

**MINUTES OF THE REGULAR MEETING
OF THE REIDSVILLE CITY COUNCIL
HELD TUESDAY, DECEMBER 10, 2019 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 James K. Festerman
Councilman Donald L. Gorham
Councilman William Hairston
Councilmember Terresia Scoble (*via conference call*)
Councilwoman Sherri G. Walker

COUNCIL MEMBERS ABSENT: NONE

CITY STAFF PRESENT: Preston W. Mitchell, City Manager
Angela G. Stadler, City Clerk
William F. McLeod, City Attorney
Chris Phillips, Assistant City Manager of Administration
Jeff Garstka, Economic Development Director
Donna Setliff, Community Development Manager

Mayor Donecker called the meeting to order.

INVOCATION.

Reverend Joe Tarpley, Pastor of Main Street United Methodist Church, 221 S. Main Street, Reidsville, provided the invocation.

PLEDGE OF ALLEGIANCE.

Council then led those present in the Pledge of Allegiance.

ADMINISTERING THE OATH OF OFFICE TO NEWLY ELECTED COUNCIL MEMBERS.

Before beginning the swearing-in ceremony, Mayor Donecker recognized two former Council members in the audience, Bill Simpson and John Gentry. The Mayor then asked Judge Fred Wilkins to come forward to swear in the incumbent Council members, who were re-elected in November.

Oath of Office to Councilman-Elect Festerman.

Judge Wilkins presented the Oath of Office to Councilman James Festerman, who was accompanied by Tyler King, who held the Bible for him. (A COPY OF THE OATH OF OFFICE IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)

Councilman Festerman said he would like to thank those in attendance tonight. He commented how fortunate he is to have so many friends and family support his efforts to serve the City of Reidsville. He stated his wife of 50 years had supported him during his previous terms as Mayor and Council member and that after her passing, he did not think he would be able to go on, but that his friend, Vicky, had helped him through a very difficult time. He said he was grateful for her support. Councilman Festerman mentioned that this is the fourth time Tyler King has held his Bible and that Tyler's grandfather and father had both served as Reidsville Council members. He thanked the City staff for their hard work and said he would continue to work for the City as long as he was able. He stressed that he is available if anyone needs anything and that he can be reached day or night.

Oath of Office to Councilman-Elect Gorham.

Judge Wilkins presented the Oath of Office to Councilman Gorham, who had his granddaughters, Chelsea and Kaidence Gorham, hold the Bible for him. (A COPY OF THE OATH OF OFFICE IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)

Councilman Gorham said he would like to echo the remarks made by Councilman Festerman and to thank the Lord and Savior Jesus Christ for allowing him to serve. He said he was grateful for the courage, knowledge and wisdom to help make Reidsville such a good place. He expressed his gratitude to his family for supporting him since his first term in 2005. He said it is a team effort, involving the City Council and the great City staff. He added that he would continue to serve as long as he is effective.

Oath of Office to Councilman-Elect Hairston

Judge Wilkins presented the Oath of Office to Councilman Hairston, who had his son, William Hairston Jr., hold the Bible for him. (A COPY OF THE OATH OF OFFICE IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)

Councilman Hairston said he would like to build on what the other Council members had said and add it is God's plan for him to be blessed to live in Reidsville and that Reidsville had been very good to him. He thanked his family for their love and support and to the citizens for their support and votes. He said he would like to spend the rest of his life serving Reidsville, alongside these Council members, and stated he was fortunate to have served with the Reidsville Police Department for over 30 years.

Oath of Office to Councilwoman-Elect Walker

Judge Wilkins presented the Oath of Office to Councilwoman Walker, who had her son, John Michael Harris, hold their family Bible for her. (A COPY OF THE OATH OF

OFFICE IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)

Councilwoman Walker acknowledged that she had thought when one of her friends suggested she run again that “enough was enough” after eight years. She continued that she had felt prompted to run again and had prayed about it and here she is for another term. She said her parents are both gone and that her father had been a good old Southern redneck and that her mother was a lady, and she guessed she was a combination of the two. She thanked her pastor Joe Tarpley for being here tonight and former Council member Reid King. She concluded by saying that when she goes places, she is pretty popular but that her son is more popular, especially if you go to the Post Office.

2020-2021 COUNCIL ORGANIZATION AS REQUIRED BY G.S. 160A-68.

Mayor Donecker announced the following appointment of Council liaisons for the upcoming two years:

- ABC Board – Councilwoman Walker
- Appearance Commission – Councilwoman Walker
- Chamber of Commerce – Councilmember Scoble
- Historic Preservation Commission – Councilman Hairston
- Human Relations Commission – Councilman Hairston
- Parks & Recreation Advisory Commission – Mayor Pro Tem Brown
- Piedmont Triad Regional COG – Councilman Festerman
- Planning Board – Councilman Gorham
- Citizens Economic Development Inc. – Councilman Gorham
- Community Pool Association – Mayor Donecker
- Downtown Corporation – Mayor Donecker

Mayor Donecker said that Councilmember Scoble was attending via conference phone. Since she was away on a business trip, she would be voting per policy.

RECOGNITIONS:

RECOGNITION OF HUMAN RIGHTS WEEK DECEMBER 10-16, 2019.

Mayor Donecker noted that the City’s Human Relations Commission had requested a proclamation recognizing Human Rights Week December 10-16. No one was available from the Commission to accept the proclamation, but the Mayor asked the City Clerk to ensure the HRC received the proclamation. (A COPY OF THE PROCLAMATION IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)

APPROVAL OF CONSENT AGENDA.

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

CONSENT AGENDA ITEM NO. 1 – APPROVAL OF THE NOVEMBER 12, 2019 REGULAR MEETING MINUTES AND THE NOVEMBER 25, 2019 SPECIAL MEETING MINUTES.

With the approval of the Consent Agenda in a 7-0 vote, the Council approved the November 12, 2019 Regular Meeting Minutes and the November 25, 2019 Special Meeting Minutes.

CONSENT AGENDA ITEM NO. 2 – APPROVAL OF GARY FRENCH’S APPOINTMENT TO THE ROCKINGHAM COUNTY SOLID WASTE ADVISORY COMMITTEE.

With the approval of the Consent Agenda in a 7-0 vote, the Council approved Sanitation Supervisor Gary French’s appointment to the Rockingham County Solid Waste Advisory Committee as outlined in Public Works Director Chuck Smith’s memo dated November 25, 2019. (A COPY OF THE MEMO IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)

- End of Consent Agenda -

PUBLIC HEARINGS:
CONSIDERATION OF A REQUEST TO REZONE PROPERTY LOCATED AT 1929 RICHARDSON DRIVE, SPECIFICALLY ROCKINGHAM COUNTY PARCEL NO. 144337, FROM RESIDENTIAL-20 (R-20) TO OFFICE & INSTITUTIONAL (O&I). (Z2019-8)

In making the staff report, Community Development Manager Donna Setliff reported that Mr. Clint Walker is requesting that 1929 Richardson Drive be rezoned from Residential-20 (R-20) to Office & Institutional (O&I). The parcel is approximately three-fourths of an acre, and there is a single-family dwelling on the parcel, she said, adding that the parcel will sustain the off-street parking needed for O&I zoning.

Setliff said the area along Richardson Drive has some O&I uses and directly across the street is a church with daycare. However, the surrounding area is residential, and she referenced a zoning map in the Council members’ packets. While this is a general use application, all uses of O&I would be permitted, Setliff explained. “Low key” O&I uses are allowed, along with small family residences being permitted. The City’s Comprehensive Plan Goal to have a healthy, vibrant, expanding economy capable of encouraging and sustaining growth within the City and a diversity of jobs supports this rezoning, Setliff continued. This Goal is further supported by the Plan Strategy to develop a strong small business environment in the City, she added.

Setliff said this request is consistent with the intent and purpose of the City’s Zoning Ordinance and the Comprehensive Plan and generally compatible with existing development and the trend in the surrounding area. She said staff recommends approval of this requested O&I zoning district.

Setliff said the Planning Board favorably recommends to Council that the rezoning be approved. A suggested motion is included in the Council members’ agenda packets.

Mayor Donecker opened the public hearing at 6:22 p.m.

Mr. Clint Walker of 227 Niblick Drive, Summerfield, the applicant for the rezoning, came forward. He noted that he has an Edward Jones office on Freeway Drive and had been looking for several years for a new location. Professional real estate is very hard to come by right now in the City, he said, adding that he had been looking at alternative options. One of those options was the house across from Woodmont Church and beside Wilkerson Funeral Home, he explained. Mr. Walker added that while they thought it could be a legitimate office space, they were sensitive to the fact that it did neighbor a residential community. They would keep the home's integrity so that it will continue to look like a house and would not build a new office building there, he continued. He said he will not live there. Councilmember Scoble asked how the off-street parking would be addressed? Mr. Walker responded that question had arisen during the Planning Board meeting, and Donna Setliff had given him some guidance on how to start the process of getting an entrance off of Richardson Drive rather than Sherwood, which had been a request of a neighbor that he would honor. Mr. Walker said he was discussing the driveway entrance with NCDOT.

Ms. Susan Thompson of 2113 Meadowbrook Terrace, came forward as a member of nearby Woodmont Church. At the last meeting of the Church Council, they had voted in support of this request for rezoning, she noted. As a resident of the neighborhood who lives a few blocks away, she said she knew that Clint Walker would keep this area looking good. She also said she did not think the traffic situation would be affected adversely because she currently goes to his Freeway Drive office, and the two parking spaces are usually open. She reiterated that as a church representative and neighbor that she encouraged Council to support this request.

Mr. Joe Townes, a resident of 2043 Richardson Drive, said he lives across the street. He said he has spoken with the neighbors who abut the property, and none of them have any objections to the request.

The Mayor then closed the public hearing at 6:26 p.m.

Councilwoman Walker made the motion, seconded by Councilman Gorham and unanimously approved by Council in a 7-0 vote, that based on the information provided in the staff report and verbal evidence presented during the public hearing that this request is reasonable, in the public interest and consistent with the City's Comprehensive Plan and other adopted land use plans. Therefore, she made the motion that the rezoning be approved.

- End of Public Hearings -

CONSIDERATION OF RESOLUTION ACCEPTING FUNDING AND AUTHORIZING SIGNATORIES FOR THE LUCKY CITY BREWING PROJECT, A LOAN AGREEMENT WITH LUCKY CITY BREWING AND BUDGET ORDINANCE AMENDMENT NO. 6.

Economic Development Director Jeff Garstka stated he is here before Council tonight, along with Assistant City Manager of Administration/Finance Chris Phillips, to finalize

approval of the Lucky City Brewing grant. He detailed where they stand as referenced in Phillips' memo from December 2, 2019. (A COPY OF PHILLIPS' MEMO IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)

Chris Phillips came forward, adding that Council is being asked to consider the final pieces of this project -- the Resolution of Acceptance and related Budget Ordinance Amendment. He explained that BOA 6 is actually a "pass-through", first coming to the City and then going to Lucky City Brewing. He stated there are several parts of the agreement, but it has been reviewed, and it is a grant in the form of a loan. Phillips stressed that after four years if the business is still open, the loan is forgiven. Councilman Festerman asked if the business has to be open continually for those four years? Phillips said requirements are staggered over the period of four years, 100% payback is needed if the business is not open in a year, 75% payback if the business is not open after two years, and 50% if not open after 3 years and if after four years the business remains open, the loan is forgiven.

Councilman Gorham made the motion, seconded by Councilman Hairston and unanimously approved by Council in a 7-0 vote, to approve the Resolution for the City of Reidsville Acceptance of Funding and Authorized Signatures for Downtown Redevelopment Fund, Small Cities Community Development Block Grant Program, Funding for the Lucky City Brewing Project.

The Resolution as approved follows:

City of Reidsville City Council

**RESOLUTION FOR THE CITY OF REIDSVILLE
ACCEPTANCE OF FUNDING AND AUTHORIZED
SIGNATORIES FOR DOWNTOWN REDEVELOPMENT
FUND, SMALL CITIES COMMUNITY DEVELOPMENT
BLOCK GRANT PROGRAM, FUNDING FOR THE
LUCKY CITY BREWING PROJECT**

WHEREAS, the Reidsville City Council desires to assist in economic development efforts within the City; and,

WHEREAS, the City has submitted a successful application for Downtown Redevelopment Fund funding to assist Lucky City Brewing; and,

WHEREAS, the Council wishes the City to accept the formal grant agreement and funding award for Downtown Redevelopment Fund (Community Development Block Grant) funding in the amount of \$275,000 to benefit Lucky City Brewing; and has

committed to a \$15,000 Façade Grant to support the project, and acknowledges Lucky City Brewing’s \$300,000 contribution to the project; and,

WHEREAS, since the CDBG Grant is in the form of a forgivable loan with the City being the responsible party to pay back funds to the State if the requirements are not met, the City and LCB will enter into a loan agreement recognizing LCB’s responsibility to likewise repay the City; and,

WHEREAS, the Council certifies it will meet all federal regulatory and statutory requirements of the Small Cities Community Development Block Grant Program; and,

WHEREAS, the Council must appoint authorized signatories to carryout financial and administrative responsibilities for the grant; and,

NOW, THEREFORE BE IT RESOLVED, by the Reidsville City Council that the Mayor is authorized to execute the formal grant agreement and funding approval for the Community Development Block Grant Program grant to support the renovation of a downtown building to benefit Lucky City Brewing.

AND LET IT BE FURTHER RESOLVED, that any of the following officers or employees of the City of Reidsville, and any future so-titled persons, are hereby authorized, on behalf of the City of Reidsville, to execute any reimbursement requests and forms for the CDBG Grant # 16-E-2937:

John M. “Jay” Donecker, Mayor
Preston Mitchell, City Manager
Chris Phillips, Assistant City Manager
Jeff Garstka, Economic Development Director

Adopted this the 10th day of December 2019 in Reidsville, North Carolina.

/s/ _____
John M. “Jay” Donecker, Mayor

ATTEST:

/s/ _____
Angela G. Stadler, City Clerk

Councilman Festerman made the motion, seconded by Councilwoman Walker and unanimously approved by Council in a 7-0 vote to approve corresponding Budget Ordinance Amendment 6.

The Budget Ordinance Amendment as approved follows:

BUDGET ORDINANCE AMENDMENT NO. 6

WHEREAS, the Mayor and City Council of the City of Reidsville adopted a budget ordinance on June 19, 2019 which established revenues and authorized expenditures for fiscal year 2019-2020; 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 grant funds and to appropriate the same for Lucky City Brewing;

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and City Council of the City of Reidsville that the budget ordinance as adopted on June 19, 2019 is hereby amended as follows;

Section 1. That revenue account number 10-3441-0001, Grant Revenue, be increased by \$275,000.00.

Section 2. That expense account number 10-4920-4427, Lucky City Brewing, be increased by \$275,000.00.

This the 10th day of December, 2019.

/s/ _____
John M. "Jay" Donecker
Mayor

ATTEST:

/s/ _____
Angela G. Stadler, CMC/NCCMC
City Clerk

CONSIDERATION OF STAFF REQUEST TO DEMOLISH 316 LINDSEY STREET.

Donna Setliff, the City's Community Development Manager, stated the request is being made for the demolition of 316 Lindsey Street, which has been found to be in violation of the City's Minimum Housing Code. She referenced her November 4, 2019 memo regarding the matter. (A COPY OF SETLIFF'S MEMO IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)

Setliff continued that a title search had been done with Mr. Billy Ray Blankenship being listed as the property owner. She said there was a Minimum Housing Code hearing held on April 10, 2019 and the property owner was not in attendance. The Complaint and Notice of Hearing was served by mailing through certified mail; posting the dwelling; and publishing in RockinghamNow. She added that City staff had met with Mr. Blankenship prior to the April hearing and encouraged him to start repairs if he wanted to keep the house but currently the dwelling still does not meet the Minimum Housing Code.

After the hearing, the Order was served, also by certified mail, publishing in the local newspaper and posting the dwelling. Setliff stated the Code requires the owner be given 90 days to demolish the dwelling, which expired on November 1, 2019. She said the estimated repair costs exceed 50% of the value, which is \$57,428 per the Rockingham County Tax Department. She said the water had been disconnected since 2009 and that partial taxes are owed for 2018 and 2019 in the amount of \$1,661. Setliff clarified the building has been condemned and said she had included pictures in the Council members' packets.

Councilman Festerman asked if the house had been unoccupied since 2009? Setliff said that is correct. Mayor Donecker asked if there were additional questions from members of Council? None were offered.

Mayor Pro Tem Brown made the motion to demolish 316 Lindsey Street, seconded by Mayor Donecker.

During the discussion phase, Councilmember Scoble, who was attending via telephone, asked if there was anyone present who would like to comment on the demolition of the property? Mayor Donecker stated this is not a public hearing but allowed Council members to ask additional questions. Councilmember Scoble stated she has traveled all over the State and witnessed houses in such bad shape and read numerous articles about these dwellings being saved. She said she had been through the house and yes, it is in bad shape but not condemnable. She stressed shouldn't they try to give someone the opportunity to love and repair this house? Mayor Donecker detailed the value of the house verses the cost of repairs and said Code Enforcement had condemned the dwelling. He added that had been several months ago and if the owner truly wanted to keep the house, he would have started repairs sooner and not right before the deadline. He asked staff if anyone had attended the public hearing. Setliff said no one had attended the Code Enforcement Hearing in opposition.

Councilwoman Walker said she had also been through the house, and it does have issues. She added that Mr. Blankenship has been a long-time resident of Reidsville and had experienced the illness of several of his family members over the course of the past few months. She stressed that he could not concentrate on the repairs during that time but that his intentions are to move into the house and live there. She said she had spoken to James Jackson, Chairman of the Reidsville Historic Preservation Commission, and one of the key people involved with the Irvin Street renovations. She said Mr. Jackson is very knowledgeable and that he feels the house can be saved. She added that she had seen a dumpster in front of the house this week and would like to ask for a stay on the demolition, at least for a little while longer.

Councilman Festerman made the motion to allow Mr. Blankenship to come forward and speak, seconded by Councilman Gorham and unanimously approved by Council in a 7-0 vote.

Mayor Donecker asked Mr. Billy Ray Blankenship to come forward and to state his name and address. Billy Ray Blankenship of 330 and 326 Lindsey Street came forward stating he had loved that house since he moved to Reidsville. He continued it had come up for sale and that he was eager to buy it and had to pay it off in two years with the intention of remodeling it. Mr. Blankenship said when he was contacted by Donna Setliff in April of 2019, he had four family members in critical condition in the hospital and was not thinking about the house at that point. He stated at some point, the house had been divided into three apartments, but his intent is to make it a single-family dwelling.

Mr. Blankenship handed out pictures and other information regarding the renovations to Council members and said, at one time, he built houses and that the house really isn't that bad. He said he hoped within 18 months to have it ready to move in. He said his plan is to start with the outside and the roof, which is in pretty good shape. Mr. Blankenship detailed major issues and how he planned to address those issues. He said he had toured the house in June with the City Manager and other members of City staff and thought everything was alright until he received the notice regarding the demolition in late fall.

City Manager Mitchell said he did tour the house but once the Minimum Building Code had not been achieved, the process could not be stopped. Mr. Blankenship detailed all the issues with plumbing in the kitchens and bathrooms since there had been three apartments in the dwelling. He said he had the new kitchen designed and had to make sure it would work as well as where to put the bathrooms. He also shared copies of the receipts for property taxes with the Council members, proving they had been paid in full. Mr. Blankenship explained there had been some confusion with the County Tax Department about other properties he owns on Lindsey Street.

Councilman Festerman asked Mr. Blankenship if the Council was inclined to extend the demolition, how long would it take him to get the property up to Code? Mr. Blankenship replied he can get water and electric to the property soon, but the plumbing is still an issue until they decide about the location of the new kitchen and bathrooms. He said within 6 to 8 months, he hoped they would be close. He added that he had recently paid \$5,000 to someone, contingent upon tonight's decision, to help with the outside restoration, duplicating trim and other wooden pieces that need to be replaced on the outside.

Councilwoman Walker clarified that this would be Mr. Blankenship's primary residence. She said she thought he loved the house and wasn't an absentee landowner and that he had the knowledge and backing to restore the house. She said she would hate to see it bulldozed like the one that had been across the street. Mr. Blankenship said if he puts \$150,000 into the restoration of the house, he thinks it would be worth \$300,000. He continued that he can easily put \$50,000 into it over the course of the next 6-12 months. He stated he would invest \$10,000 by January and another \$10,000 in the next couple of months. The Mayor clarified Mr. Blankenship's intention is to put \$50,000 into the house in the next year.

Mr. Blankenship said there is a lot of the work he can do himself, which will cut costs. He reiterated that he will have to have someone do the electrical, the plumbing and the heating and air. Mayor Donecker asked for assurance that Mr. Blankenship's intention is to invest considerable time and money in the project in the next three to four months. Mr. Blankenship said his plan was to spend \$10,000 in January, \$10,000 in February and possibly another \$20,000 in the next two or three months after that. He stressed that a lot of it will involve physical labor personally. He also offered to document the work with photographs and to take members of Council through the house to prove the work is being done.

The Mayor commented that it appears that it is apparent that the City Council is considering a stay on the demolition of 316 Lindsey Street. City Manager Mitchell said in the past, the period of a stay has been three or four months, with the most recent one being the one across the street at 102 Main Street.

Councilman Festerman asked Mr. Blankenship if he could have the house up to the Minimum Housing Code in four months? Mr. Blankenship said he could and would provide proof of the improvements on a monthly basis if required.

Before a new motion could be offered, it was noted that Council must vote on the existing motion.

The motion to demolish 316 Lindsey Street failed in a 5-2 vote with only Mayor Donecker and Mayor Pro Tem Brown voting in favor of the motion.

Councilman Festerman than offered another motion.

Councilman Festerman made the motion to demolish 316 Lindsey Street but to allow a stay of that demolition for a period of four months, at which time the dwelling must meet the City of Reidsville's Minimum Housing Code. The motion was seconded by Councilman Gorham.

Mayor Donecker stressed that what the Council does for one individual has to be considered for all that ask for the same treatment and that the stay goes into effect today December 10, 2019 and will run through April 10, 2020. Councilman Gorham stated that this will be the final negotiation of this issue and that if the house is not up to code on April 10, 2020, the house will be demolished. He said he wanted Mr. Blankenship to think about that thoroughly before he puts a lot of money into the house.

The motion was approved in a 7-0 vote.

The Ordinance to Demolish that was approved but stayed is as follows:

**ORDINANCE TO DEMOLISH
316 LINDSEY STREET, REIDSVILLE, NORTH CAROLINA**

BE IT THEREFORE RESOLVED:

WHEREAS, on the 10th day of April, 2019, at 10:00 a.m., the Codes Inspector of Reidsville, North Carolina conducted a hearing on violations of Chapter 4, Article II, Housing Code, Reidsville Code of Ordinances, Section 4-26, for the property located at 316 Lindsey Street, Reidsville, North Carolina Tax Map No. 8905-18-30-3495. Said Complaint and Notice of Hearing was mailed via Certified Mail to the owner being Billy Ray Blakenship (a/k/a Billy Ray Blankenship) on March 13, 2019. The Certified Mail was returned unclaimed. Further, the Complaint and Notice of Hearing was served on the property owner by publication in the RockinghamNow newspaper on March 13, 2019, and by posting the Complaint and Notice of Hearing on the subject property on March 13, 2019.

WHEREAS, said owner failed to appear at said hearing and presented no evidence, and whereas a copy of the Order of the Codes Inspector was mailed to the owner via Certified Mail on July 23, 2019 and accepted on July 24, 2019. Furthermore, the Order of the Codes Inspector was posted on said property on July 23, 2019 and published in the RockinghamNow newspaper on July 28, 2019. The Order allowed said owner to demolish and remove the above structure on or before November 1, 2019 and whereas there has been no compliance with said Order in that said structure has not been demolished or removed, and remains dilapidated and unfit for human habitation, and constitutes a public health, safety, and fire hazard;

NOW THEREFORE, pursuant to the Reidsville Code of Ordinances, Section 4-29(c), the Codes Inspector of Reidsville, North Carolina is hereby ordered to cause the above structure located at 316 Lindsey Street, Reidsville, North Carolina, to be demolished and removed, in pending demolition and removal to be placard said structure as provided by N.C.G. S. 160A-443 and Section 4-29 (b) of the Reidsville Code of Ordinances.

This is the 10th day of December, 2019.

/s/

John "Jay" M. Donecker, Mayor, Reidsville, North Carolina

ATTESTED BY:

/s/

Angela G. Stadler, City Clerk

CONSIDERATION OF CAPITAL PROJECT ORDINANCE FOR LAKE REIDSVILLE SEWER PROJECT.

Chris Phillips, Assistant City Manager of Administration/Finance Director, reviewed his memo dated December 3, 2019 dealing with the sewer project for Lake Reidsville, primarily the campground, which follows:

Preston Mitchell, City Manager

From: Chris Phillips, Asst. City Manager/Finance Director

Date: 12/3/2019

The septic tank that serves Lake Reidsville is nearing the end of its useful life. Replacement options have been considered, with expansion of the municipal sewer system being the recommended solution. The City will be soliciting a bank note payable for this project. The associated debt service for this project was one factor for increases the Lake Reidsville camping fees in February 2019.

In order to obtain Local Government Commission approval for the debt related to this project bids must be in hand at the time of applying. Backing up from bidding the project, first there must be surveying work done at an estimated cost of \$28,500, design engineering at an estimated cost of \$36,500 and permitting at a cost of \$5,000; this total preliminary budget is \$70,000. The City Council already adopted a reimbursement resolution that will allow this initial cost to be part of the total amount financed once the LGC approves the City to solicit financing bids. The construction cost is estimated at \$677,000 and there is an addition 5% contingency of \$34,200. These amounts bring the entire project budget to \$783,000. This is the amount of financing that will be sought.

Attached is a Capital Project Ordinance for this project. Please have the City Council consider adopting this Capital Project Ordinance so that the budget will be in place to keep this project moving forward. (END OF MEMO)

He reminded Council members that at their last meeting, it was mentioned that staff had been soliciting banks to finance this sewer project. To do that, they had to back into a timeline, he explained. The loan will require approval from the Local Government Commission, but to get this approval, you need to have bids in hand, and to get those bids, you must have the design work done, he noted. To get the design work done, you must have surveying done so money will have to be spent along the way. He said that is why he was presenting a Capital Project Ordinance tonight for their consideration. If this ordinance is approved, Council would be setting up this entire project and the financing that would be done, he continued.

Phillips said Council would need to approve the Capital Project Ordinance, which reflects a revenues side of \$760,000 in note payable proceeds and on the expenses side with construction being the largest part, right at \$620,000, along with Engineering, Professional Services and Permitting. He added that there is a 10% contingency of \$62,000, which may be a little larger than normal because we are in an increasing price environment right now and knowing that it may be a few more months before we get to that piece of the project.

Mayor Pro Tem Brown told Phillips “good job”.

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

The Capital Project Ordinance as approved follows:

CAPITAL PROJECT ORDINANCE AMENDMENT

AUTHORIZING LAKE REIDSVILLE SEWER IMPROVEMENTS

WHEREAS, North Carolina General Statute 159-13.2 authorizes the establishment of a Capital Project Fund to account for expenses and revenues that are likely to extend beyond a single fiscal year; and

WHEREAS, it is the desire of the Mayor and the City Council of the City of Reidsville to establish a capital project fund for Lake Reidsville sewer improvements on December 10, 2019;

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

Section 1 That the following revenue account for this project is hereby established:

17-3910-0000	Proceeds of Note Payable	\$	760,000
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Section 2. The following line items of expenditures are hereby established:

17-6130-1990	Engineering	\$	38,300
17-6130-1991	Professional Services	\$	34,200
17-6130-1992	Permitting	\$	5,600
17-6130-5800	Construction	\$	619,900
17-6130-9911	Contingency	\$	62,000

Section 3. The City Manager, the Assistant City Manager of Community Services and Finance Director are hereby granted all necessary authority to carry out this project, including the approval of payment requests as earned under approved contracts, and to approve change orders not exceeding \$25,000. The Finance Director is authorized to make temporary loans to this grant project from the General Fund in order to cover costs before receipt of revenues and to establish an acceptable cash flow.

This the 10th day of December, 2019

/s/ _____
John M. "Jay" Donecker
Mayor

ATTEST:

/s/ _____
Angela G. Stadler, CMC/NCCMC
City Clerk

PUBLIC COMMENTS.

Thank You from Lucky City Brewing.

Mr. Eric Smith of 144 Benton Road, Reidsville, President of Lucky City Brewing Company, thanked the Council for its support of the Lucky City Brewing project and staff, especially Jeff Garstka, for their assistance in this long, hard, grilling process. He noted that he had spoken with another brewery owner, Marty Kotis, who also is excited about Reidsville's project and couldn't wait until it is opened. Kotis was impressed with what the City of Reidsville has done to help in the project, Mr. Smith added.

Mayor Donecker stated, and Smith confirmed, that membership shares are still available.

COUNCIL MEMBER REPORTS.

Mayor Donecker noted that the Council members would be submitting written reports, which will be included in the minutes of today's meeting. (A COPY OF THOSE WRITTEN REPORTS SUBMITTED BY COUNCIL MEMBERS ARE HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)

ADJOURN TO THE FIRST-FLOOR CONFERENCE ROOM FOR RECEPTION HONORING NEWLY ELECTED COUNCIL MEMBERS.

Everyone was invited to attend a reception for the newly elected Council members in the adjacent first-floor conference room.

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

John M. "Jay" Donecker, Mayor

ATTEST:

Angela G. Stadler, CMC/NCCMC, City Clerk