

CITY OF EDEN, N. C.

The regular meeting of the City Council, City of Eden, was held on Tuesday, August 21, 2007 at 7:30 p.m. in the Council Chambers, 308 E. Stadium Drive. Those present for the meeting were as follows:

Mayor:		John E. Grogan
Mayor Pro Tem:		Wayne Tuggle, Sr.
Council Members:		Donna Turner
		Darryl Carter
		Jerry Epps
		C.H. Gover, Sr.
		Bruce Nooe
	(absent)	Christine Myott
City Manager:		Brad Corcoran
City Clerk:		Kim J. Scott
Deputy City Clerk:	(absent)	Sheralene Thompson
City Attorney:		Tom Medlin
Representatives from Departments:		
Representatives from News Media:		Brian Ewing, <u>Eden Daily News</u>

MEETING CONVENED:

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

INVOCATION:

Dr. Craig Bowman, Pastor of First Baptist Church, gave the invocation followed by the Pledge of Allegiance.

PRESENTATION TO MIKE COVEY FROM MAYOR GROGAN:

Mayor Grogan called Mr. and Mrs. Mike Covey, Mr. Mike Dougherty and Ms. Kelly Stultz forward. He stated that the Covey's came to Eden in 1989. He recalled being down on Stadium Drive and seeing a fellow out there (at the school) directing traffic and not only directing traffic but enjoying it, morning and afternoon, actually saving the police department a lot of money being a traffic director. He stated that Mr. Covey was a house husband, first class, and if everyone could see his children today, you would be like they are, bursting with pride. He explained that Mr. Covey raised their children while his wife, Dr. Covey worked to bring new children into this world. He stated that looking out at Central Elementary School, after Mr. Covey stopped directing traffic, and he was then out there building a playground. And the beauty of that was that he used some of Mrs. Covey's money or he got out and got contributions from people for lumbers, etc. But, he gave his time and effort to build a playground.

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

Mayor Grogan noted that they talked about several things at the YMCA, things to do, to help and make Eden a better place to live and Mr. Covey had all kinds of ideas. Something was said about wanting restaurants in town, Ruby Tuesdays, any restaurant in town, and now probably 8 out of 10 serve a mixed drink. We would not have that today had Mr. Covey not agreed to chair a committee to get that passed. He then asked if Dr. Craig Bowman was still present and added it also could not have been done without the support of the local churches such as the First Baptist Church, Leaksville Methodist Church, Spray Baptist Church, as they did not have any opposition.

Mayor Grogan noted that they could go out and look at the YMCA's playground and about three or four years also, there was talk about adding on to the Cardio, adding that he did not know that Mr. Covey was a brick mason, but he would get people to come and do it, and he helped to make that addition to the YMCA. He noted that he also built a beautiful home. He added that Mr. Covey really razzed and worked to get a greenway project. We would not have a greenway started today had we not had his enthusiasm and his persistence to Former Mayor Phil Price, to himself, and other City Council Members about having a greenway. Mr. Covey was a founding member and first Vice President of the Dan River Basin Association. He knows the rivers and the importance to our city. Also, Mayor Grogan added that he came by the library one day and Mr. Covey was out building something for them, adding that he thought he had touched every aspect in our community.

Mayor Grogan noted that he and Mr. Covey had agreed on a lot of things, they have disagreed, but they have disagreed agreeably. And, that is a true friend and a true citizen. Mayor Grogan then read and presented a plaque: "To Mike Covey, for outstanding contributions to the Eden Community, 1989-2007, Eden City Council and staff, August 21, 2007". In conclusion, Mayor Grogan noted it was going to be a loss for Eden when the Covey's leave. Mrs. Covey is a money making machine for the hospital, and they are really going to miss her as she is a profit center, adding the Covey's truly are going to be missed.

PRESENTATION TO MIKE COVEY FROM EDEN PRESERVATION SOCIETY:

Mayor Grogan called Mr. Mike Covey and Mr. Bud Stickels to the front for this presentation on behalf of the Eden Preservation Society.

PROCLAMATION OF RECOGNITION

August 2007

MICHAEL J. COVEY

The Eden Preservation Society, formed as a non-profit, privately funded, organization in the State of North Carolina for the purpose of preserving, protecting and promoting the rich heritage and history of the City of Eden, hereby proclaims the excellent works of our fellow member Mr. Michael J. Covey.

Be it therefore resolved that:

Whereas Mike Covey provided the necessary design, foremanship and construction of our Charlie Poole Pavilion in our Governor Morehead Park, and

August 21, 2007

City of Eden, N. C.

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

Whereas Mike supervised the Rockingham County Prison Crews in the building of the said pavilion with timbers procured from the Rhode Island Mill Structure, and

Whereas Mike oversaw the repair and maintenance of other structures on said site, and

Whereas the Society planted a buckeye tree in the vicinity of the pavilion, in commemoration of the completion of this structure and on behalf of Mike and his family, said tree remains in their honor;

We of the Society express our heartfelt appreciation for Mike and his good works.

s/Louise Price
Louise Price, President

s/John Cameron
John Cameron, Past President

s/Marianne Aiken
Marianne Aiken, Past President

s/E. N. "Bud" Stickels, Jr.
E.N. "Bud" Stickels, Past President

Mrs. Marianne Aiken was present and stated that she would never forget the day that they had the prison work crew there and Mike had dug the holes for the beams and had them laid out in the right position and had the prisoners lined up on each side and said, one, two, three, heave and they went in the hole. She said they appreciate all that he has done.

Mrs. Aiken recalled a cute little story to shed on their property at the Governor Morehead Park and it was in bad shape, it had a beautiful little curved roof that Mr. Covey fixed for them. There were just so many times and so many ways that he was so very helpful and they do appreciate it so much and they would miss him terribly.

RESOLUTION DECLARING ROCKINGHAM COUNTY BIG SWEEP WEEK:

A RESOLUTION OF CITY COUNCIL OF EDEN
DECLARING SEPTEMBER 29 - OCTOBER 6, 2007 AS
ROCKINGHAM COUNTY BIG SWEEP WEEK

WHEREAS, the City of Eden and Rockingham County are rich in natural resources and beauty; and

WHEREAS, water is a basic and essential need for all life; and,

WHEREAS, trash fouls our waterways as well as our landscapes; and,

WHEREAS, every citizen should contribute to keeping our environment clean and healthy by working together to preserve clean water and the natural beauty of our surroundings; and,

WHEREAS, North Carolina Big Sweep is a statewide community effort to retrieve trash from North Carolina's waterways and landscapes; and,

WHEREAS, during its first twenty years, North Carolina Big Sweep volunteers have retrieved over 8 million pounds of debris from our environment, including tires, white goods and other solid waste;

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

WHEREAS, this Council wishes to help make North Carolina Big Sweep's 21st consecutive annual cleanup event the most successful cleanup yet;

NOW, THEREFORE, BE IT RESOLVED that the City Council of Eden, North Carolina, meeting on August 21, does hereby declare SEPTEMBER 29 OCTOBER 6, 2007 as ROCKINGHAM COUNTY BIG SWEEP WEEK in Eden, and does further hereby urge every citizen to do his or her part to restore the beauty and function of our lakes and streams by volunteering to participate in the Big Sweep event.

In witness whereof I have hereunto set my hand and caused the seal of Eden to be affixed.

John E. Grogan, Mayor

ATTEST: Kim J. Scott, Clerk
SEAL

Mayor Grogan called Ms. T. Butler to the podium to receive the above Resolution.

Ms. Butler added that Mr. Covey had been a big participant in the Big Sweep and asked that they keep up the good spirit.

ADDITIONS AND DELETIONS:

A motion was made by Council Member Tuggle seconded by Council Member Carter for approval of the following additions and deletion to the agenda:

Additions:

9(g) Approval of a request from the Eden Chamber of Commerce to erect a sign for the Rubber Duck Regatta in the right-of-way near BB&T.

9 (h) Approval of a request from the Leaksville Merchants Association to erect a sign for the Riverfest in the right-of-way near BB&T.

9 (i) Approval and adoption of a Resolution Requesting Funding Assistance for Improvements to the Intersection of Pierce Street and Kings Highway in Eden.

7 (b) Park Avenue Stop Signs – status due to request.

Deletion:

8 (c) Consideration of Water and Sewer monthly billing.

Action: All Council Members present voted in favor of this motion.

PUBLIC HEARINGS:

(a) Consideration of the City of Eden Land Development Plan and an ordinance adopting the plan.

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

With the assistance of the Piedmont Triad Council of Governments, the City has spent the past year involved in a process to update our Land Use Plan. The last time this was undertaken was in 1977. The Planning Board and other members of the Land Use Advisory have presented a plan to the City Council.

At your August regular, we are asking that you hold a public hearing on the document. The committee and your staff recommend approval as presented.

Mayor Grogan asked Mrs. Kelly Stultz, Planning & Inspections Director, to come forward for a report.

Mrs. Stultz explained that before the Council is their request to approve the Land Development plan that has been approved by the committee and the Planning Board supported by the staff and presented some time ago. Mr. Paul Kron, PTCOG was present and had spent a lot of long hours working with them to have this ready for the Council this evening. This is the first Land Use Plan that has been considered by the City since 1977 and they certainly recommend adoption.

Mayor Grogan called for a public hearing and asked those who wished to speak in favor or in opposition to this request to come forward. As no one came forward, Mayor Grogan declared the public hearing closed and asked Council for comments/motion.

A motion was made by Council Member Epps seconded by Council Member Tuggle for approval as presented. All Council Members present voted in favor of this motion.

(b) Consideration of the use of the Community Development Block Grant (CDBG) funds.

The City of Eden, like other non entitlement cities in North Carolina, competes for funding through the Community Development Block Grant Program. This funding can be used for housing rehabilitation, clearance, relocation, infrastructure improvements and recreational improvements, water and sewer projects and economic development projects. All of these various kinds of projects are designed to offer assistance to low and moderate income residents of our community.

As the time for application approaches, we are required to hold a public hearing. This is a requirement of the North Carolina Department of Commerce. By including all of the various types of projects, we hope to position our community to gain the most funding possible where it is needed the most.

Mayor Grogan declared this public hearing open and called on Mrs. Stultz for comments.

Mrs. Stultz explained that the Community Development Block Grant Program has lots of different options that the City may be able to apply for funding. That includes housing rehab, property clearance, relocation, infrastructure improvements and recreational improvements, water and sewer projects and economic development. After last year, the programs will permit them to deal with storm water issues in Community Development Block Grant Projects. She stated she believed it was important that they do apply for those funds when they are available to them and she asked that the Council have this public hearing tonight so they can pursue grants in the future.

Mayor Grogan called for a public hearing and asked those who wished to speak in favor or in opposition to this request to come forward. As no one came forward, Mayor Grogan declared the public hearing closed and asked Council for comments/motion.

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

Council Member Tuggle stated that we have had Community Development Block Grants in the past and asked for the criteria for making the determination where the money is spent. He added he knew there were any number of places around this City, but what specific criteria did she use in trying...

Mrs. Stultz replied it depends on the various grants that they send a cycle that is available. If it is water and sewer, they certainly consult with members of staff and the City Manager about where the best place is to make application. Often times those applications for Water and Sewer have to be done where there is no water and sewer or where there is low and moderate income residents. Economic development applications arise when we have an opportunity for some economic development project. So, any time we are going to make an application, the Council would be aware of it and the criteria are different based on the variety of grants that they are doing a cycle at the time.

A motion was made by Council Member Carter seconded by Council Member Tuggle for approval of the request. All Council Members present voted in favor of the request.

MONTHLY FINANCIAL REPORT:

There were no questions concerning the Monthly Financial Report.

A motion was made by Council Member Tuggle seconded by Council Member Epps to accept the monthly financial report. All Council Members present voted in favor of this motion.

REQUESTS AND PETITIONS OF CITIZENS:

Mr. Drewey Pulliam was present and stated that at the last meeting, the Council voted to demolish "614" (Hopper Lane) to be torn down which was his property. He stated that this property was not in all that bad of a shape and he did not understand why Mrs. Stultz was pushing it so. It was a brick constructed house and it did not have a crack in the brick anywhere all of the way around it. It had a good porch on it and the only room that she had taken a picture of was the room they were going to put a floor in. There were wires down where it was a suspended ceiling. She did not let him know a thing about it, she was going to send someone up there to tear it down or when it was going to be torn down because he wanted to be present. He stated he had some stuff that he could have torn it down; if it had to be torn down, he could have done it himself. He stated he did not have the money to pay all of the bills for this such thing to throw a judgment against the property at all because he owes taxes and everything. He added that he did not receive a sum of money every month to go out and do these things as he only receives social security. All of these houses that he had was for his retirement and he just did not think it should have been done like that. Besides, this house being torn down, someone had gone in a day before that and he had \$800.00 worth of lumber in there that was nice stuff, heavy timbers... he wanted to put in a walk-in shower and bathtub. That wall was torn out so he could get the tub in. He explained that he had to wait on the money because he only received \$700 and some dollars a month for social security and he couldn't do but so much with that. The house didn't have any windows knocked out, maybe one, but he had bought glass and had it glazed, put

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

back in there. All of this was locked up, shouldn't have been no one in there... the house was (sitting) back on the lot where it was not in anybody's way at all.

Mayor Grogan told Mr. Pulliam that he had received numerous letters from the City prior to any action to which Mr. Pulliam replied he did. Mayor Grogan continued by stating that the only time that the City heard from him was the last time we had a City Council meeting when the action had already been approved. He stated he did not know what to do now, he then asked Mrs. Stultz for the status.

Mrs. Stultz replied that the house has been demolished, the lot cleared and reseeded and Mr. Pulliam was billed for the cost.

Mr. Pulliam replied he felt like the city owes him for it, all of the lumber that was stolen out of the house, the metal, the tools still in the house. Mrs. Stultz had not told him that it was going to be torn down, had no notice, it was still his property and in his name. He stated he did not feel it was right. He had been a citizen of this town for a long time, he was 83 years old. He was in service in 1941 and he went through a whole lot. Just the things that ya'll said has been built up, he was the one that rode down through the shopping center with a sand clay road.

Mayor Grogan noted that some were aware of that, but as far as his house and it being demolished, it went by the letter of the law. He did not know anything that the City could do other than what is legal.

Mr. Pulliam replied they do not have to put more burdens on him with the clean up and stuff like that, they don't need that. It is too much for him. He went over and talked with the tax department today.

Mayor Grogan replied, good luck to you. He stated he was sure he would wind up working something out. If nothing else, the City as far as their reimbursement, it could come from the sale of a lot, but if you say you have tax liens, etc. then everyone has to get in line if they get anything. He replied he thought he was correct (in saying that) to which Mr. Tom Medlin, replied yes.

Mayor Grogan thanked Mr. Pulliam and again wished him good luck.

UNFINISHED BUSINESS:

(a) Boards and Commissions appointments.

The following seats on the Board of Adjustment and the Community Appearance Commission are vacant. These members need to be replaced. We respectfully request that you consider these appointments at the August Council meeting.

Board of Adjustment

Sam Gilbert - ET J (deceased)

Community Appearance Commission

Marie Dean - Ward 5 (resigned)

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

Ken White – Ward 1 (resigned)

Council Member Carter stated that he would like to appoint Ms. Betty Martin to the Community Appearance Commission.

A motion was made by Council Member Gover seconded by Council Member Epps to appoint Ms. Betty Martin to the Community Appearance Commission. All Council Members present voted in favor of this motion.

Mayor Grogan noted that he would like to appoint Mr. Steve Underwood to the Board of Adjustment (ETJ).

A Motion was made by Council Member Tuggle seconded by Council Member Nooe to appoint Mr. Steve Underwood to the Board of Adjustment (ETJ). All Council Members present voted in favor of this motion.

7 (b) *(Item added by Council Member Gover)* Park Avenue Stop Signs.

Council Member Gover stated he had received requests to bring up the stop sign on Park Avenue. The people who contacted him feel like they (signs) have served the purpose they were put there for and they didn't see any benefit of them being there. He told them that he would bring this before the Council tonight.

Chief Benthin stated he recalled their being a (traffic) study on this, but he did not recall the results.

Mayor Grogan noted that we have a committee that handles this and asked Chief Benthin to put this on the agenda to be the Number One item for next month, for a report.

Council Member Epps replied he had not received any calls and he also had not had any speeding issues. He then asked the Chief if he had received any to which Chief Benthin replied, he had not received complaints. Council Member Epps replied that it looked like to him that it was working.

Council Member Gover stated that he they were calling him as he was not going up there, sitting and waiting, but he had been stopped at the flea market and received telephone calls, and he was just relaying the citizens' request. They do not like them being there, they say they are useless.

Council Member Epps replied the last time they had a study, he called about 90% of the neighborhood and had only had about 5 people out of the entire neighborhood that said they didn't like it. He added that he had not received any calls about speeders since this went up and that was the main calls of the time.

Mayor Grogan noted that one of the citizens called him a while ago but he was one of many in the neighborhood.

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

A motion was made by Council Member Gover seconded by Council Member Turner for a study to be made of Park Avenue on the stop signs. All Council Members present voted in favor of this motion.

NEW BUSINESS:

(a) Request to adopt an ordinance for the demolition of a structure at 635 Cedar Street under the City of Eden Human Habitation Ordinance.

Attached you will find a section of the Human Habitation Standards Ordinance relating to the steps to be taken when an owner fails to comply with an order to repair or demolish and a copy of the Complaint and Notice of Hearing Before Housing Inspector Under Housing Code which sets out the violations. The City of Eden Human Habitation Standards Ordinance and the enabling legislation permit the City Council, upon adoption of an Ordinance, to order the repair or demolition of the structure. An estimate for the demolition of the structure on this property is \$3,000.00. Once the demolition is done at the City's expense, actions can be taken to recoup the funds in the same manner as the collection of special assessments. We are asking that you adopt an Ordinance for the demolition of the subject property.

Mrs. Stultz explained that this was a structure that experienced a fire with extensive damage. She stated that they followed through the process and were prepared to request that the Council adopt an ordinance this evening to demolish it the rest of the way.

Mayor Grogan asked if the property owners have had all of the notification, etc. to which Mrs. Stultz replied yes.

A motion was made by Council Member Gover seconded by Council Member Epps for approval (and adoption of the ordinance). All Council Members present voted in favor of this motion.

(b) Brownfields Committee and Presentation by Philip Vereen of PTCOG.

In May or 2006 the Environmental Protection Association selected the Piedmont Triad Council of Governments for a \$200,000 brownfields site assessment and inventory grant for hazardous substances which will be used to conduct community involvement activities, brownfields site inventories, market studies and selected Phase I environmental site assessments. This grant is focused on Eden, Reidsville and Lexington.

A brownfield site is abandoned, underutilized or idle real property in which expansion, redevelopment or reuse may be hindered because of perceived or actual environmental contamination. These conditions make loans for redevelopment of these sites difficult. The EPA has former mill sites as a specific target.

Because of our economic stresses of the last decade or so and our long history of manufacturing, Eden is a perfect candidate to experience economic benefit from this program. A committee must be established for the project. I would respectfully ask that you create this committee to include the Planning Board and those individuals involved in the Land Use Plan. This is a multi year commitment. The Piedmont Triad Council of Governments plans to apply for more funding for further funding for a broad based brownfield program. Eden would be a permanent part of these efforts.

Mr. Philip Vereen from the PTCOG will be at your August regular meeting and will make a brief presentation outlining the program and its potential for economic improvement for Eden.

Mrs. Stultz stated that the City of Eden has asked to be a part of a program for Brownfield redevelopment and Mr. Vereen will present some general information about brownfields, the

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

grant that we are participating in, and the potential value of the program. She explained that the one thing that she needed the Council to vote on tonight is to make the Planning Board the Brownfields Committee.

Mr. Philip Vereen was present and stated that he was an environmental planner. He explained that he had a presentation prepared but wanted to say up front what they want to do. We received a grant in 2006 to coordinate brownfields efforts within the communities of Eden, along with, Reidsville and Lexington. What they have been doing with Lexington and Reidsville and now Eden is work with a committee to help them coordinate a way to use the funds from the Grant to create an educational effort on brownfields, but also use those proceeds to conduct Phase I assessments on select properties that the committee will help them identify within the community. And, hopefully they will take that information and ultimately help the local Chamber of Commerce or Economic Development Commission be in position to work with the property owner so that when a client or an economic development project becomes available, the city with respect to the property owners, can be in a position to compete with that project. With that said, Mr. Vereen went through the power point presentation.

Mr. Vereen again stated that he was with the Piedmont Triad Council of Governments (PTCOG); they consist of 40 plus municipalities as well as seven counties in the central part of the state of North Carolina. The City of Eden is a member of the PTCOG. The brownfields program is funded through a grant from the Environmental Protection Agency in the amount of \$200,000. The purpose of the grant is to conduct an educational training effort with regards to brownfield redevelopment. The aspect of it is to development an inventory of brownfield sites, inventory of abandoned properties, what we could do is to use that inventory and use GIS to basically map those properties with that. Again the local Chamber of Commerce or Economic Development Commission can use that information to better assist, as far as economic development efforts are concerned. Of course, with the committees help, they will rely on them to help evaluate the potential as well as the priorities as far as properties that can be hopefully used in terms of Phase I assessments.

Regarding Phase I, basically how it works is if a property is selected to do Phase I what will happen is with the grant, they can use proceeds from the grant to conduct a Phase I assessment. Essentially, they will hire a consultant and what that consultant will do is look at a property, look at the issues going on with the property from an A to Z prospective and once that is done, in some cases if the property has contamination then the Phase I assessment will identify those contaminants or any other issues, bring those to light, and advise the property owner as to what they can do to remedy the situation. Either they can apply for Phase 2 which is another assessment a property will actually undergo the actual physical nature of figuring out what the issues are and what can be done. Basically there are two steps, this grant is sort of a jump start to that process. As far as Phase I is concerned, another aspect of the purpose of that grant is to assist developers, people who are actually interested in redeveloping a property. The EPA always uses the term bonified because they want people who are actually interested in and committed to seeing a project through. So, those are some of the requirements of the grant in general.

Qualifications of the grant, Mr. Vereen stated that in all cases the building has to be deteriorating or an abandoned building or a commercial or industrial property. There has to be a perception of

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

hazardous contaminants on the site. The development potential of the site is key, certainly something that's redevelopment can be of use to the city as well as site accessibility. They hope that the property owners that they work with hopefully will grant the access to the site so that they can work with the consultants and do everything they need to do to administer the grant. The property must be located within the city limits of Eden.

The definition of a brownfield site is simply an unutilized or idle property for which expansion is hindered by the perception of contamination and in most cases it is difficult for property owners or potential developers to obtain the financing necessary to redevelop the property. And, as far as example of brownfields, most people associate brownfield property with abandoned factories or tobacco factories, but in a lot of cases, they are former dry cleaners, factories and these are some of the examples of the many different types of brownfields that exist out there.

Mr. Vereen spoke on the need and stated that certainly we have need as our region has a tremendous amount of economic development and jobs for our area. And, of course leaving behind a lot of vacant buildings.

The goals of the program are to educate the community on brownfield redevelopment; they want to identify the brownfield sites, they want to evaluate, access the market potential of the potential sites and work with developers and get them involved in helping to redevelop the site. And conduct Phase I assessments on selected sites by the committee and once everything has been completed, identify a vision for those sites whether it is to be reused as an office building or a shopping area or an historical district, etc. And work with the target communities of Eden, Lexington and Reidsville.

Finally at this point, Mr. Vereen emphasized key components of the steering committee role to help them identify the brownfield sites, review and help them prioritize sites, keep the community informed and rely on them in terms of getting the word out, and help with the vision process of the properties.

Mr. Vereen stated that the State of North Carolina administers a brownfield program once Phase I assessments have been completed on select properties, they encourage people to participate in the North Carolina Brownfields Program because there are a number of incentives. They also assist not only tax incentives, but also technical assistance with the program; they are affiliated with the Department of Environmental and Natural Resources. He then showed some of the active projects that have been affiliated with the North Carolina Brownfields program in the region.

At this time he stated he would be happy to entertain any questions.

Council Member Tuggle stated that \$200,000 sounds like a lot of money, but when it is divided between three communities and talking about Federal money and grants, how much follow up is there once these things have been identified.

Mr. Vereen explained that this is a three year process, they have instructed committees not to put a timeline on that... but this is a three year grant and we are in the second year of the grant. As far as follow-up, there will come another round of grants for Phase II so we are at the very

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

beginning of the process, there will be some grant funds. They are actually waiting for the announcement as to when they are going to come up with some Phase II grants, but in the meantime, if they can work with the communities such as ours to move the process along as they want to be ready; they are pretty much ready to write the grant for Phase II. To answer the question, there is follow-up in place, they are just waiting a word from the EPA to announce when the funds will be available for Phase II so they can apply for those.

Council Member Tuggle asked if this same process went on all over the United States to which Mr. Vereen replied, yes throughout the country. We are one of several communities, Asheville as well as Greensboro, multiple cities and communities as well as regional Council of Governments have applied for it and we are one of a handful in the state in the last couple of years to be recipients of the EPA grant.

Council Member Gover asked for the City's obligation entering these programs.

Mr. Vereen stated that as far as the obligation, they are administrating the grant, the biggest thing, the committee... the city's obligation to this is just helping them administer the grant, i.e with the communities support and helping them identify the properties. He thought the easiest way to say it was that there is no obligation to the city, they are administering the grant, but the committee will be key to helping them at least making sure that they convey and administer the grant according to the rules.

Mrs. Stultz replied that they (Council) are being asked to obligate her time and her staff's time, but there is no other financial obligation.

Mayor Grogan noted the question was that the Planning and Zoning Board be made the steering committee for this process and asked if there were additional comments. He also asked that Ms. Stultz, as she gets closer to zeroing down to one, two or three properties, that she keep the City Council informed so that they can have input.

A motion was made by Council Member Epps seconded by Council Member Carter for approval. All Council Members present voted in favor of this motion.

(c) Consideration of Water and Sewer monthly billing. *(This item was pulled from the agenda)*

Water and wastewater rate setting is one of our most important environmental and public health responsibilities. Water and wastewater rates ultimately determine how much revenue we will have to maintain vital infrastructure. Ideally, rates should reflect the cost of providing service, which depends on diverse factors including size of treatment facilities, customer base, age of assets, type of water supply, and quality of incoming water.

The FY 2007-08 budget included a 10% rate increase in both water service charges as well as sewer service charges. This is consistent with the sentiment expressed previously by various members of City Council where it has been indicated that incremental rate increases on an annual basis were preferred in lieu of waiting for several years and then requiring a larger increase of 50% to 80%+ all at one time. During the City Council meeting in the month of April, 2007 as well as the Council Budget Work Session in May, 2007 we discussed the problems we are experiencing in terms of the costs associated with providing Solid Waste services in comparison to revenues being collected for those services. It was noted that the shortfall is completely attributable to the residential side of our Solid Waste system and that our residential fees will need to be increased in the near future. As each of you are aware, the water service, sewer service and refuse collection service charges are all listed on the same bill that is

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

sent to residents on a bi-monthly basis. This is placing an increasingly significant financial burden on our citizens. We realize that future rate increases are unavoidable as we continue our efforts to improve our infrastructure and operate both efficiently and effectively.

The June 19, 2007 FY 2007-08 Budget Message from Mr. Brad Corcoran, City Manager states, "...I would recommend that we investigate the feasibility of moving to a monthly billing cycle which will help residents in terms of budgeting for these costs on a monthly basis versus a bi-monthly basis. We receive our electric bill, natural gas bill, telephone bill, cable bill and internet service bill on a monthly basis and I feel like we need to look at doing the same in reference to our water service, sewer service and refuse collection bill." As a result, I have spent the month investigating the feasibility of moving to a monthly billing cycle as recommended by the City Manager.

According to Mr. Shadi Eskaf in the Environmental Finance Center at the UNC School of Government, "From our latest survey (FY06-07), I found that 88% of the water rate structures were on monthly billing cycles, 10% bi-monthly and 2% quarterly. These include municipalities and non-municipal utilities as well (counties, sanitary districts, authorities, not-for-profits, etc.). In the past 3 years, we've noticed that monthly billing cycles are by far more prevalent in NC than bi-monthly cycles". As with any billing frequency there are advantages and disadvantages that have to be considered when deciding what billing frequency will work best for both the city and the customer.

The advantages of monthly billing are as follows:

- Identification of leaks on a more timely basis will provide us and our customers with more opportunities to notice leaks and get them repaired before they lead to large financial losses.
- Cash flow issues for customers. I think a certain percentage of utility customers in any service area live more or less on a month-to-month income basis without a lot of leeway for unexpected or large expenditures. As water and sewer and refuse rates go up, more frequent billing spreads out the charges to customers and makes it easier for them to stay in good standing.
- Cash flow will be increased to some extent depending on the current interest rate and the amount of money being left in the bank and not used for operating expenses. For example, if the interest rate is 4.86% and the revenue projection on monthly billings for the fiscal year is \$4,655,800.00 with no funds expended the amount of interest earned would be \$122,563.00 compared to \$116,186.50 in interest earned from bi-monthly billings. This is a difference of \$6,377.32.
- More flexibility with rate structures. We currently use a uniform rate structure; however, there are some times when other types of rate structures such as increasing block structures make sense. These structures do not provide as many benefits when the billing for them is spread out over two months.
- Improved collection efforts for final billings. The final billing time will be quicker and the outstanding balances will be smaller.

The disadvantages of monthly billing are as follows:

- We will need a third meter reader which will be an annual cost of \$33,900.00 (salary plus benefits) because all of the readings (800 meters per day) must be completed in five (5) days. The Current Meter Reader is reading anywhere from 190 to 230 meters a day. The Meter Maintenance Reader is handling all of the work orders, cut off lists, pull meter lists, along with replacement of old meters. We met with the City of Reidsville who currently bills a fewer number of bills on a monthly basis and were informed that they would not be able to do their monthly billing without three (3) full-time positions. We have more meters to read and a third meter reader would be an absolute necessity.
- Postage will be approximately \$1,652.97 per month for bills and \$302.90 per month for notices. Currently postage for bi-monthly billing is running \$1,141.62 for one month and \$412.83 the next month due to cycle billing for a total of \$1,554.45. Areas I & III are mailed the same month and Area II is mailed the next month. Notices are currently running \$206.44 one month and \$88.92 the next due to the cycle billing for a total of \$295.36.
- Cost of a new truck will be approximately \$9,449.00 ('08 Ford Ranger) per Tommy Carter-which will have a 5 to 10 year replacement cost.
- Cost of a new hand held device will be approximately \$4,000.00 that will work with our current system-which will have a 5 year replacement cost.

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

- Bills and notices will be approximately \$3,332.89 annually for 160,000 bills and 45,000 reminder notices. Currently bills and notices for bi-monthly billing are running \$1,923.64 annually for 80,000 bills and 22,500 reminder notices.
- Added wear and tear on the printer to produce twice the number of bills per year than it is currently printing. The cost associated with the replacement of the existing printer with a continuous form feed laser printer is approximately \$7,000.00. Consumables and an annual maintenance agreement would be additional cost.

As you can see there are many factors that we need to consider in deciding whether or not monthly billing is the best choice for the City. Our strategy for implementing monthly billing frequency along with how to cover the costs associated with the transition is as follows:

- We are currently planning for a medical leave of absence with our current Meter Maintenance Reader. Therefore, we are cross training our current Meter Reader so that he will be able to cover during that leave of absence. We have advertised for a temporary Meter Reader's position to help cover since our Meter Maintenance reader is expected to be out of work for a period of six (6) weeks recovering from surgery. If you choose to implement the monthly billing process we could possibly advertise internally for this position to go full time and eliminate further advertising cost. The long-term plan to absorb this costs associated with the third meter reader includes our current Billing and Collections Supervisor's retirement. We would consider her replacement to be a Billing and Collection Clerk, which would create an annual savings in the amount of \$24,508.41 (salary plus benefits). The Billing and Collections Department would report directly to the Director of Finance & Personnel.
- We would realize some increased revenues as previously noted in terms of interest earned and these funds would also help to offset a portion of the costs associated with this service.
- The other costs associated with monthly billing would need to be absorbed by existing revenues **or** passed on to the customer in a future Water & Sewer, and/or Refuse increase. For example, a 1 % increase in Water & Sewer service rates alone would generate approximately \$42,325.00 in new revenue.
- We would propose to bill the City in two cycles. Cycle 1 will have the billing date of the 18th of each month. The due date will be the 5th. The reminder notices will be mailed out on the 6th. The cut off date will be the 16th. Cycle 2 will have the billing date of the 29th of each month. The due date will be the 19th. The reminder notices will be mailed out on the 20th. The cut off date will be the 30th. If the bills fall on a weekend or holiday, the bills will be dated the day the bills are printed. ***We must keep this schedule and make no exceptions so that the reading, billing, etc., can be done on time. ***
- We would work with Logics, LLC our current billing software provider, to make necessary changes to the billing procedures.

Please know that these are the preliminary plans that we will follow to implement monthly billing if approved by the City Council. The entire process will take patience and understanding on both the staff as well as the customer's part to make a smooth transition. However, as with any changes, issues will take place and be addressed in a timely manner.

We have also researched other technology that we should consider in the future to automate our meter reading process. The initial costs can be absorbed through longterm advantages and savings that would be significant from reduced staffing requirements as well as the potential added revenue generated by the systems leak detection and per gallon billing capabilities. This is a long-term strategy. You will find attached the information provided by Mr. Kevin Taylor, our Information Technology Manager that discusses in detail our options and his recommendation for a long-term strategy for the City.

My recommendation is that we implement these procedures for monthly billing. If you approve, we will begin this new billing procedure in January 2008.

Please feel free to contact me if you have any questions concerning this matter.

Other Attachments: Copies of documentation that will support the advantages, disadvantages, projected costs, how the cost will be covered, implementation schedule, and long term possibilities.

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

CONSENT AGENDA:

(a) Approval and adoption of minutes: July 17, 2007.

(b) Approval and adoption of Aerator Sale.

Attached is a letter from AI J. Leonard, Jr., Manager for the Town of Tabor City, North Carolina expressing interest in the purchase of five of the Vertical Aerators that were deemed surplus by Council on February 21, 2006.

An identical aerator was sold last December to the Town of Marshall, North Carolina. At that time the Wastewater Treatment Plant Superintendent made an effort to identify a fair price for the used aerators. Ultimately the price approved by the Eden City Council and paid by the Town of Marshall was \$200.00 for a single aerator. I recommend that the City Council approve the sale of five used aerators to the Town of Tabor City for \$200.00 per aerator. The aerators are used and were in working order when they were removed from service. If the City Council approves this recommendation the aerators will be provided to The Town of Tabor City as is with no warranty. These units have been sitting on the plant site for eighteen months. This is only the second serious inquiry despite advertising efforts.

North Carolina General Statues provide the following authority for this type of sale between governmental units: § 160A 274. Sale, lease, exchange and joint use of governmental property.

(a) For the purposes of this section, "governmental unit" means a city, county, school administrative unit, sanitary district, fire district, the State, or any other public district, authority, department, agency, board, commission, or institution.

(b) Any governmental unit may, upon such terms and conditions as it deems wise, with or without consideration, exchange with, lease to, lease from, sell to, or purchase from any other governmental unit any interest in real or personal property.

(c) Request for approval of temporary sign located in right-of-way of Van Buren Road and Arbor Lane.

First Presbyterian Church has requested permission to erect a temporary sign in the right of way of Van Buren Road and Arbor Lane. This sign will advertise the playing of the movie "Facing The Giants" at the Church on August 23, 2007. A former resident of Eden, Jim McBride, stars in the movie and will be present to talk about the making of the movie and answer questions. The Sign Ordinance was amended to allow temporary signs in the street right of ways upon approval by the City Council.

The Planning and Inspections Department recommends the approval of the request.

(d) Approval and adoption of automated Leaf Truck Financing for 5 years.

On March 20, 2007, City Council approved the purchase of an automated leaf truck for the Solid Waste Department; the minutes for this meeting are attached. The following quotes for a five year lease purchase have come in on the automated leaf truck:

BB&T	3.81%
Cater Bank & Trust	3.89%
First Citizens Bank	3.84%
First National Bank	3.96%
Home Savings	4.09%
Wachovia	4.79%

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

As you can see the lowest quote is from BB&T at 3.81%. We will be making an annual payment in the amount of \$27,804.05. There is a prepayment penalty of 1 % but the City should not incur that penalty as we will pay on schedule.

I would respectfully ask that the Council approve BB& T as the successful bid on the automated leaf truck so that we could begin the financing process.

(e) Approval and adoption of a request to extend the Eden Main Street Advisory Board until further notice.

In 2006, the members of Eden Main Street Advisory Board were nominated to terms that were to expire in August of 2007, the time when the non-profit status of the Twin Rivers Downtown Development Corporation was anticipated to be obtained. This process has not concluded at this time. A recommendation is being made to extend the terms of the current Eden Main Street Advisory Board until March of 2008 or until the time when the Twin Rivers Downtown Development Corporation obtains its non-profit status.

Current Board members include: Joy Toms, Jennifer Griffin, Tom Barbour, Glenn Denny, Eddie Barker, Jo Sherwood, Jean Harrington, Sharon Tongbua, Benny Sexton, Cindy Adams, Linda Wyatt, Becky Shomali, Chairman Vice-Chairman.

(f) Approval and adoption of Eden Satellite Magistrate Office.

Included for your review and information is a letter dated August 9, 2007 from the Honorable Frederick B. Wilkins, Jr., Chief District Court Judge - 17 A Judicial District. Specifically, he states that he is very interested in moving the Eden satellite Magistrate Office to the space currently occupied (soon to be vacated) by the NC Division of Motor Vehicles. As you are aware, the DMV offices are being consolidated into a new facility in Wentworth.

Judge Wilkins states that *"the safety for the Magistrates on duty, particularly those on second shift, would be greatly enhanced by the proximity to the Police Department. I am sure there would be an increased efficiency in communications between the Magistrates and the Police Department also. Both of those factors certainly would work in the best interests of the citizens of Eden, and would help the court system immensely. If such a move would be agreeable with your City Council, please contact me, and I will contact the appropriate officials at AOC to start the process. "*

I personally feel this would be an excellent use of this space and would recommend that the City Council give me the authorization to proceed with making the necessary arrangements.

9(g) Approval of a request from the Eden Chamber of Commerce to erect a sign for the Rubber Duck Regatta in the right-of-way near BB&T.

9 (h) Approval of a request from the Leaksville Merchants Association to erect a sign for the Riverfest in the right-of-way near BB&T.

9 (i) Approval and adoption of a Resolution Requesting Funding Assistance for Improvements to the Intersection of Pierce Street and Kings Highway in Eden.

RESOLUTION REQUESTING FUNDING ASSISTANCE
FOR IMPROVEMENTS TO THE INTERSECTION OF
PIERCE STREET AND KING'S HIGHWAY
IN EDEN

WHEREAS, The City of Eden has experienced significant job losses during the past decade; and

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

WHEREAS, The City is making efforts to promote economic development and to encourage different aspects of our economy; and

WHEREAS, the healthcare industry and Morehead Memorial Hospital are vital to the economic health of the City of Eden; and

WHEREAS, Morehead Memorial Hospital is located on King's Highway near the intersection of Pierce Street and King's Highway and the hospital had built a new medical facility nearby and they need access from the main hospital campus to the new facility through the intersection of Pierce Street and King's Highway; and

WHEREAS, a large commercial and institutional development has also been constructed in this same area that needs service from the extension and improvement of Pierce Street

WHEREAS, since traffic patterns have changed Pierce Street is now required to move more traffic than it was designed to move; and

WHEREAS, the City of Eden and the institutions and businesses to be served by Pierce Street are of the opinion that improvements are necessary but the necessary funds are not available; and

WHEREAS, based upon figures calculated by NCDOT, Duke Energy and the City of Eden the total projected cost is approximately \$1,400,000.

NOW THEREFORE, BE IT HEREBY RESOLVED BY THE CITY COUNCIL OF THE CITY OF EDEN, NORTH CAROLINA, that on behalf of the citizens and business owners of the City of Eden we respectfully request assistance from the State of North Carolina to fund this project and promote the economic recovery of our City.

Approved and adopted this 21st day of August, 2007.

Eden City Council
By: s/John E. Grogan, Mayor

ATTEST:

s/Kim J. Scott, City Clerk

A motion was made by Council Member Tuggle seconded by Council Member Turner for approval of Consent Agenda Items (a) thru (i). All Council Members present voted in favor of this motion.

QUESTION: COUNCIL MEMBER GOVER:

Council Member Gover noted that he had been receiving memos regarding the dryness of 74 counties out of 100 in North Carolina, having extreme or severe drought. He asked for the status

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

of our reservoir. Two or three years ago, we were down to three days in our reservoir and he asked for the status and what we need to do about it.

Mr. Terry Shelton, Water Filtration Superintendent, explained that the reservoirs are full right now and we are not having any real difficulty keeping it there at this time. They are watching the weather and the river level each day to evaluate if they are going to get to the point that they have to put the supplemental pumps in on the river bank and if they can get a little bit of rain, it would alleviate the problem. It will probably be a week to week thing and he would like to see us try to forestall having to do that.

Council Member Gover asked if we would do any dredging to our reservoir as we were at 50% capacity two or three weeks ago and brought it from seven days supply to three, two or three years ago. They talked about dredging and also talked about moving our pumps down to confluence both rivers and he hasn't heard anything about the dredging of our reservoirs to give us the seven days back.

Mr. Shelton replied that there are five full days of usable water there and we may be able to get a little bit more, but the water quality as you get to the bottom is going to be questionable simply because as you go down to the bottom, it is going to stir up a lot of mud and sediment as you're pulling from that area. The reservoir has not filled in that much over the nearly 30 years that it has been in service, they check it annually to see where it is, and it has gone from a depth of about 45 feet to about 41 feet or 40 feet now.

Council Member Gover stated they were told a couple/three years ago that 50% of the 88 million at that time...adding that he knew what the Committee was told.

Mr. Shelton stated that also due to the loss of several businesses, our daily demand is about a million gallons less than it was in 2002 and that is also helping our situation as far as being able to meet our daily demands.

Council Member Tuggle asked if that was Liberty to which Mr. Shelton that they were using somewhere close to 800,000 per day. He added that we were doing about 11 million a day for the last several days and we were doing closer to 12 (million) during 2002.

VOUCHERS:

No questions.

CLOSED SESSION:

In accordance with GS 143-318.119(a)(5) to establish, or to instruct the public body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange or lease.

A motion was made by Council Member Tuggle seconded by Council Member Turner to go into closed session in accordance with GS 143-318.119(a)(5) to establish, or to instruct the public

Minutes of the regular August 21, 2007 meeting of the City Council, City of Eden:

body's staff or negotiating agents concerning the position to be taken by or on behalf of the public body in negotiating (i) the price and other material terms of a contract or proposed contract for the acquisition of real property by purchase, option, exchange or lease. All Council Members present voted in favor of this motion.

OPEN SESSION:

A motion was made by Council Member Epps seconded by Council Member Turner to return to open session. All Council Members present voted in favor of this motion.

ADJOURNMENT:

A motion was made by Council Member Epps seconded by Council Member Turner to adjourn. All Council Members present voted in favor of this motion.

Respectfully submitted,

Kim J. Scott, CMC
City Clerk

ATTEST:

John E. Grogan, Mayor