

**EDEN CITY COUNCIL  
REGULAR MEETING AGENDA  
February 15, 2022 at 6 p.m.  
Council Chambers**

**Join the meeting via Zoom here:**

<https://us06web.zoom.us/j/97958306765?pwd=UGRTQ2t3VjgwaUNFSUZldFBNTkNFUT09>  
passcode: Council21 or by calling 877-853-5257 webinar ID: 979 5830 6765; passcode: 224372140

1. Meeting called to order by: Neville Hall, Mayor
2. Invocation: Pastor Douglas Diamond, First Church of the Brethren
3. Pledge of Allegiance: Led by Todd Harden, Fire Chief
4. Proclamations and Presentations
5. Special Projects:
  - a. Consideration of Strategic Planning Commission funding for Morehead High School's mural project. **Staff Advisor Cindy Adams**
6. Roll Call
7. Set Meeting Agenda
8. Public Hearings:
  - a. (1) Consideration of a zoning map amendment request and adoption of an ordinance to rezone property at 303 W. Meadow Road from Business General to Residential 20. Zoning Case Z-21-18
  - (2) Consideration of a resolution adopting a statement of consistency regarding the proposed map amendment to rezone the property located at 303 W. Meadow Road.  
**Kelly Stultz, Director of Planning & Community Development**
9. Requests and Petitions of Citizens
10. Unfinished Business:
  - a. Consideration of a request to proceed with Uptown Eden improvements.  
**Kelly Stultz, Director of Planning & Community Development; Paul Dishmon, Director of Public Works; and Tammy Amos, Director of Transportation Engineering**
11. New Business:
  - a. Consideration to adopt a contract with Retail Strategies for commercial and restaurant recruitment. **Kelly Stultz, Director of Planning & Community Development**
  - b. Consideration to adopt a resolution to commit financial resources to the north basin of the wastewater treatment plant. **Paul Dishmon, Director of Public Works, and Melinda Ward, Utilities Manager**
  - c. Consideration to approve Environmental Protection Agency Remediation Plan Contracts 2a and 3.  
**Terry Shelton, Special Projects Manager**

12. Reports from Staff:
  - a. City Manager's Report. **Jon Mendenhall, City Manager**
  - b. Report on advisory committee proceedings:
    - (1) Strategic Planning Commission. **Staff Advisor Cindy Adams**
    - (2) Planning Organization Boards. **Staff Advisor Kelly Stultz**
    - (3) Parks Commission. **Staff Advisor Terry Vernon**
13. Consent Agenda:
  - a. Approval and adoption of the January 18, 2022 regular meeting minutes. **Deanna Hunt, City Clerk**
  - b. Approval to declare items surplus. **Paul Dishmon, Director of Public Works**
  - c. Approval to award the FY 2022-2023 Audit Contract to Rouse, Rouse, Rouse, and Gardner, LLP. **Tammie McMichael, Director of Finance and Personnel**
  - d. Approval of Invoice Cloud Agreement, third party provider with Southern Software. **Tammie McMichael, Director of Finance and Personnel**
  - e. Approval and adoption of Budget Amendment #2. **Tammie McMichael, Director of Finance and Personnel**
  - f. Approval and adoption of Budget Amendment #3. **Tammie McMichael, Director of Finance and Personnel**
14. Announcements
15. Adjournment



## NOTICE

### Electronic attendance available for February 15

In order to maintain the safety of City residents, staff and the Council, the regularly scheduled February 15 Eden City Council meeting will be available to join by Zoom.

You can *join* the meeting via Zoom two ways beginning at 5:30 p.m. on Tuesday, February 15:

**Visit this link:**

<https://us06web.zoom.us/j/97958306765?pwd=UGRTQ2t3VjgwaUNFSUZldFBNTkNFUT09>

Passcode: Council21

**Or dial in by phone:**

877-853-5257

Webinar ID: 979 5830 6765

Passcode: 224372140



**February 4, 2022**

**TO: Honorable Mayor and Eden City Council**

**THRU: Jon Mendenhall, City Manager**

**FROM: Cindy Adams, Marketing & Special Events Manager**

**RE: Strategic Planning Commission MHS Mural Funding Request**

Time is requested at the February 15, 2022 Eden City Council Meeting to seek approval of the MHS Mural funding request. This project was approved unanimously by the Strategic Planning Commission at their February 4 meeting.

**Approval for first Morehead High School Mural.**

- a. High School will pay for pressure washing wall and all paint for the mural.
- b. This wall faces the football stadium and Stadium Drive.
- c. Associate Superintendent has approved doing the mural.
- d. School Board has been informed.
- e. SPC requests \$7500 for the artist (labor and rent for a lift).
- f. Artist is Mary Ryan
- g. Mural has been designed by art students at MHS working with Mary Ryan
- h. Student Mural Group will work with artist to refine the design in order to make the white around the panther look more like brick, the Panther's tongue more red, teeth white and green eyes.
- i. Artist is also going to be working with art students regarding the business aspect of art.

**THANK YOU FOR YOUR CONSIDERATION.**



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# Planning and Community Development Department

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P. O. Box 70, 308 E Stadium Drive, Eden NC 27289-0070/Telephone 336-623-2110/Fax 336-623-4057

## MEMO

**To:** Honorable Mayor and City Council  
**Thru:** Jon Mendenhall, City Manager  
**From:** Kelly K. Stultz, AICP, Director  
**Subject:** **Zoning Case Z-21-18 – 303 W. Meadow Road**  
**Date:** February 3, 2022

The City has received a zoning map amendment to rezone the property at 303 W. Meadow Road from Business General to Residential 20. The request was made by the property owner, Billy Vestal. Attached are copies of the Application, Staff Report, Zoning Map, Aerial Map, Ordinance and Resolution.

The Planning and Community Development Department recommends approval of the map amendment request. At a regular meeting in January, the Planning Board voted to recommend that the City Council approve this request and adopted a Resolution Adopting a Statement of Consistency Regarding the Proposed Amendment.

*CERTIFICATE SHOWING THAT NOTICES WERE MAILED TO THE OWNER(S) OF PROPERTY SUBJECT TO REZONING AND TO OWNER(S) OF ALL PARCELS OF LAND ABUTTING SUBJECT PROPERTY AND/OR WITHIN 100 FEET OF SUBJECT PROPERTY.*

RE: ZONING CASE Z-21-18  
303 W. Meadow Road

TO THE HONORABLE MAYOR AND CITY COUNCIL OF THE CITY OF EDEN:

I, Kelly K. Stultz, Planning & Community Development Director of the City of Eden North Carolina, do hereby certify that notices of the proposed zoning map amendment requested by Billy Vestal to rezone 303 W. Meadow Road from Business General to Residential 20 were mailed first-class mail to the owners of the property in the proposed rezoning and all property owners adjacent to or within 100 feet of the subject area on the 3rd day February, 2022.

IN WITNESS WHEREOF, I have hereunto set my hand this the 3rd day of February, 2022.



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Kelly K. Stultz, AICP  
Planning and Inspections Director



# Rezoning (Map Amendment) Application

Planning and Inspections Department  
308 E. Stadium Dr., Eden, NC 27288  
Phone: 336-623-2110 x2 / Fax: 336-623-4057  
[www.edennc.us](http://www.edennc.us)

## CONTACT INFORMATION

Contact Name Billy Vestal  
Contact Address 523 E. meadow Rd  
City Eden State NC Zip 27288  
Phone Number 336-627-1539 Email \_\_\_\_\_  
Contact's Property Interest or Legal Relationship to Owner \_\_\_\_\_

## PROPERTY OWNER INFORMATION

Property Owner Name Billy Vestal  
Property Owner Mailing Address 523 E. meadow Rd  
City Eden State NC Zip 27288  
Phone 336-627-1539 Email \_\_\_\_\_

## PROPERTY INFORMATION

Tax Property ID No. (PIN) 7070 16 93 1463 00  
Deed Book and Page No. 1394 1406  
Physical Address 303 W. meadow Rd.  
City Eden State NC Zip 27288  
Year Current Owner Acquired Property 2010 Acreage \_\_\_\_\_  
Public Water Available?  Yes  No Public Sewer Available?  Yes  No

Current Use of Property Vacant

City Jurisdiction:  In-City Limits  ETJ

Existing land use/zoning on adjoining properties:

North: R20ED

South: B6ED

East: R20ED

West: B6ED



## ADDITIONAL INFORMATION

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Attach the following documents to this application form:

- Recorded deed to the property
- Copy of the recorded plat or survey for the property\* or  A map showing dimensions of the property

\*Preferred

## PROCESS & FILING INFORMATION

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**Submission Requirements:** Per Article 3 of the Eden Unified Development Ordinance (UDO), every applicant for a rezoning (map amendment) is required to meet with the Administrator in a pre-application conference prior to the submittal of a formal application. The purposes of this conference are to provide additional information regarding the review process and assistance in the preparation of the application. Upon application submittal, the Administrator shall review the application to ensure that it is complete.

**Review Process:** After review and recommendation of the application by the Administrator, the Planning Board shall review and provide a recommendation to the City Council. Upon receiving a recommendation from the Planning Board, the City Council shall hold a legislative public hearing on the proposal for official action.

**Required Application Information:** A petitioner must complete this application in full. This application will not be processed unless all information requested is provided.

**General Rezoning Requests:** These are "general" requests involving a zoning change to an individual parcel of land. The request is to amend or change the City's Official Zoning Map in a certain area from one zoning district to another. "General" rezoning requests are not specific and if approved, any permitted land use within the new zoning district as illustrated in Section 5.06 (Table of Permitted Uses) of the Eden UDO could be permitted.

**Conditional Zoning District Requests:** Conditional Zoning Districts (CZ) are districts with conditions voluntarily added by the applicant. Conditional Zoning Districts provide for orderly and flexible development under the general policies of this ordinance without the constraints of some of the prescribed standards guiding by-right development. Conditional Zoning Districts may be used in any district but is not intended to relieve hardships that would otherwise be handled using a variance procedure. Conditional Zoning District rezonings can include restrictive land uses, site/subdivision master plans and other information as described in Section 3.10 of the UDO.

## ZONING INFORMATION

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Request Type:  General Rezoning  Conditional Zoning District

Current Zoning District B6 ED

Requested Zoning District R20 ED

If the request is to a Conditional Zoning District this application should be accompanied by an Existing Conditions Map, a Sketch Plan (may be waived by the Administrator as appropriate), and Master Plan; as well as any other plans, drawings, renderings, elevations, maps and documents specifically included as development documents for approval by the City Council. At a minimum, the following should be provided:

1. The underlying zoning districts and a full list of proposed uses consistent in character with those zoning districts.

Such use classifications may be selected from any of the uses, whether permitted, by right or with supplemental



# Rezoning (Map Amendment) Application

Planning and Inspections Department  
308 E. Stadium Dr., Eden, NC 27288  
Phone: 336-623-2110 x2 / Fax: 336-623-4057  
[www.edennc.us](http://www.edennc.us)

standards, allowed in the general zoning district upon which the Conditional Zoning District is based. Uses not otherwise permitted within the general zoning district shall not be permitted within the Conditional Zoning District.

2. General traffic routes (external and internal) to and from the development with major access points identified.
3. Tabular data, including the range and scope of proposed land uses, proposed densities, floor area ratios and impervious surface ratios as applicable to development type; and land areas devoted to each type of general land use and phase of development.
4. A proposed development schedule if the project is to be phased.

Proposed Land Use(s):

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Proposed Conditions Offered by Applicant:

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## APPLICANT/OWNER CERTIFICATION

I hereby certify that, to the best of my knowledge, the information on this application is true and accurate, and I hereby petition the Planning Board to recommend and the City Council to approve this application for a rezoning (map amendment).

Applicant Signature Billy Vest Date 12-14-2021  
 Property Owner Signature Billy Vest Date 12-14-2021

## Office Use Only

Staff Member (Initial upon Receipt) \_\_\_\_\_ Date 12/14/2021  
 Application Number Z-21-18 Fee Paid \_\_\_\_\_

**PLANNING AND INSPECTIONS DEPARTMENT  
ZONING MAP AMENDMENT REPORT  
January 12, 2022**

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<b>CASE NUMBER:</b>	<b>Z-21-18</b>
<b>EXISTING ZONING DISTRICT:</b>	<b>BG</b>
<b>REQUESTED ZONING DISTRICT:</b>	<b>R20</b>
<b>APPLICANT:</b>	<b>Billy Vestal</b>
<b>APPLICANT'S STATUS:</b>	<b>Property Owner</b>

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**PROPERTY INFORMATION**

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<b>LOCATION:</b>	303 W. Meadow Rd.
<b>PIN:</b>	7070-1693-1463
<b>SIZE:</b>	.50 acres
<b>ACCESS:</b>	Meadow Rd. and Monticello St.
<b>LAND USE:</b>	Commercial
<b>ZONING HISTORY:</b>	Originally zoned R20; rezoned to BG in 2008.

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**AREA INFORMATION**

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<b>CHARACTERISTICS:</b>	Bordered on the north by R20 property containing a single-family residence; bordered on the east by vacant R20 property; bordered on the south (across Meadow Rd.) by BG property containing a church fellowship hall; bordered on the west by BG property containing a small strip center.	
<b>ADJACENT ZONING:</b>	North:	R20
	East:	R20
	South:	BG
	West:	BG

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**PLANNING AND DEVELOPMENT INFORMATION**

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<b>STREET IMPROVEMENTS:</b>	Yes
<b>PUBLIC WATER AVAILABLE:</b>	Yes
<b>PUBLIC SEWER AVAILABLE:</b>	Yes

LAND DEVELOPMENT PLAN (2007): Traditional neighborhood

FLOOD HAZARD AREA: None

WATER SUPPLY WATERSHED: Smith River Critical

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### STAFF ANALYSIS

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The request is to rezone approximately .50 acres from Business General (BG) to Residential 20 (R20). The BG districts are generally located on the fringe of the central business districts and along major radial highways leading out of the city. The principal use of land is for dispensing retail goods and services to the community and to provide space for wholesaling and warehousing activities. Because these commercial areas are subject to public view and are important to the economy of the area, they shall have ample parking, controlled traffic movement and suitable landscaping. The R20 district is established for residential development and related recreational, religious and educational facilities. They are intended to act as transitional zoning districts between rural development and the more urban development of the city. These regulations are further intended to discourage any use which would be detrimental to the predominately residential nature of the areas included within the district.

The subject parcel is located on W. Meadow Rd. and Monticello St. The subject property contains a house and was originally a residential property. It was rezoned to BG in 2008 at the request of the property owner at that time. For the past few years the building was used as a retail antique shop. The current owner has requested that the property be rezoned for residential use. The property is situated at the entrance to an established R20 residential neighborhood (Rhoulac Knolls); across from property belonging to Pleasant View Baptist Church; and beside a small strip shopping center containing service-type uses. Based on the residential uses in the adjoining neighborhood, staff is of the opinion that the property is suitable for residential use and would be not be detrimental to the surrounding uses.

Based upon the character of the area and the existing residential uses in the area, staff recommends in favor of the R20 request.

**STAFF RECOMMENDATION:**

**Approval of the R20 request.**



**ZONING CASE**

**Z-21-18**

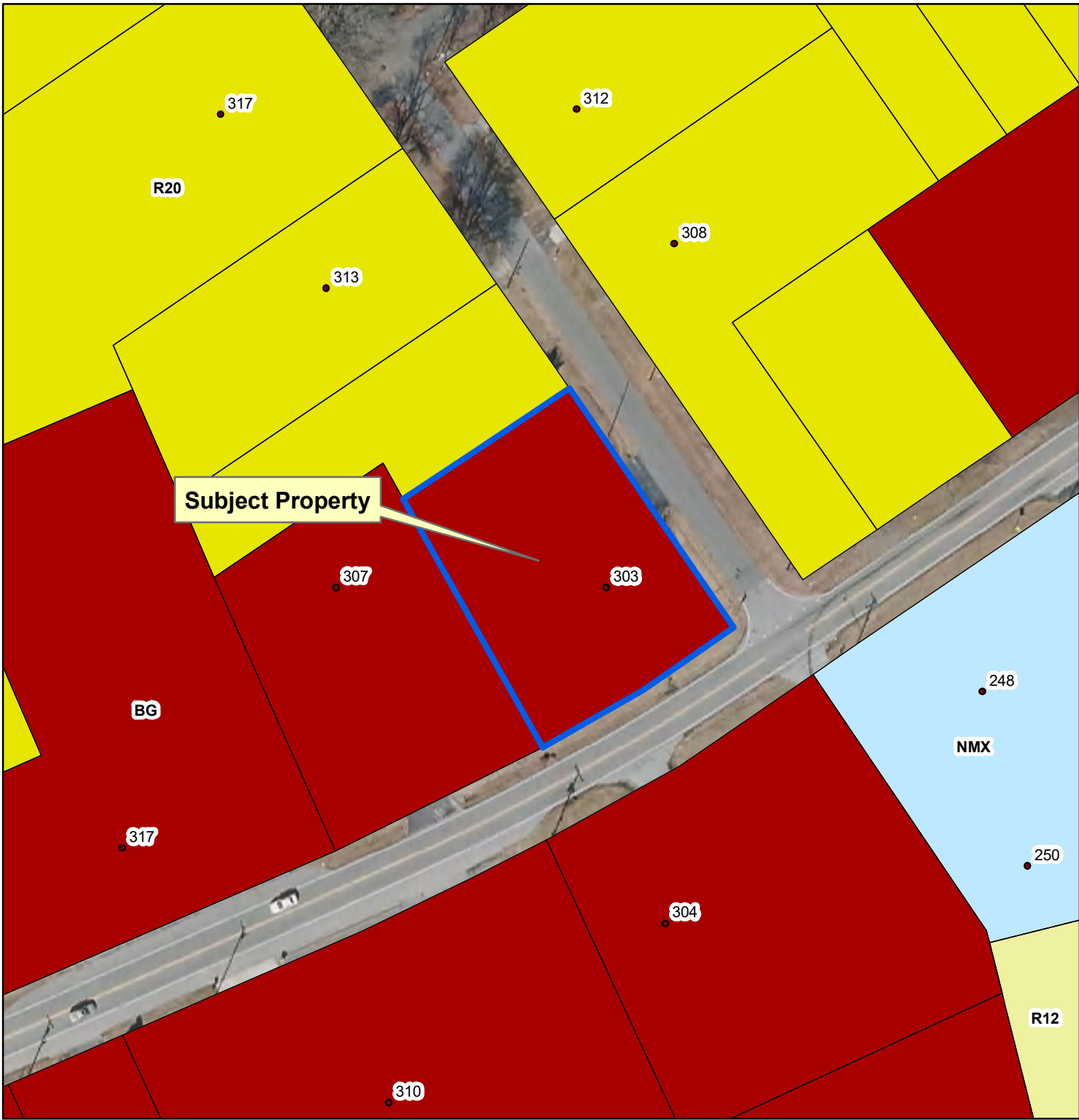
**AERIAL MAP**



**7070-16-93-1463**

**Zoned:  
Business General**

**Request:  
Residential 20**



**Subject Property**

**ZONING CASE  
Z-21-18  
ZONING MAP**



**7070-16-93-1463**

**Zoned:  
Business General**

**Request:  
Residential 20**

AN ORDINANCE AMENDING THE ZONING  
ORDINANCE OF THE CITY OF EDEN

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BE IT ORDAINED BY THE CITY COUNCIL of the City of Eden, North Carolina, that, after having fully complied with all legal requirements, including publication of notice of a public hearing and the holding of a public hearing relative thereto, the Unified Development Ordinance of the City of Eden is hereby amended as follows:

**Section 1 - Change from Business General (BG) to Residential 20 (R20) the following property:**

Tract 1: Beginning at an iron in the north edge of Meadow Road said iron being set at the northwest intersection of Meadow Road by Monticello Street; thence with the north side of Meadow Road, South 59 deg. 54 min. West 90.7 feet to an iron; thence leaving Meadow Road North 26 deg. 52 min. West 172.45 feet to an iron; thence North 57 deg. 47 min. East 72.17 feet to an iron on west side of Monticello Street; thence with the west side of Monticello Street South 32 deg. 13 min. East 175 feet to the Point of Beginning and containing 16,279 sq. ft., more or less.

Tract 2: Beginning at an iron in the north side of Meadow Road 25 feet north of center of present paving said iron being South 59 deg. 54 min. West 90.7 feet from an iron marking the northwest corner of Monticello Street and Meadow Road and marking the southwest corner of a 16,279 sq. ft. tract deeded by Spray Cotton Mills to Otha Owen Dalton and wife, Ruth Hagood Dalton on August 14, 1945; thence with the north side of Meadow Road South 63 deg. 50 min. West 45 feet to an iron, said iron marking the southeast corner of a tract deeded by Spray Cotton Mills to Sidney L. Cox and wife, Flora Valeria Cox on August 14, 1945; thence leaving Meadow Road and running with the east line of said Cox tract North 26 deg. 52 min. West 167.67 feet to an iron marking the northeast corner of before mentioned Cox tract; thence North 57 deg. 47 min. East 45.17 feet to an iron marking the northwest corner of tract before mentioned deeded to Otha Owen Dalton and wife, Ruth Hagood Dalton, on August 14, 1945; thence with the line of said tract South 26 deg. 52 min. East 172.45 feet to the Point of Beginning and containing 8,770 sq. ft., more or less. See Deed Book 447, Page 177 and Deed Book 1394, page 1406.

The above described property being commonly known as 303 W. Meadow Road and identified by the Rockingham County Tax Dept. as 7070-16-93-1463 and Parcel No. 106669.

**Section 2 - The Official Zoning Map of the City of Eden is hereby amended to conform with this Ordinance.**

APPROVED, ADOPTED AND EFFECTIVE, this 15th day of February, 2022.

CITY OF EDEN

BY: \_\_\_\_\_  
Neville A. Hall, Mayor

ATTEST:

\_\_\_\_\_  
Deanna Hunt, City Clerk



A RESOLUTION ADOPTING A  
STATEMENT OF CONSISTENCY REGARDING  
A PROPOSED AMENDMENT TO THE  
CITY OF EDEN ZONING ORDINANCE  
**CASE NUMBER Z-21-18**  
**MAP AMENDMENT**

WHEREAS, pursuant to North Carolina General Statutes Chapter 160D-605, prior to adoption or rejection of any zoning amendment, the Eden City Council is required to adopt a statement as to whether the amendment is consistent with the Land Development Plan and why the City Council considers the action taken to be reasonable and in the public interest;

WHEREAS, on August 21, 2007, the Eden City Council adopted the Land Development Plan. Plans such as the City of Eden Land Development Plan are not designed to be static but are meant to reflect the City of Eden's needs, plans for future development and to remain in compliance with North Carolina State Law and the City of Eden's ordinances;

WHEREAS, the City of Eden Planning Board received a request to rezone property located at 303 W. Meadow Road from Business General to Residential 20.

WHEREAS, On January 25, 2022, the City of Eden Planning Board voted to recommend to the Eden City Council that the rezoning request be approved.

STATEMENT OF NEED:

This request was submitted to rezone property located at 303 W. Meadow Road from BG to R20. The BG districts are generally located on the fringe of the central business districts and along major radial highways leading out of the city. The principal use of land is for dispensing retail goods and services to the community and to provide space for wholesaling and warehousing activities. Because these commercial areas are subject to public view and are important to the economy of the area, they shall have ample parking, controlled traffic movement and suitable landscaping. The R20 district is established for residential development and related recreational, religious and educational facilities. They are intended to act as transitional zoning districts between rural development and the more urban development of the city. These regulations are further intended to discourage any use which would be detrimental to the predominately residential nature of the areas included within the district. Based on the residential uses in the adjoining neighborhood and the Future Land Use Map indicates this property as Traditional Neighborhood, the property is suitable for residential use and would be not be detrimental to the surrounding uses.

STATEMENT OF CONSISTENCY:

The goals of the 2007 City of Eden Land Development Plan, as amended, are to make smart growth decisions by carefully managing growth to:

- A. Strategically locate new land development in the most appropriate places.
- B. Maintain and enhance Eden's community character and heritage.
- C. Use infrastructure investments as effectively as possible.
- D. Attract new jobs and a more diverse tax base.
- E. Protect natural, cultural and historic resources and open space as we grow.

WHEREAS, The Eden City Council has considered the written recommendation of the City of Eden Planning Board and has held a public hearing on the proposed amendment, and the Council desires to adopt a statement describing why the adoption of the proposed amendment is consistent with the City of Eden Land Development Plan, as amended, and why the City Council considers the proposed amendment to be reasonable and in the public interest;

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

1. The Eden City Council finds that the proposed amendment to the City of Eden Unified Development Ordinance is consistent with the goals and recommendations of the 2007 City of Eden Land Development Plan, as amended.
2. At no time are land use regulations or plans of the City of Eden or any jurisdiction in the State of North Carolina permitted to be in violation of the North Carolina General Statutes.
3. Therefore, based upon the foregoing information, the amendment to the Unified Development Ordinance is reasonable and in the public's, best interest.

Approved and adopted and effective this 15th day of February, 2022.

CITY OF EDEN

BY: \_\_\_\_\_  
Neville Hall, Mayor

ATTEST:

\_\_\_\_\_  
Deanna Hunt, City Clerk



# Planning and Community Development Department

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P. O. Box 70, 308 E Stadium Drive, Eden NC 27289-0070/Telephone 336-623-2110/Fax 336-623-4057

## MEMO

To: Honorable Mayor and City Council  
Thru: Jon Mendenhall, City Manager  
From: Kelly Stultz, Planning and Community Development Director  
Tammy Amos, Director of Transportation Engineering  
Paul Dishmon, Director of Public Works  
Re: Updates for Uptown Eden Improvements  
Date: February 10, 2022

On February 8, a public meeting was held in the Eden Room about the improvement projects in Uptown Eden. The business owners and property owners were given notice of the meeting. The meeting was heavily attended and was an opportunity for each person to express their concerns and opinions. It was a very good and informative meeting.

There was concern expressed that the rendering showed blocked driveways and trees taking up parking spaces. Business owners have significant concerns about parking availability and support the addition of parking spaces. There were a couple of business owners that were concerned about the potential for a one-way designation. Any plans will take into consideration the business driveways and how many or if trees may be planted along Monroe Street.

The Uptown Small Area Plan proposal, includes the provision for outdoor dining and seating. The owner of one restaurant on Monroe Street said that she had no desire for outdoor dining.

We have removed items from the project list that have already been completed or have been taken out of the project. The following are our recommendations:

### **A. Bridge Street Parking Lot – Wall and Tree Removal**

After discussions at the staff level, we decided to engage Scott Flanagan of Cirrus Construction who is a structural engineer, to determine the best way forward. The ITRC is in favor of taking down the trees, taking down the wall and following Mr. Flanagan's

report to stabilize the area on which the wall is removed. We anticipate the need to patch some asphalt in the parking lot of 600 Washington Street. Erin Gilley is preparing an agreement between the City and Mr. Emerine. Once that agreement is signed, our force account will do the work for the project.

**Status:** City Staff began removing the trees on February 9. City staff will slope the bank as set out in Mr. Flanagan's report. The rest of the work will be done in the Spring.

**B. Alley Behind Ray Commons Building – Monroe Street**

This alley is to be re-paved. There are some drainage issues that will be handled by our City forces. The drainage issue will be dealt with shortly and the paving will be done at the same time as the Monroe Street resurfacing.

**C. Monroe Street – Resurfacing**

This will be undertaken after the sidewalks are replaced. It will likely be a part of the fall paving schedule.

**D. Monroe Street Parking Lot – Resurfacing**

This will be undertaken as a part of the Spring 2022 paving contract.

**E. Monroe Street Parking Lot Drainage Improvements**

These repairs are now underway and must precede the parking lot paving.

**F. Washington Street Crosswalk Installation**

The City Council approved the installation of the crosswalks at the January 17, 2022, regular meeting. Final review will be by the City Council once the bids are opened.

**G. Monroe Street Sidewalk**

The sidewalks on both the east and west sides of Monroe Street need to be replaced. Paul Dishmon has the sidewalk and drainage work on his schedule. This will be done as a part of our maintenance program and by City forces.

The City Manager has made the decision to convene a committee of staff to coordinate these projects moving forward. Our aim is to keep business owners and property owners aware of the schedules for the improvements.

We seek the City Council's direction on changing Monroe Street to one way and the possibility for any landscape plans for Monroe. If you have any questions, please let us know.



# Planning and Community Development Department

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P. O. Box 70, 308 E Stadium Drive, Eden NC 27289-0070/Telephone 336-623-2110/Fax 336-623-4057

## MEMO

**To:** Honorable Mayor and City Council  
**Thru:** Jon Mendenhall, City Manager  
**From:** Kelly K. Stultz, AICP, Director  
**Subject:** **Retail Strategies**  
**Date:** February 3, 2022

In the Spring of 2021, the City Manager asked me to reach out to firms that might aid us with commercial and restaurant recruitment. One of the biggest hurdles that we face is access to data that will help us match our City with the appropriate companies. As you know, Rockingham County Economic Development is taking the lead and works with us on industrial recruitment.

I reached out to two firms. Retail Strategies is clearly the best in my opinion. Along with the recruitment and data services, they offer training for existing staff through their Retail Academy. Lacy Bacchus with the firm will make a presentation at the February regular meeting.

They have offered to provide services to the City of Eden for \$45,000 per year for the first two years and \$40,000 for the third. The services that they provide are allowable under the American Rescue Plan should you decide to pursue the contract.

It is the recommendation of my staff and me that you engage this firm. If you have any questions, please do not hesitate to contact me.



## MEMORANDUM

**To:** City Council

**Thru:** Jon Mendenhall, City Manager

**From:** Melinda Ward, Utilities Manager

**Date:** February 8, 2022

**Subject:** Resolution of North Basin WWTP Commitment of Financial Resources

In the process of applying for EDA funding, it is required that a statement be given by the City of Eden City Council pledging a commitment to all other funding not covered by the grant received. For your consideration, you will find the following resolution.

A RESOLUTION OF THE NORTH BASIN WWTP COMMITMENT OF FINANCIAL RESOURCES

WHEREAS, the City of Eden has determined the need for the rehabilitation of the North Basin at the Mebane Bridge WWTP; and

WHEREAS, the City of Eden is pursuing EDA funding for the rehabilitation of the North Basin at the Mebane Bridge WWTP; and

WHEREAS, the City of Eden will be required to match any EDA funding received; and

WHEREAS, the Eden City Council deems it in the best interest of the City of Eden and its residents to fund anticipated and necessary capital improvements not covered by the EDA funding;

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

1. Funding will be committed for the remainder of the North Basin project.

In the COUNTY OF ROCKINGHAM

Adopted this \_\_\_ Day of \_\_\_\_\_, 2021

CITY OF EDEN CITY COUNCIL

By: \_\_\_\_\_  
Mr. Neville Hall, Mayor

\_\_\_\_\_  
Ms. Deanna Hunt, City Clerk

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## CITY OF EDEN – MEMORANDUM

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**TO:** HONORABLE MAYOR AND CITY COUNCIL MEMBERS

**THRU:** JON MENDENHALL, CITY MANAGER

**FROM:** TERRY SHELTON, SPECIALS PROJECTS MANAGER

**DATE:** FEBRUARY 10, 2022

**SUBJECT:** RECOMMENDATION TO AWARD EPA REMEDIATION PLAN CONTRACTS III TO YATES CONSTRUCTION COMPANY

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I want to present the bid for contract III of the EPA Remediation Plan to you for your consideration to accept this bid. The original bid date for this project was December 16; we had one bid and could not open bids. Contract III was readvertised, and bids were received on February 1. Once again, there was only one bid received that we could legally open at this time. We do not believe that advertising again would yield more bidders in the current bidding environment. The additional time would likely increase the cost due to rising inflation and demand for the limited availability of construction materials. The contractor told us that between the first bid date and the second bid (6 weeks), his construction materials cost increased \$800,000 on this project.

This contract cost is the most expensive project we have done to date. This project will nearly exhaust our available funding from the Connect NC Bond money. We will work with the contractor to negotiate a lower cost by removing non-essential portions that can be delayed and possibly funded by ARPA money available this fall.

Because this is a large project that will take two years or more to complete, time is now a critical element to complete the EPA deadline of December 31, 2024. This memo does not include the negotiated cost to be provided in later documentation given to you before the council meeting. If the negotiation with the contractor is not completed before the meeting, we will request this item be withdrawn from the agenda. We feel the time element is critical and feel that this item will need to be considered for approval in February; a special called meeting may be necessary.

<b>Contracts</b>	<b>Engineer's Est. Of Cost</b>	<b>Original Price Low Bidder Revised</b>	<b>Negotiated Cost</b>
The contract III cost	\$14,180,203.76	\$19,623,326.30	<i>not available</i>

If contract III is approved tonight, we will have 7 of our 9 contracts awarded for construction with the caveat that Division of Water Infrastructure (DWI) approves release of funding for construction. DWI approval could take three to four weeks and then construction can get underway. The contractor is ready to start work on contract III as soon as all approvals are completed.





**City Manager's Report**  
**February 2022**  
City Manager Jon Mendenhall

**ADMINISTRATION**

***Division of Design & Construction***

**Water Main Projects Update**

A crew from Haymes Brothers, Inc. was able to complete a bore under the railroad tracks located roughly 2,120 feet east of S. Edgewood Road and north of Duke Energy property on January 12. Afterwards, the crew completed tie-ins to a 16-inch diameter water main pipe they previously installed east and west of the bore site. The contractor moved equipment needed for proposed bores north of Mill Avenue and south of E. Meadow Road. A 12-inch diameter cast iron water main was damaged while the crew was spotting utilities on January 25, near a proposed bore pit north of the railroad tracks and east of Dry Creek. The crew encountered hard shale rock while digging a bore pit north of a tributary to Dry Creek at a spot approximately 840 feet north of Mill Avenue. The crew used a rock hammer for three days in order to break the rock so that the pit could be completed. A crew began spotting existing utility mains off the east side of S. Edgewood Road on the last day of January as part of prep work for making a wet tap early in February.

**PARKS AND RECREATION**

**Bridge Street & Mill Avenue Recreation Centers**

These two facilities are open Mondays from 1 to 9 p.m., Tuesdays, Wednesdays and Thursdays from 12 to 8 p.m., and on Fridays from 10 a.m. to 6 p.m. Those attending may participate in basketball, track walking, cornhole, or the playground. The Bridge Street center offers tennis courts while Mill Avenue center offers a baseball field.

Bridge Street Recreation Center: a new cornhole league is planned to begin during the month of February. The senior center is hosting exercise classes at the center on Monday, Wednesday, and Friday mornings. They have also started up a line dance class. Meals on Wheels continues to operate out of the nutrition center each weekday.

Mill Avenue Recreation Center: pickleball is played on Monday, Wednesday, and Friday mornings at 8 a.m.

**Freedom Park**

Open daily from dawn to dusk, this park offers a walking track, nature trail, skateboard park, basketball courts, playground, dog park, picnic shelters, and an amphitheater.

### **Garden of Eden Senior Center**

The Garden of Eden Senior Center is open weekdays from 8 a.m. to 4:30 p.m. and offers paint classes, mahjonn, pickleball (mornings and evenings offsite), exercise classes, cornhole, knit and crochet, strength and balance, legal aid, quilt guild, Friends Club, bingo, watercolor classes, craft classes, senior technology classes, and card games, along with assistance and referral for seniors. The center hosted programs from Eden Drug, Brookdale of Eden, UNCG Recipe for Success, and the City's Information Technology Department on internet and scam safety. Along with their usual programming, the center held an AARP class at the Bridge Street Recreation Center.

### **Sports**

The department is now registering for indoor soccer for ages 4 through 12. The Bridge Street Recreation Center will host ages 4 through 7 on Tuesday and Thursday afternoons while ages 8 through 12 will be hosted at Mill Avenue Recreation Center.

Registration has also begun for the Eden Prowlers Baseball and Softball program, which is for ages 4 through 12.

You may register for both sports at Bridge Street or Mill Avenue Recreation Centers, City Hall-Customer Service Office, or online at [www.edennc.us](http://www.edennc.us)

## **PLANNING & COMMUNITY DEVELOPMENT**

### **Collections**

Payments received for code enforcement fees during the month of January consisted of \$452.78.

### **Grants**

Four applications were received for the CDBG-COVID grant; two were submitted to the consultant for review and were approved, resulting in \$2,602 being paid towards rent, mortgage payments, and electrical bills. Staff is waiting on remaining documents to be turned in for the third application. The fourth application was forwarded to the consultant for evaluation.

### **Inspections and Permits**

Total Inspections Performed-January:	144 (not including fire inspections)
Total Permits Issued-January	87

Tenant upfits for ChopStix, Aaron's, and Dayspring Family Medicine have begun. Staff is continuing to review construction documents for Purina and plans for the Spray Cotton Mill project.

### ***Downtown and Economic Development Activities***

#### **Draper**

Mustard Seed Café and Catering Company is coming to 121 N. Fieldcrest Road. The café has begun to set their menu and already has catering reservations. They hope to open mid-February.

McNeil's Home Care is opening in February at 115 N. Fieldcrest Road.

### **Uptown Eden**

Biscuits, Bagels & Bread is a new deli that is expecting to open in early March. They will have their own entrance at the back of Sophisticated Rubbish and will feature deli meats and cheeses, along with biscuit and bagel offerings.

A new restaurant is coming to 637 Washington Street. The building is being renovated containing apartments and a commercial space upstairs. Below will be a two-concept restaurant; soups and sandwiches, and street tacos.

### **Other**

A new department store is coming to Meadow Greens Shopping Centre. Roses plans to begin construction in February in the space formally occupied by Pennies for Change.

Two local business owners have joined forces to create the “RoCo is Home” concept that will take the place of the former “Makers Market.” Their first RoCo Makers Market will be held March 26 at First Presbyterian Church.

## **POLICE**

All police vehicles purchased under the Police Department’s vehicle capital outlay have been delivered. Parts for the animal control truck have been ordered and are awaiting installation.

The department’s contract with Axon Enterprises has been signed with a rush order placed for implementation of the body worn cameras. The fielding of the tasers and in-car cameras will follow.

The department is currently conducting its second field test of the Tait TP9600 handheld radio system. The department purchased and installed four Tait TM9400 mobile radios to replace unserviceable systems in the patrol fleet. At the present time, the TM9400 systems have proven to be reliable. Therefore, the department foresees Tait radios as being a viable option for the agency as they move towards the July 1, 2025 Time Division Multiple Access compliance date.



**February 4, 2022**

**TO: Honorable Mayor and Eden City Council**

**THRU: Jon Mendenhall, City Manager**

**FROM: Cindy Adams, Marketing & Special Events Manager**

**RE: Strategic Planning Commission Member Roster Approval**

Time is requested at the February 15, 2022 Eden City Council Meeting to seek approval of the SPC membership roster. This roster was approved unanimously by the Strategic Planning Commission at their February 4 meeting.

**We are asking for approval of members of the Strategic Planning Commission as presented below:**

Hope Bogaert  
Ed Wilson  
Chamber of Commerce Position  
Gerri Hunt

Sandra Meadows  
Christy Hensley  
Jim Burnette  
Sarah Stokes

Houston Barrow  
Jamie Galloway  
Sarah Heston  
John LeSueur

**THANK YOU FOR YOUR CONSIDERATION.**

CITY OF EDEN, N.C.

The regular meeting of the City Council, City of Eden, was held on Tuesday, January 18, 2022 at 6 p.m. in the Council Chambers, 308 E. Stadium Drive. Those present for the meeting were as follows:

Mayor:	Neville Hall
Council Members:	Gerald Ellis, attended remotely Jerry Epps, attended remotely (phone) Phillip Hunnicutt Kenny Kirkman Bernie Moore Bruce Nooe, attended remotely Tommy Underwood, attended remotely
City Manager:	Jon Mendenhall
City Attorney:	Erin Gilley
City Clerk:	Deanna Hunt
Media:	Mike Moore, Mike Moore Media, attended remotely Robin Sawyers, Rockingham Update

MEETING CONVENED:

Mayor Hall called the regular meeting of the Eden City Council to order and welcomed those in attendance. Pastor Kevin Dunovant of First Wesleyan Church gave an invocation followed by the Pledge of Allegiance led by Fire Chief Todd Harden.

PROCLAMATIONS AND RECOGNITIONS:

a. Black History Month

Mayor Hall read the following proclamation:

BLACK HISTORY MONTH PROCLAMATION

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, this annual observance is an opportunity to remember the challenges of our past, but also to honor countless African American heroes who inspire us to shape our country's future, and

WHEREAS, we remember and celebrate the lives of Rosa Parks, Sojourner Truth, Frederick Douglass, George Washington Carver, Harriet Tubman, and countless other African Americans who triumphed over ignorance, oppression, and injustice to make indelible contributions to our American history. They are an integral part of our Nation's story. We are indebted to the individual and collective perseverance and patriotism of these outstanding men and women;

WHEREAS, during Black History Month, we recommit to being a community of opportunity and hope for every citizen;

NOW, THEREFORE, I, Neville Hall, Mayor of the City of Eden, do hereby proclaim the month of February 2022 to be BLACK HISTORY MONTH in the City of Eden and encourage all City of Eden 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.

Minutes of the January 18, 2022 meeting of the City Council, City of Eden:

Presented this 18th day of January, 2022.

BY: Neville Hall, Mayor

ATTEST: Deanna Hunt, City Clerk

SET MEETING AGENDA:

Mayor Hall advised the closed session portion of the meeting should be deleted and would be held the following day at the Budget Retreat.

Council Member Ellis wanted item 10b(h) removed from the agenda.

Mayor Hall said he had spoken with Planning & Community Development Director Kelly Stultz regarding that item and she planned to skip over it.

Council Member Ellis replied he was OK with that.

A motion was made by Council Member Moore to set the meeting agenda as amended. Council Member Hunnicutt seconded the motion. All members voted in favor. The motion carried, 7-0.

PRESENTATION OF THE 2020-2021 AUDIT BY ROUSE, ROUSE, ROUSE & GARDNER:

Mayor Hall called on Judy Rouse, CPA of Rouse, Rouse, Rouse & Gardner, to present to the report.

Ms. Rouse had a PowerPoint presentation created by firm partner Trevor Gardner. The whole presentation referred back to page numbers in the audit report. From page 4, she noted the audit was conducted: in accordance with auditing standards generally accepted in the United States of America; under governmental auditing standards, referred to as the yellow book; Title 2 U.S. Code of Federal Regulations Part 200, Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards (Uniform Guidance) – Federal Single Audit; and the State Single Audit Implementation Act. She read the audit opinion from page 1 of the report: Auditor Responsibility: “We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in Government Auditing Standards, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.” From page 2 of the report: “In our opinion, based on our audit, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, the discretely presented component unit, each major fund, and the aggregate remaining fund information of the City of Eden as of June 30, 2021, and the respective changes in financial position and cash flows, where appropriate, thereof and the respective budgetary comparison for the General Fund for the year then ended in accordance with accounting principles generally accepted in the United States of America.” Ms. Rouse explained the City had a clean opinion on the financial statements. The firm prepared the audit for the Eden ABC Board and the component unit was found on pages 15 and 16 in the report. The balance sheet for the store was in the righthand column and the income statement was on page 16 on the right side of the page. The report included financial information from the following actuarial studies: Law Enforcement Separation Allowance; Other Post-Employment Benefits (health insurance coverage provided to retirees when they left the City); and Local Government Retirement Pension and Law Enforcement Retirement. Information for the pension and retirement was provided by the State Auditor’s Office. Ms. Rouse referred to page 8 of the presentation regarding the General Fund.

Mayor Hall questioned where the ABC Store information was because the presentation information referenced it being on pages 92-97.

Ms. Rouse explained those were the pages for the actuarial studies. She referenced the balance sheet for the General Fund on page 8 comparing 2020 and 2021. Under cash, the City had \$10,340,759 in 2021 versus

\$8,821,790 in 2020, meaning an increase in cash of \$1,518,969 which was a positive change of 17.22 percent. Under total liabilities, the City had \$689,121 in 2021 compared to \$523,633 in 2020, which was a difference of \$165,488 or 31.60 percent. Under fund balance available for appropriation, the City had \$9,243,232 in 2021 compared to \$7,100,038 in 2020. This was an increase of \$2,143,194 or 30.19 percent. Under the total fund balance, which was the net worth of the General Fund, the City had \$12,402,153 compared with \$10,651,957 in 2020. That was a difference of \$1,750,196 or 16.43 percent. Thus far, the assigned fund balance appropriated to the 2021-2022 budget amounted to \$575,000. The balance sheet information could be found on page 99 of the report.

Mayor Hall noted that the \$575,000 coming out of the fund balance was the result of programs or committees not being funded in the annual budget but funds were earmarked for those.

City Manager Jon Mendenhall advised that was correct. About \$175,000 was designated for that purpose with \$400,000 as contingency in the current fiscal year.

Ms. Rouse noted that during the 1998-1999 fiscal year, Council voted to require three months working capital. That involved taking the total expenditures in the General Fund for the prior year found on page 115 of the report: \$16,974,895 divided by 12 multiplied by 3 equaled \$4,243,724. The City's total unassigned fund balance was \$9,243,232 found on page 99 of the report or \$4,999,508 higher than the policy requirement. Page 10 of the presentation was a comparison of the City's fund balance with municipalities of a similar size in the state. The information from the Local Government Commission was from 2020. The Local Government Commission stated the fund balance available was comprised of amounts shown as restricted, committed, assigned or unassigned. The City's total fund balance available was \$12,108,978, found on page 99, which did not add in prepaid or inventory. Total expenditures were \$16,974,895, found on page 115. The fund balance available for expenditures was 71.33 percent. According to the Local Government Commission, the 2020 average statewide level of total fund balance maintained by municipalities without electric with a population ranging from 10,000 to 49,999 was 53.53 percent. The City was above the state average by 17.8 percent.

Ms. Rouse noted page 11 was a budget comparison in the General Fund. The City had budgeted \$16,386,200 with the actual revenues a little higher at \$16,741,499 which was a favorable variance of \$355,299. This was found on page 101 in the report. Expenditures were budgeted at \$19,918,580. They spent \$16,974,895 so they were under the budget expenditures by \$2,943,685, as seen on page 115. No departments in the General Fund spent over their budgeted amounts. She repeated that statement at Mayor Hall's request.

Ms. Rouse said page 12 was a comparison of the actual total revenues for both years on page 101 of the report. The total revenues for 2021 were \$16,741,499 compared to \$15,508,112 in 2020 for a change of \$1,233,387 or 7.95 percent increase. Total expenditures on page 115 for 2021 were \$16,974,895 compared to \$16,022,652 in 2020 for an increase of \$952,243 or 5.94 percent. Regarding proceeds from loans and transfers found on page 115 of the report, the City bought some capital assets in the General Fund and there was money borrowed for those. Most of the \$1,983,594 was borrowed money. The fire training facility capital project was completed and the remaining funds were transferred into the General Fund. In 2020, the loans and transfers were \$976,655, so that was a change of \$1,006,939 or 103.10 percent. There were details in the report of what was purchased, what the cost was, repayment time, interest rates and such. Revenue over expenditures on page 116 in 2021 was \$1,750,198 and the prior year was \$462,115 for a change of \$1,288,083 or 278.74 percent. She said to remember in that figure, there was borrowed money that would have to be paid back.

Ms. Rouse said in the Water and Sewer Fund, page 14 of the presentation showed the balance sheet. Cash was \$3,837,856 compared to the prior year of \$5,284,734 for a difference of \$1,446,878 or 27.38 percent. Total assets and deferred outflow of resources, which included all the infrastructure related to the fund, was \$82,812,755 compared to \$75,688,052 in the prior year for a difference of \$7,124,703 or 9.41 percent. She advised the difference was from the EPA mandated improvements and the Mega Park work.

The net position, the value of the fund after assets were added and liabilities subtracted, was \$60,542,755 compared to \$55,927,042 in the prior year for an increase of \$4,615,713 or 8.25 percent. The full statement could be found on page 125 in the report. Page 15 of the presentation showed different funds set up for the Mega Park and the EPA. This was to note how much money came into the City from grants and loans. With the EPA, there was a grant that did not have to be paid back (NC Connect Bond Grant \$3,228,444) but a bond loan that would have to be repaid (NC Connect Bond Loan \$3,228,444). The total was \$6,467,764. Mega Park funding sources, found on page 140 of the reports, were the Drinking Water Reserve Grant at \$147,497, Economic Development Administrative Grant at \$169,388, General Assembly appropriation of \$710,624 and loan proceeds of \$442,491 for a total \$1,470,000. The income statement for the Water and Sewer Fund operating revenues could be found on page 126 in the audit report. Operating revenues were \$9,952,215 while the prior year was \$10,815,586, a difference of \$863,371. The sewer billing decreased because Duke Energy had put about \$2 million into helping clean up the river and those funds were not received in 2021. She said Covid had probably made some difference as well. Capital contributions, which were grants that did not have to be repaid, were \$4,580,633 compared to \$3,744,823 in 2020 for an increase of \$835,810. Operating expenses were kept down compared to the prior year with \$9,973,184 versus \$10,513,345 in 2020 for a difference of \$540,161. She noted that was probably a result of Duke Energy and costs related to that clean up. The non-operating expense, which was interest, was \$143,787 compared to \$189,630 in 2020 for a difference of \$45,843. As some of the loans were paid off in water and sewer, the amount would go down. They had been fairly fortunate with funds coming in through the NC Connect loans which had no interest but the principal would have to be repaid. She said the details of the Water and Sewer Fund budgetary information could be found on pages 130-138. There were no departments in the Water and Sewer Fund who spent over their budgeted amounts.

Ms. Rouse said on page 19 of the presentation, additional notes could be found. Included in the footnotes was an analysis of construction proposed commitments in effect as of June 30, 2021 and extending to 2022, found on page 42 in the audit report. The details relating to long-term debt appeared on page 87. The installment purchases totaled \$24,247,104 (interest and principal) at June 30, 2021. The amount consisted of \$6,833,070 of debt for governmental activities and \$17,414,034 for water and sewer activities. There was a requirement on the legal debt margin that the City could have and it was 8 percent of the total assessed property valuation of \$920,351,181, found on page 149, or \$73,628,094, which could be found on page 86. She would hope the City would never get that high in debt. Under the current tax levy, found on page 149 in the report, there was an analysis. The current year's collection rate was 98.76 percent. The state average collection rate for 2020 in the City's population range was 98.91 percent, excluding vehicles, so the City was in line with that. On page 90, there was a footnote concerning the EPA Administrative Order of Consent noting that it was imperative that Council follow the progress of the bid process and construction related to the mandate to ensure compliance with the deadline of February 28, 2022. After the issuing of the report, the City received an extension of the compliance date for the Administrative Order of Consent no later than December 31, 2024. That was approved by the Environmental Protection Agency on December 1, 2021. She noted that was very important and Council needed to keep abreast of what was going on. If they could not complete by that due date, they needed to be proactive months in advance because they did not want to go down to the deadline on trying to get approval. Under the governmental auditing standards starting on page 22 of the presentation, the independent auditor's report on internal control over financial reporting and on compliance and other matters based on an audit of financial statements performed in accordance with government auditing standards could be found on page 152. The firm's audit was not designed to identify all deficiencies in internal control. The firm found no significant deficiencies or material weaknesses during 2020-2021. They would point those out if they found them but they did not have a report or opinion on internal control.

Ms. Rouse referred to page 23 of the presentation regarding the State Single Audit Act. Due to the significant amount of state grants and loans received during 2020-2021, the City was required to include the following report: Report on Compliance for Each Major State Program; Report on Internal Control Over Compliance; In accordance with OMB Uniform Guidance; and the State Single Audit Implementation Act, which could be found on pages 154-155 of the report. In the firm's opinion, the City complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material



effect on each of its major state programs for the year ended June 30, 2021. When the City had a compliance audit, there were a list of items that had to be checked off. Going by that list, the firm found no material weaknesses or significant deficiencies in that. Ms. Rouse advised the only two other items she had were the management and governance letters. The governance letter was just to let Council know if there had been problems dealing with management. There were inexperienced and very experienced people in the Finance Department. They had worked hard to get the firm all the information they needed and in preparing and writing the report. It was tremendous that a city the size of Eden could do that. They had encountered no difficulties dealing with management and she complimented their effort to help the firm get a good product out. In the management letter, the firm always commented on the number of adjusting entries which were down from the prior year: 17 in the General Fund, 10 of those proposed by Finance, 8 in the Water and Sewer Fund with 6 of those proposed by Finance. Ms. Rouse said the field was changing so much in governmental accounting, the City needed to keep abreast of what was going on at the Local Government Commission and at the School of Government. It was worth the cost to send employees to the schools. She advised that continuing education be budgeted as it was very important. The City had done the actuarial studies they needed and those should continue. The audit could not be put together without it. Regarding federal and state grant oversight, due to the volume of grant and loan awards the City was receiving related to the EPA order and American Rescue funds, it would be beneficial to have an employee knowledgeable of compliance requirements and procedures. That person should be aware of all loans and grants applied for by department heads and guide them through the process of adhering to requirements for proper compliance. As found in the report on page 156, the City received grants and loan funds in 2021 as follows: \$611,828 in federal money spent and \$9,583,369 in state money spent. Until the EPA was completed and with rescue money coming in, there would need to be federal and state oversight. In the past, there had been electronic submittal of timesheets but no way for the payroll clerk to see proper signoff from the employees and supervisors. The firm was pleased that improvements were being made on timesheet approval and submission with a new payroll system to be issued in 2022.

Council Member Hunnicutt asked what the City's current debt was.

Ms. Rouse replied it could be found on page 87 of the report under general activities, the total was \$6,833,070 adding principal and interest. In the Water and Sewer Fund, the debt with the interest was \$17,414,034.

Mayor Hall thanked the firm for completing the audit for the City. He knew they worked all year on it and it was an informative document. He thanked Mr. Gardner for preparing the presentation as it cut down on trying to follow along in the report.

Ms. Rouse said Mr. Gardner was very computer oriented. They were thankful for that.

Mayor Hall noted he saw Ms. Rouse and Mr. Gardner in City Hall often. He thanked the staff. The city manager was very cost conscious and the City was in a better financial state than they had been in a long time. That was attributable to the staff who were willing to do the best they could with the least amount of money. He appreciated that the finances appeared to be headed in the right direction and the City seemed to be in a strong financial position. The City had actually hired an outside auditor to go through some of the processes and make sure everything that was being done was the best practice and there were a few recommendations for changes. The audit presented was an audit of the City's financial position.

Ms. Rouse said it should be noted that the firm said in their opinion things were fairly presented. There were a lot of transactions and they could not look at every invoice the City had. Nobody could, it was beyond that. They said everything appeared to be presented fairly in all material respects. She felt it was a very good report.

#### PUBLIC HEARINGS:

Minutes of the January 18, 2022 meeting of the City Council, City of Eden:

There were none at this time.

REQUESTS AND PETITIONS OF CITIZENS:

There were none at this time.

UNFINISHED BUSINESS:

a. Boards and Commissions Appointments.

*January 7, 2022 memo from Planner Debbie Galloway:* The following seats on the City Boards and Commissions are up for appointment or reappointment in 2022. When making appointments, please consider whether these persons have the time or the ability (for whatever reason) to attend regular meetings and participate in the activities of the board or commission. Ward 3 Councilman Kirkman: Barney Walker – Board of Adjustment (term expired); Ward 5 Councilman Underwood: Max Kirks – Tree Board (term expired) and Community Appearance Commission (vacancy left by Cathy Carter); ETJ – Planning Board (Must be appointed by City Council and approved by County Commissioners) Vacant (seat formerly held by Matt Smith)

Mayor Hall called on Ms. Stultz.

Ms. Stultz noted that some members had needed another month to get appointments made.

Mayor Hall said Council Member Kirkman had not had a chance to speak with his nominee and would bring it back the next month. He called on Council Member Underwood who had two appointments to fill.

Council Member Underwood nominated Max Kirks to continue on the Tree Board and Jennifer Shelton to serve on the Community Appearance Commission.

Mayor Hall said he had been contacted and an application made by Terry Shelton to serve on the Planning Board as the ETJ member.

A motion was made by Council Member Moore to appoint Max Kirks to serve on the Tree Board, Jennifer Shelton to serve on the Community Appearance Commission and Terry Shelton to serve on the Planning Board. Council Member Kirkman seconded the motion. All members voted in favor of the motion. The motion carried, 7-0.

b. Consideration of Uptown Eden improvements.

*January 10, 2022 memo from Planning & Community Development Director Kelly Stultz:* The Internal Technical Review met on January 10 and discussed the above referenced improvements. The following are our recommendations:

A. Bridge Street Parking Lot – Wall and Tree Removal

After discussions at the staff level, we decided to engage Scott Flanagan of Cirrus Construction who is a structural engineer, to determine the best way forward. The ITRC is in favor of taking down the trees, taking down the wall and following Mr. Flanagan's report to stabilize the area on which the wall is removed. We anticipate the need to patch some asphalt in the parking lot of 600 Washington. Erin Gilley is preparing an agreement between the City and Mr. Emerine. Once that agreement is signed, our force account will do the work for the project. A copy of Mr. Flanagan's report is attached for your review.

B. Emerine Parking Lot Lease – 600 Washington Street

After much consideration, we do not believe the City should negotiate a lease of the Emerine parking lot. We do plan to realign the spaces in our existing Bridge Street parking lot. This will involve a coating of the lot and some new paint.

C. Potential for Additional Parking Spaces Behind the buildings on the South Side of Washington Street.

This has been completed.

Minutes of the January 18, 2022 meeting of the City Council, City of Eden:

D. Henry Street Parking Lot

There has been an application done by Randy Hunt to install a charging station for electric vehicles. We did not receive this grant.

E. Henry Street Waterline Replacement and Patrick Street Sewer Manhole and Line Replacement.  
This has been completed.

F. Hotel/Ray Commons sidewalk at the corner of Monroe and Washington Streets.  
This project has been completed.

G. Alley Behind Ray Commons Building – Monroe Street.

This alley is to be re-paved. There are some drainage issues that will be handled by our City forces. The drainage issue will be dealt with shortly and the paving will be done as part of the Monroe Street resurfacing project.

H. Monroe Street – Resurfacing.

This will be undertaken after the sidewalks are replaced.

I. Monroe Street Parking Lot – Resurfacing.

This will be undertaken as part of the Monroe Street resurfacing project.

J. Monroe Street Parking Lot Drainage Improvements.

These repairs are now underway.

K. Washington Street Crosswalk Installation.

In the mid 2000's, the City of Eden undertook a streetscape project in what is now called Uptown Eden. The sidewalks were replaced on Washington Street and new lights and decorative crosswalks were installed. At the time of installation, we were told by NCDOT that when the street was repaved, the City would have to replace the crosswalks if we wanted decorative crosswalks. We have reached out to NCDOT and others to find an average cost for the replacement. Based upon recent information, the price of this project has gone up. We will provide information when we get final numbers. The Eden Downtown Development Corporation and the Uptown Merchants have reviewed samples from the supplier. They recommend a yellow/gold color be used. For the original project, a color similar to the brick used in the buildings was chosen.

L. Monroe Street Sidewalk.

The sidewalks on both the east and west sides of Monroe Street need to be replaced. Paul Dishmon has the sidewalk and drainage work on his schedule. This will be done as a part of our maintenance program and by City forces. Copies of the three concepts proposed in the most recent draft of the Uptown Small Area Plan are attached for your review. The EDDI and the merchants support making Monroe Street one way going north toward Jay Street. We are asking you to approve \$20,000 to \$30,000 to have construction and design plans done for the sidewalks, potential bump outs, curb and gutter and landscaping. Concept 1 (Preferred Alternative) is the concept that has been recommended. The plans will contain accommodations for outdoor dining.

Mayor Hall called on Ms. Stultz.

Ms. Stultz advised the improvements were an ongoing project whose progress had been reported to Council twice before. Staff would like more time to look at the Monroe Street sidewalk project, listed as item L in her memo. There had been some questions raised about some impacted parties not being fully informed about what was going on with that item.

Mayor Hall clarified that was for all of the changes on Monroe Street.

Ms. Stultz replied yes. Regarding the Bridge Street parking lot, there had been discussion about the wall and trees and other things. The wall was on City property. Scott Flanagan, a structural engineer with Cirrus Construction, had looked at the wall and given a recommendation and plan. Staff believed that could be done in-house. City Attorney Erin Gilley was working with adjoining property owner Wayne Emerine on an agreement. After much negotiation, it was determined the City should not negotiate a lease of the Emerine parking lot. Staff did plan to realign the spaces in the existing Bridge Street parking lot which would involve a coating and new paint. Regarding the potential for additional parking spaces behind the buildings on the south side of Washington Street, that was completed and those spaces added. Community & Economic Development Manager Randy Hunt had applied for a grant to install a charging station for electric vehicles and it was not awarded.

Council Member Hunnicutt questioned the cost of a charging station.

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Ms. Stultz did not know the answer but the grant would have been for \$25,000. She would find out.

Council Member Hunnicutt would like to see if the station could be put in anyway. There were certain things he thought the City needed to do as part of economic development. Electric vehicles were definitely coming and he thought it was prudent for the City to look at it. He was not saying to do it but to take a look at it.

Council Member Underwood said regarding the wall, he wanted to clarify that the wall was on City property.

Ms. Stultz said it was. A survey was done to verify that. She advised the Henry Street waterline replacement and Patrick Street sewer manhole and line replacement was completed. The hotel/Ray Commons sidewalk at the corner of Monroe and Washington streets had been mostly completed, there was a tiny bit of work left to do. The alley behind the Ray Commons building on Monroe Street would be repaved in the next round of paving. There were some drainage issues that would be handled by our City forces. The drainage issue would be dealt with shortly and the paving would be done as part of the Monroe Street resurfacing project. If there were no change to Monroe Street, it would be part of the regular resurfacing as it came through that year.

Council Member Ellis questioned Monroe Street being repaved.

Ms. Stultz said that even if no changes were made to the Monroe Street sidewalk configuration, Monroe Street would have to be resurfaced as it was. It was set to be done as just a regular resurfacing project if the sidewalks were redone. The sidewalks would need to be repaired regardless of what the ultimate decision was on the plans for Monroe Street.

Council Member Nooe said he had some calls about Monroe Street. It was not that the people were against it, it was that they had questions and wanted more information and to be better informed. They wanted to know what work was going to be done and how it was going to impact them.

Ms. Stultz replied that staff would try to do that. The parking lot off Monroe Street would be resurfaced as a part of the spring 2022 paving contract. The drainage improvements were currently underway by staff. When the state repaved Washington Street, they covered up the decorative crosswalks that were in place. The City was told at the time of installation in the mid-2000s that when the street was repaved, the City would have to replace the crosswalks. When replacement was first brought before Council, staff thought the cost would be about \$32,000. It had been several months and lots of things had changed. Transportation Engineering Director Tammy Amos had prepared information that detailed a change in price from \$68 a square yard to \$81 a square yard, raising the price to \$50,000. Council was asked if they wanted staff to proceed with a contract to do that work.

Council Member Moore said it would be something that was temporary as when the street was paved again, it would be covered again.

Ms. Stultz said that was right but the last time the City put them down and the state paved was more than 15 years ago. That was about the life of the crosswalks themselves. They had actually lasted a year or two longer than they were said to have. Staff did not anticipate the state repaving the entire street in that lifespan barring a disaster.

Mayor Hall asked Ms. Amos if she thought the price increase would fluctuate. He knew asphalt and materials went up and down in price. He questioned if the price would go up in her opinion.

Ms. Amos responded that it could. The price the City had in May 2021 was from NCDOT Resident Engineer Jason Julian and it was already a year and a half old. Ms. Amos knew prices were rising when Covid happened so staff went out and remeasured all the crosswalks. She then reached out to the actual contractor

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who did the last crosswalks and asked for an updated price based on prices getting higher and the contractor was the one who gave her the cost in December. She thought it was currently a good price. She was sure it would be higher if they waited until next year.

Mayor Hall advised lumber had gone up and down, depending on supply and demand. He asked if Ms. Amos thought the City was at a terrible point to be considering it or if the pricing was as good as it was going to get.

Ms. Amos answered it was probably as good as it was going to get. Staff had said if Council voted to do the project, they would go ahead and include it in the upcoming budget. She could get the contract out quickly and possibly do the work in July and August. The stamped asphalt had to be done in hot, hot weather and it could not be done after October. There was a small timeframe when she could get them in here to do it and they did get booked up pretty quickly.

Ms. Stultz added if they let a contract and had it signed the pricing would stay the same.

Ms. Amos agreed that were true if it was done this year. She noted there would probably be a stipulation in there that if they waited until the next year it would be different.

Council Member Moore said he had read it was not going to be a brick color, but a yellow gold color.

Ms. Stultz said the Eden Downtown Development Incorporated (EDDI) and the merchants' association that met both chose a color that was referred to as goldenrod. The previous time she had picked the color because it was the closest to the color of the bricks in the buildings downtown.

Council Member Moore noted a lot of them had been painted.

Ms. Stultz said the Historic Preservation Commission had not been able to meet yet and so had not weighed in. She thought another color might be more historically accurate but the gold color was what the EDDI and merchants chose.

Council Member Moore questioned the grate replacement in the sidewalk alongside the hotel on Monroe Street. He asked if that was part of the sidewalk project.

Ms. Stultz replied the project was completed by the property owner. He had filled in the hole. There may be a little dress work to do on it.

Mayor Hall noted the only item on there that needed a motion was the crosswalks in the Leaksville area. He asked Ms. Stultz if she was sure the color was set or if the Historic Preservation Commission would have a chance to convince the groups to change it.

Ms. Stultz replied that anytime there was a decision like that, the final decision was made by Council as it had been years earlier when the crosswalks were put in. Although recommendations could be made by volunteer groups, the ultimate decision was made by Council.

Council Member Hunnicutt said he was on the EDDI and had seen the color. He did not think it was obtrusive at all. It was a mild yellow gold shade.

At this time, Ms. Amos brought in the color sample which Ms. Stultz presented to Council. She noted the shade was marigold.

Council Member Hunnicutt asked Mr. Mendenhall if the request was for \$50,000.

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Mr. Mendenhall replied that was correct. The idea would be that it would be budgeted in FY 2023 so it would not be appropriated out of the current year's budget. Staff needed to know if Council wanted to proceed so the prices could be locked in.

Council Member Hunnicutt thought inflation was rolling and he thought the City needed the crosswalks. A motion was made by Council Member Hunnicutt to approve up to \$50,000 to fund the crosswalks.

Mr. Mendenhall advised that was appropriate. If there was a change, staff could come back with that.

Council Member Moore seconded Council Member Hunnicutt's motion.

Council Member Kirkman said he had a problem with \$50,000. That was a lot of money. He asked if it was a necessity. He questioned if putting regular crosswalks down would be a little cheaper.

Ms. Stultz advised they would.

Council Member Kirkman said not to get him wrong, they looked good. But the City could do a lot of things with \$50,000.

Ms. Stultz said one of the major focuses the City had in recent years had been downtown improvements. Staff was finishing up a small area plan for Uptown and planning to then move to Draper and The Boulevard. Draper also had decorative crosswalks and when the state repaved there, she was sure the City would be asked to redo those too. Regular painted crosswalks were not free. There was a considerable difference but there was aesthetic value and the impact to downtown.

Council Member Ellis questioned how many crosswalks would be replaced.

Ms. Stultz answered 14.

Ms. Amos advised they were from Bridge Street to Patrick Street. There were two more at Hamilton Street that would have cost an additional \$7,000 to \$8,000 because of their size.

Ms. Stultz said those had been taken off.

Council Members Ellis, Epps, Hunnicutt, Moore, Nooe and Underwood voted in favor of the motion to approve up to \$50,000 to fund the crosswalks. Council Member Kirkman voted against the motion. The motion carried 6-1.

c. Informational – Affirmative Maintenance Program update.

*January 7, 2022 memo from Planning & Community Development Director Kelly Stultz:* Community development in the 21st century is a comprehensive program that includes stopping the tide of residents that live in substandard housing, seeking grant funds from any resource available to the City for any type of project, restoring community pride, taking steps to provide quality and variety in housing types, encouraging small businesses to thrive, improving community appearance, providing recreational opportunities for our citizens, seeking industry to come to Eden, providing the necessary infrastructure and preserving both our historic resources and Eden's environment.

Affirmative Maintenance. As to local code enforcement, Minimum Housing Ordinance, the Non-Residential Maintenance Ordinance, the Nuisance Ordinance and the Junk and Abandoned Vehicle Ordinance are a part of our Unified Development Ordinance. In an effort to see local code enforcement improve its effectiveness, it was decided in early 2021 to reshape the program into Affirmative Maintenance. We are making this proactive change in earnest in February 2022. That means that we use all of the tools provided by the General Statutes and the Eden City Council to improve the building stock of Eden, to deal with lack of maintenance and to improve our citizen's quality of life.

Land Banking: The need to re-purpose properties that have experienced local code actions is common to most communities across our nation. NC does not have specific enabling legislation for this activity; however, we already engage in these activities. When we are forced to demolish structures or if we repair them, we often end up owning the property. Our department handles advertisement and sale of property acquired by the City through local code

enforcement. We intend to increase our efforts to reach out to potential buyers through social media, communication with real estate professionals in our area. Below is a list of the properties that we currently own through abatement. We plan to increase our efforts in the sale and adaptive reuse of these properties and the ones that arise from our stepped-up Affirmative Maintenance efforts. We propose putting signs on the properties and do more advertising.

131 Greenwood Street

631 Grove Street

429 Monroe Street

1001 Sharpe Avenue

Lot 105, Indian Hills

Lot 106, Indian Hills

Lot 8, Section F, Conover Drive

Lot 9, Section F, Conover Drive

We own 886 Morgan Road but it is on the January Agenda for the City Council to accept a bid and sell it this month.

Ms. Stultz explained another thing that had been talked about for some time and for most of her career was local code enforcement and the various ways it had been looked at and approached. The previous year, it had been given a different name and outlook as affirmative maintenance. All of the local code ordinances were combined into the UDO. There was a desire to see its effectiveness increased. The information was brought to let Council know that in light of Covid and people not working, Council had decided to take a tactical pause with some of the efforts because of citizen engagement and that sort of thing. What staff planned to do now was use money already set aside in the departmental budget and begin to focus on the various kinds of abatements that needed to be taken care of across the City. A part of that, and part of the original discussion, was about land banking. In the state, there was not a specific statute that created the City's ability to land bank. The City could do it in a lot of ways and actually already were. She referenced the list of properties listed in the memo above. All of those were set and had been declared surplus by Council. The City was trying to sell them. Another item on the agenda was the sale of 886 Morgan Road. A bid had been received on that property and it had to be done through an upset bid process. There were a lot of positives about code enforcement, particularly since Council made the decision last year to repair some properties instead of demolishing them as long as they could stay within budget. If there was a special circumstance, she would bring that back before Council. Any time staff needed to spend over a certain dollar amount, it had to come before Council. Staff was very excited to provide the program and do it fairly across the community.

Mayor Hall noted land banking was brought up by Council Member Hunnicutt. It was hopefully going in the right direction as Ms. Stultz was getting her staff prepared for it. Anything the City could do to avoid demolishing and having to put a lien on a property would be an improvement over what had been done in the past so he appreciated the information about that.

Council Member Hunnicutt said he did not think they did any the previous year, but in the past five years he thought the City had spent \$450,000 or a big number like that. There was a lot of money spent tearing down buildings. The thought was to take some of the money and put it back into the property and put them back on the market.

Ms. Stultz said a good chunk of the money that was spent was for nuisance abatement. It was a little easier to collect those funds than when they did demolitions. It was never a good thing to tear down the building stock if they could avoid it.

d. Technical review report on proposed tubing program.

*January 10, 2022 memo from Planning & Community Development Director Kelly Stultz:* At the November meeting of the Eden City Council, the Strategic Planning Commission asked the City Council to approve a tubing program for the City of Eden. Across our country and our state, tubing is an extremely popular leisure activity. Many of our marketing efforts focus on the rivers and we hear from citizens that we need more access to both the Smith and the Dan Rivers. At the December Council meeting, a series of questions were raised. The Internal Technical Review met on January 10 and discussed the questions about the above referenced program. Jason Wood from the Rescue Squad and Tim Biggs, President of the Board of Directors of the Eden Rescue Squad, were present to assist in the answers.

In addition, the Rescue Squad and City Staff have recommended collaboration in the planning and implementation of this program. Bi weekly meetings with the two entities will be held following City Council approval until implementation of the program. In addition, the meeting will continue during the implementation in order to address any response and user safety.

The following are our responses and recommendations:

1. Who will make the ultimate decision the river is safe for the tubers?

The Program Director or the Parks and Recreation Director. The decision will be made after a morning kayak trip to assess conditions (river and weather) and the Director will complete a daily checklist.

2. Will proper training be provided to employees who will make sure the life jackets are the proper size?

At the site of the intake and the Smith River Greenway, there will be staff present. The staff will be trained to size the life vests. There will also be a training video that the tubers are required to view. The video will include a map of the route, footage of the takeout, life vest safety, instructions on how to get past obstructions (strainers) and we are contacting Roy Sawyers about his assistance with the video. Jason will work with city staff to prepare an emergency response plan. The Rescue Squad and city staff plan to have bi-weekly meetings even after the program is underway. We will be developing a daily check list that will include checking the weather, river conditions, the life vest and all equipment. In addition, a waiver for the tuber to sign will state that the participant has been advised that life vests are mandatory. This waiver will be required. It is being crafted by the City Attorney.

3. Who will monitor that there is no alcohol use while floating the river?

City staff will monitor evidence of alcohol use prior to the person going in the water.

4. If unexpected thunderstorm or dangerous weather condition arises, how will the tubers position on the river be determined and how will they be notified and where will they be extracted from the river?

We have reviewed the plans for other jurisdictions and for Three Rivers Outfitters. The plan is for staff to check the weather forecast for 3 hours from the time of launch. There will be direction given at the outset of the activity during the safety video as to what to do and who to contact when there is a problem on the river. After consultation with the Rescue Squad, there will be a number to call for operational issues (a delay in pickup, etc to the City Program Staff) and a 911 call will be advised for any life- threatening issues. This will be detailed in an Emergency Response Plan drafted in coordination with the Rescue Squad.

5. Who will monitor the wearing of life jackets at all times?

Like other jurisdictions, we can provide the life jackets and have wearing them a part of the waiver that the tuber signs prior to entering the river.

6. How will downed trees or other hazards be removed from the river to allow safe passage?

The predominate place for downed trees and debris on this route would be at the Kings Highway Bridge. Most of the time the NCDOT and the Dan River Basin Association will handle removing what the Rescue Squad and the Fire Department refer to as "strainers". Staff is looking for contractors if the City has to hire someone to remove obstructions. The debris and "strainers" will be evaluated by the City Staff employee who assesses the river conditions each morning before trips are allowed. If dangerous conditions, including strainers and debris, are observed on this trip, the daily tubing activities will be cancelled until the debris can be safely removed or maneuvered around.

7. Will the route be inspected daily for hazards, debris, or fallen trees? If so, who will do the inspection? -The same person who determines the river is safe? What will be used to make this survey? Boat? Jet ski?

A City employee will put in at the Smith River Greenway access and travel the route by kayak and be met at the Boat Landing site on the Dan River. This person will determine if there are issues with the river. If there are problems, no tours will take place until the situations either dissipate or are remedied.

8. There is no readily available on-site rescue personnel or equipment.

Jason Woods is comfortable with starting the program before the Fire Department training is complete. The head of the Rescue Squad has offered to train the Fire Staff and potentially Police Officers in the skills necessary to make/assist in rescue operations. Jason Wood, Chief of the Rescue Squad, and Todd Harden, Fire Chief, will schedule a meeting for this training before the program begins. City Staff looks at this cross training as an opportunity for our emergency personnel and as a response to the recent safety issues.

9. The rescue of the individuals is dependent upon a volunteer organization who may be committed to another emergency call. Assistance in water rescue operations will be coming from the west and south side of the county if Eden Rescue is unavailable or lack of manpower.

As in question 8, City staff will partner with the local organizations.

10. How will accountability be maintained?

Recreation Department staff.

11. The rivers are sometimes unpredictable with changing weather conditions upstream which can lead to unexpected water level and current speed. How will the situation be monitored? How will the tubers be notified of potential danger and where will they be extracted and by who?

The tubers that are on the river will not be able to be removed mid-trip. This is similar to other programs. Tubers that have completed the trip will notify the City staff via cell phone while on the river or will call 911 if there are life threatening issues on the river. Tubers will be advised of this during the safety training at the outset of the activity.



They can also inform staff that picks them up at the out take point and this information will be relayed to the staff at the intake.

12. On the route proposed there is no extraction points all rescue operations will have to be conducted from one access (the boat landing).

This question is very similar to question 11 and the answer is the same.

According to Jason Wood, if an incident occurs on the Smith River, a raft that has been purchased by the Eden Rescue Squad will be launched from the Island Ford Landing. If an incident on the Dan River, then a motor boat will be launched from the Wildlife Access “boat landing.”

13. People with little to no experience on the river maybe be lulled into a false sense of security that no dangers on the river exists may lower their situational awareness due to it being a City sponsored activity.

Participants in the City program will be required to watch the video that will educate tubers of the river conditions and its dangers. One purpose of this program will be to increase river awareness by members of the community. In addition, the waiver will also list inherent dangers on the river and participants will be required to acknowledge that they were advised and educated.

14. With the exit point being a state wildlife owned boat ramp, will conflicts between the tubers and fishermen using the boat access become a problem?

According to rescue staff and other observation there are very few fishermen at this spot in the river. The most use is by people taking a dip in the River.

During the ITRC meeting this morning, some other issues were raised and discussed:

1. What do we do when the Smith River is low at the access point?

Three Rivers Outfitters uses a rule of thumb that if the water is below the steps at the access then no trips on the Smith are taken.

2. Rescue Squad requires anyone within 10 feet of the River have on a life preserver.

The ITRC recommends that our program have the same requirement, including all staff.

3. The issue of adequate signage on the rivers came up. The ITRC recommends that we confirm signage put up by Duke Energy and install some of our own if deemed necessary. A large sign that said dam ahead and a sign about the portage.

The ITRC recommends these precautions. Overall the ITRC and our guests, are in favor of the tubing program. Jason Wood of the Rescue Squad said that an organized program would provide better safety to all tubers and not just the ones using our program.

Mayor Hall called on Mr. Mendenhall.

Mr. Mendenhall read from a memo he wrote to the Mayor and Council dated January 17: On December 21, 2021 at the regular City Council meeting, Council instructed as follows: “Council Member Hunnicutt’s motion to postpone the tubing program initiative until the next regular scheduled City Council meeting in January to allow the proposal to be taken back to the city manager and iTRC for assessment and recommendation was seconded by Council Member Underwood. All members voted in favor. The motion carried, 7-0.”

On January 10, 2022 the Internal Technical Review Committee “iTRC” met and produced the recommendation labeled as agenda item 10d. On January 12, 2022 staff-initiated refinement of the original proposal occurred in summary moving the location of the route to the Dan River running from the Klyce Street access to the Bethlehem Church Road access. Due to the refinement of the proposal, another iTRC was conducted on January 13, 2022. Additionally, on January 13, 2022 a staff meeting was held to receive the report from the iTRC and for further review by all departments. Management having received the report from the iTRC, the refined proposal, and the various discussions from staff summarizes the findings as follows:

The proposal as presented would benefit the public recreation and tourist activities undertaken by the City, but would require investment to provide this benefit. Additionally, the role of public safety agencies to protect the public program participants is heavily weighted in the assessment of this program and will require a considerable portion of investment for program success. The areas of investment can be broken down as direct and as indirect costs.

Direct v Indirect Costs

Direct	Indirect
Cost of program start-up	Cost of program support by agencies (primarily Police, Fire, and Rescue)
Annual cost of program maintenance	

Management, based on the information received, offers the following management assessment and conditions partly compiled through the technical review and assessment of the proposed program as well as through investigation conducted by management to supplement the review of the proposal as requested. These are:

1. An appropriate level of risk management and loss control be exerted by the City Attorney's Office on program rules/regulations/forms/policies/waivers.
2. All financial/budget rules/regulations must be followed as promulgated by the Finance Department.
3. If any structures are built all environmental rules/regulations must be followed as promulgated by federal/state/local government. Permits will be required for construction of any structure.
4. The Department of Parks & Recreation will operate the program including supervising, coordinating, and directing it. Implementation of the program must be the responsibility of Parks & Recreation in cooperation with the Strategic Planning Commission.
5. If response in addition or in supplement to existing first-responders is desired (and is recommended), then public safety funding levels will need to increase for personnel, training, personal protective equipment (PPE), and tools/equipment.
  - a. City staff can be directed to prepare an accurate budget for this if the program is to proceed. A maximum timeline of 18 months is possible before staff could be trained to a level of proficiency. Fire Department resources devoted to this training would have this in addition to 200+ hours of mandatory training for ISO purposes. Compensatory time balances already approach the maximum allowable in both Fire and Police and additional personnel would be needed to provide coverage for the training time. Additional PPE, lifesaving equipment and similar types of devices will be needed.
6. Adequate and extensive training will be needed for program aides.
  - a. Personnel once on-boarded will be trained prior to initiation of the program.
  - b. Personnel are seasonal and temporary, due to current labor shortages, it is not known whether suitable personnel are available to run this program; a resolution does not exist for this.
7. Conflict over river access, parking, and boat launch/tuber recovery particularly at the Bethlehem Church Road boat landing is possible, this site is open to the general public and outside of the City's control.
  - a. A resolution for this does not exist.
8. The possibility exists that a tuber may overshoot the take-out location or otherwise be caught in a strong current while river access to recover tubers is blocked due to general public use of the boat landing.
  - a. In order to mitigate this possibility, "excursions" could be conducted and be date/time specific. Additionally, the excursions could be guided with a boat in the water to retrieve tubers that overshoot and to help tubers in trouble. Scheduled excursions would assist in knowing when tubers were overdue for the take-out. These mitigating actions may have a negative impact on program participation.
9. Debris exists at the stone piling near Bridge Street and exposed rebar near Leaksville landing that may obstruct, injure or otherwise conflict with tubers in the water.
  - a. Apart from this proposal, staff is working with the Emergency Watershed Protection (EWP) program run by the Natural Resource Conservation Service (NRCS) to address these problems.
  - b. Future debris will need to be evaluated by Department of Public Works in order to determine removal options and commensurate permitting requirements for work in US Army Corps of Engineers jurisdictional waters. Adequate funding of Public Works to include training/tools for force account work and/or availability of contract funds for contractor forces will be needed for clear/snag debris removal operations as necessary.
10. There exists the potential for alcohol to be consumed as part of this program.
  - a. Staff will enforce a zero-tolerance alcohol policy and will not provide ice or coolers for program participants.
11. An appropriate level of risk management and loss control be exerted by the City Attorney's Office on program rules/regulations/forms/policies/waivers.
12. All financial/budget rules/regulations must be followed as promulgated by the Finance Department.
13. If any structures are built all environmental rules/regulations must be followed as promulgated by federal/state/local government. Permits will be required for construction of any structure.
14. The Department of Parks & Recreation will operate the program including supervising, coordinating, and directing it. Implementation of the program must be the responsibility of Parks & Recreation in cooperation with the Strategic Planning Commission.

15. If response in addition or in supplement to existing first-responders is desired (and is recommended), then public safety funding levels will need to increase for personnel, training, personal protective equipment (PPE), and tools/equipment.
  - a. City staff can be directed to prepare an accurate budget for this if the program is to proceed. A maximum timeline of 18 months is possible before staff could be trained to a level of proficiency. Fire Department resources devoted to this training would have this in addition to 200+ hours of mandatory training for ISO purposes. Compensatory time balances already approach the maximum allowable in both Fire and Police and additional personnel would be needed to provide coverage for the training time. Additional PPE, lifesaving equipment and similar types of devices will be needed.
16. Adequate and extensive training will be needed for program aides.
  - a. Personnel once on-boarded will be trained prior to initiation of the program.
  - b. Personnel are seasonal and temporary, due to current labor shortages, it is not known whether suitable personnel are available to run this program; a resolution does not exist for this.
17. Conflict over river access, parking, and boat launch/tuber recovery particularly at the Bethlehem Church Road boat landing is possible, this site is open to the general public and outside of the City's control.
  - a. A resolution for this does not exist.
18. The possibility exists that a tuber may overshoot the take-out location or otherwise be caught in a strong current while river access to recover tubers is blocked due to general public use of the boat landing.
  - a. In order to mitigate this possibility, "excursions" could be conducted and be date/time specific. Additionally, the excursions could be guided with a boat in the water to retrieve tubers that overshoot and to help tubers in trouble. Scheduled excursions would assist in knowing when tubers were overdue for the take-out. These mitigating actions may have a negative impact on program participation.
19. Debris exists at the stone piling near Bridge Street and exposed rebar near Leaksville landing that may obstruct, injure or otherwise conflict with tubers in the water.
  - a. Apart from this proposal, staff is working with the Emergency Watershed Protection (EWP) program run by the Natural Resource Conservation Service (NRCS) to address these problems.
  - b. Future debris will need to be evaluated by Department of Public Works in order to determine removal options and commensurate permitting requirements for work in US Army Corps of Engineers jurisdictional waters. Adequate funding of Public Works to include training/tools for force account work and/or availability of contract funds for contractor forces will be needed for clear/snag debris removal operations as necessary.
20. There exists the potential for alcohol to be consumed as part of this program.
  - a. Staff will enforce a zero-tolerance alcohol policy and will not provide ice or coolers for program participants.

At this time management does not take exception to the program as refined from the original proposal, subject to management oversight, and in particular that the river is not obstacle free at present time and that additional public safety funding is necessary for on-going program support.

Mr. Mendenhall referenced items 1 through 20 but said for the sake of brevity, he would not read them all. He referred Council to the ITRC report which answered the questions as submitted by Council. He commended staff for reviewing the program and taking time over multiple days and meetings to try and find the answers.

Mayor Hall thanked Mr. Mendenhall and the ITRC for answering the questions that were asked. He noted it was not necessarily an action item but was in response to a request for more information.

Council Member Hunnicutt said it may be premature at that point to put a hard number on it, but he noted that Mr. Mendenhall had said the program would need considerable investment. He questioned if that was in terms of additional personnel, training, equipment or all of the above.

Mr. Mendenhall said yes. It was thought there would be substantial training investment required, particularly of the fire and police departments. He said this was highlighted as number five in the memo. They were not sure exactly the detailed budget of what that would cost. Staff could be directed if Council liked for a budget to be prepared for that. Costs included training, personal protective equipment, as well

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as the tools and equipment to do the job so there was an investment number there. They did not know what it was but wanted to bring it to Council's attention.

A motion was made by Council Member Hunnicutt that funding for the tubing initiative be rescinded until such time as staff could identify the additional costs associated with personnel, training, total funding, program logistics and safety. Council Member Kirkman seconded the motion.

Mayor Hall noted this was a motion to rescind the funding approved in December until ...

Council Member Hunnicutt advised it was until the items discussed in the memo dated January 17 from the city manager to Council and the Mayor.

Mayor Hall verified it was the cost.

Council Member Hunnicutt said that was correct.

Mayor Hall said it was a motion to rescind the funding until the total cost was known.

Council Member Hunnicutt said that was fair.

Council Members Hunnicutt, Moore, Nooe, Kirkman, Epps, Underwood voted in favor of the motion to rescind tubing initiative funding until such time as staff could identify the additional costs associated with personnel, training, total funding, project logistics and safety. Council Member Ellis voted against the motion. The motion carried 6-1.

Mayor Hall noted the funding was rescinded until Council found out a total cost. He was assuming that would be an estimate.

Council Member Ellis asked about the funds that had been allocated and then rescinded.

Mayor Hall said the money was Strategic Planning Commission funds.

#### NEW BUSINESS:

- a. Consideration of a recommendation to sell property located at 886 Morgan Road.

*January 4, 2022 memo from Planning & Community Development Director Kelly Stultz:* The City has received a bid on the vacant lot located at 886 Morgan Road in the amount of \$4,500.00 from Andrew Arnett. The tax value of the property is \$2,994. An advertisement for the bid ran in the Rockingham Now on December 15, 2021. No upset bids have been received. There are not any unpaid property taxes due on this property. In my opinion, our best outcome is to sell the property and encourage the owner to build a single-family dwelling on the property. Based upon the foregoing information and the fact that we continue to have to mow and maintain the property, I recommend that the City Council accept the bid.

Mayor Hall called on Ms. Stultz.

Ms. Stultz said it was a lot the City owned with a current tax value of \$2,994. A bid had been received from Andrew Arnett for \$4,500. His plan was to build on the property. Staff had advertised and followed all statutory requirements. Staff did recommend that Council accept the bid and sell the property.

A motion was made by Council Member Kirkman to accept the bid of \$4,500 and sell 886 Morgan Road. Council Member Hunnicutt seconded the motion. All members voted in favor of the motion. The motion carried 7-0.

- b. Consideration and adoption of a resolution for calendar year 2022 transportation priorities.

*January 10, 2022 memo from City Manager Jon Mendenhall:* The City of Eden is represented on the Piedmont Triad Rural Planning Organization (RPO) by a staff member administratively appointed on the Technical Coordinator Committee (TCC) and by one municipal representative appointed from all the municipal leaders of Rockingham County to represent the municipalities on the Technical Advisory Committee (TAC). For calendar year 2022, the City Administration requests that the City Council establish transportation priorities in order to provide a template for City staff and municipal representation to know the priorities of the City of Eden in the calendar year. With this knowledge both TCC and TAC members can inform the transportation prioritization process, make requests of NCDOT, and advocate for the City of Eden based on City Council adopted priorities.

Suggested Transportation Priorities 2022:

1. Feasibility study of US 311 widening to state-line.
2. Update existing NC 14/87 feasibility study to align with I-73 in Virginia (and bridge work that is planned on NC 14 in Eden). a. Current feasibility study attached.
3. Advocacy for transportation connection related to NC 14/87 and US 311 corridors and respective improvements in the Commonwealth of Virginia on Virginia Route 87 and US 311 by NCDOT and other State partners in order to achieve interstate cooperation.
4. Study intersection management at Washington Street/Bridge Street/King's Highway/Boone Road. a. Previous Resolution attached.
5. Rails to Trails conversion of the Norfolk & Western corridor from Church Street to Pervie Bolick Street. a. Will continue to work with railroad on right-of-way. b. Will also work to program in transportation alternative funding (Fixing America's Surface Transportation [FAST] Act funding, Parks & Recreation Trust Fund [PART-F] or similar).

If agreeable to the suggested priorities outlined above, a resolution has been provided for consideration to forward to State and Federal agencies and departments as situations may warrant throughout the calendar year.

Mayor Hall called on Mr. Mendenhall.

Mr. Mendenhall said the memo was presented to address 2022 transportation priorities. The thought process was to take a stab at some priorities that had been discussed. They were not wanting to propose them as the end-all, be-all set of priorities, but wanted to begin that conversation. In calendar year 2022, the RPO would be looking for points to be assigned. The municipal representatives and county representatives would have to go to the RPO meeting and assign some points. They were going to have to have some talking points with NCDOT. The City needed to begin that conversation now so it could be refined and carried forward and they could feel good about what they were asking for. He referenced items one through five in the memo as suggested transportation priorities for Council's consideration. There was no action required at the meeting. Mr. Mendenhall read items one through five from the memo above. He noted there were several bridge projects in Eden on 14, particularly overpasses and that sort of thing that would change the cost of the original feasibility study. As alluded to earlier in the meeting, costs were going up so that study was no longer really valid. He explained that item three was the advocacy component to the Berry Hill Mega Park and also the advocacy component on the City's behalf that NCDOT would have on I-73 in Martinsville and the Martinsville Bypass so that the City was left in those conversations and connecting up in those areas. Regarding item four, he noted previously Council had adopted a resolution to request a study for Washington Street/Bridge Street/King's Highway intersection. Council had been working on item five with various departments and it was to cross the Smith River. He reiterated that he wanted to present these items for consideration to get the conversation started, but these were in no way the end-all, be-all. He wanted to get Council's input and adjust the priorities as necessary.

Council Member Hunnicutt said at the last meeting, he was appointed to serve as Council's representative to the RPO. He had not had an opportunity to dig into the priorities. He was not opposed to any of it but he would like to have a little bit of time to meet with the City's partners, particularly the County and the other cities in the county that may have common interests, such as 311, to try and make sure there was consensus as much as possible with them. He would like to leave it with everyone for consideration to reflect on. He would have a recommendation no later than the March meeting if that was acceptable to everyone.

Mayor Hall agreed it needed to go through the RPO and those types of things. The information was a wish list, what the City would love to have. Council Member Hunnicutt would get a better feel for what to actually put on the list after he attended the meetings.

Council Member Hunnicutt asked if this was the year the City was supposed to update the priorities.

Ms. Stultz advised it was. She said there was a county transportation planning committee. The RPO would be people from Rockingham and other counties. If there was anything big coming up, they tried to work together. In the past, they had advocated for some things for Reidsville.

#### REPORTS FROM STAFF:

a. City Manager's Report

Mayor Hall called on Mr. Mendenhall.

Mr. Mendenhall wanted to thank staff for responding to Winter Storm Izzy. He thanked the residents for their cooperation. He was pleased to report the City was able to weather the storm. Everything went very well and according to plan. Response was very good. They had to look out for the next winter storm later that week. Everyone got along and worked together very well.

Mayor Hall noted he had extra copies and it was printed in Eden's Own Journal and online.

City Manager's Report - January 2022  
City Manager Jon Mendenhall

#### ADMINISTRATION

##### *Division of Design & Construction*

##### Water Main Projects Update

A crew from Haymes Brothers, Inc. began installing a 16-inch diameter water main in an unopened right-of-way on Knott Street, east of a proposed bore under nearby railroad tracks. The crew was able to install approximately 1,820 linear feet of pipe by the end of the month, stopping west of a wet weather ditch near the New Street sewer pump station. The crew is scheduled to work on two bores under railroad tracks during January and possibly make a wet tap on the 24" water main along the east side of S. Edgewood Road. A subcontractor was able to complete the asphalt patching along N. Rickman Street on December 15.

#### PARKS AND RECREATION

##### Bridge Street & Mill Avenue Recreation Centers

These two facilities are open Mondays from 1 to 9 p.m., Tuesdays, Wednesdays and Thursdays from 12 to 8 p.m., and on Fridays from 10 a.m. to 6 p.m. Those attending may participate in basketball, track walking, cornhole, or the playground. The Bridge Street center offers tennis courts while Mill Avenue center offers a baseball field.

Bridge Street Recreation Center: basketball games for ages 4 through 7 are being held on Tuesday and Thursday afternoons. A new cornhole league started January 6. The senior center is hosting exercise classes at the center on Monday, Wednesday, and Friday mornings. Meals on Wheels continues to operate out of the nutrition center each weekday.

Mill Avenue Recreation Center: basketball games for ages 8 through 10 are being held on Mondays and Wednesdays at 5 p.m.; games for ages 11 through 12 are being held on Tuesdays and Thursdays at 5 p.m.; and games for ages 13 through 15 are being held on Mondays and Wednesdays at 5 p.m. Pickleball is played on Monday, Wednesday, and Friday mornings at 8 a.m. with games being played on Tuesday and Thursday evenings at 5:30 p.m. Women's winter volleyball starts January 10 with games being played at 7 p.m.

Minutes of the January 18, 2022 meeting of the City Council, City of Eden:

#### Freedom Park

Open daily from dawn to dusk, this park offers a walking track, nature trail, skateboard park, basketball courts, playground, dog park, picnic shelters, and an amphitheater.

#### Garden of Eden Senior Center

The Garden of Eden Senior Center is open weekdays from 8 a.m. to 4:30 p.m. and offers paint classes, mahjonn, pickleball (mornings and evenings offsite), exercise classes, cornhole, knit and crochet, strength and balance, legal aid, quilt guild, Friends Club, bingo, watercolor classes, craft classes, senior technology classes, and card games, along with assistance and referral for seniors. The center hosted a class, titled “What Do I Eat?” to help prepare participants for the holidays. It also offered a virtual class in collaboration with Brookdale of Eden. Participants took part in special events such as ‘Bingo and Breakfast’ and a trip to the Natural Science Center to view ‘Winter Wonderlights.’ They also conducted a successful food drive for Salvation Army.

### PLANNING & COMMUNITY DEVELOPMENT

#### Collections

Payments received for code enforcement fees during the month of December consisted of \$6,667.73.

#### Grants

Three applications were received for the CDBG-COVID grant; two have been submitted to the consultant for review and staff is waiting on remaining documents to be turned in for the third application.

#### Historic Preservation Commission

Submitted annual Certified Local Government program report to the State Historic Preservation Office.

#### Inspections and Permits

Total Inspections Performed-December:	100 (not including fire inspections)
Total Permits Issued-December	157

#### Spray Cotton Mill Local Landmark

Staff is working on the landmark designation report for Spray Cotton Mill.

#### Tree Board

Submitted Tree City USA annual report and application.

### POLICE

All police vehicles purchased under the Police Department’s vehicle capital outlay have been delivered. Parts for the animal control truck have been ordered and are awaiting installation.

The department’s contract with Axon Enterprises has been signed with a rush order placed for implementation of the body worn cameras. The rush order will hopefully put the department in full operation of the body worn cameras by the middle of January followed shortly by the tasers and in-car cameras.

The department is currently conducting its second field test of the Tait TP9600 handheld radio system. The department purchased and installed four Tait TM9400 mobile radios to replace unserviceable systems in the patrol fleet. At the present time, the TM9400 systems have proven to be reliable. Therefore, the department foresees Tait radios as being a viable option for the agency as they move towards the July 1, 2025 Time Division Multiple Access compliance date.

b. Report on advisory committee proceedings.

(1) Strategic Planning Commission.

There was no report.

(2) Planning Organization Boards.

There was no report.

(3) Parks Commission

Mayor Hall called on Staff Advisor Terry Vernon.

Mr. Vernon said the commission had not met that month but they had been meeting with the community as far as merging the athletics throughout Eden. It was going in a positive direction. A public meeting was held January 11 at City Hall. There was not as big a turnout as he would have liked but there were several there interested in baseball coming up. They wanted to get ahead of that and have everyone on the same page. Following that meeting, a meeting was held with the Boys & Girls Club staff. The Boys & Girls Club board would need to provide input. It needed to be beneficial for the community. He wanted to touch base and let Council know they had been meeting and were looking in a positive direction to get everyone on board to have baseball together.

Mayor Hall said he was aware they had been meeting. He had talked with the Boys & Girls Club people as well as Ben Curtis and he appreciated the effort that was being put in to get the partnership worked out. He thought it was the right thing to do.

CONSENT AGENDA:

- a. Approval and adoption of the December 21, 2021 regular meeting minutes.
- b. Approval and adoption of new safety policies (bloodborne pathogen exposure control plan, asbestos program, and respirable silica exposure control plan) as recommended by the Safety Committee

Police Chief Clint Simpson wrote in a memo that the Safety and Loss Control Committee has been reviewing the safety manual in an effort to make updates to stay in compliance all local, state and federal regulations. At a special meeting held on December 15, 2021, the Committee voted to recommend to the City Council that (1) SLC-K Bloodborne Pathogen Exposure Control Plan as amended; (2) SLC-AA Asbestos Program; and (3) SLC-AB Respirable Silica Exposure Control Plan be approved, adopted and made a part of the City of Eden Safety & Loss Control Manual.

*A copy of the adopted policies can be found in the Safety and Loss Control Committee.*

A motion was made by Council Member Moore to approve the Consent Agenda. Council Member Hunnicutt seconded the motion. All members voted in favor. The motion carried, 7-0.

ANNOUNCEMENTS:

Mayor Hall advised the annual Budget Retreat would be held the following morning. It was scheduled to begin at 10 a.m. in the council chambers. He urged people to use caution coming in due to the inclement weather. The meeting would start as soon after 10 as they could convene. He thanked public safety and public works for going above and beyond during the winter storm. There were a lot of streets to scrape in Eden and he asked for patience as staff was working as hard as they could with what they had.

Council Member Epps said regarding the transportation priorities, he hoped what the manager had presented would work out.



Minutes of the January 18, 2022 meeting of the City Council, City of Eden:

Mayor Hall said no one was proposing going against what Mr. Mendenhall presented, but the City needed to find out what may be feasible for them to get some traction with. What was presented were starting points to see what would have traction. That was a great point. Mr. Mendenhall had created the document that gave them a great starting place. He appreciated that.

CLOSED SESSION:

This item was removed from the agenda.

ADJOURNMENT:

As there was no further business to discuss, a motion was made by unanimous consent to adjourn.

Respectfully submitted,

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Deanna Hunt  
City Clerk

ATTEST:


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Neville Hall  
Mayor



# Memo

**To:** Jon Mendenhall, City Manager

**From:** Paul Dishmon, Director of Municipal Services 

**Date:** 02/02/2022

**Re:** Surplus Property

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Public Works is requesting that the attached list of miscellaneous items be declared Surplus Inventory and be sold "as-is" through the Gov-Deals website. This would be an item for the February council meeting and added to the Consent Agenda.

<b>ITEM TO BE DECLARED SURPLUS</b>	
<b>JANUARY 2022</b>	
<b>QTY</b>	<b>ITEM</b>
1	W-36' / 1986 MORBARK CHIPPER (THIS CHIIPER IS 35 YEARS OLD, HAS AN OBSOLETE PINTO ENGINE AND PARTS ARE UNAVAILABLE)



## MEMORANDUM

**To:** Honorable Mayor and City Council

**Thru:** Jon Mendenhall, City Manager

**From:** Tammie B. McMichael, Director of Finance and Personnel

**Date:** February 15, 2022

**Subject:** Award of Audit Contract FY 21-22

We are seeking approval for the FY 21-22 Audit Contract. Please find attached an audit contract submitted by Rouse, Rouse, Rouse & Gardner, LLP for year ending June 30, 2022. The contract amount is \$58,695.00. If City Personnel completes the items listed in the contract, the amount will be reduced to \$52,495.00. City Personnel will complete the items listed. This is a 5.0% increase when compared to what we paid last year \$49,900.00.

The Rouse's and their staff have been doing the city's audit for 41 years. Their love and compassion for the City of Eden shows in their willingness to assist in any way that they can to make sure the city's finance department operates in the most efficient and effective way to provide accurate financial information. They have always been very faithful and dedicated to the city. We call on them for assistance with day-to-day questions that come up or for special projects. They never bill us for anything extra. It is very nice to know that we have someone we can call anytime, and they always have time for us. If they do not have the answer immediately, they never refer us to someone else. They always take the time to make telephone calls on the city's behalf. They look after the city's best interest in making sure that we get the answers that we need. They keep us updated on Governmental Accounting Standards Board and Internal Revenue updates. They also keep us updated on any classes/seminars that they feel would be beneficial to the finance staff. Based on their experience and dedication along with the city's long time desire to do business locally; I cannot make a better recommendation than to award the 21-22 audit contract to Rouse, Rouse, Rouse & Gardner.

The	Governing Board City Council
of	Primary Government Unit City of Eden
and	Discretely Presented Component Unit (DPCU) (if applicable) NA

*Primary Government Unit, together with DPCU (if applicable), hereinafter referred to as Governmental Unit(s)*

and	Auditor Name Rouse, Rouse, Rouse and Gardner, LLP
	Auditor Address PO Box 2152, Eden, NC 27289-2152

*Hereinafter referred to as Auditor*

for	Fiscal Year Ending 06/30/22	Audit Report Due Date 10/31/22
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*Must be within four months of FYE*

hereby agree as follows:

1. The Auditor shall audit all statements and disclosures required by U.S. generally accepted auditing standards (GAAS) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit(s). The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion shall be rendered in relation to (as applicable) the governmental activities, the business- type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types). The basic financial statements shall include budgetary comparison information in a budgetary comparison statement, rather than as RSI, for the General Fund and any annually budgeted Special Revenue funds.

2. At a minimum, the Auditor shall conduct the audit and render the report in accordance with GAAS. The Auditor shall perform the audit in accordance with *Government Auditing Standards* if the Governmental Unit expended \$100,000 or more in combined Federal and State financial assistance during the reporting period. The auditor shall perform a Single Audit if required by Title 2 US Code of Federal Regulations Part 200 *Uniform Administration Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance) or the State Single Audit Implementation Act. This audit and all associated audit documentation may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit requires a federal single audit in accordance with the Uniform Guidance (§200.501), it is recommended that the Auditor and Governmental Unit(s) jointly agree, in advance of the execution of this contract, which party is responsible for submission of the audit and the accompanying data collection form to the Federal Audit Clearinghouse as required under the Uniform Guidance (§200.512).

If the audit and Auditor communication are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC State Board).

3. If an entity is determined to be a component of another government as defined by the group audit standards, the entity's auditor shall make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.

4. This contract contemplates an unmodified opinion being rendered. If during the process of conducting the audit, the Auditor determines that it will not be possible to render an unmodified opinion on the financial statements of the unit, the Auditor shall contact the LGC Staff to discuss the circumstances leading to that conclusion as soon as is practical and before the final report is issued. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.

5. If this audit engagement is subject to the standards for audit as defined in *Government Auditing Standards*, 2018 revision, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he/she has met the requirements for a peer review and continuing education as specified in *Government Auditing Standards*. The Auditor agrees to provide a copy of the most recent peer review report to the Governmental Unit(s) and the Secretary of the LGC prior to the execution of an audit contract. Subsequent submissions of the report are required only upon report expiration or upon auditor's receipt of an updated peer review report. If the audit firm received a peer review rating other than pass, the Auditor shall not contract with the Governmental Unit(s) without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to *Government Accounting Standards* or if financial statements are not prepared in accordance with U.S. generally accepted accounting principles (GAAP) and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment to this contract or in an amendment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to LGC Staff within four months of fiscal year end. If it becomes necessary to amend the audit fee or the date that the audit report will be submitted to the LGC, an amended contract along with a written explanation of the change shall be submitted to the Secretary of the LGC for approval.

7. It is agreed that GAAS include a review of the Governmental Unit's (Units') systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor shall make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his/her findings, together with his recommendations for improvement. That written report shall include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.

8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's (Units') records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.

9. Invoices for services rendered under these contracts shall not be paid by the Governmental Unit(s) until the invoice has been approved by the Secretary of the LGC. (This also includes any progress billings.)[G.S. 159-34 and 115C-447] All invoices for Audit work shall be submitted in PDF format to the Secretary of the LGC for approval. The invoice marked 'approved' with approval date shall be returned to

the Auditor to present to the Governmental Unit(s) for payment. This paragraph is not applicable to contracts for audits of hospitals.

10. In consideration of the satisfactory performance of the provisions of this contract, the Governmental Unit(s) shall pay to the Auditor, upon approval by the Secretary of the LGC if required, the fee, which includes any costs the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (federal and state grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. This does not include fees for any pre-issuance reviews that may be required by the NC Association of CPAs (NCACPA) Peer Review Committee or NC State Board of CPA Examiners (see Item 13).

11. If the Governmental Unit(s) has/have outstanding revenue bonds, the Auditor shall submit to LGC Staff, either in the notes to the audited financial statements or as a separate report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor shall submit to LGC Staff simultaneously with the Governmental Unit's (Units') audited financial statements any other bond compliance statements or additional reports required by the authorizing bond documents, unless otherwise specified in the bond documents.

12. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit(s) and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the Governmental Unit(s) or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board upon completion.

13. If the audit firm is required by the NC State Board, the NCACPA Peer Review Committee, or the Secretary of the LGC to have a pre-issuance review of its audit work, there shall be a statement in the engagement letter indicating the pre-issuance review requirement. There also shall be a statement that the Governmental Unit(s) shall not be billed for the pre-issuance review. The pre-issuance review shall be performed prior to the completed audit being submitted to LGC Staff. The pre-issuance review report shall accompany the audit report upon submission to LGC Staff.

14. The Auditor shall submit the report of audit in PDF format to LGC Staff. For audits of units other than hospitals, the audit report should be submitted when (or prior to) submitting the final invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the LGC by any interested parties. Any subsequent revisions to these reports shall be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and for other lawful purposes of the Governmental Unit(s) without requiring consent of the Auditor. If the LGC Staff determines that corrections need to be made to the Governmental Unit's (Units') financial statements, those corrections shall be provided within three business days of notification unless another deadline is agreed to by LGC Staff.

15. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the

Secretary of the LGC, this contract may be modified or amended to include the increased time, compensation, or both as may be agreed upon by the Governing Board and the Auditor.

16. If an approved contract needs to be modified or amended for any reason, the change shall be made in writing and pre-audited if the change includes a change in audit fee (pre-audit requirement does not apply to hospitals). This amended contract shall be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract. It shall then be submitted to the Secretary of the LGC for approval. No change to the audit contract shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.

17. A copy of the engagement letter, issued by the Auditor and signed by both the Auditor and the Governmental Unit(s), shall be attached to this contract, and except for fees, work, and terms not related to audit services, shall be incorporated by reference as if fully set forth herein as part of this contract. In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract shall take precedence. Engagement letter terms that conflict with the contract are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item 30 of this contract. Engagement letters containing indemnification clauses shall not be accepted by LGC Staff.

18. Special provisions should be limited. Please list any special provisions in an attachment.

19. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU shall be named along with the primary government on this audit contract. DPCU Board approval date, signatures from the DPCU Board chairman and finance officer also shall be included on this contract.

20. The contract shall be executed, pre-audited (pre-audit requirement does not apply to hospitals), and physically signed by all parties including Governmental Unit(s) and the Auditor, then submitted in PDF format to the Secretary of the LGC.

21. The contract is not valid until it is approved by the Secretary of the LGC. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. The audit should not be started before the contract is approved.

22. Retention of Client Records: Auditors are subject to the NC State Board of CPA Examiners' Retention of Client Records Rule 21 NCAC 08N .0305 as it relates to the provision of audit and other attest services, as well as non-attest services. Clients and former clients should be familiar with the requirements of this rule prior to requesting the return of records.

23. This contract may be terminated at any time by mutual consent and agreement of the Governmental Unit(s) and the Auditor, provided that (a) the consent to terminate is in writing and signed by both parties, (b) the parties have agreed on the fee amount which shall be paid to the Auditor (if applicable), and (c) no termination shall be effective until approved in writing by the Secretary of the LGC.

24. The Governmental Unit's (Units') failure or forbearance to enforce, or waiver of, any right or an event of breach or default on one occasion or instance shall not constitute the waiver of such right, breach or default on any subsequent occasion or instance.

25. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.



26. E-Verify. Auditor shall comply with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor shall require such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.

27. **Applicable to audits with fiscal year ends of June 30, 2020 and later.** For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct and Governmental Auditing Standards, 2018 Revision (as applicable). Financial statement preparation assistance shall be deemed a "significant threat" requiring the Auditor to apply safeguards sufficient to reduce the threat to an acceptable level. If the Auditor cannot reduce the threats to an acceptable level, the Auditor cannot complete the audit. If the Auditor is able to reduce the threats to an acceptable level, the documentation of this determination, including the safeguards applied, must be included in the audit workpapers.

All non-attest service(s) being performed by the Auditor that are necessary to perform the audit must be identified and included in this contract. The Governmental Unit shall designate an individual with the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the services and accept responsibility for the results of the services performed. If the Auditor is able to identify an individual with the appropriate SKE, s/he must document and include in the audit workpapers how he/she reached that conclusion. If the Auditor determines that an individual with the appropriate SKE cannot be identified, the Auditor cannot perform both the non-attest service(s) and the audit. See "Fees for Audit Services" page of this contract to disclose the person identified as having the appropriate SKE for the Governmental Unit.

28. **Applicable to audits with fiscal year ends of June 30, 2021 and later.** The auditor shall present the audited financial statements including any compliance reports to the government unit's governing body or audit committee in an official meeting in open session as soon as the audited financial statements are available but not later than 45 days after the submission of the audit report to the Secretary. The auditor's presentation to the government unit's governing body or audit committee shall include:

- a) the description of each finding, including all material weaknesses and significant deficiencies, as found by the auditor, and any other issues related to the internal controls or fiscal health of the government unit as disclosed in the management letter, the Single Audit or Yellow Book reports, or any other communications from the auditor regarding internal controls as required by current auditing standards set by the Accounting Standards Board or its successor;
- b) the status of the prior year audit findings;
- c) the values of Financial Performance Indicators based on information presented in the audited financial statements; and
- d) notification to the governing body that the governing body shall develop a "Response to the Auditor's Findings, Recommendations, and Fiscal Matters," if required under 20 NCAC 03 .0508.

29. Information based on the audited financial statements shall be submitted to the Secretary for the purpose of identifying Financial Performance Indicators and Financial Performance Indicators of Concern. See 20 NCAC 03 .0502(c)(6).

30. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted (See Item 17 for clarification).

31. The process for submitting contracts, audit reports and invoices is subject to change. Auditors and units should use the submission process and instructions in effect at the time of submission. Refer to the N.C. Department of State Treasurer website at <https://www.nctreasurer.com/state-and-local-government-finance-division/local-government-commission/submitting-your-audit>

32. All communications regarding audit contract requests for modification or official approvals will be sent to the email addresses provided on the signature pages that follow.

33. Modifications to the language and terms contained in this contract form (LGC-205) are not allowed.

FEES FOR AUDIT SERVICES

1. For all non-attest services, the Auditor shall adhere to the independence rules of the AICPA Professional Code of Conduct (as applicable) and *Governmental Auditing Standards, 2018 Revision*. Refer to Item 27 of this contract for specific requirements. The following information must be provided by the Auditor; contracts presented to the LGC without this information will be not be approved.

Financial statements were prepared by:  Auditor  Governmental Unit  Third Party

If applicable: Individual at Governmental Unit designated to have the suitable skills, knowledge, and/or experience (SKE) necessary to oversee the non-attest services and accept responsibility for the results of these services:

<b>Name:</b>	<b>Title and Unit / Company:</b>	<b>Email Address:</b>
Amy Winn	Assistant Director of Finance	AWinn@edennc.us

OR Not Applicable  (Identification of SKE Individual not applicable for GAAS-only audit or audits with FYEs prior to June 30, 2020.)

2. Fees may not be included in this contract for work performed on Annual Financial Information Reports (AFIRs), Form 990s, or other services not associated with audit fees and costs. Such fees may be included in the engagement letter but may not be included in this contract or in any invoices requiring approval of the LGC. See Items 8 and 13 for details on other allowable and excluded fees.

3. Prior to the submission of the completed audited financial report and applicable compliance reports subject to this contract, or to an amendment to this contract (if required) the Auditor may submit interim invoices for approval for services rendered under this contract to the Secretary of the LGC, not to exceed 75% of the billings for the unit's last annual audit that was submitted to the Secretary of the LGC. Should the 75% cap provided below conflict with the cap calculated by LGC Staff based on the billings on file with the LGC, the LGC calculation prevails. All invoices for services rendered in an audit engagement as defined in 20 NCAC .0503 shall be submitted to the Commission for approval before any payment is made. Payment before approval is a violation of law. (This paragraph not applicable to contracts and invoices associated with audits of hospitals).

PRIMARY GOVERNMENT FEES

Primary Government Unit	City of Eden
Audit Fee	\$ 58,695 (See attachment, if all applies - \$52,495)
<b>Additional Fees Not Included in Audit Fee:</b>	
Fee per Major Program	\$
Writing Financial Statements	\$
All Other Non-Attest Services	\$
<b>75% Cap for Interim Invoice Approval</b> <i>(not applicable to hospital contracts)</i>	\$

DPCU FEES (if applicable)

Discretely Presented Component Unit	NA
Audit Fee	\$
<b>Additional Fees Not Included in Audit Fee:</b>	
Fee per Major Program	\$
Writing Financial Statements	\$
All Other Non-Attest Services	\$
<b>75% Cap for Interim Invoice Approval</b> <i>(not applicable to hospital contracts)</i>	\$

SIGNATURE PAGE

AUDIT FIRM

Audit Firm*	
Rouse, Rouse, Rouse and Gardner, LLP	
Authorized Firm Representative (typed or printed)* Judy G. Rouse, CPA	Signature* * Judy G. Rouse, CPA
Date* 01/10/22	Email Address* JudyRouse@rrrg.info

GOVERNMENTAL UNIT

Governmental Unit*	
City of Eden	
Date Primary Government Unit Governing Board Approved Audit Contract* (G.S.159-34(a) or G.S.115C-447(a))	*
Mayor/Chairperson (typed or printed)* Mayor Neville Hall	Signature* *
Date *	Email Address *

Chair of Audit Committee (typed or printed, or "NA") NA	Signature
Date	Email Address

GOVERNMENTAL UNIT – PRE-AUDIT CERTIFICATE

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).  
Not applicable to hospital contracts.

*This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.*

Primary Governmental Unit Finance Officer* (typed or printed) Tammie McMichael	Signature* *
Date of Pre-Audit Certificate* *	Email Address* *

**SIGNATURE PAGE – DPCU  
(complete only if applicable)**

**DISCRETELY PRESENTED COMPONENT UNIT**

DPCU*	
NA	
Date DPCU Governing Board Approved Audit Contract* (Ref: G.S. 159-34(a) or G.S. 115C-447(a))	
DPCU Chairperson (typed or printed)*	Signature*
Date*	Email Address*

Chair of Audit Committee (typed or printed, or "NA")	Signature
Date	Email Address

**DPCU – PRE-AUDIT CERTIFICATE**

Required by G.S. 159-28(a1) or G.S. 115C-441(a1).  
Not applicable to hospital contracts.

*This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act.*

DPCU Finance Officer (typed or printed)*	Signature*
Date of Pre-Audit Certificate*	Email Address*

Remember to print this form, and obtain all  
required signatures prior to submission.

PRINT

City of Eden  
June 30, 2022  
Audit Contract Attachment

Therefore, we propose to audit the City of Eden for the year ended June 30, 2022 for a fee of \$58,695.

We have attached certain procedures normally completed by City Personnel by August 15. Under these guidelines our fee will be \$58,695.

However, if in addition to these items, all of the following items can also be accurately completed by City Personnel by September 15, 2022 our fee will be \$54,495.

- a. Capital asset records must be accurately prepared and all additions must be balanced with the general ledger. Depreciation schedules including infrastructure records must be prepared in accordance with GASB 34.
- b. The tax collections as recorded in the general ledger must be agreed to the year-end county collection report.
- c. The Powell Bill report must be timely filed and accurately prepared.
- d. Take or pay billing statements should be prepared and ready for examination.

In the event that the City of Eden prepares the financial statements, including the footnotes and supplemental scheduled, the fee shall be discounted by \$2,000. In the event that the City of Eden prepares the financial statements and the supplemental schedules but not the footnotes, the fee shall be discounted by \$1,000.

If the City achieves all of these incentives, as they have done in the past several years, the fee will be \$52,495.

**CITY OF EDEN**  
**REQUEST FOR AUDITING SERVICES PROPOSAL**  
**January 10, 2022**

Assistance Available to Proposer

The City will make available to the auditor sufficient help to pull and file records and to prepare and mail all necessary confirmations. The following accounting procedures will be completed and documents prepared by the City's staff no later than August 15:

1. The books of accounts will be fully balanced.
2. All subsidiary ledgers will be reconciled to control amounts.
3. All bank account reconciliation for each month will be completed.
4. The City's staff will prepare the following items:

General

- a. All normal year ending adjusting entries.
- b. Working Balance Sheet for each fund.
- c. Working Statement of Revenues, Expenditures (expenses) and Changes in Fund Balance for each fund.
- d. A copy of the final budget as of June 30, the original budget and all active projects during the audit period.
- e. A copy of all project ordinances and all amendments for all active projects during the audit period.
- f. A copy of all contracts in force at the statement date.
- g. A copy of board policies, including travel and investment policies.

Cash and Investments

- a. All bank reconciliation for each month.
- b. List of outstanding checks, showing check number, payee, date and amount.
- c. Schedule of all investments for all funds at the market value at statement date.

### Receivable

- a. Aged trial balance of accounts, taxes and miscellaneous receivables as of the statement date.
- b. Analysis of allowance for doubtful accounts.

### Other Assets

- a. Schedule of insurance coverage.

### Capital Assets

- a. Schedule of all capital outlays during the audit year.
- b. Schedule of all capital dispositions during the audit period.

### Current Liabilities

- a. Trial balance of accounts payable.

### Long-Term Debt

- a. Analysis of long-term debt.
- b. Computation of vested vacation payable as of the audit date.

5. The following will be compiled for each grant:

- a. Grant agreement.
- b. Budget.
- c. All financial reports.
- d. All applicable laws or regulations.
- e. Correspondence with the grantor agency, including monitoring reports.
- f. CFDA # and/or pass-through grant #.





## MEMORANDUM

**To:** Honorable Mayor and City Council

**Thru:** Jon Mendenhall, City Manager

**From:** Tammie B. McMichael, Director of Finance and Personnel

**Date:** February 15, 2022

**Subject:** Invoice Cloud Agreement

We will be moving to Southern Software's Utility Billing and Cash Collections in the next few months. Therefore, we need to set up our Interactive Voice (electronic telephone payments), and Online Bill Pay options. Invoice Cloud is the Third-Party Provider that works directly with Southern Software.

Staff is requesting your approval to enter into the attached agreement with Invoice Cloud. This Third-Party Provider will process electronic payments by telephone and online through the city's website. The cost for these payment options will be passed on to the customer just like we are currently doing.

## Billers Agreement

**1. License Grant & Restrictions.** Subject to execution by Biller of the Invoice Cloud Biller Order Form incorporating this Agreement, Invoice Cloud hereby grants Biller a non-exclusive, non-transferable, worldwide right to use the Service described on the Biller Order Form until termination as provided herein, solely for the following purposes, and specifically to bill and receive payment from Biller's own customers, for Services that are referenced in the Biller Order Form. All rights not expressly granted to Biller are reserved by Invoice Cloud and its licensors.

Biller will provide to Invoice Cloud all Biller Data generated for Biller's Customers. Unless otherwise expressly agreed to in writing by Invoice Cloud to the contrary, Invoice Cloud will process all of Biller's Customers' Payment Instrument Transactions requirements related to the Biller Data and will do so via electronic data transmission according to our formats and procedures for each electronic payment type selected in the Biller Order Form. In addition, Biller will execute all third-party applications and enter into all agreements required for the Service without unreasonable delay, including without limitation Payment Processing Agreements and merchant agreements that may be required upon implementation, or later at such time as the Service operates with different or multiple payment processors. Throughout the Term of this Agreement, for "Invoice Types" listed on the Biller Order Form (e.g., real estate taxes, utility bills, parking tickets, insurance premium, loans, etc.), Biller will not use the credit card processing, ACH or check processing of any bank, payment processor, entity, or person, other than Invoice Cloud via electronic data transmission or the authorization for processing of Biller's Customers' Payment Instrument Transactions, for each electronic payment method selected in the Biller Order Form.

Biller shall not: (i) license, sublicense, sell, resell, transfer, assign, distribute or otherwise commercially exploit or make available to any third party the Service in any way; (ii) modify or make derivative works based upon the Service; (iii) Recreate, "frame" or "mirror" any portion of the Service on any other server or wireless or Internet-based device; (iv) reverse engineer or access the Service; or (v) copy any features, functions or graphics of the Service.

**2. Privacy & Security.** Invoice Cloud's privacy and security policies may be viewed at <http://www.invoicecloud.com/privacy.html>. Invoice Cloud reserves the right to modify its privacy and security policies in its reasonable discretion from time to time which modification shall not materially adversely impact such policies. Invoice Cloud will maintain compliance with current required Payment Card Industry (PCI) standards and Cardholder Information Security standards.

**3. Account Information and Data.** Invoice Cloud does not and will not own any Customer Data, in the course of providing the Service. Biller, not Invoice Cloud, shall have sole responsibility for the accuracy, quality, integrity, legality, and reliability of, and obtaining the intellectual property rights to use and process all Customer Data. In the event this Agreement is terminated, Invoice Cloud will make available to Biller a file of the Customer Data (to the extent that Invoice Cloud is permitted to provide pursuant to applicable law and PCI-DSS standards), within 30 days of termination of this Agreement (or at a later time if required by applicable law), if Biller so requests at the time of termination. Invoice Cloud will retain Customer Data for a period from its creation for the time frame that is listed in the Biller Order under "Data Retention", and reserves the right to remove and/or delete remaining Customer Data no less than 60 days after termination or expiration except as prohibited by applicable law or in the event of exigent circumstances.

**4. Confidentiality / Intellectual Property Ownership.** Invoice Cloud agrees that it may be furnished with or otherwise have access to Customer Data that the Biller's customers consider confidential. Invoice Cloud agrees to secure and protect the Customer Data in a manner consistent with the maintenance of Invoice Cloud's own Confidential Information, using at least as great a degree of care as it uses to maintain the confidentiality of its own confidential information, but in no event use less than commercially reasonable measures. Invoice Cloud will not sell, transfer, publish, disclose, or otherwise make available any portion of the Customer Data to third parties, except as permitted under this Agreement or required to perform the Service or otherwise required by applicable law.

Invoice Cloud (and its licensors, where applicable) owns all right, title and interest, including all related Intellectual Property Rights, in and to the Invoice Cloud Technology, the Content and the Service and any enhancement requests, feedback, integration components, suggestions, ideas, and application programming interfaces, recommendations or other information provided by Biller or any other party relating to the Service. In the event any such intellectual property rights in the Invoice Cloud Technology, the Content or the Service do not fall within the specifically enumerated works that constitute works made for hire under applicable copyright laws or are deemed to be owned by Invoice Cloud, Biller hereby irrevocably, expressly and automatically assigns all right, title and interest worldwide in and to such intellectual property rights to Invoice Cloud. The Invoice Cloud name, the Invoice Cloud logo, and the product names associated with the Service are trademarks of Invoice Cloud or third parties, and no right or license is granted to use them.

Biller agrees that during the course of using or gaining access to the Service (or components thereof) it may be furnished with or otherwise have access to information that Invoice Cloud considers to be confidential including but not limited to Invoice Cloud Technology, the Agreement, customer and/or prospective customer information, product features and plans, the marketing/sales collateral, pricing and financial information of the parties which are hereby deemed to be Invoice Cloud Confidential Information, or any other information that by its very nature constitutes information of a type that any reasonable business person would conclude was intended by Invoice Cloud to be treated as proprietary, confidential, or private (the "Confidential Information"). Biller agrees to secure and protect the Confidential Information in a manner consistent with the maintenance of Invoice Cloud's rights therein, using at least as great a degree of care as it uses to maintain the confidentiality of its own confidential information, but in no event use less than reasonable efforts. Biller will not sell, transfer, publish,

## Billers Agreement

disclose, or otherwise make available any portion of the Confidential Information of the other party to third parties (and will ensure that its employee and agents abide by the requirements hereof), except as expressly authorized in this Agreement or otherwise required by applicable law.

**5. Billing and Renewal.** Invoice Cloud fees for the Service are provided on the Biller Order Form. Invoice Cloud's fees are exclusive of all taxes, levies, or duties imposed by taxing authorities. Invoice Cloud may assess and/or collect such taxes, levies, or duties against Biller and Biller shall be responsible for payment of all such taxes, levies, or duties, excluding only United States (federal or state) taxes based solely on Invoice Cloud's income. All payment obligations are either auto debited from the Biller Bank Account or payable on receipt of invoice from Invoice Cloud, and are non-cancellable, and all amounts or fees paid are non-refundable. Unless Invoice Cloud in its discretion determines otherwise, all fees will be billed in U.S. dollars. If Biller believes Biller's bill or payment is incorrect, Biller must provide written notice to Invoice Cloud within 60 days of the earlier of the invoice date, or the date of payment, with respect to the amount in question to be eligible to receive an adjustment or credit; otherwise such bill or payment is deemed correct. Invoice Cloud reserves the right to modify pricing with respect to applicable fees to be paid under this Agreement, at any time upon thirty days written notice to Biller: a) based on increases incurred by Invoice Cloud on Network Fees from credit card processors, bank card issuers, payment associations, ACH and check processors; or b) if, during the Term, the average credit card payment processed by Invoice Cloud for any three (3) consecutive month period exceeds 110% of the Average Credit Card Transaction \$ specified on the corresponding Invoice Parameter Sheet(s), to the extent that Invoice Cloud incurs increases in Network Fees. Invoice Cloud, on at least 30 days written notice to Biller, may also increase any or all fees referenced in the Biller Order Form (including any Invoice Parameter Sheets), by no more than 5%, provided, however, that such increase may not apply during the Initial Term and may not occur more than once per Renewal Term.

**6. Term and Termination.** The initial term of this Agreement shall commence as of the execution date of the Biller Order Form and continue for a period of three (3) years after the Go Live Date ("Initial Term") and will automatically renew for each of additional successive three (3) year terms ("Renewal Term") unless terminated as set forth herein. "Term" as used herein shall mean the Initial Term and any Renewal Term. This Agreement may be terminated by either party effective at the end of the Initial or any Renewal Term by such party providing written notice to the other party of its intent not to renew no less than ninety (90) days prior to the expiration of the then-current term. Additionally, this Agreement may be terminated by either party with cause in the event of a material breach of the terms of this Agreement by the other party and the breach remains uncured for a period of 30 days following receipt of written notice by the breaching party. Upon any early termination of this Agreement by Invoice Cloud as a result of breach, Biller shall remain liable for all fees and charges incurred, and all periodic fees owed through the end of the calendar month following the effective date of termination. Upon any termination or expiration of this Agreement, Biller's password and access will be disabled and Biller will be obligated to pay the balance due on Biller's account computed in accordance with the Charges and Payment of Fees section above. Biller agrees that Invoice Cloud may charge such unpaid fees to Biller's Debit Account or credit card or otherwise invoice Biller for such unpaid fees.

**7. Invoice Cloud Responsibilities.** Invoice Cloud represents and warrants that it has the legal power and authority to enter into this Agreement. Invoice Cloud warrants that the Service will materially perform the functions that the Biller has selected on the Biller Order Form and the Statement of Work, attached and incorporated by reference (the "Statement of Work"), under normal use and circumstances, and that Invoice Cloud shall use commercially reasonable measures with respect to Customer Data to the extent that it retains such, in the operation of the Service; provided, that the Biller shall maintain immediately accessible backups of the Customer Data (to the extent that Biller is permitted pursuant to applicable law and PCI-DSS standards). In addition, Invoice Cloud will, at its own expense, as the sole and exclusive remedy with respect to performance of the Service, correct any Transaction Data to the extent that such errors have been caused by Invoice Cloud or by malfunctions of Invoice Cloud's processing systems.

**8. Limited Warranty** EXCEPT AS PROVIDED IN SECTION 7, THE SERVICE AND ALL CONTENT AND TRANSACTION DATA IS PROVIDED WITHOUT ANY EXPRESS, OR IMPLIED WARRANTY, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND ALL OTHER WARRANTIES ARE HEREBY DISCLAIMED TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW BY INVOICE CLOUD AND ITS LICENSORS AND PAYMENT PROCESSORS. INVOICE CLOUD AND ITS LICENSORS AND PAYMENT PROCESSORS DO NOT REPRESENT OR WARRANT THAT (A) THE USE OF THE SERVICE WILL BE UNINTERRUPTED OR ERROR-FREE, OR OPERATE IN COMBINATION WITH ANY OTHER HARDWARE, SOFTWARE, SYSTEM OR DATA, (B) THAT THE SERVICE WILL NOT EXPERIENCE DELAYS IN PROCESSING OR PAYING, OR (C) THE SERVICE WILL MEET REQUIREMENTS WITH RESPECT TO SIZE OR VOLUME. Invoice Cloud's service may be subject to limitations, delays, and other problems inherent in the use of the internet and electronic communications. Invoice cloud is not responsible for any delays, delivery failures, or other damage resulting from such problems.

**9. Biller's Responsibilities.** Biller represents and warrants that it has the legal power and authority to enter into this Agreement. Biller is responsible for all activity occurring under Biller's accounts and shall abide by all applicable laws, and regulations in connection with Biller's and/or its customers' and/or any payers' use of the Service, including those related to data privacy, communications, export or import of data and the transmission of technical, personal or other data. Biller represents and warrants that Biller has not falsely identified itself nor provided any false information to gain access to the Service and that Biller's billing information is correct. Biller shall: (i) notify Invoice Cloud immediately of any unauthorized use of any password or account or any other known or suspected breach of security; (ii) report to Invoice Cloud and immediately stop any copying or distribution of Content that is known or suspected to be unauthorized by Biller or Biller's Users; and (iii) obtain consent from Biller's customers and payers to receive notifications and invoices from Invoice Cloud. Invoice Cloud is not

## Biller Agreement

responsible for any Biller postings in error due to delayed notification from credit card processors, ACH, bank and other related circumstances. Biller agrees and acknowledges that in the event that Biller has access to, receives from, creates, or receives protected health information, or Biller has access to, creates, receives, maintains or transmits on behalf of electronic protected health information (as those terms are defined under the privacy or security regulations issued pursuant to the Health Insurance Portability and Accountability Act of 1996 (“HIPAA”) and Subtitle D of the Health Information Technology for Economic and Clinical Health Act provisions of the American Recovery and Reinvestment Act of 2009 (“ARRA”), during the performance under this Agreement, it will comply with all such law, regulations and rules related thereto.

Biller is required to ensure that it maintains a fair policy with regard to the refund, return or cancellation of payment for services and adjustment of Transactions. Biller is also required to disclose all refund, return and cancellation policies to Invoice Cloud and any applicable payment processors and Biller’s Customers, as requested. Any change in a return/cancellation policy must be submitted to Invoice Cloud, in writing, not less than 21 days prior to the effective date of such change. If Biller allows or is required to provide a price adjustment, or cancellation of services in connection with a Transaction previously processed, Biller will prepare and deliver to Invoice Cloud Transaction Data reflecting such refund/adjustment within 2 days of resolution of the request resulting in such refund/adjustment. The amount of the refund/adjustment cannot exceed the amount shown as the total on the original Transaction Data. Biller may not accept cash or any other payment or consideration from a Customer in return for preparing a refund to be deposited to the Customer’s account; nor may Biller give cash/check refunds to a Customer in connection with a Transaction previously processed by credit card, debit card, ACH, or other electronic payment method, unless required by applicable law. Biller shall cooperate with Invoice Cloud to effect a timely Implementation by Biller allocating sufficient and properly trained personnel to support the implementation process and fully cooperating with Invoice Cloud and by securing the cooperation of Biller’s software and service providers and providing to Invoice Cloud the information required to integrate with Biller’s billing, CIS and other applicable systems.

**10. Indemnification.** Invoice Cloud shall indemnify and hold Biller, employees, attorneys, and agents, harmless from any losses, liabilities, and damages (including, without limitation, Biller’s costs, and reasonable attorneys’ fees) arising out of: (i) failure by Invoice Cloud to implement commercially reasonable measures against the theft of the Customer Data; or (ii) its total failure to deliver funds processed by Invoice Cloud as required hereunder (which relates to payments due from Invoice Cloud for Transaction Data). This indemnification does not apply to any claim or complaint relating to Biller’s failure to resolve a payment dispute concerning debts owed to Biller or Biller’s negligence or willful misconduct or violation of any applicable agreement or law.

### 11. Fees.

Invoice Cloud will charge the Biller and/or payer, payment transaction and other fees as provided in the Biller Order Form. In addition, Invoice Cloud will charge the fees set forth on the Biller Order Form for the initial platform setup, configuration, implementation and integration with Biller system(s) of its standard Service as set forth in the Statement of Work (the “Implementation”). Invoice Cloud reserves the right to also charge for changes and additions to the Implementation, and for any requests by Biller following the implementation which are agreed in writing by the parties, including without limitation for the following services, at its then standard rates:

- Custom development and features which are not stated on the SOW and Biller Order Form change requests and modifications to existing platform functionality not stated in the SOW and Biller Order Form;
- Additional integrations or integration modifications after Go Live Date, not provided for in the Biller Order Form or Statement of Work;
- Changes to bill presentment (web and PDF templates), billing system integrations, and other Service components coded or configured to Biller’s specifications after Biller has signed off on the relevant specification or Service is live;
- Custom data extracts and file requests that are not part of the Implementation signed off on by both parties;
- Data conversion not listed in the SOW, or repetitive re-loading of data due to Biller error.

**12. Limitation of Liability.** INVOICE CLOUD’S AGGREGATE LIABILITY SHALL BE UP TO AND NOT EXCEED THE AMOUNTS ACTUALLY PAID BY AND/OR DUE FROM BILLER IN THE TWELVE (12) MONTH PERIOD IMMEDIATELY PRECEDING THE EVENT GIVING RISE TO SUCH CLAIM. IN NO EVENT SHALL INVOICE CLOUD AND/OR ITS LICENSORS BE LIABLE TO ANYONE FOR ANY INDIRECT, PUNITIVE, SPECIAL, EXEMPLARY, INCIDENTAL, CONSEQUENTIAL (INCLUDING LOSS OF DATA, REVENUE, PROFITS, USE OR OTHER ECONOMIC ADVANTAGE) DAMAGES ARISING OUT OF, OR IN ANY WAY CONNECTED WITH THE SERVICE, EVEN IF THE PARTY FROM WHICH SUCH DAMAGES ARE BEING SOUGHT OR SUCH PARTY’S LICENSORS HAVE BEEN PREVIOUSLY ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. Certain states and/or jurisdictions do not allow the exclusion of implied warranties or limitation of liability for incidental, consequential or certain other types of damages, so the exclusions set forth above may not apply to Biller.

**13. Export Control.** The Biller agrees to comply with United States export controls administered by the U.S. Department of Commerce, the United States Department of Treasury Office of Foreign Assets Control, and other U.S. agencies.

**14. Notice.** Either party may give notice by electronic mail to the other party’s email address (for Biller, that address on record on the Biller Order Form) or by written communication sent by first class mail or pre-paid post to the other party’s address on record in Invoice Cloud’s account information for Biller, and for Invoice Cloud, to Invoice Cloud, Inc., 30 Braintree Hill Office Park, Suite 101, Braintree, MA 02184

## Biller Agreement

Attention: Client Services or [helpdesk@invoicecloud.com](mailto:helpdesk@invoicecloud.com). Such notice shall be deemed to have been given upon the expiration of 48 hours after mailing or posting (if sent by first class mail or pre-paid post) or 12 hours after sending (if sent by email).

**15. Assignment.** This Agreement may not be assigned by either party without the prior written approval of the other party, but may be assigned without such party's consent to (i) a parent or subsidiary, (ii) an acquirer of assets, or (iii) a successor by merger. Any purported assignment in violation of this section shall be void.

### 16. Insurance.

Invoice Cloud agrees to maintain in full force and effect during the Term of the Agreement, at its own cost, the following coverages:

- a. Commercial General or Business Liability Insurance with minimum combined single limits of One Million (\$1,000,000) each occurrence and Two Million (\$2,000,000) general aggregate.
- b. Umbrella Liability Insurance with minimum combined single limits of Five Million (\$5,000,000) each occurrence and Five Million (\$5,000,000) general aggregate.
- c. Automobile Liability Insurance with minimum combined single limits for bodily injury and property damage of not less than One Million (\$1,000,000) for any one occurrence, with respect to each of the Invoice Cloud's owned, hired or non-owned vehicles assigned to or used in performance of the Services.
- d. Errors and Omissions Insurance (Professional Liability and Cyber Insurance) with limits of liability of at least One Million Dollars (\$1,000,000) per claim and in the aggregate.

**17. Immigration Laws.** Invoice Cloud represents and warrants that it has complied and will comply with all applicable immigration laws with respect to the personnel assigned to the Biller.

**18. Beta Products.** In the event that there is any functionality labelled "Beta" on the Biller Order Form, such functionality is provided "AS IS" WITHOUT ANY EXPRESS, OR IMPLIED WARRANTY, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY, FITNESS FOR A PARTICULAR PURPOSE, AND ALL OTHER WARRANTIES ARE HEREBY DISCLAIMED TO THE MAXIMUM EXTENT PERMITTED BY APPLICABLE LAW BY INVOICE CLOUD AND ITS LICENSORS AND PAYMENT PROCESSORS. INVOICE CLOUD'S AGGREGATE LIABILITY WITH RESPECT TO SUCH FUNCTIONALITY SHALL BE UP TO AND NOT EXCEED \$10.

### 19. General.

(a) With respect to agreements with municipalities, localities or governmental authorities, this Agreement shall be governed by the law of the state wherein such municipality, locality or governmental authority is established, without regard to the choice or conflicts of law provisions of any jurisdiction. With respect to Billers who are not with municipalities, localities or governmental authorities, this Agreement shall be governed by Massachusetts law and controlling United States federal law, without regard to the choice or conflicts of law provisions of any jurisdiction. No text or information set forth on any other purchase order, preprinted form or document (other than a Biller Order Form and any add on Biller Order Form, if applicable), and no documentation (including any implementation planning documents) except as specifically referenced in this Biller Agreement, shall modify, add to or vary the terms and conditions of this Agreement. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid or unenforceable, then such provision(s) shall be construed, as nearly as possible, to reflect the intentions of the invalid or unenforceable provision(s), with all other provisions remaining in full force and effect. No joint venture, partnership, employment, or agency relationship exists between Biller and Invoice Cloud as a result of this agreement or use of the Service. The failure of either party to enforce any right or provision in this Agreement shall not constitute a waiver of such right or provision unless acknowledged and agreed to by Invoice Cloud in writing. All rights and obligations of the parties in Sections 4, 6, 10, 12, 14, 18 and 19(a) and (b) shall survive termination of this Agreement. This Agreement, together with any applicable Biller Order Form, comprises the entire agreement between Biller and Invoice Cloud and supersedes all prior or contemporaneous negotiations, discussions or agreements, whether written or oral between the parties regarding the subject matter contained herein. Biller agrees that Invoice Cloud can disclose the fact that Biller is a paying customer and the version of the Service that Biller is using.

(b) Additional terms and conditions and definitions applicable to this Agreement and the Biller Order Form are found at [www.invoicecloud.com/biller-terms-and-conditions](http://www.invoicecloud.com/biller-terms-and-conditions) (the "Biller T+C") and are agreed to by Invoice Cloud and the Biller.

# Invoice Cloud

## Statement of Work

### City of Eden, NC

#### **Overview**

The Invoice Cloud (IC) suite of services (The Service) will give the **City of Eden** (Biller) and its customers the ability to accept online payments for invoiced and non-invoiced items. The Service will allow the **City of Eden** to offer online payment processing in a securely hosted real-time environment. Customers will be able to locate, view and print bills or invoices and payment records online and pay using credit cards, debit cards, and electronic checks.

#### **Definitions:**

1. Biller – Merchant / **City of Eden**
2. Payer – Client customer, resident, person paying a bill or invoice
3. EBPP – Electronic Bill Presentment & Payment
4. Bill – Bill and Invoice are used synonymously throughout this document
5. RTDR - Real-Time Data Refresh – collects and aggregates the data as soon as a user accesses a specific function
6. NTDR – Near-Time Data Refresh – integration that happens periodically; the data is collected immediately but it is not aggregated until later – data can be processed every day, every hour or even every few minutes

#### **1. Security and Industry Compliance**

Invoice Cloud maintains full compliance with current applicable Payment Card Industry (PCI) standards, Cardholder Information Security Program (CISP) regulations and National Automated Clearinghouse Association (NACHA) rules and guidelines. Invoice Cloud will abide by such guidelines for the security of all cardholder data that Invoice Cloud possesses.

- a. **PCI** - Invoice Cloud will provide compliant storage of Biller's customer payment information that is certified by Visa/MasterCard. Data security measures are addressed during collection and transmission via SSL with our patent pending encryption technology. All confidential information will be treated in accordance with the PCI standards.
- b. **Software as a Service (SaaS) Architecture** – All Biller customer financial and payment information and the invoice presentment and payment processing application is housed offsite from Biller.
- c. **Browser Compatibility** - Invoice Cloud supports the most current version of the industry's most common browsers.

#### **2. Data Integration**

Invoice Cloud does maintain an integration with Muni Link Platform. The integration for the **City of Eden** will include the functionality found in Appendix B.

#### **3. Payer Portal**

The Payer Portal is an electronic bill presentment and online payment portal where a Biller's customer (Payer) can view a bill and then proceed, within the same user interface, to make an online payment.

- a. Invoice Cloud will present bills electronically through a payer portal that is branded for Biller or via an email notification, if the Payer provides an email address.
- b. The electronic invoice presentment will simulate the paper invoice Biller uses and will be available in PDF and/or html format.
- c. The Service may provide the Payer the option of making a payment via credit card (Visa, MasterCard, American Express and Discover) or electronic check (also referred to as ACH, e-check, EFT).

- d. The Service provides the Payer a one-time online payment option without registration, and the capability to register to access Payer's account history, schedule a payment, or set up AutoPay payments.
- e. A Payer will have the ability to choose their payment date (also known as scheduled payments).
- f. The system will accept partial, full, or overpayments as defined by the Biller.
- g. The Payer will register with the Service using the authentication method designated by Biller.
- h. Linking Accounts - After registering with the Service, the Payer will be able to login into their account(s). If the Payer has multiple accounts and uses the same authentication information for all accounts, the Payer will be able to link their account and view from a single registration. The Payer will then have the option to choose which account they would like to pay or view in further detail.
- i. The Payer will receive an email confirmation of payment after any payment process.
- j. The Payer will have the ability to search and access historical bills once they register with the Service. The Service will store twenty-four (24) months of rolling history from the point of Biller's first invoice file upload to the Service. This includes invoice history and account history.
- k. Biller has the option of allowing the Payer to pay via different payment methods which include online, IVR, IC Biller Portal, Pay by Text, CloudCSRConnect and CloudPOSConnect.
- l. Payers who have scheduled a payment or registered for AutoPay will receive email notification from the Service of pending payments.
- m. The Service includes shopping cart functionality.
- n. The Service will allow the Payer the option to elect paperless billing.
- o. A Payer registered for paperless billing will be automatically placed back on paper billing if their email address is undeliverable; notification of the Payer's undeliverable email address will be sent to Biller via email.
- p. The Service complies with Federal E-Signature Act for paperless billing and AutoPay by providing a system in which a Payer must confirm enrollment in paperless billing and/or AutoPay by responding to an email sent after the Payer registers for paperless billing and/or AutoPay through online self-service.

#### 4. **Biller Portal**

The Biller Portal is an administrative portal where Biller staff will have access to reporting, search customers, search invoices, search payments, initiate payments or credits, login as a Payer, modify email templates, etc.

- a. Biller can log in as the Payer on either the Biller or Payer Portal and make a payment on behalf of the Payer. There is an audit trail for who made the payment, and the source of every payment (CSR, Pay by Text, AutoPay, Web, IVR, etc.).
- b. Biller will have the capability of blocking future payments by specific Payer and payment method type (i.e. Credit Card or E-Check (ACH)).
- c. **Permissions** – The Biller Portal includes a table of role based permissions, determined by the Biller's System Administrator. Each permission is applied to a user ID on an individual basis to maximize flexibility. The system administrator can allow or disallow access to functions such as viewing data, creating reports, resending email notices, processing payments, credits or refunds, editing email templates and more. Since it is controlled by Biller administrator, changes can be made quickly on an as needed basis.
- d. **Administrative Email Notifications** - Biller may set up the system to send several administrative notifications and request system notifications be sent to multiple staff members. This allows different departments to get the information they need in a timely manner. The notifications include:
  - ACH Reject Notifications
  - Batch Close Notifications
  - Daily Management Report
  - File Processing Notifications
  - Month End Billing Invoice
  - Paperless Customer Email Bounce Daily Report

- Request System Notifications (this is the ticketing system available in the Invoice Cloud payer portal).
  - Status Notifications (notifications of planned outages, new features, etc.)
- e. **Biller Controlled Configuration Options** – The Biller Portal includes several Biller controlled configurable options to customize the way payments and customer accounts are handled. The Biller will be able to configure for:
- allowing Auto-Pay and scheduled payments
  - allowing customers to update their phone or mailing address through the payer portal
  - allowing customers to pay less than, or more than the balance due based on receivable type
  - updating Refund Policy description
  - updating customer service phone number

## 5. **Biller Portal - Reporting**

Biller can access a selection of pre-configured reports. Biller can request reports for daily, monthly, or date range activity. Most reports can be exported to excel files or scheduled for download as a custom report, as indicated by asterisk (\*) in the report name. All stored payment data is truncated, and this is reflected in all reports.

- a. Reports:
- b. Search Customers\*
- c. Search Invoices
- d. Search Payment Transactions\*
- e. Monthly Summary
- f. Registration Report\*
- g. Autopay Report\*
- h. Paperless Report\*
- i. Data Synchronization History
- j. EFT/ACH Rejects\*
- k. View Scheduled Payments\*
- l. Invoice File History
- m. Import Errors
- n. Daily Payments Received\*
- o. Total Outstanding Invoices
- p. Email Notification Summary
- q. Email Statistics
- r. Email Tracking
- s. Bounced Email Report
  - Email Statistics
  - Email Tracking
  - Bounced Email Report

## 6. **Payer Email Notifications**

Invoice Cloud provides a set of customizable email notification templates for each invoice type that are delivered for numerous events surrounding electronic invoice presentation and payment activity. Email notifications may be customized through the Biller Portal using a Word style editor and options to insert secure hyperlinks to website, links to electronic documents such as newsletter or bill inserts, and/or variable fields selected from the Biller's data file.

- a. Three (3) email notifications can be scheduled. The first notification is based on the number of days from the invoice due date. Second and third notifications will only be sent to Payers with an outstanding balance, not those with a scheduled payment, or Payers who have signed up for Auto-Pay.



- b. At the discretion of Biller, Payer email notifications can be delivered for each of the following events.
- First Invoice Email Notification
  - Second Invoice Email Notification
  - Third Invoice Email Notification
  - Payment Transaction Receipt
  - Declined Auto Pay Transaction
  - Late Fee Email Notification
  - Declined Scheduled Payment Notification
  - Registered Customer Welcome Email
  - AutoPay Registration Notification
  - Paperless Registration Notification
  - ACH Reject/Chargeback Notices (with reason codes and descriptors)
  - Credit Card Expiration Notification
  - Scheduled Payment Confirmation
  - AutoPay Reminder Notification
  - FlexPay Confirmation Notification
  - Scheduled Payment Reminder
  - Paperless Off Confirmation
  - Online Bank Direct Payment Receipt
  - Check 21 Payment Receipt
  - Linked Accounts First Notice Notification
  - Linked Accounts Second Notice Notification
  - Linked Accounts Third Notice Notification
  - AutoPay Off Confirmation
  - Conveyed Customer Notification
  - Multiple Registered Customers Welcome Email
  - Recurring Scheduled Payment Confirmation
  - Recurring Scheduled Payment Canceled

## **7. Business Rules**

The Invoice Cloud solution is designed for flexibility for customers and Billers. There are many rules currently available and we will also undertake the creation of new business rules as we both agree. Each bill type operates independently and can accept different payment types as well as other business rules. At Biller's option, multiple business rules can be applied to each bill type. Invoice Cloud provides flexibility regarding business rules to support specific needs, including:

- a. Ability to allow partial payments, over payments, full balance only, or late fees.
- b. Ability to allow payments beyond the due date - The service is designed to accommodate Biller specific business rules like allowing payments beyond their due date.
- c. Ability to allow for multiple payment types for one customer for the same bill - The service allows multiple payment types from one customer for the same bill when partial payments are allowed. Credit/debit card and e-check (ACH) can be run separately and an unlimited number of remittance types can be used. For example, a customer can pay part of a bill with a checking account, another part with a credit card and the remainder with a second credit card of a different type.

## 8. **Implementation Process**

Invoice Cloud assigns an Implementations Manager (IM) to each Biller. The IM will be the Biller's primary contact during the implementation process and coordinates all necessary resources from Biller, Biller software company, Invoice Cloud, and any sub-contractors. The IM will provide the Biller with the following documents to facilitate the project:

- a. **New Biller Questionnaire & Questionnaire Key** – Documents critical information needed to setup and initiate the service including information on business rules and feature selection.
- b. **Project Timeline** – Details project schedule and milestones.
- c. **Testing & Training Plan** – This plan walks the Biller through a set of user acceptance testing criteria and facilitates training on the service.

## 9. **Support & Training**

- a. **Business Hours** – The business hours will be Monday through Friday from 8 a.m. to 8 p.m. Eastern Standard Time. Note: Biller Support hours are 8 a.m. to 8 p.m. EST. Payer Support hours are currently 8 a.m. to 4 p.m. EST.
- b. **Help Desk** - The Service will provide a helpdesk ticketing system for Biller within the Biller Portal to get help from Invoice Cloud client support team. This tool will allow Biller to track and retain resolutions for historical reference.
- c. **Payer Support** – The Payer Support is two tiered with Biller staff as the first line of support regarding account, registration and billing questions. Issues with the Invoice Cloud service operation or incorrect credit card charges will be routed to Invoice Cloud Client Support via telephone or a Biller helpdesk ticket.
- d. **Biller Support** - If Biller encounters an inquiry which they cannot resolve Biller will create a helpdesk support ticket. Invoice Cloud Customer Support will address the issue and if applicable provide training to Biller to allow the address of tickets in a timely matter; often within twenty-four (24) business hours. Biller and technical support is available during business hours.
  - i. **Routine Technical Support** - Technical Support is available during business hours. Biller may call customer support directly; however, the use of the helpdesk ticketing system is encouraged as the preferred method of contact. Invoice Cloud staff views all tickets as they are submitted and routes them to the appropriate person for resolution.
  - ii. **Emergency After-Hours Support** – The helpdesk service is monitored after business hours and emergency support issues are addressed within one (1) hour. An emergency support issue is defined as an issue involving the system being down and inoperable and does not include Payer payment issues. Biller may request email notification be provided in the event the system is down and inoperable.
- e. **Service Enhancements** - Most enhancements do not require action on the part of Biller. Upgrades as agreed are done at the Invoice Cloud server level, so there are no mandatory actions for Biller to take. Support levels are not affected by enhancements.
- f. **Biller Training**- Biller staff will be guided in how to use the system through in-house training, documentation, remote live sessions, and access to our client support team.
  - All standard training will be done remotely. Invoice Cloud's training personnel will provide sessions for both Payer and Biller portals for Biller's staff.
  - Separate training is conducted for Biller's technical staff regarding the uploading of bill files and any other applicable processes.
  - Ongoing phone and Go-To-Meeting training will be provided during the first *month of use at no additional cost to Biller*.

## 10. **Marketing**

Invoice Cloud provides marketing support that our Billers can use to promote the EBPP and IC payment solutions to its Payers, at no charge. Invoice Cloud's marketing group will schedule a 1-hour conference call to

review Invoice Cloud's recommended best practices for promoting the service. Sample templates will be provided for each item and customizations can be made upon request. The marketing collateral that Invoice Cloud provides may include:

- Bill Inserts
- Newsletters
- Envelope Teasers
- Pay Button Link
- Posters with Acrylic Stands for Payment Counters
- Business card sized take-away cards with QR code
- Local cable/TV station announcement

#### **11. CloudIVRConnect™**

The IC CloudIVRConnect allows Billers to accept payments via our interactive voice response system. It provides customers with 24-hour access to account status and billing information (total balance due, past due amount, last payment made, next billing date etc.). The following options are available:

- Provides for a toll-free call and a caller ID number set by the Biller
- Supports messaging in both English and Spanish
- Provides for a customizable initial greeting (includes City/County/Company name) – all remaining prompts are standard
- Ability to pay with credit card (Visa, MasterCard, Discover, American Express), debit card, or eCheck (ACH)
- Replays information with Invoice Cloud generated confirmation #

#### **12. CloudSMSConnect™**

The IC CloudSMSConnect allows Billers to accept payments via SMS text messaging. The following options are available:

- Provides interactive registration and service sign-up confirmation
- Sends notification when new bills are available for payment
- Ability to pay with credit card (Visa, MasterCard, Discover, American Express), debit card, or eCheck (ACH)
- Allows for payment utilizing a stored-payment method

#### **13. CloudStore™**

The IC CloudStore allows Billers to accept payments for non-invoiced services like books, t-shirts, etc., fire, police, building permits, or activity programs. The following options are available:

- Accept electronic check and or credit/debit cards.
- Customer receives immediate email confirmation of payment.
- Department receives email notification of purchase event for instant fulfillment services.
- Ability to apply convenience fees, if required.
- Reporting by service type.
- Linked to Biller branded payment portal.
- Each service type can have its own online registration form.
- Can be setup to accept payments over the counter.

#### **14. Online Bank Direct™**

The IC Online Bank Direct (OBD) allows Billers to electronically import echeck (ACH) payments initiated from consumer bank bill sites. The following options are available:

- Auto-matching of payments with open invoices

- Email consumer a payment notification for those customers with an email address on file
- Ability to apply a single payment to multiple invoices
- Custom search capabilities to locate matching invoice(s)
- Electronic deposit of corresponding echecks

This SOW contains many products, services and payment methods. Only the specific products, services and payment methods selected by the **City of Eden**

**IN WITNESS WHEREOF**, the parties hereto have duly executed this Agreement.

**City of Eden, NC**

**Invoice Cloud, Inc.**

By: \_\_\_\_\_

By: Thomas E. Griffin

Printed Name: \_\_\_\_\_

Printed Name: Thomas E. Griffin

Title: \_\_\_\_\_

Title: President

Date: \_\_\_\_\_

Date: 10/1/2021

## **Appendix A: System Modifications**

As outlined below, Invoice Cloud has agreed to make the following changes to the setup and functionality of our platform:

**NONE**

## Appendix B: Integration Supported Features

Modules & Features	Southern Software	
<b>PRODUCTS</b>		
Invoice Types	42- Utilities	
EBPP	Supported	
Cloud IVR Connect	Supported	
Pay by Text	Supported	
Cloud POS Connect	Not Supported	
Cloud CSR Connect	Not Supported	
KIOSK	Supported	
Pay Near Me	Supported	
<b>DATA EXCHANGE</b>	<b>Method</b>	<b>Frequency</b>
Invoices	Stratus	Each billing cycle
Payments	Lockbox/Payment File	Daily
AutoPay Flags	Manual via Biller Portal	As Needed
Paperless Flags	Manually via Biller Portal	As needed
Account Balances	Adjustment/Balance File - Stratus	Daily
Block Payment Method (Credit/ACH)	Manually within Biller Portal	As needed
<b>INVOICE FILES</b>		
IC Translates file	Supported	
Historical Data (2 years shown online)	Supported	
<b>BILL PRESENTMENT</b>		
PDF Extraction (Partial/Full)	Supported	
Templates	Supported	
Link to PDFs	Supported	
<b>BATCH CLOSE</b>		
Standard or Custom	Standard	
<b>CUSTOM OPTIONS</b>		
Single Sign-on	Not Supported	
Branded Biller Portal	Supported	
Branded Payer Portal	Supported	

## Appendix C: Biller Deliverables

Deliverable
Sample Invoice File (BIF)
Sample Adjustment/Balance File (BAF)
Sample Payment/Lockbox file
Sample Images of Bills
Auto Pay Conversion data if applicable
Paperless conversion data if applicable

SALES INFORMATION			
IC Sales Rep	Ruth Ponder	Vertical	Local Gov (Util, Tax, Misc)
Order Date	9/30/2021	Billing Software	Southern Software

BILLER INFORMATION			
Ownership Type	Government	Phone	(336) 623-2110 Fax
Legal Name	City of Eden	Website URL	www.edennc.us
Address 1	308 East Stadium Drive	Bus. Open Date	1967
Address 2		Federal Tax ID	56-0896097
City	Eden	<i>*Federal Tax ID and Legal Name must match on all documents</i>	
State	NC	ZIP	27288

BILLER CONTACT	
Primary Contact Name	Tammie McMichael
Phone	(336) 623-2110
Email Address	tmc michael@edennc.us

SIGNING AUTHORITY			
Name	Tammie McMichael	Title	Finance Officer
Phone	(336) 623-2110	Fax	
Email Address	tmc michael@edennc.us		

BILLER BANK ACCOUNT (FOR INVOICE CLOUD AND NETWORK FEES, AND AS PROVIDED IN THE BILLER AGREEMENT)			
<b>Note: Must include voided business check or bank letter for each unique account</b>			
Billing Method	Direct Debit	Last 4 Acct #	6491
Routing #	253170279		

PAYMENT METHODS ACCEPTED	
Payment Methods	[American Express] [VISA/Mastercard/Discover] [PayPal] [ACH/EFT]

BILLER PRICING (see Invoice Type Parameter Sheet(s) for invoice-type-specific pricing)*			
Description	Interval	Cost Type	Cost
Credit Card - Chargeback Fee Submitter	Per Transaction	Fixed (\$)	\$15.00
PayPal Brands - Chargeback Fee (PayPal Brands)	Per Transaction	Fixed (\$)	\$15.00
EFT - ACH Reject Fee Submitter	Per Transaction	Fixed (\$)	\$5.00

HARDWARE					
Card Reader Type		Quantity		Cost per Reader	
Card Reader				Billing Interval	
Shipping Address (if different than location address)					

DATA RETENTION



Months to Keep	24	*Additional Fees apply if greater than 24 months
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**IMPLEMENTATION CHARGES**

Description	Interval	Cost	
Implementation (per SOW)	One-Time	\$0.00 (WAIVED)	

**NOTES/SPECIAL HANDLING**

City is changing utility billing software from Logics to Southern Software FMS. Would like to be active by end of 2021 if possible.

[signature page follows]

CERTIFICATION AND AGREEMENT

- A. By signing below, the Biller hereby ratifies its authorization for Invoice Cloud, Inc. ("Invoice Cloud") to execute debit/credit entries to the Biller Bank Account(s) indicated above at the depository financial institution(s) named above and to debit/credit the same such account(s). The Biller acknowledges that the origination of ACH transactions to its account(s) must comply with the provisions of U.S. law. This authority is to remain in full force and effect until (i) Invoice Cloud has received written notification (by electronic or U.S. mail) from the Biller of its revocation in such time and manner as to allow Invoice Cloud a reasonable opportunity to act on it, but not less than 10 business days notice; and (ii) all obligations of the Biller to Invoice Cloud that have arisen under this Agreement and all other agreements have been paid in full. The Biller must also notify Invoice Cloud, in writing, (by electronic or U.S. mail) when a change in Biller Bank Account account number(s) or bank has occurred at which time this authorization shall apply to such new/changed Biller Bank Account. This notification must be received no less than 10 business days in advance of any change. A fee will be charged for any returned or rejected ACH debits.
- B. By signing below, the Biller named: (1) has read, agreed to, ratifies the Biller Agreement, Biller T+Cs (referenced in the Biller Agreement) and other Order Forms previously executed by the Biller, and (2) certifies to Invoice Cloud that he/she is authorized to sign this Order Form; (3) certifies that all information and documents submitted in connection with this Order Form are true and complete; (4) authorizes Invoice Cloud or its agent to verify any of the information given, including credit references, and to obtain credit reports ; (5) agrees to pay the Monthly Access Fee through the last day of the month following the effective date of termination as provided in the Billing Agreement; (6) agrees that Biller and each transaction submitted will continue to be bound by the Order Form and the Biller Agreement in its entirety and any new agreement forms executed herewith; (7) agrees that Biller will submit transactions only in accordance with the information in this Biller Order Form and Biller Agreement and will immediately inform Invoice Cloud, by email (contracts@invoicecloud.com) if any information in this Order Form changes, and (8) In the event of non-payment of any sums due, Invoice Cloud reserves the right to withdraw such sums from the Biller Bank Account at any time to ensure payment of the same.
- C. Pay by Text: Standard data rates and text messaging rates may apply based on the payer's plan with their mobile phone carrier. Payer can opt out of text messaging at any time with Invoice Cloud. Partial payment or overpayment is not supported. Biller may not use the service for activities that violate any law, statute, ordinance or regulation.
- D. This Biller Order Form will become effective only when signed by Invoice Cloud.

In WITNESS WHEREOF, the parties have executed this Agreement as of this day

Accepted by Biller:

X

Corporate Officer/Authorized Official

Tammie McMichael

Printed Name

Finance Officer

Title

Accepted by Invoice Cloud, Inc.:

X

Corporate Officer

Thomas E. Griffin

Printed Name

President

Title

**BILLER ORDER FORM  
INVOICE TYPE PARAMETER SHEET**

*Invoice Type Parameters must be completed for each invoice type*

Invoice Type	Utility	Pricing Model	Submitter
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**CURRENT BILLING DETAILS**

Please indicate how many bills are sent monthly by placing the bill count for each month below:

JAN	FEB	MAR	APR	MAY	JUN	JUL	AUG	SEP	OCT	NOV	DEC
6900	6900	6900	6900	6900	6900	6900	6900	6900	6900	6900	6900

Avg CC Transaction \$	95.00	Max Invoice \$	125000.00	Bill Frequency	Monthly	Avg. Bills Per Month	6900
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**PRODUCTS AND SERVICES**

Products and Services	[EBPP] [IVR]
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**TRANSACTIONAL PRICING (Paid by Biller)**

Payment Source Description	Payment Method	Fee Rate %	Fee Amount \$	Additional Fee \$	Biller Pays Network Fees

**TRANSACTIONAL PRICING EXCEPTIONS**

**SERVICE FEES (Paid by Payer)**

Payment Source Description	Payment Method	Fee Amount	Calculation Type	Max Payment \$	Min. Fee (\$) per Transaction
All Payment Sources	Credit/Debit	2.75 %	Percent (%)	\$125000.00	1.95
All Payment Sources	ACH/EFT	\$1.25	Fixed (\$)	\$125000.00	
IVR Surcharge	All Payment Methods	\$0.95	Fixed (\$)		

**SERVICE FEE EXCEPTIONS**

**BILLER BANK ACCOUNT (FOR DEPOSITS AND CHARGEBACKS)**

*Note: must include voided business check or bank letter for each unique account*

Routing #	253170279	Last 4 Acct #	6491
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**NOTES / SPECIAL HANDLING**

Will be implementing Southern Software FMS along with Invoice Cloud



To: Honorable Mayor and City Council

Thru: Jon Mendenhall, City Manager

From: Amy P. Winn, CPA  
Assistant Director of Finance

Date: February 15, 2022

Re: Budget Amendment # 2

The attached budget amendment appropriates proceeds from the American Rescue Plan Act Fund to the Police Department for the In-Car Camera & Body Worn Camera Replacement. Council approved this purchase at the November 16, 2021 council meeting but the actual budget amendment to transfer the money was not attached and approved.



**MEMORANDUM**

To: Honorable Mayor and City Council  
 Thru: Jon Mendenhall, City Manager  
 From: Amy P. Winn  
 Assistant Director of Finance  
 Date: February 15, 2022  
 Subject: Budget Amendment # 2

	Account #	From	To	Amount
<b>General Fund Revenues</b>				
Transfer from American Rescue Plan Act Fund	10-4310-39400	\$ 310,100.00	\$ 429,800.00	<u>\$ 119,700.00</u>
<b>General Fund Revenues</b>				
Police Contracted Services	10-4310-39400	\$ 70,500.00	\$ 190,200.00	<u>\$ 119,700.00</u>
<b>ARPA Fund Expenditures</b>				
American Resuce Plan Act Allowable Expenditures	11-5530-50000	\$ 3,960,800.00	\$ 3,841,100.00	\$ (119,700.00)
American Resuce Plan Act Transfer to GF	11-9920-01000	\$ 310,100.00	\$ 429,800.00	<u>\$ 119,700.00</u>
				<u>\$ -</u>

Appropriates proceeds received from the American Rescue Plan Act.

Adopted and effective this 15th day of February, 2022.

Attest:

\_\_\_\_\_  
 Deanna Hunt, City Clerk

\_\_\_\_\_  
 Neville Hall, Mayor

3. UNDERTAKINGS OF THE PARTIES.

- a. The Parties shall work together in good faith to explore opportunities conforming to the intentions and values set forth in Sections 1 and 2 above. Any such opportunities shall preserve the rights, obligations, and duties of the Schools to complete the current academic year unhindered and unaltered, including non-academic use of the Campus, until a sufficient contractual relationship providing for the same is developed by agreement between the parties;
- b. The Parties shall continue to explore and evaluate, under their previously established framework, effective and efficient partnering opportunities, and shall develop and present actionable steps to their respective governing boards for integrating shared services and developing a future vision for the Campus.

4. TERM OF MOU. By operation of this paragraph, this MOU shall expire on February 1, 2022 unless extended by a writing signed by the Parties' authorized representatives.

5. NON-BINDING AND NON-ASSIGNABLE. The Parties agree that this MOU is non-binding and non-assignable.

6. INDEPENDENCE OF THE PARTIES. The Parties each acknowledge that they are separate and independent entities and that this MOU shall not be interpreted or construed as creating or evidencing any association, joint venture, partnership, or franchise relationship among the Parties or imposing any obligation or liability on each other arising out of any such status.

7. COSTS. Each Party is responsible for its own costs, including wages, salaries, and incurred expenses, while performing under this MOU.

IN WITNESS WHEREOF, the Parties' duly authorized representatives have caused this Memorandum of Understanding to be executed in the County of Rockingham, North Carolina this the \_\_\_ day of \_\_\_\_\_, 2021.

CITY OF EDEN

BY: Neville Hall, Mayor

ROCKINGHAM COUNTY SCHOOLS

BY: Kimberly McMichael, Chairperson

- b. Consideration of a continuous improvement proposal involving Police Department camera technology.

Mayor Hall called on Police Chief Clint Simpson.

Chief Simpson said a summary regarding body cameras, in-car cameras, and tasers was included in the agenda packet and provided to Council. Initially, the Police Department began working on the camera replacement project for FY 2022-23. During the research process, it was discovered the upgrade was eligible to be purchased by utilizing American Rescue Plan Act (ARPA) funds. The department had been struggling with body cameras purchased from Safe Fleet, formerly L3, over the last few years. In 2011, in-car cameras were installed in each patrol vehicle. In 2016, the department incorporated body cameras via L3 because the software was compatible. Both the in-car and body cameras operated on a server-based system that would no longer receive support or updates after January 1, 2022 when they would be considered to have reached the end of their life. Customer service had become almost non-existent and the product had declined to the point where the cameras were being continuously sent off for repair. During the time the department had used body cameras, it had gone through three different variations of the cameras. Eighteen, which was half, of the department's cameras had been sent off for repair with an

approximate one-week delay in approval for return and two-week delay for the repair work. All of the cameras sent for repair had been deemed irreparable by the company, leaving the department forced to purchase a new camera at a cost of \$500 each. The department currently had nine cameras out of use. The package with Axon Enterprises would incorporate, streamline, and make more efficient three different processes within the department: tasers, body-worn cameras, and in-car camera systems. It would also provide the department with state-of-the-art technology in those three areas. The department had 10 tasers budgeted for replacement as part of the current fiscal year's replacement plan. However, the department delayed the replacement purchase until the outcome of the proposed package was determined. The cost of the proposed package would be \$119,000 per year for the next five years, which included the state-of-the-art software technology. Chief Simpson added that it was evident in today's time how important body camera and in-car camera footage was for transparency. Police administration devoted eight to 10 hours per week on rotations and repairs of the current body camera system. The proposed package would provide efficiency within the department through the enhanced technology provided. Currently, the department contracted with Safe Fleet but purchased its tasers directly from Taser. The proposed package would combine the two aspects, resulting in zero cost for replacement, lost, or damaged cameras over the next six years for both in-car and body cameras, as well as tasers. Therefore, there were some benefits with the proposed package in spite of the cost. The state-of-the-art technology also helped to eliminate human error. For example, anytime an officer were to draw his/her taser or weapon, any Axon camera within 50 feet would automatically be activated versus the officer having to manually activate his/her camera, if there were even time to do so. Currently, the Rockingham County Sheriff's Department used Axon cameras; therefore, anytime they were to assist an Eden officer, their cameras would be automatically activated as well. Chief Simpson asked for Council's consideration in moving forward with the proposed package in an effort to help provide the department with state-of-the-art camera technology.

Council Member Carter asked Chief Simpson what the price of the package was.

Chief Simpson said the cost was broken down over five years under contracted services for an annual cost of \$119,606.32 and a total package cost of \$589,030. Initially, the company would replace each of the department's body cameras and tasers. At year three, the company would replace every camera and taser and take back what was used for the first two and a half to three years. At year five, everything would be updated, including firmware and bodycams, which would get the department to year seven or eight before needing to renegotiate a contract.

Council Member Hampton asked if Chief Simpson was satisfied with the turnaround time with the new company if one were to need to be repaired.

Chief Simpson said Axon Enterprises would automatically supply the department with one reserve bodycam, taser, and in-car camera system. The technology was not just in the products they used but in the software as well. Currently, the department had to separately purchase taser cartridges but the cartridges would be included with Axon Enterprises. Because the tasers were automatically linked to www.evidence.com, which was Axon's proprietary software, a new cartridge would automatically be shipped to the department if an officer were to deploy his/her taser. It would eliminate the need for staff to call and order a replacement cartridge. Throughout the research process, the department had found the customer service to be tremendous and he was confident that the requested technology was the premier, top of the line system that any law enforcement agency could obtain. A lot of law enforcement agencies were striving to reach the same level.

Council Member Moore stated that the other agencies in New York, Concord, Greensboro, and Reidsville that the department had contacted gave the company good reviews; therefore, they must be happy with them as well.

Chief Simpson said that everyone Captain Paul Moore had spoken to was satisfied with the company. The proposed request was just the tip of the iceberg of what the system's capabilities were. It also provided automatic tag readers that could be placed on vehicles that linked to the in-car cameras, the capability to watch live vehicle stops, etc. There were several package options that could be added but those were things he did not feel were needed at the present time. However, that was not to say that in the future he would not feel they were needed, but if that happened, the capabilities would be there.

Mayor Hall said the body cameras were a great piece of protection for the citizens, as well as the officers. They would both benefit by having video recordings.

Council Member Moore made a motion to approve a continuous improvement proposal involving Police Department camera technology. Council Member Hampton seconded the motion. All members voted in favor. The motion carried, 7-0.

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**CITY OF EDEN – MEMORANDUM**

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**TO:** HONORABLE MAYOR AND CITY COUNCIL  
**THRU:** JON MENDENHALL, CITY MANAGER  
**FROM:** ERIN GILLEY, CITY ATTORNEY  
**DATE:** NOVEMBER 16, 2021  
**SUBJECT:** Axon Enterprises (In Car Camera & Body Worn Camera Replacement) Purchase

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City staff is requesting the authorization to purchase a package that includes Body Worn Cameras, Tasers, and a technology package from Axon Enterprise, Inc. Pursuant to N.C.G.S. 129 (e) (6), the City is authorized to make this purchase because the vendor is the sole source provider of the product package and standardization and/or compatibility is an overriding consideration in the purchase.

Attached to this memo, you will find documentation that Axon Enterprise, Inc. is the sole provider for the product package Axon Core+ including TASER 7 energy weapon, TASER Dock, weapon Axon Evidence license, training and duty cartridges, Axon Body 3 camera, Professional Axon Evidence license, unlimited storage, camera hardware upgrade, Axon Respond, Axon Signal Sidearm, Axon Fleet Signal and auto tagging.

In addition, this package offers a single software platform to simultaneously operate multiple devices and provide unlimited cloud storage. This operation will create standardization among the devices and storage capabilities that will provide operational efficiency. These facts support the conclusion that standardization and compatibility is an overriding consideration in the purchase.

Staff is recommending this purchase. Please contact me if you should have any questions or concerns.

- c. Consideration of Workplace & Employer Coronavirus Adjustments for Retention of Employees and an amended ARPA plan of reinvestment.

Mayor Hall called on Director of Finance and Personnel Tammie McMichael.

Ms. McMichael said City Manager Jon Mendenhall had been working very closely with Assistant City Manager/Police Chief Simpson, the Finance Department, and Ms. Gilley in efforts to establish a plan that would recognize the contributing service of employees to the health, safety, and welfare of the residents that the City served. The City was extremely blessed to have dedicated employees who loved Eden. They served the public 110 percent before the COVID-19 pandemic and had continued to do so. The fact that City employees continued to show up for work spoke volumes. She was certain each member of Council had recognized the help wanted, now hiring, and sign-on bonus signs throughout the community. Local governments were not protected from the situation. She had heard from fellow colleagues throughout the state who were having great concerns about losing employees to other employers, as well as retirement,





To: Honorable Mayor and City Council

Thru: Jon Mendenhall, City Manager

From: Amy P. Winn, CPA  
Assistant Director of Finance

Date: February 15, 2022

Re: Budget Amendment # 3

The attached budget amendment appropriates funds from Unauthorized Substance Tax and Federal Forfeiture for the expansion of the Police Department Evidence Room.



MEMORANDUM

To: Honorable Mayor and City Council  
Thru: Jon Mendenhall, City Manager  
From: Amy P. Winn  
Assistant Director of Finance  
Date: February 15, 2022  
Subject: Budget Amendment # 3

	Account #	From	To	Amount
<b>General Fund</b>				
<b>Revenues</b>				
Unauthorized Substance Tax	10-3431-41800	\$ 2,000.00	\$ 10,400.00	\$ 8,400.00
Fund Balance Appropriated - Federal Forfeiture	10-3991-99200	\$ -	\$ 31,800.00	\$ 31,800.00
				<u>\$ 40,200.00</u>
<b>General Fund</b>				
<b>Revenues</b>				
Police C/O Building Improvements	10-4310-54000	\$ -	\$ 8,400.00	\$ 8,400.00
Police C/O Building Improvements/Drug Forfeiture	10-4310-54001	\$ -	\$ 31,800.00	\$ 31,800.00
				<u>\$ 40,200.00</u>

Appropriates proceeds from Federal Forfeiture and Unauthorized Substance Tax for the evidence room expansion.

Adopted and effective this 15th day of February, 2022.

Attest:

\_\_\_\_\_  
Deanna Hunt, City Clerk

\_\_\_\_\_  
Neville Hall, Mayor