CITY OF EDEN, N.C.

The regular meeting of the City Council, City of Eden, was held on Tuesday, March 21, 2000 at 7:30 p.m. in the Council Chambers, 338 West Stadium Drive. Those present for the meeting were as follows:

Mayor:	Philip K. Price
Mayor Pro Tem:	John E. Grogan
Council Members:	Ronald H. Reynolds
	Ronald Janney
	Christine H. Myott
	William W. Rorrer
	C.H. Gover, Sr.
	Garry Tudor
City Manager:	Radford L. Thomas
City Attorney:	Charles J. Nooe
City Clerk:	Kim J. Scott
Administrative Staff:	Sheralene Thompson
Representatives from City Departments:	
Representatives from News Media:	Reid Baer, The Daily News, Leslie Brown, Greensboro News & Record

MEETING CONVENED:

Mayor Price 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:

Pastor Tim Butcher, Dan River Wesleyan Church, was unable to attend the meeting. Due to that fact, Council Member Janney gave the invocation.

PROCLAMATIONS:

LITTER SWEEP 2000

Mayor Price explained that Eden would be participating in the 12th Annual Litter Sweep Campaign, and would work in conjunction with the Chamber of Commerce. He then read the following proclamation recognizing Litter Sweep:

LITTER SWEEP PROCLAMATION
2000

WHEREAS, the North Carolina Department of Transportation's Office of Beautification annually organizes a spring roadside cleanup campaign to ensure clean roadsides throughout our State; and

WHEREAS, a spring LITTER SWEEP campaign has been planned for April 7-20, 2000, to clean our roadsides, help educate the public about the harmful effects of litter on the environment, and give every organization, business, government agency and individual the opportunity to take responsibility for cleaner roads in North Carolina; and

WHEREAS, Adopt-A-Highway volunteers, community and civic organizations, inmates, community service workers, local governments, and many concerned citizens participate in these cleanups and may receive a Certificate of Appreciation for their hard work; and

WHEREAS, the natural beauty and a clean environment are a source of great pride for all North Carolinians, attracting tourists and aiding in recruiting new industries; and

WHEREAS, the 2000 spring cleanup will improve the quality of life for all North Carolinians and will celebrate the 12th Anniversary of the North Carolina Adopt-A-Highway program;

NOW, THEREFORE, I, PHILIP K. PRICE, Mayor of the City of Eden, North Carolina, do hereby proclaim April 7-20, 2000, as

"LITTER SWEEP"

in the City of Eden, and urge all citizens to participate in keeping our roadsides clean and to reduce solid wastes.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City of Eden, North Carolina, this the 21st day of March, 2000.

Philip K. Price, Mayor

ATTEST:

Kim J. Scott, City Clerk

EMPLOY AN OLDER WORKER WEEK:

Mayor Price read the following proclamation in recognition of Employ an Older Worker Week:

PROCLAMATION

WHEREAS, older workers are the fastest growing segment of our population; and

WHEREAS, these older citizens can continue to make important economic contributions to our community; and

WHEREAS, mature employees can offer skills, judgement, and reliability to save employers money and increase productivity; and

WHEREAS, it is fitting that a period of time be set aside to honor these men and women.

NOW, THEREFORE, I Philip K. Price, Mayor of the City of Eden, North Carolina, do hereby proclaim March 20-24, 2000, as

In the City of Eden

and commend this observance to all citizens in our local community, and urge the employment of older workers by area businesses.

Witness my hand and corporate seal of the City of Eden, North Carolina, this the 21st day of March, 2000.

Philip K. Price, Mayor

ATTEST:

Kim J. Scott, City Clerk

ARBOR DAY:

Mayor Price explained that the City of Eden was one of the very few cities in North Carolina recognized as a Tree City USA city. He then read the following proclamation in recognition of Arbor Day.

ARBOR DAY PROCLAMATION

WHEREAS, in 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and

WHEREAS, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska, and Arbor Day is now observed throughout the nation and the world; and

WHEREAS, trees reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce oxygen and provide habitat for wildlife; and

WHEREAS, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires, and countless other wood products; and

WHEREAS, trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community; and

WHEREAS, trees, wherever they are planted, are a source of joy and spiritual renewal; and

WHEREAS, Eden has been recognized as a Tree City USA by The National Arbor Day Foundation and desires to continue its tree planting practices

March 21, 2000

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NOW, THEREFORE, I, Philip K. Price, Mayor of the City of Eden, do hereby proclaim April 8, 2000 as

"ARBOR DAY"

in the City of Eden, and urge all citizens to celebrate Arbor Day and to support efforts to protect our trees and woodlands, and

FURTHER, I urge all citizens to plant trees to gladden the heart and promote the well-being of this and future generations.

DATED this 21st day of March, 2000.

Philip K. Price, Mayor

ATTEST:

Kim J. Scott, City Clerk

RECOGNITION OF MR. RAY SHARP:

Mayor Price introduced Mr. Ray Sharp, the city's Finance Officer, along with Mr. Mike Apple, Rockingham County's Finance Officer.

Mr. Apple explained that he was present as a member of the Joint Finance Officer's Certification Committee of the North Carolina Public Finance Officer's Association and the North Carolina Association of County Finance Officers. He stated that it pleased him to be able to present Mr. Sharp his certification.

MR. BOB HARRIS ADDRESSED COUNCIL:

Mayor Price explained that Mr. Bob Harris had asked to address the Council.

Mr. Harris stated that he appreciated being given time to make some remarks. He explained that for the record, he was Bob Harris, retired Executive Vice President of Fieldcrest Mills and an eight year veteran of the City Council.

He explained that he was going to follow some notes and he did not usually do that but he wanted to make sure that he got some things in sequence and to properly state the facts.

He explained that he appeared before them tonight regarding the Eden Park matter. He added that he was not arguing for or against the split of the land for industrial use, however he had some ideas, which he would be glad to discuss at a later time.

He stated that he was concerned that two facts have been floated around for the last month or so, neither of which were truthful. He stated that one (1), the fact that Fieldcrest donated the land, and two (2), that Fieldcrest required to restrict and rezone the property.

Mr. Harris noted that if the Mayor remembered, they (Mayor Price and Mr. Harris) were the only two people that met with Mr. Doss, so the three of them were the only three people that really knew what occurred at that meeting. He stated that others were speculating or guessing. He stated that as he reported at the rezoning meeting after hearing numerous complaints regarding a gift of land and required restrictions, he felt compelled to come forward and state the facts and ask if he (Mayor) would confirm them. He stated that for some reason he did not wish to do so, which somewhat questioned his (Harris) integrity and his comments, in which he did not understand. He added that he still had not heard any official confirmation of those facts.

He stated that he believed his statement regarding restrictions were pretty much confirmed in the morning paper, which clearly stated the restrictions placed on the park property at the request of the city. He stated that he did not remember any such discussions in their negotiations and if he had heard them he would have objected because he did not believe that it was in the best interest of the city to have such restrictions placed on the use of its property. He explained that was kind of like going to somebody and buying a piece of property and then asking them to tell you what you can do with it. He stated that the City of Eden could have placed restrictions on the property

as it saw fit, at a later date, and it could remove them as it saw fit. However he did not believe that the matter of purchase versus gift had been properly resolved.

He noted that if the Mayor remembered that in their meeting with Mr. Doss, he (Mayor) had made an offer, (he pointed out that he was addressing the Mayor as they both knew what happened) and he made an offer of $800,000 for the property, which included the buildings and three parcels of land. He stated that Mr. Doss mentioned the absolute number of one million dollars. After some discussion he (Harris) suggested a fair compromise would be to split the difference and settle for $900,000. He stated that Mr. Doss had squirmed a little, left the room and contacted Mr. Fitzgibons to get approval. He stated that Mr. Doss came back and said he could not get Mr. Fitzgibons, for it would risk his job on making a deal.

Mr. Harris stated that there was never any mention of a gift. He stated that he did not believe that the city would have offered $900,000 for the building alone, nor did he believe that Mr. Doss had the authority to make the donation of the land as such decisions were normally made by a Board of Directors.

He explained that a report was given to the City Council that the transaction was purchased and Fieldcrest was given no credit for a donation. He added that as further confirmation of this fact, the contract for purchase said that the seller, Fieldcrest, was willing and able to sell the property to the buyer, the city, in an unrestricted manner. He stated that further more, in a letter from Mr. Hunnicutt (Phil Hunnicutt) to Pam Cundiff (Council Member) on February, 23rd, 1996, he gives some breakdowns on the value, but he asked that if he would recall, the total purchase price for all four properties was $900,000. He added that if needed, he would provide copies of the appraisal.

Mr. Harris explained that that confirmed the fact in his mind that it was a purchase not a donation. He stated that in a quote from an article in the March 19th issue of the Daily News, Mr. Hunnicutt was quoted as saying, "confusion exits as to who put the original restrictions in the deed, new heads of authority change them. It was language that was insisted upon by Fieldcrest as a condition of the gift." Mr. Harris pointed out that Mr. Hunnicutt had originally written (in 1996) it was a purchase, not a gift.

Mr. Harris stated that further more, in a telephone conversation with Mr. Hansen (Pillowtex CEO), the newspaper reported that he claimed it was a donation. He added that he was not sure that he did or not.

He explained that he had two reasons for being there tonight. First, he stated that he felt that the public questioned whether he knew what he was talking about at the original meeting. He stated that he wanted the public to know that he did know what he was talking about. Also, he stated that he wanted to get the matter of purchase versus donations cleared up. He stated that he could not understand why the city has allowed this matter, played out in the newspapers for several weeks, quoting people who were not in negotiations and had no first hand knowledge of what was agreed upon. He stated that had there been an official confirmation of the true facts, he believed that positions would not have been hardened and stands taken which may be too far gone to correct.

Mr. Harris stated that further more, he did not understand why Mr. Hansen was not fully informed on the transaction, when the request was made to him to cancel the restriction. He stated that apparently he was still claiming it was a donation and the restriction put on by Fieldcrest.

He stated that as he had said, he was not there because of any hidden agenda and he did not even have an agenda. He stated that he had reached the age where he wanted everything done yesterday and he did not even buy green bananas anymore. He added that he did know that Eden needed jobs and Eden had to get its act together if it was going to get jobs. He pointed out that Elkin was laughing at them, economic development was a puzzle and the State Department of Commerce must be very unhappy, particularly since the plant may go to South Carolina.

Mr. Harris closed in saying that he realized he had probably stepped on some toes, but he would rather step on toes than have his own stepped on any day of the week. He stated that concluded his remarks. He stated that he did not want to come and do it, but he just thought that this had been poorly handled from day one.

Mayor Price explained that they would have a time set aside in the meeting for those who would like to make comment to the Council who were not included.

Council Member Janney asked if he could make a comment before beginning the public hearing. He explained that he worked with Mr. Harris for two years and he would have liked to have worked with him longer. He stated that he appreciated him coming up and making the statements he made tonight and he personally thanked him.

Mr. Nooe commented that he wanted to also say that he had served under Mr. Harris, you might say, for eight years. He stated that he may not have all the facts, but he (Nooe) had the cancelled checks and he had the Fieldcrest figures and Mr. Harris told the absolute truth. The $900,000 purchase price was allocated on the basis of the instructions of Fieldcrest Cannon, Mr. Phil Hunnicutt. He stated that Mr. Hunnicutt's instructions to him, in putting the excise taxes on the deeds, was of the $900,000 to allocate 64% of the $900,000 to the building, 31% to the Smokehouse tract, 3% to Draper, 2% to Bridge Street, and 31%, was equal to $279,000 that the city paid for that tract, according to Fieldcrest's instructions of how it was going to allocate the money it received. He explained that the 31% of $900,000, was $279,000, under the North Carolina Law of Taxation. He explained that for excise taxes on deeds of conveyance you were required to put $2.00 per $1,000 consideration. He noted that if they would look on the copy of the deed to the property they would find that if they multiply $2.00 times the $279,000 it would equal the North Carolina Excise Tax which he put on the deed at Fieldcrest Cannon's instructions.

Mr. Nooe stated that to get it right, and he did not know where the records were within the city, but Mr. Harris was absolutely correct and he had the copies if Mr. Harris wanted them for his records.

AGENDA ITEMS ADDED OR REMOVED:

Mayor Price asked at this time if anyone would like to add or remove anything from the agenda.

A motion was made by Council Member Gover seconded by Council Member Janney that items 8(m) and 9(j) be pulled from the agenda. All Council Members voted in favor of this motion. This motion carried.

A motion was made by Council Member Janney seconded by Council Member Gover that items 7(b) and 7(c) be removed from the agenda.

Council Member Grogan questioned the reason.

Council Member Janney replied that when they dealt with 7(a) previously, they had discussed at length about going forward with this program until they got a handle on what they were doing. He added that he had been trying to find it in the minutes and he had not found it. He stated that he wanted them to look at that contract before they go any further and he hoped that they have looked at 7(b) and 7(c) and also looked at the dwellings. Council Member Gover indicated that was also his understanding.

Council Member Grogan commented that they were talking about single family rehabilitation and being able to get local or whoever contractors to bid on those things. He stated that the city went into a contract with Benchmark to do them and he thought they have jumped through every hoop that they could give them to do. He asked if he was talking about putting them off until Monday.

Council Member Janney replied that he thought they needed to put them off until they discuss the contract that they have agreed to.

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It was indicated that the audience could not hear Council Member Grogan's remarks to which Council Member Grogan explained that the contract was agreed upon by the City of Eden with Benchmark to do single family rehabilitation. He stated that they have had a lot of controversy and a lot of talk about a house on the Boulevard and the number of families there, as well as the bids not being by a local contractor. He stated that they went back and jumped through all the hoops and now they have come up with two other projects, which were included in the contract with Benchmark and with the state, and he did not know why they would take them off. He questioned why they would not go on and discuss them as far as a contract, as it had already been approved, to do work with Benchmark, because they were probably the number one consultant in the state, doing those type projects and that was his question. He asked why they would put it off if they have already agreed they were going to do it. He stated that if they were going to vote down one project or the other one, he could understand that, but if he said they were going to do away with the contract…

Council Member Janney stated that he did not want to vote down the projects until he got the contract right and they do something about it. He stated that he understood that this was government money and he understood what Mr. Walser said the other night (January meeting) that if they did not get it somebody else would. He stated he thought that if they were going to manage the money, they should get the most for what they were doing and they were not getting the most for what they were doing and that was his position. He added that he did not expect to see two more on this agenda.

Council Member Grogan stated that most of the money, they have talked about several times, and whether it was the local contractor or outside, they bid them, and he did not know as he was not ready to get into the contracting business. He suggested that if anybody up there wanted to do the job, then get a license.

Council Member Janney asked if the Board wanted to continue to deal with those or just turn them loose and let them go with it.

Mayor Price commented that they have talked extensively about the mechanics of those things and have had a lot of information in front of them but they have left out the element of human aspect of people who were apparently in genuine need, who need some improvements to their homes. He stated that a lot of people question that and he looked at those figures, and he was no contractor, but when they have the open bid method, then that seems that was the market. He stated that if people competitively bid, then that was what they were going to get. He added that he did not want people to be left out of the loop because they (Council) were hung up on the mechanics of the thing.

Council Member Janney replied that he was not trying to leave somebody out of the loop. He stated that he thought they should investigate this thing, how many people in this town bid on it and knew about it. He stated that he talked to one of the people today, because of a comment on one of the sheets. He told him, "I didn't see where you bidded on the other one, I didn't know about the other two." He added that he was not promoting that particular bidder, what he was saying was look, we need to do this thing right or we need to get out of it.

Mayor Price asked if they were advertised to which Mrs. Stultz replied if the affirmative.

Council Member Janney stated that the gentleman told him today that he looked at the paper everyday, the man that bid on the Nickerson house. He stated that he looked for it because he wanted to bid on another job and he said he never did see it.

Mrs. Stultz explained that there was certainly no intent on any of the city's part to exclude a contractor. She added that it was always beneficial in a situation like this to get as many bids as they could and it was in the paper. She stated that she would be glad to get the affidavit and show it to him.

Council Member Gover commented that his concern was in protecting people's money. He stated that he goes out to these homes and inspects them and he thought the money was too

enormous. He explained that was why he had seconded the motion. He thought it needed to be looked at. He stated that when you go out here and place a $29,000 bid on some person, all they know is that they are getting a loan for $29,000, because if they go over $30,000 they do not get the bid, and they were going to hover around the $30,000, which was absolutely not necessary on some of those prices. He stated that they were not protecting the people's money, not just the city's, but HUD money.

Mrs. Stultz explained that this was a loan program, people make an application, agreed to a loan, and they have added extensive amounts of extra research. She stated that the Council put additional limitations on who could qualify. She stated that they have done all of that and she would be absolutely honest, when they started to bring those things to them (Council), she really believed that she had seen to it that they had done the things that the Council had asked her to do. She added that they were limited, with any kind of funds of this type, to the restrictions that the state and the feds might put on those monies.

Mrs. Stultz added that she was not sure that she understood at this point what it was that Council Member Gover and Council Member Janney wanted them to review the cost to decide whether they were in line or not.

Council Member Gover pointed out that when he went out to look at those homes, he could not believe that they were going to spend $29,000 in doing some of them. He stated that they had discussed with Mike (Mr. Walser), at the last meeting (January) that if there was another program that they may look at that could really help the people that were in need, not just to spend government HUD money. He pointed out that they could rewire this home (one of the homes) for less than $3300.

Council Member Janney stated that they have beat some of this stuff to death and it seems like they were not getting any where with it, but if they want to look at the contract and get it right, and look at what they were bidding, he asked if they realized that everything was right at $28,000 to $30,000. It was right at the limit that they could not go over. He pointed out that they could go look at the homes and look at the homes from the outside, the two on there now, and he could not believe they were going to spend that kind of money. He stated that they could use some of the money somewhere else, if they were going to get the best bang for the buck, they had to do something different than what they were doing.

Council Member Gover questioned if they were not supposed to go look at the homes to which Mayor Price replied that he was sure that any Council Member could go look at the home if they wanted to.

Mrs. Stultz agreed that of course they could, as the Council was responsible for everything they do.

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

Council Member Rorrer commented that if Council Member Myott agreed, he wanted to add something that was in her ward. He stated that it was on Manley Street right beside of 118 The Boulevard. He explained that a citizen who lived at the dead-end asked if something could be done because if you were coming off the dead end part, you could not see until you get to the center line of the road. He stated that there were some bushes down there or something, but there was also a parking problem there too. He asked if Sergeant Griffin could study it.

Mayor Price asked if that was all he wanted to do was to make the request tonight to which Council Member Rorrer replied in the affirmative.

Mayor Price asked if anyone else would like to add anything tonight.

Mr. Thomas commented that he had placed a memorandum at everyone's seat regarding the hiring of a Human Resources Director. They needed to consider setting that salary at above the

minimum salary plus 3%. He stated that he would like to have that placed on the agenda so that he could get input from the Council.

A motion was made by Council Member Grogan seconded by Council Member Myott to add to New Business - Request to set salary above the minimum, plus 3% for the Human Resources Director position. All Council Members voted in favor of this motion. This motion carried.

PUBLIC HEARINGS:

(a) Consideration of a zoning map amendment request to rezone property on Friendly Road in the city's extraterritorial jurisdiction from Residential-12S to Residential-12S/MH. Request submitted by Danny Pulliam, Sr. ZONING CASE Z-00-02.

Mayor Price called for a public hearing and asked Mrs. Kelly Stultz, Planning & Inspections Director, to come forward for a report.

Mrs. Stultz explained that at the regular meeting in February the Council scheduled this public hearing to this request. She explained that the Planning & Inspections Department recommended approval of the map amendment request and at their February 1, 2000 regular meeting the Planning Board voted unanimously to recommend that the City Council approve it.

She explained that the property was located on Friendly Road and contains approximately 30.5 acres with about 462 feet of frontage on Friendly Road. She explained that it was originally zoned R-20 in 1979 at the time the ETJ was created and rezoned R-12S in 1985. She stated that the area surrounding the subject property is characterized by site built and manufactured single-family residential development. To the north of the subject property and following along its northern property line is residential-4 development, the other three sides are R-12S.

She stated that again, this request was to rezone a 30.5 acre tract on Friendly Road from R-12S to R-12S/MH. The R-12S zoning district is a medium density residential district. No multi-family developments are permitted in R-12S. The addition of the manufactured home overlay permits the erection of a single family site built or a Class A manufactured dwelling. A Class A manufactured home is defined by the City of Eden Zoning Ordinance as a manufactured home constructed after July 1, 1976 that meets or exceeds construction standards in place at the time, that has a length not exceeding 4 times its width, has 1000 square feet of heated living area, whose roof has a minimum vertical rise of two and two tenths feet for each 12 feet of horizontal run and is finished with common residential shingles, has at least a 6 inch roof overhang, is set up according to North Carolina State Building Code on a permanent masonry foundation, has all transport equipment removed and is oriented toward the street.

She stated that when the City Council, based upon recommendations from the staff and Planning Board, chose to place in the zoning ordinance the manufactured home overlay district, it was designed to permit manufactured homes in a very controlled environment. What it does, because it was an overlay district, it allows the density of development to be no greater, no more families on this properly with it zoned for the manufactured home overlay as it can for R-12S. All of the setback requirements are identical and the development density is exactly the same. She explained that it did permit what was called in the Statutes and the city's zoning ordinance, a Class A Manufactured Home.

She stated that based upon the character of the area and the existing mixture of site built and manufactured dwellings in the area, staff recommended in favor of the request.

Mayor Price asked if the applicant, Mr. Pulliam, would like to make any comments.

Mr. Danny Pulliam, 222 Lawson Street, explained that he owned the property and he knew that his neighbors were confused as they thought he was going to put a mobile home park there. He stated that he paid $75,000 for the property and had spent about $20,000 on it. He stated that he planned to put about a $120,000 home there and he did not want mobile homes all around him either. He explained that the purpose of having the MH on it was because he had three children and he had 30 acres of land up there. He stated that he would like to be able to give them enough

land just to put them a place up there until they could build. He explained that the mobile home or double wide would be a permanent fixture.

Mr. Pulliam stated that he currently had on the right side of him Northridge Mobile Home Park and on the left side James Land, who had a mobile home. He noted that across the street Charles Martin had a double wide and down the road Lillie Bolden had three mobile homes. He stated that there were some nice homes up there but there were also some double wides and single wides there. He stated that he did not want to change the demographics of the area or put a trailer park in there. He stated that what he did want to do was possibly put three sites there for his children. He added that he did not know if they would ever take it, but those possible sites would be on the back side. He stated that he was talking about 600 to 700 feet off of Friendly Road and it would be closer in proximity to the land behind him, which was owned by Mike Martin and his father. He stated that he had talked with Mr. Martin as he was concerned about it also, and explained it to him. He noted that Mr. Martin was present tonight and he said he did not have a problem with it knowing what he wanted to do with the property.

Council Member Grogan asked how many units he could get on there.

Mr. Pulliam replied that he had no idea as he only wanted to get three on there. He stated that he was not putting a mobile home park on there. He explained again that he had 30 acres of land and he wanted his three children to have the future possibility to put a mobile home there. He stated that currently, his son wanted to put one on there, but he did not know if the other two ever would. He stated that was his plans, he just wanted to help his children out and still be a good neighbor, not mess up the area.

Council Member Tudor commented that he was sure everything Mr. Pulliam was telling them was exactly right and he was sure his intentions were exactly what he had said they were, but he pointed out that when it was zoned it was zoned and if he was to sell it for some reason, somebody else could move in and it was zoned that way so that they could do what the limit of the law would allow them to do.

Mr. Pulliam agreed, but there would still be no mobile home park as they would have to come back and try to have it rezoned if they were going to try to put a mobile home park in there. He stated that they had certain restrictions on how many they could put, it did not matter if they had 30 acres. He stated that they would have to come back and have it redone. He noted that even if he built a $150,000 house, when he died, he did not know who was going to buy it or who was going to move in it. He explained that he did not know what kind of family it would be and it could be a crack house for all he knew, as he would not have any control over that. He stated that he did know what he wanted to do and that it was for his children and he wanted to be a good neighbor.

Mayor Price asked if there were those who wanted to speak in favor of this request.

Mr. Mike Martin, explained that he owned the land behind Mr. Pulliam's property and his brothers and his father own all the land adjoining the back part of that 30 acres. He noted that they could also talk to Christie Boyd who lives on the corner of Hillcrest and none of them have any problem with what Mr. Pulliam wanted to do. He closed in saying that he was looking forward to having him for a neighbor.

Mayor Price asked if there were those who wished to speak in opposition of this request.

Mr. Charles Martin, 1062 Friendly Road, provided some photographs for the Council to observe. He explained that he regretted that they had to appear once again to defend their neighborhood. He stated that they had virtually no notice until this hearing where the area residents were required to be specifically notified. He stated that it was in that light that he asked that they drop the word "or" and add "and" in the ordinance manual in reference of posting signs on property up for zoning change considerations, as this was a minimum requirement almost everywhere else. He stated that unless they pass that, they would still not know that this was up for consideration. He explained that many neighbors were not notified and many were sick and could not come.

Mr. Martin stated that he knew Mr. Martin and he knew that Mr. Pulliam may be a fine man, (but) like Council Member Tudor pointed out, this was not an individual thing this was a land thing and changes were permanent and it goes to whoever may buy it.

Mr. Martin explained that returning to the matter at hand, he asked that they note that Council denied a similar request for a parcel to the south in 1996. He stated that Council has also denied other similar attempts. He stated that nothing had changed and nothing was inferred to have changed in the analysis presented.

Mr. Martin then presented to the Council a series of findings of facts. He explained that he had five findings of fact, which he had written, and basically nothing had changed since the last denial by Council to rezone from R-12S. He stated that (1) if an individual has purchased 30.5 acres of R-12S property in 1999 and a few months later decided that he needed the zoning standard lowered, if it was a good deal then, it was a good deal now as the city had not done anything. He noted that (2) the party had not demonstrated why he could not use R-12S after purchasing. The request did not resemble the individuals stated plans to build a home for himself and a couple of the others for his children. The zoning change would allow for mobile home land home packages that you hear about on TV that have high foreclosure rates and there would be obvious maintenance problems for the city as they become vacated. He noted that (3), would be the negative impact upon the character of the neighborhood. He pointed out that the photographs he presented to Council should show clearly what the character of the neighborhood was at that point. Mr. Martin noted that the neighborhood was established, with maturing individuals with their lives and money invested in their homes. Such a change would very negatively impact not only the character and aesthetics of the community but also the home values of its citizens. He noted (4) the negative impact upon community safety and welfare. The area was extraterritorial and not protected by the city services of police, sanitation, fire, etc., thus expanding problems already seen in this area, for example the long response time for deputies. He stated that the mobile home land home purchases have a disproportional number of younger families over the normal blend of everyone in the standard R-12S. Lastly, he noted (5) that it maximized the inefficient use of the R-12S zoned land. The building style uses a first floor maximum square footage approach that uses up the greatest land area and allows for no greater efficiency and aesthetically creative designs. He stated that the purpose of the zoning that they have was to build and protect their municipalities. It should reinforce and make this a better place to live.

Mr. Martin stated that the notice they received states that tonight the Council may approve, deny or approve a more restrictive zoning district. He stated that if they constantly dilute planning and zoning they would not need a city department for planning, and he would say they deserve much better (and) based upon the findings of facts that he stated and with careful years of experience in zoning matters, he respectfully made the following recommendation which was denial of the R-12SMH zoning request.

Council Member Grogan asked Mr. Martin if he lived in a manufactured home to which Mr. Martin replied, yes, that he lived in a modular style home. He explained that the concern was not the request as presented to them, but that on 12,000 square feet, if the city expands a sewer line into that area, he could put 110 of those homes on that property. That was clearly not what the proposal was, but what he was saying, like Mr. Tudor would agree, this was a permanent change that goes with that land forever.

Council Member Janney noted that Mr. Martin lived in a modular home not a mobile home to which he agreed.

Council Member Grogan questioned the difference to which Council Member Rorrer replied there was a whole lot of difference as a modular home was a two piece house on a foundation. It was not on a frame.

Council Member Grogan asked if the frame would be set on a foundation, if it had a shingle roof or had a pitch on the roof, a doublewide.

Council Member Rorrer explained that a modular home was what Nationwide makes in Martinsville if he was familiar with that.

Mayor Price referred the definition to Mrs. Stultz.

Mrs. Stultz explained that earlier it was pointed out that she had failed to post that property and while it was not in the city's ordinance, it was something that this Council had asked that she do and it had been the department's standard practice. She stated that when the application was filed, snow was on the ground and it was a mistake for not getting it posted. She stated that she just wanted to make sure that was clear, it was something she should have done and did not do.

Mrs. Stultz explained that the state building code talks about modular verses manufactured. She stated that in the sense that they all probably think about manufactured, that was what it was, a house that was built somewhere else and brought to the site, a lot of times in sections. She asked that they recall that last fall there were discussions about one that was put on Hampton Street. At that time there were some requests from the neighbors to prove that it was indeed modular. She explained that the state building code does say that a modular house can go anywhere that a stick built house can go. She added that at the time they are being constructed in the factory or whatever the facility may be called, there are state certified building inspectors there, just like the staff that works for the city, who inspect them and then the city staff would inspect the placement and direction of them on the site.

Council Member Gover stated that if this was approved, and a person had a 1977 manufactured home it could go there.

Mrs. Stultz added, if it could meet all of the requirements.

Council Member Gover pointed out that it stated that anything after 1976 it could be put on there.

Mrs. Stultz explained that it would also have to meet all the other requirements of the ordinance. The other thing to point out was that the property is already zoned R-12S which is 12,000 square foot lots. She agreed that Mr. Martin's math was correct if you take the gross square footage in the 30 acres, however if somebody was going to put that many dwellings in that area, there would be street construction and all that which would obviously cut down on the number of homes that could go in there. She added that you could go right through there today and come through the subdivision process and cut it into exactly that same number of lots. The manufactured overlay does not increase the development density.

Mayor Price asked if anyone else would like to speak in opposition of this request.

Mr. James Wilkinson, 1060 Friendly Road, explained that he had lived there for 42 years. He stated that this would lower his property and there would be a lot more traffic. He noted that they also have a big trucking terminal right up above them, but they were fortunate that the city water comes by at a reasonable rate, but the sewer where all those mobile homes, he believed it would overflow if the man did not make a sewer pipe arrangement to take it. He stated that he was just hoping that each of the Council would consider this.

Mr. Luther Howell, 1079 Friendly Road, agreed that once they open the door, anything could come in there. He stated that he did not want to be surrounded and he noted that on the map, up at the corner, if this was rezoned and it allowed anything and everything in there and he would be surrounded on the north side by trailers, all the way around his property. He stated that he had spent his life building this and he could not see losing everything he had put in there.

As there was no one else who wished to speak in opposition of this request, Mayor Price declared the public hearing closed.

A gentleman from the audience asked that the people who were in opposition of this request please stand to which approximately nine (9) people stood in opposition.

Mr. Pulliam commented that someone had made reference to the septic systems and how they may get overflowed. He noted that he had already paid for city water and sewage tap. The other two, the front side of that property, was nothing but swamp, and it would not even perk so he could not build on it even if he wanted to. He stressed that it was not going to be a mobile home city up there.

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

Council Member Myott commented that Mr. Pulliam had said that his home was going to cost around $120,000. She asked if he could not just as well build stick houses for his children.

Mr. Pulliam replied that he did not have that kind of money to build three more houses up there.

Council Member Myott questioned if he could not build a small stick house for about what a manufactured house would cost plus the lot.

Mr. Pulliam replied that his children could not currently afford a stick built home.

Mr. Howell commented from the audience that he built his house by himself and if Mr. Pulliam needed help it would not cost him a penny.

Council Member Grogan referred to the pictures again that showed manufactured houses. He asked where those were at in relationship to this acreage.

Mr. Martin replied that this was outside of Reidsville, in the county.

Council Member Grogan stated that that did not mean anything. He asked why he would show manufactured housing outside of Reidsville.

Mr. Martin replied that that property just happened to look exactly like the entrance to this property.

Council Member Janney asked if there was another approach to this that would satisfy the need there, other than this mobile home overlay.

Mrs. Stultz explained that she thought the reason they had recommended overlay style was because the big objections that staff had heard, since the day she came to work almost ten years ago, was that the development density and the way that they allowed manufactured homes to go in like loaves of bread on tiny lots was where the objection came. She stated that from what she had read and knew, when you start to talk about a double wide on a permanent foundation and those kinds of things, it does begin to get into the price range of the low and moderate priced houses and on up, and they can go up to $100,000. She stated that there was no way to deal with price in this kind of issue. She offered that she would be glad to look at making some revisions to the manufactured home overlay if the Council would like to look at some additional requirements. She stated that at this point she would be glad to check and see if anybody was doing anything that seems to work any better.

Council Member Janney commented that the way that he understood the mobile home overlay, if he had as much as five (5) acres and it meets the requirement, he could throw that mobile home overlay in there.

Mrs. Stultz replied that he could ask that the Council rezone it.

Council Member Janney stated that was what he was saying, as long as it was in a residential area.

Mrs. Stultz replied that was correct, if he had a minimum of five (5) acres he could make an application.

Council Member Janney stated that in the neighborhood where he lived, if he had five (5) acres there, and it was right in the middle, he could put mobile homes in there if this group agreed with him.

Mrs. Stultz replied that he could (with) manufactured homes, Class A, like they defined them.

Council Member Janney stated that was what bothered him about that overlay.

Council Member Grogan commented that he thought that the word "mobile home" had been thrown around loosely, as to manufactured houses and there was a lot of difference. He stated that they were not talking about single wide, tar roof, no eaves, no foundations, trailers to which Council Member Janney replied that he understood that.

Mr. Nooe pointed out that was what a manufactured home was, it comes with, you do not have…to which Council Member Grogan asked if it came in two parts, with shingles and eaves and all that.

Mr. Nooe explained that it could as a manufactured home was a home that was designed to be moved on wheels on the highway with a tongue to pull it. It comes with a title to it from the Department of Motor Vehicles, it was personal property until you remove the running gear and surrender the title, so that was a manufactured home. The modular was built in the plant with the building inspector inspecting it where it was built and it was moved and put in place on the site.

Council Member Grogan asked if it came with wheels.

Mr. Nooe replied that you could move it on a trailer, a flat bad, but it did not come with a frame and running gear as a manufactured home did.

Mrs. Stultz explained that the basic definition of a manufactured home was indeed exactly as Mr. Nooe had said. The reason that the City Council decided several years ago that it wanted to consider this manufactured home overlay was to further define that so that it could control the construction style and aesthetic issues of manufactured homes that they might be appropriate in some other areas.

Council Member Grogan pointed out that Duke Power had an easement going right through the middle of the property and he did not know how much area that would be but it reduced the amount of the area that you can put anything on.

Council Member Reynolds commented that he was just concerned that if they did this and next week this gentleman decided to sell it, then they have sold those people out.

Council Member Rorrer added that Mrs. Stultz had made reference to the mobile home overlay and he was opposed to that to start with as you could actually put it in the Oaks if four members of Council agreed to it.

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

(b) Consideration of a zoning map amendment request to rezone property on Henderson Road and Jones Street in the city's extraterritorial jurisdiction from Residential-20 to Residential-4. Request submitted by Mark and Bonnie Smith. ZONING CASE Z-00-03.

Mayor Price called for a public hearing and asked Mrs. Kelly Stultz, Planning & Inspections Director, to come forward for a report.

Mrs. Stultz explained that the request was to rezone property on Henderson Road and Jones Street in the city's extraterritorial jurisdiction from Residential-20 to Residential-4.

CITY OF EDEN, N. C.

Minutes of the March 21, 2000 meeting of the City Council, City of Eden, N. C.

The Planning and Inspections Department recommended approval of the map amendment request. At their February 1, 2000 regular meeting, the Planning Board voted unanimously to recommend that the City Council approve this request.

She explained that the subject property contained approximately 3.84 acres and had 580 feet of frontage on Jones Street. All of the property in this area was zoned R-20 at the time of the original zoning of the ETJ on January 1, 1979.

The area surrounding this property is characterized by single-family site-built and manufactured dwellings. She stated that in the 1980's and 1990's several requests encompassing a large portion of the surrounding area had been approved. All of those requests have been for R-4 zoning. She explained that the adjacent zoning of this property shows R-20 to the north, R-4 to the south, R-20 and R-4 to the east, and R-20 to the west. In 1983, a large area to the south of the subject property was rezoned R-4. In 1988, most of Highland Avenue was rezoned R-4, and in 1994, both sides of Henderson Street were rezoned R-4.

She explained that based upon the character of the area and the changes to the zoning pattern approved by the City Council, staff was of the opinion that the R-4 zoning was appropriate for the subject property. Therefore, staff recommended that the request be approved.

Mayor Price asked if anyone would like to come forward and speak in favor of this request.

Council Member Janney stated that he went up there and down Spencer Avenue, Piedmont Street, Highland Avenue, and he never did get to what he thought was Jones Street.

Mrs. Stultz explained that Jones Street was a paper street. She explained that the way the city's ordinance works, if there has been a public right of way declared through their subdivision ordinance or anything else that they have, the department or the city at this point has no ability to insist that that road be brought up to state standard by property owners.

Council Member Janney stated that he did not know as the city had ever opened a street to which Mrs. Stultz agreed and added certainly not in the ETJ.

Council Member Rorrer added that they have not opened one in the city, not since consolidation.

Mrs. Stultz continued that at any rate, they did not have any ability, once that thing was on a public right of way, (but) the city's ordinances do say that if your property fronts a public right of way, that was as far as Planning Director, as the city's zoning officer, she could push that.

Council Member Janney stated that he understood that and did not have a problem with that.

Mayor Price asked if Mr. or Mrs. Smith would like to make a comment.

Mr. Mark Smith, 1007 Lincoln Street, explained that he owned that property and it was the old Clark Farm on Virginia Avenue. His house was on Lincoln Street, which adjoined the property. He stated that he wanted to be honest, when he first began the process of rezoning, there were four acres up there and those four acres were zoned differently, the whole farm was 25 acres, and the rest of the farm (minus the four acres) was zoned R-4.

He explained that what he had in mind, was to cut four lots out of those four acres and sell four lots for doublewide homes with brick underpinning. He stated that he wanted to make a stipulation, that as he sold the property, that doublewides would be all that would be put on there as he wanted to keep the property valuable. He stated that since then, he found it would be pretty difficult to develop Jones Street.

Mr. Smith explained that there were two lots there, approximately 2 acres each, one accessible off of Highland and the other off of Henderson. He stated that he still did not know exactly what he was going to do and it looked like he might get beat there tonight anyway, but if this land was to be rezoned, he would be selling it as two 2 acre lots as opposed to four 1 acre lots. He noted

that the rest of the property was already R-4 and if he wanted to start a trailer park he could already start one, but that was not what he had in mind.

Mr. Smith stated that those four acres on the upper end sticks out like a thumb and it was nice property. He explained that it was just a way that he could try to make some loose ends meet and absorb some of the cost of this farm that he bought. He also pointed out that his son lives on the farm in the old home place and his daughter already lives in a mobile home on the property.

Council Member Janney referred to the mobile home that was on it now and stated that he remembered rezoning this land years ago for a mobile home for one of the Clark children to which Mr. Smith replied that was correct.

Council Member Janney recalled that one was going to put a mobile home on the backside of that thing somewhere or another.

Mr. Smith replied that it had been parceled out and that piece was on a parcel by itself, about a 3 acre parcel.

Council Member Janney asked, so it was in there, but it was not within what he owned to which Mr. Smith replied that those were two separate parcels.

Mayor Price asked if anyone else would like to speak in favor of this request.

Mrs. Bonnie Smith, 1007 Lincoln Street, explained that as her husband said, they live on Lincoln Street, they have a farm there. She stated that they purchased the farm on Virginia Avenue strictly for their children. Referring to trailer parks, she explained that both their children lived in trailer parks. She stated that they have four grandchildren and they wanted them out of a trailer park. She stressed that they had no intentions of starting a trailer park, which was why they bought that property, so that they could have their children and grandchildren with them. She stated that they might never sell the land, and when their grandchildren grow up, they could build a house on it. She closed in saying that they have no intention of junking up the area, as they wanted their homes to look nice too.

Mayor Price asked if anyone would like to speak in opposition of this request.

Ms. Marie Cheshire, 235 Highland Avenue, explained that her mother had been there for over fifty years and her land was right there where they were going to put those trailers. She stated that there were no trailers right there close by, some were out the road from them, and there was going to be a lot more traffic. She stated that the road was going to come right into their house and her mother was afraid that someday those cars were going to come into their fence and into the front of their house.

As no one else came forward to speak in opposition of this request, Mayor Price declared the public hearing closed.

Council Member Tudor referred to the area on the maps and asked if Mr. Smith owned all of the area zoned R-4 to which Mr. Smith replied in the affirmative.

Council Member Tudor stated that like Mr. Smith had said, if he wanted to start a trailer park, they could not stop him at this point, he would just be adding two more sites.

Mayor Price asked for clarification from Mrs. Stultz.

Mrs. Stultz explained that Mr. Smith did own a tremendous amount of property. She stated that the City of Eden has a zoning district for manufactured home parks and to her knowledge since 1968, no such district change has been approved. She stated that they did have several manufactured home subdivisions, but to get a mobile home park, even with an R-4 zoning, Mr. Smith or ever who has that, would have to come in and ask this Council to rezone it for a park. She explained that a manufactured home subdivision, assuming that he could meet the

requirements, build the streets and whatnot that would be required, then Council Member Tudor was right, he had a lot of acreage that could have been done and still could be done.

A motion was made by Council Member Rorrer seconded by Council Member Gover to approve this request. Council Members Rorrer, Reynolds, Gover, Myott, Tudor, and Janney voted in favor of this motion. Council Member Grogan voted in opposition. This motion carried.

(c) Consideration of a zoning text amendment request to amend Section 11.24(n) of the City of Eden Zoning Ordinance pertaining to setbacks in the PUD-R district. Request submitted by Kenan Wright for The Wright Company. ZONING CASE Z-00-04.

Mayor Price called for a public hearing and asked Mrs. Stultz to come forward for a report.

Mrs. Stultz explained that this was a zoning text amendment that was initiated by The Wright Company. She explained that the department recommended approval of this request and the Planning Board voted to join with that.

She explained that the City Council, a number of years ago, created a district for a planned unit development. It was designed to be more flexible and to provide for open space and some other things that their other districts were not flexible enough to do. She explained that this would address the side yard setbacks on a corner lot and would provide that the lots all be the same width, with the provision that there was no site obstruction. She explained that the rationale behind increasing a corner side yard setback was that there was nothing done that would prevent any kind of site from either street as you are coming in or going out. She added that the Council did have the ability, when those plans come in, to take a look at those lots and see if there might be a problem with a particular one and they could be dealt with individually.

Mayor Price asked if anyone wanted to speak in favor or in opposition of this request. As no one came forward, he declared the public hearing closed.

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

(d) Consideration of a zoning text amendment request to amend Section 11.24(a) of the City of Eden Zoning Ordinance pertaining to permit additional square footage in accessory structures in the Residential-Suburban district. Request submitted by the Planning Board. ZONING CASE Z-00-05.

Mayor Price called for a public hearing and asked Mrs. Stultz to come forward for a report.

Mrs. Stultz explained that this was a text amendment that comes to them as a result of some recommendations from the Board of Adjustment, they did not make specific recommendations on the amount, but that Board has seen a number of requests for accessory structures, especially in the more rural areas for farm type operations, which the urban style accessory structure requirements that they have in place do not address.

The Planning Board has also heard some of it. She explained that they have taken a look at what other communities are doing to see if they could find something that might help to address some of those problems. She noted that it has a sliding scale for the number of acres that a particular property owner might have, basically designed to provide for somebody with a number of acres to have a barn and the animals that they are permitted to keep.

Mrs. Stultz explained that this request was to amend the maximum amount of square footage permitted for accessory structures in the Residential-Suburban district. The R-S district was designed for rural residential and agricultural uses. The additional square footage of accessory structures based upon the acreage of the tract or parcel would provide for equipment storage and barns and other structures generally associated with agricultural uses.

She stated that based upon the foregoing information, staff recommended in favor of this request.

Mayor Price referred to the figures that she had and asked if that was something that had been used in other districts.

Mrs. Stultz explained that she went back through old files and requests that they have had for variances and appeals and they thought that this was at the very minimum a good start. She stated that she believed, and the Planning Board did, that this was a better way to deal with it that what they were presently doing.

Mayor Price asked if there was anyone who would like to speak for or against this proposal and as no one came forward, he declared the public hearing closed.

A motion was made by Council Member Grogan seconded by Council Member Gover to approve this request.

Council Member Janney asked about Section 11-22 and what it would give you.

Mrs. Stultz replied that was the one that says that you can add accessory structures to 600 square feet or half the square footage of your house, which ever was greater.

Council Member Janney stated that if he had 6 to 10 acres or less than 10, he could take what was in Section 11-22 and add 500 square feet to an outside structure.

Council Member Gover commented that as long as he was on the Board of Adjustment they had been trying to get it to the Council, so he was glad to see it.

Council Member Janney pointed out that as long as everybody understood that they were not trying to hold them down to just a little bitty place.

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

(e) Consideration of a text amendment request to amend the City of Eden Subdivision Ordinance to create a major/minor subdivision distinction and to speed up process. Request submitted by the Planning Board. SUBDIVISION S-00-01.

Mayor Price called for a public hearing for text amendment request to amend the City of Eden Subdivision Ordinance to create a major/minor subdivision distinction and to speed up process. He stated that the request submitted by the Planning Board and they would call it SUBDIVISION S-00-01.

Council Member Rorrer commented that he would like to table this until the next meeting due to the amount of paper in the agenda. He explained that he had wanted to study it more.

A motion was made by Council Member Rorrer seconded by Council Member Grogan to continue this item at the April meeting. All Council Members voted in favor of this motion. This motion carried.

(f) Consideration of a zoning text amendment request to amend the City of Eden Zoning Ordinance for Wireless Communication Towers. Request submitted by the Planning Board. ZONING CASE Z-99-17.

Mayor Price called for a public hearing and asked Mrs. Stultz to come forward for a report.

Mrs. Stultz explained that this was a request that was initiated to consider how the City of Eden deals with wireless communication towers. She noted that it required touching a lot of districts in their zoning ordinance. She explained that one thing that they did know was that federal regulations often impact how this city, along with every other one, deals with certain issues. She stated that in their area, because of the topography, they have a need for providing wireless communication services across the community.

Mrs. Stultz explained that there was nothing in there new and different that some other community has not done already. She noted they have had two applications for towers to come in, in the last two days.

At the request of Mayor Price, Mrs. Stultz reviewed some of the details. She explained that one thing that it would do was to allow the facilities into all of the zoning districts. At this particular moment, as the ordinance stands today, no wireless facilities of this type, no matter how they may be constructed or what they might be placed on, are permitted on anything other than industrial zoning. That severely limits their ability to allow coverage for the community. Right now, they are dealing with it like a lot of communities did at the beginning of this technology permitting them where radio and television broadcasting towers were allowed to locate.

Mrs. Stultz then referred the Council to Section 11.29 which discussed definitions. She explained that these are definitions that are a part of the wireless communication technology and need to be added to those sections.

Mrs. Stultz stated that one of the things they tried to do in drafting this ordinance amendment was to encourage these facilities to be placed on existing structures if at all possible, public property on things like water towers and those kinds of things whenever they could be. That was the reasoning behind exempting city property. It does provide that this is not to interfere with the radio operator in being able to use his or her equipment provided they have FCC approval. She also noted there were sections that talked about the Federal requirements and those things they have to care for. They do specifically state that they have to do building code and obviously comply with state building codes. They have provisions that would recommend that the land form be preserved so no more property is cleared especially in a wooded area than necessary and that existing vegetation be preserved when at all possible. Mrs. Stultz noted that they have also put in there about a minimum site disturbance and one issue that had faced some communities was signs. When the structures were put up then they become a billboard structure and that is generally not something that communities have wanted to have happen. One of the biggest issues with wireless communication facilities is the obsolescence of technology. They know that they have seen all kinds of things come in the last few years and this technology is advancing. Most planners in the nation, as they have looked at this, have realized that they have to deal with the obsolescence of these facilities and what happens when the wireless communication companies no longer need them. That was why the provision about obsolescence was in there.

Mrs. Stultz added that another big issue was how they were constructed and how they might fall from a natural incidence or a construction issue. Some towers are designed whereby they crumble and fall in pieces and will fall without having to have the fall zone be the entire length of the tower if they just lay it down and make a circle. Without that kind of approval, they do need to protect adjoining property owners if it were to fall. Right now, with the regs they have, they do not have the ability to do that.

Mrs. Stultz referred the Council Members to the amendment whereby portions of it look as though they may have gotten the same thing twice and that was because of the way their special use process was put together in the ordinance. She stated that she did think that it was an amendment that would encourage the adequate provision of this technology while protecting the community from the aesthetic impact. They will encourage them on industrial sites which is where they might be compatible and other areas.

Council Member Gover asked Mrs. Stultz to go over the quarter of a mile to which she replied that the basic understanding that she had, and where the word cell came from, when they site these things, they are done in cells. When they go out and try to locate them, they look like grids on a piece of graph paper. Generally and especially in our area, they are a half mile wide. The reason they put the provision in there that talks about if it's within a quarter of a mile of the edge of the city's ETJ (extraterritorial jurisdiction), was simply because there is another tower here in the county's jurisdiction that would serve the same area that this one is; there may not need to be two placed there. She stated they have seen that in reverse, the county had to deal with that as an issue with the tower that was already placed within the city's jurisdiction and a company wanted to put one really close to it. While they want to make sure that they get the whole area

covered, they do not necessarily, according to the staff's recommendation and the Planning Board's (recommendation) want to plethora other things if it's not necessary to have them.

Mr. Stultz stated that the ordinance as they presented it, specifically provides, if the company can prove that they have no alternative to what they are proposing, that the city must consider that. She stated she thought that was part of the FCC rules and good business to make sure that they go where they need to be.

Council Member Gover asked about the height of the antennas and if that was in general to which Mrs. Stultz replied it was, and was very similar to what everyone else was doing. The one thing that she noted was a recommendation about the cost of the application which was considerably higher than what they normally charge for rezonings, special use permits and those kinds of things. She noted that it was a fee that was very similar to what other jurisdictions in our area are doing. The reasoning behind that was because situations arise where it is required to hire outside engineering assistants beyond the staff's expertise and to get the city even with what others are doing.

Mr. Nooe asked Mrs. Stultz if she could fill out an application, that if she submitted it herself according to the provisions of this ordinance, that she should have a right to have it issued by the Board of Adjustment. Mrs. Stultz replied, yes sir and Mr. Nooe stated he did not see it in there.

Mrs. Stultz read from Page 19 that "in finding that the petitioner meets the foregoing standards, the board of adjustment shall issue to the petitioners. . ."

Mr. Nooe asked Mrs. Stultz what were the foregoing standards that the applicant meets that the applicant is entitled to the special use permit. He added in looking at the factors, it was that they "may waive or reduce the burden on the applicant of one of more of these" and it goes on to other things to be considered, but he did not see where it said which factors. If the Board of Adjustment finds what particular factors are met, it should issue the permit. He stated that he saw mostly if it did not like it, that it did not have to issue it.

Mrs. Stultz replied that certainly was not her intent in preparing this ordinance. She stated she would be happy to change it and bring it back the way he (Mr. Nooe) thought was appropriate.

Mr. Nooe asked if the Council wanted to continue this until Monday (the date set aside to continue the regular meeting) as he really did not see the language in there.

A motion was made by Council Member Grogan seconded by Council Member Tudor to continue this item until Monday (March 27, 2000). Mrs. Stultz explained that she would be out of town on Monday. All Council Members voted in favor of this motion.

Break:

Mayor Price announced a short break before continuing with the last public hearing.

Meeting Convened:

Mayor Price called the meeting back to order and continued with the last public hearing which was as follows:

Consideration of Refinancing 1991 A. Water and Sewer Bonds

(a) Adoption of bond order
(b) Adoption of resolution containing
    (1) approval of official statement
    (2) adoption of escrow agreement
    (3) adoption of a blanket letter of representation of the city by Depository Trust Company.

Mayor Price called public hearing to order and called on Mr. Ray Sharp.

CITY OF EDEN, N. C.

Minutes of the March 21, 2000 meeting of the City Council, City of Eden, N. C.

Mr. Sharp explained that last Friday, March 17th, he and Mr. Thomas met with the bond attorneys, Mr. Jeff Poley and Mr. Tom Lee, Financial Advisor, Mr. Robert Hodson and Mr. Gordon Johnson of the Local Government Commission to discuss the bond order, bond resolution, and official statement. He noted that they have made the changes deemed necessary by the attorney, financial advisor, and the Local Government Commission.

Mr. Sharp explained that the first item in front of them was the summary. He explained that this is what would happen if they locked their rates in on March 15. The net savings would have been $32,000 per year for the years 2001 through 2008. This is a 3.62 percent whereas on Friday, in their meeting, they were looking at 3.65 percent. He noted that this is an estimate and does not represent the savings in April as it could be more or less and would depend on the financial market as that point in time.

The first thing they need to do is to hold a public hearing on the bonds and adopt a bond order that was introduced at the February meeting. He explained that the bonds would save $32,000 per year for the next seven years. This year the savings are very minimal, if any.

Council Member Janney asked when they get started, if the rate goes down to where they think it is not feasible, they can back out at any time to which Mr. Sharp relied they could back out before the settlement date.

Council Member Grogan stated with this, he thought they were talking about a date in the middle of April when the interest rate would be a drop dead date to drop out which would be the first of May.

Mr. Sharp stated that the Local Government Commission will not let them go forward if they do not think the savings is enough for them to do this. They will halt this themselves. Their minimum savings is three percent. If it falls down to below three percent, they will probably call halt to it.

Mr. Thomas stated he would like to make sure that everyone understands that the $32,000 annual savings at this point is an estimate based upon what the current market is telling them. That is a net savings. All of the expenses for the bond refinancing is considered in this and taken off of the top and that is a net savings with all of the fees and so forth that would have to be paid during this transaction.

Mayor Price then began the process and asked the Clerk to record that all Council Members were present. In addition to the Council Members present were: City Manager, Radford L. Thomas; City Clerk, Kim J. Scott; and City Attorney, Charles J. Nooe.

Mayor Price read:

A regular meeting of the City Council for the City of Eden, North Carolina, was held in City Hall in Eden, North Carolina, the regular place of meeting, at 7:30 p.m. on March 21, 2000.

Present: Mayor Phillip King Price, presiding, and Council Members William W. Rorrer, Ronald H. Reynolds, John E. Grogan, C. H. Gover, Garry W. Tudor, Christine H. Myott, and Ronald L. Janney.

Absent: None

Also Present: City Manager, Radford L. Thomas; City Clerk, Kim J. Scott; and City Attorney, Charles J. Nooe.

Mayor Price announced that this was the hour and day fixed by the City Council for the public hearing upon the order entitled "ORDER AUTHORIZING $6,850,000 WATER AND SEWER REFUNDING BONDS" and that the City Council would immediately hear anyone who

might wish to be heard on the question of the validity of said order or the advisability of issuing said bonds.

No one appeared, either in person or by attorney, to be heard on the questions of the validity of said order or the advisability of issuing said bonds and the City Clerk announced that no written statement relating to said questions had been received.

Thereupon, upon motion of Council Member Ronald L. Janney, seconded by Council Member William W. Rorrer, the above order, introduced and passed on first reading on February 15, 2000 and entitled "ORDER AUTHORIZING $6,850,000 WATER AND SEWER REFUNDING BONDS" was read a second time and placed upon its final passage. The vote upon the final passage of said order was:

Ayes: Council Members William W. Rorrer, Ronald H. Reynolds, John E. Grogan, C. H. Gover, Garry W. Tudor, Christine H. Myott, and Ronald L. Janney.

Noes: None

The Mayor then announced that the order entitled "ORDER AUTHORIZING $6,850,000 WATER AND SEWER REFUNDING BONDS" had been adopted.

The City Clerk was thereupon directed to publish said order, together with the appended statement as required by The Local Government Bond Act, as amended, once in The Daily News.

Thereupon, Mayor Philip K. Price introduced the following resolution, the title of which was read and copies of which had been previously distributed to each Council Member.

(Please note that all members were provided a copy of the resolution)

RESOLUTION PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION WATER AND SEWER REFUNDING BONDS, SERIES 2000 (AMT)

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

Section 1. The City Council has determined and does hereby find and declare as follows:

(a) An order authorizing $6,850,000 Water and Sewer Refunding Bonds was adopted by the City Council on March 21, 2000, which order has taken effect.

(b) None of said bonds has been issued, that no notes have been issued in anticipation of the receipt of the proceeds of the sale of said bonds and that it is necessary to issue up to $6,850,000 of said bonds at this time, subject to the determinations of the City Manager and the Finance Director of the City as provided below.

(c) The shortest period of time in which the outstanding Water and Sewer Bonds, Series 1991A of the City, dated January 1, 1991, to be refunded by said bonds can be finally paid without making it unduly burdensome on the taxpayers of the City as determined by the Local Government Commission of North Carolina, is a period which expires on June 1, 2008, and that the end of the unexpired usefulness of the projects financed by said Water and Sewer Bonds, is estimated as a period of forty (40) years from January 1, 1991, the date of said Community College Bonds, and that such period expires on January 1, 2031.

Section 2. Pursuant to said order, there shall be issued bonds of the City in the aggregate principal amount of not exceeding $6,850,000 (subject to adjustment as hereinafter provided), designated "General Obligation Water and Sewer Refunding Bonds, Series 2000 (AMT)" and dated April 15, 2000 (the "Bonds"). The Bonds shall be stated to mature on the dates and in the amounts determined by the City Manager and the Finance Director of the City as hereinafter provided and shall bear interest at a rate or rates to be determined by the Local Government Commission of North Carolina at the time the Bonds are sold, which interest to the respective maturities thereof shall be payable on semiannually on each June 1 and December 1, beginning June 1, 2000, until payment of such principal sum.

The aggregate amount of Bonds to be issued and the amount of Bonds maturing annually shall be determined by the City Manager and the Finance Director of the City prior to the

issuance of the Bonds. The aggregate amount of Bonds to be issued shall be the amount the City Manager and the Finance Director determine to be required in order to effect a refunding of those bonds referred to in Section 1(c) that, based upon then current market conditions, may be refunded at a level of debt service savings of the City that the City Manager and the Finance Director find acceptable and in the best interest of the City. In determining whether a level of debt service savings is acceptable, the City Manager and the Finance Director shall take into consideration the amount of annual savings to the City resulting from the refunding, the percentages of the principal amounts of bonds to be refunded and to be issued and whether and when the City may have other opportunities to refund the bonds proposed to be refunded. The annual maturities of the Bonds shall be the amounts determined by the City Manager and the Finance Director to be the amounts, subject to the limitations imposed by the laws of North Carolina, reasonably practicable in order to enable the City to accomplish the refunding hereby authorized, while taking into account such considerations as the City Manager and the Finance Director of the City shall deem relevant as to the debt service on all of the outstanding indebtedness of the City following the issuance of the refunding Bonds. In the event that the City Manager and the Finance Director of the City determine that it is in the best interest of the City, the City Manager and the Finance Director may determine that the Bonds shall be dated a date later than April 15, but not later than the date of issuance of the Bonds. The City Manager and the Finance Director of the City are hereby authorized and directed to make such determinations on behalf of the City, which determinations shall be evidenced by a written certificate of the City Manager and the Finance Director of the City delivered in connection with the sale of the Bonds.

Each Bond shall bear interest from the interest payment date next preceding the date on which it is authenticated unless it is (a) authenticated upon an interest payment date, in which event it shall bear interest from such interest payment date or (b) authenticated prior to the first interest payment date, in which event it shall bear interest from its date; provided, however, that if at the time of authentication interest is in default, such Bond shall bear interest from the date to which interest has been paid.

The principal of and the interest on the Bonds shall be payable in any coin or currency of the United States of America which is legal tender for the payment of public and private debts on the respective dates of payment thereof.

The Bonds shall be issued by means of a book-entry system with no physical distribution of Bond certificates to be made except as hereinafter provided. One Bond certificate with respect to each date on which the Bonds are stated to mature, in the aggregate principal amount of the Bonds stated to mature on such date and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York (“DTC”), shall be issued and required to be deposited with DTC and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in the principal amount of $5,000 or any whole multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. The principal of each Bond shall be payable to Cede & Co. or any other person appearing on the registration books of the City hereinafter provided for as the registered owner of such Bond or his registered assigns or legal representative, at such office of the Bond Registrar (hereinafter mentioned) or such other place as the City may determine upon the presentation and surrender thereof as the same shall become due and payable. Payment of the interest on each Bond shall be made by said Bond Registrar on each interest payment date to the registered owner of such Bond (or the previous Bond or Bonds evidencing the same debt as that evidenced by such Bond) at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date, by check mailed to such person at his address as it appears on such registration books; provided, however, that for so long as the Bonds are deposited with DTC, the payment of the principal of and interest on the Bonds shall be made to DTC in same-day funds by 2:30 p.m. or otherwise as determined by the rules and procedures established by DTC. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC, and transfer of principal and interest payments to beneficial owners of the Bonds by participants of DTC will be the responsibility of such participants and other nominees of such beneficial owners. The City shall not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing records maintained by DTC, its participants or persons acting through such participants.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds or (b) the Finance Director of the City determines that continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the City shall discontinue the book-entry system with DTC. If the City identifies another qualified securities depository to replace DTC, the City shall make arrangements with DTC and such other depository to effect such replacement and deliver replacement Bonds registered in the name of such other depository or its nominee in exchange for the outstanding Bonds, and the references to DTC or Cede & Co. in this resolution shall thereupon be deemed to mean such other depository or its nominee. If the City fails to identify another qualified securities depository to replace DTC, the City shall deliver replacement Bonds in the form of fully-registered certificates in denominations of $5,000 or any whole multiple thereof ("Certificated Bonds") in exchange for the outstanding Bonds as required by DTC and others. Upon the request of DTC, the City may also deliver one or more Certificated Bonds to any participant of DTC in exchange for Bonds credited to its account with DTC.

Unless indicated otherwise, the provisions of this resolution that follow shall apply to all Bonds issued or issuable hereunder, whether initially or in replacement thereof.

Section 3. The Bonds shall bear the manual or facsimile signatures of the Mayor and the City Clerk of the City and the official seal or a facsimile of the official seal of the City shall be impressed or imprinted, as the case may be, on the Bonds.

The certificate of the Local Government Commission of North Carolina to be endorsed on all Bonds shall bear the manual or facsimile signature of the Secretary of said Commission, and the certificate of authentication of the Bond Registrar to be endorsed on all Bonds shall be executed as hereinafter provided.

In case any officer of the City or the Local Government Commission of North Carolina whose manual or facsimile signature shall appear on any Bonds shall cease to be such officer before the delivery of such Bonds, such manual or facsimile signature shall nevertheless be valid and sufficient for all purposes the same as if he had remained in office until such delivery, and any Bond may bear the manual or facsimile signatures of such persons as at the actual time of the execution of such Bond shall be the proper officers to sign such Bond although at the date of such Bond such persons may not have been such officers.

No Bond shall be valid or become obligatory for any purpose or be entitled to any benefit or security under this resolution until it shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed thereon.

The Bonds and the endorsements thereon shall be in substantially the following form:

No. R-___ $______

United States of America
State of North Carolina
County of Rockingham

CITY OF EDEN

GENERAL OBLIGATION WATER AND SEWER REFUNDING BOND
SERIES 2000 (AMT)

Maturity Date	Interest Rate	CUSIP
June 1, _____	____%	

The City of Eden, a municipal corporation in the State of North Carolina, is justly indebted and for value received hereby promises to pay to

CEDE & CO.

or registered assigns or legal representative on the date specified above, upon the presentation and surrender hereof, at the office of the Finance Director of said City (the "Bond Registrar"), in the City of Eden, North Carolina, the principal sum of

_______________________ DOLLARS

and to pay interest on such principal sum from the date hereof or from the June 1 or December 1 next preceding the date of authentication to which interest shall have been paid, unless such date of authentication is a June 1 or December 1 to which interest shall have been paid, in which case from such date, such interest to the maturity hereof being payable semiannually on June 1 and December 1, beginning June 1, 2000, at the rate per annum specified above, until payment of such principal sum. The interest so payable on any such interest payment date will be paid to the person in whose name this bond (or the previous bond or bonds evidencing the same debt as that evidenced by this bond) is registered at the close of business on the record date for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such interest payment date, by check mailed to such person at his address as it appears on the bond registration books of said City; provided, however, that for so long as the Bonds (hereinafter defined) are deposited with The Depository Trust Company, New York, New York ("DTC"), the payment of the principal of and interest on the Bonds shall be made to DTC in same day funds by 2:30 p.m. or otherwise as determined by the rules and procedures established by DTC. Both the principal of and the interest on this Bond shall be paid in any coin or currency of the United States of America that is legal tender for the payment of public and private debts on the respective dates of payment thereof. For the prompt payment hereof, both principal and interest as the same shall become due, the faith and credit of said City are hereby irrevocably pledged.

This bond is one of an issue of bonds designated "General Obligation Water and Sewer Refunding Bonds, Series 2000 (AMT)" (the "Bonds") and issued by said City for the purpose of providing funds, with any other available funds, for refunding a portion of the City's outstanding Water and Sewer Bonds, Series 1991A, dated January 1, 1991. The Bonds are issued under and pursuant to The Local Government Bond Act, as amended, Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina, an order adopted by the City Council of said City, which order has taken effect, and a resolution duly passed by said City Council (the "Resolution").

The Bonds are not subject to redemption prior to their maturity.

The Bonds are being issued by means of a book-entry system with no physical distribution of bond certificates to be made except as provided in the Resolution. One Bond certificate with respect to each date on which the Bonds are stated to mature, in the aggregate principal amount of the Bonds stated to mature on such date and registered in the name of Cede & Co., as nominee of The Depository Trust Company, New York, New York ("DTC"), is being issued and required to be deposited with DTC and immobilized in its custody. The book-entry system will evidence ownership of the Bonds in the principal amount of $5,000 or any whole multiple thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC, and transfer of principal and interest payments to beneficial owners of the Bonds by participants of DTC will be the responsibility of such participants and other nominees of such beneficial owners. Said City will not be responsible or liable for such transfers of payments or for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In certain events, said City will be authorized to deliver replacement Bonds in the form of fully-registered certificates in the denomination of $5,000 or any whole multiple thereof in exchange for the outstanding Bonds as provided in the Resolution.

At the office of the Bond Registrar, in the manner and subject to the conditions provided in the Resolution, Bonds may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of authorized denominations and bearing interest at the same rate.

The Bond Registrar shall keep at his office the books of said City for the registration of transfer of Bonds. The transfer of this bond may be registered only upon such books and as otherwise provided in the Resolution upon the surrender hereof to the Bond Registrar together with an assignment duly executed by the registered owner hereof or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such

registration of transfer, the Bond Registrar shall deliver in exchange for this bond a new Bond or Bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the principal amount of this bond, of the same maturity and bearing interest at the same rate.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this bond have happened, exist and have been performed in regular and due form and time as so required; that provision has been made for the levy and collection of a direct annual tax upon all taxable property within said City sufficient to pay the principal of and the interest on this bond as the same shall become due; and that the total indebtedness of said City, including this bond, does not exceed any constitutional or statutory limitation thereon.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Resolution until this bond shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

IN WITNESS WHEREOF, the City of Eden, North Carolina, by resolution duly passed by its City Council, has caused this bond to be manually signed by the Mayor and the City Clerk of said City and its official seal to be impressed hereon, all as of the 1st day of April, 2000.

____
Mayor

[SEAL]

City Clerk

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within bond has been approved under the provisions of The Local Government Bond Act of North Carolina.

____
Secretary of the Local Government Commission of North Carolina

CERTIFICATE OF AUTHENTICATION

This bond is one of the Bonds of the series designated herein and issued under the provisions of the within-mentioned Resolution.

____
Finance Director, as Bond Registrar

Date of authentication: May __, 2000

ASSIGNMENT

FOR VALUE RECEIVED the undersigned registered owner thereof hereby sells, assigns and transfers unto

____

____

the within bond and all rights thereunder and hereby irrevocably constitutes and appoints

____

attorney to register the transfer of said bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: ____________________

In the presence of:

NOTICE: The signature must be guaranteed by an institution which is a participant in the Securities Transfer Agent Medallion Program (STAMP) or similar program.

The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration of enlargement or any change whatever.

Certificated Bonds issuable hereunder shall be in substantially the form of the Bonds registered in the name of Cede & Co. with such changes as are necessary to reflect the provisions of this resolution that are applicable to Certificated Bonds.

Section 4. The Bonds shall not be subject to redemption prior to their maturity.

Section 5. Bonds, upon surrender thereof at the office of the Bond Registrar, together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of any denomination or denominations authorized by this resolution and bearing interest at the same rate.

The transfer of any Bond may be registered only upon the registration books of the City upon the surrender thereof to the Bond Registrar together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall authenticate and deliver in exchange for such Bond a new Bond or Bonds, registered in the name of the transferee, of any denomination or denominations authorized by this resolution, in an aggregate principal amount equal to the principal amount of such Bond so surrendered, of the same maturity and bearing interest at the same rate.

In all cases in which Bonds shall be exchanged or the transfer of Bonds shall be registered hereunder, the Bond Registrar shall authenticate and deliver at the earliest practicable time Bonds in accordance with the provisions of this resolution. All Bonds surrendered in any such exchange or registration of transfer shall forthwith be canceled by the Bond Registrar. The City or the Bond Registrar may make a charge for shipping and out-of-pocket costs for every such exchange or registration of transfer of Bonds sufficient to reimburse it for any tax or other governmental charge required to be paid with respect to such exchange or registration of transfer, but no other charge shall be made by the City or the Bond Registrar for exchanging or registering the transfer of Bonds under this resolution.

As to any Bond, the person in whose name the same shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of or on account of the principal of any such Bond and the interest on any such Bond shall be made only to or upon the order of the registered owner thereof or his legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability upon such Bond, including the interest thereon, to the extent of the sum or sums so paid.

The City shall appoint such registrars, transfer agents, depositaries or other agents as may be necessary for the registration, registration of transfer and exchange of Bonds within a reasonable time according to then current commercial standards and for the timely payment of principal and interest with respect to the Bonds. The Finance Director of the City, or any person at anytime acting in such capacity, is hereby appointed the registrar, transfer agent and paying agent for the Bonds (collectively, the "Bond Registrar"), subject to the right of the City Council of the City to appoint another Bond Registrar, and as such shall keep at his office in the City, the books of the City for the registration, registration of transfer, exchange and payment of the Bonds as provided in this resolution.

Section 6. The City covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Internal Revenue

Code of 1986 (the "Code"), as amended or as may be amended from time to time, and any Treasury regulations now or hereafter promulgated thereunder, to the extent necessary so that interest on the bond will not be included in gross income of the owners of the Bonds for purposes of federal income tax. The action of the Mayor, the City Manager, the Finance Director and the City Clerk of the City in applying to the North Carolina Tax Reform Allocation Committee for an allocation of the State of North Carolina's volume allocation is hereby approved, ratified and confirmed, and such entity is hereby requested to make such allocation to the City.

Section 7. The action of the Mayor, the City Manager, the Finance Director and the City Clerk of the City in applying to the Local Government Commission of North Carolina to advertise and sell the Bonds is hereby approved, ratified and confirmed, and the Local Government Commission of North Carolina is hereby requested to ask for sealed bids for the Bonds by publishing notices and printing and distributing an Official Statement relating to the sale of the Bonds. Such Official Statement, to be dated on or about April 7, 2000, in substantially the form presented at this meeting, is hereby ratified and approved. The execution and delivery of such Official Statement by the Mayor, the City Manager and the Finance Director is hereby approved, ratified and confirmed.

The preparation of a supplement to the Official Statement (the "Supplement"), which will include certain pricing and other information to be made available to the successful bidder for the Bonds by the Local Government Commission of North Carolina, which supplement together with the Official Statement will constitute the "Final Official Statement," is hereby approved, and the Mayor, the City Manager and the Finance Director of the City are hereby authorized to execute such Final Official Statement for and on the behalf of the City, and such execution shall be conclusive evidence of the approval of the City Council of the Supplement.

Section 8. The City hereby undertakes, for the benefit of the beneficial owners of the Bonds, to provide:

(a) by not later than seven months from the end of each fiscal year of the City, beginning with the fiscal year ending June 30, 2000, to each nationally recognized municipal securities information repository ("NRMSIR") and to the state information depository for the State of North Carolina ("SID"), if any, audited financial statements of the City for such Fiscal Year, if available, prepared in accordance with Section 159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or, if such audited financial statements of the City are not available by seven months from the end of such fiscal year, unaudited financial statements of the City for such fiscal year to be replaced subsequently by audited financial statements of the City to be delivered within fifteen (15) days after such audited financial statements become available for distribution;

(b) by not later than seven months from the end of each fiscal year of the City, beginning with the fiscal year ending June 30, 2000, to each NRMSIR, and to the SID, if any, (i) the financial and statistical data as of a date not earlier than the end of the preceding fiscal year for the type of information included under the headings "The City - Debt Information and - Tax Information" (excluding any information on underlying units) in the Final Official Statement relating to the Bonds and (ii) the combined budget of the City for the current fiscal year, to the extent such items are not included in the audited financial statements referred to in (a) above;

(c) in a timely manner, to each NRMSIR or to the Municipal Securities Rulemaking Board ("MSRB"), and to the SID, if any, notice of any of the following events with respect to the Bonds, if material:

(1) principal and interest payment delinquencies;
(2) non-payment related defaults;
(3) unscheduled draws on debt service reserves reflecting financial difficulties;
(4) unscheduled draws on credit enhancements reflecting financial difficulties;
(5) substitution of credit or liquidity providers, or their failure to perform;
(6) adverse tax opinions or events affecting the tax-exempt status of the Bonds;
(7) modification to the rights of the beneficial owners of the Bonds;
(8) bond calls;
(9) defeasances;
(10) release, substitution or sale of any property securing repayment of the Bonds; and
(11) rating changes; and

(d) in a timely manner, to each NRMSIR or to the MSRB, and to the SID, if any, notice of a failure of the City to provide required annual financial information described in (a) or (b) above on or before the date specified.

If the City fails to comply with the undertaking described above, any beneficial owner of the Bonds may take action to protect and enforce the rights of all beneficial owners with respect to such undertaking, including an action for specific performance; provided, however, that failure to comply with such undertaking shall not be an event of default and shall not result in any acceleration of payment of the Bonds. All actions shall be instituted, had and maintained in the manner provided in this paragraph for the benefit of all beneficial owners of the Bonds.

The City reserves the right to modify from time to time the information to be provided to the extent necessary or appropriate in the judgment of the City, provided that:

(a) any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature or status of the City;

(b) the information to be provided, as modified, would have complied with the requirements of Rule 15c2-12 issued under the Securities Exchange Act of 1934 ("Rule 15c2-12") as of the date of the Official Statement, after taking into account any amendments or interpretations of Rule 15c2-12, as well as any changes in circumstances; and

(c) any such modification does not materially impair the interests of the beneficial owners of the Bonds, as determined either by parties unaffiliated with the City (such as bond counsel), or by the approving vote of the registered owners of a majority in principal amount of the Bonds pursuant to the terms of this resolution, as this resolution may be amended from time to time, at the time of such amendment.

In the event that the City makes such a modification, the annual financial information containing the modified operating data or financial information shall explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The provisions of this Section shall terminate upon payment, or provision having been made for payment in a manner consistent with Rule 15c2-12, in full of the principal of and interest on all of the Bonds.

Section 9. First-Citizens Bank & Trust Company, in the City of Raleigh, North Carolina, is hereby appointed as escrow agent (the "Escrow Agent") in connection with the refunding of the bonds to be refunded mentioned in Section 1 above, subject to the right of the City Council of the City to appoint another Escrow Agent as provided in the Escrow Deposit Agreement (hereinafter mentioned), and as such shall perform its responsibilities as provided in the Escrow Deposit Agreement. The Escrow Deposit Agreement, to be dated April 15, 2000 (the "Escrow Deposit Agreement"), between the City and the Escrow Agent, in substantially the form presented at this meeting, and the creation of the Escrow Fund thereunder and the other arrangements to accomplish such refunding, is hereby approved, and the Mayor and the City Clerk of the City are each hereby authorized to execute and deliver the Escrow Deposit Agreement for and on behalf of the City with such additions, deletions and changes as they deem necessary.

Section 10. The appointment of The Robinson-Humphrey Company, LLC, Charlotte, North Carolina, as financial advisor to the City in connection with the issuance of the Bonds, as described under the caption "Financial Advisor" in the Official Statement, is hereby approved, ratified and confirmed. The Robinson-Humphrey Company, LLC and Salomon Smith Barney, Inc. (The Robinson-Humphrey Company, LLC's parent corporation) are hereby given permission to submit a competitive bid at the public sale for the Bonds, and may acquire as principal or as a participant in a syndicate of underwriters, all or a portion of the Bonds. The appointment of Grant Thornton LLP, Minneapolis, Minnesota as rebate verifier is hereby approved, ratified and confirmed.

Section 11. The outstanding Water and Sewer Bonds, Series 1991A of the City, dated January 1, 1991, and stated to mature on June 1, 2001 to 2008, inclusive, are hereby irrevocably called for redemption on June 15, 2000, in accordance with the resolution authorizing the issuance of said bonds, this resolution and the Escrow Deposit Agreement. The Escrow Agent is hereby directed to provide notices of such redemption at the times and in the manner set forth in the resolution authorizing the issuance of said bonds and the Escrow Deposit Agreement.

Section 12. The Blanket Letter of Representations, as requested by DTC in connection with the issuance of the Bonds and substantially in the form presented at this meeting, is hereby approved, and the Finance Director of the City is hereby authorized to complete and execute such Blanket Letter of Representations and to deliver the same to DTC for and on behalf of the City.

Section 13. This resolution shall take effect upon its passage, except for Section 11 of this resolution which shall become effective only upon the issuance of the Bonds..

Upon motion of Council Member C. H. Gover, seconded by Council Member Christine H. Myott, the foregoing resolution entitled "RESOLUTION PROVIDING FOR THE ISSUANCE OF GENERAL OBLIGATION WATER AND SEWER REFUNDING BONDS, SERIES 2000 (AMT)" was passed by the following vote:

Ayes: Council Members William W. Rorrer, Ronald H. Reynolds, John E. Grogan, C. H. Gover, Garry W. Tudor, Christine H. Myott, and Ronald L. Janney.

Noes: None

* * * * * *

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 March 21, 2000, as it relates in any way to the adoption of an order authorizing $6,850,000 Water and Sewer Refunding Bonds and authorizing the issuance thereof 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 21st day of March, 2000.

____
City Clerk

[SEAL]

(Notice to be published in the paper)

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

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

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.

1. That taxes shall be levied in an amount sufficient to pay the principal of and the interest on said bonds.

2. That a sworn statement of debt of said City has been filed with the City Clerk and is open to public inspection.

3. That this order shall take effect upon adoption.

The foregoing order was adopted on March 21, 2000, and is hereby published this 24th day of March, 2000. Any action or proceeding questioning the validity of the order must be begun within 30 days after the date of publication of this notice.

Kim J. Scott
City Clerk
City of Eden, North Carolina

Escrow Deposit Agreement: (Please note the is on file in the office of the City Clerk).

Mayor Price continued with the Escrow Deposit Agreement.

Mr. Sharp explained that this was an agreement where they used First Citizens Bank to put the proceeds of the bond revenue in and they will buy "slugs" a Federal obligation to pay the bonds when they come due. They will call the bonds and pay any premium interest that is due, and they will take care of the old bonds at that point in time. This is an escrow, where all of the money goes in and they pay the money out for the old bonds.

A motion was made by Council Member Grogan seconded by Council Member Gover to approve the escrow deposit agreement awarding the contract the First Citizens Bank and Trust Company. All Council Members voted in favor of this motion.

Council Member Grogan suggested that they restate that the Local Government Commission, which is controlled by Harlan E. Boyles, Treasurer of the State of North Carolina, looks over all local government as far as issuing and refinancing bonds and they really are in control which gives him a lot of comfort as well as it should the citizens of Eden and this City Council. They would not let them refinance if it is going to be more than reasonable deal for the tax payment.

Blanket Letter of Representation:

Mayor Price noted that the last item was a blanket letter of representation and authorizing Mr. Sharp, as Finance Director, to sign it.

A motion was made by Council Member Rorrer seconded by Council Member Gover to approve the Blanket Issuer Letter of Representation and authorize Mr. Sharp to sign it. All Council

Members voted in favor of this motion.

Mr. Nooe instructed Mayor Price that a motion was needed in order to approve the official statements that were made. A motion was made by Council Member Rorrer seconded by Council Member Janney to approve the official statements. All Council Members voted in favor of this motion.

Mayor Price then declared the public hearing closed.

Monthly Financial Report:

(a) Financial Departments Monthly Report

Mayor Price asked to postpone this until Monday, March 27, 2000 when the meeting will be continued.

March 21, 2000

CITY OF EDEN, N. C.

Minutes of the March 21, 2000 meeting of the City Council, City of Eden, N. C.

Request and Petitions of Citizens:

REQUESTS AND PETITIONS OF CITIZENS:

Mr. Phillip Hunnicutt addressed Council regarding the Restricted Covenant between Fieldcrest and the City.

Mr. Philip Hunnicutt, 218 Highland Drive, explained that he was present at the beginning of the session and heard comments relating to the discussion of the park. He stated that his name was used several times in that conversation and he wanted to, without embellishing the facts, try to tell the Council and the public his side of what occurred relating to the purchase by the city of the technical center and the other properties and he stated that he would try to carry it through fairly quick, but there were a couple of things that he needed to say relating to that. He explained that relating to the park property, some of them may have known Buck Dumaine, or known of him, but shortly after he (Hunnicutt) started with Fieldcrest in 1981, Mr. Dumaine wanted to try to get that land, that was now the park, that he called the smoke house property, he wanted to get it back in to cultivation. He stated that they went down and started farming the thing at a loss, but nevertheless, he wanted to try to put the land at use.

Mr. Hunnicutt stated that the point was, that Mr. Dumaine loved the land and the land was never developed because of that. One of the times when the tractors were running across that land Mr. Dumaine shared his vision of that land with him and his boss, Mr. Howard Richardson. He stated that Mr. Dumaine said that he envisioned that at some point in the future as Eden grew, that land would be a central park for the city of Eden, a central park like New York, not a trailer park, not an industrial park and relating to the plans for the park today, not a Fenway Park. He stated that he envisioned it to be green space, exactly like it was today, exactly like it had always been.

He stated that he thought the city acquired the property in 1994. At that time, they had unfortunately relocated jobs to Kannapolis, and their Technical Center, as it was called, was shut down and put on the market for sale. It sat there for a good number of months without any activity whatsoever and then the city came to take a look, was interested, and made an offer.

He stated that he would be honest, he did not recall, and he added, he would try to let them know if he did not recall something, but he did not recall what the opening offer was, but he did recall that it was not an acceptable number for Fieldcrest.

Mr. Hunnicutt explained that during the last several years, when Fieldcrest was independent, prior to the time that Pillowtex acquired them, they were under some pretty strict financial restraints. Their revolving credit agreement required that all of their real estate assets, or the major assets, were put up as collateral to support their revolving credit agreement. One of the terms and the stipulations of that revolving credit agreement was that they could not sell any property at a loss. He explained that a loss was defined as the book value of the property. Unfortunately the city's opening offer was below the threshold of what they could sell the property for. He stated that they saw the city as pretty much their only opportunity to dispose of the property as they needed the cash and they needed to move the property.

Mr. Hunnicutt then addressed Mayor Price and stated that after that offer, he may recall that he (Mayor) called him and told him he had an idea. Mr. Hunnicutt stated that it was a very forward and positive idea, related to the use of that land, the Smokehouse property, as a park. Mayor Price had asked him if he thought that Fieldcrest would consider a donation of that park property to be used for a park. He stated that he took that thought, and he thought it was a great idea, to his boss, Mr. Ken Doss, and also corporate controller, Mr. Cliff Paulson, and they ultimately took it to Mr. Jim Fitzgibons, who was the Chief Executive Officer of the company. He stated that they did some numbers and looked at some things and basically what the deal came down to was that yes, they thought there was an opportunity to make something happen.

He stated that as that deal started to come together, he personally lobbied for the company to throw in two other parcels of land. He stated that nobody with the city ever asked for it, but the

Draper ball field was a property that the city had leased from Fieldcrest for a good number of years and there was a small parking lot behind the former Southern National Bank over on Bridge Street that adjoined the Karastan Mill that the city also used and he had suggested to Mr. Doss, Mr. Paulson, and also to Mr. Fitzgibons, that they also include those, just as a good token of the effort on it.

He stated that Mr. Fitzgibons, after discussing it with whoever he needed to discuss it, called him directly one day to talk about it. He said, "this is where we are at", and he stated that again, he did not know exactly what the number was, but just for purposes of demonstrating their position, he would say that the city's opening offer was a half million dollars, as he honestly did not remember. Their book value was say, $750,000, so somehow they had to structure that deal to get it over that threshold, and they had to get it above $750,000. He stated that Mr. Fitzgibons told him that if they could get the city to buy the tech center at $750,000 or more, and again, he stated that he did not know the exact number, they (Fieldcrest) would give them the other pieces of property.

He stated that as a part of that deal, they went back to Mr. Dumaine's earlier thoughts as he had shared that with him too. He stated that the conversation related to who came up with the idea on the deed restrictions, he would be honest, up until he heard those things last week, he did not recall, and he was not saying it did not happen, but he did not recall the city insisting that those things be there. He added that he thought it was a moot point as he did not care who or where it came from, but he just did not have that recollection.

Mr. Hunnicutt stated that he did know that in the conversation with Mr. Fitzgibons, that it was clearly absolutely no doubt in his mind a gift from Fieldcrest, the land was a gift, and that gift was subject to deed restrictions being on that land. He added that it may be that conversation through Mr. Doss went up to Mr. Fitzgibons saying that the city wanted the deed restrictions, and he did not challenge that as he did not think it was an issue. He explained that he did not think it was important, all he was saying was that he was told directly by the Chief Executive Officer that the land would be a gift and that there would be deed restrictions placed on it. The deal was done.

He stated that he was sorry that Mr. Harris was not there and he was exactly right, he (Hunnicutt) was not at that meeting. He stated that he thought Mayor Price and Mr. Harris met with Mr. Doss and a deal was struck. He stated that in his conversations with Mr. Paulson and Mr. Fitzgibons, as to were there any requirements relating to how this thing was allocated, the way it came back to him was, in the deal, they did not care, it did not make any difference. As long as they get their numbers, as long as it was blocked together, as long as they could demonstrate that they got over their threshold related to our restricted covenants on our loan agreement, they did not care how it was done.

He added that he was sure that from the city's perspective, there probably was some type of internal allocation. There may have been conversation at Council. He stated that this was something that he would ask as he would think that at any executive session or open session where those things were discussed, that if the city did allocate values, those things would show up on the minutes. He stated that he thought that the Council could satisfy themselves as to whether, from their perspective, they allocated a value to those various parcels or not. He added that it was not important and did not make any difference. He stated that if the city had come to Fieldcrest, and said, "we want to buy the tech center at $500,000 and we want to give you $100,000 for these other pieces of land, and those were done on different deals, there would have been no deal." He stated that was his point, the threshold had to be met, related to the book value of the property and that was exactly how it was done, that was how it was determined, that was the yard stick for the deal.

Mr. Hunnicutt stated that the deed restrictions were in the purchase and sell agreement that was approved by the Council in advance and he had worked with Mr. Nooe. He stated that as a matter of fact the language for the deed restrictions came from Mr. Nooe, which was great. He stated that they felt they were working shoulder to shoulder with the city. He stated that they did not think there was anything adversarial then and really he could imagine Pillowtex was

wondering why it was now, that it was the intent and it was the request, it was the deal that that was what the land would be for.

He stated that it was probably good that he did not speak after Mr. Harris, because he was a bit upset about the implications that somehow things had been misstated or misunderstood, or whatever. He stated that related to Mr. Nooe's point on the deed stamps, he was absolutely correct. Yes, they did say, this was what they wanted to do, related to that. He stated that he recalled that the property was conveyed through four deeds and it was his understanding that by law that there had to be some stamps associated with those deeds. They could not put all the stamps on the tech center deed and then not put any stamps on the others. He explained that he went to Mr. Paulson and said, "Cliff look, we got to do something, we are going to put something on it." He stated that again, his instructions were, estimate as best he could what he thought each parcel was worth. It was just that simple, then a percentage of that, just divvy it to the various ones, and that was what was done. He assured them (holding a Bible) that he was never part of any discussion where there was ever any allocation of values related to any of those properties as it relates to the deal. After the fact, he stated yes, and as a matter of fact even to further support all of that, they had the properties appraised after the deal was done, for the sole purpose of the tax benefit and there was some, that Fieldcrest had donated the property. He noted that the dates of those appraisals would bear that out.

Mr. Hunnicutt stated that he was there just to tell them, without trying to embellish it, that was the situation. He stated that he was not there to speak for or against the land for industrial and he was not there to speak for or against the land as a park. He stated that he was just trying to set the facts straight, from his perspective, as to exactly what occurred, what the deal was and what his instructions were. He stated that he was not working against any efforts to change those deed restrictions or against any efforts to change the park. He explained that he was there just to make the statement and to give some facts and some support as to exactly what did occur. He closed in saying that with that having been said, he would entertain any questions or comments; otherwise, he would dismiss himself and be gone.

Council Member Grogan commented that he questioned Mr. Dumaine and the property being a green area forever and ever and ever. He stated that there was an industrial prospect in town named Seicore, from Hickory, that looked at the site and Eden was on their short list. He stated that was the site and he thought they were given a price at that time of which Fieldcrest would be willing to sell that tract of land.

Mr. Hunnicutt asked if he was talking about during the time that he was with the company to which Council Member Grogan replied in the affirmative.

Mr. Hunnicutt stated that he would be honest with him. He stated that he had no recollection of that at all. He asked if that came from him (Hunnicutt) or Mr. Doss.

Council Member Grogan replied that he thought it came from him (Hunnicutt), through him. He stated that he (Hunnicutt) always went to Mr. Doss as he never could give an answer.

Mr. Hunnicutt agreed and asked to throw in one other fact. He stated that some several years ago . . . to which Council Member Grogan noted that it was a fact and Mr. Hunnicutt replied, okay.

Council Member Grogan explained that that piece of property was for sale to an industry and as far as holding it for Mr. Dumaine, in memory of him, as a green space, they (Fieldcrest) were willing to sell it prior to the city buying it.

Mr. Hunnicutt replied that he did not argue that point. He stated that the way he would respond to that was that at the same time, some several years ago, when they were doing the Eden Industrial Center, he had stood at this podium making a recommendation to rezone part of that land for office use. He stated that the only way he would know to describe that was that he had bosses at Fieldcrest and at that time, Mr. Joe Ely was chairman of the company and he assured him that if Mr. Ely said this was what they do, that was what was going on. He stated that related to that, Mr. Dumaine actually did not want the land that was now the Eden Industrial Center to be developed either and he could give him some names off the record of some people who took a

lot of heat related to the fact that, that did occur without Mr. Dumaine knowing that was going to happen. He stated that to that point, he could not argue it because if he (Hunnicutt) was told to do that, that was exactly what it was.

Mayor Price asked if there were any other questions of Mr. Hunnicutt.

Council Member Tudor commented that he wanted to say that about 85 percent of what Mr. Hunnicutt had shared with them this evening, he being a next door neighbor, he had shared that with him. He stated that it might give them some understanding of how he had proceeded as a member of Council, over this period of time, having had a lot of that in the back of his mind.

Mr. Nooe stated that he wanted to clarify one point being made because he was not down there at the meeting when Mr. Harris was there, the meeting with Mr. Doss and whoever was there, but just to make it clear, his company (Fieldcrest) tendered to the city a general warranty deed for valuable consideration. He stated that Mr. Hunnicutt instructed him, through his (Nooe) secretary of how much of the purchase price was to be allocated so he bought the excise tax on behalf of his employer (Fieldcrest) to go on his employer's deed. He asked if that was not correct to which Mr. Hunnicutt replied that was correct and he had just addressed that.

Mr. Nooe continued that as for saying that, he knew he had to put excise tax on it, if it had been a deed of gift, he would not have had to put any excise tax on that deed. That deed would have recited that it was a deed of gift and the consideration could have been allocated to all of the other properties. He stated that whether it was after the fact or before the fact, he was not on the side of incentives for industry himself, but he was on the side of what the facts were and how it was handled and Mr. Harris spoke the truth as far as the city buying the smokehouse tract. He stated that he knew the city bought it, he knew the city paid for it, and he wrote the check to pay for it and Mr. Hunnicutt knew that.

Mr. Hunnicutt agreed that was correct as he did prepare the deed.

Mr. Nooe stated that he prepared the deeds on behalf of Fieldcrest Cannon the way he was instructed to prepare them and Fieldcrest Cannon signed them that way.

Mr. Hunnicutt agreed that he was exactly right.

Mr. Nooe stated that he was just saying the differences of opinion about maybe how much the property may have been worth and whether Fieldcrest got a tax credit for a parcel gift on one or the other parcels, he had no way of knowing, but the allocations would have been for the benefit of Fieldcrest Mills and the sales of this property, the city did not care how this purchase price was allocated. The city was not a taxable entity.

Mayor Price thanked Mr. Hunnicutt for speaking.

ITEM 8 (f) DISCUSSED:

At this time, Mayor Price skipped to item 8 (f).

(f) Consideration of Contracting with Consultant for the Rivercrest Drive Project.

The memorandum provided to Council explained that the city has received grants from two funding sources for the Rivercrest Drive Flood Hazard Mitigation program. As a part of that process, they have advertised for a consultant to administer both grants concurrently for the program to be a success.

The request for proposals was administered three times in Eden and Greensboro papers and bid sheets were sent out to consultants known to do that sort of work, on two separate occasions. The only proposal received in either attempt was from Benchmark.

The recommendation was to enter into contract with Benchmark in the amount of no more than $105,323.00. Those funds would be paid out of the $1,053,225.00 of funds appropriated by the State and FEMA.

Mrs. Stultz explained that the city had decided to do this program and the final choice was to the individual property owner, as to whether their property was included, as the time goes through.

She explained that due to the amount of staff that they have, there was a need to hire a consultant, someone who was familiar and had handled those sorts of things in the past for other jurisdictions. She stated that they have advertised for a consultant in all the places that they normally do, but that the disaster that occurred in the eastern part of the state last fall had engaged much of the FEMA staff, the DCA staff and the folks who do private work. She explained that the only bid received was from Benchmark.

Mrs. Stultz stated that through communications with the Division of Community Assistance, the city had been given permission, based upon the facts presented, to choose this firm, if the Council chose to do that, without having other bidders. She explained that this was not something under a normal case that she would ask the Council to consider as it was always wise to have more than one bid to make sure that the process was going as it was designed and to ensure that they get the best possible price. She stated that in both of the circumstances with both FEMA and DCA, they have rules and regulations that they go by to make sure on their end, that the consultant was providing the service at what was a market rate. She explained that the request before them was to ask that they consider that and to ask the City Attorney to take a look at the contract.

Council Member Janney asked that when they get that contract, they were coming back and look at it again to which Mrs. Stultz replied in the affirmative.

A motion was made by Council Member Grogan seconded by Council Member Tudor to approve engaging the Consultant, subject to the City Attorney preparing a contract acceptable to Council. All Council Members voted in favor of this motion. This motion carried.

CONTINUED MEETING:

A motion was made by Council Member Grogan seconded by Council Member Janney to Continue the Meeting on Monday, March 27th, at 5:00 p.m. All Council Members voted in favor of this motion. This motion carried.

Respectfully submitted,

____
Kim J. Scott, CMC
City Clerk

ATTEST:

____
Philip K. Price
Mayor