

CITY OF EDEN, N. C.

The regular meeting of the City Council, City of Eden, was held on Tuesday, August 16, 2011 at 7:30 p.m. in the Council Chambers, 308 E. Stadium Drive. Those present for the meeting were as follows:

Mayor:	(absent)	John E. Grogan
Mayor Pro Tem:		Wayne Tuggle, Sr.
Council Members:		Donna Turner
		Darryl Carter
		Jerry Epps
		Gene Hagood
		Jim Burnette
		Jerry Ellis
City Manager:		Brad Corcoran
City Clerk:		Sheralene Thompson
City Attorney:		Erin Gilley
Representatives from Departments:		
Representatives from News Media:		Roy Sawyers, <i>RCENO</i> , Latala Payne, <i>Eden Daily News</i>

MEETING CONVENED:

Mayor Pro Tem Tuggle 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:

Council Member Jerry Epps, Pastor of Church of the Living God, gave the invocation followed by the Pledge of Allegiance led by Fire Chief Tommy Underwood.

RESOLUTIONS:

RESOLUTION FOR A STATE LOAN WITH PRINCIPAL FORGIVENESS FOR THE TANYARD BRANCH SEWER OUTFALL REHABILITATION PROJECT.

Mayor Pro Tem Tuggle noted that the resolution would not be read but copies were available upon request. *This resolution was adopted under Consent Agenda.*

RESOLUTION RECOGNIZING MOREHEAD HIGH SCHOOL/TRI CITY HIGH SCHOOL MEN'S BASKETBALL STATE CHAMPIONSHIPS.

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Minutes of the regular August 16, 2011 meeting of the City Council, City of Eden:

Mayor Pro Tem Tuggle read the following resolution recognizing the Morehead High School Men's Basketball Team State Championships.

RESOLUTION RECOGNIZING THE MOREHEAD HIGH SCHOOL/TRI-CITY HIGH SCHOOL MEN'S BASKETBALL STATE CHAMPIONSHIPS

WHEREAS, Tri-City High School began in 1952 with the consolidation of the Leaksville High School and the Draper High School; and

WHEREAS, the high school continued as Tri-City High School until renamed John Motley Morehead Senior High School in 1958 to honor local philanthropist and textile pioneer, John Motley Morehead; and

WHEREAS, Tri-City High School won two Class AA State Championships back to back in 1953 and 1954; and

WHEREAS, Tri-City High School won the Class AA State Championship and Tri-City, renamed Morehead Senior High School, also won the Class AA State Championship, back to back in 1957 and 1958; and

WHEREAS, Morehead Senior High School won the Class AAA State Championships in 1966 and back to back in 1992 and 1993.

THEREFORE, BE IT RESOLVED by the City Council of the City of Eden,

That the John Motley Morehead Senior High School be recognized as winning 7 Men's Basketball State Championships.

Adopted this the 16th day of August, 2011

Wayne Tuggle, Sr., Mayor Pro Tem

Attest:
Sheralene S. Thompson, CMC
City Clerk

Council Member Carter came in at this time.

SET MEETING AGENDA:

Mayor Pro Tem Tuggle asked for a motion to set the agenda.

A motion was made by Council Member Burnette seconded by Council Member Ellis to set the agenda. All Council Members voted in favor of this motion.

PUBLIC HEARINGS:

There were no Public Hearings scheduled.

REQUESTS AND PETITIONS OF CITIZENS:

No one spoke at this time.

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UNFINISHED BUSINESS:

No Unfinished Business was scheduled.

NEW BUSINESS:

- (a) Approval of Final Plat for Spray Cotton Mills & Irvine River Company for property located on Riverside Drive between Warehouse Street and Washburn Avenue. Subdivision File No. S-11-02.

The City has received a final subdivision plat for property located on Riverside Drive between Warehouse Street and Washburn Avenue. The plat is for Spray Cotton Mills & Irvine River Company. The property is platted into 11 lots and is approximately 7.06 acres in size.

The Planning and Inspections Department recommends approval of the final plat.

At their regular meeting in July, the Planning Board approved the final plat and voted unanimously to recommend to City Council that the plat be approved.

A motion was made by Council Member Turner seconded by Council Member Carter to approve. This motion carried.

REPORTS FROM STAFF:

Ms. Cindy Adams, Coordinator of Tourism and Special Events, gave a brief report on the upcoming annual Riverfest event to be held on September 16 and 17, 2011.

CONSENT AGENDA:

- (a) Approval and adoption of minutes: July 19, 2011.
- (b) Approval of a request for a temporary sign from Cindy Adams, Coordinator of Tourism and Special Events, for the Annual RiverFest on September 16 and 17, 2011.

The Planning Department has received a request for a temporary sign to be located in the public right-of-way at NC 14 and Arbor Lane (at BB&T). The request was submitted by Cindy Adams, Coordinator of Tourism and Special Events, for the Annual RiverFest to be held on September 16 and 17, 2011.

- (c) Approval of a request for consideration of approving a Resolution for a State Loan with principal forgiveness for the Tanyard Branch Sewer Outfall Rehabilitation Project.

We are seeking approval to submit an application to the State Construction Grants and Loans in late September. The application is to request funding for continuing the sewer rehabilitation work on the Tanyard Branch Sewer Outfall as part of our overall effort to improve our sewer collection system. This outfall is in need of rehabilitation. These sewer lines are forty years old and have recently begun to be a source of numerous blockages and some overflows.

The estimate cost of this project will be \$3,326,000 and we will ask for a loan for this amount with principal forgiveness of \$1,000,000. If we were awarded a loan with principal forgiveness, the Council would have to formally accept it at that time.

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One obligation the City would have to accept a loan with principal forgiveness is to continue to keep water/sewer rates so that they are equal to one and one half times the median household income for City of Eden. This is defined as High Unit Cost (HUC) and our water rates must be above this calculation. Based on data available today, we believe that our water rates are just slightly above this threshold and no rate increase would be required to accept the requested loan assistance from the Construction Grants and Loans. We will continue doing research to verify that our current water rate qualifies for accepting this loan before the Council Meeting.

AUTHORIZING RESOLUTION BY CITY COUNCIL OF THE CITY OF EDEN

WHEREAS, The Federal Clean Water Act Amendments of 1987 and the North Carolina the Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of renovation of wastewater collection system and drinking water distribution, and

WHEREAS, The City of Eden has need for and intends to renovate a portion of their wastewater collection system described as Tanyard Branch Outfall Sewer Rehabilitation and

WHEREAS, The City of Eden intends to request state loan with grant assistance for the project,

NOW THEREFORE BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF EDEN:

That City of Eden, will arrange financing for all remaining costs of the project, if approved for a State grant award.

That the City of Eden will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the system and the repayment of all principal and interest on the debt.

That the governing body of the City of Eden agrees to include in the loan agreement a provision authorizing the State Treasurer, upon failure of the City of Eden to make scheduled repayment of the loan, to withhold from the City of Eden any State funds that would otherwise be distributed to the local government unit in an amount sufficient to pay all sums then due and payable to the State as a repayment of the loan.

That the City of Eden will provide for efficient operation and maintenance of the project on completion of construction thereof.

That S. Brad Corcoran, City Manager, and successors so titled, is hereby authorized to execute and file an application on behalf of the City of Eden with the State of North Carolina for a (loan or grant) to aid in the construction of the project described above.

That John E. Grogan, Mayor, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project: to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the City of Eden has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

Adopted this the August 16, 2011 at Council Chambers in City Hall of Eden, North Carolina.

Wayne Tuggle, Mayor Pro Tem

ATTEST:
Sheralene Thompson, CMC
City Clerk

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(d) Consideration of request to award bid for Water Meter Installation Project.

We received three (3) bids in response to our advertisement and request for bids for the Automated Meter Reading System Water Installation Project. The procurement process was conducted pursuant to N.C.G.S. § 143-131. A summary of the bids is attached.

Based upon the bid prices and research into the performance history of all the bidders, we have determined that Matchpoint, Inc. is the lowest responsible, responsive bidder. Therefore, we recommend that the Council award the bid to Matchpoint, Inc.

The bid tabulation submitted by RG-3 Utilities, LLC showed a grand total of \$215,001 for installation of all normal meters. It, however, listed an exception for "Water meter box removal and reset". This exception added a \$15.00 charge per occurrence. This project includes the replacement and retrofit of approximately 7,000 meters. Our meter readers have estimated that approximately 8% of our meters could qualify for this charge. This percentage is only an estimate and could easily increase once inspected. If in fact, 8% of the meters are determined to be a removal and reset, the final contract price would be increased by \$8,400.00. If 10% of our meters qualified for this exception, this price could increase by \$10,500.00.

In addition, City personnel would have to confirm every meter that needed to be removed and reset. Calculation of the time and money that it would take for city personnel to travel out to inspect every meter that qualifies as an exception reveals that the contract price will be further exceeded. The price would increase by \$ 4,082.00 for the 8% exception with the price continually increasing as the percentage exception increases. Without the ability to quantify these particular occurrences before installation, the total of \$215,001 will not be the true final contract price. The final contract price is actually an unknown amount contingent upon the amount of exceptions and City personnel time.

In addition, a review of the references and work history provided by RG-3 revealed one negative reference that warned of initial low bids and continuous price increases as the project progressed. Two other references commented that we needed to make sure we had an "air tight" contract to prevent RG-3 from coming back for additional funds. There were other strong references, however.

The bid tabulation submitted by Matchpoint, Inc. showed a grand total of \$231,468.25. There was no exception; therefore, the \$231,468.25 total includes all water meter box removal and resets and represents the true final contract price. No expenditure of city personnel time and money will be required on oversight and inspection of water meter box removals and resets with Matchpoint, Inc.

In addition, our vendor, Carolina Meter has a positive working history with Matchpoint, Inc. Our vendor representative, Brad Bersch has worked with Matchpoint, Inc. numerous times and has served as the project manager with this company numerous times. Matchpoint, Inc. had one negative reference due to them being assigned a bad Superintendent. However, Matchpoint, Inc. corrected the problem immediately and the Superintendent is no longer with them. Overall, they had strong references and strong financial stability. Matchpoint, Inc. has a history working with municipal end users. I was able to check those references.

RG-3 Utilities, LLC has no past working experience with our vendor, Carolina Meter. After reviewing the references and work history provided by RG-3, there was no indication that RG-3 had handled a job of this magnitude and with the interface exchange that will be required in this project. Our Utility Billing Software provider is Logics. Logics has worked on numerous projects with Matchpoint, Inc. and the results of these projects were successful transitions from manual reads to automated reads. This is a major point of consideration in this project because our customers will need smooth transitioning and accurate reads. This will be a change for our citizens and we desire ultimate customer confidence. Logics has never worked with RG-3 Utilities, LLC, so there is no history to compare. Logics will charge an additional \$1,000.00 to create the interface files if we select an installer who they have not worked with in the past. RG-3 Utilities, LLC did interface exchanges with South West Water Company, and the City of Early. The majority of their references were from Water Meter Companies where they have been subcontracted to do installations and not municipal end users.

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(e) Approval and adoption of Resolution recognizing Morehead High School/Tri City High School Men’s Basketball State Championships.

This resolution was read under *RESOLUTIONS* at the beginning of the meeting.

(f) Consideration of Uncollectible Code Enforcement Fees.

After review of the following accounts, it is evident that these are legally uncollectible. Based upon this and upon recommendation of our accountant Judy Rouse, we request that the following amounts be written off so they will no longer show as delinquent accounts receivable. Continuing to include such amounts in the financial records of the City could result in a distorted age trial balance:

1. Sufficient evidence for filing a legal claim does not exist:

Account Number	Name	Amount	Date Billed
11987	Calvin Coolidge Evans	70.00	5/2/2002
11989	Charles Kent Kidd	120.00	5/2/2002
11990	Porter Hairston Heirs	205.00	5/2/2002
11991	Ruth Ann Smith	140.00	5/2/2002
11992	Jerry Gillespie	170.00	5/2/2002
11766	Minnie Shockley	197.00	5/2/2002
11997	Oula C. Pulliam	482.74	5/2/2002
11998	Mary D. Owens	95.00	5/2/2002
11993	Margie Ann Younker	493.76	5/2/2002
20039	James M. Corum	193.00	6/26/2002
20051	Robert E. Fuller, Jr.	195.00	6/27/2002
20052	Dwight E. Fulton	110.00	6/27/2002
20217	Ernest A. Knight, Jr.	10.00	6/12/2003
20451	Rodger Leonard	140.00	9/1/2004
20207	Zula Collins	90.00	5/28/2003
TOTAL		2,711.50	

2. Nuisance fees due on property located at 1011 Center Church Road, formerly owned by Douglas F. Osborne, Jr. Our liens were cut off by the federal and state tax liens and are not collectible. The account number is 11149.

9/6/2002 – Balance due	25.00
12/20/2006	250.00
5/31/2007	250.00
4/13/2007	80.00
6/10/2008	290.00
9/12/2008	290.00
TOTAL	1,185.00

3. Amounts due on properties which are now owned by the City of Eden through foreclosure of these liens. Once the properties have been foreclosed on, the property satisfies the debts and the debts can no longer be owed by the previous owners:

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Account Number	Name	Amount	Date Billed
20998	Richard A. Minichello	4,950.00	8/16/2007
20855	Kenneth Strickland	6,220.00	Various
11999	Sharpe, Morris	6,570.00	Various
20983	Watt Moyer	3,400.00	Various
20913	Ralph T. Vestal, Sr.	3,850.00	4/10/2007
20784	Lucille Patterson	4,980.00	Various
11498	Hazel Inez Jackson	3,153.00	Various
20483/21201	Freddie Kirkman	2,102.62	Various
TOTALS		35,225.62	

- Amount due on Account No. 20449 in the name of Rosabelle Wilkerson for \$125.00. This was billed in error when 1116 Center Church Road and 1120 Center Church Road were incorrectly identified for mowing.

The removal of these line items will more accurately reflect the amounts that are actually due and collectible by the City of Eden.

A motion was made by Council Member Burnette seconded by Council Member Turner to approve the Consent Agenda. All Council Members voted in favor of this motion.

ADJOURNMENT:

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

Respectfully submitted

 Sheralene S. Thompson, CMC
 City Clerk

ATTEST:

 Wayne Tuggle, Mayor Pro Tem