTAGE

(e) Percentage which the NET DEBT (c) bears to the ASSESSED VALUE (d): 1.23%

The foregoing statement is true.

Ray Sharp
Finance Director

STATE OF NORTH CAROLINA)
COUNTY OF ROCKINGHAM) ss.:

Subscribed and sworn to before me this 15th day of February, 2000.

Notary Public

My Commission expires _____.

I, Kim J. Scott, City Clerk for the City of Eden, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of a statement which was filed with me at a meeting of the City Council for said City held on February 15, 2000, after the introduction and before the public hearing on an order authorizing bonds of said City, and that said statement is open to public inspection in my office.

WITNESS my hand and seal of said City , this 15th day of February 2000.

City Clerk

(g) Consideration of calling a public hearing at the March 21, 2000 City Council Meeting for the purpose of approving an order authorizing \$6,850,000 water and sewer refunding bonds.

Mayor Price explained that they would then call for a public hearing, which would appear on March 21st. (The blank page after page 5).

Mr. Thomas explained that this was the advertising and they would just call for public hearing.

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CITY OF EDEN, N. C.

Minutes of the February 16, 2000 meeting of the City Council, City of Eden, N. C. continued:

A motion was made by Council Member Janney seconded by Council Member Gover to call for a public hearing. All Council Members voted in favor of this motion.

(h) Consideration of request for authorization for an insurance consultant.

The memorandum explained that for the last six years, Interlocal Risk Financing Fund of North Carolina has provided Insurance protection for the City of Eden. It has been requested by the Council that the city request proposals for Insurance Protection for the next budget year (2000-01).

A motion was made by Council Member Rorrer seconded by Council Member Gover to approve this request. All Council Members voted in favor of this motion.

(i) Consideration of request to purchase a pickup truck for the Finance Department.

The memorandum explained that the Finance Department had requested to purchase a ½ ton pickup truck on State Contract for the Meter Maintenance person. The current truck should be transferred to another department into a position that is not as demanding.

Council Member Rorrer commented that with their present situation of finances concerning the Water Department, he wanted to make a motion that they did not do that at this time; until they get a better figure of where they were at money wise.

A motion was made by Council Member Rorrer seconded by Council Member Gover to deny this request.

Council Member Tudor commented that he would like to hear what the Finance Department had to say about their need for a truck.

Mr. Sharp explained that this was the third time that he had requested this truck. He stated that for the first two years, he did not come to the Council to ask for it because he did not feel at that time he could stand up there and tell them that he needed a truck. He explained that it had just been through a major overhaul and was working well and performing the job in which it was needed. He stated that this year they started having a lot more problems. He stated that the brakes go out, it has transmission and water pump problems and it was used everyday, in continuous use. He explained that it probably needed to be moved to an area where it would be used less. He asked that they approve this request.

Council Member Janney stated that he had gone back and done some calculating on the parts and for 1999 they spent about \$800 in parts for that truck. Labor was \$713 so they spent about \$1500 last year. He stated that in looking at the sheet he had, it went back to 1998 and he spent \$676 on parts and \$546 on labor. He stated that the way he understood it, fuel was separate, which was only fuel. He explained that under parts, it could be tires, oil changes, filters all that, added into it. He asked Mr. Tommy Carter, Fleet Superintendent, if that was correct to which he indicated it was.

Council Member Janney stated that he saw that truck everyday and to him rather than spend \$13,850 for a new truck he thought they could use this truck longer as they have made it do before and the part that concerned him about it was the fact that this vehicle may not be suitable for every day operations of a meter reader but it could be used to replace an older unit still in service and they were going to be putting it somewhere else to use it and their meter reader now...to which Mr. Sharp explained that it was the meter maintenance truck.

Council Member Janney stated that if it was his vehicle he would not buy a new one.

Council Member Rorrer commented that he did not think there was no need in sitting there telling everybody where they were on the water and sewer fund as by now everyone should have figured out that there was "not enough water in that bucket for what they have to do". He stated that they had to start somewhere conserving money and holding back on anything they could.

Action on the motion was as follows: All Council Members voted in favor of this motion.

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Minutes of the February 16, 2000 meeting of the City Council, City of Eden, N. C. continued:

Council Member Rorrer stressed to Mr. Sharp that this was not a permanent motion, it was just until they found out where they were and then he could come back.

(j) Consideration of Budget Amendment #4.

Capital Projects Fund:

This Budget Amendment was to recognize the interest transferred from the Capital Reserve Fund and to book the estimated interest to be earned during the construction period.

Capital Reserve Fund:

This Budget Amendment was to recognize the transfer of fund balance to the Special Services Fund for the Run About Travel Club and Historic Preservation.

General Fund:

This Budget Amendment was to recognize the Police Department's receipt of Drug Forfeiture money, Highway Safety Commission Grant and DEA refunds, the Recreation Department Grant and proceeds from insurance to reimburse the city for damages to various properties.

This is the Fourth Budget Amendment for the year.

Budget Amendment #4	Account #	From	To	Amount
Capital Projects Fund				
Revenue				
Interest: Consolidated	75-3831-49000	\$ -	\$ 2,000.00	\$ 2,000.00
Interest: Temporary Investment	75-3831-49100	\$ -	\$ 35,300.00	\$ 35,300.00
Contribution From Cap. Res. Fund	75-3984-98000	\$1,700,000.00	\$1,720,350.00	<u>\$20,350.00</u>
				<u>\$57,650.00</u>
Expenditures				
Capital Projects Advertising	75-4190-37200	\$ -	\$ 2,000.00	\$ 2,000.00
Capital Projects Insurance	75-4190-45100	\$ -	\$ 18,000.00	\$ 18,000.00
Capital Projects Land Improvements	75-4190-52000	\$ -	\$ 37,650.00	<u>\$ 37,650.00</u>
				<u>\$ 57,650.00</u>
Capital Reserve Fund				
Revenue				
Capital Reserve Fund Bal. Appro	70-3991-99100	\$1,700,000.00	\$1,709,675.00	<u>\$ 9,675.00</u>
				<u>\$ 9,675.00</u>
Expenditures				
Cap Res Trans to Special Services	70-4910-29904	\$ -	\$ 9,675.00	<u>\$ 9,675.00</u>
				<u>\$ 9,675.00</u>
Special Services Fund				
Revenue				
Transfer from Cap. Res. Fd-Historic	22-3986-98000	\$ -	\$ 1,275.00	\$ 1,275.00
Transfer from Cap. Res. Fd. - Run About	22-3986-98100	\$ -	\$ 8,400.00	<u>\$ 8,400.00</u>
				<u>\$ 9,675.00</u>
Expenditures				
Runabout Travel Expenses	22-9100-31200	\$ 50,000.00	\$ 58,400.00	\$ 8,400.00
Historic Pres. Misc. Expense	22-9100-29900	\$ -	\$ 1,275.00	<u>\$ 1,275.00</u>
				<u>\$ 9,675.00</u>
General Fund				
Revenue				
Police Cont. Sub Excise Tax	10-3431-41800	\$ -	\$ 200.00	\$ 200.00
Police Fed/State Drug Forfeiture	10-3431-41900	\$ -	\$ 11,100.00	\$ 11,100.00
Police Governors Hwy Safety Com.	10-3431-42000	\$ -	\$ 4,000.00	\$ 4,000.00
Police DEA Refund	10-3431-84501	\$ -	\$ 1,000.00	\$ 1,000.00
Recreation Grant	10-3612-48400	\$ -	\$ 2,900.00	\$ 2,900.00
Insurance Proceeds	10-3850-85000	\$ -	\$ 9,950.00	<u>\$ 9,950.00</u>
				<u>\$ 29,150.00</u>
General Fund				
Expenditures				
Police C/O Equipment	10-4310-57100	\$ -	\$ 16,300.00	\$ 16,300.00
Recreation C/O Equipment	10-6120-57000	\$ -	\$ 2,900.00	\$ 2,900.00

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Minutes of the February 16, 2000 meeting of the City Council, City of Eden, N. C. continued:

Police M/R Vehicles	10-4310-25300	\$ -	\$ 7,850.00	\$ 7,850.00
Solid Waste M/R Vehicles	10-4710-25300	\$ -	\$ 1,050.00	\$ 1,050.00
Planning M/R Vehicles	10-4910-25300	\$ -	\$ 1,050.00	<u>\$ 1,050.00</u>
				<u>\$ 29,150.00</u>

Budget Amendment 4 is for numerous items.

Adopted and effective this 15th day of February, 2000.

ATTEST:

Kim J. Scott, City Clerk

Philip K. Price, Mayor

A motion was made by Council Member Grogan to approve Budget Amendment 4.

Council Member Janney stated that he would second the motion, subject to the removal of the 2nd item, the transfer of fund balances to the special service fund for the Runabout Travel Club and the Historic Preservation. He stated that his reasoning was that he had a question on the Roundabout Travel Club, after they got through with the other mess they were in, and it had been several months and he had not got the answer. He stated that he needed that answer.

Mayor Price asked Council Member Grogan if that was acceptable to which he indicated that it was.

Council Member Janney stated that he would second it if they would remove that and until everybody got their information.

Mr. Thomas pointed out for clarification that they still had Historic Preservation, just excluding Runabout Travel Club to which Council Member Janney replied he did not have a problem with Historic Preservation.

Action on the motion was as follows: All Council Members voted in favor of this motion.

REQUEST TO ADD TO AGENDA:

A motion was made by Council Member Grogan seconded by Council Member Rorrer to add to the agenda, whereby the City Council declares April, Clean Up Eden. All Council Members voted in favor of this motion.

A motion was made by Council Member Grogan seconded by Council Member Janney that the City Council go on record as having April declared Clean Up Eden month. All Council Members voted in favor of this motion.

CONSENT AGENDA:

(a) Approval and adoption of minutes - January 6, 18, 26 and Feb. 2, 2000.

(b) Approval and adoption of a motion to hold a public hearing and to consider an ordinance rezoning property on Friendly Road from Residential-12S to Residential-12S/MH. ZONING CASE Z-00-02.

(c) Approval and adoption of a motion to hold a public hearing and to consider an ordinance rezoning property on Henderson Road and Jones Street in the city's extraterritorial jurisdiction from Residential-20 to Residential-4. ZONING CASE Z-00-03.

(d) Approval and adoption of a motion to hold a public hearing and to consider an ordinance amending Section 11.24(n) of the City of Eden Zoning Ordinance pertaining to setbacks in the PUD-R district. Z-00-04.

(e) Approval and adoption of a motion to hold a public hearing and to consider an ordinance amending Section 11.24(a) of the City Zoning Ordinance to permit additional square footage in accessory structures in the Residential-Suburban District. Z-00-05.

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CITY OF EDEN, N. C.

Minutes of the February 16, 2000 meeting of the City Council, City of Eden, N. C. continued:

(f) Approval and adoption of a motion to hold a public hearing and to consider an ordinance amending the City of Eden Subdivision Ordinance to create a major/minor subdivision distinction and to speed up process. SUBDIVISION S-00-01.

(g) Approval and adoption of a motion to solicit bids for street resurfacing contract for 2000 request.

(h) Approval and adoption of a motion to solicit bids for NC Sanitary Sewer Improvements Contract.

(i) Approval and adoption of a motion to solicit bids for handheld meter reader devices.

Council Member Rorrer asked that item (h) be pulled and Council Member Janney asked that item (i) be pulled.

A motion was made by Council Member Rorrer seconded by Council Member Gover to approve Consent Agenda Items a, b, c, d, e, f, and g. All Council Members voted in favor of this motion.

In reference to Item (h), Council Member Rorrer explained that he was deeply concerned with the finances in their water and sewer.

Council Member Janney questioned businesses that were already in the process of grading down there. He asked if that was included in this to which Mr. Thomas replied that it was.

Council Member Grogan pointed out that this had been discussed a year or so ago.

Council Member Janney stated that it would be to the city's advantage to take care of that issue and he was concerned that they were not going to get there in time.

Council Member Rorrer stated that he would not fight it going to bid but that did not mean he would approve the bid, from his standpoint, when it comes in.

A motion was made by Council Member Grogan seconded by Council Member Myott to approve Item (h) on the Consent Agenda. All Council Members voted in favor of this motion.

Council Member Grogan suggested a motion to approve Item (i) as it was the same type of thing and it was not going to cost anything to get prices.

Council Member Janney stated that in his opinion that was part of what they had in water and sewer. He stated that he would like to have this taken off, but if they did not take it off, they were going to get another opportunity to bid on it, and when it came back they better have the cash in hand. He pointed out that they had to start tightening the screws a little bit.

Council Member Rorrer commented that the only thing that bothered him about it was that when they go out for bids they generally do something. He stated that they should not be running bids out there just for the fun of it and making people go to the work of sending in bids and things.

A motion was made by Council Member Grogan seconded by Council Member Rorrer that they approve Item (i) on the Consent Agenda. All Council Members voted in favor of this motion.

ORDINANCES AND RESOLUTIONS:

(a) Adoption of an ordinance rezoning property on Cascade Avenue in city's extraterritorial jurisdiction from Industrial-2 to Residential-Suburban. ZONING CASE Z-99-21.

A motion was made by Council Member Grogan seconded by Council Member Gover that this be approved. All Council Members voted in favor of this motion.

(b) Adoption of a Resolution Recommending Support of Funding for Land and Water Conservation Program. (Agenda Item 7d).

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CITY OF EDEN, N. C.

Minutes of the February 16, 2000 meeting of the City Council, City of Eden, N. C. continued:

A motion was made by Council Member Rorrer seconded by Council Member Myott that this be approved. All Council Members voted in favor of this motion.

(c) Adoption of an ordinance to reduce the posted speed limit on Panther Lane (approved at January 18, 2000 meeting).

A motion was made by Council Member Grogan seconded by Council Member Gover that this be approved. All Council Members voted in favor of this motion.

A motion was made by Council Member Grogan seconded by Council Member Gover that this be approved. All Council Members voted in favor of this motion.

(d) Adoption of an ordinance to reduce the posted speed limit on Short Union Street (approved at January 18, 2000 meeting).

A motion was made by Council Member Myott seconded by Council Member Rorrer that this be approved. All Council Members voted in favor of this motion.

(e) Adoption of a Resolution for Federal Financial Assistance under the Disaster Relief Act (snow removal). (Agenda item 7i).

A motion was made by Council Member Rorrer seconded by Council Member Gover that this be approved. All Council Members voted in favor of this motion.

VOUCHERS:

Mayor Price asked if there were any questions of vouchers. Council Member Janney stated that he had some but he would take care of them later.

BRIEF DISCUSSIONS:

Council Member Janney asked whose ward was the corner of Carroll Street and The Boulevard to which Council Member Rorrer replied that was his ward.

Council Member Janney stated that when they put up a stop sign there, Council Member Rorrer opposed the stop sign and wanted a yield sign. He asked if he would consider putting it on the agenda for next month to put a yield sign there.

Council Member Rorrer replied that he would not. He stated that as he recollected, there was a request from a church there that this be put on there and it had been there for 6 or 7 years. He stated that he did not agree with it then and he did not agree with it now. He added that it hurt the Boulevard merchants because before people could yield and now they had to stop. He stated that he personally bypassed that road because of it.

Council Member Janney stated that some merchants had requested that for that reason to which Council Member Rorrer stated that he would not be offended if he wanted to bring that up in his ward. Mayor Price commented that he had some complaints on that too and it was decided that this be added to the agenda for the next regular meeting (March).

ARCHER JOYCE, ARCHITECT, MACRAE-BELL:

Mayor Price asked Mr. Joyce if he had his information together to which he replied that he did.

Mr. Joyce stated that if he had understood what Council Member Janney was asking for, this was what he had come up with, with what he had available with him. He explained that they were comparing the original base bid of \$1,164,000 with the present base bid from the low bidder, Lomax, taking all of the revisions out of it in an effort to find what the additional cost had been within the time frame that they had had to readvertise.

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Council Member Janney commented that it did not make any difference, as it washes, the Alternate #1 was added to both of them but that washes to which Mr. Joyce replied, within \$200.

Council Member Janney asked about his fees (Joyce's) and his company's fees.

Mr. Joyce replied that if they take out the revisions they have made to the original building program, he was getting a difference of \$125,700. He stated that if they add their fees to that, they come up with \$161,700, but if they back the revisions out, they would have to back out their additional fees because they would not have been incurred had there not been any revisions. He explained that he was getting a difference of \$125,700 just in the bare base bid cost. If they had never changed the building program from the first bid until the last bid, his number was reflecting an increase of \$125,700.

Mr. Nooe commented that he had backed out "increased cost due to comply with the building code" to which Mr. Joyce replied that he had.

Mr. Nooe stated that would not need to be backed out because that was added because it did not make the first bid.

Mr. Joyce explained that comparing the base bid that they got, after they put the accessibility revisions in verses the first one, the accessibility upfit accounted for approximately \$24,500. Now, they were anticipating it to be about 3 times that and they were real surprised when they got the bids back in that they were as low as they were.

Council Member Janney commented that was different that his (Janney's) number. He had been talking with people and they said it was right at a little over \$200,000.

Mayor Price asked if he could put those numbers together at his office and review what he had and let the Council know.

Mr. Joyce replied that he would do his best. He explained that some of those revision costs were hidden in the base bids and all that he was working with was estimates.

Council Member Janney noted that he should have all those numbers right and he should have everything to which Mr. Joyce replied that for the most part, yes.

Council Member Janney asked what he would not have to which Mr. Joyce replied that he obviously did not have some of it with him tonight to which Council Member Janney stated he was not saying that he had it today, but he had access to everything that pertained to this bid from day one.

Mr. Joyce explained, total figures, yes. How they were broken down, not necessarily. He used as an example, in the last base bid; they had included the security card access system. He explained that he did not know what that was without going back to the contractor and asking him for a breakout, he could only estimate what it was.

MR. NOOE MENTIONS HARLEY ENTERPRISE LOT:

Mr. Nooe commented that he wanted to report that the Sheriff had the execution sale on Harley Enterprises lot today. It was sold subject to any unpaid taxes, which the unpaid taxes were approximately \$2200 city and county. He stated that he had bid, on behalf of the city, \$3,000 and right now that was the high bid subject to being upset within the 10 days.

MRS. BETTY HUBBARD ADDRESSED COUNCIL:

Mayor Price allowed Mrs. Betty Hubbard four minutes to speak to Council.

Mrs. Hubbard explained that she lived at 210 S. Van Buren Road. She stated that she wanted the information that was in the Grant Street file, plus the closed meetings that have taken place,

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before the curb and gutter was put in, and then since then. She stated that she had asked the Mayor and he said that he thought he could request that and then later he told her that two Council Members could request that and then she could have it.

Mayor Price interjected that was not correct. He stated that he had told her that an item could be added to the agenda by the Mayor or two Council people.

Mrs. Hubbard replied that he did not mention agenda. She stated that he had said it could be done that way and she had asked him to do it and he had said no.

Mayor Price asked if this was her question.

Mrs. Hubbard explained that she was not asking two Council Members to do it, she was asking to be put on the agenda, however she could get there, for them to vote to give her everything that was in that file. She added that there were two things that she did have, because she gave Mr. Nooe and Mr. Thomas the signed easement from her and her husband because the city did not have a signed easement, in Mr. Thomas's office, when she had requested a meeting with the Mayor and Mr. Thomas and Mr. Nooe showed up. She asked Mr. Nooe if he remembered that.

Mr. Nooe replied that he did not remember her giving the city a signed easement. He stated that he recalled that she declined to let the city go on there and clean that out.

She explained that she was talking about the original one as he did not have it and he went out and made a copy of it.

Mr. Nooe stated that he did not believe that she had given the city an easement to clean out that...to which she replied no, and she never would. She stated that no one else in town had been asked that under the circumstances of when they have a petition sent out that they were going to do curb, gutter and drainage and because there was a problem with 350' of their property the city decided not to do it right. She stated that was not her problem so she was not giving an easement.

Mayor Price asked what her specific request tonight was.

Mrs. Hubbard replied that the request was for that to be put on the agenda for the whole Council to vote for her to have all the information. She stated that Brad Deaton had asked her for her pictures and she gave them to him. She stated that he gave them to the city or either had two copies made and gave them a copy, because before the last engineer (City Engineer) left, he showed her the file with those pictures. She stated that if she had given the city a copy of the easement, that they did not even have in that file, and the pictures, the least they could do was to put her on the agenda.

Mayor Price stated that he would make a note to ask the City Manager to take a look at that but they could not discuss it any longer. He thanked Mrs. Hubbard and noted that they had used up the four minutes.

CLOSED SESSION:

A motion was made by Council Member Rorrer seconded by Council Member Grogan to go into Closed Session for discussion of personnel according to GS 143-318.11 (a)(6). All Council Members voted in favor of this motion.

OPEN SESSION:

A motion was made by Council Member Janney seconded by Council Member Tudor to return to Open Session. All Council Members voted in favor of this motion.

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ADJOURNMENT:

A motion was made by Council Member Grogan seconded by Council Member Reynolds to adjourn the meeting. All Council Members voted in favor of this motion.

Respectfully submitted,

Kim J. Scott, CMC
City Clerk

ATTEST:

Philip K. Price
Mayor