

CITY OF EDEN, N. C.

The regular meeting of the City Council, City of Eden, was held on Tuesday, May 15, 2012 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
	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, *RCENO*, Latala Payne, *Eden News*

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. Gary Wackler, Pastor, Draper Christian Church, gave the invocation followed by the Pledge of Allegiance.

RECOGNITION:

Mayor Grogan explained that on display was the All-America Quilt which depicts each All-America City Finalist from 2011. He introduced Ms. Teresa Chaney and explained that Ms. Chaney prepared the quilt square which represented Eden. The square depicts visions of Eden including the rock church, the rivers and King's Chandelier.

Ms. Chaney is a 32 year resident of Eden and a member of the Two Rivers Quilting Guild. The quilt will be on display at Eden City Hall from Tuesday May 15 through Friday May 25th. It will also be displayed at a Chamber of Commerce after Hours on Thursday May 24th, from 5:00 p.m. until 7:00 p.m. at the Morehead Fair House on Boone Road.

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Minutes of the regular May 15, 2012 meeting of the City Council, City of Eden:

PROCLAMATIONS & PRESENTATIONS:

Mayor Grogan read the following proclamation in recognition of Older Americans Month.

Older Americans Month May 2012 a Proclamation

Whereas, The City of Eden includes many citizens aged 60 and older; and

Whereas, The City of Eden is committed to helping all individuals maintain their health and independence in later life; and

Whereas, the older adults in The City of Eden have an important role in sharing knowledge, wisdom, and understanding of the history of our community through interactions with children, youth, and adults from other generations; and

Whereas, the fruits of knowledge and experience can be effectively transferred from generation to generation through meaningful social interactions; and

Whereas, their interactions with family, friends, and neighbors across generations enrich the lives of everyone involved; and

Whereas, our community can provide opportunities to enrich citizens young and old by:

- Emphasizing the value of including elders in public and family life
- Creating opportunities for older Americans to interact with people of different generations
- Providing services, technologies, and support systems that allow older adults to participate in social activities in the community

Now Therefore, We of The City of Eden, North Carolina do hereby proclaim May 2012 to be Older Americans Month. We urge every citizen to take time this month to engage with our older citizens through enjoyable social interactions such as sports, games, contests and other forms of play.

Dated this 15th Day of May, 2012

Eden City Council

By: John E. Grogan, Mayor

Mayor Grogan read the following proclamation in recognition of Public Works Week. He then asked Mr. Terry Shelton, Environmental Services Director to come forward and for all of the Public Works superintendents to stand and he thanked them for all that they do for the city.

PUBLIC WORKS WEEK

Whereas, public works infrastructure, facilities and services are of vital importance to sustainable communities and to the health, safety and well-being of the people of Eden, North Carolina; and

Whereas, such facilities and services could not be provided without the dedicated efforts of public works professionals, engineers, managers and employees from state and local government, as well as the private sector, who are responsible for

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and must plan, design, build, operate, and maintain transportation, water supply, sewage and refuse disposal systems, public buildings, and other structures and facilities essential to serving our citizens; and

Whereas, it is in the public interest for citizens to understand the importance of public works and public works programs in their respective communities; and

Whereas, the City of Eden joins the American Public Works Association and other interested agencies and organizations in recognizing the contributions of public works professionals to the health, safety and welfare of North Carolina and our nation; and

Now Therefore, I, John E. Grogan, Mayor of the City of Eden, North Carolina, do hereby proclaim May 20-26, 2012, as "PUBLIC WORKS WEEK" in the City of Eden, and commend its observance to all citizens.

Dated this 15th Day of May, 2012

John E. Grogan, Mayor

Mayor Grogan asked read the following proclamation in recognition of National Police Week. He then asked Police Chief, Reece Pyrtle to come forward and thanked them for their hard work. Chief Pyrtle also recognized two members of his staff who were present, Greg Light and John Edwards.

NATIONAL POLICE WEEK PROCLAMATION

Whereas, The Congress and President of the United States have designated May 15 as Peace Officers' Memorial Day, and the week in which May 15 falls as National Police Week; and

Whereas, the members of the law enforcement agency of the City of Eden play an essential role in safeguarding the rights and freedoms of the City of Eden; and

Whereas, it is important that all citizens know and understand the duties, responsibilities, hazards, and sacrifices of their law enforcement agency, and that members of our law enforcement agency recognize their duty to serve the people by safeguarding life and property and by protecting them against violence and disorder; and

Whereas, the men and women of the law enforcement agency of the City of Eden unceasingly provide vital public service.

Now Therefore, I, John E. Grogan, Mayor of the City of Eden, North Carolina, call upon all citizens of the City of Eden to observe the week of May 13 through 19, 2012, as National Police Week.

Be It Further Resolved, I do hereby proclaim May 15, 2012 as Peace Officers' Memorial Day in the City of Eden and call upon all citizens of the City of Eden to observe these events with appropriate ceremonies and activities.

Dated this 15th Day of May, 2012

By: John E. Grogan, Mayor

Minutes of the regular May 15, 2012 meeting of the City Council, City of Eden:

SET MEETING 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:

- (a) Consideration and adoption of the FY 2012-2013 Budget Ordinance.

Mayor Grogan called for a public hearing and asked if there were those who would like to speak in favor or in opposition.

**CITY OF EDEN, NORTH CAROLINA
2012-2013 BUDGET ORDINANCE**

BE IT ORDAINED by the City Council of the City of Eden, North Carolina in regular session assembled:

Section 1: The following amounts are hereby appropriated for the operation of the City of Eden government and its activities for the fiscal year beginning July 1, 2012, and ending June 30, 2013, according to the following summary and schedules.

Summary (Funds)	Estimated Revenues	Total Budget Appropriation
General	\$13,976,100	\$13,976,100
Self Insured Insurance	\$2,309,400	\$2,309,400
Emergency Communications	\$181,200	\$181,200
Water and Sewer	\$11,099,000	\$11,099,000
Police Pension	\$159,500	\$159,500
Runabout Travel	\$18,600	\$18,600
Municipal Service Tax District	\$8,600	\$8,600
 (Less inter-fund transfers)	 <u>\$1,968,900</u>	 <u>\$1,968,900</u>
 (Less Appropriated Fund Balances)	 <u>\$3,373,900</u>	 <u>\$3,373,900</u>
 (Less Grants/Principal Forgiveness Loans)	 <u>\$896,700</u>	 <u>\$896,700</u>
 (Less Pass Thru Funds – Ex. Runabout Travel)	 <u>\$27,200</u>	 <u>\$27,200</u>
 TOTAL	 <u>\$21,485,700</u>	 <u>\$21,485,700</u>

Section 2: That for said fiscal year there is hereby appropriated out of the General Fund the following:

<u>Code</u>	<u>Department</u>	<u>Appropriation</u>
10-4110	City Council	\$41,000
10-4120	Administration	\$136,800
10-4125	Environmental Services	\$62,000
10-4130	Finance/Human Resources	\$221,100
10-4135	Economic & Tourism Development	\$359,600
10-4145	Information Technology	\$132,300
10-4150	Legal	\$56,700
10-4310	Police	\$4,231,400

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10-4340	Fire	\$1,652,800
10-4350	Engineering	\$64,100
10-4510	Streets	\$1,875,300
10-4515	Powell Bill	\$476,000
10-4710	Solid Waste	\$1,796,300
10-4910	Planning & Code Enforcement	\$593,600
10-6120	Recreation/Facility Maintenance	\$1,187,400
10-6220	Public Building Services	\$64,600
10-6920	Fleet Maintenance	\$261,000
10-9100	Special Appropriations	\$514,100
10-9990	Contingency	<u>\$250,000</u>
TOTAL		<u>\$13,976,100</u>

Section 3: It is estimated that the following General Fund Revenues will be available during the fiscal year beginning July 1, 2012, to meet the foregoing General Appropriations:

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3189-11092	Ad Valorem: Prior Years – Rock Co.	\$88,200
3189-18000	Interest on Delinquent	\$22,000
3190-11000	Ad Valorem: Current Year	\$5,014,400
3190-12093	DMV-Vehicle Tax – Current Year	\$417,500
3190-12093	DMV-Vehicle Tax – Prior Year	\$77,000
3190-12094	Short Term Rental Vehicle Tax	\$10,700
3190-15000	Dog License	\$1,300
3190-18000	Interest on Current Taxes	\$18,400
3190-19097	Payment in Lieu of Annexation	\$683,400
3190-19098	Rockingham Co. DMV Collection Fee	(\$7,700)
3190-19099	Prepaid Tax Discounts	(\$21,700)
3190-19100	Occupancy Tax	<u>\$67,200</u>
Tax Revenue Total		<u>\$6,370,700</u>

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3260-11000	Privilege Licenses	\$41,000
3260-17000	Privilege License Penalties	\$100
3270-11000	Franchise Fees/Time Warner	\$28,700
3270-12000	Franchise Fees – State	\$159,300
3343-41000	Building Permits	\$27,000
3343-41100	Plumbing Permits	\$8,300
3343-41300	Mechanical Permits	\$16,400
3343-41400	Sign Permits	\$600
3343-41500	Electrical Permits	\$24,300
3434-48000	Fire Department Permits	\$2,000
3491-41100	Planning Zoning Permits	<u>\$300</u>
Licenses & Permits Total		<u>\$308,000</u>

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3350-00200	Donations & Fees – Pottery Festival	\$6,000
3431-41800	Police Controlled Sub State Excise Tax	\$700

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3434-49000	Fire on Behalf Payments	\$18,800
3612-48000	Freedom Park Concessions	\$29,800
3612-48100	Bridge Street Center Concessions	\$1,500
3612-48200	East Eden Center Concessions	\$5,600
3612-48300	East Eden Pool Concessions	\$6,400
3612-86000	Pool Admissions	\$13,900
3612-86100	Building Use	\$16,100
3612-86200	Field Use & Lights	\$8,300
3711-58000	G/F Return Check Fee	\$200
3831-49000	Interest: Checking	\$1,700
3831-49100	Interest: Temporary Investments	\$45,200
3831-49500	Interest: NC Cash Mgt. Trust	\$500
3831-49700	Interest: Powell Bill Funds	\$200
3831-49900	Eden PD/Forfeiture Interest	\$200
3836-82000	Sale of Fixed Assets	\$16,500
3839-89000	Miscellaneous Revenue	\$6,000
3850-85000	Insurance Proceeds	\$20,000
3984-95000	Contribution to Emergency Communications	\$18,100
3984-99000	Contribution from Reidsville Foundation	\$20,000
3991-99100	Fund Balance Appropriated	\$518,200
3991-99300	Fund Balance Appropriated – Powell Bill	\$162,700
3991-99400	Fund Balance Approp – Occupancy Tax	<u>\$27,900</u>

Use of Money & Property Total \$944,500

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3231-31000	Local Option Sales Taxes	\$906,400
3232-31000	½ Cent Sales Taxes	\$640,500
3233-31000	½ Cent Sales Taxes	\$453,200
3234-31001	State Hold Harmless Payment	\$659,600
3234-31002	Solid Waste Disposal Tax Distribution	\$11,200
3322-31000	Wine & Beer Taxes	\$75,300
3324-31000	Utilities Franchise Taxes	\$774,400
3325-33000	Powell Bill: State Street Aid	\$476,000
3335-32000	County Grants: Fire Department	\$2,400
3336-33000	County Grants: School Resource Officer	\$95,800
3431-86000	Federal Grants: COPS Program	\$67,700
3612-48400	Recreation Grant-Sr. Center	\$4,000
3837-89000	ABC Revenues	\$106,900
3837-89100	ABC Revenues: Law Enforcement	<u>\$2,600</u>

Other Agencies Revenues Total \$4,276,000

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3350-00100	Historic Preservation Book Sales	\$500
3412-41000	Other Departmental Revenues	\$4,000
3431-41000	Police Revenue: Dog Fines	\$600
3431-41100	Police Security Charges	\$50,000
3431-41200	Police Security Fringe Benefit Charges	\$10,000
3431-41300	Court Costs	\$7,000
3431-41400	Parking Violations	\$1,500
3431-41500	Police Fingerprinting Supplies	\$800
3431-41600	Police Department: Sale of Materials	\$200
3431-41700	Police Revenue	\$2,900
3431-84000	Police Department Restitution	\$1,300

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3434-41000	Outside Fire Protection Charges	\$6,500
3435-82000	Engineering Testing Fees	\$3,500
3451-41100	Street Dept. Revenue: Driveways	\$5,000
3451-81000	Street Mowing	\$9,900
3491-40000	Planning Dept. Nuisance Fees	\$34,000
3491-41000	Planning Department Applications	\$1,000
3491-41600	Planning: Code Compliance Ins.	\$600
3491-81000	Planning Department Sale of Materials	\$200
3491-84400	Comm. Appearance Projects Revenue	\$1,200
3612-41000	Non-city User's Fees	\$5,000
3612-41100	League Entrance Fees	\$8,000
3612-41200	Recreation Dept. Revenue: Lesson	\$1,200
3612-86400	Recreation Dept. Miscellaneous	\$20,000
3612-87000	Fuel Purchases – County Agencies	\$33,000
3839-49900	Cash Discounts Earned	<u>\$200</u>
Charges for Current Services		<u>\$208,100</u>

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3471-41100	Residential Fees – Solid Waste	\$1,366,200
3471-41101	Commercial Fees – Solid Waste	\$469,000
3471-81000	Sale of Material/Scrap – Solid Waste	\$1,600
3471-81100	Recycling Income – Solid Waste	\$17,000
3471-81200	Sale of Compost/Mulch–Solid Waste	\$6,000
3471-81400	Demolition – Abatement	\$6,500
3714-52000	Dumpster Late Fee	<u>\$2,500</u>
Total Solid Waste Revenue		<u>\$1,868,800</u>
General Fund Revenue Total		<u>\$13,976,100</u>

Section 4: That for said fiscal year there is hereby appropriated out of the Self Insured Insurance Fund the following:

<u>Code</u>	<u>Department</u>	<u>Appropriation</u>
4145-18300	Group Insurance Fixed Cost	\$458,800
4145-30000	Claims	<u>\$1,850,600</u>
Self Insured Insurance Fund Total		<u>\$2,309,400</u>

Section 5: It is estimated that the following Self Insured Insurance Fund Revenues will be available during the fiscal year beginning July 1, 2012 and ending June 30, 2013, to meet the foregoing Self Insured Insurance Fund Appropriations:

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3351-01000	Charges to other Funds/GF	\$1,716,300
3351-03000	Charges to Other Funds/W/S	\$445,100
3351-07700	Charges to Other Funds/Pension	\$24,600
3831-49000	Interest: Checking Acct.	\$200
3839-83000	Refunds	\$24,300
3839-99100	Fund Balance Appropriated	<u>\$98,900</u>
Self Insured Insurance Fund Total		<u>\$2,309,400</u>

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Section 6: That for said fiscal year there is hereby appropriated out of the Emergency Communications Fund the following:

<u>Code</u>	<u>Department</u>	<u>Appropriation</u>
4330-19200	Professional Services	\$2,000
4330-32100	Telephone M/R	\$28,000
4330-76000	Lease Payments	\$129,300
4330-76100	Lease Payments – Interest	\$3,800
4330-99000	Transfer to General Fund	<u>\$18,100</u>
Emergency Comm. Fund Total		<u>\$181,200</u>

Section 7: It is estimated that the following Emergency Communications Revenues will be available during the fiscal year beginning July 1, 2012 and ending June 30, 2013, to meet the foregoing Emergency Communications Fund Appropriations:

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3255-34000	NC 911 PSAP	\$159,200
3831-49000	Interest Checking	\$200
3991-99100	Fund Balance Appropriated	\$21,800
Emergency Comm. Fund Total		<u>\$181,200</u>

Section 8: That for said fiscal year there is hereby appropriated out of the Water & Sewer Fund the following:

<u>Code</u>	<u>Department</u>	<u>Appropriation</u>
7110	Water Resources	\$350,400
7115	Billing & Collections	\$335,800
7120	Water Filtration	\$2,372,600
7125	Collection & Distribution	\$1,489,200
7130	Water Reclamation	\$1,127,000
8120	Water Construction	\$365,000
8130	Sewer Construction	\$1,811,700
9920	Special Appropriations	\$2,997,300
9990	Contingency	<u>\$250,000</u>
Water & Sewer Fund Total		<u>\$11,099,000</u>

Section 9: It is estimated that the following Water & Sewer Fund Revenues will be available during the fiscal year beginning July 1, 2012 and ending June 30, 2013 to meet the foregoing Water & Sewer Fund Appropriations:

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3362-51200	Sale of Water	\$4,414,300
3362-53000	Leak Adjustments/Water	(\$12,800)
3363-51300	Sewer Service Charges	\$3,060,300
3363-53000	Leak Adjustments/Sewer	(\$25,300)
3363-53900	One-Time Pool Adj.	(\$1,000)
3711-58000	Miscellaneous Returned Checks	\$4,500
3713-53000	Pre-Treatment Charges	\$18,700
3714-42000	Water Service Application Fees	\$18,500
3714-51000	W/S Meter Tampering Fees	\$400
3714-52000	Reconnection Charges	\$175,000
3714-52200	Water Taps	\$5,000

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3714-52300	Sewer Taps	\$5,000
3831-49000	Interest: Checking	\$6,700
3831-49100	Interest: Temp. Investments	\$48,200
3831-49800	Golden Leaf Grant – Mega Park	\$769,000
3831-52000	Rural Center Grant – Matrimony Creek	\$40,000
3834-86000	Rent of Equipment	\$25,900
3835-81000	Sales of Materials	\$500
3839-49900	Cash Discount Earned	\$200
3839-89000	Miscellaneous Revenues	\$1,500
3991-99100	W/S Fund Balance Appropriated	<u>\$2,544,400</u>
Water & Sewer Fund Total		<u>\$11,099,000</u>

Section 10: That for said fiscal year it is hereby appropriated out of the Police Pension Fund the following:

<u>Code</u>	<u>Department</u>	<u>Appropriation</u>
4310-12900	Separation Payments	\$147,000
4310-18100	FICA	\$12,000
4310-19300	Professional Services	<u>\$500</u>
Police Pension Fund Total		<u>\$159,500</u>

Section 11: It is estimated that the following Police Pension Fund Revenues will be available during the fiscal year beginning July 1, 2012 and ending June 30, 2013 to meet the foregoing Police Pension Fund Appropriations:

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3981-98000	Pension Fund – Contribution from G/F	<u>\$159,500</u>
Police Pension Fund Total		<u>\$159,500</u>

Section 12: That for said fiscal year there is hereby appropriated out of the Runabout Travel Fund the following:

<u>Code</u>	<u>Department</u>	<u>Appropriation</u>
9100-31200	Runabout Travel Expense	<u>\$18,600</u>
Runabout Travel Fund Total		<u>\$18,600</u>

Section 13: It is estimated that the following Runabout Travel Fund Revenues will be available during the fiscal year beginning July 1, 2012 and ending June 30, 2013 to meet the foregoing appropriations:

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3612-84000	Runabout Travel Fees	<u>\$18,600</u>
Runabout Travel Fund Total		<u>\$18,600</u>

Section 14: That for said fiscal year there is hereby appropriated out of the Municipal Services Tax District Fund the following:

<u>Code</u>	<u>Department</u>	<u>Appropriation</u>
4135-29900	MSD Tax – Leaksville	\$7,000
4135-29901	MSD Tax – Draper	<u>\$1,600</u>
Municipal Service Tax District Fund Total		<u>\$8,600</u>

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Section 15: It is estimated that the following Municipal Services Tax District Fund Revenues will be available during the fiscal year beginning July 1, 2012 and ending June 30, 2013 to meet the foregoing appropriations:

<u>Code</u>	<u>Revenue Source</u>	<u>Appropriation</u>
3190-19200	MSD Tax – Leaksville	\$7,000
3190-19300	MSD Tax – Draper	\$1,600
Municipal Service Tax District Fund Total		<u>\$8,600</u>

Section 16: There is hereby levied for the fiscal year ending June 30, 2013 the following rate of taxes on each one hundred dollars (\$100) assessed valuation of taxable property as listed as of January 2012 for the purpose of revenue, and in order to finance foregoing appropriations:

A GENERAL FUND (for the general expense incident to the proper government of City of Eden, North Carolina) TAX RATE of \$0.609 per hundred dollars (\$100) of assessed valuation.

Such rates are based on an estimated total appraised value of property for the purpose of taxation of approximately \$839,408,867 with an assessment ratio of 100% of appraised value. Estimated collection rate of 98.09%.

Section 17: The Tax and Service Rates section of the FY 2012-2013 budget sets forth the applicable fees for the fiscal year beginning July 1, 2012 and ending June 30, 2013.

Section 18: The Personnel section of the FY 2012-2013 budget sets forth the grade and positions classification plan for the fiscal year beginning July 1, 2012 and ending June 30, 2013.

Section 19: Copies of this Budget Ordinance shall be furnished to the Director of Finance & Personnel and City Manager of the City of Eden, to be kept on file by them for their direction in the collection of revenues and expenditures of amounts appropriated.

Section 20: The City Manager, by authority of this ordinance, may transfer/reallocate between & within departments up to a maximum of ten percent (10%) of the moneys appropriated within any of the above stated funds, not including any transfers between funds.

Adopted this the 15th day of May, 2012.

John E. Grogan
Mayor

ATTEST:

Sheralene Thompson
City Clerk

A motion was made by Council Member Epps seconded by Council Member Tuggle to approve and adopt the FY 2012-2013 Budget Ordinance.

Council Member Hagood stated that there was one point in the budget and one of their approaches had to do with Fund Balance. He did a little research and one of the things he wanted was to read a paragraph from the UNC School of Government about drawing down a fund balance. It says “drawing down the city’s fund balance in turn could increase the risk of emergency spending, putting the budget further out of balance or a need for new revenue to be raised, perhaps by fees and our taxes”, he

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pointed out that they knew they were going down that road and he wanted to just bring that to their attention.

Council Member Tuggle commented that he had a couple of questions to ask the City Manager. The first one was the unfunded mandates. He was just curious as to where they were with this and where they were going.

Mr. Corcoran replied that it was unknown. At this time last year they had no idea that the EPA would come in and place the city under administrative order on the sewer system. This time last year they had no idea they would be dealing with the bromide issue at the water plant. So a lot of times things come up and new regulations are passed, whether it was at the Federal or State level and it was passed down to municipalities.

Council Member Tuggle stated that the other question had to do with the annexation in lieu of agreements and where they were with that.

Mr. Corcoran explained that the three annexation in lieu of agreements were set to expire in 2013. They were currently in the process of negotiating with two of the three companies but there was no guarantee. Those agreements constitute nearly \$700,000 in the General Fund so obviously the loss of those agreements would have a severe impact on the General Fund.

Council Member Tuggle stated that his other question was on the roads. He pointed out that the Powell Bill money was \$476,000 and they had to add \$500,000. His understanding was that for the city to maintain a resurfacing schedule they have to have \$900,000 a year to do that.

Mr. Corcoran replied that was correct. He stated that there had been a pretty detailed write-up in the budget message and Ms. Tammy Amos (Engineering) did a fantastic job putting together some information for consideration in the budget work session but as she indicated the price of asphalt has exploded over the last several years yet the amount of money that they receive from the State in terms of Powell Bill Funds had gone down. In order to stay on a 15-year replacement schedule where they resurface each road within 15 years, to try and get back on that schedule it was determined that they need to do approximately \$1 million of work each year for several years to catch up.

Council Member Hagood pointed out that when they consider their priorities in spending in the General Fund on other things...to which Mayor Grogan questioned the other things Council Member Hagood replied increases, health care, their transportation system was unfunded.

Mayor Grogan replied that he understood and they had already discussed that and made motions on it. He thought that any time the Council sees and the City Manager brings it up that they were willing to work to try to do what was best for the total population of the City of Eden. Mayor Grogan declared the public hearing closed.

A motion was made by Council Member Epps seconded by Council Member Tuggle to approve and adopt the FY 2012-2013 budget ordinance. Council Members Epps, Tuggle, Turner, Burnette, Carter and Ellis voted in favor. Council Member Hagood voted in opposition. This motion carried.

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(b) Consideration of an ordinance annexing property located between Friendly Road and Virginia Street pursuant to a request by Northridge Development Corporation and FC Properties, LLC.

At the regular April meeting, the Council scheduled this public hearing to hear comments regarding an annexation of property located between Friendly Road and Virginia Street. The Petition Requesting Annexation was filed by Northridge Development Corp. and FC Properties, LLC. Staff is of the opinion that this property should be annexed.

Mayor Grogan asked Ms. Stultz to come forward with a report.

Ms. Stultz explained that this was a voluntary annexation request submitted by The Wright Company. They have been through the whole process and staff certainly agreed with it.

Council Member Burnette asked for clarification that water and sewer was already to that area so therefore it was up to the property owner to put in the property water and sewer.

Ms. Stultz replied yes, there will be a tremendous amount of it and in fact the property owner installed the pump station and the lines.

Mayor Grogan called for a public hearing and asked if there were any questions. He then asked if there were those who would like to speak in favor or in opposition of this request.

As no one came forward to speak in favor or in opposition, Mayor Grogan declared the public hearing closed.

A motion was made by Council Member Ellis seconded by Council Member Epps to approve and adopt the ordinance annexing property located between Friendly Road and Virginia Street pursuant to a request by Northridge Development Corporation and FC Properties, LLC. All Council Members voted in favor of this motion.

REQUESTS AND PETITIONS OF CITIZENS:

No one came forward to speak at this time.

UNFINISHED BUSINESS:

(a) Consideration and approval of a City of Eden Youth Council.

Mayor Grogan recognized Council Member Jim Burnette.

Council Member Burnette then presented a brief slide show of information regarding the Eden Youth Council. He explained that after the City Council Retreat they were of the understanding that they would look into and come back with a final proposal for the Eden Youth Council.

He explained that the Planning Committee consisted of the following: Betty Harrington-Principal Morehead High School, Joy Toms-Head Guidance Counselor Morehead High School, Molly Norwood-College Advisor Morehead High School, Sarah McGuire-Eden Chamber of Commerce, Sheralene Thompson-City Clerk City of Eden, Johnny Farmer-Director Parks and Recreation City of

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Eden, Donna Turner-Council Member City of Eden, Wayne Tuggle-Mayor Pro Tem City of Eden and Jim Burnette-Council Member City of Eden.

If this is approved there will be an ordinance next month which will be adopted for the City Council to make this formal.

The application will be on the city’s website and if anyone would like to have the entire document it will also be located on the city website.

Council Member Hagood questioned if the ordinance would include a funding request.

Council Member Burnette explained that the ordinance will not have a funding request as the budget that they came up with was for \$4,000 and that was in the city’s budget and if it was not approved then this would go back to the city.

A motion was made by Council Member Ellis seconded by Council Member Turner to approve the City of Eden Youth Council. All Council Members voted in favor of this motion.

NEW BUSINESS:

No New Business was scheduled at this time.

REPORTS FROM STAFF:

No Reports were scheduled at this time.

CONSENT AGENDA:

(a) Approval and adoption of minutes: April 17 and April 18, 2012.

(b) Approval and Adoption - Budget Amendment #11.

A clock is being purchased and placed on the Washington Street corner park and is being funded by private donations and a contribution from the Municipal Service District Tax. The attached budget amendment allocates these funds in the General Fund and transfers the contribution from the Municipal Service District Tax Fund.

	Account #	From	To	Amount
MSD Tax Fund				
Revenues				
MSD Tax Fund Balance Appropriated	17-3991-99100	\$ -	\$ 6,000.00	<u>\$ 6,000.00</u>
MSD Tax Fund				
Expenditures				
MSD Tax Exp - Leaksville	17-4135-29900	\$ 7,000.00	\$ 9,000.00	\$ 2,000.00

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City of Eden, N. C.

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MSD Tax Transfer to General Fund	17-4135-99000	\$	-	\$	4,000.00	\$	4,000.00
							<u>\$ 6,000.00</u>

General Fund Revenues

Downtown Clock Donations	10-3350-00800	\$	-	\$	9,100.00	\$	9,100.00
Contribution from MSD Tax Fund	10-3984-98000	\$	-	\$	3,500.00	\$	3,500.00
							<u>\$ 12,600.00</u>

General Fund Expenditures

Econ Dev C/O Equipment - Depr	10-4130-57000	\$	-	\$	12,600.00	\$	<u>12,600.00</u>
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To appropriate fund balance and donations for Washington Street Downtown Clock.

Adopted and effective this 15th day of May, 2012.

Attest:

Sheralene Thompson, City Clerk

John Grogran, Mayor

(c) Approval and Adoption - Budget Amendment #12.

The City of Eden has received \$2,600 in donations for the landscaping of the Pierce Street Roundabout. The attached budget amendment allocates the donations to the General Fund Revenues – Donations line item and the Planning department Landscaping/Maintenance line item.

	Account #	From	To	Amount
General Fund Revenues				
Donations	10-3839-88000	\$	-	\$ 2,600.00
				<u>\$ 2,600.00</u>
General Fund Expenditures				
Planning Landscaping/Maint	10-4910-23600	\$	4,500.00	\$ 7,100.00
				<u>\$ 2,600.00</u>

To appropriate funds donated for the landscaping of the Pierce Street roundabout.

Adopted and effective this 15th day of May, 2012.

Attest:

Minutes of the regular May 15, 2012 meeting of the City Council, City of Eden:

Sheralene Thompson, City Clerk

John Grogran, Mayor

(d) Approval and Adoption - Budget Amendment #13.

When the City purchases equipment with installment purchases, it is required to show the loan proceeds as revenue and the payment to the vendor as an expenditure in the financial statements. The attached amendment increases the General Fund revenue line item "loan proceeds" and also increases the Street Department Capital Outlay – Equipment line item for the purchase on an asphalt roller.

	Account #	From	To	Amount
General Fund Revenues				
Loan Proceeds	10-3850-86000	\$ 600,000.00	\$ 635,850.00	<u>\$ 35,850.00</u>
General Fund Expenditures				
Street C/O Off Rd Depreciated	10-4510-56000	\$ -	\$ 35,850.00	<u>\$ 35,850.00</u>

To allocate loan proceeds for Asphalt Roller.

Adopted and effective this 15th day of May, 2012.

Attest:

Sheralene Thompson, City Clerk

John Grogran, Mayor

(e) Consideration of request for temporary sign from the Piedmont Pottery Festival Committee for the Annual Pottery Festival – June 2, 2012.

The Planning Department has received a request for temporary signs to be located in the public right-of-way at NC 14 and Arbor Lane (at BB&T) and in front of Kingsway Plaza shopping center. The request was submitted by Cindy Adams, Coordinator of Tourism and Special Events, for the Annual Pottery Festival to be held on June 2, 2012.

We respectfully request that you consider this item at the May Council meeting. If you have questions, please do not hesitate to call.

(f) Consideration and approval of a request to award contract – Stone Creek Apartments Sidewalk Curb and Gutter and Sewer Improvements.

In September, 2011, a grant agreement was executed with the North Carolina Department of Commerce so that the City of Eden could receive Community Development Block Grant assistance for infrastructure improvements for the Stone Creek Apartments project in the amount of \$240,000. The bids were opened on February 16, 2012 at 1:30 p.m.

We received confirmation from the consulting engineers of the validity of the bids and recommend that you award the contract to Yates Construction in the amount of \$253,948.75. The developer will be responsible for all overages and change orders.

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A Deed of Trust from the Wellons Foundation with the City of Eden as beneficiary will be recorded in the amount of \$240,000.00. This was done to assist in the creation of the tax credits for this project. The City will receive annual payments at 2% interest for 20 years. If you have any questions, please call.

- (g) Consideration and approval of a Capital Project Ordinance for Northern Smith River Phase 2 & 3 and Dry Creek Sanitary Sewer Outfall Phase 2.

We are ready to begin the Northern Smith River Phase 2 & 3 Improvements in the next 60 days and the Dry Creek Phase 2 Sewer Outfall project is already underway. Both of these projects are financed by a low interest loan with principle forgiveness. The Infrastructure Finance Section of the Department of Environment and Natural Resources requires that we submit a Capital Project Ordinance as one of the requirements for acceptance of the funding assistance. A project ordinance was done for the Dry Creek portion of this project earlier this year. The Capital Ordinance submitted to you tonight is revised to contain the costs of both the Northern Smith River Phase 2 & 3 and the Dry Creek Phase 2 Sewer Outfall projects.

I request that the City Council approve this Capital Project Ordinance that we may complete the submittals of required documentation to continue with these projects.

Please contact me if you have any questions regarding this Capital Project Ordinance for the Northern Smith River Phase 2 & 3 or the Dry Creek Phase 2 Sewer Outfall Improvements.

Capital Project Ordinance

Be it **ORDINED** by the Governing Board of the City of Eden, North Carolina, that pursuant to section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following Capital Project Ordinance is hereby adopted.

Section 1: The Project authorized consists of two sanitary improvement projects with one located in the Dry Creek basin and the other in the Smith River basin. These projects were separated into two construction contracts to obtain the most favorable construction costs. The Dry Creek Sanitary Sewer Improvements Phase 2 is the replacement of the Dry Creek Outfall from just upstream of the Railroad Pump Station to just upstream from its crossing under Main Street.

The Smith River Sanitary Sewer Improvements Phase 2 and 3 is the replacement of the Smith River Sanitary Sewer Outfall from the existing aerial crossing of Irving Canal to just downstream of its crossing under the Aiken Road bridge; the abandonment of the upper section of this outfall from the Aiken Road bridge to its terminus near Caleb Street and redirection of existing sewer flow from Caleb Street and Warren Avenue via new 8-inch sewers including an aerial pipe crossing to a new submersible pump station and 2-inch force main that will terminate into the existing sewer on Aiken Road.

The Project will be financed by a Clean Water State Revolving Fund (CWSRF) loan in the form of principal forgiveness and the balance at the prevailing State Revolving Fund (SRF) interest rate at the time of approval by the Local Government Commission (LGC).

Section 2: The officers of this unit are hereby directed to proceed with the capital project within the terms of the board resolution, loan documents and the budget contained herein.

Section 3: The following amounts are appropriated for the project:

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Description	Cost
Construction	\$2,397,503.50
Contingency	\$119,875.18
Technical Services	\$766,262.05
Real Property Acquisition	\$30,042.50
Closing Costs	\$43,098.68
Total	\$3,356,781.91

Section 4: The following revenues are anticipated to be available to complete this project:

CWMTF Grant	\$ 742,182.90
SRF Principal Forgiveness Loan	\$ 1,000,000.00
SRF Prevailing Interest Loan	\$ 1,154,934.00
Transfer from Collection and Distribution Reserve	<u>\$ 459,665.01</u>
	\$ 3,356,781.91

Section 5: The finance officer is hereby directed to maintain within the capital project fund sufficient specific detailed accounting records to satisfy the requirements of the grantor agency, the grant agreements, and federal regulations. The terms of the bond resolution also shall be met.

Section 5: Funds may be advanced from the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

Section 7: The finance officer is directed to report, on a quarterly basis, on the financial status of each project element in section 3 and on the total grant/loan revenues received or claimed.

Section 8: The Budget Officer is directed to include a detailed analysis of past and future costs and revenues on this capital project in every budget submission made to this board.

Section 9: Copies of this capital project ordinance shall be furnished to the clerk to the Governing Board, and to the Budget Officer and the Finance officer for direction in carrying out this project.

Duly adopted this 15 day of May 2012.

Signature, Mayor John E. Grogan

(Seal)

Attest: Signature, Sheralene S Thompson (City Clerk)

Minutes of the regular May 15, 2012 meeting of the City Council, City of Eden:

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

CLOSED SESSION:

To consult with an attorney employed or retained by the public body in order to preserve attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged according to G.S. 143-318.11(a)(3).

A motion was made by Council Member Burnette seconded by Council Member Tuggle to go into Closed Session to consult with an attorney employed or retained by the public body in order to preserve attorney-client privilege between the attorney and the public body, which privilege is hereby acknowledged according to G.S. 143-318.11(a)(3). All Council Members voted in favor of this motion.

OPEN SESSION:

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

ADJOURNMENT:

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

Respectfully submitted

Sheralene S. Thompson, CMC
City Clerk

ATTEST:

John E. Grogan, Mayor