

CITY OF EDEN, N. C.

The regular meeting of the City Council, City of Eden, was held on Tuesday, June 18, 2013 at 7:30 p.m. in the Council Chambers, 308 E. Stadium Drive. Those present for the meeting were as follows:

Mayor:	(absent)	John E. Grogan
Mayor Pro Tem:		Wayne Tuggle, Sr.
Council Members:		Donna Turner
		Darryl Carter
		Jerry Epps
		Gene Hagood
		Jim Burnette
		Jerry Ellis
City Manager:		Brad Corcoran
City Clerk:		Sheralene Thompson
City Attorney:		Erin Gilley
Representatives from Departments:		
News Media:		Katie Mann, Eden News, Danielle Battaglia, Reidsville Review and Roy Sawyers, RCENO

MEETING CONVENED:

Mayor Pro Tem Tuggle called the regular meeting of the Eden City Council to order and welcomed those in attendance. He explained that the Council meets the third Tuesday of each month at 7:30 p.m. and works from a prepared agenda; however, time would be set aside for business not on the printed agenda.

INVOCATION:

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

PROCLAMATIONS AND RECOGNITIONS:

There were no special proclamations or recognitions at this time.

SET MEETING AGENDA:

A motion was made by Council Member Burnette seconded by Council Member Carter to remove item 14a and to set the agenda. All Council Members present voted in favor of this motion.

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PUBLIC HEARINGS:

No public hearings were scheduled.

REQUESTS AND PETITIONS OF CITIZENS:

No one came forward to speak at this time.

UNFINISHED BUSINESS:

No Unfinished Business was scheduled.

NEW BUSINESS:

- a. Consideration of a Request Approving Water Treatment Process Change to Achieve Compliance with EPA Disinfection/Disinfection Byproduct Rules – State 2.

The memorandum explained that the Eden City Council was updated on our efforts to achieve compliance with the new EPA Disinfection/Disinfection Byproduct Rule – Stage 2 during the Council Budget Retreat in February. This rule will be applied to the City of Eden Water System beginning October 1, 2013. . This rule has created issues for our water treatment process in our efforts to be compliant with trihalomethanes (THMs). The Stage 2 rule changes the way THMs are calculated for compliance monitoring by having each location as a stand alone location instead of being able to average all locations. We are more subject to be above the limit for drinking water at 80 parts per billion (ppb) using the new calculation. This would place us in a non-compliant situation.

As the Council learned in the Budget Retreat we have had Hazen and Sawyer working on this issue and a path to ensure compliance after October 1, for the past year. We have thoroughly reviewed the plant operations and implemented numerous low cost and practical applications that have helped control the THMs. Things such as water line flushing, lowering the chlorine dosage rate, increased sample monitoring, and changes in the plant operation schedule, have helped reduce THMs. It is clear though, that we cannot consistently count on these measures alone to keep us fully compliant with the new rules. As was shown at the Retreat, numerous treatment methods were reviewed and testing was done to find the most effective and economical treatment method for our water plant. Changing from free chlorine to chloramines as our residual disinfectant has been selected as the most cost effective option to address our future THM issues.

Hazen and Sawyer will present a PowerPoint Presentation at the June 18 Council Meeting to recap what we have done that led to the selection of this treatment method to control our THMs. A final report on their efforts to find our best solution to control THMs and maintain our compliance should be available after June 10. Hazen and Sawyer will be happy to answer any questions you may have regarding this disinfection treatment change.

The staff recommends that the Council vote to give approval to this solution tonight. By the adoption of this plan to control our THMs we can move forward to apply for a two year extension for our date of compliance with this new regulation. The extension will allow time to construct the facilities to support the chloramination process. During this time extension, it is our understanding that we will have to meet the old THMs monitoring requirements to be exempt from penalties. Costs estimates for chloramination in February were \$770,000. Since then Hazen and Sawyer has refined the estimated cost as it became apparent that chloramination would be the most cost effective process option. The cost estimate is now \$1,152,200 or \$1,212,400 depending on whether option 1 or 2 is selected for the connection point for the injection of the ammonia.

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Mr. Terry Shelton, Director of Environmental Services, explained that their engineering firm had a conflict and was not able to attend the meeting.

He then explained that their effort to achieve compliance with the new EPA Disinfection/Disinfection Byproduct Rule – Stage 2 was noted during the Council Budget Retreat in February. He explained that this rule will be applied to the City of Eden Water System beginning October 1, 2013.

Mr. Shelton explained that of these different processes, and they were numerous, they had looked at chloramines and also looked at using a system called PAX-TRS which was a trihalomethane removal system and it alone was the second least costly. He explained that it was not completely effective in all circumstances because some of the water that they send out in the distribution does not go through elevated storage tanks and therefore they could not guarantee it would reach and treat all the water sent out. They also examined granular activated carbon and cost on that was \$7 million to treat half of their plant capacity and that would be about \$11 million. To treat the full capacity at \$21 million the cost would have been about \$11 million capital cost to build the equipment and treatment structures and with that system you would have about a million dollars per year costs for replacing the media and regenerating it.

They also looked at a new raw water treatment facility to be built on the Smith River and that seems to be a viable solution but the cost for that would run anywhere from \$16 to \$18 million and there were a few unknowns in terms of built up sediments. They would look at probably positioning that raw water intake behind the dam on the Smith River near Aiken Road and there was a lot of older sediment built in behind that dam that raised potential for that to be an issue if they went in that direction.

Mayor Pro Tem Tuggle asked if a new raw water plant was built would they have the same issue.

Mr. Shelton replied that they would not anticipate having it because currently the problem that they were seeing that was driving their THM's up was because there was bromine in the Dan River that reacts with chlorine and produces two different species of brominated trihalomethanes and those were a lot more difficult to treat and reduce than just typical chlorinated species of trihalomethanes. That was the issue that they were running into and bromine was a heavier molecular molecule. He added that they were probably getting into a technical end of it but the molecules weighs more and it winds up creating a higher content and based on the calculations they do in parts per billion it causes the numbers to exceed 80 parts per billion faster than you would see with typical chlorinated species of trihalomethanes.

He explained that the last types of treatment processes they looked at were MiEX a media with a charged particle type media that would take this type of material out, but the price tag was just really prohibited as you approach \$21 million plus having to recharge the media periodically. He also added that the only source of that particular media was

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somewhere down in Australia so it would be difficult to guarantee that you could always get it and it would be very expensive.

Council Member Hagood noted that regarding the Smith River he had looked at the detail and saw the map and he knew a couple of sessions ago he gave an explanation of the intake having to be at a certain section of river rather than logistically down real close to the water treatment center.

Mr. Shelton explained that typically the Smith River was fairly shallow and one of the places they were looking at was behind the dam and behind Barnett Canal and that was some of the deepest potential. He added that even there you have to use a shallow intake screen to ensure that it would stay submerged all the time and that presents additional issues as they did not want it to be susceptible to drought conditions or extremely low flows in the river.

Council Member Hagood questioned even if you have an intake that went directly to the plant or if it went back to the current pump station at Karastan, they were both not too far away.

Mr. Shelton replied that they were relatively close but either way, the cost, no matter where you positioned it on the river you would still be looking at \$15 to \$19 million to get it installed and one other issue with it, they were pretty sure it would take close to 3 years to be permitted as there are a lot of environmental studies to be done to support it. If they were to start on it tomorrow it would be at least 1 year to 18 months before construction would start. He added however that they did allow a 2-year extension of that October compliance date that was coming this year so once they decide what they are going to do to achieve compliance; it will carry to October 1, 2015.

Council Member Carter asked if they did something different, switching chemicals, how far would that carry them cost-wise.

Mr. Shelton replied that he hoped that within the next 5 or 6 years the State will implement regulations of bromine concentrations in the river and because of fracking and other activities it was also becoming more prevalent in the Neuse River, Lake Jordon, and also the Cape Fear River down toward the coast. It was a fairly new phenomenon and was becoming challenging to water plants across the State and out of state in Pennsylvania and West Virginia, fracking type operations are bad about creating bromine compounds that ultimately become hard to treat as a trihalomethane.

Mayor Pro Tem Tuggle stated that it was a catch-22. With the fracking operations they are trying to create a process where they can pull natural gas or oil out of the ground or whatever they are doing but yet they are creating problems for cities and then the EPA or the State EPA steps in and says you have to do something about it and then it costs the city a million dollars to do something about it, and he added that was an unfunded mandate too.

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Council Member Hagood stated that in jumping ahead a little on the cost estimates, the numbers for the recommendation certainly was low. He asked if that was refundable in this agreement they had with the original and was the deal still on with this.

Mr. Shelton replied yes, they should get up to one million back in support.

Council Member Hagood asked if this project qualified for that reimbursement.

Mr. Corcoran replied yes, and explained that once they saw the cost difference, if you looked at what Hazen Sawyers (engineering) estimated the final cost would be when they were doing the budget compared to what the final cost was now, that final cost increased roughly \$500,000. The day that they (staff) learned that they contacted the corporation and submitted a request for additional funding. He stated that he was told yesterday that it has been discussed through all their various levels but there were no red flags. He added that they have been with them since the start so there was no reason to believe that they will not be there but there was no final answer yet. He also added that they know that \$770,000 of this \$1.2 - \$1.3 they have already approved. They (staff) have submitted a request for the difference and that was where they were at.

Council Member Hagood stated that he assumed that the other more capital intensive projects did not qualify for that reimbursement.

Mr. Corcoran replied that he thought they would have but what to be honest, they would have probably had Hazen Sawyers come in and say that chloramination would not work, that it was not a viable option. He thought that with Hazen Sawyers saying it was a viable option with the fact that chloramination was being used in a variety of water plants all across the country and it was a proven alternative, that they would probably say no, they were not going to fund that additional \$15 or \$16 million just because they (city) would like to do Option 2 when they knew Option 1 would work. He added that he could not speak for them but that was just him guessing what their position would be.

Council Member Burnette questioned if all the options were viable options as far as getting the desired results.

Mr. Shelton replied, yes.

Mr. Corcoran added that they had also met with representatives from MillerCoors on numerous occasions throughout this process and they as a company know the options and have signed off on the chloramination process.

Mayor Pro Tem Tuggle asked where these facilities would be built and he assumed this was for the chloramination process.

Mr. Shelton explained that it would be at the water plant and basically it would amount to a building with a holding tank for aqueous ammonia that would be fed and it would house a pumping system and there would be a structure built between the two clear wells (the

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two white storage tanks there on site) and the ammonia will be pumped into the pipe there and then it would form the chloramines at that point.

Mr. Corcoran added that one of the other advantages of chlorination that they may have seen was the annual operating and maintenance costs. He explained that costs for this alternative were significantly less, hundreds of thousands of dollars less, about \$170,000 less from Option 2 and up to millions of dollars per year less than some for the other options so even if they were fortunate enough to get all the capital costs covered unfortunately the city was probably going to be stuck with the operational maintenance cost for several years until there was a solution from various sources where it was coming from.

Council Member Burnette questioned the difference in the initial cost estimates. He added that he understood that estimates can be a little higher or lower but this was considerable.

Mr. Shelton replied that the biggest thing they had not anticipated was the fact that the pipe between the clear wells was 28 feet in the ground and it would take a pretty significant excavation and because of the proximity to those tanks which are just a few feet apart there will have to be a structure built, a concrete vault that goes down to the point where the injection point is and that was going to be a rather costly structure to put in and that was the biggest part that raised the cost. He added that there were actually two estimates one was \$1.1 million....to which Council Member Burnette asked if it depended upon which clear well they go into.

Mr. Shelton explained that if they go into the Number 2 clear well they actually can make a little much shallower penetration and go in the side of that structure as opposed to going all the way down to the pipe that runs underneath them and the clear wells themselves were 24 feet deep so it really puts the pipes deep in the ground.

Council Member Ellis asked if any of their neighbors were using this.

Mr. Shelton replied that Greensboro had adopted this strategy to make compliance and they were much earlier in the cycle. He explained that as these rules are implemented the larger populations have to meet compliance a lot earlier. He added that Greensboro, High Point, Burlington, and Reidsville and probably some of the other surrounding communities, all of those systems are interlinked and because of the way they are interlinked all of them had to switch to the chloramines at exactly the same time. That was due to the way the chlorine would react to chloramines. He explained that you cannot have both in the system at the same time. They implemented this about a year and a half ago. There was also Raleigh for a number of years and Durham possibly does this and several others across the state. He noted that he also spoke with someone in the City of Milwaukee, Wisconsin and they have been feeding chloramines into their system since the late 1960s and they have been tickled to death with it.

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Council Member Burnette stated that in the report they mentioned why they did not investigate chlorine dioxide as an option. He asked if the technology of RO did not apply to this.

Mr. Shelton replied that he thought that technology would but there again that was a very expensive technology and the chlorine dioxide; he thought there was an issue of it developing a taste or odor.

Council Member Burnette stated that there were nitrification products but asked if he was not going to run that on this as well.

Mr. Shelton replied that was always a potential when you are feeding ammonia into the system and you have to keep an eye on it. The idea was to put out only what was called monochloramines and you just have to run a test just as you do for watching chlorine levels to be sure that you keep the pH and the amount of monochlorines in balance.

Council Member Burnette stated that he may not be able to answer but again as he saw in that report, with all the technologies, it seemed you could get that 20% below that you needed.

Mr. Shelton explained that the advantage of the chloramines, if your numbers are in line at the plant, it actually fixes them so that they do not change any more. The bad thing about free chlorine was that in the system it was the precursors that make trihalomethanes continue as it leaves the plant and out into the system so the further you are away from the water plant the higher the numbers tend to be and the idea was that people get the same quality of water throughout the system and with chloramines you can help guarantee.

Council Member Burnette agreed that he understood it was improving technology, but did he know what the engineering company's experience would be with correlating bench tests with the actual application. He asked how good it would convert and the assurity of it.

Mr. Shelton replied that it was his understanding that was a very applicable way of testing to see if it was going to be the same. Hazen Sawyers has had a lot of experience starting up these types of operations and they have a lot of confidence in the results that they were seeing could be replicated on a full scale plant operation.

Council Member Ellis stated that he had a question, if with the way that their piping was within the city, you know it was older and things like that, was it going to bother any of the piping of the water to the residents.

Mr. Shelton replied that it should not be a problem as one of the things that you have to do when you start this new process is go back and do new lead studies. They have to do that on a three year basis all the time anyway but they will have to do it annually or more often where you are looking for corrosion in soldered copper type joints and pipe. One of the things he mentioned about keeping the pH at a certain level, their pH now normally goes

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out now around 7.2 to 7.3 and that would increase to around 8 and that helps keep the water in balance so that you do not have that corrosion.

Council Member Burnette questioned that with that increase in pH would you expect more scaling.

Mr. Shelton replied that you have a zone that you shoot for and as you go up you have more alkalinity in the water and that helps maintain the pH and the buffering effect of the phosphate corrosion inhibitor that they feed. It was a little bit difference in the water chemistry but it seems to be manageable.

Council Member Burnette stated that he realized it was a very fine line, but again roughly that was a half pH change and from what they have heard Miller was on board with this but what about Karastan, as far as the dying process. He asked if they could expect any problems there.

Mr. Shelton replied that the best he could remember they used to put the water out in a range between 7.4 and 7.8 many years ago and at 7.8 the dying processes were a lot happier because apparently it went better the higher the pH. He added that he did not know a lot about the dying processes but he thought they have to raise the pH anyway to make the dyes attach to the cloth. The biggest reason they brought the pH down to 7.2 it was a cost savings measure, they did not have to put in as much caustic soda to bring the pH up and thereby they were saving money because they went through a period where the liquid caustic got to be something like 12 to 15 hundred dollars a dry ton and fortunately it has come back down to the \$400 range.

Council Member Burnette stated that he had mentioned earlier that they would still have to do the PAX system as well.

Mr. Shelton replied that they have actually put it in one tank and they were looking at the results getting back now. It has been online about two weeks and they were seeing about a 30% reduction in the THM's coming out of that tank and going up in the Dunn Street tank and it appears to have a very positive effect in that area and it will be something that they will evaluate. One of the good things about that system was that even if the bromine gets regulated out of the river it will always reduce regular THM's it will drive them to zero if there was enough residence time in the tank. It was not quite as effective against the brominated species of trihalomethanes but it will be a functional thing to have in the system even if they went back to prechlorine after some period of time. That system was very low, basically there was maintenance on some pumps and the electricity to operate, but beyond that it was a very cost effective system.

A motion was made by Council Member Ellis seconded by Council Member Burnette to approve. All Council Members voted in favor of this motion. This motion carried.

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- b. Approval and adoption of the Rockingham County Pathways Plan and Resolution in Support of the Pathways Trail Plan for Rockingham County Communities.

**RESOLUTION IN SUPPORT OF PATHWAYS TRAIL PLAN
FOR ROCKINGHAM COUNTY COMMUNITIES**

WHEREAS, in 2011 the City of Eden resolved to support development of a comprehensive plan for recreational trails and greenways in Rockingham County and,

WHEREAS, the Piedmont Triad Regional Council and the Dan River Basin Association convened a stakeholder group representing diverse interests to guide and inform the planning process,

WHEREAS, multiple public meetings were held for comment during development of the Pathways plan for recreational trails and greenways,

WHEREAS, trails and greenways link people to the outdoors; improve community health and quality of life; attract visitors, new residents and businesses; and offer alternative transportation options; and,

WHEREAS, the benefits of trails are well-known and a number of state, federal and private trail funding sources are available to meet needs associated with aging, youth fitness, education, transportation, fit communities, and other needs; and,

WHEREAS, trails and greenways need to be coordinated and planned as part of a larger regional strategy to stimulate economic growth and promote healthy communities; and,

WHEREAS, it is well-understood that building a trail system is a long-term undertaking, and segments will emerge over time, and modifications will be made as circumstances dictate; and,

WHEREAS, when funds become available to build trails, property would be acquired only voluntarily from willing landowners and no condemnation will be used; and,

WHEREAS, adoption of the Rockingham County Pathways Plan does not imply a commitment of funding by local governments for implementing the trails described therein.

NOW, THEREFORE BE IT RESOLVED that the City of Eden Council adopts the Rockingham County Pathways Plan.

This the 18th day of June, 2013.

Wayne Tuggle, Sr., Mayor Pro Tem

ATTEST:

Sheralene Thompson, City Clerk

Mr. Johnny Farmer, Director of Parks, Recreation & Facilities Maintenance explained that the Piedmont Triad Regional Council and the Dan River Basin Association with major support from the Reidsville Area Foundation have been working with citizens, business owners, local leaders and landowners to develop a comprehensive recreational trail plan for Rockingham County residents and visitors.

He then introduced Mr. Jesse Day, Regional Planner, Piedmont Triad Regional Council.

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Mr. Day explained that they also had some support from municipalities and the county that has been critical to the development of the Rockingham Pathways Plan.

He explained that he did want to highlight a few things:

- Link places safely with off-road trails to improve health and increase the variety of opportunities residents have for physical activity.
- Expand recreation opportunities and improve access, providing outdoor activities for all age groups.
- Protect open space, streams and rivers by allowing people to experience and appreciate open space on designated routes and ensuring that sensitive environmental areas are left open instead of being developed for other more intense uses.
- Support economic development by offering local destinations, attracting people to area recreational opportunities and luring industry with high quality of life for their employees.

Council Member Burnette commented that there was really two items there that he saw, one was the interconnectivity throughout the county and second without the approved plan, they might not be able to get funding, correct.

Mr. Day replied that was correct.

Mayor Pro Tem Tuggle asked if he felt that he had support throughout the county.

Mr. Day replied yes, the response has been great.

Council Member Carter asked if this was similar to the Rails & Trails.

Mr. Day replied yes that was a real opportunity and a rail bed makes for a great trail. He pointed out that the railroad trestle there at the Smith River was a gorgeous opportunity and preserving that would be something to think about.

A motion was made by Council Member Burnette seconded by Council Member Turner to approve and adopt the Resolution in support of the Pathways Trail Plan for Rockingham County Communities. All Council Members voted in favor of this motion.

- c. Consideration and adoption of a Resolution of Intent to close a portion of DeShazo Street. SC-13-01.

**RESOLUTION OF INTENT
TO CLOSE AN UNOPENED PORTION OF DESHAZO STREET**

BE IT HEREBY RESOLVED by the City Council of the City of Eden, North Carolina, that: Pursuant to the provisions of Chapter 13, Article III, Division 3 and Section 13-88 of the Eden City Code and Section 160A-

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299 of the North Carolina General Statutes, the City Council of the City of Eden, North Carolina, does hereby declare its intention to close the following described street.

Portion of Deshazo Street

BEGINNING at a point in the west line of DeShazo Street, said point being the southeast corner of Lot 21 of the John F. DeShazo Estate as shown on a survey by J. S. Trogdon and Son dated April 4, 1946 and recorded in Map Book 6, paged 23 in the Office of the Register of Deeds for Rockingham County, N.C.; thence with the west line of DeShazo Street, North 20 deg. 57 min. West 300 feet to a point marking the northeast corner of Lot 10 of the John F. DeShazo Estate; thence with the north line of DeShazo Street, North 69 deg. 03 min. East 25 feet to a point; thence with the east line of DeShazo Street, South 20 deg. 57 min. East 300 feet to a point; thence through the right of way of DeShazo Street, South 69 deg. 03 min. West 25 feet to the POINT OF BEGINNING and being a portion of the unopened portion of DeShazo Street as shown on the aforesaid plat of survey.

BE IT FURTHER RESOLVED that the City Council does hereby call for a public hearing on the said closing to be held on the **16th day of July, 2013, at 7:30 P.M.**

BE IT FURTHER RESOLVED that this Resolution will be published once a week for four successive weeks prior to the said hearing, a copy of said Resolution be sent registered mail or certified mail to all owners of property adjoining said street as shown on the Rockingham County Tax Records, and prominently posted in at least two places along said street.

BE IT FURTHER RESOLVED, that the Planning Board is hereby requested to submit its recommendation on the proposed closing said street for consideration of the City Council at the time of said public hearing.

APPROVED, ADOPTED AND EFFECTIVE, this 18th day of June, 2013.

CITY OF EDEN

BY: Wayne Tuggle, Sr., Mayor Pro Tem

ATTEST:

Sheralene Thompson, City Clerk

Ms. Stultz explained that the city has received a Petition to close an unopened portion of Deshazo Street in the city's extraterritorial jurisdiction. The request was submitted by Shane Hensley, Abby Hensley, Henry Ray Kelly, Norma Meeks Kelly, Ryan P. Hill, Brent Carter, Sylvia Smith and Rent-A-House.

The City Council needs to consider adoption of the Resolution of Intent and call a public hearing for the July 16, 2013 regular council meeting. The Planning Board will consider this request at their June 25, 2013 regular meeting.

A motion was approved by Council Member Epps seconded by Council Member Ellis to approve and adopt the Resolution of Intent to close a portion of DeShazo Street. All Council Members voted in favor of this motion.

REPORTS FROM STAFF:

There were no reports scheduled.

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CONSENT AGENDA:

- a. Approval and adoption of minutes: April 16, 2013, May 21, 2013.
- b. Approval and adoption of Budget Amendment #18.

The attached budget amendment allocates loan proceeds from the Clean Water State Revolving Fund and grant proceeds from the Clean Water Management Trust Fund for the Dry Creek and Northern Smith River sewer projects. This amendment increases the Northern Smith River sewer project expenditure line item.

Subject: Budget Amendment # 18

	Account #	From	To	Amount
Water & Sewer Fund				
Revenues				
W/S CWMTF - N Smith River Phase 3	30-3831-49300	\$ -	\$ 733,400.00	\$ 733,400.00
W/S CWSRF - Dry Creek Phase 2	30-3831-49400	\$ 588,000.00	\$ 623,000.00	\$ 35,000.00
				<u>\$ 768,400.00</u>

Water & Sewer Fund Expenditures

North Smith River Phase	30-8130-24800	\$ 948,800.00	\$ 1,717,200.00	<u>\$ 768,400.00</u>
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To allocate grant proceeds from CWMTF and loan proceeds from CWSRF for the Dry Creek & Northern Smith River sewer rehabilitation projects.

Adopted and effective this 18th day of June, 2013.

Attest:

Sheralene Thompson, City Clerk

Wayne Tuggle, Sr., Mayor Pro Tem

- c. Approval and adoption of Budget Amendment #19.

The attached budget amendment appropriates Municipal Service District Tax fund balance for projects in the downtown areas. This amendment appropriates \$3,000 to the Leaksville District for a downtown merchant sign and \$3,000 for the "Shaggin' on Fieldcrest" event. These expenditures are approved by the merchants in each district.

Subject: Budget Amendment # 19

	Account #	From	To	Amount
Municipal Service District Tax Fund				
Revenues				

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MSD Tax Fund Balance Appropriated	17-3991-99100	\$	-	\$	6,000.00	<u>\$</u>	<u>6,000.00</u>	
Municipal Service District Tax Fund Expenditures								
MSD Tax Expense - Leaksville	17-4135-29900	\$	7,000.00	\$	10,000.00	\$	3,000.00	
MSD Tax Expense - Draper	17-4135-29901	\$	1,600.00	\$	4,600.00	\$	<u>3,000.00</u>	
							<u>\$</u>	<u>6,000.00</u>

To appropriate MSD Tax funds for downtown projects.

Adopted and effective this 18th day of June, 2013.

Attest:

Sheralene Thompson, City Clerk

Wayne Tuggle, Sr., Mayor Pro Tem

d. Approval and adoption of Budget Amendment #20.

The attached budget amendment allocates donations that were received for the Get Fit Eden project. The expenditures that are associated with this project were allocated to the contracted services line item in Economic Development; therefore this line item will be increased by the amount of donations received.

Subject: Budget Amendment # 20

	Account #	From	To	Amount
General Fund Revenues				
Donations	10-3839-8800	\$ 23,000.00	\$ 23,600.00	<u>\$ 600.00</u>
General Fund Expenditures				
Econ Dev Contracted Services	10-4135-39400	\$ 2,000.00	\$ 2,600.00	<u>\$ 600.00</u>

To allocate donations received for the Get Fit Eden project.

Adopted and effective this 18th day of June, 2013.

Attest:

Sheralene Thompson, City Clerk

Wayne Tuggle, Sr., Mayor Pro Tem

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e. Consideration and Approval to Write-off Uncollectable W&S, Miscellaneous Billing and Dumpster Fees.

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

The attached list includes \$6,204.12 in Dumpster Accounts, \$2,363.02 Miscellaneous Billing, \$19,438.98 W&S Closed Businesses, and \$12,633.27 W&S Residential Accounts older than 10 Years and no Social Security Numbers for a total of \$40,639.39. These accounts do not have sufficient evidence for filing a legal claim. If we have social security numbers on accounts, we submit the delinquent debt to the North Carolina Local Government Debt Setoff Clearinghouse. It is staff's recommendation that the removal of these accounts will more accurately reflect the amounts that are actually due and collectible by the City of Eden.

Please note there are still delinquent accounts on the books that are 10 years old or less that staff feels that there is a possibility of collecting from Bankruptcy Courts or from individuals coming in to sign up for new services. We will continue to monitor these accounts on an annual basis and make annual recommendations to remove accounts that are uncollectable. The attached list does not include Beacon Pillowtex (Payment in Lieu of Annexation) \$148,171.77, The Santee Company (W&S charges) \$154,414.16, and Murphy Bros. Inc. (Damage to W&S line) \$12,049.78 due to City Attorney's opinion to leave these accounts on the books due to the possibility of being able to collect and payments being received. We currently have approximately \$142,675.13 in delinquent accounts that have been submitted to the North Carolina Local Government Debt Setoff Clearinghouse for collection since 2001.

f. Approval and adoption of Budget Amendment #21.

The attached budget amendment allocates General Fund and Water & Sewer Fund fund balances to the Self-Insurance fund. Our estimated expenditures (claims) for the Self-Insurance fund for the year-ending June 30, 2013, will possibly be over budget by \$350,000. The estimates are based on the past 5 years of claims using the highest year. It is very hard to estimate claims because there is no way of knowing what will be incurred before year end. After all the claims have come in and been posted to fiscal year 12-13, any fund balance that was not needed will be moved back to the appropriate fund. It should be noted that we had a couple of large lasers on employees during the course of the past year with \$295,538 being paid out for just two members and a total of \$912,143 being paid out for just sixteen members. Obviously, these extraordinary costs are very hard to predict.

Subject: Budget Amendment # 21

	Account #	From	To	Amount
General Fund				
Revenues				
Fund Balance Appropriated	10-3991-99100	\$ 518,200.00	\$ 798,200.00	<u>\$ 280,000.00</u>
General Fund				
Expenditures				
Contribution to Self-Insurance Fund	10-9920-75000	\$ -	\$ 280,000.00	<u>\$ 280,000.00</u>

June 18, 2013

City of Eden, N. C.

Minutes of the regular June 18, 2013 meeting of the City Council, City of Eden:

**Water & Sewer Fund
Revenues**

Fund Balance Appropriated	30-3991-99100	\$ 2,544,400.00	\$2,614,400.00	<u>\$ 70,000.00</u>
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**Water & Sewer Fund
Expenditures**

Contribution to Self-Insurance Fund	30-9920-98115	\$ -	\$ 70,000.00	<u>\$ 70,000.00</u>
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**Self-Insurance Fund
Revenues**

Contribution from GF	15-3839-89010	\$ -	\$ 280,000.00	\$ 280,000.00
Contribution from W/S	15-3839-89030	\$ -	\$ 70,000.00	\$ 70,000.00
				<u>\$ 350,000.00</u>

**Self-Insurance Fund
Expenditures**

Insurance Claims	15-4145-30000	\$ 1,850,600.00	\$2,200,600.00	<u>\$ 350,000.00</u>
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To allocate General Fund and Water & Sewer fund balance to the Self-Insurance fund.

Adopted and effective this 18th day of June, 2013.

Attest:

Sheralene Thompson, City Clerk

Wayne Tuggle, Sr., Mayor Pro Tem

- g. Consideration and approval of Fireworks Display Permit for Hale Artificier, Inc., for the Old Fashioned Fourth of July Celebration sponsored by Eden Kiwanis.

The Kiwanis Club has submitted an application to hold the July 4, Celebration. This will be held at the football stadium at Morehead High School. Along with games, rides and food they will have the traditional fireworks provided by Hale Artificier. Mr. Hale has presented us with a copy of a Certificate of Insurance for \$1 million. The fireworks will be inspected by the Fire Department and all NC Fire Codes will be followed. I recommend that Council approves this application. Thanks

- h. Consideration of Traffic Study and Approval and Adoption of Ordinance in reference to changing the speed limit on South Bridge Street from Highland Drive to Kings Highway.

June 18, 2013

City of Eden, N. C.

Minutes of the regular June 18, 2013 meeting of the City Council, City of Eden:

I received a traffic study request from Council Member Jim Burnette in reference to changing the speed limit on South Bridge Street from Highland Drive to Kings Hwy.

South Bridge Street from Highland Drive to Kings Hwy is a narrow roadway that runs along the river. It is primarily residential in nature with a small amount of commercial property located near the northern end. The southern end terminates in the Highland drive residential area.

The Police Department's recommendation is that the speed limit for South Bridge Street from Highland Drive to Kings Hwy be 25 MPH.

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

CLOSED SESSION:

NC GS 143-318.11 (a) (4) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations. The action approving the signing of an economic development contract or commitment, or the action authorizing the payment of economic development expenditures, shall be taken in open session.

A motion was made by Council Member Turner seconded by Council Member Ellis to go into Closed Session according to NC GS 143-318.11 (a) (4) To discuss matters relating to the location or expansion of industries or other businesses in the area served by the public body, including agreement on a tentative list of economic development incentives that may be offered by the public body in negotiations. All Council Members voted in favor of this motion

OPEN SESSION:

A motion was made by Council Member Hagood seconded by Council Member Epps to return to open session. All Council Members voted in favor of this motion.

- a. **Approval and adoption of NC Rural Center Building Reuse Grant Resolution.

This item was removed from the agenda.

ADJOURNMENT:

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

Respectfully submitted

June 18, 2013

City of Eden, N. C.

Minutes of the regular June 18, 2013 meeting of the City Council, City of Eden:

Sheralene S. Thompson, CMC
City Clerk

ATTEST:

Wayne Tuggle, Sr., Mayor Pro Tem