CITY OF EDEN, N. C.

The regular meeting of the City Council, City of Eden, was held on Tuesday, February 16, 2016 at 7:30 p.m. in the Council Chambers, 308 E. Stadium Drive. Those present for the meeting were as follows:

Mayor: Wayne Tuggle, Sr.

Council Members: Bernie Moore

Jim Burnette Angela Hampton

Jerry Epps Darryl Carter Neville Hall Jerry Ellis

City Manager: Brad Corcoran

City Clerk: Sheralene Thompson

City Attorney: Erin Gilley
Deputy City Clerk: Deanna Hunt

Representatives from Departments:

News Media: Dallas Britt, Eden News

Roy Sawyers, RCENO

MEETING CONVENED:

Mayor 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:

Mr. Jerry Epps, Pastor, Church of Living God, gave the invocation followed by the Pledge of Allegiance.

RECOGNITIONS AND PROCLAMATIONS:

a. Proclamation: Black History Month

A PROCLAMATION DESIGNATING FEBRUARY AS BLACK HISTORY MONTH

WHEREAS, during Black History Month, we celebrate the many achievements and contributions made by African Americans to our economic, cultural, spiritual, and political development; and

WHEREAS, established by American historian Dr. Carter G. Woodson, the original celebration of Black History Week was observed on February 12, 1926. In 1976, as part of the nation's bicentennial, the week was expanded to a month; and

WHEREAS, each February we pause to reflect on the contributions of the African-American community to our national and local identity, and Black History Month gives us an opportunity to learn more about this important part of our nation's story; and

WHEREAS, as we celebrate Black History Month, we recognize the many contributions of African Americans to our country and our community and recommit to being a nation of opportunity and hope for every citizen;

NOW, THEREFORE, BE IT PROCLAIMED that I, Wayne R. Tuggle, Sr., Mayor of the City of Eden, hereby designate the month of February be set aside as hereby designate the month of February be set aside as

Black History Month

in the City of Eden and encourage all residents to join me in celebrating the collective ingenuity, creativity, cultures and traditions of African Americans and commit ourselves to raise awareness and appreciation of Black History Month by participating in educational events honoring the contributions of Black Americans.

IN WITNESS WHEREOF, I have hereunto set my hand and seal this 16th day of February, 2016.

By: Wayne R. Tuggle, Sr., Mayor City of Eden

ATTEST:

Sheralene S. Thompson, CMC, MMC City Clerk

Mayor Tuggle explained that he also wanted to read the following resolution that is on the agenda. It was in regard to the bond issue that was going to be put before North Carolina voters and it was so important that people need to hear it.

City of Eden Resolution In Support for Connect NC Public Improvement Bond

WHEREAS, the North Carolina General Assembly and the Governor approved the Connect NC Bond Act (Session Law 2015-280 House Bill 943) during the 2015 Legislative Session; and

WHEREAS, if approved by the voters of North Carolina in the Primary Election (March 15, 2016), the Act would generate \$2 billion through the sales of bonds; and

WHEREAS, the \$2 billion package would be allocated for new construction and repairs to existing facilities on the 17 campuses of the University of North Carolina System as well as the 58 campuses of the North Carolina Community College System; for infrastructure improvements to state and local parks and the North Carolina Zoo; on various water improvements and agricultural projects; and on repairs and improvements to National Guard and public safety facilities within North Carolina; and

WHEREAS, the \$2 billion bond package would provide construction-related jobs for local communities across the state; and

WHEREAS, the North Carolina Community College System would receive \$350 million in bond funding to upgrade and construct facilities to offer state-of-the-art learning experiences for the citizens of North Carolina, while enabling the North Carolina Community College System to continue to excel as a national leader in higher education and workforce development; and

WHEREAS, Rockingham Community College contributes immeasurably to the City of Eden, Rockingham County, and the region by producing a skilled workforce to attract new business and industry, and provides educational opportunities for citizens to advance their earning potential and to enrich and enhance their quality of life; and

WHEREAS, if approved by voters, Rockingham Community College would receive \$6,848,392 from the Connect NC Public Improvement Bond, which will be used for renovating the Industrial Technologies I and II buildings, Phase II renovations of science labs in the Science Building, and improvements to the Emergency Services Training Center, providing substantial value and savings to the people of Rockingham County and the region; and

WHEREAS, the City of Eden is currently facing sanctions by the United States Environmental Protection Agency regarding required improvements to its waste water treatment facilities, and

WHEREAS, the City of Eden, which provides sewer service to Rockingham County at numerous sites within the City and provides treated water to the Dan River Water Cooperative that serves homes, businesses, schools, and governmental facilities within the City of Eden and throughout rural Rockingham County, will be eligible to apply to the Department of Environment Control for Water and Sewer Loans and Grants that will be funded by the Connect NC Public Improvement Bond through the statewide allocation of \$309,500,000 if the Connect NC Public Improvement Bond is approved by voters; and

WHEREAS, if approved by voters, the Mayo River State Park in Rockingham County would receive \$750,000 that will be used for expansion of the park and park services including more public access to trails, fishing, and paddling along the Mayo River, and the Haw River State Park in Rockingham and Guilford Counties would receive \$1,500,000 from Connect NC Bond Act funding; and

WHEREAS, the City of Eden recognizes that the Connect NC Public Improvement Bond will not jeopardize the state's strong credit ratings and acknowledges that interest rates are presently at historically low levels; and

WHEREAS, the City of Eden is convinced that there will be no new state taxes or any increase in state taxes caused by the Connect NC Public Improvement Bond;

NOW, THEREFORE, BE IT RESOLVED, the Council of the City of Eden strongly supports the Connect NC Public Improvement Bond Act as it will enable North Carolina's University and College Systems to educate a highly qualified workforce for the 21st Century and provide needed financial support to other beneficial infrastructure projects across the state; and

BE IT FURTHER RESOLVED, the Council of the City of Eden encourages its citizens and voters to approve all provisions of the Connect NC Public Improvement Bond Act by voting "For" during the March 15, 2016, election; and

BE IT FURTHER RESOLVED, the Council of the City of Eden urges the Rockingham County Board of Commissioners and the local governing boards of the municipalities in Rockingham County to join with the Council of the City of Eden to promote, educate, and inform residents of the importance of the bipartisan effort to "VOTE YES TO INVEST".

ADOPTED, this the 16th day of February, 2016.

Attest:

Sheralene S. Thompson City Clerk

SET MEETING AGENDA:

Mayor Tuggle stated that he would like to move item 12d *Approval and Adoption of Resolution in Support for Connect NC Public Improvement Bond* from the Consent Agenda over to item 10a New Business. He also wanted to add the Resurfacing Contract to the agenda under item 12h Consent Agenda.

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

PUBLIC HEARINGS:

No public hearings were scheduled.

REQUESTS AND PETITIONS OF CITIZENS:

Ms. Beth Campos, 612 Henry Street addressed Council.

Ms. Campos explained that she was the owner of Crossfit. She had been part of the community for about three years and she and her husband bought the business from the previous owners about two years ago. She stated that she knew they had the budget retreat coming up and she knew that there had been a request for a strategic plan so she just wanted to speak.

She explained that as a small business owner and a young person in the community. She was someone who had picked up every penny of life savings and moved to this county and city and she was very involved in it. She explained that since Miller had announced they were closing she had been in conversations with other business owners and community leaders and she just want to say that she hoped moving forward that the City of Eden plays on what they have.

She stated that there was all this talk about industry and filling the building where Miller was located and talk about who they were going to bring in and all this stuff and along with that they hear that they could not get new industries because they did not have a highway.

She pointed out that they heard excuses and blame. Blame Fieldcrest for leaving, blame Miller for leaving, and blame the EPA for the fines. She agreed that it was horrible and they have been dealt a bad hand. She stated that personally, as a business owner, she had also been dealt a bad hand last year. She stated that she thought that she had a very

faithful employee who then picked up and left and opened up an almost exact business about 15 miles up the road in Reidsville. They lost 25% of their membership and any business that loses 25% of their sales, she had a feeling would be struggling. She explained that their opinion was that they were going to fight and keep it going and they revived their business and that night they were at full capacity.

She stated that she thought that the same could be true of Eden. She thought they needed to be open minded as a city and she asked them as city leaders to be open minded and think about what they have. They have 2 rivers, how many cities could say that and they have a vintage Eden. They had hired a guy to videotape an ad and he had talked about how he came to Eden every summer to visit the drive-in. He was from Danville and he also came here to take his son to the video store. Eden has a roller skating rink and drive-in restaurants. They had all these things they did not even think about. She had mentioned to him and also to Mr. Dougherty about the possibility of doing a video on vintage Eden to attract people to come.

She added that she knew they were busy but people were connected to technology and always running around. She pointed out that she and people her age were getting tired of it. She sometimes appreciated a simpler life and she knew a lot of other people that would too. There have been at least 3 couples at her business in the last 6 months who have all moved from Greensboro to Stoneville. They commute to work every day. They wanted to live in the country and enjoy the country life, a small city, because they were tired of being in Greensboro. She stated that moving forward, she thought that instead of worrying about those big industries, worry about people like her and others who own businesses here and who have invested everything. They recently purchased a house in May, four months before Miller announced they were closing.

They also hear about downtown Eden or Washington Street. Everybody knows there were a lot of buildings that were not taken care of and to be completely honest they were eyesores. She stated that it would be nice if they could be taken care of and put new vibrant businesses in there. She pointed out that all they hear is "well we can't do anything about that. The building owner has not done anything, so we can't do anything about it". She stated that they needed to do something because where there was a will there was a way. She knew there were other cities nearby, and she knew the owner of Crossfit Oak Ridge and they have a brand new building that they were having to do upgrades on to meet city ordinances. She asked them to please step in and do something if those slum lords or whoever were not taking care of their buildings. She stated that was why they had a City Council, to have people in leadership.

She explained that she and people like her could help. If they need to paint the outside of buildings or pick up trash in the streets then have a work day and people could chip in. They may not be able to chip in a lot of money but they could chip in time and work. She stated that she just thought that as they go into the new year, they need to forget about Miller and Fieldcrest and the crappy hand that they have been dealt and just worry about what they have here.

They also hear a lot about grants and people saying there was no money. There were grants out there and honestly, she was not 100% sure, but it was explained to her that there was not one specific person for the city that writes grants, but maybe that could be a job that the city has for somebody who just writes grants. There were grants out there, they may be less than they used to be, but the historical stuff that they have, all the economic depression that they have, there has to be some grants out there somewhere. They just need to find them and help these people renovate their buildings to have residential living downtown.

Mayor Tuggle thanked her for coming. He stated that they were very fortunate to have her in the City of Eden, somebody that was young, full of energy, vivacious, had ideas and wanted things done. He stated that he thought that a lot of times just in life, they complain about the things they do not have and forget about all the blessings that they do have.

Mr. Mike Manuel, 2581 Ayersville Road, Mayodan, addressed Council.

Mr. Manuel explained that he wanted to introduce himself as a candidate for Rockingham County Commissioner. He was a lifelong resident of the county, he grew up in Stoneville and ran a successful business with his dad in Shiloh for 20 years. So he had seen the issues and concerns that their citizens have because he had worked for the public for nearly 20 years. He was not a politician, just a concerned tax paying citizen in Rockingham County who wanted to make a difference. He believed in less government, the constitution and protecting their rights as tax paying citizens, especially their 2nd Amendment rights.

He felt that the biggest problem facing Rockingham County right now was opportunity. They have to push for better education, better vocational and a college education. If elected he would do everything in his power to bring more businesses into Rockingham County and to better the quality of education. Their citizens deserved opportunities. He also believed in keeping taxes low so that more businesses will come to this county. If elected he would be working for the citizens of Rockingham County and their best interests. He wanted to help make Rockingham County a great place not only for his generation but for future generations.

Mayor Tuggle thanked him for coming.

UNFINISHED BUSINESS:

a. 2016 Boards and Commissions Appointments

Community Appearance Commission

Pam Adkins Term Expired 2015 Ward 2 – Councilman Burnette

Planning Board

Matthew Smith Term Expired 2015 ETJ

A motion was made by Council Member Moore seconded by Council Member Carter to approve the appointments and reappointments to the Boards and Commissions. All Council Members voted in favor of this motion.

NEW BUSINESS:

a. Approval and Adoption of Resolution in Support for Connect NC Public Improvement Bond.

Mayor Tuggle explained that this was a time of discussion and he just wanted to make a couple of points. This was a general obligation bond from the state and the state has a AAA bond rating. He pointed out that Eden and Rockingham County stood to lose a tremendous lot (of money) if this was not passed so he urged voters to pass it. He explained that Rockingham Community College will receive \$6,848,392. Of course there had been some misconceptions that there was matching money for it but the matching money was only for new construction. The community college was going to use it to renovate the Industrial Technology Buildings I and II, Phase II renovations of the Science Lab and improve the Emergency Services Training Center. Mayo State Park would get \$750,000 to help with upgrades and lastly, the way this bill was written, if you look under page 10 part 2, the funding criteria for the infrastructure improvement was that if you are under an Administrative Order or Consent Decree you get first priority as far as money and that could be as much as \$15 million,

The City of Eden was under an Administrative Order from the EPA that started out at \$48 million. It was now down to \$36 million. They were first told they had five (5) years to come up with \$48 million. That was an impossibility with a \$27 million budget but since then they have reduced it to \$36 million. He stressed that it was really important to vote for this NC Bond issue because they could get \$15 million as a result if it passed. He explained that it goes a long way in trying to control the water and sewer rate increases so it would certainly behoove anyone in Eden to vote for this because it will save water and sewer increases.

He also pointed out that this should concern anyone in the City of Eden and the ETJ, and of course they sell water to Dan River so Dan River Water customers who live outside of the city, they have a double rate from what the people inside the city pay. This would certainly give them an opportunity to try to get as much as \$15 million and maybe even more. He stated that the voting was on March 15, 2016 so he asked them to please get the word out and tell people how important it was as it would certainly reduce the number of water and sewer rates that they were required to implement. If they were not in compliance with this EPA Order they fine the City of Eden \$37,500 a day for noncompliance which was over a million dollars a month and it would bankrupt a small city. So it was really important to get the word out and let people know that it was important to get there and vote for this bond issue.

Council Member Burnette added that one thing he mentioned in the resolution was that there was no proposed tax increase.

Council Member Moore commented that this past week he had been at Sunset Beach attending a workshop for newly elected officials and they were talking about this and it was all very favorable.

Mr. Corcoran added that the \$15 million that the Mayor had referred to was really just the tip of the iceberg if you look at the bond referendum. He explained that there was \$305 million in water/sewer money. He stated that \$100 million of that was in the form of grants, which means you do not have to pay it back. Of that \$100 million, \$50 million was for water projects and \$50 million was for sewer projects.

On the sewer side, the main criteria was that you have to be under an administrative order through the EPA. He stated that there were were only 3 communities right now in the state that meet that criteria. So when he was talking about the \$15 million that was potentially \$15 million in grant money that Eden would not have to pay back on the sewer side.

Then with the remaining water money, if you read about the loans, the remainder of the \$100 million was being handed out in the form of low interest loans. But again, the main criteria was that it was for any community that was under an administrative order by the EPA so once again, the City of Eden stands in a very strong position with the maximum loan being \$15 million. So, there was a potential, depending upon the application process for Eden to get over \$31 million in combined grants and loans for their sewer projects. Then there were water projects that they can apply for as well.

He explained that one of the big things that Mr. Dougherty has been working on and the City Council for years now was the Mega Park on Berry Hill Road. As many of them know they have already extended the sewer lines to the state line and they are in the position to be the provider of sewer for any industries that locate there. What they have not done yet was extend the water lines. So again there will be \$150 million of water money as well that Eden like any of the other communities would be in a position to apply for. So, as you can see it would provide tremendous value.

Mayor Tuggle stated that he would also like to point out that Miller uses 900 million gallons of water and that was revenue that would be lost. They were probably losing close to \$1.4 million. He explained that when National Textiles left they lost a billion gallons of water and sewer from them. So their only hope at this point was to try to recoup some of that water and sewer revenue with this Mega Park.

Council Member Ellis also stressed the importance of this bond referendum and encouraged everyone to vote.

Mayor Tuggle added that he and the other members would be glad to come out and speak to any civic group or church about the importance of voting for the bond.

A motion was made by Council Member Burnette seconded by Council Member Moore to approve and adopt the Resolution in Support for Connect NC Public Improvement Bond. All Council Members voted in favor of this motion.

REPORTS FROM STAFF:

There no reports at this time.

CONSENT AGENDA:

- a. Approval and Adoption of Minutes: January 12, 2016.
- b. Approval and Adoption of Amendment to Chapter 16 Article II of the Eden City Code.

The current ordinance Divisions 1-3 of Article II of Chapter 16 deal with rules and regulations to our water system and private fire hydrants and sprinkler systems. Each provision provides for a set forth in City Code § 16-86". However, the penalty section 16-86 and 16-87 deals mainly with mandatory restrictions and water conservation. The amendment will address the penalty issue for such cases where someone has damaged or obstructed our water system as set forth in Divisions 1-3. Changes to the ordinance are in red. The recommendation is that the City Council adopt this amendment.

c. Consideration and Approval of Vehicle Financing – 5 Years.

In the 2015-2016 Budget, City Council approved to purchase a new service truck for the Collections & Distribution department, a new truck for the Municipal Services director, and a new service truck for the Street department. All these items have been set up in the budget to be financed. We received quotes in October 2015 and council approved the financing with BB&T. However, one of the trucks was delayed beyond our control and we were not able to close on the loan within the time constraints allowed. On January 21, 2016, bids were requested bids from local banks again for the financing and we received the following quotes:

Carter Bank & Trust 1.65%

NewBridge Bank 4.20% Government Capital 3.57%

The lowest quote is from Carter Bank & Trust at 1.65%. The annual payments will be approximately \$20,400 which is within the budgeted amount of \$25,200. Staff respectfully asked that Council approve Carter Bank & Trust as the successful bid.

Please note that the original request for financing included an additional truck for the Collections & Distribution department. This vehicle is not included in this request because it is still being delayed. That will be financed separately at a later date.

d. Approval and Adoption of Resolution in Support for Connect NC Public Improvement Bond

This item was moved to New Business.

e. Consideration of Fats, Oils and Grease Enforcement Fee Recommendation.

This is a request to establish a policy outlining specific fees to be associated with our Fats, Oils, and Grease (FOG) Ordinance. The FOG ordinance is part of the Sewer Use Ordinance which already establishes enforcement guidelines that can be used for sewer users at the discretion of the POTW Director. Those fines can range up to \$25,000. Because the issues are not the same as general industry and the flows have a much smaller impact, we felt that that the fines should be significantly less. Many other municipalities have established a separate classification and defined the type of penalty associated with various common issues specific to food service establishments (FSE). After reviewing several system's plans, we have developed a policy that establishes a breakdown of issues, how they will be classified, and what kind of fine each will have. We feel that this will allow for a fairer and more uniform policy for all FSEs throughout the City. It is still left up to the discretion of the POTW director, and more enforcement costs can be assessed if a facility can be proven to have caused significant damage to our system or the environment.

It is important that our staff does all that it has the power to do to protect our sewer system and plant. It has become even more important in the last few years with the directives of the EPA Administrative Order to stop all overflows. We continue to see grease issues in the system and while most FSEs are complying, some are not. This policy serves to better explain the purpose of these changes and to show how we have set up the Tiers of violations along with a separate letter that can be used for further civil penalties for extreme cases. Your consideration of this recommendation is appreciated.

f. Approval and Adoption of Resolution for Water & Sewer Capital Projects Financing.

Council approved a new loan in its FY 2015-2016 budget of up to \$1,500,000 within the Water & Sewer Fund. The City needs to proceed with private placement financing for the Water Construction Projects: Automatic Flushing Device Installations, Caleb Street W/L Upgrade, W. Harris Place WL Replacement, Victor Street WL Replacement, Front & Burgess Street WL Replacement, Sewer Construction Projects: Covenant Branch, Condition Assessment, and Tanyard Branch Sewer Outfall Project. Please find attached the Resolution to Proceed with the acquisition of financing proposals from interested banks for your consideration.

RESOLUTION TO PROCEED WITH PRIVATE PLACEMENT FINANCING FOR THE WATER CONSTRUCTION PROJECTS: AUTOMATIC FLUSHING DEVICE INSTALLATIONS, CALEB STREET WL UPGRADE, W HARRIS PLACE WL REPLACEMENT, VICTOR STREET WL REPLACEMENT, FRONT & BURGESS STREET WL REPLACEMENT, SEWER CONSTRUCTION PROJECTS: COVENANT BRANCH, CONDITION ASSESSMENT, AND TANYARD BRANCH SEWER OUTFALL PROJECT.

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 CONSTRUCTION PROJECTS: AUTOMATIC FLUSHING DEVICE INSTALLATIONS, (2) CALEB STREET WL UPGRADE, (3) W HARRIS PLACE WL REPLACEMENT, (4) VICTOR STREET WL REPLACEMENT, (5) FRONT & BURGESS STREET WL REPLACEMENT, (6) SEWER CONSTRUCTION PROJECTS: COVENANT BRANCH, (7) CONDITION ASSESSMENT, AND (8)TANYARD BRANCH SEWER OUTFALL PROJECT (the "Projects") with proceeds of tax-exempt obligations; and

WHEREAS, the City of Eden is hereby applying for an Installment Purchase Contract Loan for Water and Sewer Projects to proceed and seeking approval pursuant to North Carolina G.S. 120-157.1 through 157.9; and

WHEREAS, the Council has approved a new loan in its FY 2015-2016 budget of up to \$1,500,000 within the Water & Sewer Fund for the Projects and now wishes to appoint an authorized representative and direct staff to proceed with the acquisition of financing proposals from interested banks based on rate, terms, and fees.

NOW, THEREFORE, BE IT HEREBY RESOLVED by the Eden City Council that the Director of Finance for the City is hereby authorized and designated to act on behalf of the City for the execution of any and all documents necessary to effectuate the financing of the Projects with proceeds of tax-exempt obligations to be approved by the Council after public hearing, and the staff of the financing department is directed to proceed with the acquisition of financing proposals from at least (3) interested banks.

Adopted and Approved this 16 day of February, 2016.

Wayne Tuggle, Mayor

g. Consideration of Firemen's Relief Fund Board Member.

Mike Farmer was selected to finish out the term of Keith Williams who had one year left on his term. It is now time to fill this spot for a 2 year term. It is recommended that Mike Farmer go back on the Firemen's Relief Fund Board as one of the Councils representatives. Darryl Carter is the other Council's Representative and he has one year left on his 2 year term.

A motion was made by unanimous consent to approve the Consent Agenda. All Council Members voted in favor of this motion.

ANNOUNCEMENTS:

Council Member Ellis congratulated the Morehead High School Wrestling Team on their championship.

ADJOURNMENT:

A motion was made by unanimous consent to adjourn. All Council Members voted in favor of this motion.

	Respectfully submitted,
	Sheralene S. Thompson, CMC, MMC, NCCMC City Clerk
ATTEST:	
Wayne R. Tuggle, Sr., Mayor	