

The Washington City Council met in a continued session on Monday, January 27, 2014 at 5:30 pm in the City Council Chambers at the Municipal Building. Present were: Mac Hodges, Mayor; Bobby Roberson, Mayor Pro tem; Doug Mercer, Councilman; William Pitt, Councilman; Richard Brooks, Councilman; Larry Beeman, Councilman; Brian M. Alligood, City Manager; Cynthia S. Bennett, City Clerk and Franz Holscher, City Attorney.

Also present were: Stacy Drakeford, Police & Fire Services Director; Robbie Rose, Fire Chief; Allen Lewis, Public Works Director; Keith Hardt, Electric Utilities Director; John Rodman, Community/Cultural Resources Director; Kristi Roberson, Parks and Recreation Manager; Susan Hodges, Human Resources Director; Gloria Moore, Library Director; Lynn Wingate, Tourism Director; David Carraway, IT Department and Mike Voss, Washington Daily News.

Mayor Hodges called the meeting to order and Councilman Pitt delivered the invocation.

**APPROVAL/AMENDMENTS TO AGENDA:**

Mayor Pro tem Roberson requested adding Item 1. A

- Discussion - City's Inclement Weather Policy

By motion of Mayor Pro tem Roberson, seconded by Councilman Mercer, Council approved the agenda as amended.

**DISCUSSION: CITY'S INCLEMENT WEATHER POLICY**

Mayor Pro tem Roberson requested Mr. Alligood explain the City's Inclement Weather Policy. Mr. Alligood provided a highlight of the Inclement Weather Policy. Mr. Alligood noted the Inclement Weather Policy is addressed in the City's Personnel Policy which states City offices don't close unless it is approved through the City Manager's office. As Council is aware, the City provides a lot of essential services regardless of the weather. Terms "critical" and "non-critical" are defined by emergency services, emergency response, water/waste treatment, electric (things that have to go on no matter what). If there is a deviation from the schedule, those employees who are considered by the policy (non-critical) can use comp time, vacation time to cover their hours. Mr. Alligood advised City Council that he had forwarded an email to all employees regarding the policy – email included.

“As you are aware, the National Weather Service has issued a winter storm warning for much of Eastern Carolina from Tuesday at 10 a.m. through Wednesday at 4 p.m. Snow is expected to begin falling Tuesday night into Wednesday morning. At this time, the forecast is predicting anywhere from 4-8” of snowfall in our area. This forecast will continue to be refined and adjusted based on the position of an offshore low as the cold front moves through. Changes in the position of that low will determine the extent of the snow amounts in our area.

As you are also aware, the City has to maintain a certain level of services regardless of the weather and the resulting conditions it causes. As such, offices and departments will operate for the full scheduled working day unless authorization for closing or schedule deviation is provided from the City Manager's office. If a closing or schedule deviation is required, staff members in non-continuous operating offices and departments may use vacation, earned comp time or time without pay for the un-worked hours. Please review the City's Personnel Policy for additional details.

As always, please use your best judgment in determining your ability to safely travel and make that decision based on your individual situation. If you are in an office or department that must continue to operate and are not comfortable driving, please discuss this with your supervisor. The City, in limited situations, has the ability to pick you up and take you home.

Thank you and please be safe during this upcoming event.  
Brian M. Alligood, City Manager”

**DISCUSSION: GRANT UPDATES**

City Manager, Brian Alligood stated a general standardized template has been provided for every grant and explained the template. Mr. Alligood voiced that grant update discussions will become a part of each Committee of the Whole meeting. Councilman Mercer commented this is a great report.

Grant Executive Summary  
as of 12/31/2013

Fund	Grant Description	Dates			Financials				Deliverable				Compliance Reporting Status	Notes
		Award	Expiration	Completion	Revenue		Expense		Metric	Total	Achieved	Bal.		
50	CDBG Affordable Housing	04/09/10	12/31/13	10/31/14	227,700	185,719	227,700	185,719	LMI homes	10	5	5	12/19/13	Clawback extension until 10/31/14
51	Blue Goose	03/01/13	03/01/15	02/01/15	350,000	265,707	350,000	241,707	Jobs (60%LMI)	16	16	0		Job creation targets met
52	Comprehensive Bicycle Plan	05/26/11	12/31/13	06/30/14	35,000	7,000	35,000	30,863				0		DOT reviewing draft, distribute for review in February
57	CDBG for Job Creation	07/06/12	01/16/15	07/06/14	200,000	114,926	200,000	138,712	Jobs(7 new/1 ret.)	8	6	2		Remaining equipment on order to complete project
61	Pedestrian Plan Grant	05/20/13	09/30/13	12/31/14	10,000	10,000	10,000	-				0		Start delayed for bike plan adoption, committee meets in Feb.
	Adopt a Trail Grant			n/a	10,000	-	10,000	-				0		Grant not funded, re-apply if funding becomes available
65	Econ. Development- Spinrite	01/07/12	01/07/15	01/07/15	90,000	90,365	90,000	67,500	Jobs	100	76	24		City match expended for new jobs certified
66	Airport Terminal Grant	04/04/13	07/01/15	03/31/15	1,255,902	397,597	1,255,902	167,662				0		Const. bid awarded 12/9/13, waiting on NCDQA agreement
67	Facade Grant Program	07/01/13	06/30/14	06/30/14	10,000	17	10,000	9,354				0		\$10,090 add'l authorized in Jan, GF transfer in February
68	Old City Hall Rehab	04/10/12	02/23/15		200,000	-	200,000	-				0		Developer financing not secured, make re-purchase decision
70	Parks & Rec Master Plan	05/20/13	09/30/13	02/28/14	50,000	45,000	50,000	33,700				0		Staff complete draft review/revisions in January
76	EDA Water Projects	09/11/13	03/11/17	02/28/17	1,428,262	-	1,428,262	-				0		Eng. bid awarded, topo surveys begun, award const. Dec 2014
77	EDA Sewer Grants	09/11/13	03/11/17	02/28/17	1,423,894	-	1,423,894	183				0		Eng. bid awarded, topo surveys begun, award const. Dec 2014
78	Light House RR & Boater Facility	01/17/12	01/17/15	06/30/14	344,397	94,397	344,397	16,775				0		Bid awarded, constr. begun, on schedule to complete June 2014
	CDBG Keysville Rd.	2005	6/4/2013	06/30/16	320,000	320,000	320,000	320,000				0	12/23/13	Constr. financing an issue, monthly progress meetings w/MEC

**DISCUSSION: CONTINUATION OF STRATEGIC PLANNING SESSION**

City Manager, Brian Alligood explained Council had been provided with a copy of last year's goals and objectives (2012-2013) and sought direction from Council on how they wish to continue the discussion and direct staff as to how they wish to proceed.

Councilman Mercer stated the 2012-2013 goals are still pertinent – still ongoing projects. These are activities that should be ongoing unless completed and can be removed. Councilman Mercer provided members of Council with goals he would like to see accomplished for 2014-2015. If there are any concerns, Mr. Alligood can address them during budget discussions. Councilman Mercer stated we cannot continue to live off of fund balance.

**2014-2015 Goals**

Budget

1. Reduce transfer from Electric Fund to General Fund to \$250,000.
2. Minimize Fund Balance appropriations in all cost centers. *\* Mr. Alligood voiced you can use fund balance (one time money) for one time expenditures but when you start mentioning re-occurring expenditures you get in trouble.*
3. Evaluate equipment replacement on use as well as time schedule. *\* Mr. Alligood explained their goal is to set up a vehicle replacement schedule spreadsheet.*
4. Consider outsourcing commercial trash collection.
5. Reduce cost of Legal services.
6. Review rates to insure revenue will cover a continuation budget.
7. Reduce contribution to outside agencies by 50%. Request budgets from all agencies so we can see what monies are being use for. *\*Mr. Alligood voiced this can be provided and requested direction from Council as to which ones would be cut or which ones we will continue to fund. Councilman Mercer stated at this point the only one he sees will not be cut is the Zion Shelter.*
8. Add no new outside agencies.
9. Maintain current level of benefits. *\*Councilman Mercer clarified by stating "maintaining the level of expenditures".*
10. If item is not in CIP, a detailed explanation of why needed.
11. Review administrative charges and method for assessing to all funds.
12. Can we aim to bid all construction projects before January 2015? If we don't have the engineering done by then, should the project be divided over a two year period, engineering the first year and construction the second year.

Others

1. Continue review of organizational structure and ways to reduce staff. *\*Mr. Alligood commented that he would need direction regarding this item “we have to set a level of expectancy in services” because we can reduce personnel in departments; however, can we maintain the level of service in which we are providing to the standard in which we need to provide it? We need to clearly understand from Council what is that standard? Councilman Mercer noted you can look at ways to reduce your force and continue to maintain your service. Mr. Alligood cited an example in staffing at the Fire Department and explained the Fire Department maintained the same level of service but when they lost three grant positions all of a sudden we are at a decreased level of service and Council understood this. Council advised “if you need to bump up the overtime budget then that’s what you need to do and that is the trade off”.*
2. Routine review of Personnel Policy for adjustments.
3. Update CIP.
4. Review Boards and Commissions to insure they are meeting Council expectations and guidelines for their conduct set forth by City Code. Council needs to set some goals for each Board and convey those goals during a meeting with the Board (could be during second meeting of the month). Repeal ordinances for boards no longer needed or re-establish, if needed.
5. Attempt to schedule quarterly meetings with the County Commissioners (or part of that Board).
6. Continue regular meeting of City and County leaders in the area of economic development.
7. Look to establishing a Grant Writing position (new or combination of current positions).
8. Need to continue to streamline permitting processes in all City activities.
9. Need to review Green Fleet Policy and implement, or repeal.
10. Need to review Electric Fund Transfer Policy and revise, or eliminate.
11. Review and up-date City website.
12. Get new City logo on equipment.
13. Review and possibly revise trash collection fees at apartment complexes. *\*Mr. Alligood commented, at the direction by Council, that he and Mr. Lewis looked at the policy. The majority of the apartment complexes did not want the individual cans and requested the large dumpsters. The residents in the large complexes have access to yard pick up and bulky waste pick up. Staff will bring this back to Council to see if they wish to address it in a different manner.*

**COMMENTS FROM MEMBERS OF CITY COUNCIL REGARDING COUNCILMAN  
MERCER 2014-2015 BUDGET SUGGESTIONS:**

**Councilman Pitt:**

1. **Item #4** - Outsourcing Commercial Trash – a lot of trash is being outsourced as it is
2. **Item # 7** - Reducing outside agencies by 50% (Council had talked about 10% a year and doing it over a period of time – we have a lot of good partners).

Mr. Alligood’s response: He understood when Council looked at the opportunity to reduce services – they suggested reducing personnel based on attrition and that as we went through the process of employees retiring or leaving the organization we would look at that and would not necessarily send anyone home. Outsourcing trash collection fits well with attrition and falls in line with Council’s direction to not send employees home. Conversation regarding outside agencies is a matter of receiving direction from Council advising staff as to where we should go.

**Councilman Brooks:**

1. **Item # 1** - Reducing Electric Fund to General Fund by \$250,000 – don’t know if this can be accomplished but look at it when we get into the budget.

2. **Item # 4** - Outsourcing Commercial Trash – we did that at one time and it didn't work. When you have in-house people doing your work you get a better job. When you get a contract, people drag their feet and you are stuck with the contract.
3. **Item # 7** - Reducing outside agencies by 50% - cannot recall 50% but Council did agree to reduce it some.
4. **Item # 12** - Construction projects that we get grants for – we should have a limited time on people getting grants and if it can't be fulfilled at that time we need to look at doing something very different.
5. **Item # 10** - CIP – we have things to come up sometime and if we have a group of employees that tells us exactly what is needed and we have a problem if we don't trust them.
6. **Item # 9** – Maintain current level of benefits – would like to see how the benefits are done and what can we do to improve it.

Mr. Alligood's response: He is hearing a lot of comments on the outsourcing of commercial trash. When you get in the residential and the recycling piece we handle internally and agree we have control over those things. Mr. Alligood voiced we have to make sure that we give Council the information they need ensuring you understand why it needs to be done in regards to the CIP. This is fair; we owe this to Council so they can make a decision about whether you want staff to move forward.

**Mayor Pro tem Roberson:**

1. **Item # 1** - \$250,000 - no question about the City's policy in the past regarding reducing the transfer but the amount has not been established. He feels \$250,000 might be a little tough this year considering things he has looked at on the preliminary budget. Not saying we shouldn't reduce the funds but unsure about \$250,000.
2. **Item # 2** - Minimized the fund balance appropriations in all cost centers – one thing that would help is if we knew how much money we owe in terms of how much money we are paying down and when we are going to pay it off. Council needs to know what we have outstanding.
3. **Item # 4** - Outsourcing Commercial Trash – He recalls the process Council looked at was having the City of Washington bid on it as well. If we are going to go outside on the commercial we are going to look at the franchise rate and at that time we will go out and format the franchising. If the City of Washington wants to bid on it, in which Council advocated, seeing the cost containment. We might be below the commercial side.
4. **Item # 5** - Reducing the legal services – feels we all need to look at that and stated he doesn't know how the City Attorney will cut down on the claims based on the legal reports he has been receiving. If staff sees something (pothole, etc.) we need to call attention to it.
5. **Item # 6** - Ensure continuation of the budget – collection side on our tax rate.
6. **Item # 9** - Maintain the current level of benefits – questioned decreasing insurance: if you are with the City for 20 years and have a decreasing term policy - the employees have paid in over 20 years and by the time you pass 70 it is only worth \$1,000.

Mr. Alligood's response: Obviously there is a challenge on both sides regarding the \$250,000 – challenge on the General Fund side and then a challenge on the Electric Fund side. The fund balance is going in the wrong direction in the Electrical department. Mr. Alligood stated the City does not have a lot of debt out there and this is a good thing, Mayor Pro tem Roberson agreed. Mr. Alligood suggested, he thinks the new tax and tag program that the General Assembly put in place that started this year will help with the collection side of the tax rate.

**Councilman Beeman:**

1. **Item # 4** - Outsourcing Commercial Trash – would an outside agency adhere to the same level of standards that we have set forth in our trash collection? If we get locked in would an outside agency not increase their rate every year or every three years? The outside agency would have the ability to increase fees to the City unless you are able to lock in.
2. **Item # 12** - Bid all construction projects before January 2015. How would that impact the bid of the job? Will that increase the job rate or the bid itself?

Mr. Alligood's response: It would depend on the construction projects (when we anticipate the engineering to be done). Obviously, we don't want there to be any significant amount of time between the engineering and the actual bid. Engineers are giving us their best estimate and if we wait six months then the bidding environment may be different.

**Mayor Hodges:**

1. **Item # 1** - Loss of revenue from selling the old Hamilton Beach building – we may take a \$100,000 hit for the next three years and it would make it hard for the Electric Fund.

At this point, Council discussed the **others** items on Councilman Mercer's list for 2014-2015.

**COMMENTS FROM MEMBERS OF CITY COUNCIL REGARDING COUNCILMAN  
MERCER 2014-2015 OTHER SUGGESTIONS:**

**Councilman Pitt:**

1. **Item # 4** - Reviewing Advisory Boards – Advisory Boards are meant to advise the Council – they must have the right direction from Council and realize where they need to go with their advice.
2. **Item # 10** - Electric Fund Transfer Policy – to deviate away from this – keep customers more advised as to our changes/deposits and policies (be more interactive with our customers – we are not doing a good job).
3. **Item # 11** - Updating website – a lot of our customers do not have internet. Explore things like Facebook. We have a lot of our customers who use smart phones. Social media is a means to contact the general public.
4. **Item # 13** - Trash fee – agree (also would like to see the City being more of a recycling steward – set as a goal)

**Councilman Brooks:**

1. **Item # 1** - Reduce staff – yet you try to get the same amount of production out of people (you will burn your employees out, they will get sick and insurance will go up). Department Heads should be allowed to make that call and tell us how his department is running. Routine Personnel Policy representative needs to tell us what we need to keep and things to let go.
2. **Item # 4** - Boards and Commissions – we need to know what our goals are and give direction to the boards.
3. **Item # 5** - Attempting to schedule quarterly meetings with the County Commissioners – feels it should not be listed as a goal but talk to them one on one via the City Manager.
4. **Item # 7** - Grant writing – inquired if we had an employee here before writing grants? Mr. Alligood responded 'yes' there was a position here for that but there was a higher paying position in another municipality which took her away. Councilman Brooks felt this was a great loss to the City of Washington.
5. **Item # 10** - Electric Fund Transfer Policy – employees have an opportunity to talk to us and tell us why we need to do things before we do anything.
6. **Item # 9** - Green Fleet Policy – do something or get it off the books
7. **Item # 12** - Logo on equipment – this will cost money and thought we were trying to cut the budget.
8. **Item # 13** - Review tax collection fees at the apartment complexes – Councilman Brooks stated he does not know the answer to that but the staff person in charge of trash collection should advise Council as to what could or could not be done.

**Mayor Pro tem Roberson:**

1. **Item # 6** - Schedule quarterly meetings with the County Commissioners – don't mind meeting with the County Commissioners and any other Board but if this happens we need to have an agenda before meeting with them (outlining common things that we need to take a look at – specifically Economic Development).
2. Added goal – **Business Privilege License** – stay on top of this as the Governor has targeted that in the past.

3. Added goal – **Council and Staff** – come up with innovative ways to make some money and cited some examples.

**Councilman Beeman:**

1. Nothing at this time

**Mayor Hodges:**

1. **Item # 4** - Advisory Boards he has attended has been good and high quality. Councilman Mercer may be aware of some of them that fall under the scope he was talking about and need to be eliminated but he would like to see them become more active.
2. **Item # 6** - Agrees it will be fine to have regular meeting with the City and County leaders – relationship with the EDC and Committee of 100 is better than it has been in years.
3. **Item # 11** - Agrees with Councilman Pitt regarding activities of the City of Washington in communication with the City and would like to see a monthly Facebook page but pursue it a step further and have a huge email list with churches and civic groups (we have a disconnect of a lot of things going on in the City).
4. Added goal – Would like to see a Wedding Association in Washington. Feels this would generate a lot of jobs because there is a lot of moving parts.
5. Streetscape – in and out of the budget but would like to see this carried forward. Goldsboro received a \$10 million dollar Tiger Grant and had established a good working relationship with Congressman Butterfield and suggested we improve our relationship with Congressman Butterfield and Congressman Jones.

Councilman Mercer expressed that one of the things the Mid East Commission is trying to set up is a face to face meeting with our local legislative leaders.

Councilman Mercer noticed in the Manager's presentation on 1-21-14 there was a 1% COLA which would be about \$100,000 and if you tie it to the merit raises we would be talking about payroll going up approximately a quarter of a million dollars a year. Councilman Mercer suggested being very careful and consider everything that will be going up (benefit package, retirement contribution). Mr. Alligood explained that Mr. Rauschenbach noted the CPI had indicated a cost of living adjustment, but this would always come to Council as a service expansion for Council approval.

Mayor Hodges commented the owner of Zaxby's acknowledged how professional the City staff worked with their company. Zaxby's manager was aglow when mentioning his relationship with John Rodman, Wayne Harrell and the Inspection department.

City Manager, Brian Alligood voiced what he was hearing tonight was public education and getting information out to the citizens. Currently, we have a decentralized method of doing this as each department is in charge of doing their own. This will come back to Council in the new budget as a service expansion request with a designated public information officer to be a centralized point of media relations.

Mayor Pro tem Roberson voiced he would like to revisit "Energy Audits". A consultant came in and performed energy examinations for each one of our buildings inside the City. What-ever happened to that report and implementing those strategies in terms of energy cost and energy reduction (cited an example)? Councilman Mercer stated there was also a report generated placing solar panels on the roof of City Hall and it would pay for itself in less than 24 months. The prior manager was having conversation with Sun Energy contributing to the installation – we should follow-up on this as well.

Mayor Pro tem Roberson stated "we do owe the Police Department, I think, some determination about where the station's going to be located". We sort of dropped that discussion in transition with managers but we need to reexamine this and at least make the acquisition of the property in terms of their (police) space needs. Mayor Pro tem Roberson voiced we don't have to do it for this (upcoming) budget. Mr. Alligood voiced we're having some of those internal conversations about what we need to look at and whether it would be a combined public safety center to include Police/Fire/EMS; move forward and figure out the long

term. Councilman Brooks agreed with Mayor Pro tem Roberson and suggested getting the Police Facility done.

Mayor Pro tem Roberson voiced as a City we need a current address system – this is basic information and we don't have it. We, as a Council, need to look at addressing GIS system and maintaining an official City Map in the Clerk's office. Mr. Alligood shared there have been some conversations internally regarding GIS base map. Also, he and the County Manager have had some conversations about jointly working together. Mayor Pro tem Roberson suggested his last conversation with the County about allocating the cost, the County went ahead and hired two people, and City never did get it GIS system. Mr. Alligood explained the Granville County model noting the County maintained the GIS system and allowed the municipalities inside the County to add their layers (maps) onto it. Mr. Alligood stated the conversations between he and Mr. Woodruff have been very productive.

Councilman Beeman stated he would like to see the Parks and Recreation Department address and form a committee addressing fees – alter fees and increase if needed. Mayor Hodges voiced when you have free concerts why do you have to pay a fee for Festival Park. Councilman Beeman noted that the cost of the umpires and equipment has increased and where does that come from. Councilman Mercer voiced they have tried working on this before and it is a good idea. Mr. Alligood voiced this will be a piece of the budget and will need to be discussed. Staff would need to know any changes Council would like to make regarding fees. With Council direction maybe this will go to the Recreation Advisory Committee and request they review fees. Council members shared that proportional shares of fees (Recreational/Library, etc) were at length between the City and the County. Mr. Alligood stated the City has a strong investment in the City structure and facilities and this is a valid conversation to have.

**ADJOURN – UNTIL MONDAY, FEBRUARY 10, 2014**

By motion of Councilman Pitt, seconded by Mayor Pro tem Roberson, Council adjourned the meeting at 7:00pm until Monday, February 10, 2014 at 5:30 p.m. in the Council Chambers at the Municipal Building.

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**Cynthia S. Bennett, CMC  
City Clerk**