

**MINUTES OF THE SPECIAL MEETING  
OF THE REIDSVILLE CITY COUNCIL  
HELD SATURDAY, JANUARY 27, 2018 AT 8:15 A.M.  
THE PENN HOUSE**

**CITY COUNCIL MEMBERS PRESENT:** Mayor John M. “Jay” Donecker  
Mayor Pro Tem Harry L. Brown  
Councilmember Terresia Scoble  
Councilman James K. Festerman  
Councilman Donald L. Gorham  
Councilman William Hairston  
Councilwoman Sherri G. Walker

**COUNCIL MEMBERS ABSENT:** NONE

**CITY STAFF PRESENT:** Preston W. Mitchell, City Manager  
Angela G. Stadler, CMC, City Clerk  
Chris Phillips, Assistant City Manager  
of Administration  
David Bracken, Interim Public Works  
Director  
Robert Hassell, Police Chief  
Jay Harris, Interim Fire Chief/Fire  
Marshal  
Terri S. Rivers, Human Resources  
Director  
Rhonda Wheeler, IT Director  
Jeff Garstka, Economic Development  
Director  
Michelle Smith, Human Resources  
Analyst  
Donna Setliff, Community  
Development Manager  
Fred Thompson, Parks & Recreation  
Superintendent  
Scott Jewell, WTP Superintendent  
Ben Bani, WWTP Superintendent  
Judy Yarbrough, Penn House/Market  
Square Manager (*attended 1/27 via  
video conference*)

Mayor Donecker called the retreat to order.

### **Chief Hassell Congratulated.**

The Mayor congratulated Police Chief Hassell on his award in Asheville. Chief Hassell explained the Outstanding Service Award that he had received from the NCACP. Following a round of applause for Chief Hassell, Councilman Festerman stated that this honor is not awarded every year but is done for those who go “above and beyond.” He called Chief Hassell an “outstanding Chief not only for us but across the state.”

Mayor Donecker turned the meeting over to City Manager Preston Mitchell, who said this retreat book is great annual reference material. He said they would not go through every detail. While our City is in better shape financially than others, the City Manager noted the City is getting more requests for money from other entries; however, he stressed that we have needs in regards to core functions. The Mayor added that we are fighting some of the same issues as other municipalities. Our level of rental properties versus owned properties was said to be “medium to high” and that we need to get more people moving here. We want to be more of a magnetic community so that we don’t face a shrinking population and shrinking tax base. The Mayor noted that we are “holding steady,” adding that our tax base has grown and our population remains at a fairly consistent rate. While a lot of positive things are going on, the situation at Commonwealth was discussed briefly, along with the stated need to keep plugging away at helping our economy grow.

### **RESIDENTIAL RELOCATION CAMPAIGN – THE MCCONNELL GROUP REIDSVILLE GAME PLAN: A GOAL-SCORING STRATEGY TO RECRUIT NEW RESIDENTS AND STRENGTHEN TEAM SPIRIT AMONG CURRENT RESIDENTS.**

City Manager Mitchell introduced Leniece Lane of The McConnell Group. He noted that the City has been lucky to maintain our population, noting the two new housing complexes that have just been built may help add to our population. He said the City has been working with The McConnell Group for a while, and we are ready to kick off that campaign today. Ms. Lane is part owner of The McConnell Group, and Heather Meech serves as the events, communication and advertising leader for the company. Ms. Lane gave some background on the company. She said the company has been hired to spread the word about how great Reidsville is and why people should want to live here. She asked rhetorically, what is the City’s ultimate goal? How do things you are doing play into that goal, she asked. Ms. Lane explained how the company conducted a series of interviews with a variety of participants with differing viewpoints about the City, both positive and negative.

Ms. Lane then reviewed the “Game Plan” handout The McConnell Group had compiled (A COPY OF THE HANDOUT IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) By going with this sports-oriented theme, she stressed that they weren’t tying the campaign to the Reidsville High School football team itself but to sports in general because sports brings people together. When interviewing area residents, they found that football was something they could discuss in common, she explained.

Noting how when people move to a new city, they can sometimes feel isolated, Ms. Lane stressed that they can now be a member of the team; thereby, viewing Reidsville as a welcoming community and having a common connection. The slogan, “Rise Up Reidsville”, motivates, inspires, and connects people to a common goal. The term “Homeside Strongside” is based on the fact that the City’s biggest challenge is selling Reidsville to Reidsville. She discussed efforts to build on current offerings and building on them to give residents things to do, creating a sense of place and helping make them proud of the City and getting them involved. Small changes can make a big difference, Ms. Lane noted, citing such things as making the permitting process easier. She reviewed the long-term and short-term goals on the “Sense of Place” page of the handout, including the establishment of a Non-government website. She discussed ways to market vacant downtown buildings with suggestive decals to get people thinking about possible uses of the structures. She reviewed a variety of possible strategies, adding that outdoor recreation is a big thing that the City of Reidsville is bringing to the table. Ms. Lane said the City should focus its efforts on active retirees and young families. Regarding millennials, they will find you depending on your online presence.

Mayor Donecker suggested the retirees’ age be lowered to 45 because many in the military are retiring at ages 45-50 and are often looking for a second career. He stressed that we also have three military training bases all within a couple hundred miles of Reidsville. These retirees are looking for home ownership and affordable housing. Ms. Lane agreed with the Mayor’s point, but unfortunately, many of today’s measuring tools are based on 54 and up for retirees, she said.

Continuing through the Game Plan, Ms. Lane discussed the timeline and summary for “How Will We Get There?” section. She discussed various ideas from Adopt-A-Home signs to the Reidsville Registry to highlighting tours around Reidsville and having a more active community platform on Facebook. As she continued her presentation, Ms. Lane noted that staff has been engaged and very responsive to their requests. City Manager Mitchell said that the team working on this project has included Judy Yarbrough, Jeff Garstka and Angela Stadler, but that all of Management Team has helped throughout the process.

Ms. Lane discussed the importance of messaging consistency although she stressed that doesn’t mean monotony or using the same two colors every time in brochures, etc. She reviewed the new tourism website, which will allow visitors to add City events to their personal calendars, etc. Staff also mentioned the need for the City to help advertise other organizations in the City and County because it ultimately helps the City.

Councilman Hairston said he would like the City Manager and City Council to look very closely at implementing the Adopt-A-Home program. He mentioned several such homes along the North Scales Street entrance into the City, among others. It was noted that when the City has to cut grass or demolish a house, there are costs involved so it is much better for the homes to be bought and renovated. The City Manager said the City would be discussing the program with possible nonprofit partners. Discussion also ensued about getting the City’s Historic Preservation Commission involved in the process, especially

since homes in designated Historical Districts have to meet certain guidelines. As Ms. Lane concluded her presentation, the City Council received “Team Reidsville” shirts and mugs. The City Manager noted that the City will be encouraging local businesses to sell “Team Reidsville” swag and market them.

City staff briefly mentioned as part of the “Team Reidsville” marketing the possibility of having fiberglass footballs placed around the City as artwork. They could be differing sizes, placed in front of industries, businesses or sites, and possibly be painted by local artists.

Mayor Donecker asked who will be in charge of the new tourism website? Manager Mitchell said the public will need to share events as well. Ms. Lane said she plans to do a form whereby such events could be added. The site will be maintained by Judy Yarbrough and Jeff Garstka. Garstka briefly discussed his “Rock It in Reidsville” economic development website that will be launched soon.

#### **RESIDING IN REIDSVILLE: COMMUNITY CHAMPIONS - FY 17-18.**

City Manager Mitchell started off this discussion by noting that this program is a blatant copy of the “Belong in Burlington” program, and Burlington staff is well aware of that. City Marketer Judy Yarbrough reviewed the PowerPoint on the program. (A COPY OF THE PROGRAM IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) In discussing the various components as outlined, Yarbrough noted that things can change as the program evolves. The budget, she added, is based on what the City of Burlington budgeted. The program would begin this June at Lake Reidsville, October at the Fall Festival, December at the Penn House and March either at the Chamber or the Theatre. Manager Mitchell said these are designed as social events for new people moving in to make them feel a part of the City and more engaged. The program has grown in Burlington. The Mayor said he thought it was an excellent idea and said he appreciated Jeff and Judy promoting it. Participation of other entities either as co-sponsors or as participants was discussed. The Mayor, noting it was like the “Welcome Wagon” of years gone by, said he’d like for residents to be involved as well. Councilman Gorham said it would help take away complaints of there is nothing to do or the City isn’t friendly.

#### **REIDSVILLE CITY CITIZENS ACADEMY–AMBASSADOR STATUS -FY 18-19.**

City Clerk Angela Stadler then discussed the possibility of the City establishing an Ambassador’s Academy in the spring of 2019 as outlined in her memo. (A COPY OF THE MEMO IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) Mayor Donecker questioned whether the Academy should be less than 10 weeks and could be made into either an online academy and/or Podcast. The budget of \$2,700 had been established by the County for its program.

#### **SESUICENTENNIAL (150<sup>TH</sup>) ANNIVERSARY CAMPAIGN & CLOCK TOWER COMMEMORATION – 2023.**

Assistant City Manager Chris Phillips reviewed the City’s initial plans for Reidsville’s upcoming Sesquicentennial (150<sup>th</sup> birthday) in 2023. He noted staff is not asking for any

money this year, but that we would start planning for a celebration and where are we going to be at “Reidsville150.” He noted that plans have included the possibility of erecting a clock tower at Fire Station No. 1 so that the sculpture in the roundabout and the clock tower would designate the “gateways” into the City’s downtown area. (A COPY OF THE CITY CLERK’S MEMO ON THE CLOCK TOWER IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) The clock could be started on the anniversary date, Phillips added. He said he and the City Clerk would start pulling some historical information together and get other groups involved, such as the Historical Preservation Commission and MARC. He added that a brick campaign might be part of the plans to raise money for the clock tower. Businesses, organizations, etc. could spend \$150 to buy a brick commemorating a specific date, starting with the City’s incorporation in 1873. Other possible locations in the immediate vicinity for the clock tower were offered by Council members. Staff reminded Council that the downtown has a limited footprint and some of the other suggested locations might be prime areas for other projects. Manager Mitchell said staff just wanted to make sure that Council wants to do a 150<sup>th</sup> anniversary celebration, along with a possible clock tower and brick campaign.

#### **AUDIT PRESENTATION.**

Assistant City Manager/Finance Director Phillips introduced April Adams after explaining how Cherry Bekaert is now the City’s auditing firm after McGladrey got out of municipal auditing in this area of the state. City Manager Mitchell told Council that before them today is the accepted/approved audit, which Phillips added had been approved by the State this week. Phillips thanked the City Council for the resources to allow them to after the coveted “Certificate of Achievement for Excellence in Financial Reporting”, which the City has received for the past 23 years. Ms. Adams said this is a program that bigger municipal units take part in but that it was good that a City Reidsville’ size participates.

Ms. Adams reminded Council of the role of an external auditor and the firm’s responsibilities under generally accepted auditing standards, Government Auditing Standards, etc. Free from material misstatement, the audit does not test every single transaction but does a risk-based audit, looking at accounts analytically to ensure they make sense in order to express the firm’s opinions. She explained that the firm expresses opinions on the financial statements themselves, etc. She stressed it was good news for the City that we received an unmodified or clean opinion.

Ms. Adams then went through the PowerPoint presentation and hit the highlights of the Management Letter. (BOTH THE POWERPOINT AND THE MANAGEMENT LETTER ARE HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) Among the items pointed out by Ms. Adams: the Undesignated Fund Balance is at 36%, which is typically about 46.71% for a city Reidsville’s size but above the 8% required by the State; no journal entries had to be adjusted and the Finance Department is “catching everything they should be catching; and the City “beat its budget” which is good. Mayor Donecker said the City has to be careful with its Fund Balance because citizens don’t pay taxes just for us to save them.

Ms. Adams concluded her presentation by saying her firm appreciated getting full cooperation from the City on the audit.

Discussion centered briefly on the difference in operating income. Finance Director Phillips explained that the City went for a 1.07 operating ratio because the industry standard of 1.20 would have been a massive rate increase for our citizens. He noted he would be discussing this later in the presentations. The Mayor pointed out that the numbers reflect that the tough decisions of 2008-09 needed to be made. On June 30, 2016, the City did not meet our debt covenants because our operating ratio was too low. Phillips said we knew we weren't going to meet the debt covenant, and he wrote a letter to Carter Bank reporting that fact. Due to the City already establishing a remedy by increasing our operating ratio to 1.07, the State signed off on the plans already being done rather than bringing in a consultant to set rates. In hindsight, Manager Mitchell said we should have continued with the bonds for the plant upgrades, especially factoring in the new Greensboro pump. He stressed that this was known two years ago but is only now showing up in the audit.

Mitchell concluded by saying we were lucky to have two auditing firms interested in taking over our audit, especially one the caliber of Cherry Bekeart. He said there may be a concern in the future that firms will eventually get out of doing municipal audits.

*(Staff skipped to Tab 27 on the agenda to discuss the Speculative Industrial Buildings Proposals.)*

**ECONOMIC DEVELOPMENT:**  
**SPECULATIVE INDUSTRIAL BUILDINGS PROPOSALS - LARGE & SMALL INDUSTRIAL SIZED.**

City Economic Development Director Jeff Garstka explained that Ken Allen with the County ED office has said Reidsville has very little existing viable industrial buildings. While we have several empty buildings, they lack the modern amenities. Statistics indicate that 75% or more of company inquiries begin by searching for an existing building. The City misses out on a lot of opportunities because we don't have what they need, Garstka said.

Garstka reviewed scenarios for possible public private partnerships. (A COPY OF THE POWERPOINT PRESENTATION IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) While not a complicated process, he cautioned them that some of these solutions are not inexpensive. After reviewing the first scenario, Mayor Donecker expressed concern about encumbering future Councils with their decisions now. The Economic Development Director agreed that there is a lot of risk involved on the hope that the building is filled. Mayor Donecker said what is nice about the second scenario is that it would be known on the front end whether it could be done.

After discussed Shell Building Loans from NC Commerce, Garstka reviewed the third scenario. He noted that this would probably be done in a community that sees more of a

development environment. He questioned whether we could entice someone to go down this road with us. Manager Mitchell said developers would be encouraged to analyze not only Reidsville but also the nearby Greensboro market. However, the City would have to come up with \$1-2 million upfront. The fourth scenario might work in an area such as Lot 8 of the Industrial Park, creating a “mini-park.” The logistics of such a mini-park were discussed. Mayor Donecker expressed some reservations about shell buildings due to past experiences. However, developers tend to like such projects because they are not a huge development, but the negative is that the gain is not as big either, staff stated. Councilmember Scoble noted that there are a lot of these parks along Interstate 40, and they are always full. Manager Mitchell pointed out that this scenario could be done with other scenarios. Developers could be given the land for free if they meet investment and job numbers, it was noted. The Mayor said with this approach, we can limit our liability, adding that he likes these four options. He said we need to do something but acknowledged that none may be the “silver bullet.”

Garstka noted the need to have some type of high level historical research done going back some 24 months or so in order to have the data to back up decisions. Mayor Donecker indicated he would be more inclined if the City could be sure of having a financial partner.

Manager Mitchell said he assumed that Council is supportive of Scenario #4. He said if Council could let staff know which scenarios they like the best, Garstka could go to the County and see what they think. Councilman Gorham suggested staff go to the County with all three scenarios and if they say no, staff could come back to Council to decide which is best for us. The City Manager said he understands the Mayor’s concerns about shell buildings, but he said they are different now than what they used to be. Shell buildings and “pad ready” sites were discussed. Councilmember Scoble said she liked Scenario #4, adding that she felt like they would be filled out quickly. Manager Mitchell agreed that option is the lowest risk. Several Council members reiterated that something needed to be done.

*(Returned to previous scheduled agenda.)*

**FINANCIAL SYNOPSIS:**  
**FY 18-19 FINANCIAL ISSUES.**

Manager Mitchell and Finance Director Phillips reviewed the FY 18-19 Financial Issues. (A COPY OF THE HANDOUT IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) Staff touched on the Commonwealth situation, adding that while layoffs have been announced, there is still no closure as of yet. However, staff continues to be conservative in its approach.

Powell Bill funding was mentioned since concerns have been expressed that this source of funding might go away. The City of Eden, it was noted, continues to receive Powell Bill monies but also gets monies from vehicles licenses. The City of Reidsville may have to consider going to a license tag fee, the Manager said, especially if Powell Bill funding dries up.

Manager Mitchell said it might be worth some Council members going to Raleigh for Town Hall Day. The importance of strengthening relationships with our legislators, such as Senator Berger, was stressed.

### **FLEET OVERVIEW.**

Briefly looking at the report on the City's fleet, staff said they'd like to sell off a horse park property site and replace a fire pumper or sell property to Love's Travel and buy two garbage trucks, for example.

### **HEALTH INSURANCE.**

Health Insurance was discussed briefly. Staff has learned that the rate increase on our health insurance this year may be 13%. Staff will be looking at options, it was noted.

### **INTERNAL SERVICE FUNDS.**

The Manager said this is the first true year of a base line to look at these numbers. We are hoping to cut that number by 50% or more, but if not, some tough choices may have to be made, he noted. The negative amount was shared for the insurance and the garage. This had been referenced in the previous year, staff noted. (A COPY OF THE INTERNAL SERVICE FUNDS GRAPH LOCATED BEHIND TAB 7 IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) The fund needs to at least break even realistically.

The City has very little debt, it was noted. The only new debt was for the Senior Center, which came as a 40-year loan through USDA at a 3.25% interest rate, meaning a \$250,000 annual payment. The only other long term loan is the one we had with USDA on megahertz radios, the Finance Director noted. The City has no general obligation debt, he added.

### **DEBT SERVICE.**

Reviewing Deb Service behind Tab 10, there are very few lease purchase items there. Several of these items will fall off over the next 3-4 years with the longest term debt being the Senior Center loan ending in 2056. Manager Mitchell said he envisions these lease purchases will continue with one payment being completed and then being replaced by another need. Finance Director Phillips likened it to a rolling fund. Also shown are the debt on several big pieces of equipment and two State loans on sewer upgrades and sewer plant. The sewer upgrade loan comes due in the current fiscal year while the other is a 0% interest loan for the sewer plant improvements.

### **TOP TAXPAYERS.**

Reviewing this list provided by the County, Commonwealth remains the biggest but not as big as in the past. Staff noted that we have diversified. Ball Corporation was third and while the company is no longer here, the equipment was still sitting there when the tax listing came out. The company is making plans to move it, Phillips noted. TMD WEK South is on the list but has since closed and is moving its equipment. Piedmont Natural Gas and Duke Energy are utilities that pay property tax. Manager Mitchell said we are



continuing to push commercial development of all levels, which led to a brief discussion of how the City got Love's Travel Stops and in the past, Quality Associates.

#### **TOTAL ASSESSED VALUE.**

This graph provides historical data that shows the first five years listed beginning in 2007 was pretty flat, then we had some growth and some loss, Finance Director Phillips explained. There has been some distance since the last revaluation, he noted, as we are coming up to the eighth year. Revaluations must be done every 4-8 years. The County Tax Administrator said he plans to have several public meetings and that citizens need to be realistic about property appraisals since there has been such a long time between revaluations, Phillips reported.

#### **FUND BALANCE APPROPRIATIONS FOR THE GENERAL FUND AND COMBINED ENTERPRISE FUND.**

Primarily a historical overview, Finance Director Phillips noted that the GF number will actually drop as we look at the budget. For the Enterprise Fund, 2017 was a good year from Greensboro which needed more water from us while Lake Townsend was shut down during maintenance, he added. He discussed efforts to get the operating ratio down to 1.07 or 1.08. Manager Mitchell said our budget felt the immediate loss of Ball Corporation.

#### **MID-YEAR 17-18 FINANCIAL REPORT.**

"We are where we thought we'd be halfway through the year," Finance Director Phillips reported, adding that property taxes have been adjusted to what staff thinks is realistic. (A COPY OF THE MID-YEAR 2017-2018 REVIEW IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) Departmental spending is where it should be, with many of them at the 50% mark. The Garage is falling behind with revenues falling short of expenditures during the first 5-6 months of activity. Investment return interest looks promising, he added. Those projects have ended, and we are ahead of the budget on interest, meaning we may be able to buy a vehicle. While positive, he said it will not be major. He noted that a lot of the City's expenses come in at the beginning of the fiscal year. Again, Phillips said everything is coming in as expected. Mayor Donecker complimented Phillips and the City Manager on their efforts, especially in keeping the City Council informed. The Quarterly Reports are appreciated, the Mayor said, adding that it gives them a certain level of security in knowing that if there are issues, Council will be made aware of them. Manager Mitchell said we are in a good position and meeting our challenges, not unlike other cities are facing. He stressed we are fortunate here in Reidsville.

#### **WTP AND WWTP PLANT UPGRADES:**

#### **WTP AND WWTP STATUS OVERVIEW & REIDSVILLE TO GREENSBORO HIGH LEVEL SECOND WATER SUPPLY PUMP- QUICK OVERVIEW.**

This information was provided in the agenda packets. Discussion went directly to Bulk Nutrient Removal with Mr. Doug Chapman of McGill Engineering providing an update.

**BULK NUTRIENT REMOVAL:  
WWTP BNR RELATED UPDATES.**

Doug Chapman of McGill Engineering discussed the practical method as outlined in the PowerPoint presentation. (THE POWERPOINT PRESENTATION IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) The firm is proposing a new aeration basin to help address the levels of nitrogen and phosphorus in the discharge at the Wastewater Treatment Plant. Currently the City is in compliance with its permit. McGill is helping the City to apply for North Carolina Division of Water Infrastructure funding of \$3,963,089, but we won't know until February whether we got it, Chapman said. The City comes in at the middle on the scoring criteria because, technically, we don't have a nitrogen problem right now; however, Chapman said the City should at least be able to secure a 0% loan. Manager Mitchell said our need is not as great as others, like those with spilling sewage, who are seeking the funding. Chapman reviewed possible deadlines, adding the timetable may vary by a few weeks.

Manager Mitchell asked if this solution will fix the majority of our problems? Chapman said we don't expect the State to make the nutrient limits any stricter so the City should be able to go up to that 3.75 million gallons a day without any problems. Other things will have to happen with higher use industries, Chapman said. Interim Public Works Director David Bracken said that to grow the industrial base in the City, this is a step in the right direction to embrace that type of growth in Reidsville.

**DRUM THICKENER ADDITIONAL ADJUSTMENT/UPGRADES.**

Interim Public Works Director Bracken explained that sludge removal is very central to the process at the WWTP. When the last engineering, design and upgrades took place, in order to achieve what needed to be achieved, a mixing tank was added. While a mixing tank will help, Bracken said that WWTP Superintendent Ben Bani has done a good job putting some things in place so that the mixing tank might not be needed right now. Bani has helped us to achieve an acceptable percentage for liquids to solids, he added. A mixing tank would cost about \$256,000, Bracken noted, to go along with the rotary drum. Doug Chapman has been helpful, the Interim Public Works Director stressed, adding that the problems we have encountered have been surprising to several people.

Mayor Donecker asked if we will track those changes suggested by McGill? Bracken said we are tracking them now, but we need a whole year to track to see if we can get to 2% solids content. Manager Mitchell added that what is working now might not work in the summer and Chapman agreed that the treatment process is very sensitive to temperature. Manager Mitchell discussed the potential savings on sludge disposal, complimenting both Water Plant Superintendent Scott Jewell and Ben Bani. After the issues arose with these plant upgrades, staff has treated it as a "team effort", he said, and both have been a big help to the City and each other.

Manager Mitchell said at some point, we want to have a ribbon cutting at the plants and tours after the upgrades are completed. The Mayor and Council said they appreciated the communication efforts.

### **MISCELLANEOUS.**

After the City Manager briefly discussed what remains on the current loan, Councilman Gorham complimented Bracken as Interim Public Works Director knowing the “playbook.” Bracken, in turn, complimented Bani for bringing the biology back to the WWTP and to Jewell, the “clean water guy” who takes clean water very seriously and is proud of it. Bracken said he was very proud to have both of them. Mayor Donecker commented that Albaad initially had to change its filters four times a year and was now down to only twice a year. Again, the Mayor said he appreciated the level of communication.

Discussion ensued briefly about relocating the carbon feeder from the WWTP to the WTP in order to help make a better product. Jewell touched on EPA regulations and the effect on our plant. He noted that there are some pieces of equipment, sedimentation tube settlers, that were put in 10 years ago and are starting to deteriorate. They will be a priority in the budget for next year, Manager Mitchell told Council.

### **ENTERPRISE FUND CAPITAL RESERVE EXCESS ANNUAL REVENUE POLICY – FY 16-17 END OF YEAR.**

This item was discussed. (A COPY OF THE POLICY OUTLINE AND THE FINANCE DIRECTOR’S ACCOMPANYING MEMO – ENTERPRISE FUND CAPITAL RESERVE ARE HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) Due, in part to Greensboro’s increased usage and good year in savings, staff will be recommending at the February Council meeting that the six items listed on page 6 (City Hall HVAC Panel Replacement (\$6,250); Scales/Richardson Water Sand Pipe Repainting (\$60,000); Trackhoe #142 Replacement (\$250,000); and Lassiter Liftstation Rehab/Rebuild (\$250,000)) be purchased at a total of \$566,250 using the Enterprise Fund surplus appropriation. Finance Director Phillips reviewed his memo, adding that conservatively, we want to keep over half of the monies in reserves. Currently, we have over \$1.7 million in potential capital reserves and these expenditures could be made without hurting our reserve balances, he said.

### **CONSIDERATION OF GENERAL FUND CAPITAL RESERVE EXCESS ANNUAL REVENUE RELATED TO RESIDENTIAL RELOCATION CAMPAIGN FAMILY RECRUITMENT SUGGESTIONS – FY 16-17 END OF YEAR.**

In introducing this subject, Manager Mitchell noted that the City has great parks, but we could do more. The first PowerPoint presentation, he stated, are items that staff would like Council to consider. While this was a team effort by all staff, he complimented Parks & Recreation Superintendent Fred Thompson for pulling the information together.

Thompson then reviewed the PowerPoint presentation. (A COPY OF THE POWERPOINT IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) The items highlighted include:

- Courtland Park: Add a larger playground on the Magnolia Street side.

- **Downtown Tree Replacement:** Manager Mitchell highlighted the urban park feel to the downtown due to the trees there. Economic Development Director Garstka noted that the dying, diseased trees downtown have been discussed by the RDC in the past. Putting new trees in planters rather than the ground can be done for \$60,000. Potential outlets to continue the lights in the trees were discussed. Councilmember Scoble stressed that residents love those trees and lights. Manager Mitchell said the same level of electricity should be able to be maintained. He said this project could be done in phases or all at once. Ricky Loye has given a \$5,000 price to cut some 40 trees down. Mayor Donecker questioned if to begin with, every other tree could be cut down, and concerns were expressed that new trees would be too short for the lights. Manager Mitchell said the driving force for this is people tripping over roots/uneven pavers and damage to the buildings. Several people have fallen but have not lodged formal complaints with the City, Councilman Gorham noted. Again, the Mayor expressed concern about bringing all the trees down at one time. Mayor Pro Tem Brown agreed that he felt there would be a lot of pushback from the community about removing the trees. It was suggested that the new planter boxes could be wrapped in lights for the downtown ambiance while waiting for the trees to mature. The trees also block the signs on some of the storefronts as well. The Mayor suggested taking down every other tree in order to get a sense of the boxed trees, adding that it would cost a lot to cut the stump out. Manager Mitchell asked if all Council members agree that something needs to be done? Councilman Festerman said he was torn about the issue, especially if people and/or buildings are getting hurt. Councilmember Scoble agreed that only half of them should be taken down initially. **Manager Mitchell received Council consensus that something needs to be done whether it is 50% or 100%.**
- **H.K.Griggs Park:** Parks Superintendent Thompson outlined the needs of Griggs Park, including concerns about the metal bridge located there. While all of the parks need the playground equipment replaced, Griggs is the worst. It was agreed that the City has been put on notice that the equipment needs to be replaced for safety concerns. The basketball court needs to be repaired, it was noted. Signage was discussed as a possibility until the repairs and/or replacements can be made.
- **Jaycee Park:** The parking lot needs to be grinded down and resurfaced, according to Interim Public Works Director Bracken. This could be done at the same time as the repaving of the streets, Manager Mitchell explained. Thompson discussed the repair and resurfacing of the left side tennis court with the cost alleviated somewhat by a possible \$15,000 USTA Grant. A four-section swing set, including inclusive/handicapped swings, has been recommended behind the existing playground area.
- **Also discussed:** Implementing the Reside in Reidsville program at a cost of \$4,870; replacement of the City Hall HVAC Panel at a cost of \$12,500 (or \$6,250 to be split with the Enterprise Fund surplus); Biba technology currently on the Lake Reidsville playground and adding that to other playgrounds in the future (a short video was shown); and putting “Team Reidsville” stickers on paddleboats at Lake Reidsville. Councilwoman Scoble asked about a possible dog park, which Thompson noted would be discussed later in the retreat.

Manager Mitchell noted there would be additional monies in surplus and from the sale of land to Pelham Transportation. He said no action was needed today except for the repaving of Jaycee Park to coincide with when the other road resurfacing is done.

The Mayor said he would entertain a motion on the resurfacing at a cost of \$75,000 or the entire package (as outlined in the Rise Up Reidsville Outdoor Recreation Amenities Action Plan) at a cost of \$287,136, including the resurfacing of Jaycee Park.

**Councilman Gorham made the motion, seconded by Councilwoman Scoble, to approve the entire package as outlined in Budget Ordinance Amendments No. 6 & 7.**

Mayor Donecker noted that the dollars are there but that the community needs to be considered regarding the downtown trees. Manager Mitchell said there would be a planning process involved, adding that it would be discussed in greater detail at Tab 63.

**The motion was approved in a 6-1 vote with Councilman Festerman voting in opposition. He said his opposition was based on not understanding the planning process involving the downtown trees.**

With the approval of the motion, the following Budget Ordinance Amendments were approved:

### **BUDGET ORDINANCE AMENDMENT NO. 6**

**WHEREAS**, the Mayor and City Council of the City of Reidsville adopted a budget ordinance on June 13, 2017 which established revenues and authorized expenditures for fiscal year 2017-2018; and

**WHEREAS**, since the time of the adoption of said ordinance, it has become necessary to make certain changes in the City's budget to appropriate funds for Jaycee Park parking lot paving;

**NOW, THEREFORE, BE IT ORDAINED**, by the Mayor and City Council of the City of Reidsville that the budget ordinance as adopted on June 13, 2017 is hereby amended as follows;

**Section 1.** That revenue account number 11-3991-0000, Parks and Rec Appropriated Fund Balance, be increased by \$75,000.00.

**Section 2.** That expense account number 11-6121-5800, Parks and Rec Facilities Capital Improvements, be increased by \$75,000.00.

This the 27th day of January, 2018.

/s/ \_\_\_\_\_  
John M. "Jay" Donecker  
Mayor

ATTEST:

/s/ \_\_\_\_\_  
Angela G. Stadler, CMC/NCCMC  
City Clerk

### **BUDGET ORDINANCE AMENDMENT NO. 7**

**WHEREAS**, the Mayor and City Council of the City of Reidsville adopted a budget ordinance on June 13, 2017 which established revenues and authorized expenditures for fiscal year 2017-2018; and

**WHEREAS**, since the time of the adoption of said ordinance, it has become necessary to make certain changes in the City's budget to appropriate funds for various capital and other one-time expenses and to recognize proceeds from a sale of land;

**NOW, THEREFORE, BE IT ORDAINED**, by the Mayor and City Council of the City of Reidsville that the budget ordinance as adopted on June 13, 2017 is hereby amended as follows;

**Section 1.** That revenue account number 10-3991-0000, General Fund Appropriated Fund Balance, be increased by \$68,292.00; that revenue account number 11-3991-0000, Parks and Rec Appropriated Fund Balance, be increased by \$115,844.00; that revenue account number 11-3613-7700, Parks and Rec Contributions, be increased by \$15,000.00; that revenue account number 10-3835-8201, Sale of Fixed Assets – Land, be increased by \$13,000.00.

**Section 2.** That expense account number 11-6121-5500, Parks and Rec Facilities Capital Equipment, be increased by \$35,000.00; that expense account number 10-4260-5800, Public Building and Grounds, be increased by \$60,000.00; that expense account number 11-6121-5500, Parks and Rec Facilities Capital Equipment, be increased by \$25,000.00; that expense account number 11-6121-5500, Parks and Rec Facilities Capital Equipment, be increased by \$4,633.00; that expense account number 11-6121-3510, Parks and Rec Facilities Maintenance, be increased by \$15,779.00; that expense account number 11-6121-3500, Parks and Rec Facilities Maintenance, be increased by \$41,000.00; that expense account number 11-6121-5500, Parks and Rec Facilities Capital Equipment, be increased by \$9,432.00; that expense account number 10-4940-3500, Marketing, be increased by \$4,870.00; that expense account number 10-4260-3510, Public Buildings Maintenance, be increased by \$6,250.00; that expense account number 10-4120-9910, Administration Contingency, be increased by \$10,172.00.

This the 27th day of January, 2018.

/s/ \_\_\_\_\_  
John M. "Jay" Donecker  
Mayor

ATTEST:

/s/ \_\_\_\_\_  
Angela G. Stadler, CMC/NCCMC  
City Clerk

**LAKE FEES.**

Manager Mitchell recapped the overview, adding that the relevant minutes were attached. (A COPY OF THE LAKE FEES OVERVIEW AND RELEVANT MINUTES ARE HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) He reviewed the two potential two-step options outlined in the memo. He noted that a lot of counties that do not offer parks and recreation go to the cities to fund subsidies. Mayor Donecker questioned if staff knows how many of the passes were in-city versus outside-city, but staff didn't have that information on hand. The City Manager said usually revenues dip the first year after a price increase, but with only one month to go, revenues are only down \$872 from what was collected last year. Yearly passes are down 118 but day passes are up 64. He stressed that senior citizens rates for those outside-city were way too low in the past. Mayor Pro Tem Brown said that usually senior citizens get some kind of discount and that, looking back on it, it was quite a jump in rates. Mayor Donecker said he felt it was time to reassess the situation. The Lake Hunt proposal from the outside group was briefly discussed. Councilman Festerman said a certain amount of revenue is needed to maintain the lakes, and if the prices are reduced for outside-city residents, the in-city residents will have to make those revenues up. Mayor Pro Tem Brown said he felt if we reduce the rates even a little, more passes will be sold. Manager Mitchell said he believes that the outside-city rate should still be higher than the highest in-city rate. He added that we have real needs at Lake Reidsville and Lake Hunt, adding that all of this started because we were getting complaints that we weren't maintaining the lakes. The City Manager said he is conscious of losing revenues, especially in light of the sewer situation at Lake Reidsville. The development of Murray's Point was also mentioned. Mayor Donecker noted that the revenues from outside-city senior citizens, an approximate \$2,200 decision staff calculated, would not put in a new sewer system at Lake Reidsville. Rates were briefly debated further with the idea of \$65.00 per lake for in-county senior citizens proposed. The Mayor said he liked the idea of talking to the County since we are bringing a recreational value to the County. Thompson explained that the county senior citizens are probably buying the Lake Hunt passes and doing the day passes at Lake Reidsville. Trails along the lakes were briefly discussed.

**Councilman Hairston made the motion to approve the Manager's recommendation, seconded by Mayor Pro Tem Brown and unanimously approved by Council in a 7-0 vote, to lower the outside-city rates for senior citizens to \$65.00 per lake.**

## **ECONOMIC DEVELOPMENT SYNOPSIS:**

### **Economic Development Overview:**

Economic Development Director Garstka reviewed the overview for Council members. (A COPY OF THE OVERVIEW IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) Manager Mitchell briefly mentioned Pelham Transportation, saying it is always good to have out-of-ground construction in the downtown area. The company is also looking at expanding to include garage maintenance near Love's Travel Stops, which would be another place to park their vans.

Manager Mitchell and Garstka briefly discussed growth indicators shown by zoning permits, land development activities, industrial building, commercial and residential investment; labor force data; and economic incentives. As part of the growth indicators discussion, it was noted that in residential development, Carter Ridge has exceeded expectations. Manager Mitchell stressed that we would like people to live here even if they commute elsewhere to work. As part of the economic incentives discussion, Garstka noted that there are no incentive payments planned for the coming year although there might be other expansions on the horizon.

**At approximately 4:10 p.m., Councilman Festerman made the motion, seconded by Councilman Gorham and unanimously approved by Council in a 7-0 vote, to go into closed session.**

### **RETURN TO OPEN SESSION.**

**Upon the end of the closed session, Councilman Gorham made the motion, seconded by Councilman Festerman and unanimously approved by Council in a 7-0 vote, to recess the retreat until 8:30 a.m. on Tuesday, January 30, 2018 at The Penn House.**

**SECOND DAY OF RETREAT RECESSED UNTIL  
8:30 A.M. TUESDAY, JANUARY 30, 2018 AT THE PENN HOUSE**

## **ECONOMIC DEVELOPMENT SYNOPSIS (CONTINUED.)**

### **"RESILIENT CITIES" VIDEO SHOWN.**

Economic Development Director Jeff Garstka started off the recessed retreat by showing a couple of videos from a meeting he attended the day before. First, he showed a Small Business video. At that meeting, a Small Business module was promoted, but the information was a little vague. He said he will keep Council updated if we decide to pursue such a venture.

Garstka then showed a second video on "Resilient Cities" displayed at the North Carolina Realtors Association meeting the day before. The video shows video from various small cities across the State, including Reidsville, and the accompanying song, "Rockingham", was done by Reidsville native B.J. Barham. Garstka said we will be checking to see if we can use the short video clip or the longer video as part of our marketing efforts.



**MURAL BUILDING RFP:**  
**UNC SOG DFI (DEVELOPMENT FINANCE INITIATIVE) COMMUNITY**  
**REVITALIZATION PROJECT PROGRAM.**

Garstka reported on this program offered by the SOG's Development Finance Initiative, which looks at various projects across the State and looks for developers to take them on. He reached out to them to help find a developer to rehab the mural building although the scope has changed since he originally put this together, he noted. He described the interior of the Mural Building. He went through the PowerPoint presentation labeled "Developer RFP for Mural Building." (A POWERPOINT PRESENTATION IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) The building is a blank canvas, but it will take some money to outfit it, he noted. A DFI representative came in January 22 to look at the potential project. The organization would do a market analysis to determine the best use. He explained the process involved as outlined in slides. The City would pay DFI a consulting fee for the pre-development work, and the developer would pay a 1% fee to DFI on the back end; therefore, all three parties would have an incentive to get the deal done. The DFI representative thought the Mural Building was a little too small for this type of project. Instead, DFI is going to come up with a proposal based on the downtown area as a whole to look and see what the market can bear. Various possibilities were discussed, but it was noted that for DFI to be involved, the property must be publicly owned. Manager Mitchell said the Mural Building project may be too small for DFI, but we could still put out a Request for Proposals (RFP). Garstka talked of the School of Government's ability to put developers' RFPs out there. If an RFP is done, anyone could submit, including interested locals.

**It was the consensus of Council to go forward with an RFP. Manager Mitchell said staff would be creative when creating the RFP and would bring it back to City Council.**

**MAIN STREET PROGRAM**  
**2017 CERTIFICATION/ASSESSMENT UPDATE:**

Economic Development Director Garstka explained that the North Carolina Main Street Charter requires the City to report various metrics to the State Main Street Director. (A COPY OF THE ASSESSMENT UPDATE INFORMATION IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) Achieving those various metrics helps determine whether we are a nationally accredited Main Street program, he noted. He said he didn't know that we have ever received all the metrics to be a National Main Street program. Councilmember Scoble said most North Carolina communities are state, not national accredited. Staff will have to determine if there is enough value in being nationally accredited. A 2018 goal is to get national accreditation and do the things that need to check off the list for such accreditation, Garstka said.

In 2017, those metrics under staff control were met, but not those overseen by the Reidsville Downtown Corporation board. Garstka reviewed the items that were not met as outlined in yellow, both in 2016 and 2017 although some areas showed improvement. In 2016, seven areas of non-compliance were found. In the different categories, the following results were reported: under Partners, in 2016, 12 of 17 needed public/private

partners were realized (non-compliant) vs. 2017, when 26 partners were reported, meaning compliance; under Design Management, in 2016, met 4 of 9 standards (non-compliant) vs. 2017, met compliance on 7 of 12 standards, including the three required, Garstka said full compliance is expected to be reached in 2018; under Budget: in 2016, met 3 of 6 standards (non-compliant), 2017, in full compliance; under Membership, in 2016, failed to meet National Main Street Center membership requirement. In the 2017 Assessment, three of the areas were in non-compliance as four areas saw improvement. Garstka went on to discuss the Vision & Mission, Work Plans and Board of Directors & Organization. He said the RDC Board of Directors hasn't been meeting enough, committees included. He said they are working on a more concerted effort to expand the reach of those committees, many of which are downtown business owners, and to expand membership throughout the community. This might help bring in fresh ideas about what the downtown could be, he said.

Discussion centered on the Mission Statement. The State Main Street Director has said the Mission Statement needs to be updated and made clearer. Apparently there is some question about when the Mission Statement was last updated. Mayor Donecker said that question needs to be cleared up. Records show the statement was last updated in 2010 but Councilmember Scoble, who was a previous Main Street Manager, said it was changed around 2013-2014. Staff is to research further.

Garstka noted that there currently is no annual work plan. February 24<sup>th</sup> is to be the next RDC retreat. Manager Mitchell stressed that a work plan is definable and a good starting point when moving forward. The State Main Street Director Liz Parham has offered to come back when the board is ready to move forward with changes after addressing foundational issues.

### **2016 STATE MAIN STREET DIRECTOR REIDSVILLE RECOMMENDATION PLAN STATUS UPDATE:**

Manager Mitchell noted that the slides presented just show the State Main Street Director's recommendations. (A COPY OF THE POWERPOINT PRESENTATION IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) The festival was discussed briefly, including that City staff has to do most of the heavy lifting regarding this event. RDC President Mike Mietl did help with the fundraising goal.

Manager Mitchell said the City Council has stressed the vision of the downtown as an arts and entertainment center. He noted that doesn't just mean a bunch of restaurants and microbreweries, but arts and entertainment can include shopping or anything that creates foot traffic. He stated this includes retail, referencing stores like Mish Mosh and others.

### **It was the consensus of Council that viewpoint remains, including retail/shopping and offices.**

Mayor Donecker questioned whether Main Street staff has been in compliance with training? Garstka said yes, she (Missy Matthews) has done her part.

Discussion then moved to RDC board participation. It was noted that the State Main Street Director believes in term limits on board. Garstka said we want to have more people involved. It was noted that in the past, the RDC board has been an exclusive group. Volunteers are needed, not just to work the festival, staff said. Councilmember Scoble said that when she was Main Street Director, they tried to open up membership on the RDC board but some felt members should only be people directly related to the downtown. Manager Mitchell said it should include anyone who is “pro-downtown,” including volunteers or committee members. He added that we have to get the committees to meet more. Promotion efforts were discussed. While the Casino Night is a great fundraiser, it could be promoted in different ways to bring more exposure or to encourage people to come back and visit the businesses, it was noted. The importance of educating business owners about promotion was discussed. Garstka said the library has applied for LSTA grant money to establish seminars designed to help downtown business owners.

**PROCESS FOR APPLICATIONS FOR DOWNTOWN BUILDING REHABILITATION GRANTS FROM MSD FUNDING.**

Discussion then turned to the façade grant program for downtown businesses. (A COPY OF THE PROCESS FOR APPLICATIONS IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) Economic Development Director Garstka said that 8-9 grants were given out this past year. The program needs to be revised and will be taken up at the RDC retreat. Currently, the grant process is very loose and needs to be more structured. The timeline was also discussed briefly. Also discussed was how the NC Legislature has taken an interest in the process involving the use of Municipal Service District (MSD) monies.

The formal façade grant process needs to be streamlined where everyone is treated equally, Garstka said. We want it to be fair and equitable without being too onerous, he added. Manager Mitchell said the State Main Street Director Liz Parham felt the City’s grants were too large. He said he was okay with the larger grants if they were for full floor renovations, but he wanted Council to think about the size of the grants. He said he would like feedback from the regarding the amounts.

Councilwoman Walker expressed concerns about how some RDC board members have questioned the integrity of Main Street staff members on various issues which didn’t go the board members’ way. The time of staff and board members is too valuable to hear about perceived problems that happened four years ago and listen to the same arguments, which seems to take up a lot of the meeting time, it was noted. She said for these board members to question staff members’ integrity is appalling. Several Council members agreed.

Manager Mitchell referenced the overview behind Tab 32 and the opinion of the City Attorney regarding the RDC’s responsibilities to abide by requests of the City Council to adhere to best practices and Main Street Certification requirements. (A COPY OF THE OVERVIEW AND LETTER ARE HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) Manager Mitchell noted that the RDC program was chartered to

the City of Reidsville. It is, in fact, a City program and the responsibility of the City Council, which oversees it, he continued. The RDC serves as the City's Municipal Service District (MSD) advisory board through the General Statutes, which Council should remember is a taxing power. The City Manager reviewed the six various concerns expressed in 2017 to him by the City Council regarding the RDC as outlined in the overview. It is believed that the upcoming RDC retreat is a good time to establish a plan of action. Manager Mitchell said the RDC is an independent organization but it exists to be the City's partner for the Main Street program. Since questions had arisen about the City's interpretation of the relationship, the City Manager said he had requested the City Attorney's opinion, who agrees that the board is answerable to the City Council, especially in terms of the MSD funding but also as an advisory board for the Main Street program and MSD.

*(Part of the previously incorporated document, the following is the "Recommended Overall Action Items" by the City Manager.)*

- Recommended Overall Action Items
  - Provide 4 months (approximately 120 days) for RDC to achieve City Council requirements to remain serving as the Main Street and MSD Advisory Boards.
    - Staff will assist as much as possible and appropriate to help them meet said requirements within the time frame.
  - Relocate MSD funding, presently utilized as downtown grants, from the RDC section of the City of Reidsville Budget to the General Fund section of the City of Reidsville Budget. The City Manager will be proposing this in his recommended budget proposal for FY 18-19.
  - Fund the \$12,000 annual appropriation towards Reidsville Main Street Four Point Approach endeavors in the General Fund section of the City of Reidsville Budget.
    - Pending budget availability.
  - RDC will retain their annual fundraising amounts in their RDC budget within the RDC section of the City of Reidsville Budget should they choose to or can create their own separate budget that they would have to operate themselves without any city involvement.
    - Logistics via city staff financial record keeping makes the former an overall better option, most likely with a contract prepared by the City Attorney, but the RDC can choose the latter.
  - The majority of the City Council has expressed both direct & general concerns along with requested of changes within the RDC. While the City Council cannot require the RDC to address these since they are separate entity, they can require it as a conditional requirement to continue serving as the MSD and/or Main Street Advisory Board to the City of Reidsville.
    - Example – Term Limits if City Council believes this is important.
  - Full voting membership for the City Council Liaison position(s) and Department Head Director of the chain of command where the Reidsville Main Street Program position is placed.

- Meet recommended best practices provided by State Main Street Director Liz Parham from her joint presentation in 2016
- Follow all Main Street Program best practices.
- Require RDC to meet the requirements of their portion of the Main Street Certification checklist.
- City Council to select the Annual Main Street Champion from nominations by RDC members, citizens, stakeholders, and staff individually via the voting method City Council collectively selects members of all City advisory boards.
  - Could modify if receive large numbers of nominations to reach set number of finalists from nominations via two series of votes.

Under overall recommended goals for the RDC, Manager Mitchell said he is recommending that the RDC be given four months or approximately 120 days, to meet the City Council's requirements. Staff will assist as much as possible within the timeframe, he said. He said the RDC is too valuable an organization, both past and present, but it needs to adhere to the City's requirements. He said he believes 120 days is a sufficient amount of time to do so. Also, he recommends relocating the MSD funding from the RDC budget to the General Fund budget. He said since this is tax money, it should be listed under the General Fund. He is proposing to put it under the Main Street budget in the coming Fiscal Year Budget for 2018-2019.

Manager Mitchell said he is also recommending funding \$12,000 to implement the Main Street Four Point Approach endeavors. The RDC would be able to maintain their fundraising revenues, such as the \$7,000-\$8,000 received through Casino Night, either in the City's Main Street budget or in the RDC section of the City budget if they choose to do so or independently separate, he added. He said he felt the first option was the best because the City does them quite a service in overseeing these funds. Councilmember Scoble questioned whether the RDC would even be able to oversee it because it is a lot of work.

Term limits of RDC board members were discussed. Manager Mitchell said Council could require such limits if the RDC wants to maintain its status as the Main Street and MSD board. He also recommends that the City Council Liaison, currently the Mayor, be a voting member along with the Department Head Director overseeing the Main Street program. He also recommends that the RDC board meet the recommended best practices provided by the State Main Street Director during her 2016 presentation and follow all Main Street best practices. Other recommendations are to meet their requirements on the Main Street Certification checklist and regarding the annual selection of the Main Street Champion, the City Council would select the Champion based on nominations from RDC members, citizens, stakeholders and staff.

Manager Mitchell then reviewed recommended goals for 2018 as follows:

- Recommended 2018 Main Street Goals for the RDC to Pursue & Partner with the City Main Street Program

- Utilize work plan formats provided by State Main Street Director Liz Parham for RDC 2018 retreat and resulting work in the calendar year.
- Encourage use of “We’re Open” flags, downtown gift registry program, and evening local discount events as part of the Rise Up Reidsville campaign.
- Encourage façade improvements and rear building public access adjacent to expanded parking lot at corner of Morehead Streets and Martin Luther King Drive with City staff endeavors.
- Pursue upper window improvement project for downtown buildings with City staff.
  - Similar to basis of former RDC project for second story windows of Tuck’s Shoes building.
- Report usage of downtown buildings being utilized for storage via City Attorney’s recommended procedure that was provided to the RDC in late 2017 (as a result of a complaint/request from an RDC member).
- Partner with city staff in encouraging an awning installation or paint beautification program via MSD downtown grant funding.
- Assist City with creation of Downtown Economic Strategy Plan utilizing State Main Street Director Liz Parham and staff as contractors and open to all city-wide citizens, businesses, stakeholders, RDC members, and City Officials interested in downtown.
  - Creation of such a plan was previously recommended by State Main Street Director Liz Parham after with her other recommendations being adopted.
  - After other items of the overall action items are completed.

Manager Mitchell said it was believed that these overall recommendations will do a lot to solve some of the problems expressed, but it will also put everybody on the “same page”. He stressed that the City only wants the RDC to follow the best practice requirements provided by the State Main Street Program. The RDC, he noted, not only serves as our MSD taxing authority, but it also represents the City in its actions.

Councilman Festerman commended staff on pulling this all together, but he questioned whether the board needs 120 days. He suggested giving them 60 days and give the City Manager authority to extend the timeframe to 90 days. The Mayor asked if he wanted to put it in the form of a motion?

**Councilman Festerman said his motion would be to accept the recommendations of the City Manager except to give the RDC 60 days, with an extension of 30 days if the board is making substantial progress, to achieve the City Council requirements. Councilman Hairston seconded the motion.**

Councilmember Scoble asked if this would be presented at the RDC’s next meeting? Manager Mitchell said he felt the clock shouldn’t start running until the board is collectively together. He said he would go over the recommendations with the RDC President and Vice President prior to the RDC retreat. Councilman Festerman said the

days would not start until the RDC board has been put on notice. It was agreed that the clock would not start until the RDC retreat scheduled for February 24. It was also noted that Garstka would begin working on the Request for Proposals (RFP) for the MSD funds. According to new State General Statutes, cities must bid out the management of these funds with the City Council appointing the organization to serve in this capacity. An organization can be appointed from 1-5 years, but it had been agreed that starting off, the appointments should be made for one year. Other groups might be interested this year in doing this, but Manager Mitchell said he felt like it would have to be a strong presentation to give the authority to any group other than the RDC unless the City Council wanted to.

Mayor Pro Tem Brown asked for the Mayor's opinion on the proposal since he is the Council liaison to the group. Mayor Donecker said he felt it needed to be presented in such a way that the RDC understands that everything doesn't have to be done perfectly in 60 days, but movement is expected. He noted that the RDC is not a club but is serving a real purpose. He said this would allow the RDC to sit up and take notice that these things need to be done.

The Mayor then asked the City Clerk to restate the motion, which was stated as follows with the addition:

**Councilman Festerman said his motion would be to accept the recommendations of the City Manager except to give the RDC 60 days, with an extension of 30 days by the City Manager if the board is making substantial progress, to achieve the City Council requirements once the board has been put on notice. Councilman Hairston seconded the motion.**

**The motion then passed in a 7-0 vote.**

Councilmember Scoble stated that, if the RDC board knows the parameters and has all the information, it will only help them to do a better job.

A short break was taken at 10:20 a.m. before the retreat agenda resumed.

## **LOCAL WORKFORCE DEVELOPMENT.**

### **CITY ENDEAVORS.**

### **POTENTIAL RHS CNA AND MACHINING PROGRAMS OVERVIEW PRESENTATION.**

Manager Mitchell and Dr. Mark Kinlaw, President of Rockingham Community College, started talking about Dr. Kinlaw's desire to have more students from Reidsville High School to attend RCC. However, 100% of the International Baccalaureate (IB) students reportedly go on to a four-year university and have received some \$4 million in scholarship offers, the City Manager said. RCC is working on establishing a Certified Nursing Assistant (CNA) program, he explained, saying he had connected Dr. Kinlaw with Moses Cone to work on that possibility. The goal of that program is that there be no cap on the number and that students being able to take the CNA course at Reidsville High

School from Community College instructors via videoconferencing. This would be geared to that 30% not engaged in post-secondary education. Students would be encouraged to pursue this because it would pay more than the minimum wage, and they could live here with more disposable income. The Greene County machining program was then discussed. Greene County supported local industries, applied for monies through Golden Leaf and built a training center as part of the high school and Community College there. Manager Mitchell said we are applying for such Golden Leaf funding with the machining program being at RHS where ROTC is located. RCC and City officials, along with local industrial officials are visiting the Greene County facility on Feb. 5. Local manufacturing companies are very interested in this program due to the big gap in skilled workers, as well as workers with soft skills. Mayor Donecker asked how City Council would interact with this program? Mitchell said the City Council would need to commit to transportation with existing money. The remaining cost would be \$156,000 for equipment covered by the Golden Leaf grant. He said he is proposing to the school system that a Memorandum of Agreement would need to be developed, which would include that the program would be kept at RHS unless City Council allows the program to be moved. The City Attorney is working on drafting such an agreement and the Reidsville Industrial Association (RIA) would serve as the advisory board. Steve Scott of Tri-State Steel and chairman of the RIA, said he would hire students out of high school at \$11-15 hours, etc. who had been through the program. Manager Mitchell said the City would be on the hook for \$3,500 to \$7,000 with monies already included in the budget.

Manager Mitchell asked if it was the consensus of Council to go forward? He described in greater details the physical location that would be needed for the program. It is believed it would be set up with 10-15 students per class and would be done during a student's Junior/Senior year so they could graduate with this certificate. Councilman Hairston said he thought it would definitely work, and Councilman Gorham said it might help get those we lose in the 8<sup>th</sup> grade because they know they will be able to get the needed skill in high school.

#### **SOFT SKILL BOOT CAMP AND CAREER READINESS PROGRAM.**

Economic Development Director Garstka briefly reviewed these programs. He continues to teach the Soft Skill Boot Camp with one coming up hosted by Hennings. The Career Readiness Program has been presented at both the high school and at the Chamber Expo by the Parks & Recreation Department. This program has been very successful, reaching some 180 students.

#### **COUNTY & AT LARGE ENDEAVORS**

##### **ROCK-A-TOP APPRENTICE AND ROCKINGHAM RESET PROGRAMS.**

Economic Development Director Garstka briefly discussed the Reset & Rock-A-Top programs countywide initiatives as outlined in the retreat books.

##### **SENIOR COMMUNITY MARKET RESEARCH STUDY.**

Economic Development Director Garstka and City Marketer Judy Yarbrough reviewed the "Active Adult Community in Reidsville, NC" PowerPoint presentation focusing on page 5 showing the Study Results. (A COPY OF THE POWERPOINT



PRESENTATION IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) They discussed how active retirees are looking to volunteer, start businesses and have the disposable income to do so. You need to attract them but you have to have product, it was noted. What do these retirees look for in housing, Garstka asked. They look for close-knit communities with places to congregate. North Carolina is the third largest place that retirees are going to, Yarbrough noted. A very conservative estimate is that a 180-unit community as an initial phase would require a capture rate of 1.02% so this would be a low risk project, she said. She said it is a case, based on what we currently have, that if you build it, they will come.

Manager Mitchell said the study proved what we already knew, but that something was needed to show developers. He added that we might also do an accommodations study in the future.

**COMMUNITY DEVELOPMENT SYNOPSIS:**

**COMMUNITY DEVELOPMENT QUALITY OF LIFE OVERVIEW.**

Community Development Manager Donna Setliff reviewed her departmental overview, which focused on Nuisance Abatement, Minimum Housing Violations, Non-Residential Violations, Junk Vehicle Campaign Data, Downtown Storage Zoning Violation Project Overview and Housing Programs. (A COPY OF THE OVERVIEW IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) In reviewing the information, Setliff stressed that Community Development staff have strived this year to improve response times to get a property cleaned and/or abated. She outlined some of the ways this was done, including a new generic notice form; training additional staff on how to handle nuisances, etc. The goal to abate nuisance properties in 21 days actually was lowered to 18 days, she said. Councilman Hairston complimented the Reidsville Connect program for helping people report issues online. Noting the budgetary line item funding nuisance abatement is currently out of money, Setliff said staff estimates another \$15,000 is needed for the spring. This Budget Ordinance Amendment will be placed on the Council's February agenda, she said. Manager Mitchell commented that this is a "good" bad problem to have. Since the perceived slowness was not meeting the majority of City Council's desires to see these nuisances handled, the process has been sped up but the result is that more money is spent as additional nuisances are handled. Also, last fall was a very rainy season with high growing grass, staff noted. As Setliff gave statistics about repeat nuisance offenders, she noted that the \$50 administrative fee we charged may be worth it to some property owners so that fee might want to be looked at again. Some of these repeat offenders might be contacted to see if they would be interested in donating housing to the Adopt-A-Home program. Manager Mitchell stressed to Council that the City doesn't want to get into the real estate business; however, he discussed various renter and landlord situations which might play into the Adopt-A-Home program, thereby, getting these repeat offenders off the list. Setliff said there would be some houses coming before Council in the future for Minimum Housing Code violations. She reminded Council these are funded on an "as needed" basis.

Setliff then reviewed the Junk Vehicles Campaign, which is a joint effort between Community Development and the Police Department. The PD allows school resource

officers between June to August to work on the campaign as well as the parking enforcement officers beginning in August. Of the 136 vehicles addressed, school resource officers addressed 94 and parking enforcement 42. Noting this is a good program, Setliff discussed the process involved.

Regarding Downtown Storage Zoning Violations, 95 courtesy letters, minus any duplicates, were mailed to property owners with 159 sent to tenants, Setliff reported. Responses back included inquiries back to staff and at least one property owner boarding up their windows. Setliff said this will be an ongoing issue for them. Briefly discussed was what was needed to get an administrative search warrant filed because the Central Business District does not allow storage. In response to a question from Councilmember Scoble, Setliff said the letters do not state a response is needed, but if they have any questions, staff will answer them. Manager Mitchell said the courtesy letter is a warning reference point, adding that we hope it will be handled way before it gets to the administrative search warrant stage.

Setliff then reviewed various housing programs offered through the Piedmont Triad Regional Council (PTRC) and Housing Finance Agency as outlined in the Community Development Overview. After providing the stats outlined in the overview, she explained the kinds of improvements that would need to be made, such as handicapped ramps, accessibility, plumbing, etc. to get the Housing Finance Agency grant, which the City is applying for through WR-Martin. She said these would be urgent needs that keeps a person in a house not an effort aimed to make the house pretty. Among those who could qualify would be homeowners with special needs, those aged 62 and up, those with kids in the house, the disabled, grandparents raising grandchildren, etc. If we get the grant, the funding would help assist with 12-14 homes. Community Development would take the initial information, then the application goes to WR-Martin to administer the grant and handle repairs. Manager Mitchell said this is the first time that the City could apply directly for these grants. He said Council should thank legislators for the Urgent Repair Program.

A brief discussion ensued about air Bed & Breakfasts. It was noted that they are not illegal.

**PERSONNEL SYNOPSIS:**

**HUMAN RESOURCES POINTS OF INTEREST.**

In making the Human Resources report, Assistant City Manager Chris Phillips noted that much of the information provided is review. (A COPY OF THE HUMAN RESOURCES POINTS OF INTEREST MEMO IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) He concentrated on health insurance, noting that with the changes with Morehead Hospital in Eden, the local PHO might be going away. Staff has been looking at other options, including talking to the NC League of Municipalities to see what it can offer. Our current provider is saying we may see a 13% insurance increase in the coming year, he explained. He said it could be a year before we undergo any changes in terms of insurance providers, but we will discuss health insurance at the first budget

work session. Human Resources Director Terri Rivers said there would be time to change if Council saw something they liked.

Phillips also pointed out that the Random Drug Testing Program changed this year to include opioids. He said we are not anticipating any problems. If an employee tests positive, they will be asked why they are on them and do they have a prescription? Again, he indicated staff is not anticipating a problem.

He briefly noted that online applications continue to be a success. He said we have hired some really good employees through the online process.

Noting this item is not in the overview, Phillips explained that the State Retirement System made changes a couple of years ago after some cities had employees who they felt were “spiking” the system to get retirements better than they deserved. He cited the example of a Community College President facing retirement, and the college wanted to keep him so they offered a substantial increase in pay. This only affects employees who make over \$100,000. The retirement system notifies cities of employees who could be potential “spikers”. We have only been notified of one employee, who qualifies as a potential “spiker”, Phillips said. Manager Mitchell said the State Treasurer’s Office has taken the definition literally and twisted it from the original reason, according to the legislator who proposed the bill. Human Resources Director Rivers said that some people are gaming the system but in other instances, others are stepping up to help their city and their increased earnings are based on real work. However, the State is protecting the integrity of the retirement system, and we want them to do that, she added.

**STREET AND TRANSPORTATION SYNOPSIS:**  
**STREETS & TRANSPORTATION OVERVIEW.**

Interim Public Works Director David Bracken came forward to discuss items listed on the Street and Transportation Overview. (A COPY OF THE OVERVIEW IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) In 2014, he noted a paving study done with the results highlighted behind Tab 43 is in the retreat books. In the spring they will be working on those streets. He explained the different processes used, including slurry seal, crack seal and hot mix. Bracken said his priority is to revisit these streets for reassessment and make a more current game plan for repair and replacement. Manager Mitchell said the 2014 study will be used, but the \$1 million a year sought for resurfacing is not feasible so we will break from that, no longer paving in the order recommended by the study. The goal is that the City paves about 3.5744 miles of roads per year. However, he also noted that we need to replace the drainage pipe underneath Courtland Avenue, which is a major project. Basically that pipe is pretty much gone and needs to be replaced before it gets worse. The City Manager said it will delay paving for a year, but it must be done.

Discussion turned to those streets done with slurry seal. The more traffic on the roadway after the slurry seal is put down, the better the street is smoothed out. Mayor Donecker noted that a big complaint was the tracking of materials into the house weeks after the slurry seal was done. Manager Mitchell said the City is not planning to do slurry this

year, but the next time it is done, it will be put under a pneumatic paver. The Mayor said the cost benefits outweigh other issues with the slurry seal. He said South Park Drive might be a good place to use slurry. Bracken said the problem with South Park is the subgrade below it. Manager Mitchell said that the City plans to take two years of paving money and combine it into one year. Theoretically, yes, we are skipping a year, but we face the challenges like other cities. Powell Bill monies don't cover the costs of resurfacing. That is why the City of Eden is doing not only Powell Bill but also "tax and tag", he said.

### **GREENWAY PLAN UPDATE.**

Manager Mitchell reminded Council that they gave staff permission to upgrade the City's Greenway Plan. Community Development Manager Setliff went through the PowerPoint presentation, noting that the original Greenway Plan was adopted in 1997. It was presented to Council again at the 2017 Retreat, with last year's map in this year's Retreat Book as well. The future YMCA complex was discussed with the greenway slated to loop around it, then traveling out to Chinqua Penn and the State-owned land there. RCARE has a natural trail behind it, which could go over to Freeway Drive via a sewer line easement. The City would like to see an asphalt path that would run parallel to Freeway Drive, going to Griggs Park with a trail head planned. The City owns that property and there is a sewer line easement running into the area, it was noted.

Proposed greenways include:

- **Southern Trail** would be a natural trail down to Ronald Reagan Drive behind Dollar General on Freeway Drive, running behind the existing apartments and the new apartments. The City might get an agreement with Belmont Square for a public/private partnership with a trail head and marking on the asphalt. The asphalt trail could end at Jaycee Park with a natural trail there with crush and run material running over to Park Lane.
- **Southeast Reidsville Trail** is a 1½-mile trail that is being considered. Setliff explained that in more developed areas, it is harder to fit a greenway trail. We are focused on trail heads that are easier to drive to, Manager Mitchell said.
- **Lake Reidsville Trail** would be a little over two miles, but we might have to move the fence of the Water Treatment Plant back.
- **Second Lake Reidsville Trail** will be costly due to erecting bridges, etc. The Dan River Basin Association may have some grant possibilities; however, we may have to switch to trail to the western side. Money has been set aside for engineering work. There is a lot of possibility of parking with the trail head. A layout with a gravel parking lot is included in the retreat books. Manager Mitchell said staff is suggesting gravel with 3-5 parking spaces like that done at Sherwood. Setliff noted that some of the grant monies require a safety plan as well.

- **Lake Hunt Trail** would end up at the Irvin Farm location. There are not a lot of details yet about this trail, which could be a natural trail or a water trail. Mayor Pro Tem Brown asked about grant possibilities. DRBA was mentioned as a possibility. Work on the trail might could be done with volunteers and not a lot of funding, it was noted. The possibility of getting funding from the Reidsville Area Foundation was mentioned.
- **Lake Hunt Blueway Trail** would require a gate path on this two-mile trail; however, it was noted the trail could be walked without a gate path.
- **Lake Reidsville Blueway Trail** -- Setliff informed Council that NCDOT is scheduled to replace the Ironworks Road bridge in September of 2018, but State officials indicate that it could be delayed. This would be the location of a future trail head for this blueway trail that would access Lake Reidsville. This would be very passable but needs to be cleaned up. The trail would be 12 feet at the most narrow and the widest would be 20 foot. Getting out at McCoy Road, this would be a four-mile paddle trip. Manager Mitchell said he felt we can get a blueway trail done much quicker with some of the engineering done in house since it is just gravel.
- **Sidewalk Connections** being considered are from the Rec Center down Sprinkle to the Teen Center, including over to RCARE. There is a lot of traffic from Vance Street over to Piedmont Street with two additional areas being considered. Manager Mitchell said the City doesn't want to get into the sidewalk building business and that the current assessment process works find, but these sidewalks would connect those greenways.
- **Jaycee Trail** would be a natural trail with crush and run material. Discussion centered on whether NCDOT could be encouraged to do a sidewalk along there. Mayor Donecker asked about bike trails along Freeway Drive or does NCDOT prefer bikes to be on the roadway. The City Manager said if the road is not six foot wide, NCDOT does not intend for bicycles.

Councilmember Scoble asked about the sidewalk on Richardson Drive, noting that where it ends, water stands. Mayor Donecker said that when the landscaping is finished, it will hopefully take care of that. Interim Public Works Director Bracken said that yes, that is an erosion issue.

Two projects that are on the State Transportation Improvement Plan (TIP) is 1) a sidewalk on South Park Drive from Cypress to Freeway Drive, which the City will keep submitting; and 2) connection to our existing greenway over to South Park Drive, which would be multi-use.

**Bike Lanes** -- The City really only has two: Sherwood Drive and on a section of South Park Drive. An additional one is planned on McCoy Road, but McCoy Road will be resurfaced pretty soon in the spring. It is hoped they will widen the road as much as they

can, with a couple extra feet on the west side or right-hand side going out of Reidsville. It is not wide enough to be a designated bike lane, it was noted.

Manager Mitchell asked if Council had any concerns because, if not, staff was ready to put the book together. No concerns were expressed but it was noted that this is a very positive thing for Reidsville.

**FUTURE INTERSTATE 785 UPDATE.**

Manager Mitchell said those involved met locally and voted unanimously to put all of their points towards getting the I-785 designation, which received the blessings of the Regional Planning Organization (RPO) as a whole. We should know by March or April if it will be funded. Three areas of possible funding were discussed. Senator Berger helped get \$250,000 for an express design plan to look at the feasibility. Our RPO submitted from Business 29 to NC 14 with the end of I-785 being just inside our County line to Business 29. Construction could start in 2020. If we are on the list, we need to push for it, the Manager said. This could cut the drive from 13 minutes to 10 minutes from Greensboro proper. He also talked of the possibility of getting rural incentives for businesses/commercial development along I-785.

**ENTERPRISE FUND SYNOPSIS:**  
**ENTERPRISE FUND OVERVIEW.**

City Manager Mitchell reviewed the Enterprise Fund Operating Philosophy as noted in the Enterprise Fund –Water and Sewer Operations overview. (A COPY OF THE OVERVIEW IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) He noted the effect of the Ball loss and while 1.20 is the ultimate goal in terms of operating ratio, 1.07 is the average since it was decided reaching 1.20 would be too large of a rate increase at the 2016 retreat. Staff added that our rate structure is set up to be favorable to large industrial users.

**UTILITY RATE INCREASE.**

Assistant City Manager/Finance Director Chris Phillips distributed three handouts on a proposed Utility Rate Increase. (A COPY OF THE THREE RATE INCREASE HANDOUTS IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) He noted that he included the 2017 actual numbers on the second page so that Council could see how we ended up at a 1.15% operating margin due to the 2016 rate increase. Only 1.09% or 1.10% had been budgeted. The City reduced its budgeted capital from 2017 to 2018 to absorb loss of Ball, he noted. That is the strategy used to balance the budget without a rate increase, Phillips added. If we continue to do nothing, we will go down that slope again, he said, and have a double digit rate increase.

The Finance Director said staff heard Council say in 2010 that we should do small increases rather than one large increase. Staff is recommending a 3% increase (1% increase generates \$85,000 in revenues) for the coming year, then no increase in 2019-2020 and then another 3% in 2020-2021. Phillips said this keeps the operating margin a little more stable, helping us to stay at the 1.8 or 1.9%.

Manager Mitchell said we would like to have new growth to compensate for this. While we have experienced some growth, we have also had some losses, such as Ball. We need to have capital to make small improvements, he said. If we don't have these smaller increases, we will have zero capital to spend in 2021, the Manager added. He stressed we need to do something, but he noted all of this is open for discussion. The big economic development project we are currently working on will not offset the Ball loss, he stated.

Most residential customers will see their utility bills go up \$1.13 a month while some will see their bill go up \$1.90 per month, Phillips explained. A small number of customers will see a \$3.00 monthly increase. The average will be out \$1.50 a month or \$18 a year, it was noted.

Other utilities are probably going to go up on their rates this year and their customers include the City of Reidsville. Councilman Hairston said the need for the increase needs to be explained well. Phillips then discussed the effect on commercial businesses. Our largest utility user will see about a \$28,000 annual increase. It was noted that two years ago, Council and staff were discussing the violations done by Flint, Michigan and elsewhere. Re-investing in the system makes it affordable, Phillips stressed. Eden has had to have heavy increases in recent years. Councilman Festerman said it has always been the perception that the water sold to Greensboro allows our rates to be lower. However, if our rates are too low, we don't qualify for grants. Mayor Donecker agreed with a little increase this year so that another won't be needed until two years from now.

Manager Mitchell asked for feedback from Council, any comments, thoughts or action?

Phillips explained that the flat based charge covers the cost of the plant. The variable charge for businesses is lower than for residents, he noted, a difference of \$3-\$5. Even if a business uses no water at all, they get charged the \$72.00 base charge. If you adjust them lower, you have to adjust other groups as well. Our rate structure, Phillips said, is set up where everyone benefits, hopefully attracting large industrial users who help keep the rates lower for everyone else.

Mayor Pro Tem Brown asked what most residents will see? Phillips responded about 70% of users will see a \$1.13 per month increase. The Mayor asked if Council members were comfortable with what is being laid out? Councilwoman Walker noted that other utilities will probably be coming out with rate increases as well. Mayor Donecker said he thinks our citizens understand that expenses go up as long as it is a reasonable amount. He said a 2-3% increase fits in with that.

Phillips said staff did tell our industries that we would give them as much lead time as possible. It was suggested that Phillips present the proposed rate increase at the February Reidsville Industrial Association meeting. However, after additional discussion, it was decided to go ahead and vote on the increase at the retreat.

**Councilman Festerman made the motion to grant the 3% requested utility increase. The motion was seconded by Councilmember Scoble.**

During the discussion phase, Councilman Festerman said he didn't like double digit increases. He said costs are increasing every day and \$1.13 a month or approximately \$12 additional a year seems reasonable.

**The motion then passed in a 7-0 vote.**

Staff briefly referenced the information that could be found behind Tabs 47-51 on Water & Sewer Monthly Operations; Top Utility Users/Customers; Sewer Liftstation Rehabilitation Status; Water Accountability and Inflow and Infiltration.

### **1,4 DIOXANE OVERVIEW.**

Manager Mitchell briefly discussed 1,4 Dioxane, which is found in WWTP discharge. He said it was first identified in North Carolina in 1982. He said it is a case where if someone drank 20-30 gallons a day, it might develop into something. However, it does impact some of our key utility customers, and the State's answer, product substitution, is not a real option. City staff met with the State DEQ officials. Mayor Donecker said they are trying to tie it into Gen X found in Wilmington and Fayetteville, but they are two completely different substances. 1,4 Dioxane is found in many everyday products, including shampoos, etc. The problem locally is that our wastewater flows into the Haw River, a smaller body of water. Manager Mitchell said we have been very aggressive for our industries, going to bat for them on this issue. No action is needed on this, but the City Manager he wanted to make Council officially aware of it. The Mayor noted that this issue is not being driven by science.

### **PUBLIC SAFETY SYNOPSIS:**

#### **PUBLIC SAFETY PRESENTATIONS**

Staff then moved onto discussions of Public Safety, including Police and Fire.

#### **POLICE.**

In making his presentation, Police Chief Robert Hassell explained that the format of the 2017 Annual Crime and Traffic Report has changed. He said they have removed city comparisons because much of the other cities' data is missing. He reviewed the different statistical categories: Arrests, citations and traffic stops are down, which may have been affected by unfilled police officer positions last year; up in accidents but the number of injuries has gotten better; calls for service are up, which is leading to the addition of an officer per shift, Manager Mitchell said we have received fewer complaints about the approachability of our officers; violent crimes dropped 17%; property crime saw a 5% drop although one business continues to have issues; motor vehicle thefts went up so staff is looking for patterns. The City Manager noted that some problems move from one area of the City to other as the perpetrators move.

Chief Hassell discussed the opioid crisis. He said that 129 overdoses of opioids have been reported in the County, but they can't tell them how many of those occurred in the City of Reidsville. His department has created a spreadsheet to try and keep track of it ourselves when identifiable. Since December, three have been identified here in Reidsville.



The Police Chief then gave a gang update. He said there wasn't much to add. His department still has 31 possible members identified here in the City. He discussed the factors involved as the police try to determine who might be gang members. He said we are not seeing the gang activity seen elsewhere, but they will continue to monitor the situation.

Chief Hassell also briefly discussed the efforts of the Community Improvement Task Force, including proactive activities done along with efforts to improve the quality of life and build relationships with the public through community events. He said his philosophy has been to do more than just enforcement but to also do some activities which are proactive and be seen as a partner with the community. Manager Mitchell noted that Reidsville is still the only one in the County doing the D.A.R.E. program in the schools. Chief Hassell said DARE and the GREAT program are done in the middle and elementary schools, requiring only the school officers' time. He also talked about the Youth Advisory Committee, Summer Youth Camp, and the Blue Light Program, which has proven to be very successful. The number of complaints that citizens don't see officers in neighborhood has dramatically decreased because of the Blue Light Program. Zone integrity has increased and accountability improved as officers stay in their zones so they can respond quickly. He touched on POP (Problem Oriented Policing) and Youth Alcohol Awareness and Education sponsored by the ABC Board. He said the department is thankful for those funds because they have been able to buy and refurbish materials. Councilwoman Walker said we have a very active ABC Board.

Looking ahead to 2018, Chief Hassell distributed Community Resource Packets for review by Council. These packets will be available to victims, etc. and detail county and city services. He added that officers will be transitioning back to the traditional midnight blue uniforms this year. A Youth Police Academy is planned, which should help with recruitment efforts. Manager Mitchell noted that the department is making a big effort in arrests, citing as an example a big warrant roundup a while back.

### **FIRE.**

Interim Fire Chief Jay Harris then reviewed the Fire Department's 2017 Annual Report. He said statistically, we have not had a lot of variables in the last couple of years. Total response times have been pretty consistent, he noted. In all categories, including medical and fire calls, there have been 2320 calls. He briefly mentioned the highlights of the report. He added that the department's aluminum can program may have been hurt by the City's recycling program. He noted that there were eight returns of Spontaneous Circulation and one CPR/AED save last year. In mid-February, the department will be phasing in a new apparatus breathing respirator, one of the first departments in the region to receive it. He also noted plans to add one pumper car to the department's inventory.

### **PARKS & RECREATION SYNOPSIS:**

#### **PARKS AND RECREATION OVERVIEW.**

Parks & Recreation Superintendent Fred Thompson discussed the departmental overview (A COPY OF THE PARKS AND RECREATION OVERVIEW IS HEREIN

INCORPORATED AND MADE A PART OF THESE MINUTES.). He noted that International Baccalaureate students have been to the Teen Center to think of other ways to look at it. He talked about the career readiness program, along with efforts that will help increase the enrollment of Reidsville High School students at Rockingham Community College. He talked of other partnerships with the Rotary Club on a shadowing event; with local businesses, the Salvation Army and Junior Achievement. Manager Mitchell said we are looking to take the Teen Center program “outside the walls”, thereby achieving our purpose to help students find a school or career path which helps our local industries and schools. Also discussed was a school system recommended program “It’s My Future”. There would be a \$7,000 cost to this program with a private sector business or industry providing half of the monies. The overview also touched on the Mountain to Sea Trail (an updated map is located behind Tab 56), volleyball at the Rec Department for adults and youth. Also highlighted were categories of parks as listed in the Outdoor Park Amenities Action Plan.

**PARK AMENITIES ACTION PLANS.**

Parks & Recreation Superintendent Fred Thompson then reviewed the PowerPoint presentation on Repairs – Current and Future. Councilman Festerman asked about whether a security camera could be installed for the storage shed at Lake Reidsville, which has been broken into in the past. Manager Mitchell said Chief Hassell could get with Thompson to see what could be done.

Discussion turned to the cost of repairing the sewer system at Lake Reidsville. To repair the system would cost almost as much as putting in a new public sewer (\$600,000). This situation would need to be addressed before the Murray site could be developed, Manager Mitchell said.

The Park Amenities Action Plan Site Maps behind Tab 58 was mentioned as reference material only. Plans are to have a splash pad at Lake Reidsville. Staff is working with Susan Boyd to raise money for the project.

**Councilman Gorham made the motion, seconded by Councilmember Scoble and unanimously approved by Council in a 7-0 vote, to recess until 5 p.m. on February 20 in the first-floor conference room of City Hall.**

**THIRD DAY OF RETREAT RECESSED UNTIL  
5:00 P.M. TUESDAY, FEBRUARY 20, 2018 IN THE  
FIRST-FLOOR CONFERENCE ROOM, CITY HALL**

**POLICY REVIEW AND SUGGESTIONS:**  
**STAFF COUNCIL COMMUNICATION POLICY.**

City Manager Preston Mitchell said all seemed to be going well with this as both staff and Council appear to be following the policy.

### **DOWNTOWN PARKING TIME LIMITS.**

City Manager Mitchell explained that the City has not been enforcing the time limit for parking in the downtown area as staff prepared a proposal to bring forth to Council. There are different areas in the City that have parking and no parking, he explained. Economic Development Director Jeff Garstka said staff had wanted the opinion of the Reidsville Downtown Corporation regarding parking enforcement. Different scenarios include two-hour parking, three-hour parking or no parking enforcement. Staff took the issue to the RDC at a board meeting, and there was good discussion about it, he said. The RDC board wanted to survey the downtown merchants beyond the 12-member board, the Economic Development Director stated. While Hugh Sandoe was here, a survey was distributed, but we didn't get a ton of responses, Garstka noted. A survey was done again several weeks ago, but both the merchants and the RDC was split on what action should be taken. Again, the Police Department has had a presence downtown but not really enforcing the parking limits. Police Chief Hassell said not many tickets have been issued in the downtown area. Garstka said he feels there is always going to be a split on this issue, adding that again, there are different scenarios from a two- or three-hour limit, leaving the side streets with no parking enforcement, etc. Councilmember Scoble asked, "Don't we want downtown spaces full? That's what we want." Councilman Festerman said the concern is that parking spaces are being taken away from legitimate shoppers by employees parking on the street. He added that private employers can tell employees to park further away, but the City can't. Garstka talked of at least one situation where a shop owner's employees use the spaces in front of a neighboring shop for parking. This is a "business to business" issue, it was noted. Loading and unloading is a different situation. Employees should park in the back of the businesses. Garstka said he has been told there are 100-plus parking spaces downtown. He added that he thinks the directional signs downtown have helped direct people.

Garstka referenced on page 2 of the Downtown Parking Enforcement PowerPoint presentation behind Tab 60 that noted downtown revitalization authority Roger Brooks offers some perspectives on parking. (A COPY OF THE POWERPOINT AND INFORMATION ON DOWNTOWN PARKING IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) He reviewed Brooks' recommendations for downtowns as well as the results of the parking survey. Garstka said that the key here is that, whatever you do, be consistent. Manager Mitchell said staff made a big effort to get this information out but as Council can see, we received very little response. Councilmember Scoble asked what would happen if the City just took the parking signs down? Manager Mitchell said we would have to see if these parking limits are done by ordinance or not. Councilman Gorham said we could suggest that employers encourage their employees to park in the back. Garstka said part of the problem is that employers need to be courteous to neighboring businesses.

Discussion ensued about where parking was available on Market Street. While some lots are always full, others are underutilized, Council members noted. Mayor Donecker said we do have adequate parking downtown, but we need to work on getting visitors to realize it is open. Councilmember Scoble said we should give the changes a good year before making additional changes. Councilman Gorham again reiterated that business

owners and employees should park in the rear, leaving parking spaces open for their customers. Councilman Festerman said he was willing to accept the recommendations of authority Roger Brooks. He provided a historical perspective of what happened when the County Department of Social Services had an office building downtown with DSS eventually leaving the area. Councilman Gorham stressed that parking issues are nothing new, noting they existed when he worked downtown at age 16. Councilmember Scoble said people shopping and eating at downtown restaurants need more than two hours, and the visitors need to know they will be safe and won't be hassled about parking. Mayor Donecker said it would help if businesses would fix up the back of their shops to make them more inviting. Manager Mitchell said façade grants could help with such renovations. The Mayor cited as good examples Café 99 and Reidsville Area Foundation, which have created inviting second openings into their businesses. Manager Mitchell said this situation is an example of how government process works, although a slow process, it is meant to be that way to allow everyone a chance to respond on this issue.

**It was the consensus of Council to bring something to them at the March Council meeting.**

#### **WAREHOUSE DISTRICT.**

Manager Mitchell then discussed staff's plans to have the downtown area across the railroad tracks as a "Warehouse District." Various developers who have come to town have been excited about the potential of this area for service/retail businesses and/or entertainment/restaurant options. The National Armory was purchased recently at an auction by Elevated Environmental and will include its corporate headquarters. The business wanted the building because it wants to be a catalyst to revitalize that part of town, the Manager noted. Several potential developers have toured the Adams Electric property and love it, he added. Economic Development Director Garstka and Community Development Manager Donna Setliff are looking into the possibility of extending the municipal service district (MSD) there. This would mirror the current MSD and make those properties contained within eligible for those monies. Councilman Hairston said we really need to work on enhancing and improving on upscale entertainment possibilities. He cited that Sophisticated Soul is now offering live music some nights. Such ventures can only bring Reidsville up, the Councilman said. Manager Mitchell agreed, stressing that a strong Warehouse District will only bring Reidsville up. Councilmember Scoble also agreed, likening it to the River District in Danville, featuring restaurants and live music. Garstka said this Warehouse area has some of the coolest architecture around and the type of space that people enjoy and want to renovate.

Mayor Donecker asked what are the next steps that need to be done? Manager Mitchell said we would need to label it a Warehouse District and check the line that is on the provided map. (A COPY OF THE MAP OF THE PROPOSED WAREHOUSE DISTRICT IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) Currently some homes are included in the district in order to create a logical line/district, he explained. Mitchell asked Council to first, review the map and let staff know if they think the district needs to be larger. Secondly, this may be a district where we want to allow bars, etc. and that needs to be decided. Lastly, he questioned whether

Council wants to expand the MSD into it? The Adams Electric building could be one of the largest contributors to the MSD, which will help the downtown. The City Manager asked Council to review these three points and then we can come back for further discussion. Garstka also added that General Statute information is also included in their books behind Tab 61.

Mayor Donecker asked if it could be put on the Council's March agenda? Manager Mitchell responded positively but noted that the MSD extension would probably be at least a yearlong process. Community Development Manager Setliff said it would require rezoning. The City Manager said there would be a lot to do after Council tells staff to move forward. Garstka said staff would propose a new classification for warehouse districts only with allowable uses and those that are not. Mitchell said this could be a very unique and diverse zoning because of the kinds of things included. Setliff said it would be a very mixed use. She added that staff would need to know if Council wants to include those properties down to Hall Street, some of which are in the condemnation process. Also, Setliff will prepare a list of possible uses for Council to review. Councilman Hairston asked about the effect on residences involved? Manager Mitchell said they could continue to live there but their property would be assessed the same 25 cents per \$100 valuation like the businesses there. He added that there will always be some inside and outside the line but there will definitely be some areas that would be hard not to include. Mayor Donecker also noted that some houses on Hester Street would be affected. Councilman Gorham said there would be some in the area who would not be able to afford the assessment.

Manager Mitchell asked Council if there was consensus to voting in March to move forward with what he stressed would be a slow, tough process. Councilman Festerman said this area has been neglected for far too long. Councilwoman Walker said millennials are always complaining that there is nothing to do so they thrive in such areas as this.

**It was consensus of Council that the issue would be put on the March agenda in some form.**

### **URBAN ARCHERY.**

City Manager Mitchell said the possibility of allowing urban archery in the City was brought up by Mayor Donecker. If the Council is interested in pursuing, it, we would need to submit a letter of intent by April 1, he said. Police Chief Robert Hassell then explained the concept, which would allow hunters to hunt deer inside our City limits. The reason for this is because of the high number of deer accidents in Reidsville, he explained. He said at first he wasn't so sure about it, but after reading up on the subject and discussing it with wildlife officials and other cities, it does seem to be an option to reduce the deer population inside the City limits. He explained we would have to designate areas in the City where the hunting would be allowed. The dates for the process are included in the packet, Chief Hassell said. Human Resources Director Terri Rivers has reached out to the NC League of Municipalities regarding insurance and liability. Rivers stated that responsible program development would help us to defend against any claims. Retrieval of the carcass, age limits for hunters, community orientation meetings,

restrictions of season, etc. – all would need to be part of the program development. Also, she said the types of damages and nuisances that have been done in the City would need to be well documented to help in the justification of bringing this to the community. She stressed that there is no reason not to do it, but good documented reasons for doing it helps the City defend against claims. In response to various questions by Council members, Chief Hassell reviewed some of the regulations they were recommending as outlined in his memo. (A COPY OF THE “URBAN ARCHERY” HANDOUT AND ASSOCIATED MEMORANDUMS ARE HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)

Manager Mitchell noted the Committee’s recommendation is to allow Urban Archery Season within the city limits with the restrictions as listed. The amount of accidents in the City involving deer was discussed briefly. Councilman Festerman commended the committee on its research. Chief Hassell noted that each of the Committee members had different opinions after reviewing the research. The Police Chief said his focus from the beginning has been to reduce the number of accidents (136 deer-related vehicle collisions within the City between 2015-17.).

Again, Chief Hassell said that if Council is interested in the program, the City must have a letter of intent in by April 1. The hunting season would start in October. Mayor Donecker noted that the recommendations by the Committee state that crossbows would not be included. He cited that there was a crossbow-related death in another state. Manager Mitchell stated that the local wildlife expert disagrees and thinks the City should allow crossbows. Human Resources Director Rivers said the League does have concerns about allowing crossbows because of their speed and power. Chief Hassell said the local expert thinks a lot of people would not participate if we do not allow crossbows. Mayor Donecker noted that this is just one option to controlling deer.

**It was consensus that the issue would be put on the Council’s March agenda with the biologist attending to present and answer questions.**

**SPECIAL PROJECTS:**  
**DOWNTOWN TREES.**

Economic Development Director Garstka said the downtown tree replacement had been discussed on the first day of the retreat. The question is whether it should be done all at once or in phases, he said. Staff had discussed the issue further and would recommend doing all of it at once because the electrical wiring conduit has been wrapped around the tree roots. All of this would have to come out and it will damage the electrical units, he said. There are 42 trees in the 100-200 block of Scales Street. The trees will cost \$100 each, and Garstka said he has discussed planters with Eric Smith at Amos Welding. Mayor Donecker questioned if we cut the trees at the top, why would we have to disturb the roots? Manager Mitchell said he understands that if air doesn’t get to the roots, the roots will keep growing. Mayor Donecker said he understood if they don’t get any light, they won’t grow. The City Manager said staff can get an expert opinion. Councilman Gorham said there may be a way to drill into the roots and kill them without any environmental damage. Manager Mitchell said we are not rushing on this, adding it will

be a slow process but they would check into Councilman Gorham's suggestion. Mayor Donecker expressed concerns about yanking up the roots, which would be more expensive, and reminded everyone that Council had initially discussed doing this in piecemeal fashion. Interim Public Works Director David Bracken reminded Council that if you leave the root system in place, you will have bad places in the sidewalk. If the roots are taken out, the sidewalks can be repaired at the same time, he noted. Mayor Donecker again expressed concern about possible escalating costs. Manager Mitchell said staff's goal is still to do all of this for the \$60,000 estimate. He added that there has been discussion with a local electrician about running electrical boxes along the curbing. After more discussion, the Mayor said he was okay with it as long as we stayed within the \$60,000, running no higher than 10% in or out. Garstka did show Council more of an artistic option called "bottle trees" which can be lighted up and become a part of public art to mix in with the streetscape. Manager Mitchell said the bottles would have to be placed high enough where people couldn't get to them.

He said staff may want to have a work session on these items after staff meets again.

**YMCA PARK LOCATED AT AND OBTAINING OWNERSHIP OF OLD FREEWAY DRIVE LANDFILL UPDATE .**

Manager Mitchell said the Council only needed to look at this information behind Tab 64 and that no discussion was needed.

**Councilmember Scoble made the motion, seconded by Councilman Gorham and unanimously approved by Council in a 7-0 vote, to recess the retreat until after the 6 p.m. regular monthly meeting's closed session.**

**RETURN TO RETREAT AGENDA. TOURNAMENT BASEBALL (SOFTBALL) COMPLEX – FORMER HORSE PARK SITE.**

Manager Mitchell asked Council if they wanted to proceed further looking into this issue. It has been discussed with the municipalities by County Commission Chairman Kevin Berger. The example of the ball complex at Rocky Mount was discussed. Parks & Recreation Superintendent Fred Thompson proposes a wagon wheel concept with five fields. Garstka stated that David Southard had plans drawn up about a year ago for a 4-field softball complex. Thompson said you need to have 4-5 fields just to compete. Mayor Donecker said competitors like to go to small towns. Manager Mitchell stressed that Parks & Rec would not be able to run it with the current staff and that we would need an additional full-time person. Even in winter months, someone would be needed to book events, and oftentimes, such facilities sell dates out two years in advance, he said. Councilman Hairston said it sounds like a 'win-win situation. Staff also mentioned the possibility of some collaboration with Rockingham Community College. Possible locations were discussed, but the primary site being considered would be at the rear of the former Horse Park site. Jaycee Park and Lowes could be overflow locations, Mitchell said. The next step will be looking at the Rocky Mount site. **Council members appeared to be supportive of the idea.**

### **ROCKINGHAM COUNTY ARTS COUNCIL ARTS CENTER.**

Manager Mitchell discussed a possible proposal for the Rockingham County Arts Council Arts Center, which had been discussed with the previous Arts Council Director pending Council approval. (A COPY OF THE PROPOSAL IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) A USDA \$325,000 loan at an interest rate of 3.5% for 40 years split three ways (City, County & Arts Council) might be a possibility, which would include renovation of two floors and installation of an elevator. The City Manager stressed that City funding is an incentive, not an entitlement. A fund-raising drive by the Arts Council would be part of the scenario, he added. Since this proposal was first discussed, the organization has changed directors. Mayor Donecker said the Reidsville Area Foundation needs to be in the conversation too. Manager Mitchell added that the Arts Council would also need to get a commitment from the County.

### **FUTURE EXPANSION OF REIDSVILLE LIBRARY & PARTNERSHIP.**

Manager Mitchell explained that a little over a year ago, the City learned of plans to build a new Reidsville Library. New libraries had been constructed in Eden, Stoneville and Madison-Mayodan. The City doesn't want the library to move out of the downtown area, he said, and has suggested that County offices could be placed in the underutilized bottom floor space. It is proposed that the \$3 million cost would be split among the County, the Friends of the Library and the City at \$1 million each. This would be a good option, Manager Mitchell said, but the City is also requesting a parking lot with 55 new spaces be constructed between Scales Street and Martin Luther King Drive as part of the project with the cost shared between the entities. That parking lot could benefit the downtown and the proposed Warehouse District. There was also discussion about a Sculpture Garden to be placed at the rear of the facility. It is possible that a USDA loan could be utilized.

### **DIRECTIONAL SIGNS ALONG MAJOR TRANSPORTATION ROUTES OF US 29 & FREEWAY DRIVE.**

City Clerk Angela Stadler noted there has been interest in putting up directional signs, similar to those in the downtown using the QR Codes, on highways leading into Reidsville. Before he retired, Public Works Director Kevin Eason prepared a drawing of what a possible sign could look like with NCDOT approval. The City Clerk asked Council members to review the potential sites for the signs, along with the suggested site names. She concluded by saying that staff was still waiting to hear back from the State on possible pricing of the size signs needed on US 29, etc., since we have since learned that some of the work we thought could be done in house will have to be contracted out.

### **OTHER UPDATES.**

#### **Greene County Trip.**

Manager Mitchell let Council know that the trip to Greene County to see its machining program was very successful. Currently the City Attorney is preparing an agreement between the City and the school system which would not allow the equipment to be moved from Reidsville High School without the City Council's approval. The Reidsville Industrial Association (RIA) is very passionate about this project, Manager Mitchell said.



**Letter from State.**

Mayor Donecker informed the Council that he had received a letter from the North Carolina Local Government Commission noting two issues, both of which the City had already been aware. One was that the City's audit had been received later than October 31 and the other pertained to the Internal Service Funds, including Garage and Insurance, which have been operating at a deficit. The Mayor said Assistant City Manager/Finance Director Chris Phillips had already made us aware of these issues, but this letter adds a sense of urgency to it. He added staff and Council members have been talking about the garage situation for several years. The Mayor added the items are being handled, but he wanted to make Council aware that we had been put on notice. Manager Mitchell said that the letter was addressed to the Mayor and that Phillips has prepared a reply on the Mayor's behalf. Manager Mitchell said this is one of many reasons the City is looking at its insurance options.

**Councilman Gorham then made the motion, seconded by Mayor Pro Tem Brown and unanimously approved by Council in a 7-0 vote, to adjourn the retreat at approximately 7:45 p.m.**

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John M. "Jay" Donecker, Mayor

ATTEST:

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Angela G. Stadler, CMC/NCCMC, City Clerk