

**Maiden Town Council Regular Meeting**  
**Tuesday, October 11, 2022, 6:00 PM**  
**Council Chamber, Maiden Town Hall**

The Maiden Town Council met on Tuesday, October 11, 2022, at 6:00 p.m. for their regular scheduled meeting, held in the Town of Maiden Council Chamber.

Present for the meeting were, Mayor Max Bumgarner Jr., Mayor Pro Tem Beth Rudisill, Councilmembers Bob Sigmon, Danny Hipps, Cameron Ramseur, and Holly-Crafton-Lay.

Also, present were Town Manager Todd Herms, Town Attorney Scott Conrad and Town Clerk-HR Officer Wanda Barnes

Others attending: See attached sheet.

The meeting was called to order at 6:00 p.m. by Mayor Max Bumgarner Jr.  
The invocation was given by Councilmember Holly Crafton-Lay  
The Pledge of Allegiance was led by Councilmember Holly Crafton-Lay

4. Approval of the Agenda

**MOTION WAS MADE BY MAYOR PRO TEM BETH RUDISILL AND COUNCILMEMBER BOB SIGMON TO APPROVE THE AGENDA AS PRESENTED. MOTION CARRIED UNANIMOUSLY 5-0.**

5. Approval of Meeting Minutes

**MOTION WAS MADE BY COUNCILMEMBER BOB SIGMON AND SECONDED BY MAYOR PRO TEM BETH RUDISILL TO APPROVE THE REGULAR SPECIAL MEETING MINUTES AS PRESENTED. MOTION CARRIED UNANIMOUSLY 5-0.**

6. Electricities EDC Discussion

- A. Mr. Jennings Gray, Electricities economic development representative states, with me tonight is Casey Berger. Casey is the senior economic developer for industrial. My main concentration for the past ten years has been and still is retail and commercial development for Electricities. My primary focus was on eastern North Carolina, until recently. I am in the process of relocating on this side of the state. This is my home side of the state, originally from West Jefferson, Ashe County.

The purpose of the presentation tonight is to talk about retail commercial real estate. How to attract retail and commercial properties and projects. We will start off with trends and what is going on now. It's ever changing and constantly evolving. Why is it important? We all like to have our favorite shops and restaurants go to and shop. There is more to it, money, jobs, and the investment they make. This is just an average and the typical sales they produce on an annual basis and the jobs they create, for example Target and Lowes. It is usually \$40 to \$50 million dollars in sales. The majority of the sales tax goes to the county

the county it is disbursed based your population. The impact is significant, annual payroll for a Lowes or Target is store is usually around a half \$1,000,000 a year. There is an average of 30- 50 jobs with corporate based retailers. Restaurants QSR's are going to be franchised driven. Franchise based is the largest growing sector. Franchises have fees based on retail and restaurants.

The current trends, as I mentioned before we are always evolving. In the past 30 years retail has taken a tremendous improvement. Not sure how many of you remember RadioShack, this is an actual ad from 1991. There is quite a bit of money here if you bought everything on that page. All covered here is now on your handheld phone. A computer, camcorder, speakers, and stereo equipment. All of that is now either on your phone as built in an app. Stanley tool even has the app for a level, so you don't have to even bring your toolbox with you. Your phone really had an impact on the commercial real estate. You hear all this news about online sales and brick and mortar retail is dead. Everything is going online sales. Obviously in 2019-2020 during COVID, online sales increased dramatically. The highest it was only around 18% of total retail sales and still hovering around 18%. The impact is significant, the annual payroll for Lowes or target store is usually around 1 to one half million dollars a year. Marshalls is 6 to 10 million on average and 30 to 50 jobs. That is pretty much all corporate based retailers. Then you get into your next level, Ollies and Five Below. Your last group, we are going to find your quick serve restaurants. QSR's most of those are going to be franchise driven fee- based. You will see where there will be a major franchise that has the whole SE region. He will have 26 units out there and that is good. One person that is driving real estate. The average purchases online are 2.2 times per month. Whereas in the stores 7.5 times per month. Most of them from last month did not ever get above 20%. The reason why is 70% of consumers prefer to shop in stores. Represents in store purchases only, they want to research online and then they'll go buy in the store. What does this mean for retailer and what are they supposed to do? They supposed to invest money in online capabilities, and getting their shipping handled in their distribution or should they invest in in brick-and-mortar stores. The obvious answer is in this graph agrees with me, they really need to do both to survive. The online creates a lot of returns for the stores. The store is going to be like a mini warehouse, instead of shipping it back. To them you can take it back to the store and the chances of you repurchasing, trading it in, or exchange it for something is like 80%. That is more than if you send it back online.

The top ten retailers Walmart holding the line their number one at 12.67% of retail sales. Walmart spent millions of dollars for online shopping and slowed down their new store construction for a while. They went and invested a lot of capital into the online presence. They have done a very good job. They complement each other. You are starting to see Walmart now, starting to build stores again. It also helps their online sales. Amazon is big and amazing, but they are only 10.4% of retail. All those top ten retailers represent a \$2.3 trillion in retail sales. We are spending some money.

Let us focus in on Maiden. The top left square there represents Newton's trade area as outlined in the red and the top right is Lincolnton's trade area. It pretty much follows your drive time patterns of 5, 10 and 15 minutes which is each color of those represents what's interesting of course you guys know this is that each trade area overlaps Maiden and so that makes it difficult and has had an impact on your recruitment efforts. If Maiden can market themselves to be in the first to locate a unique retailer, I will argue that it's actually a better spot. That retailer has access to three trade areas, Maidens, Newtons and Lincolnton. Now it's just convincing and identifying the retailers that your trade area demographics serve. We got that from Food Lion. Food Lion your largest retailer, it drives the most traffic and so that is a key indicator of your trade area. Where people are coming in from and serving that Food Lion. That Food Lion does a great job, but it only ranks 40th in the state. Food Lion is going to be critical in the decisions that other retailers will look at. Newton's trade area is competing with Hickory and Conover. Newton population, daytime population

median income is good. It is respectable, but they're going to have a hard time trying to find anything. They are experiencing a little bit of that now. Retailers they want and they are finding out they are right across the line in hickory. Some of these retailers have requirements. They can be the closest to their competitor is 5 to 10 miles away. They want to be as close to the competitor as possible.

Pizza Hut for example, they have looked at Maiden before. Pizza Hut is a franchise, so could be an issue. Why they are not here, could be an issue for various reasons. The international council of shopping center this retail industries largest trade show or Trade Organization. They have three shows that we attend. The one in Charlotte, which I recommend any of the council attend. We have a booth there and we would love to have you. We will definitely host you at our booth. They have an exhibit booth in Atlanta. In Atlanta we have a 10 by 20 booth. There is a Vegas show that is international and brings everybody together for the ICC retailers. We have a 20 by 50 booth out there and we would love to host you out there.

Pizza Hut demographic requirements is a 15,000 population, which we have seen in your trade area. You certainly meet that. They said have no traffic requirements. It basically looks at population whenever they run their sales estimate. They will take in the population household income there and other factors. Everybody looks at McDonald's. McDonald's have an awesome real estate department. Most say I will go as close McDonald's as I possibly can. McDonald's drove a lot of retail decision. Blockbuster and Kmart had amazing real estate. They owned all their real estate. The department stores Belk owns all their stores real estate. A lot of the smaller towns, all the stores they own the buildings. That is what kept them in the market, they don't have any debt. Burger King is another one. Their minimum demographic population is 30,000 and now they add in their traffic count, so they want 25,000 vehicles per day or average daily traffic numbers. They want high traffic locations, good visibility and ease of egress and ingress. That may sound like just a footnote there, but that is important. I have seen so many of Chick-fil-A sites, Burger King and Starbucks sites just fall through. DOT wants to put a median down both sides and it kills that corner.

Tractor Supply company 20,000 median household income and their population in the 20,000 population in the county. They sell to farmers, more farms the better. If you get a Tractor Supply, you will get a pet supply store. The sales second generation retailers like ollies and Big Lots, they look for second generations space.

Aldi is a 35,000 minimum population by \$50,000 average household income and a 20,000 average daily traffic. Lidl starting around 25,000 and they don't look at household incomes, but they did look at traffic. You had a lot of Lidl's in east North Carolina popping up that eventually just couldn't survive. They have got brand new buildings sitting there vacant. They have found that, the stores close to urban population, where they have these minimum criteria have thrive and done well. They adjusted their policy.

Once you determine this, have a target list and you got all the numbers, who to we call. There is a process, and it is a competitive process. Typically wall street will announce, Costco opening 9 stores this year. We are competing against South Carolina and Virginia. They look at what is the sales potential and the lowest amount of risk involved. That's where we come in and tell them about Maiden new housing development. That is information that they can't google. We tell them about Maiden's new industrial project and it's going to be projecting 300 jobs average income average \$75,000, We are constantly updating them on their knowledge of the markets. We were successful in the East, and we can do that here. I'm not going to lie or mislead them. I have got a good relationship with these guys. They go for performance, look at sales, any kind of due diligence, go to real estate community, lease/ purchase construction and then grand opening. Those five steps there can take from beginning to end about a 3-year process.

I don't know if you are on your social media and maybe you whispered it to your neighbor, you are looking at a new Tesla. Then all of a sudden on your Instagram or Twitter, ads pop up for Tesla. It is kind of eerie, that is the way they you as a consumer. Whole foods like to be where there is a lot of vitamin sales. They do a lot of data on communities. This indicates to them that this community is focused on health and wellness. Some of the Lowes had a development standard that completely killed deals. They wanted to split rock face on the whole front of the building. If you ever in Charlotte you go by South Blvd, that Lowes there, looks like little mini shops on the side of the South Blvd. That was their requirement, but the difference there was the sales estimate supported that investment.

When you are out here talking to folks, you must know your demographics trade area. That must be constantly updated. Having a good relationship with the county planner. He understands and know your trade area. When things come into the area, you should be notified and please update me. Know your leakage. People are obviously shopping at Walmart. They are going to either Lincolnton or Hickory. I looked at some of the leakage report. Based on our mobile tracking data, a lot of Maiden residents go to Hickory. Lincolnton residents go to Hickory as opposed going to Gastonia, which is a little bit of a surprise to me. You can't control the real estate that makes a big difference. Know what you do control. CVS wants to be near the nursing facility and assisted living center. Talk to the developer about housing out there, this is huge information.

This is a recap, research is critical, but real estate always wins. Retail recruitment is economic development, that is a real estate function. It is a process that takes time and management. Please reach out to either of both of us and we'll be more than glad to assist.

Mayor Pro Tem Beth Rudisill states, in the last couple years are you seeing more towns and cities purchasing real estate themselves to have available for development? Mr. Gray states, yes and for two things, for your national retailers and your mom and pop on Main Street. There is a lot of building property owners that have vacant property. The owners do not maintain their buildings and they have no stake here. They pay their \$50.00 tax bill every year and the building just deteriorate, and it affects his neighbors too. There are always several downtown businesses that done exceptional jobs on renovating their business and square footage. It really is not fair to them. They invest all that money and keep their shop when the one next door to its falling or the guys use it for storage for pinball machines. Many residents really rallies behind the town council that start some type of program to where they are encouraged to either fix it up or sell the property. You can have a spot for food trucks pop-ups to come in. It gives a good opportunity for franchisees like Chick-fil-A to test the market. Downtown is truly the heart and soul of the community.

We did get the grant awarded to us, so that means that you will be receiving cost of entry service of retail Academy. You went through 101 basic course and now of course 201 courses. That will be held in December in Raleigh at headquarters. That would give a deep dive into a retail recruitment marketing plan. It will identify a whole lot more retailers than what I just hit on today. You must know what you want in the community and be realistic about it. You can decide all day that its target and Chick-fil-A that you want. It's not going to happen. For several reasons, Chick-fil-A strategy now is to not go into new markets, but to expand in markets where they are. There is so much pressure on a lot of these older stores because they located in the market, now the population has increased. For Target and Costco, the numbers just not here. We are looking forward to the conference in December.

Mayor Pro Tem states, the 321 area out toward the star town area there is a lot of traffic. I would think some of our larger retailers would do better in that area, however the mom-and-pop things on main, the

citizens intend to support that. When we have had chains in town, like Hardees' they are not as supportive of those places. Mr. Gray states, our colleague Kellyanne, just joined our team and she is a millennial. We have been traveling a lot together. We will stop for coffee or something. I am looking for Starbucks along the interstate and she is on her phone looking for the top unique local owned businesses. It's usually a better experience that the owners are there and a quality product. Maiden Food Lion mobile tracking data was better than the food line in Lincolnton. I don't know why, maybe management or store age. You have got so many things going for you; your population is growing and an incredible industrial base here. That is amazing, hats off to you for the incredible job you've done on your industrial side. The residential is growing and you are getting more permits. It is just a matter of time.

We can help identify sites. In December we will go through and say here is a site based on what is on the market. In December our goal is for you walk away with some very valuable information you can bring back to council, discuss it and then plan for how to move forward. We will be glad to take that journey with you every step of the way and help you financially with some grants. Mayor Pro Tem Beth Rudisill states, based on the demographics that you show, CVS was the third leading retailer. I'm a bit surprised by that. I guess pharmacies is their income. We are seeing a real shift in how people are obtaining prescriptions, through Express Scripts and mail service. It's the store inside a store trend. Town Manager, Mr. Todd Herms states, I know you got a plane to catch. I just wanted to say thank you for coming. There is a lot of opportunities, but we also have a lot of challenges. The cost of our land in our commercial retail, is higher than that of our competitors closer to us. The land is 30% higher. We must come up with a solution. We have talked about doing another retail study. Mr. Gray states, you should get that and in December.

## 7. Citizen Requests & Comments

Mayor Max Bumgarner states, October is the month for breast cancer awareness. Starting tonight, the town hall will be lit up in pink.

Maiden Business Association President, Samantha Saunders states, Maiden Business Association want to remind you of two dates. Saturday October the 15<sup>th</sup>, is spectacular movie night. We are going to have a giant movie inflatable, hayride, the civic group is selling hot dogs, free popcorn provided by the rec department and free water provided by Food Lion. The movie is Hocus pocus. Guest of all ages is encouraged to come in costume. We are also doing a community coat drive if, you have a gently used clean or new coat. The other date is December the 15<sup>th</sup> that is the Merry Maiden downtown Christmas.

Resident Mary Holloway Henry states, What is the purpose and use of the Paul J. Klutz Memorial library & Education Center? Town Manager, Mr. Todd Herms states, a family donated money to pay for roughly 60% of the cost. They wanted it to be a Public Library. We reached out to them and explain to them there was a Public Library across the street. They agreed, with Attorney Crow at that time for it to be a Learning Center for educational opportunities for mainly town staff and for us to hold events and meetings. The fire departments, police departments and the electric department uses it three times a month. It is the training Classroom for the entire electrical lineman program for the state of North Carolina. Mrs. Henry states, why can't it be a computer lab? With all the economic development coming, we will outgrow the library. Councilmember Cameron

Ramseur states, can a citizen rent the room for a class event? Town Manager, Mr. Todd Herms states, we have a process for them to rent the building.

Samantha Sanders states, the gentleman from Electricities was spot on when he was talking about what is trending. It is very trending for traffic to be driven to local downtown areas. People do not want to give their money to Walmart. They don't want to go to Lowe's and target. This area is wide open for expansion. It might be a bumpy ride but, we will get there. The millennials want to support breaking mortar. I have not researched Gen X's. Mayor Pro Tem Beth Rudisill states, they want to be outside with their dog. They want their dinner and drinks to be outside, just an outdoor experience.

## 8. Consent Agenda

### A. Finance Officer's Report (Motion)

**MOTION WAS MADE BY COUNCILMEMBER BOB SIGMON AND SECONDED BY MAYOR PRO TEM BETH RUDISILL TO APPROVE THE OCTOBER FINANCE OFFICERS REPORT AS PRESENTED. MOTION CARRIED UNANIMOUSLY 5-0.**

## 9. Presentation

### A. Enterprise Public Works Vehicles

Enterprise Fleet Management Consultant, Amanda Millian states, I am born and raised in North Carolina Winston Salem and my parents still live there. I went to UNC Wilmington for college and then after college I got my first job at enterprise rent-a-car. I have worked my way up and managed a couple branches in the Wilmington area. After four years, I was promoted to an area sales manager in Charlotte NC. I oversaw six locations, 45 employees and about 1200 vehicles. Enterprise started in 1957 by a guy named Jack Taylor. We are still a privately family-owned run business to this day. His granddaughter is our CEO. We are the largest purchaser and seller of vehicles in the world, and we manage over 2,000,000 vehicles. We have got 54 locations and we just surpassed 600,000 vehicles. There are all different types of organizations, government entities, commercial businesses, and nonprofits. We have about 2000 government entities. We are really growing the government sector. We have over 80 government clients in North Carolina and manage over 5000 vehicles. Our North Carolina client retention is 99%. There is no long-term contract or nothing binding you into a partnership our contracts. The contract for each vehicle is the lease payment of that vehicle, so you can essentially walk away at any time if you are not happy with the partnership. We have brought people into signing three-to-five-year contracts, because they love us and they love what we do for them.

we really want to be an extension of the town so it's not just fleet management, it's getting involved in the community as well. To give you an example of total cost of ownership. Example of 1/2 ton pickup truck and this assumes that you have it for 10 years for about 15,000 miles a year. The total cost of ownership of that truck is a little bit over \$65,000. A lot of times what people think when you think of the cost of the vehicle is what did I buy it for and what I paid for it. Actually, that is only 20 to 30% of the total cost of ownership, 70% or more of the total cost is the maintenance and fuel expenses. That is your operating expenses. We can reduce maintenance and fuel expenses. Our plans and programs can be put into place to help reduce that cost, which ultimately reduces your overall cost of each individual vehicle. You take those plans and processes per vehicle and multiply it across your entire fleet and that's really where you see the

big financial long-term impact. If you were to take in 2020 a regular 1500 Silverado in MSRP is \$37,000. We all know governments have phenomenal buying power whether that is your office supplies or vehicles. You take that same exact vehicle on the sheriff's association of state contract. The price of that vehicle for 2020 was \$23,000 that's a \$14,000 difference, we are talking resale value. The average odometer was about 22,000 miles the average sale price was \$24,000, remember you just bought that vehicle for \$23,000 two years ago that's \$1000 profit when you go to sell that vehicle.

In year one in 2023 we would replace four vehicles, so 15 would still be owned outright and then four would be leased. We would help with everything from either ordering the vehicle direct from manufacturer. The vehicles are delivered turnkey ready to go. Councilmember Danny Hipps states, do we resale them or your resale them for us. Mrs. Millian states, we will sale them on your behalf. Ultimately after 10 years, getting all the vehicles cycled through enterprise and having us help with the management of those vehicles you are looking at savings of over \$200,000.

Town Manager, Mr. Todd Herms states, how do you lease and save money. The more research we did and talking to other towns and other organizations, they have not regretted doing this program. Where they save the most money was maintenance. Talking to Bryan, our garage is pretty much almost to capacity. They have over 200 other pieces of equipment. This could be a way for us to save money and not add additional personnel in the future in the garage. If council decides to let us go ahead and negotiate this and move forward with it, there will not be any additional money out the budget. We will just take the capital cost that was going to use and roll it into this program. We have to be careful how we explain this to citizens. Mayor Max Bumgarner, Jr. states, is there a limit on the miles. Mrs. Millan states, no, typically that is what we see from government entities. Councilmember Holly Crafton-Lay states, you will take a look at everything and get a final number. Mr. Herms, states, yes. Councilmember Holly Crafton-Lay states, I think that is the best thing to do, after hearing about the supply chain issues.

## 10. Old Business

### A. Crosswalk – 14 E Boyd St.

Town Manager, Mr. Todd Herms states, we need to have a public hearing at next month meeting for the crosswalk.

## 11. New Business

### A. Excavator Purchase (Motion)

Town Manager Mr. Todd Herms states, nine years ago we had a flood. FEMA has reimbursed the town a total of \$119,957.71. That must go back into the sewer department. Bryan found a 2021 excavator and the transport truck trailer for \$110,000.

**MOTION WAS MADE BY COUNCILMEMBER DANNY HIPPS AND SECONDED BY COUNCILMEMBER BOB SIGMON TO APPROVE THE BID FOR THE EXCAVATOR PURCHASE. MOTION CARRIED UNANIMOUSLY 5-0.**

12. Ordinance/Resolution

- A. Ordinance #8-2023 An Ordinance To Amend The FY 2022-2023 Budget in The Water and Sewer Department (Motion)

Finance Officer Jessica White states, we received a check from FEMA in the total amount of \$119,958 and it has to go into the sewer fund.

**MOTION WAS MADE BY COUNCILMEMBER DANNY HIPPS AND SECONDED BY COUNCILMEMBER HOLLY CRAFTON LAY TO AMEND THE FY 2022-2023 BUDGET. MOTION CARRIED UNANIMOUSLY 5-0.**

13. Proclamation

- A. A Proclamation Proclaiming October 11,2022, as Fire Prevention Week.

Mayor Max Bumgarner, Jr. states, 2022 fire prevention week theme, fire won't wait plan your escape, works to educate everybody about simple actions to keep everyone safe, therefore I Max Bumgarner Jr. Town Mayor of Maiden, do hereby proclaim October 9 – 15 2022 as fire prevention week.

14. Closed Session

- A. Consultation with Attorney (N.C.G.S. 143-318-113) Economic Development (Motion)

**MOTION WAS MADE BY COUNCILMEMBER BOB SIGMON AND SECONDED BY MAYOR PRO TEM BETH RUDISILL TO ENTER INTO CLOSE SESSION. MOTION CARRIED UNANIMOUSLY 5-0.**

15. Adjourn

**MOTION WAS MADE BY COUNCILMEMBER BOB SIGMON AND SECONDED BY COUNCILMEMBER HOLLY CRAFTON LAY TO ADJOURN AT 8:30. MOTION CARRIED UNANIMOUSLY 5-0.**

Respectfully Submitted:  
Wanda Barnes, Town Clerk

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**Max Bumgarner Jr., Mayor**

ATTEST:

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**Wanda Barnes, Town Clerk**