

CITY OF EDEN, N.C.

This continued budget meeting (from Monday, May 6, 2002) of the City Council, City of Eden, was held on Wednesday, May 15, 2002 at 4:00 p.m. in the City Council Chambers, 308 East 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
		Billy Vestal
		Christine H. Myott
		Jerry Epps
		C.H. Gover, Sr.
		Garry Tudor
City Manager:		S. Brad Corcoran
City Attorney:	(Absent)	Tom Medlin, Jr.
City Clerk:		Kim J. Scott
Deputy City Clerk:		Sheralene Thompson
Representatives from City Departments:		
Representatives from News Media:		Erica Kinnaird, <u>Eden Daily News</u>

MEETING CONVENED:

Mayor Price called the continued meeting of the Eden City Council to order and welcomed those in attendance.

Mayor Price recognized Mr. Don Moss, President and Mr. Tommy Flynt, Vice Chairman of the Rockingham County Partnership for Economic and Tourism Development and Mr. Wink Hoover, County Commissioner.

Mayor Price explained that the first order of business was to hear a presentation from the Rockingham County Partnership for Economic and Tourism Development and then discuss capital items in the budget as presented.

Rockingham County Partnership for Economic and Tourism Development:

Mr. Tommy Flynt, 513 Patrick Street, stated he worked with Home Savings Bank and they had been a strong supporter of economic development with them being a charter member of the Eden Chamber of Commerce. He explained that Home Savings Bank continued to support their membership in the previous Committee of 100 and the EDC and now the Rockingham County Partnership for Economic Development. Their board had endorsed the concept of economic development by their financial support and by him being a board member and a nominee as an officer of this partnership. Their bank believes what is good for the county in economic development is good for their bank and its continuing growth. Mr. Flynt stated compared to some of the Council Members, he was a relative newcomer when it gets down to the trenches of economic development. One thing he learned very quickly was that the projects they hope to get are becoming more and more competitive every day. They cannot solely depend on the NC Department of Commerce or other regional partnerships to promote Eden and Rockingham County.

Mr. Flynt explained there were approximately 1500 major expansions or relocations going on in the United States each year; however, there are 15000 economic development organizations in the United States that are trying to locate this. Information given to them shows that roughly 75 to 80 percent of all new jobs are going to come from existing manufacturers or employers within a certain market area. The partnership's new goal will be to visit those companies inside the county and within a 60 to 70 mile radius to identify those who offer the greatest opportunity to expand. They would use a marketing and salesperson to call outside the county and then to have an existing industry person to spend more time in the field. To do this, they need additional support staff by adding a Director of Client Services.

Mr. Flynt secondly pointed out that most economic development organizations have switched from a public to a public private organization. Rockingham County is one of the last counties in this region to have a public economic development effort. In recent years, Mr. Flynt stated their board had realized that the roughly \$18,000 that was being raised by the Committee of 100 was really not enough to actively and aggressively market the sales effort for economic development.

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They were encouraging product development through the construction of industrial parks, but they did not have the money to adequately market what they were building. In addition to the building of those facilities, as developers, they need to manage the properties to be sure they are maintained and readily available for sale.

Mr. Flynt stated that thirdly, he felt it was vital in marketing efforts to continue to update and upgrade their website. Additional private dollars are needed to assist the county with maintaining and upgrading of the economic development section of the partnership's website. The county is currently assisting by providing the staff necessary to provide basic websites and services, but the private dollars are needed to take that web document and programming needed to compete with other communities.

Fourthly, part of the 21st century recommendation by the State Commerce Department was that Rockingham County identify target cluster industries which would be attracted to our county. Part of the responsibility of this new marketing and sales position would be to identify those dominate industries within a 60 to 70 mile radius and determine who is supplying those companies with the necessary components for their manufacturing process. They could also determine who is supplying those companies who are providing support to the dominant industries. Through a series of interviews, they believe they could determine if there is a need for additional support of manufacturing or distribution. He noted a good example of that would be the Miller Brewing Plant in Eden. The ball container facility in Reidsville supplies cans to Miller Brewery, but out of that function have also been built several warehouses who provide warehousing and logistics so that "Ball" can provide a continuous supply of cans to Miller.

Fifthly, Mr. Flynt stated he believed that Rockingham County needs to do a better job of educating the service industries of exactly what they have to offer. Part of the responsibilities of a marketing and sales position, would be to do some grassroots marketing. They would call on attorneys and bankers, contractors, and other businesses to make sure that they know the benefits of doing business in our county. They could continue to make sure that those professionals know how they could help their clients bottom line by relocating and doing business in our community. They need to "brand" our county and our cities so that individuals outside of our immediate area know exactly who Eden and Rockingham County are. An aggressive public relations effort has already been started to make sure the story is being told. There are a number of great things going on in our community, but far to long they have not shared with the community the attributes through the media.

Mr. Flynt explained that those were the things they were trying to do in order to differentiate themselves from the surrounding communities and they need Eden's financial assistance to accomplish those goals. Eden and Rockingham County are at a crossroads; the road to recovery would not be easy and not accomplished over night. He added that he thought they needed to start today to insure a future for the citizens and the young people.

Mr. Don Moss explained that provided for the City Council was a document for their plan of work or their business plan without numbers. They had been approaching this from the terms of thinking about a three legged stool, it is certainly a stool that has much more support than one without all of the legs fully intact; they have the county dollar, which they have had for a long time, and now they were going after the private dollars, private investors into their organization and now they were asking the cities to participate much like the industrial parks were going to take a three prong effort because they were going to have to look at the private companies that are in the county around each city to support what is going on for new companies. Every company that they have that comes to look at the county wants to talk with, whether in person or ask for a list by telephone, the existing industry.

Mr. Moss stated their first item was retention and expansion assistance; what they call customer service. He explained that all of those involved in business know that customer service after the sale was probably one of the most important things that they needed to do. He said that it was a lot easier to retain the people that they already have than to go out and get new ones. Mr. Moss explained that he thought that was one of the figures from Mr. Flynt, 75-80 percent, of new jobs come from the existing employer base within the economic region or sphere.

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Mr. Moss stated that a couple of things that the partnership was doing and would continue to do in the future, was first expand their corporate calling program in Rockingham County business. Mr. Moss advised that some people needed two or three visits a year, while some people just needed one visit a year. They have been able to get to just about everybody once a year, but some companies needed more follow up. For example: western Rockingham, Stoneville Furniture went through a period of bankruptcy, and they had a series of three or four visits with them trying to assist them to find a vehicle for loan guarantees. The partnership was successful in helping point them in the right direction. Mr. Moss advised that the partnership's responsibility was kind of a consultant basis to say, "okay guys, here are some places that you can get loan guarantees from the federal government" so those employees could purchase that company and save those two hundred and fifty jobs. Mr. Moss advised that the employees that purchased that company deserved all of the credit. He said that the role of the partnership was merely to say, "okay guys, we will set up the meetings for you ... we will introduce you to those people who can help you and then you have to take it from there." Mr. Moss stated they could provide assistance for contacts for business plan supports and that sort of thing and were successful in pulling that company out of bankruptcy.

Mr. Moss stated that next was to provide local manufacturers with project packaging technical assistance in coordinated delivery of expansion support services. He advised that they have told the industry that they could be an extension of the industry's own staff. Mr. Moss said that there were a lot of times the industries did not have time to do those things, and one of those falls under work force development training programs which they were successfully through their industry roundtable program here in Eden to do. The community college had a program called "Train to Train" and that program was designed to train the technical people on how to teach. He stated that there was not one single company in Eden that had twelve people that needed to attend that class, but there were three or four companies that had twelve people. Mr. Moss further advised that the industries said to them, "our employees will not go to Wentworth to take this class." So they worked with the community college, and Miller donated the space, so that everybody in the community could share their classroom space. According to Mr. Moss, the class was successfully pulled off through a community effort between industry, the community college, and a little coordination from them. Mr. Moss explained that once employees got off of a long shift, they were not going to want to drive to Wentworth to take those classes. He said that the industries need that training to stay competitive and the community college was much cheaper than going to Greensboro or out of town to pay for more expensive training.

Mr. Moss stated that as for workforce recruitment, he found that not everybody in the community was using the Employment Security Commission and not all the time did the Employment Security Commission have the time to go out and call on every industry. He explained that they would if an industry was interested, set up an account rep. to go talk to those people. The partnership's staff person, Sandy Vernon, worked with the Employment Security Commission and she is able to go and talk to companies about some of the things that the ESC can do for their company. According to Mr. Moss, she then could go to the ESC, have someone assigned as an account manager and provide that liaison service. A company does not have to go outside, they could continue to do what they needed to do, which is make money.

Mr. Moss advised that the partnership was in the process of doing a wage and benefits survey. He advised that they were asking the municipalities to direct their dollars into new business recruitment and marketing. Mr. Moss said that while most of the jobs come from the existing base, because the industries go through cycles including the textile industry, there is a need to diversify the economy. He explained that they need someone to go out and call on those companies who were potential customers for Rockingham County and the city of Eden. For example, the three buildings that the partnership has sold in Rockingham County to date, all three companies have come from North Carolina. According to Mr. Moss the first one was built in Reidsville. He said that it was sold to a Greensboro company, Vanity Fair. He cited the second company as being in Eden, Rexam, now Loparex. Mr. Moss said that they had operations in Charlotte and Eden got feedback from that adding that, of course, they had other people to come in. Mr. Moss said that the third building located in Western Rockingham was sold to a company out of Gibsonville. He said that sixty to seventy miles was a decent market area to draw from other companies to sell what they were building to sell ... industrial parks and shell buildings. Mr. Moss stated that certainly there was a need to talk to the local CEO's. In a survey, several

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years ago by a national public relations firm, one that just specialized in economic development, they found that the number one method, most successful to get an industry interested in another area, was peer to peer discussion. The second item was public relations or articles in magazines or newspapers. Mr. Moss said that those were two areas they were trying to strengthen their efforts in trying to have a focused effort. He said they had talked about direct mail in public relations and stated that certainly in today's economy one would have to be able to respond within a minute's notice and by e-mail. Mr. Moss stated that the next item the partnership was asking the cities to participate in recruitment was in marketing and image enhancement of the county and each individual municipality within the county. He stated that again, they have already started an aggressive marketing campaign, but they need to do more. In addition, they have done some public relations, and some direct mail, but he stated that without the person to do the follow up, which they do not have the staff to do right now, they would be lucky to get much of a response. He said that the partnership was providing real estate listing support services to property owners and real estate professionals on about five or six servers, but right now they have an extra staff person that was there because of the fund raising effort and that they needed that extra support to continue that service.

Mr. Moss said that certainly all in attendance knew the value of websites. He said that Mr. Flynt had talked about the need to continue to tell about the good things that were going on in the county.

Mr. Moss also added to continue courting of economic development and community development planning services and the twenty-first century program through the North Department of Commerce. According to Mr. Moss, the program listed eight action items that were needed to be focused on as a county. He said that the partnership would continue to roll out that effort and try to hand that baton out and then help those entities who were going to provide some of those services with some support services to them. He said they would plan to continue to feedback to the County Commissioners and City Councils about what progress was being made.

Mr. Moss explained that the last item of community development was tourism development. He said that tourism was what the partnership called a direct industry or basic industry and he explained that this was outside dollars coming in the county which could then be multiplied and spent within the county. He said that one of the things that had been done, that TDA had, was a \$25,000 grant program. Mr. Moss advised that Eden YMCA had received two of those grants saying that the most recent grant went for a swim tournament that was held there a couple of months ago. Mr. Moss said that both the Jameson Inn and the Hampton Inn were full the weekend they had that tournament. He said that those people came and stayed at least one night and that they went out to eat ... they went shopping ... they participated in the tournament ... that brought direct dollars into the city of Eden. Mr. Moss explained that the partnership was doing the same things in other parts of the county including work started on the rivers. He said that Robin was going to begin to work with hotels in Eden because Eden was the end of the line, the takeout point, to see if she could get a shuttle service started with the hotels in Eden. Mr. Moss indicated that people could stay overnight, and then be driven where they needed to put in, and then be picked up when they takeout. Mr. Moss reiterated that again the partnership was just starting some of this. He indicated that there was approval from the commissioners, which was tourism money, to do a rivers brochure. He said that their website had a river section on it and cited that it probably had doubled the web traffic because of web presence on the website. Mr. Moss said that it not only helped with tourists, but that a lot of people who were doing some of those more expensive sports were also CEO's and managers of businesses that were looking for places to expand. They could draw them to the community to come and look, it did not matter, just as long as they came and looked. Mr. Moss said that it had been learned with the twenty-first century that they have to be ready, and that was part of that twenty-first century program. He stated that, of course, beautification efforts was one of the items that was listed.

County Commissioner Wink Hoover stated that he was simply there to say that he supported this. He said that he knew as elected officials, that in the process for making decisions, they did not always agree on everything, adding that was alright. He went on saying that officials do not agree sometimes where an industrial park should be built, but they go the democratic route and they vote on it, and they accept whatever it is. Mr. Hoover stated that he knew most of the people

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in attendance well, although not all of them. He said that he knew the last five to seven years their heart had bled, just like his had, for the city of Eden and for Rockingham County. Mr. Hoover stated that in the last five to seven years, the tax base had come down from twenty-three percent industrial in the county to less than seventeen percent. He explained that a direct proportion of that had been added to the residential property owners. Mr. Hoover stated that approximately forty percent of the people in the county travel outside of the county to work, adding that was not good.

Mr. Hoover stated that if those in attendance had read the paper that day, they knew what the budget restraints were in Raleigh. He also noted that they were going to take money out of the library fund and that they were taking it out of everything. He stated that the municipalities would have to get together and work to get some industry back in the county for jobs and for a tax base so that they could maintain and improve the living conditions and services in the county. Mr. Hoover said that it was up to the elected officials to take the lead in what was happening as no one else could do it.

Mr. Hoover noted that approximately three years ago he attended his first economic development committee meeting. He said that after he had been there a while, one of the Eden City Councilmen talked with him and a couple of more people about the public-private partnership for economic development. It was felt that this was a better way to go and that maybe there were too many constraints in the county adding that maybe they were slowing things down. He explained that this is such a fast moving and competitive thing as he had never seen anything as competitive. Mr. Hoover said that Council Member Grogan was the one that talked with him about it and that Mr. Grogan had named three or four counties that had it and they started checking into it. Mr. Hoover said that he talked with commissioners individually, not collectively, and explained it to them. He explained that it was kind of hard sometimes to give up some of your turf and that people do not want to do that sometimes but if it was good for the whole, they need to give up some of their turf. Mr. Hoover stated that they pursued that avenue and they are where they are today. He said that the county was putting in, roughly \$216,000 a year, and that this would about double that. They would be able to go out and have sales people, marketing people, who would be competitive. He stated that he was present to ask the council to consider that and ask that all there would work together for the good of Eden and for the whole county.

Mayor Price explained that for Council Members, included in the budget was \$39,800 as a request from the group as Eden's contribution to the effort for the next year.

Council Member Vestal stated to Mr. Moss that his brochure and past history was based on industry. He questioned if there was any way that the partnership would be doing anything other than industry?

Mr. Moss replied that industry was probably a narrow word, but as a term they use it a little bit broad – the term basic industry, would be manufacturing, distribution, vac-office type call centers, and tourism. Mr. Moss said that what they were focusing on was anything that imported dollars into the community. He said that it could be a government lab and somebody would come in and say that it was not really industry, but it brought money from outside the county inside the county and that was really their goal ... to import new dollars. Mr. Moss explained that it did not have to be making something but can be a brain type of activity like a call center or support center.

Council Member Myott mentioned that she had read somewhere that it would be assessed by head count to which Mr. Moss replied that the request was based on per capita.

Council Member Myott then asked if this would cover all of the municipalities in the county to which Mr. Moss replied it would. He advised that they had approached all six municipalities in the county and those municipalities were in their budget process at that time so no one had given them a final answer yet.

Council Member Gover asked if he would be dwelling on small businesses like department stores or Home Depot or something like that.

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Mr. Moss replied that their plan of work did not include retail. He added that if that was something that the county commissioners and all of the municipalities approached them with, it was really a board policy decision, and he could not really give a yes or no answer at that point. Mr. Moss stated that their general discussions with the chambers of commerce, found that the chambers traditionally have done retail service industry. According to Mr. Moss, the partnership has focused on things that import dollars into the community.

A motion was made by Council Member Myott and seconded by Council Member Epps to affirm the \$39,800 to be in the city's budget and to go to the County for their efforts. All Council Members voted in favor of this motion. The motion carried.

Capital Outlay Items:

Mr. Corcoran, City Manager, announced he had asked all of the department and division heads to be in attendance to address questions concerning items that were included in the (proposed budget) notebook. At that time, Mr. Corcoran introduced Mr. Bill Harvey, new Superintendent of Collection and Distribution. Due to Mrs. Kelly Stultz, Director of Planning and Inspections, being away at a meeting, representing that department was Mr. Jimmy Bolden. Also in that department was Mr. Hassell Deshazo, Codes Inspectors III, who replaced Mr. Gary Robertson. Finally, he acknowledged Mr. Charles Van Zandt, an employee that had been with the city, but that had been promoted into the new position of Superintendent of the Wastewater Treatment Plant.

City Park:

Council Member Gover stated that with all the cutbacks, the counties, the states, and everywhere else, he would like to make a motion to delete the entire loan for the park until another budget time.

A motion was made by Council Member Gover seconded by Council Member Grogan to delete the loan that was built into the budget for the 2002-2003 until another budget time.

Council Member Myott stated that she thought it was the consensus of the Council that this would not be discussed until the first of the year and then she asked Mr. Corcoran if that was correct.

Mr. Corcoran replied that he thought it was the consensus of Council that the money would be included in the budget, but there would not be any discussion about doing it and it would not be done until at the earliest January.

Council Member Myott inquired what the process would be come January first.

Mr. Corcoran replied that on January first, he would imagine that if the Council were still interested it would be placed on the agenda as an agenda item, seeking authorization to proceed. He stated that at that point, the Council would take a final vote on whether to proceed or not.

Council Member Myott asked if there would be a final vote before any moving forward would be done to which Mr. Corcoran replied, correct.

Council Member Tudor replied that he had always understood it that way as well. He said it would be put in the budget and it would not be acted on until January. He stated that the Council would reassess their circumstances at that time and make an intelligent decision as to whether or not they should proceed with that item.

Mayor Price stated that he certainly could understand the feeling that both Council Member Grogan and Council Member Gover had with regard to this and that he was sure that others. . . he shared their feeling. He said that on the other hand he understood the purpose and the need to have this park built in a little bit more of a rapid fashion not that it would bring money back into

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the city of Eden, but that he thought everybody was aware and probably agreed that through the construction of this park and the athletic events that would occur there, people would be brought into the community. He explained that the city would have the same thing that it had when, as Mr. Moss mentioned, the tennis tournament was in town and filled up the local hotels and restaurants and that type of thing. Mayor Price said that it probably would not bring money into the city government but it would bring money into the community which is vitally important. He stated that it was also vitally important to get some action happening in the community and getting people coming to Eden. Mayor Price said that Eden was a lovely community and that if people get to Eden and they look at it, they would come away with a very positive feeling about the community. Mayor Price said that his feeling was that he would like to see it stay in there, but that on the other hand, if the city got down by the first of January and the community had not picked up and they did not see positive efforts and some results out of the small business person and some results out of the economic development activity in this community, particularly in the city limits, he did not think he would be interested in doing anything on that order. Mayor Price said that he would like to see it stay in the budget. He explained, however, if they have not put some numbers together and did not have a good positive feeling come January one, then it ought not be done.

Council Member Epps stated that was the way he felt, leave it alone right now as they have the option to delete it in January.

Action on the motion (to delete the entire loan for the park until another budget time) was as follows: Those voting in favor of the motion were Council Members Gover, Grogan, Reynolds and Vestal. Those voting in opposition were Council Members Myott, Tudor, and Epps. The motion carried.

Capital Outlay Items continued:

Treatment Plants:

Council Member Gover asked the water department to explain the bio solid treatment, first phase. He noted that he could understand when they came to the committee with the need for the \$157,000 but he could not understand the urgency of moving the twenty percent solid from that basin over to the lagoon at that time for an additional three hundred and some odd thousand dollars.

Mr. Dennis Asbury, Treatment Plants Director, explained that it was called bio-systems treatment upgrade and the amount there was \$475,000.

Council Member Gover stated that Mr. Asbury had explained to them in the Committee meeting that those solids had been in there for roughly thirty years or more, and they had their twenty percent the alum solid and there was the thirty-three percent polymer solids. He said that the accumulation was only one third of the basin, total basin. The total output was thirteen million so they had been living with one-third for thirty some years, knowing it was in there.

Mr. Asbury replied that he was correct.

Council Member Gover questioned due to all the cutbacks and things that the city was trying to do, was it absolutely necessary that they go ahead and spend the other \$300,000 or so in that fashion?

Mr. Asbury replied that obviously, it was the Council's determination whether or not it was absolutely necessary. All he could tell them was his recommendation and why. He explained that the plant was originally designed at a seven million gallon capacity. In 1990, they proceeded to expand that capacity to thirteen and a half million gallons. Right now, they were setting at about fifty percent capacity. Mr. Asbury said that the city is looking at trying to recruit new industries. Once they get to eighty-five percent capacity, they would be required by law to start planning for a new plant or an expansion of the existing plant. He added that he thought the time was right to take a look at the thing and get to moving the solids out because what they were ending up with was a collection of bio-solids that was taking up treatment capacity. Mr. Asbury

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explained that although the city was continuing month after month to meet their effluent limits at this time, as they moved forward and as they tried to recruit industry, they were going to see, if industry did indeed come to town, increases in the flow. He asserted they would be significant increases all at once. He added that it would be a jump ... it would be not something that would come over time. Mr. Asbury said that if the city had a large industry that came into town, they wanted to be ready for those folks. He advised that his recommendation was to buy the equipment and move as put forward in the plan to get rid of the solids. He further stated that Council Member Gover's point was well taken that the city had for years had that in there, and it had not impacted the treatment. Mr. Asbury explained that all he could do was tell the Council that they were looking at a situation where they could be pushed over the edge. He said that he could not tell the day or time that it would happen, but that he could only say that he did not think that the plant would operate at thirteen and a half million gallons a day, that it was permitted at, without removing those solids and without improving the ability to move solids on a continuous basis.

Council Member Gover then questioned the department's emergency repairs for the pump station, they had asked for \$300,000 last year on the capitalization, and they had asked for \$250,000 this year on item 55002.

Mr. Asbury stated that it was showing \$500,000 department requests and \$250,000 manager recommendation.

Council Member Gover questioned if they spent the \$300,000 last year on those repairs to which Mr. Asbury replied, not for sewer construction and that they were there for emergency repairs. He noted the line above was the Kuder Street pump station. He said that they were looking at pump and drive control systems. Mr. Asbury said that the system was put in back in the late sixties and it was still using the control equipment that was installed in the late sixties. He added that the other two sister pump stations that were designed using the same basic plan at the same time were upgraded probably about twelve years ago. He explained that they were operating with inverter-converter type operators that will take the AC voltage and convert it to DC and then give a variable frequency with computer controls so that they could turn the pumps up and down with the level or the speed that the water is coming into the pump station. Mr. Asbury said that the pump station that was there, again thirty-four or thirty-five years old, could only be serviced by someone who when Mr. Asbury came to the city was retired and had now passed away. Mr. Asbury explained that the goal was to get that fixed; however, they did not have enough money in the budget to do that this year. Mr. Asbury explained that Mr. Corcoran had removed those funds and put them in that column for emergency repairs with the idea that if that one or the railroad pump station had a serious problem, they would have money at least on reserve and could move quickly to repair them.

Council Member Gover asked Mr. Asbury what problems he anticipated in pumping this twenty percent solid over into the lagoon. He added that the lagoon looked like it was full when he had been there.

Dennis Asbury asked Council Member Gover if he was talking about the two large lagoons up on the upper level and added that those were being continuously cleaned out. He explained that the city had a contract with Synagro Southeast, which was a sludge hauling company that operated all over the Southeast United States. He said that they had basically a turnkey operation with the city that involved procurement of new land ... dealing with landowners and farmers ... scheduling the application of sludge around growing cycles ... open fields ... weather. Mr. Asbury said that the sludge was being removed, at least on a batch basis, on a more or less continuous basis. He stated that when they see them and they look full, it may be that they are just at that point in the cycle where they are full.

Council Member Vestal stated one problem that he could see was that they were going to be introducing a lot of water there along with the alum sludge, coming out of the wastewater, if they dump it directly into the lagoon. He questioned if the city would be paying for hauling a lot of water.

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Dennis Asbury replied that the de-watering of those lagoons had worked really well over the years. He said that quite frequently when the contractor came in, the city actually had to add water in order to get it to a consistency that they could pump. He stated that it came out of there really heavy on occasion and that it is not pumpable. Mr. Asbury explained that he did not think they were going to see a problem with that de-watering. He said that when they got ready to mix it up, they were drawing it from all over mixing the whole basin up and pumping out from there. Mr. Asbury added that there would very likely be some change. He said that the solids content may go down and the unit cost for removing actual pounds of solids may increase. He added that he hoped that it would not be significant. Mr. Asbury said that it was not something that he could really predict in advance. He said that it was going to depend on how well all that material mixed and de-watered and it would be going through a whole different treatment train than it had in the past. He added that instead of going to the head of the waste plant, mixing with the bio-solids, the inert solids from the water plant were going to go directly to the digester and then up there.

Mayor Price thanked Mr. Asbury for being pro-active on the entire issue to provide the service to the existing water and sewer users in the city of Eden as well as the future water and sewer users. He said that it dawned on him the other night that one of the things Mr. Asbury put into motion last year was the generator to provide constant service to the industrial customers. He stated he understood recently that they have come on and have been operating, and they had not had any outages of water and sewer capacity in the system.

Mr. Asbury replied that was correct as about two weeks ago they had a power outage that lasted for about eight hours before Duke Power was able to restore power to the plant. He explained that the generator operated to their expectations. It sensed the outage and brought the generator online and operated the plant. When Duke Power finally restored power they would not have recognized it if they were not watching because the generator sensed that and switched back over without taking the plant down. He added that it worked real well.

Mayor Price stated that it was a very valuable service to the users and the large customers. He said he was sure there would have been some shortage of work had the water department not had that in place.

Mr. Asbury explained that with an eight hour shut down it would be sure with the amount of storage that they had elevated in the tanks, there probably would have been a good five hours of shut down on all the plants.

Council Member Vestal stated that he had a question for the City Manager on the water and sewer. He stated that on the sale of water on the amended budget last year, it was \$3,100,000, this year the water sales were \$790,000 then the sewer was up \$1,500,000. He added that the bottom line was that this year's budget showed one million, he questioned the discrepancy.

Mr. Corcoran replied that on the sale of water the amended budget was \$3,100,000 which was what the adopted budget was. Revenue to date was \$2,500,000 and department estimate was \$3,800,000. Sewer charges at \$2,500,000 up to \$4,000,000.

Council Member Vestal said that actually that was a 2.3 million increase. He added that on page 2 or 3 there, bottom line, and it was just showing 1 million difference.

City Manager Corcoran replied that was because last year they used \$1.1 million in fund balance and this year they used zero.

Police vehicles:

Council Member Gover questioned three police cars. He asked that if the city was not bringing back personnel like they were saying, were the three police cars needed to which Mr. Corcoran replied that in the budget message it was noted that there were three police cars but there were also four more cars that were being made surplus as a reduction in staff. He explained that unit numbers 79, 80, 44, and 49 were being made surplus. He added that again the city purchased no vehicles last year so there were four that were being made surplus and then there would be three to be replaced.

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Mayor Price asked if there were any more questions or comments.

Council Member Gover said that he knew the Council had mentioned forming a business developer. He said that now that the county had expanded out in the private partnership he thought the city was doing repetitive work.

A motion was made by Council Member Gover seconded by Council Member Vestal to delete the business development section from the budget at that time for the calendar year since the County had already presented a fine program to help develop Eden.

Council Member Myott inquired if Council Member Gover was talking about the business development person.

Council Member Gover said that he was talking about the person and program that the Council had for now. He added that it was to give the county a year to see how they were going to progress.

Council Member Myott stated that she believed that Mr. Moss made it clear that they would not be working with businesses and revitalization of downtowns.

Council Member Gover said that when he agreed to it back in the retreat, he was going to go out and sell Eden industry and the whole works, not just the small things here in Eden.

Council Member Vestal stated he was under that understanding also. He said that with all the cutbacks, the city needed to conserve their resources to some degree. Mr. Vestal added that he thought they had done without it. He suggested that the Council wait and see what the County could do and then they can add it next year, maybe.

Council Member Myott stated that for the past week or so, she had contacted a lot of people in the city ... she had been in every section of the city and talked with some business people. She said that they were unhappy with what was happening and when she came away, she had the feeling from them that they were in favor of this person working with the downtown areas and working to bring in small businesses. She added that that was the impression she received.

Council Member Gover stated that he had been receiving calls asking how the city could proceed spending money like there's a money tree when the County was cutting back and the State's cutting back, and added that the County was going to thirty hours. Council Member Gover asked what the City was doing other than spending money. He stated that he made his motion. He said that the city went up on the commodity of water. He added that the Council that they had been getting calls like he had. He said they need to put more emphasis back on the city and on what they were doing.

Council Member Epps said that he, as Council Member Myott said, talked to some business leaders and that they were excited about someone personally working for Eden's retail. He stated that he did not speak with as many as she did but they too felt like they had not been represented as well as they could be and they would like to see that. He said that the city already spent a considerable amount of money advertising for this position and that it would be just wasted money if the city did not follow through. He said he knew it was quoted sixty some thousand, but he did not think they were talking about that kind of money right now for a person ... that kind of salary. He said that it may get that way later, but it was a more moderate salary than that. Council Member explained that he felt like the downtown revitalization and business people were looking for the Council to do something to enhance their business and that was what he thought they were doing.

Mayor Price replied that Council Member Epps' point was very well taken and when the conversation began among the Council Members some months ago, it was talked about of economic development in the local area particularly of the small business and small commercial things for the community. He said that it was pushed very hard among a lot of members of the Council. He noted that he thought it was a point taken very well in concern that the County was

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going to take it but the County had expressly told the Council tonight that they would not be working on small business items and that type of thing. Mayor Price said that the community had gone through a terrible experience, not only in the last three or four years but probably in the last eight or nine years. He said that plant closings and things of that nature had a detrimental effect on our community. He added that there was now an opportunity of a lot of promise of things changing in the community. He stated that they did need some extra help. Those who had been in the sales business knew that a good sales person more than pays for their salary, and the type of person he was sure that the city manager and his committee were looking for was going to be the type of person that is going to far exceed whatever breakeven point would be for this expenditure. He added that he would like to see them keep this person.

Council Member Gover explained that the reason he asked Don Moss who was going to take care of the small businesses and he said the Chamber of Commerce would take care of that which satisfied him.

Councilman Tudor stated that most of the comments that he heard concerned, as Council Member Myott had said, downtown revitalization. The question he heard most often was, "when are we going to get some more restaurants?" or "when are we going to get some more department stores?" People say "shop at home – shop where?" He explained that those were quotes from citizens and not his words. Council Member Gover's comments were very well taken. This is a lot of money; it definitely is a lot of money and these are hard votes to make. But as being members of the Council, he thought a lot of people in this community look to them to try to do something about these problems that they see everyday residing in Eden. They would like to do more shopping in Eden. They would like to do more socializing in Eden, but they find that the resources are limited. Council Member Tudor stated it would be his hope if they could see fit to work this into the budget that it would be the issue that would be addressed by this person. He added that he certainly did not take Council Member Gover's concerns lightly because those are things that they definitely should be concerned about.

Council Member Myott stated that she did not think any of them take those concerns lightly. She stated that she did not and she never had all of the years she had been on the Council. One of the things she was hearing, and one of the things that she had decided in her own mind, is that if this does not work, the position can be cut.

Mayor Price replied exactly to which Council Member Myott stated the way she looked at things, the way the economy is, she saw people on unemployment and received telephone calls everyday. She stated they were going to have to take a risk and with this position, it is one that will be easily done away with if it does not work.

Council Member Gover replied that he was in favor of giving the County a try and the Chamber of Commerce to see what their programs are since they are starting this new partnership. He stated they could bring it back in a year.

Council Member Myott stated she was a member of the Chamber and she was supposed to know what the Chamber's programs are, adding that Council Member Grogan could tell them what the Chamber's programs are.

Council Member Gover explained that the City was not being kept informed and they did not know what was being sold or if someone was out selling Eden or not. They had not gathered the information or the information had not reached most of the Council people.

Council Member Myott asked Council Member Gover if he was informed now to which he replied that there were several gentlemen standing there that said that the Council would be informed so there would be a closer working relation according to what they were saying.

Council Member Reynolds added that other communities were cutting back and Eden was spending like there was a money tree out back.

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Councilwoman Myott replied that she knew. He also read the newspaper where the County may be asking some of their employees to go on thirty hours a week. She asked if he would like to bring that up and maybe ask some of our employees to go on thirty hours a week.

A couple of Council Members replied if they kept on spending, they would have to.

Mayor Price stated they talk about spending, but the other side to the spending is the investment. He asked what was their intent for the investment in the time and the effort and the management and the expertise. Were they expecting them to go out and not earn ... not at least break even? "You are not expecting some type of measurements, not expecting to see new business here, not expecting to see new tax revenue?" He explained that those were the things they were looking for. And the ultimate goal, obviously, would be some type of measure to increase sales tax to the community and the County but also to the ability of our citizens. He added that he talked to his first customer today in his business. She was a lady who works hard here and her question to him was "what are you all going to do about getting some things in our community?"

Mayor Price stated that they expect and look for all kinds of things to be done and people spend to get things done. They were trying, but personally he thought they were to the edge if they make an extra investment. Of all the wonderful things they have, the support system, they can make something happen in this community and that was what they were talking about was making something happen. They were not throwing money to the wind. Certainly if you get somebody in here who is not cutting the mustard ... that is not going to work. But if they get a person who is motivated and highly motivated and gets out and beats the bushes it is going to bring something into this community and make something happen and that will make everyone happy.

Council Member Tudor stated he appreciated the comments by Mayor Price and Council Member Myott as well. He stated that maybe they do need to retreat in some ways, but he was afraid if they retreat too much, they were surrendering. And yes, they could look at it as spending money ... they could look at it as investing money ... they could look at it as they refuse to fold their tent yet. He explained that maybe there were some risks here, but they do not have to renew the position next year if it is not working. He stated that maybe the citizens expect them to be bold and make some bold decisions. In hard times, these were bold and difficult decisions if they do vote to make such an investment as this.

Council Member Epps referred to this as a person giving CPR to a body. This person will be bringing back to life, hopefully, the community and businesses.

Council Member Grogan stated that he had been quiet and was not when the when this position was talked about earlier as he added the position probably has merit. He stated he did have some concerns. He explained that he sat there and listened about the position being cut in a year. If that was done, then they would be setting the person up to lose. They talk about using the tax base as a measure ... all sorts of negatives. But the person hired will take at least half a year to get to know the community. He explained that a lady called him and she said "I'm about to get flooded out and you all are talking about spending money to take care of small businesses ... how about taking care of me?" Council Member Grogan stated that he was sitting there with several hats on and he could easily abstain because there is a conflict. He stated he spent two hours yesterday with the business manager and he was talking with more optimism than you would ever want to see. He had some great ideas and some things to be doing, but it does not happen overnight. If the business development director is hired, he suggested that they not say if it is not done in a year's time we are going to ---- because it is not going to be done. There are people who have worked in this town diligently since he left the bank and went to the Chamber of Commerce to try to get the department stores that people were talking about. There is one fundamental fact to come back to and that was that they have a capitalistic society. If someone were to make an investment whether it be a Starbucks Coffee Shop. . . and referring to Mayor Price as to he knew how many tires he had to sell in order to keep the doors open. He explained that if that person revitalizes whatever downtown, was going to face real challenges, so he did not think they should look at a year to judge this person.

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Council Member Grogan announced that he would be leaving the Chamber of Commerce at the end of August. The proposition that the city wrote up to the Chamber of Commerce was a no win thing from the time it was written and passed along.

Council Member Myott replied that she respected his comments.

Council Member Grogan stated he wished the City Attorney were present for this meeting because for what the Chamber of Commerce was receiving funds from the city, he did not know that it would be appropriate for him to vote on this matter. He stated he did want them to know, and all of the Council heard him, it was the truth, everything that he said, especially about the cost at this time, could it not wait a year?

Council Member Myott asked Mr. Corcoran in order to get federal grants, would they have to have a person in place to which Mr. Corcoran replied, no. The City did not have to have a business development director to get grants. They do have to have staff to apply for the grants.

Mayor Price asked Council Member Grogan if his request was to abstain from voting to which Councilman Grogan replied that he would like to abstain and added he would like to understand the true order. As he understood, if he abstained, it would be counted as a yes vote.

Mayor Price stated he thought the Council would have to vote to recognize Council Member Grogan's abstention.

Council Member Tudor explained that if the Council voted to approved the abstention, then it would be as though he were absent, a non-vote and would not count one way or the other.

Council Member Epps stated that he was on the (Personnel) Committee along with Council Member Reynolds and others to interview people for this (business development) position, and there had been talk about somebody taking a long time to get familiar with the area. He explained that so far, the ones they have talked with were from this area so they would know pretty well what was going on if they were selected.

Council Member Vestal added that on the other hand, if they knew they were taking the job for a year, they would not to which Council Member Epps explained that they knew that they were on probation.

Council Member Myott stated she would let them know up front that it was a probationary thing ... she would definitely be honest with the person.

Council Member Reynolds asked if this person knew they were supposed to go outside and look for businesses to come in here or would they just help the businesses here in town?

Mayor Price replied, that was primary of them to "beat the bushes."

Regarding Council Member Grogan's abstention, Mayor Price read from Roberts Rules of Order (second edition). "Directed abstentions are not counted as votes in determining the winner of an election." He added that he would assume that would be a vote requiring the majority. He continued to read, "Are there any conditions where an absolute majority of eligible voters is necessary to declare a winner? In that case can abstentions actually prevent a winner from being declared. . ." and so on and so forth. "An absolute majority of eligible voters is required only when your organization has rules to that effect. For example, such a rule may say that a vote requires a majority of the entire membership, in this case, an abstention may prevent someone from getting elected."

Mayor Price then asked Mr. Corcoran how he read that, to which Mr. Corcoran replied that Council Member Grogan can abstain. It does not count as a vote ... it counts as a non-vote. If there is a conflict of interest, one abstains. It was a non-vote. It was done all the time.

Mayor Price explained that the Council needs to recognize Council Member Grogan's abstention to which he entertained a motion.

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A motion was made by Council Member Tudor seconded by Council Member Myott to accept the abstention of Council Member Grogan. All Council Members voted in favor of this motion.

As there were no other questions or comments on the vote to eliminate the small business developer position, action on the motion was as follows: Voting in favor of this motion were Council Members Gover, Vestal and Reynolds. Voting in opposition were Council Members Epps, Tudor and Myott. Due to there being a tie vote, Mayor Price broke the tie by voting to leave the small business development position in place. The motion failed, and the business development position remains.

Capital Outlay - Fire Trucks:

Council Member Vestal asked Fire Chief Ronnie Overby, concerning the replacement of two fire trucks, with the process of maybe a fire tax district available, could he get by with one truck this year to which Chief Overby replied, yes.

Council Member Grogan asked about the new fire tax district to which Council Member Vestal explained that the Fire Chief had requested two fire trucks. With the possibility of the City extending its coverage to the fire tax district, if they are appropriated and passed by the County Commissioners, it is a possibility that the City will be getting funds next year and these trucks will be running to those areas. They could use that money to buy those trucks. He added that he knew the city needs one truck and at that point, they could get by at least to next year with just one truck instead of buying two trucks.

A motion was made by Council Member Vestal seconded by Council Member Gover to eliminate the purchase of one fire truck.

Council Member Myott asked if he was sure the fire district thing would take place to which Council Member Vestal replied no, as nothing was sure about it, but the Fire Chief had stated they could put off for a year the possibility of getting the fire truck.

In response to a question as to the condition of the fire trucks, Chief Overby replied the trucks were wearing out fast, however, as Council Member Vestal had pointed out, one truck will carry them through until next year. And that will take the place of the oldest fire truck that right now is just, it was not even used. He stated that he could not use it and had to use it only in emergencies because if the age, the condition is deteriorated to the point that it has to be replaced. As Mr. Vestal alluded to, if they get the tax district, it could make a big difference in buying new equipment.

Council Member Vestal asked Chief Overby if he were working on a grant at this time for a fire truck or two, to which he replied yes, the grant had been submitted to the federal government. The grant is a ninety-ten where the city puts up ten percent of the total cost. He stated he had asked for \$175,000 in grants. It would cost the city \$17,500 and he could purchase a fire truck for around \$150,000. He added that he was not talking about buying one like they bought last time ...

Action on the motion (to on the floor to eliminate the purchase of one fire truck) was as follows: All Council Members voted in favor of this motion. The motion carried.

Storm Warning Devices:

Mayor Price explained that two years in a row they have had, due to budget constraints, to back off of the storm warning process that the County has taken and that the city has not been able to afford. Chief Overby had submitted it in the budget, it was removed from the budget again this year, \$25,000. He asked Chief Overby if that was a realistic figure for storm warning.

Chief Overby explained that last year they called and to get the prices and he presented this to the Council. The price was \$23,000; therefore, he added \$2,000 to be on the safe side. He had

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checked on the alert boxes needed and the siren was the most expensive item at \$10,000. The price on that had not changed ... it was still \$10,000.

Mayor Price asked if there would be several sirens to which Chief Overby replied no, as he currently had two sirens in place, and he had the third siren ready, and he just needed the money to put it up.

Chief Overby explained that all of the sirens would have the distinctive ring. There were two rings: One for severe weather and one for flash flooding which was what the County had set up. The City of Eden will not control the box. The box would be set off by CCOM.

Mayor Price questioned the testing and Chief Overby replied that it could be done on an educational basis of every Saturday.

Chief Overby explained that the Council would be talking about \$25,000 to get it going, but in his seven year plan, this was in next year's budget.

In response to a question as to whether it would help people on their insurance on their personal property, Chief Overby replied not that he was aware of. He added that every place in Rockingham County has this but Eden. At the last Fire Chief's meeting, there were two fire departments that still had to put the box in and the electrician had already made the plans to come and do that. Eden will be the only place in Rockingham County that does not have the alert system.

Mayor Price explained that Chief Overby brought this to the attention of the Council after the tornado tragedy in Madison, Mayodan, and Stoneville and the fact that they had absolutely no warning device, no training, no anything, a system to take cover when something like this happens, but it seemed to him like a good investment.

Chief Ronnie Overby explained that before the last election, this was brought up to the Council and he was told by a former Council Member, adding that he had given them the prices as to what it would cost, and the Council said to do it. Then when he asked about the money as he did not have it in his budget, the Council Member made the statement that the money would be there when he was ready to do it.

A motion was made by Council Member Epps seconded by Council Member Tudor to add the storm warning device to the 2002-2003 budget (in the amount of \$25,000). All Council Members voted in favor of this motion.

Council Member Reynolds questioned the roof at Station 100 in the amount of \$50,000 and Chief Overby explained that the amount was for an "A" roof. It was more expensive to go back with the roof that is on it according to the prices they have. To go back to the foam rock, it would cost \$75,000. To put an "A" roof on the building, the cheapest price that we received was around \$50,000. He added at this time, they would just have to wait and see.

Water and Sewer Lines:

Council Member Gover stated in the manager's message, it was noted that the city will soon have vacated some properties they need to sell.

A motion was made by Council Member Gover seconded by Council Member Tudor to take the monies from that property and put it toward revitalizing our water and sewer lines here in the city ... to bring those water and sewer lines back into their prospective priorities. To give the people that are calling everyday about water pressure, etc. . . to get the water system working again like it should be. The sale of the old police station and the other buildings there, that the monies go to revitalize our water and sewer lines.

Council Member Grogan stated the two inch water lines to which Council Member Gover explained that he was trying to get Hopkins Court worked into this since they were annexed six years ago, and they have not received sewer yet. This is \$600,000 that could be moved toward

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the very thing that they were trying to sell ... water and sewer, and rates the Council went up on. That would bring the money back in and that was not borrowing anything.

Mayor Price restated the motion which was to take the proceeds from the sell of the property on Stadium Drive and spend it on the two inch water line project and the sewer line out at Hopkins Court.

Council Member Myott stated there was something in the budget on the two inch water lines to which Council Member Gover stated some have been left out. He would like to revitalize those and the others that have been left out, adding whatever \$600,000 would cover, or whatever the money was from the property.

Council Member Myott noted that water pressure was low up her way and Council Member Gover noted it was low everywhere according to the citizens that were calling him.

Action on the motion (to take the proceeds from the sell of the Stadium Drive property and place into the two inch water line project and sewer line projects as needed throughout the community) was as follows: All Council Members voted in favor of this motion.

City Park:

Council Member Grogan stated while talking about designating money, when the property on Highway 14, old City Park, is sold, he would like to see the funds go to the new City Park.

A motion was made by Council Member Grogan seconded by Council Member Tudor that at the sell of the City Park on Hwy. 14 N, to have that money go to the current City (Freedom) Park. All Council Members voted in favor of this motion. The motion carried.

Mr. Corcoran noted on the sell of the old city hall and everything, at the June meeting, the city will have some items to vote on. According to the North Carolina General Statutes, there were about five ways the City can dispose of public property and the Council will need to make that decision. He added that he and Mr. Medlin were working on the information would have that for the June meeting. He explained that, as a reminder, the numbers that were in the budget message, is the assessment evaluation. Obviously, the \$600,000 is the assessed evaluation. The discussions internally and with local realtors indicate that it might not bring \$600,000.

In addition, Mr. Corcoran noted that several have mentioned the desire to sell certain tracts of that property and not other tracts. So that will be presented as well. This was not one parcel, but several parcels. Some people have seen him about selling the frontage and retaining the property in the rear. That was another decision the Council will have to make, whether or not to dispose of the entire acreage or just a portion of the acreage.

Council Member Myott asked if the property on Stadium went down to the river to which Council Member Grogan replied, no.

Council Member Tudor asked if those properties would be sold as is to which Mr. Corcoran replied, correct.

Planning, Power Point:

Council Member Vestal questioned the Planning Department's power point projection and asked what the utilization would be on that item.

Mr. Corcoran replied that this would be used for presentations throughout the year. He explained that at least since he came to the city, on numerous occasions several people have stated that they would have liked it if the city had the capability of doing a power point presentation versus just reading material for prepared texts. Also it was thought if they get into business development and were working with people it would be nice to have power point presentation. That was something that was carried over when he came to Eden, something that

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had been discussed for a couple of years, but had removed from the last two budgets due to lack of funds.

RECESS:

A motion was made by Council Member Grogan and seconded by Council Member Gover to recess the meeting until May 22, 2002 at 4:00 p.m. All Council Members voted in favor of this motion. This motion carried.

Respectfully submitted,

Kim J. Scott
City Clerk

ATTEST:

Philip K. Price
Mayor