**MINUTES OF THE REGULAR MEETING**

**OF THE REIDSVILLE CITY COUNCIL**

**HELD TUESDAY, JUNE 9, 2015 AT 6:00 P.M.**

**COUNCIL CHAMBERS, CITY HALL**

**CITY COUNCIL MEMBERS PRESENT:** Mayor John M. “Jay” Donecker

 Mayor Pro Tem Harry L. Brown

 Councilman Tom Balsley

 Councilman Donald L. Gorham

 Councilman William Hairston

 Councilman Clark Turner

 Councilwoman Sherri G. Walker

**COUNCIL MEMBERS ABSENT:** NONE

**CITY STAFF PRESENT:** David L. Bracken, Interim City Manager

Angela G. Stadler, CMC, City Clerk

 William F. McLeod Jr., City Attorney

 Tom Wiggins, Assistant City Manager of Community Services

 Donna Setliff, Community Development Manager

Mayor Donecker called the meeting to order and asked Councilman William Hairston, Pastor of Shiloh Baptist Church, Reidsville, to provide the invocation.

Council members then led in the reciting of the Pledge of Allegiance.

**APPROVAL OF THE CONSENT AGENDA.**

**Councilman Gorham made the motion, seconded by Councilman Turner and unanimously approved by Council in a 7-0 vote, to approve the Consent Agenda.**

**Consent Agenda Item No. 1 – Approval of the May 5, 2015 Special Meeting Minutes, the May 13, 2015 Regular Meeting Minutes and the May 28, 2015 Special Meeting (Open Session) Minutes.**

With the approval of the Consent Agenda in a 7-0 vote, the Council approved the May 5, 2015 Special Meeting Minutes, the May 13, 2015 Regular Meeting Minutes and the May 28, 2015 Special Meeting (Open Session) Minutes.

**CONSENT AGENDA ITEM NO. 2 – APPROVAL OF A YEAR-END BUDGET ORDINANCE AMENDMENT NO. 10 TO CLEANUP ANY SMALL BUDGETARY ITEMS THAT HAVE OCCURRED DURING THE YEAR.**

**With the approval of the Consent Agenda in a 7-0 vote, the Council approved Budget Ordinance Amendment No. 10 as outlined in Assistant City Manager/Finance Director Chris Phillips’ memo. (A COPY OF THE MEMO IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)**

Budget Ordinance Amendment No. 10 as approved follows:

**BUDGET ORDINANCE AMENDMENT NO. 10**

 **WHEREAS,** the Mayor and City Council of the City of Reidsville adopted a budget ordinance on June 4, 2014 which established revenues and authorized expenditures for fiscal year 2014-2015; 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 recognize revenues and to appropriate funds for related expenditures;

 **NOW, THEREFORE, BE IT ORDAINED,** by the Mayor and City Council of the City of Reidsville that the budget ordinance as adopted on June 4, 2014 is hereby amended as follows;

**Section 1.**  That revenue account number 10-3413-1000, Federal Seizure Funds, be increased by $5,000.00; that revenue account number 10-3413-2000, State Unauthorized Substance Tax, be increased by $5,000.00; that revenue account number 10-3431-8002, Bullet Proof Vest Program, be increased by $5,750.00; that revenue account number 10-3434-2000, Recycling, be increased by $2,000.00; that revenue account number 11-3613-9000, Disc Golf, be increased by $150.00; that revenue account number 11-3613-6600, Duck Blinds, be increased by $1,000.00; ; that revenue account number 11-6313-7700, Recreation Grants, be increased by $25,000.00; that revenue account number 10-3834-8500, Penn House Special Revenue, be increased by $1,500.00; that revenue account number 10-3834-8525, Market Square, be increased by $8,200.00; that revenue account number 11-3612-0000, Senior Center - SHIIP, be increased by $5,000.00.

**Section 2.** That expense account number 10-4310-2606, Supplies, be increased by $10,000.00; that expense account number 10-4310-2120, Uniforms, be increased by $10,000.00; that expense account number 10-4340-2605, Fire Supplies, be increased by $2,000.00; that expense account number 11-6130-2650, Disc Golf Supplies, be increased by $150.00; that expense account number 11-6130-3530, Maintenance Duck Blinds, be increased by $1,000.00; that expense account number 11-6123-5800, Athletics Capital Improvements, be increased by $25,000.00; that expense account number 10-6140-3510, Penn House Maintenance, be increased by $1,500.00; that expense account number 10-4940-3501, Farmers Market, be increased by $8,200.00; that expense account number 11-6124-1260, Senior Center Part-time Salaries, be increased by $3,500.00.

This the 9th day of June, 2015.

 /s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 John M. “Jay” Donecker

 Mayor

ATTEST:

 /s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Angela G. Stadler, CMC

 City Clerk

**- End of Consent Agenda -**

**PUBLIC HEARINGS:**

**CONSIDERATION OF A TEXT AMENDMENT TO ALLOW “HUNTING SUPPLY SALES” AS A PERMITTED USE IN CENTRAL BUSINESS, GENERAL BUSINESS, HIGHWAY BUSINESS, LIGHT INDUSTRIAL AND HEAVY INDUSTRIAL WITH DEVELOPMENT CRITERIA (T2015-3).**

In making the staff report, Community Development Manager Donna Setliff explained that Jerry Strader has filed a text amendment requesting “Hunting Supply Retail Stores” be allowed as a principal use within the Central Business District and to allow an indoor archery range as an accessory use. He has proposed the development criteria to be “Archery target range for testing archery equipment for sale and practice,” she explained.

In researching the request, Setliff said she had found no reference to an indoor archery range in the Burlington, Greensboro or Winston-Salem Ordinances, but she found Sports and Recreational Supply, which she assumes would include hunting supplies. She said she was thinking along the lines of a Dick’s Sporting Goods or Gander Mountain, both of which have small indoor areas where someone can test a bow or equipment.

Staff is recommending a slight adjustment to the wording to “Hunting Supply Sales” and to allow the principal use in Central Business, General Business, Highway Business, Light Industrial and Heavy Industrial zoning districts. Additionally the following development criteria (Note 35) is recommended: 1) Hunting Supply Sales Stores are permitted to have an Indoor archery range for testing archery equipment for the purpose of sales and practice; and added 2) Only blunt field tips are permitted to be used, blade tips are prohibited.

Staff asks the Reidsville Downtown Corporation for a recommendation when a new use is being proposed in the Central Business Zoning Classification, Setliff noted. The RDC voted unanimously in support of staff’s recommendation, she said.

The text amendment was then presented to Planning Board, which unanimously recommended the amendment be approved with the two developmental criteria in all zoning districts as recommended by staff.

Mayor Donecker opened the public hearing at 6:07 p.m. by asking if there was anyone who wished to speak in disfavor of the text amendment? No one came forward. He asked if there was anyone who wished to speak in favor of the text amendment?

Jerry Strader, owner of Blessings by the Bushel, 227 S. Scales St., Reidsville, came forward. He noted that the archery range would be totally safe. He said he hoped the range would help bring in more business. The public hearing was closed at 6:08 p.m.

**Councilman Turner made the motion, seconded by Councilman Gorham and unanimously approved by Council in a 7-0 vote, to approve the text amendment as presented.**

The Text Amendment as approved follows:

**Amendment T 2015-3**

**AMENDING THE CITY OF REIDSVILLE ZONING ORDINANCE**

**AN ORDINANCE AMENDING**

**ARTICLE V, DISTRICT REGULATIONS**

**SECTION 2, TABLE OF PERMITTED USES**

**OF THE CITY OF REIDSVILLE ZONING ORDINANCE**

**BE IT ORDAINED** by the City Council of the City of Reidsville, North Carolina, that the Zoning Ordinance of the City of Reidsville be amended as follows:

**Part I.** That Article V, Section 2, Table of Permitted Uses be amended to read as follows:

That Hunting Supply Sales be permitted in Central Business, General Business, Highway Business, Light Industrial and Heavy Industrial with the following development criteria:

Note 35: Hunting Supply Sales Stores are permitted to have an Indoor archery target range for testing archery equipment for the purpose of sales and practice.

 Only blunt field point tips are permitted to be used, blade tips are prohibited.

**Part II.** This Ordinance shall become effective upon its adoption by the City Council of the City of Reidsville, North Carolina

**ADOPTED** this the \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2015 by the City Council of the City of Reidsville, North Carolina.

 /s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 **JOHN M. “JAY” DONECKER, MAYOR, REIDSVILLE, N.C.**

**/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

 **Angela G. Stadler, City Clerk**

**CONSIDERATION OF A TEXT AMENDMENT TO ALLOW RESTAURANTS WITH ACCESSORY USES BY SPECIAL USE PERMIT IN CENTRAL BUSINESS, GENERAL BUSINESS AND HIGHWAY BUSINESS (T2015-4).**

In making the staff report, Community Development Manager Setliff reminded Council members that they had remanded the Text Amendment requesting that Restaurants be allowed to have pool tables, foosball tables, electronic arcade games and un-ticketed musical entertainment as accessory uses in Central Business, General Business and Highway Business by right. The Council had asked that the Planning Board consider allowing the accessory uses by Special Use Permit, she continued.

Setliff said a text amendment has been drafted which would allow Restaurants in Central Business, General Business and Highway Business by Special Use Permit to have up to:

* No more than three (3) pool tables.
* No more than two (2) foosball tables.
* No more than three (3) electronic arcade games, excluding sweepstakes and/or gambling games.

Setliff pointed out that the text amendment does not reference “un-ticketed musical entertainment.” She noted that this has already been going on, and staff is comfortable that such entertainment is already an accessory use in restaurants.

Staff has proposed the following Development Criteria, she stated:

* Sixty percent of sales must be in food products, which she noted is a carryover for all restaurants.
* The Board of Adjustment to be the approving authority.
* The restaurant must be a minimum of 4,000 square feet in size for these accessory uses.
* That twenty-five (25) percent of the floor space may be used for any combination of accessory uses.

Setliff noted that it was recommended that the Board of Adjustment be the approving authority because it would shorten the applicant’s time to have the request heard. Staff had recommended the buildings be 4,000 square feet in size because it lessens the possibility of smaller restaurants being more of a billiard parlor than a restaurant, she added.

Setliff further noted that when presented to the Planning Board, there was a lot of discussion about the development criteria. The Planning Board also recommended that the City Council be the approving body since the Council members are the elected officials, she said. One Planning Board member felt all restaurants should be able to have these accessory uses no matter the size of the restaurant, she said. To offset the deletion of the 4,000-square-foot building requirement, the Planning Board changed the “Accessory Use Allowable Percentages” criteria to 25% of the seating floor space instead of the entire restaurant square footage.

The attached Ordinance, Setliff said, reflects the recommendations of the Planning Board but is not the original recommendations of staff.

The original Ordinance follows:

**Amendment T 2015-4**

**AMENDING THE CITY OF REIDSVILLE ZONING ORDINANCE**

**AN ORDINANCE AMENDING**

**ARTICLE V, DISTRICT REGULATIONS**

**SECTION 2, TABLE OF PERMITTED USES**

**AND SECTION 3, SPECIAL USES**

**OF THE CITY OF REIDSVILLE ZONING ORDINANCE**

**BE IT ORDAINED** by the City Council of the City of Reidsville, North Carolina, that the Zoning Ordinance of the City of Reidsville be amended as follows:

**Part I.** That Article V, Section 2, Table of Permitted Uses is amended to include the following use in Central Business, General Business and Highway Business by Special Use Permit:

 Restaurants (with accessory uses)

**Part II.** That Article V, Section 3, Special Uses is amended to include the following:

**Use:** Restaurants (with accessory uses)

**Approved By:** City Council

**Special Use District:** CB, GB and HB

**General Requirements:**  Sixty percent of sales must be in food products.

**Accessory Use Limitations:** No more than three (3) pool tables.

 No more than two (2) foosball tables.

 No more than three (3) electronic arcade games, excluding sweepstakes and/or gambling games.

**Accessory Use Allowable**

**Percentages:** Twenty-Five (25) percent of the seating floor space may be used for any combination of accessory uses.

**Part II.** This Ordinance shall become effective upon its adoption by the City Council of the City of Reidsville, North Carolina

**ADOPTED** this the \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2015 by the City Council of the City of Reidsville, North Carolina.

 /s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 **JOHN M. “JAY” DONECKER, MAYOR, REIDSVILLE, N.C.**

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 **Angela G. Stadler, City Clerk**

Following Setliff’s report, Mayor Donecker questioned the effect on the timeline for approval for Halftime Headquarters. Setliff explained that the Board of Adjustment could consider a Special Use Permit for the business at its June 17th meeting. If City Council is the approving authority, the Planning Board would have to make its recommendation at its June 17th meeting with the Council reviewing the request at its July 8th regular meeting. Setliff stressed that our Zoning Ordinance states that after the Planning Board makes its recommendation, the Special Use Permit will be considered at the next regular meeting of City Council. She stressed that they must be considered at regular Council meetings, not special meetings in between. Councilman Turner said, so it would expedite the matter if the Board of Adjustment is the approving authority? Setliff said, yes, by a couple of weeks – June 17th vs. July 8. The Mayor acknowledged that Setliff was saying exactly what she was trying to convey at the last meeting, but he was being “a bit hard headed” and didn’t get what she meant.

Councilman Balsley questioned if Council was considering the SUP for the restaurant (Halftime Headquarters)? Setliff explained Council was considering the text amendment, which would be placed in the City’s Zoning Ordinance and allow an applicant to come in and apply for a Special Use Permit. While this is being done with a particular restaurant in mind, Setliff said, all restaurants could apply for these accessory uses as long as they meet the criteria. Councilman Turner said it would be done on a “case-by-case” basis. Councilwoman Walker asked what would happen if the restaurant went out of business? Setliff said the SUP runs with the land so it would be good for that location unless someone comes and asks it to be voided or staff is given direction to bring it back to you.

Mayor Donecker opened the public hearing at 6:16 p.m. by asking if there was anyone who wished to speak in disfavor? No one came forward. The Mayor asked if anyone wished to speak in favor? No one came forward, and the public hearing was closed at 6:17 p.m.

**Councilman Turner made the motion to refer this to the Board of Adjustment to expedite the decision. The motion was seconded by Mayor Pro Tem Brown.**

Councilman Turner was asked by staff to clarify in his motion that the Board of Adjustment would be the approving body and then approve the ordinance with that change, which he did as follows:

**Councilman Turner then made the motion to recommend that the Board of Adjustment be the approving body and that the Council approve the changes as presented to them. The motion was seconded by Mayor Pro Tem Brown and unanimously approved by Council in a 7-0 vote.**

The text amendment as revised and approved follows:

**Amendment T 2015-4**

**AMENDING THE CITY OF REIDSVILLE ZONING ORDINANCE**

**AN ORDINANCE AMENDING**

**ARTICLE V, DISTRICT REGULATIONS**

**SECTION 2, TABLE OF PERMITTED USES**

**AND SECTION 3, SPECIAL USES**

**OF THE CITY OF REIDSVILLE ZONING ORDINANCE**

**BE IT ORDAINED** by the City Council of the City of Reidsville, North Carolina, that the Zoning Ordinance of the City of Reidsville be amended as follows:

**Part I.** That Article V, Section 2, Table of Permitted Uses is amended to include the following use in Central Business, General Business and Highway Business by Special Use Permit:

 Restaurants (with accessory uses)

**Part II.** That Article V, Section 3, Special Uses is amended to include the following:

**Use:** Restaurants (with accessory uses)

**Approved By:** Board of Adjustment

**Special Use District:** CB, GB and HB

**General Requirements:**  Sixty percent of sales must be in food products.

**Accessory Use Limitations:** No more than three (3) pool tables.

 No more than two (2) foosball tables.

 No more than three (3) electronic arcade games, excluding sweepstakes and/or gambling games.

**Accessory Use Allowable** Twenty-Five (25) percent of the seating floor space may be used for any

**Percentages:**  combination of accessory uses.

**Part II.** This Ordinance shall become effective upon its adoption by the City Council of the City of Reidsville, North Carolina

**ADOPTED** this the \_\_\_\_\_\_\_ day of \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_, 2015 by the City Council of the City of Reidsville, North Carolina.

 /s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 **JOHN M. “JAY” DONECKER, MAYOR, REIDSVILLE, N.C.**

**/s/**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**Angela G. Stadler, City Clerk**

**CONSIDERATION OF A PROPOSED OPERATING BUDGET FOR FISCAL YEAR 2015-2016 FOR THE ABC BOARD.**

At 6:18 p.m., Mayor Donecker noted that this is a public hearing and that anyone who wished to speak in disfavor of the 2015-16 fiscal budget for the ABC Board should please come forward. No one came forward. He asked if anyone who wished to speak in favor of the budget should come forward. No one came forward.

The Mayor explained that the Council was on record for holding the public hearing, but Council has no action to take, correct? Staff agreed and the public hearing was closed at 6:19 p.m.

**CONSIDERATION OF A PROPOSED OPERATING BUDGET FOR FISCAL YEAR 2015-2016 FOR THE CITY OF REIDSVILLE.**

Interim City Manager David Bracken said staff was instructed to bring to Council a “flat line” type of budget for the coming fiscal year. City employment is at 193 full-time positions, which is down from 196 due to the moving of the telecommunicators to the consolidated 911 center, he explained. Employee benefits are pretty much intact with no increases, he continued, and we have maintained our wellness program and found monies for the next phase of the Performance-Based Pay Program and a Pay and Classification Study. He said $25,000, previously designated for the Partnership for Economic and Tourism Development, has been set aside to foster economic and business development within the City. Council had approved allocating monies for the Chamber of Commerce, he noted, adding that one payment has been made with the other allocation to be made later in the year. He said he was proud to say that this budget does not include any capital funding at this time but noted that the City will be receiving a $100,000 tax settlement, which will be able to be put toward capital. Along with conservatively projected growth which we should know in September what that will actually be, he estimated that with savings and projected growth, we should have anywhere between $300,000 to $500,000 to put towards capital needs to “pay as we go”. He noted that a lease purchase agreement in Public Works is ending this year so that debt service will be maintained for capital for that department.

Bracken said that the philosophy here is to allow the growth to take place and utilize those savings to “pay as we go.” He said he was also happy to report that we haven’t touched any fund balance.

Interim Manager Bracken said there are three items that need to be approved by Council: the Budget Ordinance, the Resolution of Understandings and the Resolution regarding fee changes. Regarding the fee changes, he pointed out that a lot of these fees have not been adjusted for quite some time. He said due to some cost recovery measures, these fees had to be adjusted to reflect the actual cost or the market price. The increases in user fees are for non-City residents who use our facilities, he said.

Again, this is a very conservative budget of which we can be proud of, Bracken said. We have a strong base to go forward, especially as a new City Manager comes in, he noted.

Mayor Donecker opened the public hearing on the budget at 6:23 p.m. by asking if there was anyone who wished to speak in disfavor of the budget?

Ms. Paige Strader of 227 South Scales Street came forward. Referencing the Manager’s discussion on the telecommunicators being moved to the consolidated 911 Center, she said she had called 911 on two different occasions and received no response. Luckily, her life was not in danger but she said not one police officer came. In one incident, she felt uncomfortable walking to her car because of some people drinking, with public loudness and profanity on the sidewalks in front of her business. She said she called 911 and no one ever came. As a new business owner, she asked will anybody come? She said it was a major concern of hers that the calls do not go to the local police department. In the other incident, she walked to the Police Department and yelled for someone and rang the buzzer, but she didn’t realize that no one was there. The Mayor asked what happened when she called 911? She said she was told someone would be dispatched. She indicated this occurred on a Saturday shortly after 6 p.m. Strader said she talked with the downtown police officer who could not find on his computer that the call was ever sent out.

Mayor Donecker said the City Manager would need to get with the County Manager about this and “hold their feet to the fire.” He also noted that the police department lobby has been made into a safe room where someone could lock the door behind them. She said she would not have known how to lock the door and that someone behind her would have been able to come in as well. She said she rang the buzzer and stood in there for 30 minutes but didn’t realize no one was there. The Mayor said that was even more disconcerting because the lobby area should be under surveillance from the 911 Center. He asked if that was the same time but Strader said it was earlier, perhaps back in March. Councilwoman Walker asked if it was on the weekend or at night? Strader said she thought it was on a Saturday. The Mayor said obviously there is a communication issue, which they would get checked into.

The Mayor then asked if anyone wished to come and speak in favor of the budget? No one came forward, and the public hearing was closed at 6:28 p.m.

**- End of Public Hearings –**

**CONSIDERATION OF THE ADOPTION OF THE BUDGET ORDINANCE FOR FISCAL YEAR 2015-2016, THE RESOLUTION OF UNDERSTANDINGS ACCOMPANYING THE BUDGET ADOPTION AND RESOLUTION OF FEE CHANGES.**

Councilwoman Walker thanked Bracken and staff for this wonderful budget. She said she knew it was a tough job and thanked them. The Mayor said all of Council was in agreement that this process went very smoothly and timely. For his first one, Bracken did a fantastic job, the Mayor said.

**Councilwoman Walker then made the motion, seconded by Councilman Gorham and unanimously approved by Council in a 7-0 vote, to approve the Budget Ordinance.**

The Clerk asked for clarification that the motion included the Resolution of Understandings and the Resolution for the fee changes?

**Councilwoman Walker made the motion to approve the Resolution of Understandings and the Resolution for the Fee Changes, which was seconded by Councilman Gorham and unanimously approved by Council in a 7-0 vote.**

Those documents as approved follow:

**AN ORDINANCE ESTABLISHING REVENUES**

**AND AUTHORIZING EXPENDITURES**

**FOR FISCAL YEAR 2015-2016**

**FOR THE CITY OF REIDSVILLE**

**WHEREAS,** the City Council of the City of Reidsville has prepared an operating budget for the City of Reidsville in compliance with Article 3, Chapter 159-7 of the General Statutes of the State of North Carolina, otherwise titled the Local Government Budget and Fiscal Control Act; and

**WHEREAS,** after a public hearing on said budget at 6:00 p.m. on June 9, 2015, and after receiving public comment, it is now the desire of the Mayor and City Council to adopt said budget;

**NOW, THEREFORE BE IT ORDAINED**, by the Mayor and City Council of the City of Reidsville that:

**Section 1.** The following revenues are hereby established for the operation of the

City of Reidsville and its activities for Fiscal Year 2015-2016:

**General Fund Revenues**

2015 Property Taxes $8,335,000

State-Shared Revenues 4,565,000

Interest Earned 10,000

Charges to Other Funds 1,485,200

Landfill Fees 330,000

ABC Revenue 65,000

Lease Proceeds 475,000

Other Revenue 558,800

 Sub-total 15,824,000

**Recreation Fund Revenues**

Concessions $11,000

Lake Reidsville Camping 80,000

Lake Reidsville Gate Receipts 25,000

Grant Revenue 10,000

Transfer from General Fund 1,054,150

Transfer from Insurance Fund 25,000

Other Revenues 87,000

 Sub-total $1,292,150

 **Downtown Corporation Revenues**

 2015 Downtown District Taxes $35,000

 Rental Income 1,200

 Fundraisers 7,800

 Festival Income 25,000

 Sub-total $ 69,000

 **Fund for 911 Fees**

 911 Charges $ 0

 Sub-total $ 0

 **Water Fund Revenues**

 Water Sales $3,152,500

 Interest Earned 10,000

 Transfer from Sewer Fund 100,650

 Other Revenue 141,000

 Sub-total $3,404,150

**Sewer Fund Revenues**

 Treatment Charges $4,433,400

 Interest Earned 10,000

 Transfer from Water Fund 228,000

 Other Revenue 184,500

 Sub-total $4,855,900

  **Combined Enterprise Fund**  $8,260,050

 **Police Separation Trust Fund**

 Transfer from General Fund $141,200

 Fund Balance Appropriated 77,800

 Sub-total $219,000

 **Internal Service (Garage) Fund Revenues**

 Garage Fees $538,100

 Sub-total $538,100

 **Insurance Reserve Fund**

 Workers’ Comp Revenue $340,000

 Insurance Revenue 199,200

 Sub-total $539,200

 Less Interfund Transfers ($4,111,500)

 Total $22,630,000

**Section 2.** The following expenditure totals are hereby authorized for the City of

Reidsville and its activities for Fiscal Year 2015-2016:

**General Fund Expenses**

Governing Board $217,650

Administration 444,450

Personnel 232,800

Public Works Administration 259,300

Community Appearance 14,000

Finance 716,900

Information Technology 343,400

Public Buildings & Grounds 195,700

Police Administration 949,300

Police Detective Division 903,200

Police Patrol Division 1,824,300

Police Community Policing Division 677,700

Fire 2,137,800

Code Enforcement 263,600

Street 2,245,700

Solid Waste Management 1,686,100

Cemetery 106,200

Planning 288,600

Economic Development 541,250

Community Affairs 1,138,450

Marketing 123,000

Penn House 216,300

Engineering Services 298,300

 Sub-total $15,824,000

**Recreation Fund Expenses**

Administration $235,700

Facilities 285,100

Teen Center 62,800

Athletics & Other Programs 285,500

Senior Citizens’ Center 120,600

Lake Reidsville 238,300

Lake Hunt 14,150

Wellness 50,000

 Sub-total $1,292,150

**Downtown Corporation Fund Expenses** $69,000

**Fund for 911 Fees** $0

**Combined Enterprise Fund**

Water Administration $985,600

Meter Reading 201,300

Water Plant 1,537,100

Water Distribution System 837,800

Park Ranger 88,700

Sewer Administration 868,250

Waste Water Treatment Plant 2,410,100

Sewer Collection System 646,200

Plants Maintenance 685,000

 Sub-total $8,260,050

**Police Separation Trust Fund** $219,000

**Internal Service (Garage) Fund** $538,100

**Insurance Reserve Fund** $539,200

 Less Interfund Transfers ($4,111,500)

 Total $22,630,000

**Section 3.** There is hereby levied a tax at the rate of $.74 per one hundred dollar ($100) valuation of property as listed as of January 1, 2015 for the purpose of raising the revenue listed as “2015 Property Taxes” in the General Fund revenues of this ordinance. This rate is based on an estimated total valuation of property for the purpose of taxation of $1,175,212,757 and an estimated collection rate of 94.29%.

**Section 4.** There is hereby levied a special tax on the property in the downtown tax district of $.25 per one hundred dollar ($100) valuation for the purposes of revenue listed as “2015 Downtown District Taxes” in the Downtown Corporation Fund revenues of this ordinance.

**Section 5.** The water rates currently in effect will remain unchanged.

**Section 6.** The sewer rates currently in effect will remain unchanged.

**Section 7.** The monthly landfill tipping fee currently in effect will remain unchanged.

**Section 8.** The City Manager, as chief administrative officer and as budget officer, shall be authorized to carry out the activities as approved in this adopted annual budget in accordance with all applicable state and local laws, ordinances and regulations.

Adopted this the 9th day of June, 2015.

 /s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 John M. “Jay” Donecker

 Mayor

ATTEST:

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Angela G. Stadler, CMC

 City Clerk

**RESOLUTION OF UNDERSTANDINGS**

**ACCOMPANYING THE BUDGET ADOPTION**

**FOR FISCAL YEAR 2015-2016**

 **WHEREAS**, the City Council of the City of Reidsville has adopted an annual operating budget for Fiscal Year 2015-2016, which raises revenues and authorizes expenditures for the operation of the City; and,

 **WHEREAS**, during deliberations on said budget, certain understandings were reached concerning the operation of the City, and it is the intention of the Mayor and City Council to outline those understandings;

 **NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council of the City of Reidsville that the following understandings are hereby defined:

**Unfunded Needs –** It is recognized that this budget, while responsible and appropriate, may not be adequate to fund all the needs of the fiscal year. Several variables, such as the price of gas, could result in the need to request the use of fund balance during the year. Any large, unexpected maintenance and repair issue would likewise cause the need to use fund balance or reserves in the utility funds.

**City Employment** – City employment is established at a level of 193 full-time positions, down from 196 through the consolidation of the 911 call center. One position, the elementary school resource officer, has been eliminated because the school system has indicated that they will, most likely, no longer be funding the position. If the funding is restored the position will be reinstated. There were departmental requests for additional full-time and part-time employees that are not funded in this budget.

**Employee Benefits** – Benefits currently existing for full-time employees and retirees will remain unchanged. Group health and dental insurance premiums will remain unchanged for the insurance year, May 1 2015 to April 30, 2016, for both employees and dependents. The attributes of the plan have not changed with the exception of maximum out-of-pocket amounts increasing by the amount of the individual’s deductible, due to deductibles now being charged to the limit as an implementation result of the Affordable Care Act.

**Wellness Program** – The City Council has agreed to continue providing a wellness program for City employees, retirees and covered dependents. There is funding again in this budget for a Wellness Coach, a part-time position. Participation in the Wellness Plan allows participants to lower their deductible by $250 a year.

**Performance-Based Pay Program** – The City’s Performance-Based Pay Program for Fiscal Year 2015-2016 will provide from 1% to 2% increases in full-time employee salaries. These increases will be based upon annual performance reviews of employees by their supervisors. In addition, salary increases promised as a result of promotion and those promised as a result of accomplishments of steps in career will be honored.

**Pay and Classification Study** – There are funds included in the budget of $45,000 to implement the results of the Pay and Classification Study conducted for the Public Works Department during FY 14/15. In addition, there are funds included in this budget to perform a pay and classification study for all of our full-time positions in “the Other” group – everyone other than Police or Public Works. This will complete the three-year cycle to study every City Position. The cycle may begin again in the 2016-2017 fiscal year with the Police Department.

**Economic Development –** With Rockingham County taking over economic development and changes with the Partnership of Economic and Tourism Development, the City’s specific economic development needs have increased. In the last year, the City hired an Economic Development Director and has worked to define that role as the changes evolve. A $25,000 economic development reserve has been established (from funds formally contributed to the Partnership) to aid in small needs of the business recruitment process. Additional resources, including incentives, will be requested from the City Council as opportunities are explored.

**Chamber of Commerce -** As requested by the City Council, the contribution to the Chamber of Commerce has been increased from $10,000 to $32,000. In addition, the City Council agreed that these funds were for the Chamber’s fiscal year that ends in December. The City Council plans to consider an additional $22,000 contribution for the Chamber in the fall of 2015 as well, to meet the $54,000 request proposed.

**Capital –** General Fund and Parks and Recreation departments requested over $2.5 million in capital that is not included in the 2015-2016 budget. No revenue increases were included in the budget although the League of Municipalities is projecting some growth. The bulk of this growth is expected in the 2014-2015 fiscal year. Unfortunately, the City will not be sure of the increases until the third quarter distribution in June and the fourth quarter distribution in September. Excess revenues for the 14-15 fiscal year, cost savings from conservative spending in the 14-15 fiscal year, a $100,000 settlement from a tax appeal, expected excess revenue in the 15-16 year (based off actual 14-15) will be combined in the fall of 2015 to be used for capital needs. City staff will work to prioritize requests for City Council approval once the funding level is known. Capital requests of $1.8 million and line repair/replacement of $1 million in the Combined Utility Enterprise Fund were also eliminated from the final 2015-2016 budget. Several large capital projects are in process for these operations and the full debt service related to these projects has come on-line for the 2015-2016 fiscal year. Once these projects near completion, funding sources and reserves will be analyzed to address additional capital needs.

**Lease Purchase** – A lease purchase agreement in the Public Works department will expire in 2014-2015; the related debt service has been maintained so that $475,000 in capital may be leased in the 2015-2016 fiscal year. Public Works will use these funds based on a priority established by the Public Works Director.

This the 9th day of June, 2015.

 /s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 John M. “Jay” Donecker , Mayor

ATTEST:

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Angela G. Stadler, CMC/NCCMC, City Clerk

**RESOLUTION OF FEE CHANGES ACCOMPANYING THE BUDGET ADOPTION**

**FOR FISCAL YEAR 2015-2016**

 **WHEREAS**, the City Council of the City of Reidsville has adopted an annual operating budget for Fiscal Year 2015-2016, which raises revenues and authorizes expenditures for the operation of the City; and,

 **WHEREAS**, during deliberations on said budget, certain changes in fees were proposed;

 **WHEREAS**, the proposed changes were based on covering the related direct cost for the fees or to increase fees to a market rate for the service;

 **NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council of the City of Reidsville that the attached fee changes are hereby adopted as of July 1, 2015.

This the 9th day of June, 2015.

 /s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 John M. “Jay” Donecker, Mayor

ATTEST:

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Angela G. Stadler, CMC/NCCMC, City Clerk

**CONSIDERATION OF A LEASE PURCHASE AGREEMENT FOR A DUMP TRUCK AND FIRE TRUCK.**

In making the staff report, Interim City Manager Bracken noted that three proposals had been received for lease purchase of a dump truck and fire truck as outlined in Finance Director Chris Phillips’ memo. (A COPY OF THE MEMO IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) Three proposals were received with BB&T’s proposal being recommended for approval.

Bracken noted that there are two Resolutions Approving Financing Terms that need to be approved by Council.

**Councilman Gorham made the motion, seconded by Mayor Pro Tem Brown and unanimously approved by Council in a 7-0 vote, to approve the Resolution to lease the dump truck.**

The Resolution as approved follows:

**RESOLUTION APPROVING FINANCING TERMS**

***WHEREAS:*** The City of Reidsville (the “City”) has previously determined to undertake a project for the financing of a dump truck, (the “Project”), and the City Manager has now presented a proposal for the financing of such Project.

**BE IT THEREFORE RESOLVED, as follows:**

1. The City hereby determines to finance the Project through BB&T, in accordance with the proposal dated June 1, 2015. The amount financed shall not exceed $126,000, the annual interest rate (in the absence of default or change in tax status) shall not exceed 1.40% and the financing term shall not exceed 48 months from closing.

2. All financing contracts and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. All officers and employees of the City are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution. The Financing Documents shall include a Financing Agreement and Deed of Trust and a Project Fund Agreement as the bank may request.

3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by City officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer’s release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document’s final form.

4. The City shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The City hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

5. The City intends that the adoption of this resolution will be a declaration of the City’s official intent to reimburse expenditures for the project that is to be financed from the proceeds of the financing described above. The City intends that funds that have been advanced, or that may be advanced, from the City’s general fund, or any other City fund related to the project, for project costs may be reimbursed from the financing proceeds.

1. All prior actions of City officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this 9th day of June, 2015.

SEAL /s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ John M. “Jay” Donecker

 Mayor

ATTEST:

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Angela G. Stadler, CMC

 City Clerk

**Councilman Hairston then made the motion, seconded by Councilman Gorham and unanimously approved by Council in a 7-0 vote, to approve the lease purchase of the fire truck.**

The Resolution as approved follows:

**RESOLUTION APPROVING FINANCING TERMS**

***WHEREAS:*** The City of Reidsville (the “City”) has previously determined to undertake a project for the financing of a fire truck, (the “Project”), and the City Manager has now presented a proposal for the financing of such Project.

**BE IT THEREFORE RESOLVED, as follows:**

1. The City hereby determines to finance the Project through BB&T, in accordance with the proposal dated June 1, 2015. The amount financed shall not exceed $657,000, the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.27% and the financing term shall not exceed 12 years from closing.

2. All financing contracts and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. All officers and employees of the City are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution. The Financing Documents shall include a Financing Agreement and Deed of Trust and a Project Fund Agreement as the bank may request.

3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by City officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer’s release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document’s final form.

4. The City shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The City hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

5. The City intends that the adoption of this resolution will be a declaration of the City’s official intent to reimburse expenditures for the project that is to be financed from the proceeds of the financing described above. The City intends that funds that have been advanced, or that may be advanced, from the City’s general fund, or any other City fund related to the project, for project costs may be reimbursed from the financing proceeds.

1. All prior actions of City officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this 9th day of June, 2015.

SEAL /s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ John M. “Jay” Donecker

 Mayor

ATTEST:

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Angela G. Stadler, CMC

 City Clerk

**CONSIDERATION OF A REQUEST FROM THE REIDSVILLE YMCA FOR FUNDS RELATED TO OPERATIONS OF THE REIDSVILLE COMMUNITY POOL.**

In making the staff report, Assistant City Manager of Community Services Tom Wiggins referenced his memo, which gives the history of the Community Pool funding. (A COPY OF THE MEMO IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) Now-retired City Manager Michael Pearce had notified the YMCA by letter in January of 2015 that before seeking additional funding from the City, the Y needed to make the request to Council for monies over the $53,000 approved in the current fiscal year, Wiggins explained.

Wiggins said that since 1999, the City has paid an average of $65,000 annually for the Community Pool. The pool agreement back in 1995 required that the City pay an annual contribution, which started at $20,000, plus an annual escalator or Consumer Price Index adjustment, he continued. Currently the City’s annual contribution is $36,428. At some point in time, there was also an informal agreement reached where the City and YMCA would split the pool’s operating deficit 50/50. The Y bills the City on a quarterly basis, the Assistant City Manager said.

Wiggins noted that last year, the City paid a deficit $18,000 more than was budgeted and the previous year about $13,000. He explained that this comes out of the Parks & Rec budget and the $18,000 shortfall would be about 2% of the department’s budget. This fiscal year $53,000 was budgeted, which leaves a balance of a little over $16,000 after the approximate $36,000 annual contribution is spent. The latest invoice from the YMCA for January through March brings the deficit to $10,038 but there is still one more quarterly invoice for April-June, which hasn’t been received. In talking with Finance Director Chris Phillips, he estimates that the balance owed will be about $16,000 to make it to the end of the fiscal year, Wiggins said.

Wiggins stressed that the City has a long history of working together with the YMCA and that he doesn’t want to leave the impression that there is any problem with working with the Y. He said they work on other programs with the YMCA, not only on the pool. The question, he said, is how do we make up the difference in the deficit? It was decided that Heather Whitsett, Executive Director of the Reidsville YMCA, would come to Council with a specific request, he said.

Mayor Pro Tem Brown asked Wiggins if anything new has been added or if this is a continuation of what we’ve been doing all along? Wiggins said it is a continuation of splitting the deficit. Councilman Turner asked if there is $16,000 that could be earmarked for this? Wiggins noted there is nothing earmarked but as has been done in the past, Parks and Rec has made cuts to make up the line item. Going back to Pearce’s letter, City departments have been asked to work with tighter and tighter budgets and to justify expenditures, and he thought Pearce was conveying that to the Y as well.

Mayor Donecker did some quick figuring and said that $65,000 seemed to be the average. Mayor Pro Tem Brown said that 12 years ago, the City was designating about $65,000 for the pool then and expressed surprise that the figure hadn’t gone up more, with the rising cost of chemicals, etc. He said going into this, no one expected to make money on the pool and realized it might go in the hole. Councilman Turner said you won’t make money on any pool. Mayor Pro Tem Brown agreed, especially on an indoor pool.

Councilman Gorham asked if this $16,000 would come out of the Parks & Rec budget? Wiggins said it has in the past but that staff has tried to anticipate a shortfall and make the adjustments. Interim Manager Bracken said he thought there were some savings from other areas that could be used to cover the deficit so it wouldn’t all have to be taken from Parks & Rec.

Councilman Hairston asked about whether the pool was able to benefit underprivileged children? Wiggins noted that there are community pool hours but he turned the discussion over to Heather Whitsett.

Heather Whitsett, Executive Director of the Reidsville YMCA at 504 S. Main Street, Reidsville, highlighted some exciting things they have been working on, including a partnership with the Reidsville Area Foundation to bring in children from Reidsville residences over the past couple months for free swim lessons. That program is on hiatus over the summer because the pool is so busy, she noted. Whitsett said they are also doing a program with WFMY-TV called “Live to Swim” in which they will give free swim lessons in October. This program will be for about 30 people who wouldn’t have access to swimming lessons otherwise, she noted. She said they also provide scholarships for over 50 City residents to attend the Y, including using the pool. The YMCA subsidizes those payments at a cost of about $1,300 a month, which means a single mother with kids only has to pay $13.00 a month. Whitsett said they are looking to grow those. The Reidsville Swim Team, comprised of about 20 kids, using the pool two hours a day four days a week from October to March and are able to grow their skills.

Councilman Hairston told Whitsett that was a fantastic report, but he’d like to know how the pool is being used through something like an annual report, etc. and how they are reaching out to the community. Whitsett said she would love to share that information with them. She talked of providing participation numbers along with the quarterly invoices as well as some talking points, including improvements to the pool that have been paid by the YMCA. A new entry into the swimming pool for the handicapped is being completed that is about a $42,000 endeavor that the Y is funding as well, Whitsett noted. Over 25% of all YMCA members are Reidsville City residents, she noted, which is more than 1,300 people. She provided Council members a handout on pool participation showing Y members vs. non-Y members for the last two quarters of 2014 and the first quarter of 2015, which was then discussed. (A COPY OF THE HANDOUT IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) The Mayor said that one of the issues with these numbers is that we don’t have a number in which the Y can report back to the City how the citizens are using the pool as members or non-members. He asked how can that be addressed? Whitsett said they got the 25% number by checking names and addresses against a voter registration list. They have been troubleshooting other options, including the possibility of having a staff person at the pool entrance and front desk per quarter to ask whether people are residents or not. She said we know they’ve been there but not what they’ve been there for. A second scanner has also been discussed, Whitsett said. The Mayor said this definitely seems to be a step in the right direction and will help the City Manager as we attempt to justify the expense. Mayor Pro Tem Brown asked Whitsett if this is the kind of report we can get on a quarterly basis, which she said they could. The Mayor Pro Tem also noted that the Y has allowed the summer camp participants to use the pool, and there may be opportunities for the seniors to utilize the pool as the new Senior Center is built. Councilman Gorham asked whether Whitsett could get some information about Y open hours to be put on the local TV station, etc.

Mayor Donecker talked about the need to increase communication. Whitsett stressed that things have been added, like additional open swim hours, etc., but nothing has been taken away. She said they want to make it a value for the City and make it accessible to everyone since no one wants to see an empty pool.

The Mayor asked when was the last time the RCPA (Reidsville Community Pool Association) has met? Whitsett said they haven’t met since she has been there although there were some email volleys about three years ago. Councilman Gorham estimated it has been at least six years since the board met.

Mayor Donecker asked that we explore the possibility of deactivating the RCPA so that Heather deals directly with Parks & Rec? He talked of the need to streamline the process, etc. He asked Whitsett if she would be willing to work with the City Manager on that? Whitsett said she would, adding that Michael Pearce had discussed that possibility.

After further discussion, it was noted that $16,000 would cover the rest of the year.

**Councilman Turner made the motion, seconded by Councilman Hairston and unanimously approved by Council in a 7-0 vote, to approve $16,000 to cover the deficit of the Community Pool.**

The Mayor thanked Wiggins for sorting this out and Whitsett for her report.

**PUBLIC COMMENTS.**

**Request for a Historical Marker.**

Ms. Catherine Wilson of 604 Boyd Street, Reidsville, came forward. As Chairperson of the Old School Block Celebration, which is in its 5th year, she requested Council erect a monument or historical marker at the corner of Morehead and Market Streets similar to the one located at Scales/Sprinkle Streets to remember the African-American businesses located on Market Street. She apologized for not having done any research on the price, etc. She said they would like to have something on the corner this year since it is the fifth year. She asked if Council would consider placing a marker on that corner. The Mayor said it was a great idea. This year’s celebration will be on September 19, 2015, she informed Council.

**Closing of Downtown Streets.**

Ms. Bonnie Purgason of 183 Legrande Drive, Eden, came forward. As the owner of Reidsville Florist located at 119 South Scales Street with her husband, she said she was representing some of the downtown business owners who are concerned with the closing of the downtown streets. She cited in particular as an example WXII-TV’s recent “Celebrate Rockingham County” day. Several of the merchants were upset about it. She said she had spoken with the City Manager and several of the Council members but she was disappointed that some did not return her phone calls. She asked them to take into consideration these businesses when they think about things to close the streets for, she said. She said each day her store is closed for 30 hours costs her about $4,200, which is a lot to them and their livelihood. Several people could not come tonight because their businesses are open or they were afraid to come. Purgason said to please think about the business owners when you close the streets downtown.

Mr. Garry Percell of 1211 Richardson Drive, a downtown business owner of Upward Bound Recording Studio, also asked Council members to think about the impact on businesses due to the closing of the streets. She said the WXII closing was one of the major ones. Not all of the businesses located downtown had the opportunity to be highlighted and those that were appeared to be attached to the Reidsville Downtown Corporation. He asked why that was? It impacts his business as well when the streets are closed in that manner. He asked that this situation be looked at a little bit closer,

Mr. Steve Moore of 737 Sandy Cross Road, Reidsville, another downtown business owner, thanked the City for closing the streets not only for the WXII day but also for cruise-ins, the tree lighting ceremony, etc. He said they bring a lot of people downtown and he has heard from several businesses who do well during those times.

Mr. Norman Harold, owner of the Liberty Treasure Chest, 211 South Scales Street, Reidsville, also came forward. He said the events downtown draw quite a few people to the town. He said he has seen some of the faces here in his shop and some he has not. He said he appreciated the streets being closed and welcomed WXII here. He said the local TV station indicated that businesses had to close at 2 p.m., and they did not. He said this was “a plus” for Reidsville and the County and a way to showcase the town.

Ms. Diane Sawyer of 640 Baker Crossroad Road, Reidsville, spoke as Reidsville Chamber of Commerce President about the WXII coverage. She thanked the City Council for the City’s cooperation. She said no decisions were made but we were descended upon by WXII. WXII contacted Eden and asked that people be gathered for a luncheon meeting in downtown Reidsville. At the meeting in Reidsville WXII learned there was a weather cam on top of Steve Moore’s building. We were told during that meeting that neither Eden nor the western part of the County had “the look” they wanted for the shot, and Reidsville did, she said. At that point, it was turned over to the City, where staff was told what the requirements, etc. were, Sawyer said. She said she understood where some of the people were coming from, but the idea was to promote Rockingham County as a whole, but the decisions were made by WXII, not City staff, elected officials or Chamber staff, she stressed. Story ideas were submitted or pitched by all of the towns, she said, but added that one gentleman from the back street walked up and introduced himself and got a story. There was a promise that there wouldn’t be negative stories about the monument or the coal ash spill, Sawyer said, and we went with it, promoting the county as best we could. She talked of some of the things highlighted during the broadcast. She added that we’re always talking about the need to communicate and advertise and here we are showcased by a local “heavyweight” who can get the word out. We didn’t make the decisions other than to allow the streets to be closed, she said.

Mayor Donecker commented that after listening, it was clear that some are pleased and some are not. There is an underlying thread here that communication is key so that people can be prepared. The downtown officer put flyers out about it, he said, adding that this is the first time we’ve ever dealt with WXII. There is always room for improvement and maybe if something like this comes along in the future, there can be more input from the community for fine-tuning, he said.

**Concerns Expressed by Owner of The Mad Vine.**

Mr. Anthony Hearn, owner of The Mad Vine, 237 S. Scales Street, Reidsville, came forward with some concerns regarding his business. He reminded the Council that his business was the Market Street Studio and Bistro for about two years. In order to grow his business, he said he had to change his price point and opened The Mad Vine, an Italian restaurant, at the same address. The former property owner Jake Marsh had no issues with any changes he had made to the property because he had taken care of the building, beautified the property and enhanced downtown Reidsville. Hearn said he now owns the property and use the top floor as housing.

Hearn said he is hearing different things from people who have lived in the downtown area versus what he is hearing from City staff. Staff has told him that he needs an architect but others in the downtown area have said he does not need an architect, he said. He said he feels very much that he has been discriminated against but he hopes that is not the case because he likes Reidsville and wants to stay here. However, he said he has had a lot of issues with certain City staff but he was not pointing fingers. He said he had come to Council to resolve this or he would have to close his business and there will be another empty building downtown. If you’re going to stretch the rules, they need to apply to everyone, Hearn said. He noted there are other rules downtown, like no paper on windows or no storage buildings, but indicated that those rules don’t apply to everyone and should be applied fairly. Again, he said the rules should apply to all. Hearn said it shouldn’t matter who you are, straight, gay, white or black, we all have a dream. At 31 years old, he is trying to have a successful business.

Councilman Turner asked Mr. Hearn why he was told he needed an architect? Hearn said because of the way the kitchen is. He said they were told they would need a fire retardant floor, which he understands, but he said the building was pre-existing. He said he was told he had run electrical, but he hasn’t run electrical and the gentleman who did the electrical, Donnie Lee, said he applied for the permit. Councilman Turner noted the location had been a restaurant before. Hearn said it had been a Kids Zone, but he had turned it back into a restaurant/retail. Hearn said the location had been several things, including a church and a dance club, but he had returned it to its roots. He said he thought it was grandfathered in, but he was told he was not grandfathered in because he had applied for a residency/retail. He said he was never told that if he applied for residency that he would lose his grandfather clause if he had it. He said he didn’t know. He said there needs to be some type of list that new businesses can follow so they won’t be in the situation he is now. He said he wasn’t trying to take advantage of anyone or anything but was trying to invest his money and time into his business and the City of Reidsville.

Mayor Donecker, noting the situation had been discussed by a small number of Council prior to the meeting, said they wanted to help him but also acknowledged that part of the problem was an action was taken before finding out what the consequences could be related to zoning. He noted that there is a level of miscommunication going on that is not unique to our city. The Mayor said we need to get out in front of this, whether it be through educational forums, etc., to let people know that when you have these older buildings, there are nuances to what you can do. He noted that there is a State Fire Code that must be upheld by the Council, but again acknowledged the need for better communication. The Mayor encouraged Mr. Hearn to get with the City Manager and staff because they had been in this a very long time. Manager Bracken said he and staff would meet with Mr. Hearn and try to get him on the right path. Mr. Hearn asked in addition to the meeting yesterday? The Manager said yes.

Alex Sharpe, who is co-owner of The Mad Vine with Hearn, reiterated that they had never opened up a business before and were wrong in some of the steps and were naïve, but he suggested that processes be put out that people can follow. He suggested a program with a checklist that people can follow depending on the type of business you are opening. Sharpe also expressed concerns about parking issues downtown. He said when some places have events, it takes a lot of parking. They experienced the same problem on Market Street where the most successful businesses took the majority of the parking. Most residents don’t want to walk two blocks to get to the restaurant but want to park near the business, he said. He said he knows it is public parking but for one business to take up parking on both sides of the street, it causes a lot of problems. He asked for respect from other businesses and asked that they let them know when they have a wedding, etc. Sharpe said they could do the same.

**Assistance Sought by Blessings by the Bushel.**

Mr. Jerry Strader, owner of Blessings by the Bushel located at 227 South Scales Street, Reidsville, said his new business is under a temporary occupancy permit due to a City rule he is assuming that you can’t have a wood façade or only a certain amount of wood can be used on the front of your building. Strader said the inspector and the fire marshal were fine with the way he did the wood, which he had coated with fire retardant, but now the inspector said he has to petition the State. The State says that if a car rolls up in front of his building and catches on fire, it could catch the building on fire, Strader said. He added that his building front is 16 inches thick and is brick and cinderblock. If it burns, it will stop at the brick wall, but between that car and the building is a tree and mulch up and down the street, he said. He said there are other buildings up the street that have twice the amount of wood on them than his building does. His wood is treated with fire retardant but the other businesses aren’t, Strader continued. He said Reidsville is the happening place of all the towns around. He continued to discuss his situation and asked for any help or advice the Council could provide to get the State to approve his store’s wooden front. He noted that his wife had called the State, which said there would not be a problem, but now the State refuses to give them permission and says they would need a special fire retardant wood, which is much more expensive but like the wood he used. Strader said he was going to try and get the State down here to get it changed. He indicated he had no problem with City staff but said he thinks the State rule is ridiculous. Councilman Turner said that we do want businesses downtown and said this was like a slap in Strader’s face. His wife talked to the State for two hours on Friday and Tim (Warner, City Inspector) said he just needed something from the State saying it was okay, but on Monday morning, the State sent a letter saying it wasn’t alright. He said anything the Council could do, he would appreciate. The Mayor, noting that everyone on Council wants to attract and keep businesses, said the issue is the building is in a fire district but he said the right people were involved, including the City Manager. He said he made no promises but like Councilman Turner said they want to help businesses but they can’t compromise safety. He said it is also a matter of commonsense.

Mr. Norman Harold returned to the podium. He noted that a lot of businesses are looking at places like Reidsville because other places like Mount Airy and Kernersville, don’t have any downtown space left.

**CITY MANAGER’S REPORT.**

In making his Manager’s Report, Bracken cited from his written report. (A COPY OF THE WRITTEN REPORT IS HEREIN INCORPORATED AND MADE PART OF THESE MINUTES.) He cited three budget transfers between departments, which he has to report to Council. They deal with moving funds from Marketing & Events to Marketing to complete the application for the Certified Retirement Community application; moving from Police Department salary and benefit accounts to cover costs of re-assigning personnel to the IT Department; and moving monies between Human Resources and Finance to adjust accounts for year end, to cover an employee transfer and to cover a retiree’s vacation buyout. Secondly, he noted that construction on the new Senior Center is progressing with grading and excavation nearly complete and one third of the building now on level sub grade. Due to weather, work is about a week behind, he said. Third, he said that due to construction of a new community building by the Salvation Army, the Senior Center has successfully relocated back to the Parks & Recreation Department.

**COUNCIL MEMBERS’ REPORTS.**

**Mayor Pro Tem Brown** – The Mayor Pro Tem noted that he presented a proclamation to the Eastern Star District Meeting on May 23 when the Grand Matron for the State visited the meeting. He also attended the Parks & Recreation Advisory Commission meeting where they learned more than 300 people have joined the newly renovated Fitness Center. He said he thought that was the highest membership numbers the Center has ever had. He said he also attended the Neighborhood Watch meeting for Wentworth Street.

**Councilman Hairston** – No report.

**Councilman Gorham** – The Councilman said he attended the May 20th Planning Board meeting and the Downtown Senior Citizens Club meeting on May 21st. On the same day, he attended the Terrific Kids program at Moss Street School and the Cambridge Community Watch meeting. On May 24th, he attended a Dance Elite recital as a grandfather; May 26, the Parks & Recreation Advisory Commission; May 27, Planning Board meeting; June 1 with Harry Brown to the Wentworth Street Community Watch; June 3, the McLaurin Community Watch; and June 6, a S&K Preemie Love Foundation event.

**Councilman Balsley** – The Councilman asked Chamber President Diane Sawyer to discuss some changes at the Chamber. Sawyer said they are having some staffing changes at the Chamber. Erica Roberts will be leaving for her new job as a Child Protective Services worker in Martinsville, Va. while Denise Brady will also be retiring at the end of the month, she said. Caroline Dallas and Rachel Wigal will be stepping up and helping out. She also announced the following events: June 18 at 5:30 p.m., Afterhours at The Blue Room; a ribbon cutting at Rakestraw Insurance on NC 65 on June 19th at 12 noon with a BBQ lunch; June 29, at 9 a.m. a ribbon cutting for Blessings by the Bushel; and the Chamber’s annual ice cream social at 5:30 p.m. on July 16 at the office.

**Councilman Turner** – The Councilman said the Reidsville Downtown Corporation is “alive and well.” He said we are excited to have new businesses downtown and are working on MargaReidsville at the Events Center on July 25.

**Councilwoman Walker** – The Councilwoman said she attended the ribbon cutting May 14th at the Ace Hardware Store; the ribbon cutting for the new 911 Center on May 15; the Relay for Life Walk on May 16; and the ribbon cutting on May 28th with Councilman Balsley at the Triad Adult Pediatric Center. She said she also attended on June 6th a bluegrass gospel benefit for Mt. Carmel Church. She thanked everyone for coming out tonight.

**Mayor Donecker** – The Mayor announced his remaining Mayor/Council Hours for June will be from 6-8 p.m. on June 23. He said there are a lot of openings on the City’s boards and commissions and encouraged people to take part. He said he’d like Council to consider supporting Governor McCrory’s bond referendum, which he will get them more information about.

**MEETING TO BE RECESSED.**

Before going into closed session under G.S. 143-318.11(a)(6) to discuss a personnel matter, the Mayor announced that after coming out of closed session, the meeting will be recessed until 4 p.m. on Friday, June 12. No other action is expected following the closed session.

**MOTION TO GO INTO CLOSED SESSION.**

**Councilman Gorham then made the motion, seconded by Councilwoman Walker and unanimously approved by Council in a 7-0 vote, to go into closed session.**

**RETURN TO OPEN SESSION.**

**Upon return to open session at 8:10 p.m., Councilman Turner made the motion, seconded by Councilman Gorham to recess until 4 p.m. Friday, June 12, 2015.**

**4 p.m. FRIDAY, JUNE 12, 2015 – RECESSED MEETING**

At approximately 4 p.m. on Friday, June 12, 2015, Mayor Donecker called the meeting recessed from June 9th to order. He asked if there was a motion to transfer the funds for the Community Pool.

**CLARIFICATION REGARDING YMCA POOL MONIES.**

**Councilman Turner made the motion, seconded by Councilwoman Walker, to approve the transfer.**

During the discussion phase, Interim Manager Bracken gave Council members some background, reminding them that on Tuesday, they had approved a contribution of $16,000 to cover operational costs of the Community Pool. In order for him to move monies from the General Fund to the Parks & Recreation Fund to cover the deficit, the Manager needs approval of Council to move the monies between funds. He distributed a memo regarding this. (A COPY OF THE MEMO IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) Bracken noted that he was looking at taking the monies from the Fuel Contingency line item.

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

The corresponding Budget Ordinance Amendment as approved follows:

**BUDGET ORDINANCE AMENDMENT NO. 11**

 **WHEREAS,** the Mayor and City Council of the City of Reidsville adopted a budget ordinance on June 4, 2014 which established revenues and authorized expenditures for fiscal year 2014-2015; 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 additional funds to the YMCA related to the operations of Reidsville Community Pool;

 **NOW, THEREFORE, BE IT ORDAINED,** by the Mayor and City Council of the City of Reidsville that the budget ordinance as adopted on June 4, 2014 is hereby amended as follows;

**Section 1.**  That revenue account number 11-3986-0000, Transfer from General Fund, be increased by $16,000.00.

**Section 2.** That expense account number 11-6123-7300, Pool Contribution, be increased by $16,000.00; that expense account number 10-4930-9800, Transfer to Parks and Recreation, be increased by $16,000.00; that expense account number 10-4120-9911, Fuel Contingency, be **decreased** by $16,000.00;

This the 9th day of June, 2015.

 /s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 John M. “Jay” Donecker

 Mayor

ATTEST:

/s/\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Angela G. Stadler, CMC/NCCMC

 City Clerk

**ANNOUNCEMENT REGARDING CITY MANAGER POSITION.**

Mayor Donecker then asked for a motion to accept the employment agreement for Preston Mitchell of Nashville, North Carolina, as the new City Manager of Reidsville.

**Councilman Balsley made the motion, seconded by Councilman Gorham and unanimously approved by Council in a 7-0 vote, to appoint Mitchell as the new City Manager.**

Council members then signed the contract. (A COPY OF THE CONTRACT IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)

**MOTION TO ADJOURN**

**Councilman Turner made the motion, seconded by Councilman Hairston and unanimously approved by Council in a 7-0, to adjourn.**

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

John M. “Jay” Donecker, Mayor

ATTEST:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

 Angela G. Stadler, CMC/NCCMC, City Clerk