

Edenton Town Council Minutes  
March 22, 2021

The Edenton Town Council met on Monday, March 22, 2021 at 6:00 p.m. in the Council Chambers for committee meetings. The following members were present: Mayor Jimmy Stallings, Councilman Elton Bond, Councilman Roger Coleman, Councilman Hackney High, Councilman Craig Miller and Councilman Roscoe Poole. Absent was Councilman Samuel Dixon.

Mayor Jimmy Stallings called the meeting to order.

The Administrative Committee had four items on the agenda.

Councilman High stated that the first item was the High School Athletic Accomplishment Signs. It was decided that this item be tabled until a later date when staff from the high school can be present to review with the Town Council.

Councilman High stated that the next item was an update on the Hotel Hinton.

Jennifer Harriss, Destination Downtown Director, was present and gave an update to the Town Council on the Hotel Hinton. She reported that the developer recently installed a new roof on the building and an environmental group has been hired to remediate the building.

Councilman High stated that the next item was reappointments to boards and commissions. He stated that all boards and commission members eligible to serve another term are willing to serve again. The Committee recommended approval to full Council at the April 13 Regular Council Meeting.

Councilman High stated that the last item was the lease agreement for Waff Contracting, Inc.

Councilman high stated that Waff Contracting leases property from the town for storage of equipment and materials adjacent to property Waff Contracting owns, the former Gregory Poole property. The terms call for a 1.5% annual increase. Waff requests a five-year agreement. Currently paying \$5,519 per year. The proceeds are revenue for the Airport Fund.

The Utilities Committee had one item on the agenda.

Councilman Miller stated that the item for review was a resolution for the submittal of grant/loan application to NCDEQ for improvements to sanitary sewer collection system.

Councilman Miller stated that the Town is completing Phase I of sanitary sewer inflow and infiltration improvements and staff is recommending that Council consider approval of phase II. The State has changed the ratings for grants/loans for phase II. Wooten Company estimates the Town may be eligible for a 50% grant for a \$1.8M sewer rehab project. Staff recommends Council authorize the submittal of application. Phase II would rehabilitate sanitary sewer collection lines on Paxton Lane, First St & Park Ave and Morris Circle. If awarded the grant/loan, we can evaluate options then which is likely to be in July 2021. Wooten Company Engineer Derrick Smith sent a projection that illustrates funding scenarios.

The Finance Committee had one item on the agenda.

Councilman Coleman stated that the item for review was the approval of grant agreement, Daedalus Composites/Project Wings 2.

Councilman Coleman stated that back in March 2019, the Town received notification of award of forgivable loan/grant for Daedalus Yachts. Back then, Daedalus was leasing the former Carolina Classics building, which was owned by Scott McLaughlin. The grant provides \$500,000 to the property owner when the company creates and maintains the 17 base line jobs and 50 new jobs. He stated that COVID shut down the factory however after the first of the year, production was restarted. The company has 29 employees on the payroll and is actively recruiting to hire more. The company purchased the building and is now able to execute the required promissory note.

Councilman Coleman stated that the NC Department of Commerce is willing to grant extension of time for the terms of the grant to be achieved. This grant requires the company to invest \$1.6M in improvements and upgrades to the building, pay for at least 50% cost of employee health insurance premium and pay average wage that equals or exceed the average wage for workers in Chowan County (Per NC Department of Commerce 2021 average wage for Chowan is \$36,430). The Town Attorney will need to prepare deed of trust on the property for the amount of the grant, \$500,000. The average wage to be paid (\$42,308) and that Daedalus pledges to pay 100% of the employee's health insurance premium.

Councilman Coleman stated that the Edenton Chowan Partnership has agreed to fund the required 5% cash match (\$25,000) which will be paid after all the jobs are created and have been maintained for six months. Daedalus is to submit documentation required to verify the jobs created so that it can be submitted to the Department of Commerce. The Finance Committee recommended to full Council the approval of the grant agreement and the loan agreement.

There being no further items on the agenda, the meeting was adjourned.