

CITY OF EDEN, N. C.

A special (retreat) continued meeting of the City Council, City of Eden was held on Friday, February 16, 2006 at 8:30 a.m., in the Council Chambers, 308 East Stadium Drive. Those present for the meeting were as follows:

Mayor:	John E. Grogan
Mayor Pro Tem:	Wayne Tuggle, Sr. Christine H. Myott
Council Members:	Donna Turner Darryl Carter Bruce Nooe Jerry Epps C. H. Gover, Sr.
City Manager:	Brad Corcoran
City Clerk:	Kim J. Scott
News Media:	*Brian Ewing, Eden Daily News

MEETING CONVENED:

Mayor Grogan called the special meeting of the City Council to order and welcomed those in attendance. Mayor Grogan noted that Morehead Memorial Hospital was having a ribbon cutting that morning at 10:00 a.m. and he would like to attend. He then turned the meeting over to the City Manager, Brad Corcoran.

Review of City Council Goals for FY 2006-07, Retreat Agenda & Budget/Planning Retreat Notebooks: Brad Corcoran, City Manager.

City Manager Brad Corcoran explained that he had placed a notebook with a compilation of each item they would be discussing for each Council Member to review and he then briefly went over the Council's agenda items for discussion

Mr. Corcoran then reminded them of their goals and objectives for FY 2006-07 that they had submitted to him and he then explained the number of responses that each individual members of Council that listed that item as the goal or an objective or something they would like to see worked on. He also noted that he had included a list of Department Goals & Objectives as well as a report of FY 2005-06 Departmental Goals & Objectives for their review. *What the City Manager was referring to was "Goals & Objectives for FY 2006-07, Submitted by Mayor & Members of Council, Departmental Goals & Objectives for FY 2006-07 and Report on Departmental Goals & Objectives for FY 2005-06. Copies of all these goals and objectives are located in the office of the City Clerk or the City Manager's office and can be obtained for reference.* As there were no questions, Mr. Corcoran moved on to the first presentation.

Water/Sewer Infrastructure Needs & Projects – A Plan for the Future: Dennis Asbury, Director of Environmental Services, Bev O'Dell, Director of Engineering, Terry Shelton, Superintendent of Water Filtration, Bill Harvey, Superintendent of Collection & Distribution, Charles Van Zandt, Superintendent of Wastewater Treatment.

Mr. Corcoran then turned the presentation over to the Director of Environmental Services, Mr. Dennis Asbury.

Mr. Asbury began with a PowerPoint presentation to Council. He explained that the presentation was outlined as follows: Master Plan Projects and Costs, Special Order by Consent, Future Projects, Water Main Projects, Water Improvements, Collection & Distribution, Bio-solids, and Future of Wastewater Treatment. He noted that they would see that some of the projects would be intermingled and the Water Main Project was one of those. He also noted the water plant project for putting in variable speed pump drives was a project that blossomed into a lot more which included a lot of line improvements.

- Master Plan Projects & Costs

Mr. Asbury explained that when they looked at the Water & Sewer Master Plan they looked at it short and long term. He then presented the 2004-2008 Water and Wastewater Capital Improvement Projects. He noted that the Raw Water Supply Improvements project, at a cost of \$5,000,000 was currently on hold as they were waiting to see where they wanted to go with it. He added that it was not one of a immediate concern, although it could become a problem.

He explained that the numbers being presented were the numbers that were developed in the Master Plan five or six years ago so some of them were a little dated. He noted that there were several large projects mostly dealing with water mains and inspection of the sewer systems. He pointed out that the total of the intermediate phase was right at \$30 million.

2004-2008 Water and Wastewater Capital Improvement Projects

Projects	Cost	Priority
Pump Station Renewal Program: Meadow Greens	\$ 52,097	1
Wastewater Treatment Plant Solids Management	\$2,475,000	2
Enhancement of High Service Pumping	\$1,071,950	3
Pump Station Renewal Program: Railroad	\$2,200,000	4
Telemetry Improvements	\$ 180,000	5
Raw Water Supply Improvements	\$5,000,000	6
Covenant Branch Pump Station	\$ 690,647	7
Dan River Pump Station	\$ 489,797	8
Kuder Street Pump Station	\$ 414,697	9
Junction Pump Station	\$ 341,200	10
Bridge Street Pump Station	\$ 231,200	11
Fourth Street Pump Station	\$ 88,600	12
Dogwood Pump Station	\$ 67,200	13
Sanitary Sewer Evaluation Studies (SSES)	\$ 212,000	14
System-wide Cleaning and Inspection Program	\$2,830,300	15
Pipe Renewal: Problematic Vitrified Clay Pipe	\$5,396,600	16
Pipe Renewal: Reinforced Concrete Pipe	\$1,061,900	17
Routine Distribution System Assessment & Standard Maint.	\$ 717,200	18
Capacity Improvements for Interceptors	\$ 356,100	19
Phased Small Diameter Water Main Improvements	\$3,444,000	20
Pipe Renewal: Upsizing 6-inch and smaller collection mains	\$ 355,000	21
Renewal of Old System Piping & Appurtenances	\$ 882,998	22
Demolition Work	\$ 55,000	23
Water Master Plan Enhancement & Maintenance	\$ 69,400	24
Wastewater Master Plan Enhancement & Maintenance	\$ 92,900	25
Wastewater Treatment Plant Expansion (PER & E.A. Phase)	\$ 100,000	26
Vulnerability Assessment	\$ 51,520	N/A
Raw Water Supply Improvements	\$ 170,000	N/A
Total Estimated Project Cost	\$29,597,306	

Mr. Asbury continued with the longer term projects which were considerably more, but if you look you would also see that they had included the Wastewater Treatment Plant Construction. He explained that they thought that by the time they got to the end of that twenty year master plan that they might possibly need to build a new Wastewater Treatment Plant. He added that they knew that they could not do all of this at once and perhaps they may not get to some of it at all.

2008-2020 Water and Wastewater Capital Improvement Projects

List of Projects	Cost	Priority
Routine Distribution System Assessment & Maint.	\$1,500,000	1
System-wide Cleaning and Inspection	\$3,396,360	2
Pipe Renewal: Upsizing 6" Mains	\$ 355,000	3
Capacity Improvements for Interceptors	\$ 437,700	4

Reinforced Concrete Pipe	\$2,464,700	5
Problematic Vitrified Clay Pipe	\$20,314,301	6
Wastewater Master Plan Enhancement & Maint	\$ 80,000	7
WWTP Engineering Phase & Land Acquisition	\$3,175,160	8
WWTP Construction (5 MGD Capacity)	\$25,000,000	9
Phased Small Diameter Water Main Improvements	\$3,321,000	10
System Looping Projects	\$ 938,000	11
Renewal of Old System Piping & Appurtenances	\$1,613,996	12
Water Master Plan Enhancement & Maintenance	\$ 80,000	13
Water Treatment Plant Expansion	\$ 70,000	14
Contingency Fund	\$ 948,000	15
 Total Estimated Project Cost	 \$63,694,217	

- Special Order by Consent

Mr. Asbury presented the Special Order By Consent Project and explained that they would recall that they had a number of years where the Meadow Greens sewer collection subsystem had bypasses on a very regular basis and the State came in and imposed this special order. He noted that this was one step down from a judicial order. He pointed out that currently the linework was \$4.4 million dollars. He explained that was work that they have already committed to do, they have done the design work and the construction was under way. He added that a lot of different technologies had gone in to do that with one of the most interesting being the pipe bursting where they actually do it in place without digging a trench.

He continued in that the pump station improvements came next. They have an intermediate step between those two where they have to reevaluate once they have repaired the lines and closed all the holes to see how much flow they have going still into that subsystem and once that has been done then the engineers would have an idea of what size pumps that they need to pump the remaining wastewater. So, there was another \$2.4 million dollars they were looking at, the design work coming later this year and the construction going through 2007-08.

Continuation of SSES

Mr. Asbury explained that, actually going along with the SOC was the continuation of SSES work. He explained that SSES was a sewer analysis system, developed in the early 70's by the Environmental Protection Agency with a protocol of how to evaluate sewer systems.

He pointed out that they have started the Dry Creek Subsystem and the Kuder Street Subsystem. They already have reports on them, those preliminary reports were done and they need to continue on with that for additional information, isolation of flows and identification of specific lengths of pipe. He noted the linear feet of 41,600 (Dry Creek) and 28,300 (Kuder Street) and explained that those were pipe sections identified when they looked at them for unusual flows. They knew how many feet of pipe was in a run, they have an idea of how many connections there were and what the discharge from those connections should be. He explained that when they do one of these preliminaries they look at them to see which ones were out of whack or which ones were taking on ground water or surface water.

New SSES

Mr. Asbury then went to the new SSES or a new sanitary sewer evaluation survey. He pointed out that they have done part of the Kuder Street subsystem, (but) there were other sections of that system that were not done. He explained that the main reason was because they had a grant for that which limited resources. They have done a portion of it with that original grant money. He did not know if additional grant money would be available in the future. He noted

that Matrimony Creek and Bridge Street subsystems were the next two that would come with the completion of Kuder Street. They would go through those and evaluate what was needed to be done.

- Future Projects

Sewer Pipe Renewal and Replacement

Mr. Asbury then moved to the sewer pipe renewal and replacement. He explained that Dry Creek and the Kuder Street Subsystems projects were at \$5 million (\$2,750,000 Dry Creek and \$2,700,000 Kuder). The cost that had been developed for those were based on the cost that was developed as they went to bid for the work that was ongoing now in the Meadow Greens, the Dan River and the Covenant Branch Subsystems.

Pump Station Improvements

Mr. Asbury stated that they may remember that they already had a design for the Railroad Pump Station; however it has been put on hold, the main reason being there was concern whether or not the sole industry that contributes to it was going to be there for a long time. He added that they have made other arrangements to bypass if that station should go down but if they continue on they may need to put some money into it. He stated that his recommendation would be that unless they have some long term commitment (from the industry), he not put the \$2.2 million into it, but it was a cost that was there, if they intend to use that station for a long time at its current capacity which was 5 million gallons a day.

He noted that the Kuder Street, Junction and Bridge Street Stations improvements were outlined. Those stations were all built in the late 60's and have similar design and the work that needs to be done on them will be quite similar. He pointed out that the total cost here, including the \$2.2 (Railroad), did not include the \$4.4 that was ongoing now with the contractor doing the Meadow Greens, Covenant Branch and the Dan River Stations. (Total cost of Railroad, Kuder, Junction and Bridge Street was \$12,438,000)

- Water Main Projects

Mr. Asbury then turned the meeting over to Mr. Bev O'Dell, City Engineer, to discuss the water main projects.

Status Report – Budgeted Water Line Projects

Thomas Street – Completed

Burton Street – 74% complete. Tie-in to 8" main in S. Hamilton Street needed.

Pervie Bolick Street – Sealed plans being reviewed by Public Water Supply Section.

Elam Avenue – Sealed plans being reviewed by Public Water Supply Section.

Georgia Avenue – Plans being reviewed by Public Water Supply Section.

Ellett Avenue and Green Street – Plans being reviewed by Public Water Supply Section.

Lewis Street – Plans being reviewed by Fred Shanks, Jr., PE.

Maryland Avenue – Survey work complete. Plans being worked on again.

Warren Avenue – Topographical survey in hardcopy and digital form is to be provided to the Engineering Department by Dean E. Hill Land Surveying.

Manley Street – Plans being worked on by Kevin London.

Hollingsworth Street – Survey work complete and data input by Kevin London.

Smith River Bridge – Plans being reviewed by Public Water Supply Section.

Mebane Street – Section of water line to be replaced by Ralph Hodge Construction Co. as part of the sanitary sewer replacement work that is underway.

Mr. O'Dell explained that Thomas Street had been completed and Burton Street should be completed within the next two or three weeks.

Mayor Grogan asked if that was included in this additional 25% to which Mr. O'Dell replied in the affirmative.

Mr. O'Dell continued in that Pervie Bolick and Elam Street plans were done and they have been sealed and sent off for review by the Public Water Supply in Raleigh. He added that they had planned to meet with the engineer, Mr. Fred Shanks, yesterday to give him the sealed Georgia Avenue, Ellett Avenue and Green Street plans but they were unable to meet with him. He noted that those plans would get to him Monday or Tuesday. He added that Mr. Shanks was supposed to also pick up the Lewis Street plans and then they would get this stuff out to bid in about four weeks.

He explained that the next project they would be working on was Maryland Avenue and currently the topographical survey in hardcopy and digital form was done for Warren Avenue. Kevin London of the Engineering Department was working on Manley Street plans and the survey work for Hollingsworth Street had been completed.

He explained that plans were being reviewed by the Public Water Supply Section for the Smith River Bridge and a section of water line (2") was to be replaced at Mebane Street as part of the sanitary sewer replacement work that was underway.

Mr. O'Dell noted that their goal was to have Burton Street finished in the next couple of weeks and then Pervie Bolick, Elam, Georgia, Ellett and Green projects constructed, tested and in service by the end of this fiscal year. He added that Lewis and Manley should be awarded and construction taking place by the end of the fiscal year.

Water Main Projects

Mr. O'Dell covered the list of Water Main Projects for the next five years. He noted that after turning in these projects some were left off and the one that really jumped out was a section off of Dishmon Loop called Maple Lane. He explained that would probably be added in during 2007-2008 or 2008-2009. He added that probably as they go through, repairing some of those they would find some streets that they did not have in what they thought they had.

He explained that they had learned a lot about the system but there was still stuff to learn. He noted that he did not list the Arcadis line in the first couple of years because he would like to see the improvements done to the booster pump stations and also the Dunn and Green water line improvements that he had in his reports, already prepared. After they see the effects of those improvements and the new lines then they would reevaluate this. He added that it would still be needed but it may not be needed in the particular route they mentioned before.

The list of projects for FY 2006-2007 totaled \$1,701,000; FY 2007-2008 \$1,791,500; 2008-2008 \$971,000; 2009-2010 \$1,170,500; and 2010-2011 \$421,500. The five year list totaled \$6,055,500.

Mr. O'Dell pointed out that the total length of the projects, including the duplicated items was about 13 miles. It was quite a bit but it really was pretty much the bare minimum that they need to do to get the system to where it should be.

Mr. Corcoran also reminded the Council that the reason why they would see different people talk about what was needed between now and 2010-2011 was because you know they have the large bond issue that they were paying on each year right now. He explained that the bond issue would be paid off in 2009-2010.

They have discussed on many occasions that when that bond issue was retired there will probably be a need at that point to look at a bond issue for what was needed for the next 10-15 years from there. As you know about a couple of years ago, the Council in order to protect that bond payment, he thought it was about \$1.5 or \$1.6 million, the principal has continued to drop each year, what they have done, they have taken the difference between what it was a few years ago and what it was now, and you have put that into a separate account under Special Appropriations under the Water & Sewer Fund called Debt Service Holding Account. He explained the reason being, they did not want that being absorbed into operational expenses and then all of a sudden you get to 2009-2010 you need another bond issue and all the money you were using to pay for your bond was now paying operational expenses. So the dilemma really before them was how they get right now, today 2006, to 2010-2011, and the work that has to be done between now and then and pay for it. That was why you were seeing this; they feel it was important that you look at the next several years before realistically they could do another huge bond.

Mayor Grogan asked if those bonds were the only bonded indebtedness the city had.

Mr. Corcoran replied that those bonds and you have some installments, lease purchase type things and you will see later this afternoon he thought they have about \$4.85 million, which was tremendously low for a community of this size.

Mayor Grogan asked if the majority of that was lease purchase equipment.

Mr. Corcoran replied that the majority of that \$4.85 million was actually the bond but in that were some lease purchases but the bulk of that was the water and sewer bond.

Mayor Grogan asked if that was the general obligated bond that the citizens voted on but any other bonded indebtedness the city has none to which Mr. Corcoran replied that was correct.

A copy of these Water Main Projects are on file in the Office of the City Clerk.

- Water Improvements

Pressure Enhancement Projects

Mr. Terry Shelton explained that he would like to talk about water improvements to enhance pressures around the city's distribution system and hopefully make the pressures greater or better all around town.

He noted that the pressure enhancement projects were actually water pressure stabilization and the project goals were to increase the average operating pressure so that pressure remains higher at the customer's faucet more hours of the day.

He explained that what that refers to was the type pumps that they have or operate over a range. They start out with a low pumping pressure, say 80 lbs., and it pumps up to about 120 lbs., as they are filling their elevated tanks around town and then they have to stop off and let that pressure drop or change back and forth and as the day goes along.

Their customers see as much as a 30 psi differential over the course of the day so people in the high elevation areas of town wind up seeing low pressures when the pressure was low at the plant and by making some of these projects come to life, hopefully the pumps will run longer at a more optimum pressure around 100 lbs., psi and the residents will see high overall pressures most of the day.

Mr. Shelton noted that a presentation was made to the Council in January by the Arcadis Engineering firm that talked about outlining the steps that were needed to improve this average water pressure in their distribution system.

He pointed out that the Pressure Enhancement Projects would address the following:

Existing Pressure Concerns; Pressure fluctuations throughout the city – WTP High Service Pumps (70-120 psi) and High Elevations within the city; Karastan Tank to be dedicated only to industry use (in 2 years) after October 2008; Low pressures in the Dunn Street Pressure Zone area; and Begin an engineering solution to low pressures in the Carolina Heights area.

High Service Pump Enhancement

Mr. Shelton explained that the Council would be given a request next month to begin design work on the High Service Pumping Enhancement and Dunn Street Pressure Zone Projects. Currently there was \$186,515 set aside in the budget to begin that design work if Council decides to move forward with it.

If the Council does decide to move forward with the project the design and permitting would probably be done by June of 2006 and the construction contract could be let in August of 2006. He noted that one critical point in that project would be putting in the variable speed pump at the Water Plant, there will be some major electrical work that would have to be changed out in their electrical substation and the project would probably need to be coordinated with holiday shutdowns at either Thanksgiving or Christmas to keep from having their industries off lines during the time those change outs were needed. He added that the construction of the variable speed pumping system could be completed by July of 2007.

He explained that the high service pumping improvements, the variable speed drives at the Water Plant, the structures to house them, and also a structure to cover the pumps to protect them from cold weather was estimated to be about \$1.2 million.

He added that complementing improvements to the pipeline mains and a new elevated storage tank to be located somewhere down in the industrial park area and the water mains were part of what Mr. O'Dell had alluded to earlier and the estimated cost of that would be \$4.2 million.

Mayor Grogan asked if this water tank would take the place of Karastan going off line.

Mr. Shelton stated that it would pick up the difference of the Karastan tank and also replace the area coverage of the Byrd Street tank. At that point the proposed tank would be about one million gallons and the Karastan tank and the Byrd Street tank together was only about three quarters of a million volume.

Dunn Street Pressure Zone Enhancements.

He stated that another part of the project would be the Dunn Street Pressure Zone Enhancements. That would include putting in larger booster pumps at the station and would be \$25,700 and also taking the boundaries of the current pressure zone there and expanding those and making several waterline connections to help improve the water supply delivery in that area and that would be \$88,000. He noted that part of that cost was already underway with improvements at Green Street and Johnson Street.

Carolina Heights Area Improvements.

Mr. Shelton stated that they had recently been informed by Dan River Water Company that they would not be building a booster pump station in the Carolina Heights area on Morgan Road. He explained that they had talked with them, they made presentation to the Water & Sewer Committee about doing a joint effort with the city to build a pressure zone in that area and at this point they have elected not to build anything in the foreseeable future and they were tying in some existing waterlines to meet their current needs.

He stated that in light of this information he believed the city needs to have its engineers prepare a preliminary report on the cost and feasibility of building a booster pump station and pressure zone in the Carolina Heights area. He noted that an engineering study to evaluate the creation of a pressure zone in the Carolina Heights areas would cost up to \$8,000.

Project Summary and Costs.

Mr. Shelton explained that right now the High Service Pumping Enhancement would be \$1.2 million. The Water Distribution System improvements would be \$4.2 million, the Dunn Street Pressure Zone Improvements would be \$170,700 but part of that work was already under way in the current budget so the actual cost left to incur there will probably be about \$120,000. He explained that to get a study done in the Carolina Heights area would be a maximum of about \$8,000. The total cost for the four projects itemized today were about \$5,578,700.00.

Council Member Gover commented that it was disappointing that Dan River changed their mind.

Mr. Shelton agreed and stated that he thought that it was moving along and he had contacted them to try to get some idea this week as to where that stood but they were currently very close to being ready to build a pipeline across between Price Road and Highway 87 on the north end of the county.

Council Member Tuggle asked if they had said why they did not want to do it.

Mr. Shelton replied that it was a cost measure for them as they could build a pipeline that would tie in water to the area they were looking to serve up there a lot cheaper than they could build a pump station at this time.

Council Member Gover pointed out that they were splitting the cost.

Mr. Shelton agreed that was what they had talked about.

Council Member Gover questioned that if the city built that booster pump station up there and Dan River wanted to tie on up there could they put that money that they were building that pump onto the water that they sell them.

Mayor Grogan agreed it should be asked but it could be a legal question.

Mr. Shelton replied that they could design the pump station in a way that the city could handle additional capacity on the front end of it and be prepared to do that.

Mr. Asbury also asked them to recall that when they did the Water Plant expansion Dan River was invited to participate in that and so they may also have interest as the city expands, if they build a pump station for Carolina Heights, to participate in that.

Council Member Myott asked where they were laying this pipe.

Mr. Shelton replied that he understood that it would come across the Garrett Road area to tie in at Price Road and come out somewhere on NC87 as they have a water tank up at the state line.

Council Member Myott asked if Indian Hills section would be included in that to which Mr. Shelton replied no.

Mayor Grogan commented that one thing that has always stuck back in his mind, there was a tie in to the Dan River system as well as the Eden system at Highway 135 and he did not know the legality of it but they had asked at one time, the lawyers, just to make sure, as far as mixing waters in lines that it would not be called for unless there was some type of disaster or....

Mr. Shelton replied that was correct it would only be used in emergency situations and it was his understanding they would have to approach the city for permission to open it up and use it at that point.

Mr. Asbury added that they have had discussions with Dan River about that same thing and they have even offered to chain the thing down and give the city the key, however all the water that would go through there would still go through the Dan River meter so it would not be water that they would lose without revenue.

Council Member Gover stated that they just did not block that, he thought that they had to have that in the program that they entered some months back.

Mr. Asbury explained that the State has been encouraging them to make those connections for a long time, they did not necessarily have to be in place or active all the time, he thought they were looking at it being used for emergency situations, a tornado or whatever that might occur that would interrupt water....the water could flow either way in that line.

Mayor Grogan stated that with the economic situation as it was now, and going to continue in the future, water was going to be more and more gold. He did not know when that contract expires or this that or the other, he did not know if Mayodan planned to do anything, or Madison, they could set around the table and talk but they had to have their contracts in place for protection.

- Collection & Distribution Improvements

Work Accomplishments

Mr. Harvey began by presenting a graph based on the last four years and a part of this fiscal year through January. He noted that they were pretty well maxed out with what they had with staff as to what they could do to meet the type of calls and work that comes to the Collection & Distribution system.

He explained that when he started keeping records back in 2002 on sewer stoppages it had slowly decreased. Part of that was because when they start having repeats in certain areas they go out there and either replace or repair, some of the I&I work that they have done, rodding lines on a regular basis has helped with that decrease.

For water leaks, there has been a very slight decrease that primarily has to do with the age of the system and the type of material that was in the ground and the weather conditions. He explained that usually when the ground was either cooling off or warming up it puts a lot of pressure underground that they do not see.

He noted that with the log of completed work orders since of July of 2001, they could see they have been getting more and more done, but again if they look from

about March of 2005, they were pretty well topped out now, with what he had with staff and he could not really do much more than that.

7957 Work Orders Completed since 07/01/2002

Mr. Harvey noted that based on July 1, 2002 they have repaired 1610 water leaks, unstopped 1024 sewers, did 1022 checks to determine problems and schedule work, repaired 1212 manholes and hydrants, etc., replaced 1102 meters, valves, boxes, manhole lids, rings, etc., and provided 448 dress ups...to which Council Member Tuggle questioned what a dress up was.

Mr. Harvey explained that normally they go do a job and if the weather was like it was right now, they could do their dress up and seed it and be gone. But, when you have really wet, rainy weather, all you have done is slosh around mud, (so) they have to go back and redress this area. You call it the second trip that you know you have to do. He noted that they get a backlog of these and as soon as the weather was nice they try to get out there.

To continue on, Mr. Harvey pointed out that one of the things they have been able to accomplish more in the last two years was the replacement of sewer laterals and service lines (344). He explained that lateral lines were going from the main to the property line and the service line being the water line going from the main to the meter.

He explained that a part of that was starting to get historical data and so they could say they have been here five times to unstop this sewer in the last three years, let's go out there and replace that line. He noted that it would take many years to get all this substandard orangeburg pipe material...for example, they were out on Monroe Street and at one time that must have been a restaurant or something, that had carbonated drinks because they got in there and the whole bottom of the cast iron pipe was eaten out, which was indicative of CO² that had been running a long period of time. He explained that as they find these things they were trying to get them repaired.

He explained that in C&D, they were the ones the customer sees the most. If they have a leak, they were calling them. That was the most important thing to do, these were the things that get people's attention. So trying to manage that to improve work, and his work was getting done, was you sometimes have to let little things slide to build up to where you can flood people out there to go hit it. If you go out there and look at this leak and you have 9 leaks, you only have two crews, you are not doing any sewer, no major sewer, then you are picking the worst of the 9 to do, it may take 4 days, but in the priority of the severity of the leak, they try to do the worst ones first and then work it down.

Mr. Harvey continued in that they had 331 miscellaneous work orders, 239 inflow and infiltration repairs made, 212 CCTV of lines completed, and since he had been in Eden there have been 131 low pressure complaints, they have installed 99 water or sewer taps, and they have been working on the Ford Street project since he had been there. He noted that a little more than half of those 99 days, about the time they get down and start digging, they have a water break or something else and have to pull off and go work on it. It was very difficult to try to do.

He noted that they had also had 92 pump outs, with National Textiles, or their pump stations. They go there when National Textiles needs theirs pumped out. Of course they pay for it, but that was still time that they were using to do it. They have also raised 48 meters and in the four years they have had 43 water quality checks.

Additional Manpower Needed

Mr. Harvey explained that the first year that he was in Eden the State came in and listed about seven things that needed attention. The first one was to continue to accurately inventory and map locations of mains, valves and other distribution components. He cheered the Engineering Department for what they did on this. He noted that it had been ongoing and when they get the notification of discrepancies in the field they were given to Engineering.

He stated that they replace the substandard water mains (less than 2") and they have not really been out there to do that work because they did not have the people to do everything that they want done. (Engineering has been working on this replacement program).

He stated that they locate and test water system blow-offs as needed, repair replace and/or install assemblies or hydrants as applicable on dead end mains. He added that they have not been able to do any of this because of the work load and lack of manpower. (This would require 3 new positions).

He explained that they have to go back to develop and implement a system wide flushing program and document flushing activities. He noted that due to the work load, the only flushing they did, they have to have a break to get the air out of the lines, but that was not unidirectional flushing, that was just trying to get air out of the lines. He explained that when the Fire Department goes out testing fire hydrants and running them to clear out any stale water, that was not flushing.

He explained that unidirectional flushing was forcing the flow through a set direction and at certain speed flushes it out. This was what you need to get red water, iron problems, sediments in lines, to get flushed out and to do that requires the ability to go out there and valve off side streets, notification to customers that you are going to be flushing, determining the speed, testing that, determining how much water you have going through the line, so you do not know how long it will take, and then going back and opening things back up.

He stated that basically if you had the three needed positions (mentioned previously), that one crew, they could kind of do both of this together, because they may have to go put blow offs at the end of that line. They may be working several days in preparation.

He stated that they also ensure acceptable minimum free chlorine residuals were maintained throughout the distribution system and document same. If you do not have these blow offs in place, if you are not doing an active flushing program, it was really hard to maintain chlorine residual at an optimum level, because water was getting stagnant in certain areas. He cheered the Water Filtration crew as they go out and get some distribution sampling, his crew was not doing it.

He explained that they develop a written cross connection control program to include an inventory of devices and schedule maintenance and testing and develop a public awareness program. Again, cross connection would be back flow devices, large devices to industries, etc., that was supposed to be tested on a regular basis, records kept on it; this was something the State wanted them to do, but the manpower was not there to do this. (This would require 1 additional position).

They should also formalize a meter testing, maintenance and repair program, develop other strategies to minimize unaccountable water. As it stands now they do contract out the large meter testing only. To test the other meters, that would require significant repairs to their meter testing equipment as well as new equipment. This would be accomplished by incorporating with the two requested positions.

Council Member Epps questioned the build up in the lines and so forth in the lines that need to be flushed, what about the tanks.

Mr. Harvey replied that the tanks will be worked on by tank maintenance that they have contracted out and on a periodical basis they go in and flush out the tanks.

Mr. Asbury added that they also inspect.

Collection & Distribution Equipment – 5 YR Plan

Mr. Harvey then continued to a 5 year plan. He explained that if they get five people, of course they would still need a minimum of two trucks (\$50,000). Currently, their outfall tractors were in a horrible shape and to get something with a four wheel drive to be able to get down these outfalls and do the job, they have a price of \$115,000 which could be leased over a 5 year period. To do a sewer model program, which they could take what they have and start working toward modeling the sewer so they could determine the flows as they constantly work with these SSES and all (\$15,000). He noted that one of the things he had there was to purchase a gator type vehicle so they could take the camera equipment to outfalls (\$12,000). Their new sewer truck has done a wonderful job but it cannot get down to some of those outfalls. Another thing was to try to get a plotter and Info CAD (\$5,000 and \$7,000), so they would have the ability to print off information right there.

FY 2006-07 Capital Improvement Plan

In conclusion, Mr. Harvey explained that for the upsizing of 6” and smaller sewer collection, they need to budget about \$71,000 a year for that for the next three years.

Council Member Gover stated that he thought they had discussed that vehicle while they were okaying those three men for I&I that they would be alright with the vehicle that they were buying to go up and down the outfall with the camera.

Mr. Harvey replied that they talked in the Water & Sewer (Committee) about some gator type vehicle to go there too. The truck could get down some but there were some location that you were not going to get a truck or a trailer to, you need something smaller to get it in and out.

- Bio Solids

Management History

Mr. Van Zandt explained that most of them have probably heard over and over, they began a land application program back in 1984 where they were moving their sludge, bio solids residual, back then they started with about two million gallons and they were currently doing about ten million. Over the years they have had this inert solid material start gathering in the basins, the alum sludge, and in 1992 they started polymer usage for the color removal, which that also increases the settling capacity of the sludge which in turn started piling up in their basins.

Current Challenges

He explained that currently they had to dispose ten to twelve million gallons a year. They have limited storage capacity but they do have four million gallons in storage lagoons. He explained that one was an earthen basin and the other was a lined basin. He explained that the lined basin was two million gallons and the earthen was probably two thirds usable because it had not been dredged out over the years.

He noted that their solids levels have increased over the years and typically this type of extended aeration plants they were looking at mixed liquid. He explained that was their suspended solids in the neighborhood of about 5,000. Typically they run 8,000 to 10,000, a couple of years ago they saw 12,000 and when he tells people across the State about that it was unheard of.

He stated that right now they have no non-weather dependent solids management options. If it rains, they were stuck with it. He stated that they depend on them, if they cannot get out in the fields, a quarter inch of rain, it shuts them down. So they have no other options there.

He also noted land base uncertainties. There are more times where they get a farmer with a couple hundred acres or so, he may get what he wants, he gets his fields up, he may look at doing something else, so he pulls out of the program. They have no control over the farmers. He explained that the contractor usually has the relationship with them and currently right now with Reidsville there were several farmers in the Reidsville area who wanted to pull out of their program to come to Eden's program. He explained that several years ago Eden lost quite a bit of land to the Cone Mills project so with development out here in the county area, there was land base you lose.

Future Challenges

Mr. Van Zandt explained that they have to have some type of controls over their in-plant solids inventories. Right now what solids they waste goes to the storage and that were where it stays until the contractor can come in. He noted the potential losses of land base due to development and they have limited footprint for liquid storage expansion and their limited solids treatment capacity.

The Next Logical Step.

He noted that Anderson & Associates was hired to conduct a study in 2000 and this study was done to find alternatives to the current problems they have with excessive solids and these recommendations were broken down into three phases.

Phase One Recommendations

He explained that Phase One was their immediate improvements (2002). It included preventing the alum sludge, because they had all that inert material just settling out in the aeration basins, from coming into the aeration basins. It also included a reduction in polymer use and they have reduced it almost half. It also added a land to land application program. He noted that he had talked to their contractor last week and they asked if he had heard anything from the State. He also noted that it takes a long time to permit that stuff. It also included more mixing of the aeration basin, dredging and pumping solids from aeration basins and increasing their wasting rate.

What has been done with Phase One?

He explained that they had recommended to pump alum sludge to storage lagoons which would cost about \$700,000 plus. He added that the Water & Sewer committee, through discussion with them requested that they find an alternative method. He explained that what they came up with, they switched the aeration equipment in their aeration tanks from these vertical aerators to horizontal brush aerators. The cost of that was \$400,000 which was a savings of \$300,000 plus. Also because of the type of aerators that were put in, they were half the horse power so it reduced the energy requirements so they would see an approximately savings of \$75,000 to \$100,000 a year in their energy bill and they were already seeing that.

He added that also the new aerators have eliminated the need for the alum sludge pump station. This has prevented any further inert solids from accumulating in the basin. They were fighting this everyday in the plant to keep from violations because it keeps bringing this stuff up that has been sitting there for years and their solids wasting has increased because of that.

Phase Two Recommendations.

Mr. Van Zandt explained that Phase Two was their short term (2003-2005). There was construction of a permanent dewatering facility and dewatering the digested sludge and a dewatering facility should be constructed to handle this sludge. They did set up a portable press in 2003 because during the rainy season they just could not get solids out and they were in violation month after month and the entire time this unit was there they did not violate at all. The first month it came out of service they had a violation. He added that they have stayed compliant in the last 27 months now.

He added that if you look at the permanent dewatering facility, under a typical design and construct phase you have to issue the RFP for design, you select an engineering firm, you finalize the design, and you issue an RFP for construction and do the bid process. This you were talking about a couple of years because it has to be permitted through the State at the same time. He stated that they were looking at an estimated capital cost of \$3 million and an estimated O&M cost of \$500,000 if they go traditional.

He pointed out that they were looking at design build and operate and some time back the Water & Sewer Committee was given a presentation concerning a DDO. There was some question in the General Statute as to whether this was legal or not. He explained that it was solid waste and there was some question on terminology as to what was solid waste. He noted that House Bill 1097 was to allow Design Build and Operate for sludge management, passed in July of 2005 and what this does it gives you a single point of responsibility, which means that they do not have to do the RFP for engineering firms, they do not have to do the contracts, etc., they deal with one person only and that was the contractor doing the DBO. This was all involved in the cost and it reduces their risk.

He explained that it was guaranteed capital and operating costs. He stated that estimated capital cost was about \$1.5 million and estimated O&M cost was about \$350,000 annually. This was all based their on the long term operating contract. You can get this through bonds or low interest loans or the contractor can finance it himself.

He noted the fixed-fee pricing for operations, the operations contract based on city timeframe, the typical terms were ten years and the ownership of facility at the end of contract.

Phase Three Recommendations.

The Phase Three recommendation was long term (2010-2012), looking at possibly a new digester capacity being provided. Right now they were limited on the size of their digester, to allow better handling of the sludge, this allows the permit to reach its capacity and to the concerns of the integrity, they have had to do some patchwork on this tank. He added that he would say that since the study was done, they came up with this new aeration equipment; they have that in their digester as well. It has enhanced its performance tenfold. He added that they would probably see something further on down the road.

Council Member Nooe questioned the cost of the portable press.

Mr. Van Zandt replied that the portable press was \$400 a ton a dry ton which was, he thought, they ended up spending close to a half million dollars in the six months or seven months they had it.

Council Member Nooe stated that it would be less expensive to go ahead and get their permits and stuff set up to which Mr. Van Zandt agreed.

He added that the capital cost could come down a little bit because they have come out and looked at the site and they have some existing structures that they could use to house certain things where they would not have to come in and build tanks. They have some tanks there that could be used. He added that they did not have a real firm number on that yet. They definitely would be a lot cheaper and it also gives them room for expansion. He added that when they set it up they set it up for a second press somewhere down the road.

He also added that from the date the contract was issued or signed from the DBO project, they would have it operating. In most places (outside of North Carolina), and they would be the first in North Carolina to do this, they could have it in operation in six months.

Council Member Gover questioned the need for a second press.

Mr. Van Zandt replied that if they expanded the plant down the road they would have a second press.

- Future of Wastewater Treatment

What If?

To begin with the future of wastewater treatment, Mr. Van Zandt proposed a what if. He stated that one of the comments was some type of contingency. The problem with the wastewater plant was, it was there. He explained that it was designed to treat a certain amount. If National shut down today, you were not going to see much change in the wastewater plant. He noted that it still takes the same number of people to operate it, it was still the same size tank, it still has basically the same volume, it may not have the flow but it still takes almost the same stuff to operate it. You may see some energy and chemical savings but other than that you still have this large plant there that still has to operate.

He explained that every day he heard from other treatment plants, everybody was expanding. He noted that the City of Thomasville was doing a huge expansion process. These people know that they were in the same shape the City of Eden is in. They want business and industry which was your lifeline. He explained that when he taught wastewater classes he tried to tell you up front, the wastewater plant was just like your body, it operates just like your body. They were the kidneys of the city. If you take the kidneys out you were going to die so you have to keep it up to date. There were new technologies out there everyday and it was not cheap. They needed to look at some new facilities and they were looking at the possibility of the New Street facility down there at some point in time. He added that they did not know were that stands yet. The Dry Creek facility, sort of ties in with the Railroad Pump Station issue. If at sometime you upgrade the Railroad Pump Station then there was no need for that treatment plant there, it was just a drop in the bucket unless you plan future expansion out on that end of town. He stated that they knew they could not afford to wait to fix it, not in the wastewater. If it was broke, it was there for a reason and it needed to be fixed. He closed by advising them to look toward the future.

Mayor Grogan questioned how close they were to capacity.

Mr. Van Zandt replied that if they look at flow capacity, it was a little more than half their capacity by 60%. When they start looking at what was in the plant and

how they have to do their allocation to allocate for their loading, they were probably closer to about 70%. He added that it depends upon what industry you get. That was the other comment he wanted to make. He asked them to understand that they were out there recruiting industry and if it was wet, it has to come through them, if you go out there and make all these big plans and say "we'll give you everything under the sun", and then they move in, guess what, your treatment plant could not handle it. It needed to be the top priority to find out where you were at and what you have got.

He pointed out that the State calls all the time and says "can you handle "x" number of pounds", or whatever and they typically know that they have an industry looking somewhere. With Weil-McLein now, because they were a categorical industry doing sheet metal, they have taken up a lot of capacity because of the type of metals they have. So if they had another metal finishing industry that wanted to move in, it would be restrictive of what they could do right now at this point in time.

He added that they were in good shape in a sense, but also they needed to take a look at it when trying to recruit industry. That was why he mentioned new technologies, you may have to back up and do some other type of treatment process. He explained that they were designed for textiles and there was different technology out there to go for more a broader range type of treatment.

BREAK:

Overview of Economic Development Strategies: *Mike Dougherty, Director of Business Development.*

- When it comes to Economic Development...Think Amish!

Mr. Dougherty explained that he wanted to talk a little about economic development strategies. He pointed out that when it comes to economic development, a good place to think about was the Amish and that might sound kind of strange because they think of them as kind of primitive. But, they were sort of pioneers in economic diversity, most of them were farmers but they also have other enterprises. They often have these types of alternative enterprises because some years there are droughts so there was something to fall back on. He stated that he thought Eden saw so much that they put everything into one industry, now certainly there was some diversification potential but they have to try not to get back into that trap again.

- Industrial Recruitment

As far as economic development, industry was always the top priority because of things like high paying jobs, benefits, significant community investments, stability, and philanthropy. He noted that Miller supports two of their biggest festivals and does a lot of other things for the community.

- Small Business = BIG Business

He explained that small business was a huge part of the economy; it was half the private sector employment and half of the U.S. economy. Greensboro was now hiring an entrepreneur czar because entrepreneurship was so important. He pointed out that a business like R.F. Micro Devices started out in someone's house. So that was how you grow these industries to be competitive with the rest of the world. In North Carolina small business was 70% of companies. They employ fewer than ten people so small business was a huge part of the economy and where most of their growth came in the last 15 years.

- Alternative Economic Development Resources

He noted that there were other forms of economic development and one of the things that was helpful in the Main Street Program was that when they go to these conferences and in over 15 years in the business he had spent a lot of time in worthless meetings, but he could tell them that these group of people, they bring you in and give you some great information. He encouraged them to come to the Main Street meeting next year because there was an awful lot you learn about as far as alternative economic development resources and a lot of these things that they were going to talk about were existing right here, they just have to develop them.

- Quality of Life, Recreation and Downtown Revitalization

Mr. Dougherty explained that this reflects the vision of the community, important elements of the New Economy and it attracts visitors, residents and investors to their community.

- Why Do Companies Relocate?

He noted that there was a website called ExpansionManagement.com, that mentioned that just as equal to everything else was quality of life. Some of the obvious reasons why companies move to different places were to have more land to expand their labor costs and be closer to a new market. Governor Mike Easley has on the Department of Commerce website that North Carolina is a great place to live, really emphasizing the quality of life attributes.

- Is Your Community Prepared?

The former Partnership President, Don Moss, did a presentation here several years ago and talked about the community being prepared and one of the things was appearance, attitudes towards growth, and community facilities, those things all feed into the equation of why people come here.

- Quality of Life, Recreation and Downtown Revitalization

He noted that there were a couple of pivotal questions. One was very basic, when you are planning a vacation, where do you want to go? You want to go somewhere nice. You would not want to go through the South Bronx. He explained that he used to drive a train through there back in the early 80's and that had all the charm of post war Hiroshima, you know burned out buildings, a mess. He explained that you want to go somewhere that was pretty. If a consultant came here today and said to the Council would you be interested in plans that would bring millions of dollars into Eden's economy you would be pretty interested. He explained that they would talk a little about that.

- Rockingham County The Central Park of the Triad

Mr. Dougherty explained that Angelou Economics, the economic consulting group that did a study here a couple of years ago, said that Rockingham County could be the Central Park of the Triad because of its wide open spaces, rivers, parks and those types of things.

- Image Is Everything

He noted that two years ago in New Bern they saw Ed McMahon, who was part of the Urban Land Institute, who talked about what was really important to a community and he says that "Community image is critical to economic vitality and quality of life." He added that they were now considering doing his presentation at a League Dinner in the near future.

This year they just came back from Salisbury and the Mayor of Charlotte was there. He stated that he talked about two things and he essentially said that if you have a body of water you better be promoting the heck out of it because it can bring huge amounts of revenue to your city. He also said that when he brings in an industrial client the first place he takes them to was the downtown area. He added that Greensboro was trying now to imitate what Charlotte was doing.

- Greenways

He explained that they would talk about it in some other things but the baby boomers, who were ages 46 to 64, were called the “forever young generation”, because they do not want to be considered old. He noted that their life expectancy was 74 for males and 79 for females. The bottom line was this generation, for the next 35 years, was a potential market. A lot of advertisers were shooting for the 18 to 25 age group but it was their parents that have the money. It was all the boomers who were going to be retired with disposable income and they were going to be looking at places like Eden. He explained that they had the realtors in there when they did the master plan with Haden Stanziale and it was interesting to hear people like Martha Holland say that people were finding us on the internet. He pointed out that you can still buy a decent house in Eden for under \$100,000 and that was unheard of. He suggested they take a look at tomorrow’s News & Record, you will see houses in Greensboro up to \$1 million. That was unheard of ten years ago.

He explained that the Greenways beautify a community to make things more attractive, they produce health benefits and they promote our rivers.

- Greenways – Economic Impact

He then presented some examples of communities that have a great economic impact from things like greenways.

Seminole County, Florida. They spent \$20 million on a trail system. The trail system was split by I-4 so they built a bridge which became a landmark. So, the results were 10,000 trips there, 30% of the users came from outside the county and \$12.79 was spent every time someone comes there.

Boulder, Colorado was one of the lesser success stories. They had \$5.4 million greater property values in neighborhoods with greenways than a comparable one without a greenway and almost over half million dollars in additional property tax value annually.

Indianapolis, Indiana. They took an old railroad trail line and fixed it into a rail trail. He stated that 1.2 million visitors come there and people that live within a half a mile there get \$13,059 more for their house versus other places and \$116 million in increased property values. The head of Indy Greenways said “There was a time we believed greenways were for recreation. They are now recognized as an engine for economic growth.”

- River Walks/River Front Development – Economic Impact

San Antonio, Texas. He explained that back in the 1960’s they were considering filling in the river. Now it brings \$2 billion to their community a year.

Providence, Rhode Island. Waterplace was a place where they actually have live fires. They do this several times a year and 350,000 people attend these events and spend their money.

Chattanooga, Tennessee. He pointed out that there was \$400 million dollars of new construction along the Riverfront with 127% increase in property values.

Hartford, Connecticut. They had \$60 million in new investment with 450,000 annual visitors.

So there was case after case that when you were developing a river it brings people there and produces revenue.

- Downtown Revitalization – Economic Impact

Mr. Dougherty explained that at the beginning of the Salisbury meeting, Mr. Rodney Swink, the Main Street Director had announced that North Carolina had crossed over the billion dollar mark as far as investment since 1980 when the Main Street Program started.

Typically \$1 in public funds generates \$50 in private investment. J.D. Powers & Associates also rates communities and most people say they want to be in a historic downtown as an attractive place to shop. There really was this need for the sense of community. He explained that he was talking to a fellow yesterday about a potential festival in Eden and he was in downtown Greensboro. He said that one thing that was interesting you hear about all this housing that was moving into the downtown. Originally they thought it was for the younger people but it was all the baby boomers coming in. They were retiring their lawn tractors and their weed eaters and were moving downtown and they want to be a part of this community, they want a place where they can go.

He stated that he lived in Augusta, Georgia in the 80's and at that time the nicest thing about Augusta, Georgia was Augusta National. It was the most beautiful golf course he had ever seen; the rest of the city was a pit. They then developed a river walk and it developed their whole downtown expansion.

Susan Morris was one of the speakers in Salisbury and she wrote a book called Smart Communities and she was talking about a fellow that she tends to meet in airports that they travel all over the county to select sites for distribution centers. He wants to go to a place where they have amenities arts and an attractive downtown. Maybe twenty-five years ago those things did not factor into where people locate but they certainly do now.

As far as our Main Street Program, in the less than three years they have been on it, 19 facades have been redone, 59 net new jobs and with the Central Hotel they were seeing over \$1.5 in new investment and the citizens were responding positively to what was happening there.

- Cultural Tourism (Festivals and Special Events) – Economic Impact

Mr. Dougherty explained that as far as cultural tourism, there were 49 million travelers across the state and \$2.1 billion in tax receipts. Tourism was the number one, two or three industry in every state in the unit. It was a huge amount of potential business for the city and county, in North Carolina almost 200,000 jobs were supported by tourism.

He explained that it also comprised 40% of their tourism revenue. He explained that Riverfest, which started two years ago, attracted a buyer for the Central Hotel. They were also getting people from all over the state applying for the Pottery Festival. He noted that now that Sony was picking up the Charlie Poole Festival and with the new location at the fairgrounds, this could be the beginning of something huge for that.

- Freedom Park – Economic Impact

For sports tournaments, he had talked for several years now about what other communities were realizing. He noted that \$45,900 comes per tournament, so almost a million dollars or a little over \$918,000 was spent because of that facility

that did not exist four years ago, it was bringing in business.

He explained that the total impact of the park in 2005 had 148,047 visits. He pointed out that people were using it and it was helping their community, not just people from Eden, but people from Virginia and other areas. Again on this formula, over \$3 million was put into the economy because of that facility.

He noted that Kernersville, Rocky Mount and Morganton were all expanding their ball fields because they know the tremendous economic impact. A few weeks ago there was a wrestling tournament. The previous night the restaurants were all packed. Sports tournaments generate huge amounts of money.

He explained that he had a recent interview and they said Reidsville was going to have the Equestrian Center and Western Rockingham was going to have the Mayo State Park and the Washington Mill Project. They asked what they were going to have here. He pointed out that they would have to be proactive just to compete with their own neighbors. That State Park will attract a lot of people and the Equestrian Center, even though it was a long way from being finished, it draws millions of dollars a year. They will have to look at the Nantucket Mill Project, Greenways, River Walk, and become a model for Downtown. He was really proud to say that a lot of Reidsville businesses were moving to Eden now. When he talked to the Reidsville Downtown Director yesterday, she said that all of her merchants were saying that they wanted to go to Eden because that was where things were happening. He stated that they want to be a model for downtown revitalization like Salisbury and Lexington.

Council Member Tuggle reiterated that by just working in the store there, he got a lot of people coming in from other parts of the county and he had heard that comment over a number of times, people saying they want to move to Eden.

Mr. Dougherty replied that it was because those merchants have invested in their businesses.

- Nantucket Mill Project

Mr. Dougherty explained that this was tied in with the Spray Cotton Mill. They were seeking New Markets Tax Credits. He explained that makes that program feasible, the upfitting of those buildings. He had set through New Markets Tax Credit seminars and he understood about as much about that as he did the bio-solids, but it was very complicated but you get people to do this that know all about that stuff. He added that Senators Dole and Burr were backing this project. That would produce a huge amount of attraction for their community. There would be a convention center, textile and music museum, condominiums, hotels, crafter's university, and then something to showcase the musical venues.

So there will be three departments you will hear from. He stated that he would talk about his stuff later but Mrs. Stultz would talk about the greenways and Mr. Farmer would discuss Parks & Recreation. They were trying to establish elements of this new economy to try to compete. As he had said to people before, now you have to market Eden like you have to market a brand. It will require some investment but as they have seen, look at what the investment has done in other communities.

Freedom Park – Where Do We Go From Here: *Johnny Farmer, Director of Parks, Recreation & Facility Maintenance.*

- Phase I

Mr. Farmer began by explaining that in just the cities that he had worked in that Parks & Recreation played a valuable role in not only providing quality of life issues for its citizens but also providing an economic impact on the cities. As Mr. Dougherty had mentioned earlier, greenways, Parks & Recreation facilities and

the downtown areas, all of those kind of form a centralized location or destination place for people to come. He explained that a lot of time their recreation facilities somehow or someway connect with the downtown and they always connect with the greenways and those facilities provide for opportunities for citizens as well as folks outside the city so what he was going to talk to them today about was Freedom Park and where they would go from here.

He stated that right now, Phase I of Freedom Park included the shelter, playground, multi-purpose field, walking track, sand volleyball court, horseshoe pits, entrance and the road and parking areas. He explained that portion alone was used tremendously, he would say that seven days a week, 365 days a year if you go down by Freedom Park you will see somebody walking on the track. Somebody was there constantly and they get there anywhere between 5:00 or 6:00 in the morning and were there until it gets dark. He explained that the reason they know this was because they were opening at 7:00 (a.m.) and they got so many calls that now the Police Department opens the facility at 6:00 in the morning so that folks who want to walk early can get there now.

He noted that the volleyball courts were used tremendously. The shelter was booked almost every weekend from the first of April until the end of November. He added that they have even had folks utilizing the shelter during the winter months because it has been so nice, (but) they did not book during that time.

Council Member Tuggle questioned if a lot of people outside of the city booked that.

Mr. Farmer replied that they did and non-residents were charged a higher rate. He added that he would say that 90% of the folks who rent that were from within the City of Eden, but those facilities there have done a very good job of meeting some of the needs of the citizens as well as the county.

He then presented some slides of the entrance to the park, the playground, shelter and the walking track and multi-purpose field. He explained that one of the things that they have done this past fiscal year was that one of their goals was to move all of their athletic programs to a centralized location inside the city so that folks on one side of town did not have to drive to another side of town to actually participate in recreational activities. All of their adult sports and youth sports, except for youth and adult basketball programs and volleyball programs were held at Freedom Park.

- Phase II

He explained that this phase was the softball complex and the parking area for the complex. This phase has really produced a great economic impact on the city. He presented some slides that showed the three field complex. This facility, from April until the end of October, Monday through Friday, you will probably see anywhere from 300 and 500 folks go through that facility between 6:00 to 10:00 p.m., to participate in softball games. That included the parents, the fans and the players. He showed a view from the outfield and noted that they had a very good athletic turf out there. He also presented the parking lot and noted that it was not paved at the present time.

- Phase III

For Phase III, what they were doing right now was the concession stand; restroom building which was part of the softball-baseball complex, but that was actually Phase III, which will be paid for with some grant money as well as city money. He explained that was complete and they were in the process of utilizing that. The skateboard park would be completed by November 30, which was the date given to the media and folks since he came on board. The amphitheater had the same date. He noted that the nature trails were pretty well complete. They were

able to open that up this past fall for the high school cross country team. The roadways and parking and signage would be completed as they finish up that. The total cost for Phase II was about \$500,000 and \$250,000 of that will be coming from a PARTF Grant from the State.

He explained that the PARTF Grant was a little bit different than in the past. It used to be that the State would just write the city a check and then you spent those funds. What they do now, it was a reimbursement thing, as you spend the funds then you seek a reimbursement from the State for those.

He then presented an outline of Freedom Park, concentrating on Phase III. He explained that if they go down there today, there was a lot of activity taking place. He then presented the completed concession stand.

He explained that this was a component of Phase III but it was not actually a part of the PARTF Grant. Last year the City Council allocated \$30,000 for the city to go in and pave the access road and the roundabout. He added that they had received great reviews for that.

He then presented slides of the grading process of the future parking and the amphitheater site. He noted that as far as the skateboard park was concerned, it was an 80'x100' concrete slab which was about 8,000 square feet and it would have all these ramps and things. He then presented an almost exact replica of the amphitheater.

- Economic Impacts of Tournaments at Freedom Park for 2005

Mr. Farmer explained that in 2005 they held 20 tournaments and it could have been a few more or less an average of 15 teams at 15 players. He explained that what happens, if they had 8 local teams and 7 out of town teams there was a method that was used to come up with the amount of money that was spent. For the local teams they felt like those 15 players were going to spend about an average of \$20 a day while they were utilizing Freedom Park. That \$20 day was from eating at the concession stand, eating out, buying gas, or maybe buying snacks at the grocery store. For out of town folks, \$50 a day was a figure that they came up with and that number was really low as he wanted to be conservative. That was about the average of what a hotel costs here in the county right now. He added that it did not include the gas, meals and things that they would eat.

He noted that direct impact that the tournament has was approximately \$15,300 but you always have a multiplier because those direct dollars normally turn over anywhere from 3 to 5 times in a community. For example, at the concession stand, the city bought those, they received that money, but they had to buy those supplies from probably a local vendor, that local vendor had to maybe buy their supplies from a local vendor, paying their employees and things like that, so those dollars turn over quickly. Just to give an example, according to the United States Sports Academy, every community ends up having a different method or multiplier to come up with their average, but the national average of a visitor, they were saying that on a national average a person was going to spend an average of \$146.89 a day. He knew that was not happening in Eden, but they feel like \$50 was a very conservative number, they use a multiplier of around 3.37 so they were little more conservative, those numbers could be a bit higher. So if they figure that they had a \$45,000 impact on those 20 tournaments, they had an approximate economic impact which was direct and indirect of about \$918,000 last year. This was for the softball alone. What they hope to do when they get the amphitheater and the skateboard park complete that they would even be doing more things to bring folks in. They hope to have a monthly concert series where they would have at least 7 concerts per month. With the skateboard park, folks were already talking and would like to see professionals coming in with some training on high extreme type things there and he spoke with a local here in town that was willing

to help bring those folks in financially and things like that.

He explained that for Freedom Park alone, last year they had 148,000 visits and what he meant by visits, some were just the same people going there day after day, but he had been doing Parks & Recreations for a very long time and every time someone makes a visit to one of your facilities, even though it may be the same person day in and day out, those folks average about \$5.00 in spending per day and that may include buying shoes, clothing, ball gloves or bats, bottled water, going to the store, putting in gas, things like that. Just the park alone, during 2005, some were guesstimated (on the low side) they feel freedom Park had an economic impact of about \$2,220,705 and that number would increase as they were able to continue to provide more programs at Freedom Park.

- Freedom Park Phase IV – Proposed for 2006-07

Mr. Farmer noted that if they would remember there has always been some type of an aquatic component in the Freedom Park Master Plan. Originally it called for a children's aquatic play area. The City Manager and he have talked and he had also discussed it with some of the advisory board members, the only municipal pool that they have in the city right now was at Mill Avenue. It was built somewhere around 1950, so that puts the pool at around 55 years old. It was an antiquated outdated pool and he would say that within the next three to five years they were going to be making a very substantial investment, probably anywhere from a half a million to \$750,000 just for renovation of that facility. Right now they have to do something almost every year just to piecemeal something together just to meet the new requirements set by the State. He stated that they thought they would be in for a real big shocker this year because of the multi drains that they require in pools now because of the suction, there was so much suction when that drain was backwashed or whatever. They were able to modify some piping and they have a written statement from the local health department that says that their pool meets the present standards so they will be able to open the pool this year.

Council Member Tuggle stated that there used to be a Lewis Street pool here to which Mr. Farmer agreed. Council Member Tuggle stated that he thought the same thing happened to it, it was just so old and a lot of decisions had to be made by the city.

Mr. Farmer explained that he had some prices on building a children's aquatic play area and also an eight (8) lane municipal pool. He noted that he had built several pools before and he actually had a quote from a contractor for an aquatic play area and a pool and they were talking about \$1.2. He pointed out that they were only talking about roughly a million dollars to build something new that was going to give them a more modern, extended life and would meet the needs of the folks who were living in the City of Eden.

He also explained that another area that was very important at Freedom Park was the paving of those driveways and those parking lots that have not been completed. The park was fabulous and being utilized but the biggest complaint that they get now was the parking. The gravel was there and there was no marking so people complain about being blocked in. He stated that he felt that if they want to really make an investment to Freedom Park to where they want to draw people here and make it a destination place that this was something that they need to do and to do all the remaining drives and parking areas. He noted that those numbers came from the Engineering Department, which will run about \$300,000. He explained that he stuck in Engineering's fees for the pool which was roughly about 8% and he thought that they may be able to do it a little bit cheaper than that, so the total cost of Phase IV would be about \$1,600,000.

He stated that they were looking at possible funding sources such as loans and grants. He had discussed this with the City Manager and they have been very fortunate to get two PARTF Grants from the State for Freedom Park. They would

continue to apply and he explained that when you do those it may be three or four years out, but he thought that Freedom Park was something that if you complete it now, the benefit that it would give three years out was going to be much more important than waiting to get the grant. Mr. Farmer then presented some photographs and plans to give an idea of what the facility may look like.

Council Member Tuggle asked if this was something that could be used for competitive events.

Mr. Farmer replied that it could. They could have swim meets or form their own swim team. They did this at the last city he was in and they ended up getting about 100 kids. So they would probably be able to offer a program that would get more people to participate in a program that they were not participating in now. He suggested that they could get in a swim league and could bring folks in from the Pittsylvania County or Guilford County area and those swim teams like to travel and those folks normally have a very good disposable income.

Council Member Tuggle agreed and stated that when he worked in the high schools in Guilford County they had a bunch of pools over there and had great swimming teams who really participated in these types of things.

Mr. Farmer added that the North Carolina Recreational Parks Association had the State games and swimming was one of the big ones that they offer.

Council Member Tuggle noted that they draw a lot of people.

Mr. Farmer agreed and explained that part of this facility for \$1.2 was a little pavilion area or picnic area where you could do swim parties, a bathhouse where you would have shower facilities and a little snack area where you could have concessions. It would also include a little shade area with the vinyl type shade covers, and this just gives you a site plan of how it would look. There would also be a possibly that at some point in time that if they wanted to invest in a small water slide then they could do something like that.

- Develop Property Donated by Homer Wright

Mr. Farmer explained that this particular piece of property would play a very important role for Freedom Park as it expands. The biggest problem that they have right now was lack of parking. When they did the Ribfest or the Fall Festival there was no available parking spaces there. They were parked on the side of the road or beside each other. So they feel like that if they could clear that site and start preparing it for parking at a minimum that would increase the amount of activities that they could bring into Freedom Park. He noted that Mr. Dougherty had mentioned that they spoke to someone about doing festivals. Originally they had talked about doing something at Freedom Park but he wanted to bring in thousands of folks. He explained that at the present time, because of the parking issue, that would not be an appropriate site for that event. So, parking was going to be a commodity for them. He stated that they feel like that if they go ahead and start clearing and grubbing the land which was approximately 13 acres, that was going to run about \$35,000. Then, just putting the stone base down for the parking, which right now all the parking at Freedom Park, when everything was complete, there was going to be about 25,000 square yards of parking. He explained that they feel like that if they could get 15,000 additional yards of parking that would pretty much help them do what they needed to do at Freedom Park. If they put six inches of stone on 15,000 square yards, this stone runs about \$102,000 and if they decide to asphalt, that was \$104,000, so the total cost without asphalt was \$137,000 and with asphalt was \$241,000. So, roughly to do everything for Phase IV, including the Wright property, he thought that they could probably get all this stuff done within a 12 to 16 month time frame because the pool itself, they come in and they site plan the design to fit on your site and they have the have the area to put that in. He added that they say they can put that

in and be ready to go in 6 months. The grubbing and stuff would be contracted out as well as the city staff playing a part in helping to get this to grade so that they could get this down.

Mr. Farmer then presented a diagram of the property to the Council. He noted that Mr. Asbury, Mrs. Stultz, and Public Works were always there and made his job very enjoyable and he was proud to be working with a group of employees that were here to do the best they could to try to come up with ideas and programs and facilities that would benefit the city as well as have some type of economic impact on their community.

Council Member Nooe asked if he knew if that was a State maintained road through there.

Mrs. Stultz commented that it was from Fieldcrest to Stadium.

Council Member Nooe stated that he just wondered if they could contact them and see what their thinking would be on rerouting or moving that so they did not have to cross the road to get to the park.

Mrs. Stultz replied that was one of the things that they plan to talk about in the thoroughfare planning process. She added that she had always had a little bit of a notion and several years ago they tried to persuade the city to buy it when Pillowtex had that piece, even the possibility of closing portions of it. She also added that because Mr. Wright owned the parcels at either end, he would want to utilize those, but it would be great to keep trucks and mini vans from colliding there at the park.

Council Member Gover commented that each of them got a letter from Mr. Crezenzo. He asked if they should honor that request or what was the progress on that.

Mr. Corcoran replied that he had contacted Mr. Gatewood (Street Superintendent) and they were checking on whether they would make the signs or if DOT would do it. Also, the individual wrestlers were starting today for the individual titles so he discussed it with the Mayor and told him that he thought it would be more appropriate to invite them probably to the March meeting because at that time they would know if there were any individual state champions as well and so you could recognize the team and the coach and any individual state champions.

He added that the other thing was a basketball sign as you come in on Highway 14 from Virginia. The sign talks about how they were the home of the 3A champions in basketball. So whether or not they have the right just to put these signs up or should they have to go through DOT and get their permission but they were working on that and would get them that information once they know.

He explained that in most places, and it was important to be historically accurate, it was important that if there were other state championships they should all be on the sign. Therein lies the problem, once you do one sign, you better make sure it was accurate.

Council Member Tuggle stated that he thought it would bring a lot of pride to the community and support the schools.

Council Member Nooe suggested that they could do like some of the organizations, they could do a big...and just add to it.

Council Member Epps added that he had seen a lot of places where they have fencing panel and then you just mount these on a piece of fence.

Mrs. Stultz commented that those work great but DOT was not fond of those in

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their right of way but it did say something very positive about their community.

Greenways, River Trails, River Access Points – How To Make This A Reality Now Versus Later: Kelly Stultz, Director of Planning & Inspections and Debbie Galloway, City Planner.

Mrs. Stultz explained that they wanted to discuss potential greenways, river trails, river access points and how to make this a reality now versus later. She stated that in the last couple of years their community has really begun to focus on its rivers. They have used the new logo and greenways were becoming more and more important not just for here, but across the country.

- What is a Greenway?

To explain a greenway, she stated that a greenway was a linear park that does not always mean that it was along the river, it can intersect with roads; it can be cross country, it can be in neighborhoods, they were just a linear park. It was just a linear park with multiple access points, a trail system and other amenities. She noted that you would see picnic shelters, fishing piers, places to stop, and those kinds of things along most greenways systems.

She stated that they often follow natural geographic features such as ridge lines, valleys and rivers and they may also be built along manmade areas such as utility easements, canals and abandoned railroad beds. They can include the city sidewalk system and that was also important. Some were left in a natural state and some provide access to scenic lands and natural resources.

They provide alternative transportation routes for pedestrians and bicyclists. There were a large number of bicycle fanatics in their area. She noted that they have been a part of a county-wide and DOT region-wide bicycle study and as a part of their transportation planning process in the next year and a half they would see more components of this kind of travel. She added that the DOT has changed how they do comprehensive transportation planning to include pedestrian ways and bicycle ways and they would hear from the DOT at the Council Meeting next week more about that. She explained that those facilities were economic assets that increase real estate values and tax revenues.

Mrs. Stultz stated that they were also a land use planning tool, providing an alternative type of development in the floodplain. With all of the issues that they have in this community with flooding and the river maintenance, watershed protection, they would see that as they begin these kinds of projects that they could provide buffers and help protect their water supply and natural resources.

They were an amenity to urban areas, an area that preserves rural or wooded setting in urban areas. She explained that they knew that in many of their neighborhoods on small lots and in dense development and some of their large lot development there was not much open space for people to walk to travel and to enjoy and they did not have a very good sidewalk system.

- Benefits of Greenways.

She stated that the benefits include recreation and health experts across the country say that having a place for people to comfortably take on these types of activities really does improve health. Walking was the number one sports related activity of people in the nation. They also provide transportation. One of the things that they want to see was connectivity with their parks and commercial areas to allow people to get from A to B and stay off Highway 14. There were also educational issues, environmental, floodplain management, bringing people to the community and the overall quality of life as they have talked already this morning, as people have changed how they live their lives these kinds of amenities were extremely important, not only to the quality of life of people that live here already, but if someone was going to consider where to come, what makes a community inviting and makes it attractive and a good place to live and

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this was a really big component.

- Recreation

They also provide paths for walking, jogging, bicycling, roller blading and horseback riding. One of the things they know was that North Carolina is a very large horse state. Rockingham County has more horses per capita than nearly every county in this State except for six. In 1996 when they did the last horse census at that time they had approximately 4,000 horses in this county with a \$24 million investment. The intermediate figures say they were approaching 10,000 in this county. They also know that with the equestrian center going in Reidsville, as a staff, they began to look at what kinds of things they could do to capitalize on some of this horse traffic. They do know that Reidsville did not allow horses on any of their trails and there was really no place for the average human that might want to trail ride their horse to have any place to do that and what they would really like to do was put a bridle path component in the trails that are in more rural type areas along the rivers, away from houses and to provide some opportunity. It was really not that hard, you have a separate bridle path, a different kind of surface over to the side and they would have an opportunity to attract some of those horse lovers that were here already to spend dollars in Eden and the ones that travel to their community. She added that a trail system done well with various types of modes of transportation will allow many of their citizens access to the trail systems.

- Health & Exercise

She explained that it also provided a form of recreation and exercise accessible to a large portion of the population. Wellness and fitness, it promotes a reduction in health costs to companies, individuals and the community at large.

- Transportation and Connectivity

It also provided alternative transportation routes for pedestrians and bicyclists. It reduced vehicular traffic and provides alternative access points between neighborhoods and destination points. They know that a large number of communities in North Carolina were beginning to support these kinds of trail and greenway systems.

Council Member Tuggle asked where there were other greenways in the county and if Reidsville had any.

Mrs. Stultz replied that Reidsville had some and they were getting ready to expand significantly on it. Really, the walkers, the bicyclists and the horse folks could coexist comfortably where they were proposing the Smith River Greenway. It was so much an area there they had plenty of room to separate them. She added that there were ways to get a horse on a trail that a 4-wheeler could not get through and that was another thing, they would want to make sure no motorized vehicles were allowed.

Mayor Grogan suggested that they compare Eden to the similar sized community of Henderson to which Mrs. Stultz replied that they could do that.

Mrs. Galloway, Planner, added that she did not know what they would do with horses but in Morganton, their greenway had little doggie deposits along the way.

- Education

Mrs. Stultz noted that it also provided outdoor classrooms. They know that there were several spots along their rivers that have species that were protected and plant life and other things that were widely recognized. If you ask the average human in Eden if they ever get along the river they would tell you no because they really do not have any public access points for that.

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Council Member Tuggle commented that schools would really take advantage of that.

- Environmental

She explained that it promoted air quality, retaining tree cover and areas for wildlife and biological diversity.

She noted that with the two large rivers they have and all the contributories, streams and creeks. They know that they have storm water runoff problems and they have to protect their water supply as it was Eden's greatest asset. She stated that everything that they could do to utilize that and to capitalize on it they needed to do both from a water quality protection standpoint and bringing those rivers to life and making them part of the lives of their citizens.

- Floodplain Management

She stated that everyone was aware of the flooding that happened along Matrimony Creek almost two years ago. They know that Rivercrest Drive at one time had more repeat flood claims than any street in the United States, so they do have flooding issues.

- Economic

She explained that they know that greenways, trails, and bike paths were all a part of the real economic system of a community. It makes the property adjacent to them more valuable and it provides access to stores. She stated that she could see them having a way for people to go from the river access at Hamilton Street and follow the trail to the Whistle Jacket, follow it to Mebane Bridge, get from A to B and other communities were doing that. They needed to do it for that reason but mostly they needed to do it to make Eden stick out in the marketplace.

She noted that you begin to see commercial uses crop up along them in many communities. She stated that where they were planning the Smith River Greenway, assuming that the rehab project and historic rehab for the mill complexes there would go hand in hand with all of the river outfitters companies, people that use the river now.

She stated that you could see that tourism and outdoor recreation provides opportunities for financial growth for communities. Also, the research that they have been able to do says that greenways were listed as an important quality of life factor for new companies. Just like they look at downtowns they look for those sorts of recreational amenities.

She stated that public cost reduction, conservation of rivers trails and greenways helps reduce costs from flooding and other natural hazards. Expenditure by local residents on greenway related activities helps support local recreation oriented businesses and employment and all of this translates into dollars into their economy.

- Quality of Life

She stated that perhaps as important as any other was the real increases, an improvement for the quality of life for the residents of their community and those that visit it.

- Smith River Greenway – Pilot Plan

Mrs. Stultz explained that initially as they began to talk about this project, it had evolved. In the mid 1980's the City Council proposed a creation of an Economic Development Committee. In 1988 this committee, in collaboration with the North Carolina Department of Natural Resources and Community Development, presented the Smith River Park Conceptual Plan for a 1.5 mile linear park along

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the Smith River. She added that obviously it was never done. This was contained in much of what they were proposing for them now.

In 2003 the Planning Board formed a Greenway Sub-Committee and they proposed a pilot greenway to follow the sewer easements along the Smith River. In 2004, the Council budgeted \$31,000 to fund preliminary work for the Smith River Greenway pilot area. In 2005 the Council budgeted \$50,000 for a Comprehensive Greenway Plan for the city and the selection process for a planning consultant began. The surveys along the proposed part of the Smith River Greenway were completed and work has begun by the City Attorney's office on the easement acquisition.

She stated that in 2005 they applied for a NCDOT Bicycle and Pedestrian Grant to help fund the Comprehensive Greenway Plan as it would have bike and pedestrian components. They have narrowed the possible consultants and she thought that once the City Manager sees the paperwork they would be able to share with the Council the recommendation for a consultant to help with this plan. She explained that they see the possibility for construction and planning at the same time because they know from conversations had with each of them and from the citizens in the community that they want to see something on the ground and they want it to be accessible to many of them.

- Smith River Greenway – Cost Estimate – Pilot Phase – Trestle to Kings Highway

She stated that one of the issues that she had been concerned with over the last couple of years was that all they do is get the easements and put up signs. She stated that many of their community members expect to be able to use that trail and they expect to be able to use it like other communities used them. Without the additional work done to this area it would be accessible to so few, it would not be accessible to the vast majority of their population.

She stated that they were proposing today that in order to come from the railroad trestle on the Smith River to Kings Highway with potential trailhead use, to have a partnership with the YMCA and to provide this, the trailhead, the parking lot, drinking fountains, trash facilities, part of it paved, the bridle path done, would be \$1,773,540.78. But, if the Council wanted to focus to do all of that, they could go from the bridge at the traffic circle, just to Kings Highway, for about a half million dollars less.

She explained that done that way, what it would provide was a trailhead shelter and kiosk, an 8' wide asphalt trail, signage and trail markers, benches, lighting and drinking fountains, bike racks, safety phones and trash receptacles. It also could include a canoe launch or a fishing pier.

Other than the one they were planning to build at the Hamilton Street river access that would go in this year, there was no where public, other than standing on a bridge, that you could put a line in the water in this community and it really was a shame with all of this ability they have with the rivers that there was no where for the average person to catch a catfish.

Comprehensive Greenway Plan

She explained that this would provide them with a diagram, designing a city-wide system built in phases over time to link all areas of the city primarily utilizing existing utility easements and city owned property where possible. The main areas of focus that the staff believed should be considered include the Smith and Dan Rivers and Matrimony Creek.

Mrs. Stultz added that key sites include Freedom Park as a central hub and then traveling out from it, the Leaksville Landing, small parking and river access, that was at the new Hamilton Street Bridge, the Spray Bridge river access and greenway trailhead and for Mebane Bridge, a pedestrian walkway. The DOT

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would love to give them that bridge, it was so historic. It was involved in the most famous tort case in the history of the United States. It was a lot of the reason that counties in North Carolina were not allowed to have road systems. It almost bankrupted Rockingham County. She noted that the bridge had a lot of history. B. Frank Mebane built it believing that commerce from Guilford County would come if you could just get across the river right there. It was incredibly important but they could not, as a staff, ask them to take on that bridge unless they could find some funding. There was some potential for some historic grant funding for that bridge that was not available to them in other areas.

She noted that the Highway 700 bridge, down on the eastern part of the community, the river down there was really fine for fishing and activity, but again, there was no where to get on the river. She stated that they did plan to apply for a river access grant for that area this grant cycle. They would do the same for the traffic circle bridge once the bridge was completed. They would not let them have any money for that until DOT was out of the way.

At Rivercrest Drive, the city owns a good deal of property out there and along Matrimony Creek where houses were removed with FEMA to prevent flooding. They were not allowed to have any structures there but it was a great place for walking trails, picnic areas and access.

She then presented a map that basically shows the various areas they would like to see focused on first. The other possible sites would include the Spray Canal and Mercantile area, targeted for development. There were also a number of abandoned railroad beds in the community and at some point she would love to see the trestle over the Smith River included.

She explained that these systems were highly important and something that they believe was vital to do and later they would talk about financing in hopes of seeing these things on the ground and available to their citizens, sooner rather than later.

Council Member Epps stated that he thought that the Morehead Park would be a good camping area.

Mrs. Stultz replied that it might be but with it not being in their ownership it would be tricky, but yes they did need some spots like that.

Council Member Tuggle questioned who owned it to which Mrs. Stultz replied the Historic Preservation Society.

Mayor Grogan commented that with the relocating of the Charlie Poole festival, he wondered what type of activities they planned to use that for.

Mr. Dougherty stated that they had tried to just have some weekly concerts there but the only problem with that place was the parking. It was pretty precarious walking down there.

Closed Session In Accordance With GS 143-318.11(a) (5) To Instruct Negotiating Agents Concerning Possible Acquisition Of Real Property:

Mr. Corcoran explained that they would need a motion to go into closed session and also include the city's staff who were present.

A motion was made by Council Member Epps seconded by Council Member Nooe to go into Closed Session in Accordance with GS 143-318.11(a) (5) to instruct negotiating agents concerning possible acquisition of real property and to allow staff to remain. All Council Members voted in favor of this motion. This motion carried.

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Open Session:

A motion was made by Council Member Myott seconded by Council Member Turner to return to Open Session. All Council Members voted in favor of this motion. This motion carried.

LUNCH:

Industrial Development, Downtown Revitalization, Job Recruitment & Job Retention – Current Status and Plans For The Future – Mike Dougherty, Director of Business Development.

Mr. Dougherty explained that probably the second most inquired about area with the city next to Water and Sewer was Industrial Development, Downtown Revitalization, and Job Recruitment and of course the City Manager mentioned the site selection. He stated that he would be going over some of the other things that they were involved with.

- Industrial Site Section Process

He stated that as they well know he went through the whole process, Pyramid Environmental came in and talked to them and this process would continue on until the appropriate sites were selected and the Council would make the decision on where it should go.

- Ready to Go Site

For the Virtual Shell Building, the land preparation was complete. They were awaiting approval from the County to determine if they would share the cost of the shell building which will run from \$20,000 to \$30,000 depending upon who they would use.

This would be on the city website as well as the Partnership website. At one time the Department of Commerce was not recognizing the virtual shell buildings, but he did not know if that had changed yet. They certainly would look into that more and more communities were going to this because obviously there was a cost savings to it.

Mayor Grogan asked if he was talking about just the software showing a virtual shell building.

Mr. Dougherty replied that was correct, it could be configured any way someone would want.

- Industrial Recruitment

He stated that as far as industrial recruitment, he was working as well as several others with the Partnership for Economic Development. There were three clients right now with two very large ones looking at Eden. Natural Care Labs as they were aware, was going out of business, but the plant manager was trying to rescue some of that he was talking to Mark Bishopric about locating some of that into his buildings, so that the could at least keep some jobs and part of that business. He added that he thought that what happened with that company, they did not have a strong sales force out diversifying their customer base and then they had someone come in that was supposed to rescue it and they really did it no different.

He also noted that there were a couple of small businesses or industries and they were helping them look for additional sites and of course the vacant buildings were also on the city's website.

He noted that the Partnership has been mandated to try to bring high water and sewer users here and they have seen a little bit better lines of communications between them and the city. As he and the City Manager have discussed, part of the discussion in the budget should be that there would be a little bit better interface between the city, as far as letting the city know what was going on with a report of some kind so that they were in the loop on all those projects and with the Project Fish and the other one obviously that has been the case.

- Job Retention – Industry

As far as job retention, he had made contacts with Weil-McLain, MGM Transport, Liberty Textiles, Sara Lee, and Karastan to determine any growth opportunities or identify potential problems. The Partnership has a part-time existing industry rep and he had not been able to get together with them yet, but they were trying to make periodic calls on some of the places he had not hit in a while to continue to see if there was some kind of ancillary business opportunity there.

He stated that with Weil-McLain, it seems like as time goes on more and more of their operation was coming south and that would give some more opportunities. Their sheet metal operation has been moved here, that was not here originally and just the way they talked at their grand opening his feeling was that probably more of their stuff would be coming out of Indiana to here.

Also, something else that they may have to address, as far as workforce issues, the educational system was taking a lot of people in the direction of college prep. He explained that he was involved in a committee for the next five months and he had talked with Dale Booth from Miller about the fact that there were an awful lot of good technical jobs available but either kids think they were dirty or their parents did not want them to be interested in it. He stated that he was hearing this at RCC with their industrial maintenance program. They have jobs, they could place so many more kids but they were not feeding into the school system.

He noted that there was an article recently in the Business Journal about machinists. They were in such high demand that there was one fellow who was fully skilled in this, he was flown around the whole southeast and northeast and finally went to Vermont and got a job at \$70,000 a year. He explained that this was hi-tech now. What was happening with the school system was they were still losing a lot of kids who leave Holmes and they just did not go into Morehead. You just look at the economy, the unemployment rate with someone with a college degree or strong technical skill was much less than for somebody who did not have that education. He explained that when the former school superintendent was here, he was on a task force about what classes to have and there was another task force addressing the drop out rate. He pointed out that this would severely impact their ability to have people in the trained work force. The fellow from Miller was saying that they would get people in there all the time and they just did not have the skills that they needed. So, Miller was investing a lot of money in RCC so that they can get people trained. He stated that he did not know who would pick up this challenge, but some way they have to in the school system, teach the kids that some of these technical careers were just as lucrative and rewarding as anything else. It did not have to be a plumber, it could be an auto tech, a machinist, but that was something that could potentially hurt the city's workforce if they did not get some kind of campaign going to teach them that there were good paying jobs in industry.

Mr. Corcoran added that he and the Mayor recently had lunch with the plant and production managers at National Textiles. They told them that their toughest

thing right now was finding employees. He stated that they talk about creating jobs and that was one of the things that they talked about at the Partnership meeting on Wednesday. They were working on some large, large people (industry) now with potentially 600 employees. If National could not get people to apply for their jobs, and they have lunch next Friday with the people from Miller and he had a feeling they were going to get the same story there, because their entire workforce was retiring out basically, it was very concerning and he told them that if not for the employment security commission, and more importantly those (temporary) employee agencies, where they were going and using the employment agencies, they would not be able to keep the jobs filled that they have. They just could not get people, not just from Eden, but from around Rockingham County to apply for the vacant jobs that they have.

Council Member Tuggle stated that 32% of the kids from Eden do not get a high school diploma.

Council Member Turner added that the first semester drop out rate was the highest it has ever been.

Mr. Corcoran pointed out that they were out there trying to attract all this industry, but if you did not have people to fill the jobs when the industry comes here, then you have a serious problem.

Mr. Dougherty agreed and stated that you also hear this from the commercial side, things like getting people to work consecutive days was a real novelty. If you talk to people out there, they say that people do not want to work. He stated that he had talked to the guy at A.C. Furniture and he said that he has a lot of Mexicans come in there. They could make \$30,000 to \$40,000 a year. He spent 18 months advertising for people to do upholstery and he got 10 people to come in. He was now going to do a signing bonus, it was graduated, it was \$5,000 but you get a portion after six months and a portion after two years, but he was just as frustrated as could be.

This was a much broader issue that they could deal with today, but if they land those two industries right now that was 1200 jobs. He asked what they would do. So that was something to consider and he thought it was a bigger issue with the school system if someone was not good doing college prep then do not put them in there, you know they need people to fix cars and to work on machines and all that and it was just as noble a career.

Mr. Corcoran added that when he and Mr. Dougherty recently went on the tour at Weil-McLain during their grand opening one of the leaders there told them that the quality of the work force that they originally had was not what they expected, so they had already had a lot of their entry level positions, an extremely high level of turnover right at the beginning because they were not getting people who wanted a real job and come to work every day and they were on second and third people in some positions already.

Council Member Gover commented that they could also look at that another way, they go through temporary service and you were not going to get those hi-tech people through temporary service.

Mr. Corcoran replied that the guy from National told them that they did not want to really go through the temporary service but they were because they cannot get anyone to reply. He said that they use two temporary service companies and if they were not using them they would not have their jobs filled.

Mayor Grogan added that a lot of them if they work out after so many days they will hire them permanently.

Council Member Myott questioned who the people were who were supposed to be

unemployed.

Mr. Corcoran replied that he was not an expert on it but he had talked to a lot who thought they were not worrying about a job until the benefits run out.

Mayor Grogan commented that what the European countries have been doing for years and years now was taking their kids when they start to school, follow them and when they get to the 8th and 9th grade they tell them which way they were going to go because they know educationally what they can and cannot do and they will support them in those areas. That was nothing new; North Carolina looked at it ten or twelve years ago or longer. But he did not think they could go overseas and start trying to do their local system since they have a county system. If it was still the Eden City Schools they might try.

Mr. Corcoran explained that they just raised that issue because it was a real problem that they were hearing from the industries, so they needed to consider that as they were out there trying to persuade these companies to come to their area.

Council Member Gover asked what they could do.

Council Member Turner suggested that the information was worth taking to the school board. She meant that they could organize their facts and have a spokesperson and then say look, "we cannot attract industry until you guys are producing the kinds of kids that we need".

Mr. Corcoran added that they talked at the Partnership on Wednesday and he hosted the manager's meeting last week and discussed trying to set something up with the school board once they have an administration in place.

- Job Retention - Commercial

Mr. Dougherty explained that from the commercial standpoint someone was looking at buying Grogan's Center and he was still trying to find someone for the west Winn Dixie store.

- Job Creation/Retention – Small Business and Entrepreneurs

He stated that as far as prospective businesses, they work financial resources, business planning, which was one of the key things that they do, people want to start businesses so that they did not end up losing their life's savings. They offer marketing ideas and they have resources to send them to that offer public relations and publicity types of things. He had also taught an RCC class this year on how to compete with Wal-Mart.

- Main Street Program

He stated that as far as the Main Street Program the Master Plan and Imaging Process was complete. The Cook Block was added last month. For the Adopt-A-Veteran's Day, other communities were now adopting that program, that was really giving the Draper Village an identity, they have the Veteran's Park there and they want to put up some signage that will have an American theme. The non-profit status of the Main Street Program was being pursued and as he had mentioned earlier new businesses were coming here from other areas.

As far as the Façade Improvements, 14 buildings agreed to have their aluminum awnings removed, 19 façade improvements, 12 property owners have applied for façade grants, so the money they gave leveraged about \$24,000 in investments, it was a 4 to 1 ratio and 4 more anticipated in the next two months.

Council Member Tuggle asked if all those aluminum shelters would be removed

next week and if everyone had agreed that eventually they would get rid of those

Mr. Dougherty replied that Peggy and Jim Good own the buildings, but he did not know about Jones Hardware. She did talk to their designer when she was here. He thought that if Peggy did it, if she wants to do it in the spring, he thought then that the rest of them would come down.

He then presented some buildings that have improvements. He mentioned the Central Hotel and that Jonathan Wise who owns this, he was taking the money he gets from his other projects, he was building several homes in the Draper area, as well as some other projects. As time goes on he was starting to renovate this building, he had to get approval on the elevator shaft and he was able to work it out with the State. He has a lot of windows there now, he has pulled all of the junk out of there and as soon as he can get his crew up he was going to start replacing those windows.

- Master Plan

As far as what was happening right now, a way-finding process which would help people to find the downtowns, plus people have a very difficult time finding their way around here to begin with. They were trying to work on getting some better signage and directional signage into the municipal parking lots and directing them to the downtown areas, information kiosks, and they certainly would like to see where the Draper Christmas Tree Lighting was, if that property could be turned over to the city, they could have a potential pocket park like they have on Washington Street.

- Master Plan for Cook Block

They had a meeting with the Cook Block a couple of weeks ago. Haden Stanziale will do a master plan for them in spring or early summer. Start with a public hearing, meet with the property owners and then develop a master plan.

In that whole master plan process, because three of their roads were actually State roads, Fieldcrest Road, Morgan Road and Washington Street, you have to go to Duke Power. They have contacted them as far as what options were available for decorative lighting. You can buy or lease them. The DOT has to provide the level of illumination that you need, because if you replace the current ones with decorative ones they have to have a certain amount of illumination or else it was not safe, and they would see the estimates from Haden Stanziale on the Phase I plan.

He noted that sidewalks were a major problem especially on Washington Street. They certainly want to see where they were going here as they did not want to have any redundancy; you fix the sidewalks and then have to tear them up to put conduit for decorative lighting so they were trying to make sure they do that in the right order.

They were also trying to get better signage at the municipal parking areas and a lot configuration on Washington Street.

- Master Plan

They had planned on applying for a TEA-21 Grant this summer to do at least a part of Phase I, they were not going to have these grants until 2008 because of financial issues, so that will be a bit of a problem because all of the other communities they have seen, you need to large parts of this to make impact for the community. You can do fund raisers for certain elements of the master plan but certainly not for the largest ones.

Mayor Grogan asked if that was a State or Federal program.

Mr. Dougherty replied that he believed it was Federal funds that were accessed through the State.

Mr. Corcoran added that it comes through the State, Federal Funds, but they have already called up to Washington to see if they could get something attached to a bill. Again, the odds of that happening were not terrific.

- Master Plan – Phase I

He then presented the master plan phases and noted that from Washington Street (Bridge to Henry Street), the total estimated cost would be just a little over \$1 million (\$1,018,004.50).

If you took it from Henry to Patrick, the same type of work that you would do it was about \$459,000 for that.

When you look at that particular downtown area there was nothing really going on Patrick or Henry Street but up on Monroe that was another really vibrant commercial area, which would be another \$589,000 for that.

He then presented some graphics of the Olde Leaksville area.

Mayor Grogan commented that he thought that Monroe Street already had curb and gutter.

Mr. Dougherty replied no, as far as putting the other things in, as far as the decorative lighting, and the planters and those types of things.

- Master Plan – Phase II

He stated that Phase II would be Fieldcrest Road the same type of work to be done there and that comes in at about \$400,000.

- Master Plan – Phase III

This included the Boulevard and the Cook Block (\$500,000). So if you put this all together you have Phase I, Phase II and then just estimates of what the Cook block and the Boulevard would cost it comes a little bit under \$3 million to do that (\$2,972,746). In checking with cities like Lexington, Concord, and Morganton, most of their work with their Master Plan was done through city funds or bond referendums and things like that.

- Main Street Special Events

He stated that as far as special events they have Chamber After Hours in April. To showcase the downtown, the Draper Village Spring Festival will happen again this year through the school. Miller would be a major sponsor for Riverfest this year. They were encouraging events at The Boulevard. They have not had a lot of activity there with the merchant's association. However, the Cook Block has really embraced this program and was working on some ideas right now.

- Eden Special Events

As far as other special events they were able to get the Wal-Mart building for the Pottery Festival and the Business Expo. The Eden Fairgrounds, Howard Tate would be doing that and other events would be there (Charlie Poole Festival).

- Commercial Business Recruitment

He stated that they had someone they thought would go in near Fieldcrest Road, a

major retailer that slipped by them, they were working on that because if you had a major retailer on that end of town it would make it more of a destination point. They were trying to fill holes in the other commercial areas, they were working with three national companies now and some entertainment venues.

- Supporting Minority Community

He had also worked with the Eden Chamber of Commerce to assist with the Minority Business Association. They helped them get a grant for business planning from Miller and there was an effort with Nelson Cole and other people locally to try to help with the Hispanic community on immigration issues, tax issues and education. This was becoming a bigger portion of their community. These people make and spend money, they just have to try to get them assimilated and it was kind of difficult.

- Public Relations/Marketing

Some things they do on a regular basis, this helps businesses. They put in there if someone has a sale, or a special activity or the fact that some of the downtown merchants were staying open later. He added that he wrote with Eden's Own Journal and the Eden Daily News was very helpful picking up story ideas for people so they try to do this on an ongoing basis.

Mayor Grogan asked what kind of response they received from the Triad Leadership Network on their day in Rockingham County.

Mr. Dougherty replied that they brought up the class and they went to AFG and they went to Weil-McLain and they said it was one of the best days they have ever had. Typically they have been having those in Guilford County and he felt that with AFG with the Israeli connection having someone bringing the plant here was important and then they go to talk about an old textile plant that becomes a state of the art facility, they were very impressed with Weil-McLain and they may come back. It gave them exposure to people in the other twelve counties.

Overview of Financing Options For Various Capital Outlay Initiatives Discussed Earlier Today: *Kelly Stultz, Director of Planning & Inspections and Dennis Asbury, Director of Environmental Services.*

Mrs. Stultz explained that earlier that morning the City Manager made reference to a buffet. They have spent this day so far talking about projects that each of them has mentioned that has been important. They have talked about all those things and now the hard choices come. They have discussed Freedom Park, Streetscape Improvements, all the myriad of Water & Sewer issues that they were faced with over the next few years and then the Greenways, Trails and River access.

- City of Eden Audit Information.

In the slide presentation, Mrs. Stultz explained that first they would take a look at some information out of their own audit, just to have some basics about what their financial situation was. She noted that for 2005 they had a bond amount of \$4,580,000 and this was in their audit report as of last year. At that time their auditor said that the debt margin was approximately \$61,371,779. She stated that she could not imagine that there would ever be a time they would be borrowing \$61 million but that did tell them that the amount that they have borrowed was much below what they could probably manage.

She noted that the next slide talked about not only their governmental activities, bonds, installment purchases and their other debt, along with water and sewer. She also noted that they could see that they did not have a huge amount of debt for a community of Eden's size. In fact it was rather on the low side.

- North Carolina Department of State Treasurer Financial Information City of Eden

The North Carolina Department of the State Treasurer provides all of this information for every city and county in the State and they assimilate it all. It gives them a way to compare Eden to other communities.

She explained that what they could see there was the Total General Obligation Debt per Capita in North Carolina. That top line was in the \$600 range, statewide. For municipalities of Eden's size, then they could see where they were in population, so they were really on the low side. That was combined with (a) they have not borrowed a lot and (b) they were at the end of their large bond issues.

- Eden Bond Rating Data

She explained that here they have some bond rating data. She pointed out that they could see that they were rated at this point at A3 and A- which meant they were in the strong category, they were not the highest but they were far from being the lowest group. She explained that they perceive them as being a very strong risk to loan money so Eden should be in good shape there.

She also presented some information of where they were based on the bonds issued on the taxing power of the municipality. She explained that General Obligation Bonds, which were the kinds they were currently paying, were done as bond referendum and requires a vote of the people and they could see where they were. She noted that it was interesting to look at what the total per capita for their population group was and per capita statewide. Their finances have always been handled conservatively and they continue to be.

- Installment Sales Purchases and Lease Obligations

Mrs. Stultz then presented some similar information on their Installment Sales Purchases and Lease Obligations. That \$315,000 was a little misleading because that just accounts for anything that was over 59 months which the State tracks.

- Federal Grant Funding Sources

She noted that there were other ways to finance projects and there were a lot of grant funding sources out there. There were a myriad of them but there were way more folks than that applying for them.

They have TEA-21 Grants which were the federally funded Transportation Enhancement Grants, but unfortunately North Carolina has decided to not have another grant cycle until 2008. That was compounded by the fact that they separate the funds and most everything goes east and west and they compete with a lot of other communities.

She noted that there was the Land and Water Conservation Fund Grants which were small and the National Park Service River, Trails & Conservation Assistance Programs which were nation-wide competitions.

She noted that for the Community Development Block Grants, they often have questions. She explained that when developers come to this community they assume that Eden was an Entitlement City. That meant that bigger cities in their state and in others, were entitled to a certain number of federal dollars for these kinds of programs every year and they did not have to apply or do anything. Their City Councils get a big check at the beginning of every year and then they make the decision as to how to allocate those monies. Eden was not that lucky and has to compete with all the non-entitlement cities in the Piedmont region and again those funds were taken to grant programs and most of the monies go to the

eastern and western part of the State. Eden was left in what they perceive as the well to do Piedmont, but unfortunately they did not always qualify for that well to do status.

She also noted that there were some small Watershed Protection and Flood Prevention Grants, Wetlands Reserve Programs, National Recreational Trails Program and Economic Development Grants, like the one they received for Weil-McLain or MGM. If they have a big client that was going to come here and locate something the State would give money then, but as far as any money for their preparation, it was generally not going to happen.

There were also some State sources such as NCDOT Bicycle and Pedestrian Grants and some health related things such as Eat Smart, Move More – North Carolina Community Grants.

There were also the Clean Water Management Trust Fund, Water Resources Development Project Funds, the Division of Forest Resources and Community Forestry Grants. They got one of those to do the little pocket park on Washington Street but it was about \$20,000. She explained that was pretty much the max you can get. When you look at the kinds of things that their community was clamoring for, \$20,000 was a lot of money but it would not make the projects happen.

- Local Funding Sources

Mrs. Stultz noted that the City Manager had also mentioned earlier that their tax revenues, particularly ad valorem taxes, sales taxes, and some of those things have not been increasing by leaps and bounds. They have some finite resources there. She noted that at this point they did not charge Impact Fees. Other communities were doing impact fees for development pressures for new homes, requiring funds set aside for recreational areas or monies put by the developer into accounts to provide recreational and school services. They have not chosen to do that and really have not had the development pressure for it until very recently. She noted that they have more development pressure right now than they have had in the 15 years she had worked here.

She explained that the last Bond Referendum was done about 1990 so that was not a tool that this Council has chosen to use very often and you really couldn't, you get so much debt and you deal with that and then go again.

They have also done a Local Capital Improvements Program and they have funded it over the last few years but there again the resources were finite.

- Private Funding Sources

There were some private funding sources such as the Annie Penn Foundation and others but those amounts were not always available and they were highly competitive.

She noted that for Local Foundations or Local Private Sector Funding, they have seen donations of property by the Wright family in recent weeks, but those did not happen every day. For Services or Property Reduction of Cost of Materials, they have seen people offer to do volunteer work. In some communities they have Greenway Sponsors where there were people who donate money to do that. She stated that they would certainly pursue it but it was not something that they could count on. For example with Greenways they have had the Dan River Basin Association promise to do some hand work, maintenance work when the time comes but again that was not something that they could be assured would always be there.

They could also see the Volunteer Work Programs, Buy-A-Foot Programs or

Adopt A Trail Programs, Conservation Fund American Greenways Awards, and sometimes communities were lucky enough to have Estates donate things for public facilities.

- Grants Availability

Mrs. Stultz explained that the Rural Center Grants that they have received have been related to job creation. She pointed out that the city's rate structure at its current levels would not meet Rural Center standards for grants. They feel like the city could generate some more money so they were not likely to get those unless they have a new company come in.

She stated that as she mentioned earlier, the Transportation Enhancement Funding was on a cycle for 2008 which means it would be fiscal year 2008/09 before any of those funds could be realized by the city.

Now, the Streetscape Improvements Projects and the Greenway Projects could be applied for, but it was unlikely they would get both, (and) they would be tremendously lucky to get one or the other and they would probably get a quarter of a million dollars to do a million and a half dollar project.

She explained that funding for all of the various grant types was highly competitive and funds were finite. Eden was not an Entitlement City and it competes in the Piedmont Region. Their region was always at a disadvantage because most funding goes to the east or west.

- Dilemma for the City of Eden

Mrs. Stultz stated that one of the things that Mr. Farmer, the Recreation Director, suggested he had done before was the issue with this grant cycle in the Transportation Enhancement possibilities. That suggestion was that they plead with their federal legislators to perhaps include them in some bills and some other funding sources and she did email Representative Miller and she planned to send some information to their senators.

She explained that the amounts available to them in those grants would not support entire projects. If the city wants projects completed to offer benefit to citizens they must look at ways to fund projects themselves and this was what nearly every community was doing now.

- Bond Issue Planned for 2010-11

Since the issue of bonds in the early 1990's the City Council has planned to pursue another issue when the current ones were retired. She explained that process would need to begin in 2008 to be realized at the proper time to continue the city's efforts.

They have had numerous discussions over the last two or three weeks with various bankers, utility companies and all those things and what they tell them was that it takes a little over two years to see a bond issue, even though they would be doing revenue bonds likely this time, to see that from the beginning to the end. What they knew about that was in order to make those funds be available, about being ready when 2010 was over, was to begin that process and they would need to begin it soon.

- General Fund Financing Options for the City of Eden

She explained that State law in North Carolina dictates the capital financing options available for cities such as Eden and, therefore, how projects were financed.

Financing options available in North Carolina were generally flexible and better than many states. Those options differ from revenue streams (user fees, sales tax, etc.), for example, if at some point they were collecting so much in hotel tax that the Council decided to focus some of that money on streetscape improvements they could, but that was a revenue stream based fund. Right now they really did not have many of those options.

She explained that Pay as You Go and three categories of debt that could be used for financing options by the city were summarized as follows:

Pay As You Go required no borrowing costs or interest costs. It did however dip into their capital. No voter referendum was required and unlike borrowing it did not spread the project cost over time (debt service) to match the project's useful life. She explained that when they rehabilitated this building a number of years ago, they discussed using a two thirds option that was available to them on the bond payments they made that year for some of the improvements to this building to have been financed that way. The decision was made not to do that at the time. That was an option that was available to them now, with the bond debt they have however, with them so close to this debt being paid the bankers they have talked with say that it was not an excellent plan for the city so they were going to provide some suggestions for some other ways to do that.

She explained that when you pay as you go it was difficult to budget and pay for a large capital program. When you look at the things that they needed to do for Water & Sewer or all the General Fund projects, that was a lot of money and they did not have all of that to write in their checkbook.

- General Obligation Bonds

She explained that General Obligation Bonds were secured by full faith and credit taxing pledge of the city and those were the kinds of bonds they were currently paying away. They were a binding pledge of property taxes. They must be approved at a city-wide referendum and this was the lowest cost of borrowed money and they get the lowest interest rates.

She explained that Certificates of Participation were an annual appropriation, supported debt and the project financed was collateral. An example would be the purchase of a fire truck. The source for payment was flexible and can be any legally available and no referendum required.

For Bank Financing and Installment Purchase Private Placement, annual appropriation to support the debt must be in the budget and this project financed was collateral. The source of repayment was flexible and could be any legally available revenues, for example, a Water & Sewer project, any legally available revenues in the Water & Sewer Fund could be used for that, likewise for General Fund. No voter referendum was required and City Council would obviously have to approve it and no Local Government Commission approval was required for certain terms. She noted that the big projects they have talked about today would all require Local Government Commission approval.

For Revenue Bonds, those were secured by the pledge of certain revenue stream, typically user fees attributable to the project before an Enterprise System, such as their Water & Sewer system, or the Sanitation system and other things they do as an enterprise. They were commonly used for municipal water and sewer systems and no voter referendum was required.

- Recommendations from Staff

She stated that they would recommend strongly that the bond issue for 2010-11 be pursued and that the process be done as quickly as the experts advise them to begin. Projects the City Council wanted to pursue in the short term could be

funded through installment loans, both Water & Sewer and General Fund projects.

- Installment Loans

She explained that Installment Loans had modest interest rates, estimated between 3 ¼% and 5%. flexible. Water & Sewer Debt of this type could be moved to Bonds at the appropriate time.

Council Member Myott questioned the region that they were in to which Mrs. Stultz explained that not just being called a Piedmont Triad city, it was just simply being in the central portion of North Carolina, their geography made it a little harder. Now even if they were east or west, they might have a better time getting grant money but they would not be in such a position that some fairy god mother would be coming in and funding all those projects. If they were in the eastern part of the State they would still be asking the Council to look to financing much of these projects themselves.

Mr. Corcoran added that the bottom line was the grant dollars that used to be out there were no longer out there. To get these projects done, it was going to take forever to complete them unless they just do them so it was almost like they just need to decide where they would want to direct their resources. He pointed out that these things were competing against each other. They have greenways, downtown revitalization, water and sewer projects and some of those water and sewer projects have to be done and some of them they would like to see done and of course each staff person feels like their project was the most important so they were competing for those resources but the reality was that to get these things done they were going to have to borrow money.

Mrs. Stultz also asked them to remember when they borrow money in this kind of situation, normally they were run like two businesses, there was the Water & Sewer Fund and there was the General Fund. In this case the total amount they borrow, if they all decide to borrow \$6 million for Water & Sewer and \$2 million for the Industrial Park, the maximum left would be \$2 million for the other projects. So in this particular case it was one of those situations where you fill your plate off the buffet and you decide how you get done. Now, she stated that she would tell them that she thought her projects were extremely important, but she was smart enough to know that the stuff for the SOC had to be done and Mr. Asbury would get the big chunk, but those things have to be done and you have to consider those. They all have made a commitment for their Industrial Park and if at some stage they need to be in a position to borrow money for those there they were so it was choice.

Mr. Corcoran added that they also discussed the \$10 million cap per year, so one of the things he had stressed to the staff was that he did not want to borrow any money for anything that was not going to be done in a year. For instance, in the SOC Phase II, they heard today that once the line work gets done there was sort of a waiting period where they monitor the flows. They then use that data to ultimately go towards the design of the improvements of the pump station. The point being that the bulk of that \$2.5 million plus or minus that was needed for the pump station phase would not be needed until 2007-08. There were going to be some funds that were going to be needed in 2006-07 for engineering, design and maybe the early stages of that, but the bulk of that \$2.4 million would be 2007-08. Whereon the other hand it may be more important to immediately start making plans of what was going to happen when the Karastan water tank was taken off line in two years. He noted that they see that and say but that was two years. He explained that they had to work backwards and ask, how long did it take to find a water tank site, get it designed, and so some of these projects, it was just a matter of prioritizing them, what was most important now and what could wait. If they were not really committed to a comprehensive Greenway System then why do any. It did not make sense to do a small section from this point to this point if

they were going to stop. It did not make sense to do one area of downtown revitalization if they were not going to be committed to doing it all at some point. So what they have tried to do was show them in realistic hard fat numbers what it was going to cost, what all was on the buffet and then it was just the pleasure of the Council in terms of what gets done.

Mrs. Stultz also added that by doing these kinds of loans the Local Government Commission and the banks did not want them borrowing any more in 2006 than they could spend in three years. She stated that they ask the question, if you all decide that over the course of the next three years that you want to borrow this amount and they come up with a schedule that gets approved that they could spend this many dollars this year, next year and the next, they could effectively just borrow one year's worth, the interest money and the repayment money they would save, was outweighed by the small amount of additional closing cost there would be to do it again next July and that way if they did not get too far out they have some ability, if something dramatically changes, such as if a big company came in here with a lot of jobs and they have an increased revenue stream, then they might not have to borrow as much.

Council Member Gover stated that it put him to thinking, what it would take them to get out from under that Consent Order. That would be the top priority to start with and how long could they spend the money that has been appropriated already, how long would it be to totally get out from under the Consent Order. He stated that it looked like it has them bogged down and they have to earmark the money to where they need it in the Water and Sewer.

Mr. Asbury replied that they have already committed about \$4.4 million to that first phase. The next phase was about \$2.5.

Mr. Corcoran added that the \$4.4 they have already allocated, it was in the fund balance and they did not have to come up with that money. The \$2.5 million they would have to come up with but the bulk of that was not going to be needed until 2007-08. That was all they need to do to come out from under the SOC. Of course you never know when they could come in on the distribution side in terms of water and that was why they were trying to keep pace with the 2" waterline replacement projects. On the other hand as you have seen, any community that just worries about water and sewer and did not address the quality of life issues was a community that dies. So they could not afford to ignore the Park, Downtown Revitalization and Greenways and the things that were bringing the people in. Doing the line work underneath the ground, while it was needed, was not going to bring more people to Eden. So that was why they have to look at the whole picture and really just come up with a plan and figure out a comprehensive approach to doing things. It was like the ball park, if they had done that the original way that was going to take eight more years. But the Council decided to leverage what they were doing, went to the bank, borrowed some money, got it done and look at the results they were already receiving from the ball park, and it was the same thing here. Some times you have to invest that money, get those things done to start creating those tourism and economic development related dollars.

Mr. Asbury also added that they still need to consider as they move forward that the reason they were under the SOC was because they did not maintain the system as they should have in the past, so they have laid out a plan for them, with future SSES work, future line replacement, so they need to keep that in mind and consider that once they finish the SOC they did not need to just stop doing it and wait for the State to come and whack them with a big stick again.

Council Member Gover stated that was his next question. How could they go there and keep up with what Mr. Van Zandt was talking about this morning that would hold them back on industry if they did not have the capacity to do what an industry would like for them to do because they were behind. So they have to

consider those future things as well as the Greenways.

Council Member Epps asked the City Manager what his recommendation was on spending this money.

Mr. Corcoran replied that they have not gotten that far yet. He meant the point now was, they were throwing out to the Council, because they certainly did not want to step over the line and try and create the policy for them. If the Council would prefer to wait, then it was sort of like, it was the staff and manager's budget up until May 1st and on May 2nd it was the Council's budget. His point was, if they want on May 1st, they would get a budget from them with their staff recommendations and then it would be up to the Council as to whether they like the items that were included or not, but that was part of the budget process. However, if they know if there were things right now, if the Council, as a group, were sitting there and they did not want to see money spent on a project, well then that helped them and they could take that off the table. Or there was something that they saw that they absolutely felt was crucial, make sure that money was in there, that helped as well, but as they could see, everybody, and they all would like to do all the things they have discussed, but it was a lot of money and it was going to have to be a picking and choosing and balancing act.

Council Member Tuggle stated that of course this comes up every year about taking a look at Water & Sewer Rates and how much they were and were they going to maintain them if this company were to leave, what would happen to water and sewer rates, they would have to go up dramatically. He stated that he had always felt that if you would do a small amount incrementally over a long period of time you could address some of the needs that they have. He explained that he just went online in the last few weeks and took a look at some things. He asked if they were doing all uniform water rates right now or was there an increase block rate.

Mr. Corcoran replied that they have the increase and then it goes down. They have a reduced rate for over 5 million gallons, but you have a minimum amount and then you have a rate for whatever it was with the next 5,000 or 6,000 gallons and then there was a different rate. One of the things they recommended last year, but they did not do, was to look at an increasing block schedule so that the people that were out watering their yards and washing their cars were paying more of the burden.

Council Member Tuggle stated that they did not really act on it.

Mr. Corcoran agreed as he did not think there was much desire to do that.

Council Member Tuggle stated that when he was looking at this, of course the average consumer uses about 6,000 gallons of water a month and he looked at 30 different cities and Eden was number 29 out of 30 different cities as far as what they charge for an average customer and they charge like \$12.23 and then if you were outside the city, he thought traditionally it was doubled. He stated that what he was looking on here really at a minimum even if you increased rate like 5% that would only be 61 cents, which would be \$12.84, and in his opinion he thought that people who live outside the city, he had no problem doing it 2 ½ to 3 times. He pointed out that it costs the city for personnel, for buildings, all those type of things. They were getting a great deal outside of the city. So he was not really sure where they stand as far as how much revenue they were bringing in from people outside the city.

Mr. Corcoran explained that if he were to pull the budget message from 2001 he would see a lot of that in there and also if he pulled budget messages from before him. The hard facts were the reason the system deteriorated was because their rates were not raised. Over a period of 30 years their rates hardly raised at all. It kept them down in their rates but their system continued to get older and older

and their rates were so low, it was like this last year and they were raised an average of 8.5 %. People got alarmed at the percentage and he asked them to remember several years ago when it was 66%, but the actual dollars were very smaller compared to what has happened to electric bills, natural gas bills and cable television bills and the Rural Center will tell you that Eden will not get a grant because they do not have rates that were burdening their tax payers to the level they should be burdened.

Council Member Tuggle stated that when he looked at 5% or 61 cent a month he was thinking he could eat one less pack of Nabs a month. You can put it in a lot of different perspectives, if you say 5% that sounds like a tremendous lot if it came out in the paper "well Eden City Council raises rates 5%." People get upset but if you really look and see how much the rate was and how much they were being charged it was only 61 cents. That was not like it is going to kill anybody. Nobody wanted to do that but realistically, and he understood that they were elected officials, the fact was they were in such a bad condition as far as water and sewer right now and under a Consent Order, if they did not do something incrementally along the way there would be another Council dealing with the same issues again. So, why not be prudent to do a small amount periodically and as far as he was concerned the people outside the city needed to pay a heavier share.

Council Member Epps commented that he managed several properties and everybody gets a small percentage on their social security every year. When he researched a family, their average bill was going to go up \$4 a month, and every year it goes up \$3 to \$4 a month. And you are talking about the elderly who are on a fixed income. So everything was going to move up eventually, and like he said, for 30 years nothing happened. When they did make the increase they pretty well had a flooded auditorium and they reconsidered and went down, but they should have stayed where they were at and they would not have had to worry about it today, but anyway, some type of system would need to be put in place.

Council Member Tuggle stated that he was talking about the increased block rate and he questioned why not look at that versus some other ways of revenue. The last thing he wanted to do was hurt someone who was on a fixed income. If they were using 6,000 gallons a month, 5% adding 61 cent to it was not going to ruin them, but somebody like him, he was in good shape, things were going well, as for most of them, to add more money to his water bill to somebody that could afford it, he did not have a problem with that. And he thought that the people who could afford to pay if some system were set up, whether it was an increased block rate system, that it would have people of means that could pay, then he did not think that would hurt the people on a fixed income.

Council Member Nooe commented that he did not think you could do that as there was going to be a family that would have 8 children and they would be hit so you could not pick and choose.

Mr. Corcoran replied that was why they did not do it last year because those people who were watering their yards and washing their cars could certainly pay for that water, but when you hit that higher user you will inevitably hit that family with 8 kids. There may not be a lot of them but you were still going to hit some people who have larger families that were not watering their yards or washing their cars.

Council Member Nooe added that a lot of those people who were washing their cars or watering their lawns were paying extra anyway because they were paying the sewer portion of the water. Some may have irrigation meters here...to which Mr. Corcoran agreed they did have some.

Mrs. Stultz added that their biggest users were on contracts like Miller or National Textiles.

Mr. Asbury agreed and pointed out that they were getting good rates.

Mrs. Stultz noted that what they would get from those big chunks was not going to increase when they up the rates.

Council Member Myott commented that they were also outside the city.

Council Member Nooe pointed out that was part of what they were selling, water to the industries and if that was what they were selling to attract them then they did not want to price themselves outside of the market.

Mr. Corcoran stated that as they all know the bond issue from here was really done for these large industries that were coming in. So, the debt service on the bonds was really being carried on the shoulders of those industries with the capital take or pay arrangements and those contracts. The problem now, any money the city borrows would be on the shoulders of the other people, not on those industries because they have contract rates that were fixed prices and no matter what the Council decides to do they could not go out and adjust those industry rates.

Council Member Gover commented that when they have natural gas going out the sky and gasoline and everything up it was hard to put any more burdens on the people.

Mr. Corcoran agreed that was true, but if you did not, then these SOC's come about and just like the natural gas and cable television companies take care of their systems, you have got to take care of your system too or else you get in this predicament. Just think where they would be if the Council had not raised the rates to the extent they did four years ago.

Council Member Tuggle stated that he just brought this up for discussion because his main concern was, were they going to always live under some type of consent order or was there a point where they would have to address a need that was there whatever option that would be but they were obviously going to have to pay for \$93 million worth of water and sewer problems some where along the way, and they had to have enough revenue coming in to pay for it.

Mr. Corcoran commented that he thought the other thing was, they have done everything they could do. If you go back and look at the budgets of the different departments five years ago and today you would be amazed at where they were in the reduced spending and the level of spending. He noted that in 1995-96 there were 203 full time employees today there was 181. They have the same number of people, they have the same miles of water and sewer lines they were maintaining, the same miles of roads they were patrolling and more houses they were protecting, yet they were doing it with over 22 less people. There was no where else to cut, if this stuff was going to be done, they have to borrow and rates were going to have to increase.

Council Member Epps commented that was why the gentleman (Mr. Harvey) speaking this morning said he was at his capacity on what his people could do because he did not have enough people to do it.

Mr. Corcoran agreed that it was a fact, there were 203 employees in 1995-96 and there were 181 today.

Council Member Nooe suggested that with fire hydrants and things, you could contract that out, now you look at whether you could do it cheaper in house or could you contract out, go ahead and get it done, if you have the money, either way, you could look at having it evaluated, whether they could get 10 hydrants put in by contract for "x" number of dollars and city staff could do it, would it cost this much to employ additional people. He stated that there were just

different ways to go about it and it would be what was the most economic. If they were going to need 100 fire hydrants over the next five years, then they were done, well then what were those people going to do.

He stated that it was like the tv camera, what was the best use for it. He stated that he was trying to get a contractor to tv some private lines and there were only one or two around and they wanted \$450 an hour. He questioned if it would be best to have the city's qualified camera truck go to some other municipalities around and camera for a fee for them and not have it sitting, and hire another crew just to do maintenance work. He pointed out that there were options out there and they just need to look at them.

Mr. Corcoran agreed that there were a lot of communities willing to pay you if you send your people and equipment to help them out.

Council Member Nooe stated that it may be something they could look into, hire a crew that were fulltime and when they get done with what they have to tv in town they could sub out to other communities.

Mr. Asbury commented that there was a time that they did that.

Mayor Grogan stated that he guessed about 7 years ago they had some people come in and look at leasing wastewater, sewer treatment, and they gave the city a price and the employees gave a price and the employees found that when they cut three positions, they were way under. He stated that it was a good exercise. They also did that with solid waste. He stated that he did not see how in the world they do it with 13 employees doing all the trash and stuff in town.

Mr. Asbury asked them to keep one thing in mind when talking about burdening people. He asked them to take a step back for a moment and think about what water really costs. He asked them how many bottles of water they had on the table there. If you go up to Great Stops and you buy a gallon of (bottled) water you were going to be paying more for the water per gallon than you were for gasoline. For two of these bottles, you could buy 1,000 gallons of City of Eden water, so he could not buy into the concept that their people were heavily burdened with the cost of treating water and sewer in this town.

Mr. Corcoran added that they really should not and they could compare Eden to anywhere else in North Carolina and Virginia. He had yet to have a single person call and say "I'm going to move from Eden to "x" and "x" place because of my water and sewer rates and the reason they did not say that was because if they lived in another community they would be paying more money than what they were paying in Eden.

Closed Session:

Mr. Corcoran explained that he needed to request a Closed Session in accordance with General Statutes 143-318.11(a)(5) to instruct negotiating agents.

A motion was made by Council Member Tuggle seconded by Council Member Epps to go into Closed Session in accordance with General Statutes 143-318.11(a)(5) to instruct negotiating agents. All Council Members voted in favor of this motion. This motion carried.

Open Session:

A motion was made by Council Member Gover seconded by Council Member Tuggle to return to Open Session. All Council Members voted in favor of this motion. This motion carried.

BREAK:

Mr. Corcoran called for a short break before the Internet Presentation.

Community Video, Banner Branding, And Business Showcase Program Demonstration Via Internet And Conference Call: Gail Kruger, Senior Marketing Executive, CGI Communications, Inc.

Mr. Corcoran explained that CGI Communications, Inc. has developed streaming video applications for cities to showcase their communities, free of charge. He explained that they would provide up to three community highlight videos and they could choose whatever the topic, whether it was water and sewer infrastructure, downtown revitalization, quality of life issues, etc., whatever they would like. They also provide a means of driving their own citizens and traffic that comes through the community or to their website with a branding program of decorative street banners, free of charge. He explained that they basically come into the community and they put up these decorative street banners and you could design whatever you want on the top of it and then it has their web page on it. The way they pay for this, they then go out to the businesses and there was no guarantee, if they did not get any businesses, they were still obligated to do the program, but businesses then market themselves on the bottom of these banners and they would see extremely nice banners. They would see that all sorts of North Carolina communities were in the process of signing up for this program. The other thing that it does, if you were a business that advertises on it, you get your own video and they do a video directory from your website. For example, if you go to the City of Eden's website and then you go to businesses, there could be Layne's Pharmacy, because Layne's Pharmacy was on a banner and you click on that business and it gives you sort a streaming video of that business.

He explained that the only thing required from the City of Eden, was a letter that they would do that basically says that the city was entering into this deal with them and they have the city's blessing to come and talk to them.

He then placed the conference call to provide the Council with a demonstration. *This CGI Communications, Inc., e-Local Link Internet TV internet link is located at <http://www.mayors.tv>.*

After the demonstration had been presented, Mr. Corcoran noted that as they could see, as far as the city, they could not lose anything and there was tremendous potential with the videos to market their community.

Council Member Gover commented that it was going to cost the businesses anyway.

Mr. Corcoran replied that was right and it was up to them to the extent that they want to be involved.

Council Member Tuggle questioned if he thought there were 82 businesses that would spend \$450.00.

Mr. Corcoran replied no and he thought their point was, they probably would concentrate, for example, say they did 20 banners, they would probably concentrate those up and down Highway 14 and leave those downtown area banners alone. That was one of his questions. Could they pick where the banners would go because they were talking about doing specialized downtown banners and she said that they certainly did not want to be placed out in the country, they want to be on roads that were traveled. He stated that if you think about Highway 14 and Kings Highway, that was a whole lot of opportunity right there before you invade the downtown areas. Now if the city wanted them in the downtown areas they could do them but his guess was that there was going to be a whole lot more available poles than there were banners that they were going to have to put up. He also asked them what they would do if they only get only 7 or 8 banners and

they said there was no minimum threshold to the city. They also do the videos first, which would be done in about 12 to 14 weeks, and then they do the banners which would be done in about 6 months.

Council Member Gover commented that it looked like they would have to poll the business people.

Mr. Corcoran replied that was their job, the letter was here, and a representative would be contacting businesses to offer an opportunity to participate and then it was up to them. The city had met its obligation and would get its videos on there.

Council Member Tuggle stated that they get their videos and would not lose no matter what.

Mr. Corcoran agreed, but if you were somebody like Tiger Tek, they do a lot of business out of state. They may decide it was worth it to have a streaming video on there. Especially when you do Google searches and they come up. He stated that he could see some industries, MGM, Weil-McLain and places that were dealing globally. Other businesses mentioned were Pace-Stone and King's Chandelier.

Mayor Grogan asked if anyone had a problem placing this under the Consent Agenda for next Tuesday's regular meeting. It was the consensus of the Council that the contract be placed on the Consent Agenda for the regular Council Meeting to be held on Tuesday, February 21st.

Where Do We Go From Here? – An Open Discussion: Brad Corcoran, City Manager.

Council Member Nooe commented that he would like to see the possibility of doing something for existing businesses to come up with something to show appreciation for their being members of the community, providing jobs and paying taxes.

Council Member Epps suggested that it may be something they could work through with the Chamber.

Mayor Grogan stated that the State of North Carolina offers incentives for existing industries if they do expansions, etc., as far as financial incentives and he thought the city has participated in those like Karastan when they made an expansion. There were other types of venues and he appreciated them and thought they should look at it, have a public mention at a City Council meeting on a monthly basis and recognize an industry based on how long they have been in town, etc.

Council Member Nooe suggested some financial incentives, maybe every so often, they have been here five or ten years or whatever, maybe a grant for return of all that franchise taxes or do something, just something for them.

Council Member Gover agreed that was a good idea and Council Member Epps suggested that they could give a plaque on a monthly basis with the newspapers coming and have some publicity for them.

Council Member Tuggle stated that it was a point well taken when you think about Karastan and of course Fieldcrest was here for a long time, but these people that have been here forever, they give incentives to all the new industries and he thought they ought to try to do something to show appreciation to all these people who have been here in support of the city all of these years. He stated that he would like to certainly hear some options.

Council Member Nooe stated that Mr. Dougherty could make some

recommendation or do some research.

Mr. Dougherty commented that a lot of people just appreciate the fact that you just recognize them. To give an example, there was an article about Miller, and he was having it framed now and he planned to present that to them, those types of things, things in the newspapers, just the recognition, it just makes them feel like you care and it means a lot to them.

Council Member Tuggle stated that even what was brought up about the wrestling team, it just shows pride in the community, they were proud of them as well as their industries.

Mr. Corcoran stated that a lot of places, such as when he was at Wytheville, Virginia, they held the Wytheville Industry Appreciation Day and they used to go to Wolf Creek Golf Course and they invited all of their businesses to come and they had a little Captain's Choice and there was a reception and a dinner and it was just a thank you to them for being there and they did it each year. They would send up to 4 tickets, depending upon the number of employees. They could do something like that for a couple thousand dollars each year. He added that it would be nice to see something for existing industries and they read all the time about what was being done for the new industries and the statistics show them that there was far more job growth from existing industries than there were from new industries.

Council Member Nooe stated that even with their new amphitheater, they could put on some type of...to which Mr. Corcoran agreed they could do it there and bring in some musical group and have a cookout, but (also) they needed to get back to doing their appreciation dinner for their volunteers.

Mayor Grogan agreed that was something they needed to do.

Mr. Corcoran stated that they planned to get that scheduled as soon as possible, maybe at Whistle Jacket, to say thank you to all those volunteers who serve the city, which was the same thing here with the industries if this was something the Council wanted to look at.

Mayor Grogan stated that the County economic development group does a golf tournament and invites all the industry in the county. They hold it in the spring but it was nothing to say that the city could do just do one for here in Eden. He felt fairly certain that they could probably get a real good deal from Mitchell Wilson at his golf course and they could get it catered, depending upon the number, somewhere around \$2,000 to \$4,000.

He suggested that they ask Mr. Dougherty to come up with some recommendations. The City Manager laid some heavy stuff out there today which they need. He thought that personally he would like to take a little time to digest it and put some pencils to it. He asked what date in May he had mentioned for the budget.

Mr. Corcoran replied they would get the budget on May 1st.

Mayor Grogan suggested that they have another meeting before May 1st. He thought that at meeting he could have some numbers and some prioritizations of some of the areas and then they could go back to the cafeteria and the group could pick and choose, especially when they start talking about borrowing to which Mr. Corcoran agreed.

Mayor Grogan asked when he would want to do this to which Mr. Corcoran replied that it would probably be sometime toward the end of March.

Mayor Grogan replied that he thought that will be a plus and they could go through this cafeteria line a whole lot better than he thought they were prepared to

do today.

Council Member Myott commented that they had not had any discussion today to which Council Member Epps stated that until the figures were put into perspective, he really did not know what to do until that was ready.

Council Member Gover stated that he wanted to hear the City Manager's recommendation to which Council Member Tuggle agreed.

Mr. Corcoran stated that they of course have heard what the Council had said and he thought that what they would get from the staff was all of it, they would not get a water and sewer package, but they would get a comprehensive package.

Mayor Grogan commented that he did not want a swimming pool next year, not unless someone steps forward and would like to build it.

Council Member Myott suggested that they see if they could find someone in this town and see if they would like to donate some money to this park.

Mr. Corcoran stated that he had talked with Mr. Farmer about that and, of course, when Mr. Conner was here, they started the Friends of Freedom Park and that thing just never caught a hold. He explained that where he came from before, it was a very small community and they raised \$100,000 to build a baseball field just like that.

Council Member Turner stated that she was coming to those meetings and John Dabb's has been heading it up now and they were just struggling. People get on the committee and then they get off and they were about right now where they were a year ago.

Mr. Corcoran stated that it did not mean it would happen here, but they found a gentleman who used to be the vice mayor and he passed away and he had done very well in business and left his wife with a large sum of money and if you go up there today you would find the Arthur Hildreth Municipal Complex and she paid for the entire building and it would have never happened had they not asked. He stated that she was right and they just need to go back and revisit that. He suggested that they begin as he did by asking each person to write down the five wealthiest people they know. Then go out of there and go to those major contributors. When they got done with that initial phase they had already raised over half the money. Then they went to businesses, and asked if they would make a five year commitment of \$1,000 a year. Another idea was and if you gave a \$50 contribution a year your name went on a plaque. For the greenways, you may have people who were willing to sponsor a bench or a fishing pier.

Council Member Tuggle stated that he knew at some of the cities he had stopped in where they have had some type of a main street program going on, even those streetlamps; they had nice plaques at the bottom of every donation.

Mr. Corcoran agreed that those decorative lamps will work. In 1981 one of his jobs was to install decorative lamps in downtown Martinsville. They were still there and if you go and you get something good like that it would last.

Mayor Grogan stated that Council Member Turner had been attending the park committee on a monthly basis and thought she would be happy to take this to the committee.

Council Member Carter questioned the life expectancy of the existing swimming pool to which Mr. Farmer replied that he figured within the next five years they would need to do something and it could be sooner than that because it was 55 years old and all the pipe was antiquated and they have to piecemeal and patch everything every year.

Council Member Nooe added that it was in bad shape when he was a life guard there and that was a long time ago.

Mr. Farmer replied that they probably average over 100 kids a day during the summer in response to a question as to the average number of children who use the pool. He also added that they average about 2500 folks there each July and August.

Council Member Carter asked if they charge a price to use the pool to which Mr. Corcoran replied yes and if they had a new one they would do family memberships. He stated that he had also built two pools and developed a swim teams, they offered swim and aquatic lessons and pool parties.

Mayor Grogan questioned if Powell Bill money could be used for sidewalks.

Mr. Corcoran replied that they could but their streets were in such bad condition.

Mayor Grogan stated that it would be great if they could go say down where Fieldcrest Road was at where that sidewalk ends, if the city had a right of way for a walking trail, it did not have to be a sidewalk and up to the park.

Mr. Corcoran replied that when it gets done there was a trail, you walk right across the street from Central and you take the trail to the park.

Mayor Grogan explained that he was talking about people who live on the east end and they could walk all the way up to Freedom Park. He thought they could have areas in town that you did not have to pour concrete and have some type of walk way where people could walk. If they could do one the next two or three years, if you could do some of that, down Kings Highway, you see people out there running.

Mrs. Stultz commented that in the new development behind the Mall, as a part of their PUD Special Use Permit they required them to paint a bike lane, which was a pedestrian way and could be used for a lot of things cheaper than doing a sidewalk. Many communities require sidewalks to be built as part of new developments and they all could certainly do that. It would not certainly cure the ills that they have to get all of the places they have now but they could certainly require them for future developments.

Mayor Grogan stated that would come back to the developers who develop subdivisions inside the sub division. You can add the cost back to the lot and back to his cost and the city will be getting some of this money back.

Mrs. Stultz added that they could do something similar to what they do with their water and sewer.

Mayor Grogan suggested that they think about ways you might connect places without pavement with out it costing a great deal. He also mentioned that they had something earlier about committees. One reason he brought it up was for the communication and for everyone to hear everything at the same time.

Council Member Nooe stated that he did not mind not having the committees but he thought they needed more meetings to just discuss items such as water and sewer or parks and recreation or whatever.

Mayor Grogan stated that he thought that it would be good if they met at least bi-monthly.

Council Member Epps commented that they used to have what was called agenda meetings and met before the regular council meeting.

Council Member Turner stated that what was missing now was a chance for a good discussion without the vote sitting right there and a rather large audience from time to time.

Council Member Epps agreed and added that the problem with the committees was, they would come into the Council Meeting and somebody on the committee would say they had some new information and all of a sudden they did not know anything about it. Having these bi-monthly meetings would eliminate some of that surprising stuff.

Mayor Grogan stated that they would work on that to have a called meeting on a bi-monthly basis.

Council Member Gover stated that he thought they were very successful with the Water & Sewer Committee and saved the city a lot of money to which Council Member Epps replied that he knew that they did.

Council Member Nooe added that it would be alright to get in there (bi-monthly) and discuss it, they would just have more people there.

ADJOURNMENT:

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

Respectfully submitted,

Kim J. Scott
City Clerk

ATTEST:

John E. Grogan, Mayor