

CITY OF EDEN, N. C.

The regular meeting of the City Council, City of Eden, was held on Tuesday, May 15, 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 |
| | Christine Myott |
| City Manager: | Brad Corcoran |
| City Clerk: | Kim J. Scott |
| Deputy City Clerk: | Sheralene Thompson |
| City Attorney: | Tom Medlin |

Representatives from Departments:
Representatives from News Media:

John Barbour, Eden Daily News
Gerald Whitt, Greensboro News & Record

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:

Mr. Shawn Austin, Pastor, Summit Road Church of God was present to give the invocation followed by the Pledge of Allegiance.

PUBLIC HEARINGS:

(a) Consideration of an ordinance annexing property on Summit Circle pursuant to a request submitted by Shropshire Properties, LLC.

At the regular April meeting the Council scheduled this public hearing to hear comments regarding an annexation of property requested by Shropshire Properties, LLC. The request is to annex property located on Summit Circle. The staff was of the opinion that this property should be annexed.

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

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Mrs. Stultz stated that Shropshire Properties owned property around the community and they have other properties on Summit Circle that they intend to subdivide and this was a part of that. They would like to connect to public sewer and in order to do that they have submitted the required petition. With this annexation, because of its proximity to services and its proximity to the existing city limits the staff did recommend in favor of this request.

Mayor Grogan asked if there was anyone present who would like to speak in favor or in opposition to this request. None appearing, the public hearing was declared closed.

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

MONTHLY FINANCIAL REPORT:

There were no questions concerning the Monthly Financial Report.

A motion was made by Council Member Tuggle seconded by Council Member Turner to approve the monthly financial report. All Council Members present voted in favor of this request. This motion carried.

REQUESTS AND PETITIONS OF CITIZENS:

There were citizens who were present to speak, however they spoke under unfinished business.

UNFINISHED BUSINESS:

(a) Boards and Commission Appointments

The following seats on the Board of Adjustment, the Historic Preservation Commission and the Community Appearance Commission are vacant. These members need to be reappointed or replaced.

Board of Adjustment – Charles Martin – ETJ (deceased) and Sam Gilbert (deceased)

Community Appearance Commission – Mary Collins – Ward 2 (term expired) and Marie Dean (resigned)

Historic Preservation Commission – Ward 7 (vacant)

Mayor Grogan nominated Mr. Terry Shelton to the Board of Adjustment for ETJ and Council Member Nooe nominated Ms. Mary Collins to Community Appearance Commission.

A motion was made by Council Member Tuggle seconded by Council Member Gover to appoint Terry Shelton to Board of Adjustment (ETJ) and Mary Collins to Community Appearance (Ward 2). All Council Members voted in favor of this motion.

(b) Acceptance of Certificate of Sufficiency from City Clerk and adoption of Resolution Fixing Date of Public Hearing on Questions of Annexation Pursuant to G.S. 160A-58.1 for property at 294 Dishmon Loop and 2029 Mill Avenue. Recommendation from Staff.

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At their April regular meeting, Council instructed the City Clerk to investigate the sufficiency of a petition for voluntary annexation for property owned by Roger Walker for property located at 294 Dishmon Loop and 2059 Mill Avenue. With the assistance of the City Attorney, we have determined that proper signature was placed on the petition and that Roger Walker is the owner of property located at 294 Dishmon Loop and 2059 Mill Avenue. Attached you will find a map of the property in question and a certificate of sufficiency executed by the City Clerk. This type of annexation does not have the same requirements as does an involuntary annexation. However, there are requirements with regard to fire service. According to Section 16-211.1 of the Eden City Code it states "No water or sewer service shall be provided to any property outside the corporate limits of the city unless the owner of the petition for voluntary annexation and the City Council approves that annexation prior to receipt of water and or sewer services, or the City Council approves an exception to this section".

Staff is requesting that the City Council allow the property owner to run a sewer line to his property after a document is executed stating that he will not object to the annexation of his property if the issue comes up in the future.

Please accept the certificate of sufficiency, and, if you decide to continue with the annexation call a public hearing for your June regular City Council meeting. If you decide not to annex the property, no public hearing will be required.

CERTIFICATE OF SUFFICIENCY

RE: 294 Dishmon Loop
2059 Mill Avenue

To the City Council of the City of Eden, North Carolina:

I, Kim J. Scott, CMC, City Clerk, do hereby certify that I have investigated the petition attached hereto and have found as a fact that said petition is signed by all owners of real property lying in the area described therein, in accordance with GS 160A-58.1.

In Witness whereof, I have hereunto set my hand and affixed the seal of the City of Eden, this the 17th day of April, 2007.

s/Kim J. Scott, CMC
City Clerk

Mrs. Stultz explained that the City Council had adopted a policy last year dealing with the extension of water and sewer services to properties outside of the city limits and one of the things it decided was that the Council would have the option, if someone should request connection to our utilities that (1) the Council could pursue the annexation petition and annex them or (2) to deny their ability to connect to the public services and not annex them or (3) to allow the property owner to connect to service if the Council so deemed and require them to sign documents that would make it such that at some time if the City Council decided to annex that area, that due to the fact they were given the ability to connect to services, that they not be annexed.

They have had some applications, since the Council had adopted the policy, this was the first one that the staff believed they should consider allowing this person to connect to service, she thought they would have issues developing this property otherwise, it was a fairly small property and not likely to be subdivided multiple times, it was not in an area that was conducive to the city providing services at this point. She stated that the staff recommended that the Council

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require this person to sign an agreement that if he gets these services he would not protest any annexation in the future and nor would his successors in title.

Council Member Nooe questioned the 4" sewer line to which Mrs. Stultz replied that the city has allowed some others to connect in a rather unconventional way in that area so he would not be alone. She thought in this case it was this gentleman's only option. She explained that he had tried to get easements from other property owners and was unsuccessful.

Council Member Epps asked if those concerned had a problem with annexation if they were to ask for that.

Mrs. Stultz replied that the gentleman was told exactly how it worked at the beginning and he submitted a petition and if the Council decided to do that and if they presented the document and he refuses to sign them then she would be back.

Council Member Gover commented that they did not have a street through there anyway; the only access was Dishmon Loop to that particular property or any of that property there.

Mayor Grogan noted that Mr. Walker was present and asked him to come forward.

Mr. Gary Walker, the property owner, explained that he was requesting to purchase a water tap so that he could have some sewer at 294. All of the residences on Mill Avenue have run the sewer line to the main sewer line at the bottom of the hill. He noted that it was a dirt road and was the landowner's right of way and the city and the county did not own it or maintain it. He was just asking permission to purchase the city sewer tap and he would furnish the licensed plumber to run the line to the tap.

Council Member Gover questioned that if they vote for the public hearing that was all they could do tonight to which Mrs. Stultz replied that it was her understanding that they all could decide they did not want to pursue the annexation and make another decision.

A motion was made by Council Member Gover seconded by Council Member Carter that they not pursue the annexation and that Mr. Walker may have the sewer tap that he has requested with the signed agreement.

Council Member Nooe stated that he did not know if they could answer this or would need to put this off to a future time to gather information, but with the 4" line, he questioned what would be the best option, whether they just come in and extend the public sewer down through there to where the city could maintain it instead of having multiple 4" lines coming down through there.

Mr. Dennis Asbury, the Director of Environmental Services, explained that he and the City Engineer were in agreement that their best bet was to have a larger sewer line in there and the manholes and the whole thing and get the private sewers that were in the right of way out of the right of way. When the bank that was located where the old Putt-Putt used to be went in, they had to get a special ordinance passed that allowed for them to put private sewer in the right of way, but it stipulated that once sewer became available elsewhere they would be responsible for removing the lines and connecting to the new sewer so those were things to keep in mind.

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Council Member Nooe commented that was what he would like to see.

Council Member Gover pointed out that there was no right of way there; it was all privately owned land. There was nothing other than the city's easement that they were all tied too.

Mr. Asbury replied that it looked that way on the map. Mrs. Stultz added that she understood that Dishmon Loop was the right of way.

Council Member Gover explained that Dishmon Loop was but not Mill Avenue, Mill Avenue did not go through there. He has to come back down, if there was a Mill Avenue, out towards Dishmon Loop.

A substitute motion was made by Council Member Epps that they allow the staff to look into the matter further.

The City Attorney, Mr. Tom Medlin, for clarification, added that it would be continued until the next meeting.

Council Member Myott seconded the substitute motion. Action on the motion for the staff to look into the matter and come back with another recommendation next month was as follows: Council Members Myott, Epps, Nooe, Tuggle and Turner voted in favor. Council Members Gover and Carter in opposition. The substitute motion carried.

(c) Request to rename Georgia Avenue to Wood Lane

The city received a request to rename a portion of Georgia Avenue to Wood Lane. After reviewing the matter, staff is of the opinion that all of the street should have the name change and not just a portion. The Planning Board considered this request at their regular April meeting. After consideration, the Planning Board recommended that the City Council deny this request.

Mrs. Stultz explained that the Planning Board recommended that this change not be done and the staff was of the opinion that if it was going to be changed then the whole street needed to be changed and she understood that from the folks who appeared at the Planning Board meeting that they had some issues with that.

Council Member Tuggle questioned why they wanted to rename it.

Mrs. Stultz replied that they felt they had done a huge rehab and remodeling and a big effort to try to improve the quality of life in this apartment complex; and they felt there was some stigma to it in the past and by somehow changing the name of the street it would absolve some of that.

Mayor Grogan noted that Mr. Nelson Hairston had signed up to speak.

Mr. Hairston, 911 Georgia Avenue, explained that he and his wife built a house and moved on Georgia Avenue in 1968. Georgia Avenue had been very good to them. They have never had anything stolen and they have never been robbed by anyone. He had always kept a couple of cars in the driveway, lawn furniture outside, and nothing had ever been taken. Georgia Avenue

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was fine. The problem with Georgia Avenue was the apartments. The name of the street would not change the problem. What would change the problem was management. The manager lives in Greensboro. When she does her job and makes her eight hours she heads back for Greensboro and he stated that is when all hell breaks loose.

They have refaced all the apartments and it is beautiful down there. They have moved all the families out with the exception of about four or five and now they have put all new tenants in there. He stated they split them up real good. It is about half black and half white, and they are all young. Mr. Hairston explained that when you put a hundred low class white people and a hundred low class black people together, you have a problem. And that is what they have at that apartment is a problem.

Mr. Hairston explained that there was no Georgia Avenue when his sister and her husband built a house, there was a road. They built a house there in the middle forties. Ernest and Georgia Mae Hampton, and they named the street after his sister, Georgia and they would appreciate it very much if the Council would keep her name alive.

He also asked them to share with the manager what needs to be done in order to correct some of the corruption going on. The people that live there are not doing this, it is the visitors that they have. He explained that all of the girls have a man living with them and all of the men have a woman living with them. That was not supposed to be allowed and he spoke with the manager. He asked why she removed poles as at least the police had more control of the apartment. She took them down and told him that there was going to be a guard house at the entrance and one on Carpenter Street and that has not been done. He stated that they still had their police running down there to try to stop the fusions. Those people did not have police specials, they have nine millimeters, and they did not want to see anything happen down there to those police officers. He closed by expressing his appreciation.

A motion was made by Council Member Tuggle seconded by Council Member Gover to deny the name change. All Council Members voted in favor of this motion.

NEW BUSINESS:

There was no new business on the agenda.

CONSENT AGENDA:

- (a) Approval and adoption of minutes: April 17, 2007.
- (b) Approval and adoption of a motion to hold a public hearing on the FY 2007-2008 City of Eden budget at the regular June City Council Meeting.
- (c) Approval and adoption of a resolution supporting House Bill 40 and Senate Bill 112 in the 2007-2008 session of the North Carolina General Assembly.

In 2005, the Rockingham County Business & Technology Center received a \$400,000 grant from the e-NC Authority as part of its Business and Technology Telecenter program. Since that time, the center has provided

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technology for over 600 businesses and on-going training services. The center is in need of additional grant funding to remain viable.

Mr. Mark Wells, Executive Director of the Rockingham County Business and Technology Center has requested that the City Council support these bills that will provide this organization the opportunity to apply for a \$400,000 grant from the e-NC Authority to continue its operations at its current levels. Please consider approving the attached resolution in support of this grant.

RESOLUTION SUPPORTING HOUSE BILL 40 AND SENATE BILL 112 IN THE 2007-2008 SESSION OF THE NORTH CAROLINA GENERAL ASSEMBLY

WHEREAS, the e-NC Authority is charged to support technology and entrepreneurship activities in rural North Carolina, and;

WHEREAS, the e-NC Authority created the Business and Technology Telecenter program to serve as a catalyst to technology-based economic development in some of North Carolina's most distressed regions by helping to grow existing small businesses, bringing new kinds of businesses into rural communities and regions, stimulating and supporting entrepreneurship, and creating 21st century jobs, and;

WHEREAS, the e-NC Authority funded the Rockingham County Business & Technology Center in 2005 with \$400,000 as part of its Business and Technology Telecenter program, and;

WHEREAS, the Rockingham County Business & Technology Center has provided over 600 business, technology and training services since its opening in July 2005, and;

WHEREAS, the Rockingham County Business & Technology Center has successfully demonstrated its ability to utilize information technology to improve the delivery of entrepreneur support services to Rockingham County citizens, and;

WHEREAS, the Rockingham County Business & Technology Center needs additional funding in order to continue to provide its services at its current levels to Rockingham County citizens, and;

WHEREAS, the successful passage of these bills will provide the Rockingham County Business & Technology Center an opportunity to apply for an additional \$400,000 grant from the e-NC Authority to continue its operations at its current levels.

NOW, THEREFORE, BE IT RESOLVED THAT THE CITY OF EDEN CITY COUNCIL endorses and recommends passage of House Bill 40 and Senate Bill 112 in the 2007-2008 General Assembly to provide continuation funding for the e-NC Authority and the Rockingham County Business & Technology Center.

This 15TH day of May, 2007

John Grogan, Mayor Eden City Council

Kim J. Scott, City Clerk

(d) Approval and adoption of Budget Amendment 12 and 13.

The attached budget amendment is to allocate fund balance to the Pottery Festival and Ribfest line items in the Promotional Activities Fund. The available fund balance is \$7,302 which was generated by donations from previous years. This would leave a remaining amount of \$2,602 in fund balance.

| | Account | From | To | Amount |
|--------------------------------|---------|------|----|--------|
| Promotional Activities Revenue | | | | |

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| Fund Balance Appropriated | 28-3991-99100 | \$ 1,400.00 | \$ 6,100.00 | \$ 4,700.00 |
| Promotional Activities Expenditures | | | | |
| Pottery Festival | 28-4135-77001 | \$ 3,000.00 | \$ 4,200.00 | \$ 3,500.00 |
| Ribfest | 28-4135-77002 | \$ 2,000.00 | \$ 5,500.00 | \$ 3,500.00 |

Allocate Fund Balance to this year's Pottery Festival and Ribfest.

Adopted and effective this the 15th day of May, 2007

John E. Grogan
Mayor

Kim J. Scott,
City Clerk

The attached budget amendment is to allocate funds in the amount of \$419,100 that were approved at the April 17, 2007 council meeting to proceed with the Island Ford Leg of the Smith River Greenway. Also included in this amendment is the allocation of a \$45,000 grant which was received from the Annie Penn Community Trust Fund.

| | Account | From | To | Amount |
|-----------------------------|---------------|----------------|----------------|--------------|
| Greenways Revenue | | | | |
| Grant | 21-3984-00000 | \$ 37,250.00 | \$ 82,250.00 | \$ 45,000.00 |
| Contribution from GF | 21-3984-01000 | \$525,600.00 | \$944,700.00 | \$419,100.00 |
| | | | | \$464,100.00 |
| Greenways Expenditures | | | | |
| Clear/Grade/Site Prep | 21-4910-29911 | \$ 78,900.00 | \$269,400.00 | \$190,500.00 |
| Building/Utility | 21-4910-29912 | \$117,300.00 | \$368,400.00 | \$251,100.00 |
| Equipment/Machinery | 21-4190-29913 | \$ 58,100.00 | \$ 80,600.00 | \$ 22,500.00 |
| | | | | \$464,100.00 |
| General Fund Revenue | | | | |
| Fund Balance Appropriated | 10-3991-99100 | \$2,000,000.00 | \$2,419,100.00 | \$419,100.00 |
| General Fund Expenditures | | | | |
| Spec App Contr to Greenways | 10-9920-80000 | \$475,600.00 | \$894,700.00 | \$419,100.00 |

Appropriate fund balance to Greenways contract awarded on April 17, 2007 and appropriated grant funds received from Annie Penn Community Trust Fund.

Adopted and effective this the 15th day of May, 2007

John E. Grogan
Mayor

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Kim J. Scott,
City Clerk

(e) Approval and adoption of reimbursement Resolution for General Fund Capital Projects.

The FY 2007-08 budget as submitted includes a new loan in the amount of \$2,142,000 within the General Fund for a variety of capital outlay initiatives including: Greenways Project Phase I, Downtown Improvements Project, Aquatic Facility Project, and the Briarwood Storm Drainage Project. We will not borrow the money until it is actually needed to pay for these projects. However, in the mean time we need the reimbursement resolution in place so that if we use any General Fund Balance to pay for preliminary expenditures for any of these projects we will be able to reimburse the General Fund Balance with the loan proceeds.

RESOLUTION OF THE CITY OF EDEN, NORTH CAROLINA DECLARING THE INTENT OF THE CITY TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE WATER PRESSURE IMPROVEMENTS PROJECT; THE JUNCTION PUMP STATION, BRIDGE STREET PUMP STATION, INFLOW/INFILTRATION IMPROVEMENTS PROJECT; THE WATERLINE UPGRADE IMPROVEMENTS PROJECT; AND THE SEWER REHABILITATION IMPROVEMENTS PROJECT FROM THE PROCEEDS OF CERTAIN TAXEXEMPT OBLIGATIONS TO BE EXECUTED AND DELIVERED IN THE FISCAL YEAR 2007-2008.

WHEREAS, the Eden City Council (the "Council") has determined that it is in the best interests of the City to finance the construction, renovation, and improvements of certain projects within the City known as the (1) Water Pressure Improvements Project, (2) the Junction Pump Station, Bridge Street Pump Station, Inflow/Infiltration Improvements Project, (3) the Waterline Upgrade Improvements Project, and (4) the Sewer Rehabilitation Improvements Project (the "Projects"); and

WHEREAS, the City presently intends, at one time or from time to time, to finance all of a portion of the costs of the Projects with proceeds of tax-exempt obligations and reasonably expects to execute and deliver its tax-exempt obligations (the "Obligations") to finance, or to reimburse itself for, all or a portion of the costs of the Projects; and

WHEREAS, the City desires to proceed with the Projects and will incur and pay certain expenditures in connection with the Projects prior to the date of execution and delivery of the Obligations (the "Original Expenditures"), such Original Expenditures to be paid for originally from a source other than the proceeds of the Obligations, and the City intends, and reasonably expects, to reimburse its Water & Sewer Fund for such Original Expenditures from a portion of the proceeds of the Obligations to be executed and delivered at a date occurring after the dates of such Original Expenditures.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Eden City Council as follows:

Section 1. Official Declaration of Intent. The City presently intends, and reasonably expects, to reimburse its Water & Sewer Fund for the Original Expenditures incurred and paid on or after the date occurring 60 days prior to the date of adoption of this resolution from a portion of the proceeds of the Obligations. The City reasonably expects to execute and deliver the Obligations in the Fiscal Year 2007-2008 to finance all of a portion of the costs of the Project and the maximum principal amount of Obligations expected to be executed and delivered by the City to pay for all or a portion of the costs of the Projects, which amount is subject to change, is expected to be \$6,900,000.

Section 2. Compliance with Regulations. The City adopts this Resolution as a declaration of official intent under Section 1.150-2 of the Treasury Regulation promulgated under Section 103 of the Internal Revenue Code of 1986, as amended, to evidence the City's intent to reimburse its Water & Sewer Fund for the Original Expenditures from proceeds of the Obligations.

Section 3. Itemization of Capital Expenditures. The Director of Finance for the City, with advice from the City Attorney, is hereby authorized, directed and designated to act on behalf of the City in determining and itemizing all of the Original Expenditures incurred and paid by the City in connection with the Projects during the period commencing on the date occurring 60 days prior to the date of adoption of this Resolution and ending on the date of execution and delivery of the Obligations.

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Section 4. Effective Date. This Resolution is effective immediately on the date of its adoption.

Adopted and Approved this 15th day of May, 2007.

John E. Grogan, Mayor

Attest:

Kim J. Scott, CMC City Clerk

CERTIFICATE

I, Kim J. Scott, the duly appointed Clerk to the City Council of the City of Eden, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution entitled "RESOLUTION OF THE CITY OF EDEN, NORTH CAROLINA DECLARING THE INTENT OF THE CITY OF EDEN TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE WATER PRESSURE IMPROVEMENTS PROJECT; THE JUNCTION PUMP STATION, BRIDGE STREET PUMP STATION, INFLOW/INFILTRATION IMPROVEMENTS PROJECT; THE WATERLINE UPGRADE IMPROVEMENTS PROJECT; AND THE SEWER REHABILITATION IMPROVEMENTS PROJECT FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS TO BE EXECUTED AND DELIVERED IN THE FISCAL YEAR 2007-2008 which was adopted by the City Council at its regular meeting held on the 15TH day of May, 2007.

Kim J. Scott, CMC City Clerk

(f) Approval and adoption of reimbursement resolution for Water & Sewer Capital Projects.

The FY 2007-08 budget as submitted includes a new loan in the amount of \$6,900,000 within the Water & Sewer Fund for a variety of capital outlay initiatives including: Water Pressure Improvements Project, Junction Pump Station, Bridge Street Pump Station, Inflow/Infiltration Improvements Project, Waterline Upgrade Improvements Project, and Sewer Rehabilitation Improvements Project. We will not borrow the money until it is actually needed to pay for these projects. However, in the mean time we need the reimbursement resolution in place so that if we use any Water & Sewer Fund Balance to pay for preliminary expenditures for any of these projects we will be able to reimburse the Water & Sewer Fund Balance with the loan proceeds.

RESOLUTION OF THE CITY OF EDEN, NORTH CAROLINA DECLARING THE INTENT OF THE CITY TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE WATER PRESSURE IMPROVEMENTS PROJECT, THE JUNCTION PUMP STATION, BRIDGE STREET PuMP STATION, INFLOW/INFILTRATION IMPROVEMENTS PROJECT, THE WATERLINE UPGRADE IMPROVEMENTS PROJECT, AND THE SEWER REHABILITATION IMPROVEMENTS PROJECT FROM THE PROCEEDS OF CERTAIN T AXEXEMPT OBLIGATIONS TO BE EXECUTED AND DELIVERED IN THE FISCAL YEAR 2007-2008.

WHEREAS, the Eden City Council (the "Council") has determined that it is in the best interests of the City to finance the construction, renovation, and improvements of certain projects within the City known as the (1) Water Pressure Improvements Project, (2) the Junction Pump Station, Bridge Street Pump Station, Inflow/Infiltration Improvements Project, (3) the Waterline Upgrade Improvements Project, and (4) the Sewer Rehabilitation Improvements Project (the "Projects"); and

WHEREAS, the City presently intends, at one time or from time to time, to finance all of a portion of the costs of the Projects with proceeds of tax-exempt obligations and reasonably expects to execute and deliver its tax-exempt obligations (the "Obligations") to finance, or to reimburse itself for, all or a portion of the costs of the Projects; and

WHEREAS, the City desires to proceed with the Projects and will incur and pay certain expenditures in connection with the Projects prior to the date of execution and delivery of the Obligations (the "Original Expenditures"), such Original Expenditures to be paid for originally from a source other than the proceeds of the Obligations, and the City intends, and reasonably expects, to reimburse its Water & Sewer Fund for such Original Expenditures from a portion

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of the proceeds of the Obligations to be executed and delivered at a date occurring after the dates of such Original Expenditures.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Eden City Council as follows:

Section 1. Official Declaration of Intent. The City presently intends, and reasonably expects, to reimburse its Water & Sewer Fund for the Original Expenditures incurred and paid on or after the date occurring 60 days prior to the date of adoption of this resolution from a portion of the proceeds of the Obligations. The City reasonably expects to execute and deliver the Obligations in the Fiscal Year 2007-2008 to finance all of a portion of the costs of the Project and the maximum principal amount of Obligations expected to be executed and delivered by the City to pay for all or a portion of the costs of the Projects, which amount is subject to change, is expected to be \$6,900,000.

Section 2. Compliance with Regulations. The City adopts this Resolution as a declaration of official intent under Section 1.150-2 of the Treasury Regulation promulgated under Section 103 of the Internal Revenue Code of 1986, as amended, to evidence the City's intent to reimburse its Water & Sewer Fund for the Original Expenditures from proceeds of the Obligations.

Section 3. Itemization of Capital Expenditures. The Director of Finance for the City, with advice from the City Attorney, is hereby authorized, directed and designated to act on behalf of the City in determining and itemizing all of the Original Expenditures incurred and paid by the City in connection with the Projects during the period commencing on the date occurring 60 days prior to the date of adoption of this Resolution and ending on the date of execution and delivery of the Obligations.

Section 4. Effective Date. This Resolution is effective immediately on the date of its adoption.

Adopted and Approved this 15th day of May, 2007.

John E. Grogan, Mayor

Attest:

Kim J. Scott, CMC City Clerk

CERTIFICATE

I, Kim J. Scott, the duly appointed Clerk to the City Council of the City of Eden, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and correct copy of a resolution entitled "RESOLUTION OF THE CITY OF EDEN, NORTH CAROLINA DECLARING THE INTENT OF THE CITY OF EDEN TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE WATER PRESSURE IMPROVEMENTS PROJECT, THE JUNCTION PUMP STATION, BRIDGE STREET PUMP STATION, INFLOW/INFILTRATION IMPROVEMENTS PROJECT, THE WATERLINE UPGRADE IMPROVEMENTS PROJECT, AND THE SEWER REHABILITATION IMPROVEMENTS PROJECT FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS TO BE EXECUTED AND DELIVERED IN THE FISCAL YEAR 2007-2008" which was adopted by the City Council at its regular meeting held on the 15 day of May, 2007.

Kim J. Scott, CMC City Clerk

(g) Approval and adoption of the river mural painting at City Hall.

On November 1, 2007, the unveiling of a river scene, the first permanent public art exhibit in Eden, will take place at the Washington Street Park at the corner of Henry and Washington Streets. This is part of the Bricolage Project designed to encourage appreciation of arts and collaboration among counties.

The mural artists will paint the river scene on hardi-board and attach it to the wall on the side of the building adjacent to the Washington Street Park. The Bricolage Project organizers stipulate that the mural not be exposed to the public prior to its unveiling.

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I am seeking permission to allow the artists to paint the mural in the History Room at city hall where it will be safe and the project's confidentiality will be maintained. The room's carpet will be protected with drop cloths. The Eden Room could not be used for this purpose because it needs to be available to the public at least once per week.

The project will begin within the next two months and require no more than six weeks to complete.

(h) Amend the ordinance to extend the corporate limits of the City of Eden, North Carolina adopted by City Council on June 20, 2006 to correct the legal description.

(i) Approval and adoption of a motion to place a banner in the right of way at Arbor Lane and Highway 14 for Ignite Community Revival, Morehead Auditorium, May 18-19 for Spray Baptist Church and other churches.

Spray Baptist Church and other area churches have requested permission to erect a temporary sign in the right-of-way at Van Buren Road and Arbor Lane. This sign will advertise the Ignite Community Revival to be held at Morehead High School Auditorium on Friday, May 18 and Saturday, May 19, 2007. This will be a fellowship event open to the community and is supported by many area churches. The sign ordinance allows temporary signs in the street right-of-ways upon approval by the City Council. The Planning and Inspections Department recommends approval of the request.

A motion was made by Council Member Epps seconded by Council Member Tuggle to approve all consent agenda items. All Council Members voted in favor of this motion.

VOUCHERS:

No questions.

ADJOURNMENT:

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

Respectfully submitted,

Kim J. Scott, CMC
City Clerk

ATTEST:

John E. Grogan
Mayor