

**MINUTES OF THE REGULAR MEETING
OF THE REIDSVILLE CITY COUNCIL
HELD TUESDAY, MAY 9, 2017 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 James K. Festerman
Councilman Donald L. Gorham
Councilman William Hairston
Councilwoman Sherri G. Walker

COUNCIL MEMBERS ABSENT: NONE

CITY STAFF PRESENT: Preston W. Mitchell, City Manager
Angela G. Stadler, CMC, City Clerk
William F. McLeod Jr., City Attorney
Tom Wiggins, Assistant City Manager
– Community Services
Kevin Eason, Public Works Director
Donna Setliff, Community
Development Manager
Jeff Garstka, Economic Development
Director

Mayor Donecker called the meeting to order.

INVOCATION.

Pastor Randy Hester, Pastor of Community Baptist Church, 509 Triangle Road, Reidsville, NC, provided the invocation.

PLEDGE OF ALLEGIANCE.

The Council then led in the Pledge of Allegiance.

PROCLAMATIONS:

Mayor Donecker asked that all Council members join him in front of the dais for the reading of tonight’s proclamations.

RECOGNITION OF NATIONAL POLICE WEEK MAY 14-20, 2017 AND PEACE OFFICERS MEMORIAL DAY OBSERVED ON MAY 15, 2017.

The Mayor called Police Chief Robert Hassell and former Police Chief Festerman to come forward while Councilman William Hairston read the proclamation. (A COPY OF THE PROCLAMATION IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) Council members expressed their gratitude for all the Police

Department does for the City. After a round of applause from those in attendance, the Council members shook hands with the Police Chief.

RECOGNITION OF NATIONAL PUBLIC WORKS WEEK MAY 21-27, 2017.

Mayor Donecker asked members of the Public Works Department in attendance to join him at the dais. He was joined by Public Works Director Kevin Eason, Sanitation Superintendent Pat Knowles, Public Services Superintendent Lindsey Tuttle, Garage Superintendent Tony Stowe, Water Treatment Plant Superintendent Scott Jewell, Water Treatment Plant Chief Operator Greg Purcell and Wastewater Plant Superintendent Ben Bani. Mayor Donecker asked Councilwoman Sherri Walker to read the proclamation. (A COPY OF THE PROCLAMATION IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)

Eason said his team appreciates the recognition by the Mayor, City Council and the City Manager as well as the support of the citizens of Reidsville Works. Mayor Donecker acknowledged the support offered by our Public Works Department to help the City of Eden, following the tornado that struck there on May 3. There was a round of applause from those present.

APPROVAL OF THE APRIL 11, 2017 REGULAR MEETING MINUTES.

Mayor Pro Tem Brown made the motion to approve the April 11, 2017 minutes, which was seconded by Councilman Donald Gorham and unanimously approved in a 7-0 vote.

PUBLIC HEARINGS:

CONSIDERATION OF A REZONING FOR A PORTION OF THE PROPERTY LOCATED AT 2223 OLIVE DRIVE.

Community Development Manager Donna Setliff came forward to report on the request made by the Public Works Department to rezone the property located at 2223 Olive Drive from Light Industrial to Heavy Industrial. She added the portion of the property zoned Residential-12 would remain and serve as a buffer to the residential uses along Olive Drive. Setliff referred Council to the map provided in their agenda packets. (A COPY OF THE MAP IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) She said the City owns the property and plans to relocate its yard waste facility to the proposed site. Setliff stressed the primary entrance to the facility would be located temporarily from Olive Drive with the permanent entrance being accessed from Broad Street.

Setliff again referenced the map, which outlines the parcel in yellow, the portion indicated in green will remain R-12; and the portion indicated in purple surrounded by red identifies the area being rezoned from Light Industrial to Heavy Industrial. Setliff reiterated it is unusual not to zone the entire property, but the decision was made for the protection of the residential neighbors on Olive Drive. Setliff said no hardships are expected, and with the property being used as storage only, there would be no odors, noise or visual impairments. She added there will be a 50-foot buffer around the property. Setliff continued also said there will be a 50-foot riparian buffer around a

stream on the property because of requirements in the Jordan Lake Watershed rules. Setliff stressed the proposed rezoning is consistent with the City's Comprehensive Plan and noted that Planning Board members unanimously recommended in favor based on the staff report and findings.

Setliff noted she had prepared a suggested motion if the Council approves the action and if not, a new motion would be needed.

Mayor Donecker said he had two questions. Referencing an aerial map which had a house located on a portion of the property, he asked Setliff if it had already been demolished, which she answered in the affirmative. The second question was regarding trucks and the frequency of their travel in and out of the property. Setliff stated the primary entrance will be from Broad Street, but there is a driveway where the house on Olive Street had been. Eason came forward to clarify, noting the driveway on Olive Drive would be used as a temporary entrance until permits were completed for the yard waste site. He added there should be two trucks a week for about a year until the location is fully developed.

Councilman Gorham stressed there needs to be clarification to the property owners on Olive Drive relating to the information Eason shared. He said residents from Olive Drive attended a previous Council meeting with concerns regarding the proposed rezoning. Councilman Festerman referenced the greenish property on the map and asked if it is City owned? Donna Setliff and Manager Mitchell replied in the affirmative.

Mayor Donecker asked Eason if the buffer would remain. Eason responded that initially trucks will enter off of Olive Drive, but after permitting is completed, they will be able to do more with the site. Eason continued that otherwise they would have to roll it into the erosion control permit. He reiterated that the Olive Drive entrance would be temporary and used for the first year with about two trucks a week entering from the driveway.

Mayor Donecker opened the public hearing at 6:21 p.m. No one came forward to speak for or against the rezoning, and the hearing was closed at 6:22 p.m.

Councilman Gorham offered the suggested motion that based on the information provided in the staff report and verbal evidence presented during the public hearing, this request is reasonable, in the public interest and consistent with the City's Comprehensive Plan and other adopted land use plans. Therefore, I make a motion that the property be rezoned. The motion was seconded by Councilman Hairston and approved in a 7-0 vote.

- End of Public Hearings -

PRESENTATION OF PROPOSED FISCAL YEAR 2017-2018 BUDGET.

In making the staff report, City Manager Mitchell said City Council has been doing a lot of work on this budget since the City Council Retreat. Mitchell said the Fiscal Year 2017-2018 City of Reidsville budget is composed of six permanent funds (General, Parks &

Recreation, Downtown Tax District, Combined Enterprise, Police Separation Trust and Garage Funds) with all six being balanced in regards to revenues and expenditures Mitchell shared the proposed budget totals \$28,529,000 compared to FY 2016-2017's amount of \$28,054,950. Mitchell said this increase largely has been driven by General Assembly action regarding the adjustment of sales tax distribution. Accounting for payments and transfers between funds, the true total for FY 2017-2018 is \$24,089,900. Mitchell said as was the case last year, the economy and General Assembly are two things that local governments have been watching closely the past half-decade or so. While both are beyond the City's direct control, endeavors are being undertaken to have a positive influence in ways that will improve our quality of life, he noted.

The FY 2017-2018 budget work preparation period demonstrated both negative and positive issues from each. Ball Corporation announced the closure of its Reidsville plant, which shows how quickly the economic scale can change as the plant had reactivated their previously dormant third line with discussion of it potentially becoming permanent just earlier that year. The annual loss of this plant is anticipated to be approximately \$200,000 in property taxes and slightly under \$200,000 in utility usage, he added.

However, many other factors indicate that the Reidsville economy is growing within the residential, commercial and industrial sectors, the City Manager said. The past year has seen some of the highest activity within the Community Development Department since the pre-economic recession timeframe, he noted. The single-family residential developer of the Carter Ridge Subdivision has stated his desire to finish building out that subdivision, and two large scale market rate apartment complexes are also under construction. Additional single-and multi-family developments are being discussed as well. Commercial and industrial activity is on the increase via both actual construction/expansion and inquiries, he continued. The City continues to work towards the recruitment of all three of these arenas as all three will be required to maintain the overall vitality of Reidsville, especially the residential spectrum, in terms of the City population, Mitchell said.

In regards to the General Assembly, the past year has produced positives for Reidsville as a result of their work, the City Manager noted. The sales tax reform related to distribution created additional sales and franchise growth for the City that was utilized to budget the USDA debt service associated with the RCARE facility, which opened this year. Also, the funding of various economic development infrastructure-related grants/loans has been utilized by the City in the past year with hopes of applying for additional funding in 2017. Mitchell shared this has allowed for infrastructure projects to be completed, certainly earlier, if at all, ranging from utility replacements to additional downtown parking lot construction.

However, the General Assembly is considering many endeavors that will directly impact the financial position of the City during the current session, Manager Mitchell said. The items of major concern do not relate to loss of local authority involving generation of local revenues but rather programs extending benefits beyond the level allowed by local government boards. The major fear is the increased costs could be much greater in the

overall context of multiple years than the loss of past revenues when cuts were dealt with in one or two fiscal years. Examples of two of these types of endeavors are the proposed creation of a Firefighters Separation Allowance and a 25-Year Police Officers Retirement Program. The former will certainly result in either a tax increase to fund when such a program is implemented or result in cuts of other operations or services to balance the budget. The latter will result in an increased allocation to the Local Government Pension System to cover additional years of those who elect to retire early with similar local budget impacts. Either endeavor could result in the expansion of benefits programs while also resulting in either reduction in force/operational services or tax increases. He explained many of the concerns that dictated our current budget continue to influence the 2017-2018 budget proposal.

Mitchell said obviously the first thing to worry about is the revenues. He complimented Assistant City Manager of Administration/Finance Director Chris Phillips who took primary responsibility for projecting revenues, which he has done for a number of years with amazing accuracy. Phillips has been what the Finance Director terms as “optimistically cautious” again this year for all budget revenues. The Reidsville Commonwealth Plant of Imperial Brands continues to remain at the forefront in efforts by the City and County to retain as much or more operations in Reidsville. It has been agreed this must remain in the forefront until that decision is made by Imperial Brands. Finally, the City has endeavored to include our General Assembly delegation via regular communications on our initiatives and ways they can assist us while discussing areas where legislative action hurts the City budget and citizens/stakeholders by extension either through increased costs or reductions of services, the City Manager said. All this has produced both tangible and intangible results that we expect to continue, he added.

Mitchell said the City is self-insured in regards to the health and dental insurance offered to employees, retirees and dependents. The budget includes a 7% cost increase that our broker and staff were able to negotiate for the upcoming fiscal year. Staff was informed that the Reidsville pool was projected to increase in costs by approximately 8% while the industry standard was projecting an 8% increase. The percentage was slightly lowered by requiring mandatory annual wellness visits for primary insured and spouse participants.

Manager Mitchell discussed the implementation of Year 1 of 3 years of a market pay plan that has been included in this proposed budget. The first year covers Police, the second year Public Works and the third year all others. The results have showed the City is not as far off as it may have been in other pay studies. The City is looking at standard market pay rather than looking at a specific entity for comparison. This proposed budget includes a salary proposal of 1% cost of living adjustment, he reiterated.

Mitchell referenced Section B, Appendix B of the Capital Outlay and added that he would not be going through that tonight.

Reviewing revenues, the City Manager noted that this budget keeps the tax rate at 74 cents per \$100 valuation, the same as in the current fiscal year. The sales tax distribution adjustment is reflected in this budget, helping with a revenue boost used for the RCARE

facility debt service and other expense items, he stated. Property tax and sales tax are the largest sources of revenues. Parks & Recreation shows a transfer from the General Fund for the USDA debt service for RCARE and the rent from ADTS per the rental agreement. The Combined Enterprise Fund saw a slight increase with more activity than just the final overall number, Manager Mitchell said. There is no recommended utility rate increase, he added, pointing out that the fund did see a revenue boost by being able to budget the full amount of expected water sales to the City of Greensboro. However, he noted as negatives the loss of Ball Corporation's utility usage and a reduction in other usages at all levels. The other funds, Police Separation Allowance Trust, Garage and Insurance Reserve, pretty much remain the same.

Looking at expenditures, the insurance increase for employees and retirees was absorbed by all funds, Mitchell explained. In the General Fund, again the increase in expenditures was due to the RCARE facility. The same was true for the Parks & Recreation Fund due to RCARE along with associated core operations such as electricity, gas and insurance. Also, two capital outlay items were purchased with the remaining increases related to personnel.

In the Combined Enterprise Fund, a slight overall increase in expenditures was due to the Greensboro water sales contract as previously discussed. There was a decrease in capital outlay, and there was no new debt service this year, Manager Mitchell said, but he noted that there is a debt service graph in Section B of the budget. He recognized the efforts of the Management Team in helping with the budget, especially Finance Director Phillips. He recognized the City Clerk and Deputy City Clerk for the physical putting together of the budget book, which was done a little earlier than usual. Mayor Donecker thanked Manager Mitchell for managing the entire process, which allowed the City Council to think deliberately as to where we want to go as a City. Several Council members also thanked the Manager.

It was noted that the City's proposed FY 2017-2018 budget will be on display in the Deputy City Clerk's Office and in the Reidsville Public Library.

CONSIDERATION OF A RESOLUTION APPROVING A "REIDSVILLE CITY-CENTER DEVELOPMENT INCENTIVE GRANT (CIG)", INCLUDING THE CREATION OF A REDEVELOPMENT COMMISSION AND AN URBAN REDEVELOPMENT ZONE.

The City's Economic Development Director Jeff Garstka distributed a quick handout that outlines this incentives process. (A COPY OF ADDITIONAL HANDOUT, "CITY CENTER DEVELOPMENT INCENTIVE GRANT, He gave the City Manager credit for coming up with this concept and getting other municipalities on board. The purpose of this incentive program is to encourage redevelopment of blighted areas within our City, he noted. He said the downtown business district has grant opportunities as do industries within the City and County. This program is for more than just the downtown area, he noted, and includes what we are calling our City Center. A lot of work was put into drafting this grant opportunity, which was reviewed by various departments, etc., and developing a level playing field so we are not competing with each other but offering

similar incentives to grow the area. County Commissioners provided support for this at their meeting two meetings ago, Garstka said. The purpose is to encourage reinvestment in the City-Center of Reidsville; covers “substantial rehabilitation” of older buildings and new infill development within the areas/parcels identified on the Urban Redevelopment Zone map. He explained how a developer would qualify for the incentives using a table included with his memo. (A COPY OF THE MEMO AND MAP ARE HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) For a developer to qualify, renovation costs have to equal \$15 per square foot or greater, he said, which was an achievable number among the local municipalities. They must also make habitable or usable at least one entire floor of a building and increase new assessed value by at least 50% of the predevelopment tax value, he said. Additional criteria are that the recipient must be current on all tax payments, must have appropriate permitting approvals and comply with current building codes and must receive a Certificate of Occupancy within 24 months of approval/acceptance, Garstka said.

Garstka said they worked with the County to provide a simple application to track those who are interested in the program. Here in the City, applications will go through Garstka’s office. He said today they were asking Council to approve the Resolution authorizing we go into this program. The Planning Board will have to confirm the map that has been put forth as well. The City Attorney discovered that City Council had already established itself as a Redevelopment Commission which needs to be re-energized so that should count down on the time and effort involved, Garstka noted. He stated that we are trying to think outside the box and be creative and that this program is for commercial, industrial, residential, including multi-family.

Councilman Festerman expressed surprise that the Council could be the redevelopment commission but was glad to hear it was legal. Garstka noted that staff had spent several hours poring over the statutes and the City Attorney had consulted with the School of Government on the redevelopment process, which he described as one of the most convoluted he has ever seen. City Attorney Bill McLeod explained that it specifies within the General Statutes that the City Council can elect to be the Redevelopment Commission. Manager Mitchell said that in our case, our plan relates to incentives based on property tax improvements so we feel at staff level that it would be appropriate for Council to be the Redevelopment Commission. Councilman Festerman said it must be one of the best kept secrets in North Carolina because cities battle with this all the time.

Councilwoman Walker asked about what would qualify as a mixed use. The Mayor noted something like apartments upstairs and retail downstairs.

Mayor Donecker said he liked the way the information was laid out but he suggested an illustration be prepared to show what could be done with the grant, like how someone along Scales Street could see how they could make use of this incentives grant. Aggressive marketing of the program will be done, Garstka added. The Mayor applauded staff for stepping outside the box. He noted that the City has been chastised for concentrating on the downtown. Garstka agreed, adding that there are other areas that

need attention. Garstka again thanked the City Manager for his idea and getting others involved in this.

The Planning Board will certify the area and recommend it back to the Council, Garstka explained. Manager Mitchell said we envision our incentive plan to be the redevelopment plan because we don't plan to take property. The Mayor said he likes it.

Councilman Gorham then made the motion, seconded by Councilwoman Walker and unanimously approved by Council in a 7-0 vote, to approve the Resolution approving the Reidsville City Center development incentive grant. (A COPY OF THE RESOLUTION/INCENTIVES GRANT POLICY ARE HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)

CONSIDERATION OF AWARDING CONSTRUCTION CONTRACT FOR HIGH SERVICE LEVEL WATER PUMP STATION TO WHARTON-SMITH, INC. FOR \$1,482,016.

City Manager Mitchell noted that Public Works Director Kevin Eason will give the staff report but he stated that two budget ordinances will need to be approved.

Eason noted that in the latest contract agreement with the City of Greensboro, Greensboro agrees to reimburse Reidsville for the design and construction of a pump station on the grounds of our Water Treatment Plant. At the April 27th bid opening, the four bidders were Gilbert Engineering (highest base bid at \$1.7 million), Haren Construction, Laughlin-Sutton Construction and Wharton-Smith, Inc., which was the lowest bidder at \$1.482 million. Reidsville is responsible for the cost of the meter, which came in at \$62,123 or 3% of the total cost of the project, he said. The total cost of the project is \$2,047,000, he noted.

Eason discussed the benefits of having this pump installed, including pumping a minimum of 1 million gallons to Greensboro a day 24/7; having two pumps there which takes it from an emergency supply to a supplemental supply, thereby helping the City of Reidsville deliver water to the southern corridor south of the Water Treatment Plant and possibly spur development.

Eason said staff is asking that Council authorize the City Manager to execute the construction contract with Wharton-Smith Inc. but like the last meeting, it will be contingent on a few things. First, is authorization from the State, and we have received that, while the other is the City of Greensboro completing its process of internal budgeting to allow the construction. Therefore, he said he is asking for authorization from Council to allow the Manager to sign the contract upon completion of those two items and include \$22,123 from the Water Reserve Fund to add to the \$40,000 included in the 2017-18 budget for the Water Treatment Fund to pay for the meter.

In response to a question from Councilman Festerman, Manager Mitchell stated that we had thought \$40,000 would cover the cost of the meter, but the bid came in at more than \$60,000. Eason noted that the lower bid had a higher cost for the meter.

The Mayor reiterated that one criteria has been done so the awarding of the contract is only contingent on the City of Greensboro signing the necessary documents.

Councilman Gorham made the motion, seconded by Mayor Pro Tem Brown and unanimously approved by Council in a 7-0 vote, to award the contract contingent on the City of Greensboro providing a signed agreement.

The other motions below are also contingent on Greensboro signing the documents, it was noted.

Councilman Hairston made the motion to approve the Budget Ordinance Amendment, which was seconded by Councilman Gorham and unanimously approved by Council in a 7-0 vote.

BUDGET ORDINANCE AMENDMENT NO. 12

WHEREAS, the Mayor and City Council of the City of Reidsville adopted a budget ordinance on June 14, 2016 which established revenues and authorized expenditures for fiscal year 2016-2017; and

WHEREAS, since the time of the adoption of said ordinance, it has become necessary to make certain changes in the City's budget to appropriate funds for replacement of the Greensboro pump meter (to be added to additional \$40,000 in the 2017-2018 budget);

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and City Council of the City of Reidsville that the budget ordinance as adopted on June 14, 2016 is hereby amended as follows;

Section 1. That revenue account number 61-3991-0000, Water Fund Reserves, be increased by \$22,123.00.

Section 2. That expense account number 61-7120-5800, Water Plant Capital Improvements, be increased by \$22,123.00.

This the 9th day of May, 2017.

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

ATTEST:

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

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

CAPITAL PROJECT ORDINANCE AMENDMENT

**AUTHORIZING CAPITAL IMPROVEMENTS
TO THE CITY’S WATER TREATMENT PLANT**

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 amend the capital project fund established for water treatment plant improvements on October 9, 2013;

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

Section 1. The following line item of revenue is hereby amended:

55-3911-0000 Greensboro Contribution \$ 1,482,016

Section 2. The following line item of expenditures is hereby created:

55-7120-5801 Construction – Greensboro Pump \$ 1,482,016

Section 3. The City Manager is hereby granted all necessary authority to carry out this project, including the approval of payment requests as earned under approved contracts, to approve change orders in each contract as long as said change orders amount to less than \$50,000 each, to transfer funds from the established Contingency Fund to cover such change orders and cost overruns, to acquire rights-of-way, and to pay for debt issuance costs. The Finance Director is authorized to make temporary loans to this capital project from the Combined Enterprise Fund in order to cover costs before receipt of revenues and to establish an acceptable cash flow.

This the 9th day of May, 2017

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

ATTEST:

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

Mitchell expressed his appreciation to Council for understanding that our meetings and Greensboro's meetings don't always line up. Someone has to go first, and we are the supplier, he said. Mayor Donecker reiterated that our relationship with Greensboro has paid off over the years. He thanked Eason for moving the process along and on to the next phase of our relationship.

PUBLIC COMMENTS.

Early Police Retirement Explained.

Mr. Richard Ratliff of 806 Lawndale Drive, Reidsville, came forward. Referencing the earlier budget discussion, he asked the City Manager if the City offers early retirement for its employees in the form of a payment. City Manager Mitchell offered to speak to him about the matter at a later date but explained there is a potential bill in the General Assembly that has suggested offering a standard 25-year retirement for Police Officers. If an officer starts at age 20, they would be able to retire at age 45, meaning the City would have to pay their retirement through age 62. The Mayor explained that the bill would affect the City's balance sheet. He added that not anything should be taken away from the great work our officers do, but it would really put us in a bind financially.

CITY MANAGER'S REPORT.

Manager Mitchell then presented his staff report. (A COPY OF THE MANAGER'S WRITTEN REPORT IS HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.) He commented that the most current YMCA pool operations report can be found in Council members' packets behind the Miscellaneous tab. He cited the community litter cleanup activity held on April 22, 2017, along with a proposed Community Development/Community Watch group/Police Department litter challenge, which may spur a little bit of rivalry between the groups. Mitchell added the Adopt-A-Street program is continuing to grow in interest.

The Manager then discussed the recently received memo from the Reidsville Human Relations Commission regarding the addition of members to the Commission. He said the addition of two students to this City Council appointed advisory board was the result of the City's desire to have students included, equally in both involvement and responsibility. He noted that City Council then had staff prepare an ordinance amendment after a period of research, which has not occurred with the current proposal. Furthermore, Mitchell did not recommend expanding boards with the historical trend of vacancies on many of the City's advisory boards. Also, Mitchell reiterated the last sentence of the memo could be viewed as discriminatory. He added staff is ready to contact the high schools in the County, before the end of the school year, to have students informed of the opportunity to apply for these openings. He noted that we expect such vacancies will occur on a fairly regular basis because of graduation, which was expected when students were added to the Human relations Commission.

Mitchell referenced the monthly events for May and also commended Phillips for working right up until the last minute before going on leave to wrap up the quarterly financial report, which has been placed in the Council members packets as a separate document.

Mayor Donecker asked if there needed to be further discussion regarding appointments to the Human Relations Commission? Councilman Gorham said he regretted that all of the individuals who had applied could not be added to the Commission. He stressed there had been times recently when there were several openings, he said all applicants would make good members. Donecker responded by saying that maybe the attendance policy needed to be more aggressively enforced, that by expanding the number of members it might just result in the difficulty of having a quorum present. Gorham agreed that was a valid point. Donecker suggested keeping the matter on the Council's radar until a future time. Mitchell said he would have staff move forward by contacting the schools and making them aware of the student openings that would be available upon graduation. Donecker asked that the all students be made aware that these are open meetings and that they do not have to be a member to attend.

Councilwoman Walker responded that there are openings on other Commissions, such as Historical Preservation and Appearance, if someone is interested in serving. The Mayor said that was a good point.

BOARD & COMMISSION APPOINTMENTS:

Manager Mitchell distributed the ballots for the boards and commission appointments to be considered.

COUNCIL MEMBERS' REPORTS.

Mayor Pro Tem Brown – The Mayor Pro Tem said he wanted to take his hat off to the committee responsible for the RCARE dedication ceremony, saying he knew the City Manager and Assistant City Manager had been a part of the planning of the celebration. He said it was a first class event and was well planned, attended and appreciated by the community. He thanked the City Manager and members of staff who contributed to the preparation of this year's budget, adding that a lot of hard work had gone into the preparation and it appeared the process had run much more smoothly than in years past. Brown concluded by saying he had attended the National Day of Prayer event along with Councilwoman Sherri Walker and the City Manager, and it was a very touching event.

Councilwoman Walker – The Councilwoman said it had been a very busy month and that she had attended the following: the first Cruise In of the season on April 14; the Community Watch meeting on Barnes Street on April 18; had spent the night at the homeless shelter in Eden on April 20, which was a very nice but moving experience. Walker added she had participated in the Reidsville Appearance Commission cleanup project led by ; Donna Setliff with 14 participants collecting 23 bags of trash in an hour and a half on Saturday, April 22. She acknowledged those present who had participated in the cleanup, including Police Chief Robert Hassell, Catherine Wilson of the Appearance Commission, the City Manager and his family. She added she had attended the Staff luncheon on May 2, which was very informative; the National Day of Prayer event on May 4, along with Mayor Pro Tem Brown; the Rockingham Art Rocks auction held at Market Square on May 5, where she bought the rocking chair painted by members of the Police Department; and on May 6 had gone to the fundraiser in Eden for the Rockingham County Pregnancy Care Center.

Councilman William Hairston – The Councilman mentioned that he had also helped with Clean Sweep, commenting that the citizens of Reidsville generally take a lot of pride in keeping their communities kept up. He said he had also attended and assisted at the Ministerial Alliance Citywide Revival at Elm Grove Baptist Church with Reverend Clarence Johnson, President of the Alliance. He shared that Councilman Gorham had been a member of the choir at the Revival. Hairston said he also attended the monthly NAACP meeting.

Councilman Tom Balsley – Councilman Balsley said he had nothing to report except he wanted to echo Councilwoman Walker’s comments about the employee luncheon and Mayor Pro Tem Brown’s regarding the RCARE dedication ceremony. He stated both were very, very good events. Balsley recognized Diane Sawyer from the Reidsville Chamber of Commerce and asked her to give her monthly report. Sawyer said the staff appreciation event included about 186 in attendance. Sawyer stated the Chamber had just hosted the 31st Students Arts Festival at the Visitors Center, she thanked the Mayor, Judy Yarbrough and Julie Cresenzo as the panel of judges. She noted the joint ribbon cutting held today at 112 Settle Street for Tan-A-Sea Tanning Salon and Tina’s Silk Flowers and the upcoming ribbon cutting on May 18 at the former Colonial Suites, now Gill’s Inn & Suites. She noted that the Theatre Guild will be performing in the Visitor Center lobby at the next cruise-in and next month’s coffee is at First National Bank. She also encouraged everyone to get Reidsville Night at the Greensboro Grasshoppers game tickets for \$10, which also includes a t-shirt.

Councilman James Festerman – Councilman Festerman, noting he had spoken with Assistant City Manager Chris Phillips, reported that Phillips is home and doing well and expressed his appreciation for all the calls and cards he had received. He also commented that Assistant City Manager Tom Wiggins had arranged for him to go out to Lake Hunt. He said the work done came in higher than estimated, but it looks great out there. Manager Mitchell noted that the estimate was not a City staff estimate, but one made by the wildlife group.

Councilman Donald Gorham – The Councilman noted he had attended the following: April 18, Salvation Watch Community Watch meeting and the NAACP meeting; April 19, Planning Board meeting; April 21, RCARE dedication; April 22, his grandbaby’s first birthday party; and May 2-5, Ministerial Alliance Celebration for Unity and Transformation for the City of Reidsville.

Mayor Donecker – The Mayor thanked everyone for the little attention to details done at the RCARE dedication ceremony, including Assistant City Manager Tom Wiggins. He thanked Public Works for cleaning up the tree on Parkway Boulevard and for waiting until the sun came up so they didn’t wake anyone else up. He complimented Judy Yarbrough and Danny Yount for their work on the quilt unveiling.

ANNOUNCEMENT OF BOARD & COMMISSION APPOINTMENTS.

City Clerk Angela Stadler announced that Torita McCown-Byrd of 113 N. Branch Street, Reidsville was unanimously appointed to the Reidsville Appearance Commission.

The City Clerk announced that following a ballot vote, Wanda Harley of 320 Church Street, Reidsville, was re-appointed to the Human Relations Commission, but there was a three-way tie for the two remaining seats on that board. Following a tie-breaker, Rev. Clarence Johnson of 701 Woodsway Court, Reidsville, and Richard Ratliff of 806 Lawndale Drive, Reidsville, were appointed to the Human Relations Commission. (A COPY OF THE BALLOTS ARE HEREIN INCORPORATED AND MADE A PART OF THESE MINUTES.)

MOVE TO FIRST-FLOOR CONFERENCE ROOM FOR A CLOSED SESSION TO DISCUSS A LEGAL MATTER UNDER G.S. 143-318.11(A)(3).

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

Mayor Donecker called for a 10-minute recess before the closed session would begin.

RETURN FROM CLOSED SESSION.

Councilman Festerman made the motion, seconded by Mayor Donecker and unanimously approved by Council in a 7-0 vote, to adjourn at approximately 7:53 p.m.

John M. "Jay" Donecker, Mayor

ATTEST:

Angela G. Stadler, CMC/NCCMC, City Clerk