

The Washington City Council met in a regular session on Monday, October 8, 2012 at 5:30pm in City Council Chambers at the Municipal Building. Present were: Archie Jennings, Mayor; Doug Mercer, Councilman; Ed Moultrie, Councilman; William Pitt, Councilman; Richard Brooks, Councilman; Bobby Roberson, Mayor Pro tem; Josh Kay, City Manager; Cynthia Bennett, City Clerk and Franz Holscher, City Attorney.

Also present were: Matt Rauschenbach, Administrative Services Director/C.F.O.; Robbie Rose, Fire Chief; Allen Lewis, Public Works Director; Gloria Moore, Library Director; John Rodman, Interim Community and Cultural Services Director; Susan Hodges, Human Resources Director; Keith Hardt, Electric Director; Lynn Lewis, Tourism Director; David Carraway, IT; and Mike Voss, Washington Daily News.

Mayor Jennings called the meeting to order and Councilman Mercer delivered the invocation.

APPROVAL OF MINUTES FROM SEPTEMBER 10 & SEPTEMBER 24, 2012

By motion of Councilman Mercer, seconded by Councilman Moultrie, Council approved the minutes of September 10 & 24, 2012 as presented.

APPROVAL/AMENDMENTS TO AGENDA

Mayor Jennings requested the addition of New Business Item F: Award the administrative services contract to the lowest responsible bidder for the administration of the Small Business Entrepreneurial Assistance Grant (SBEA).

Councilman Mercer requested the addition of Other Business from Mayor/Council Item C: Discussion regarding updates to the EDC By-laws.

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

**PRESENTATION: NORTH CAROLINA COMMISSIONER OF LABOR:
CHERIE BERRY–SHARPS AWARD WASHINGTON UTILITIES**

Commissioner of Labor, Cherie Berry presented the City of Washington's Electric Department the North Carolina Department of Labor's First ever SHARP (Safety and Health Achievement Recognition Program) Accreditation.

Adam Waters and the Water Resources Division have achieved 10 years without a lost time accident. City Manager Josh Kay also recognized the efforts of the City's Risk Manager, Bill Lurvey as well as Ken Raber with Electricities.

*Recess for photos with Commissioner Berry.





CONSENT AGENDA

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council approved the consent agenda as presented.

- A. Accept/Adopt – Annual Grant from Mid-East Commission Area Agency on Aging **and** Adopt Budget Ordinance

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2012-2013**

BE IT ORDAINED by the City Council of the City of Washington, North Carolina:

Section 1. That the Estimated Revenues in the General Fund be decreased in the amount of \$7,247 in the account Mideast Grant - Recreation, account number 10-40-3621-3300.

Section 2. That the Estimated Revenues in the General Fund be decreased in the amount of \$5,749 in the account Fund Balance Appropriated, account number 10-00-3991-9910.

Section 3. That the following account numbers be decreased in the amounts indicated:

10-40-6123-0200	Salaries	\$ (491)
10-40-6123-4504	Mideast Grant – Ctr. Operations	(5,673)
10-40-6123-4509	Mideast Grant – Caregiver Support	(6,665)
10-40-6123-4500	Mideast Grant Match	<u>(167)</u>
		\$ (12,996)

Section 4. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 5. This ordinance shall become effective upon its adoption.

Adopted this the 8th day of October, 2012.

Attest:

s/Cynthia S. Bennett, CMC
City Clerk

s/N. Archie Jennings, III
Mayor

- B. Approve – Municipal Records Retention and Disposition Schedule

- C. Adopt – Capital Project Amendment for Stormwater Improvements in Iron Creek (\$50,000)

**AN ORDINANCE TO AMEND THE CAPITAL PROJECT ORDINANCE FOR THE
RECOVERY ZONE BOND STORM WATER PROJECTS
CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2012-2013**

BE IT ORDAINED by the City Council of the City of Washington, North Carolina:

Section 1. That the following accounts in the Storm Water Capital Project be increased or decreased by the following amounts to provide funds for Iron Creek drainage improvements:

58-90-5710-4500	Construction	\$ 50,000
58-90-5710-9900	Contingency	<u>(50,000)</u>

Total \$ 0

Section 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 3. This ordinance shall become effective upon its adoption.

Adopted this the 8th day of October, 2012.

Attest:

s/Cynthia S. Bennett, CMC
City Clerk

s/N. Archie Jennings, III
Mayor

D. Adopt – Budget Ordinance Amendment for Project Next Step (\$240)
**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2012-2013**

BE IT ORDAINED by the City Council of the City of Washington, North Carolina:

Section 1. That the following accounts and amounts be increased in the General Fund revenue budget for the Project Next Step contribution:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
10-10-3431-8400	Contributions- Police	\$ 240

Section 2. That the following accounts and amounts be increased or decreased in the departments indicated of the General Fund appropriations budget:

<u>Department</u>	<u>Account</u>	<u>Description</u>	<u>Amount</u>
Police Department	10-10-4310-5602	Matl’s Public Education	\$ 240

Section 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 4. This ordinance shall become effective upon its adoption.

Adopted this the 8th day of October, 2012.

Attest:

s/Cynthia S. Bennett, CMC
City Clerk

s/N. Archie Jennings, III
Mayor

PUBLIC HEARING ON ZONING: NONE

PUBLIC HEARING: ADOPT – ANNEXATION AGREEMENT TO EXTEND THE CITY OF WASHINGTON CORPORATE LIMITS FOR NON-CONTIGUOUS PROPERTY OWNED BY EASTERN PRIDE INC.

Mayor Jennings opened the public hearing. John Rodman, Interim Director of Community & Cultural Resources explained that at the June 11, 2012 City Council Meeting, Council adopted a resolution calling for a public hearing on the request for an annexation of the non-contiguous property currently owned by Eastern Pride. The Council decided to delay the adoption of the annexation ordinance to extend the City of Washington corporate limits for the non-contiguous annexation of the Eastern Pride Inc. property until the approval of an annexation agreement with the Town of Washington Park. The Town of Washington Park approved the annexation agreement last week.

City Manager, Josh Kay explained that the property is not in Washington Park or in the City of Washington, but is located in an unincorporated area of Beaufort County.

There being no comments from the public, Mayor Jennings closed the public hearing.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council approved the adoption of the ordinance establishing an annexation agreement between the City of Washington and

the Town of Washington Park for the Eastern Pride Inc. property located at 620 River Road containing 1.76 acres.

**AN ORDINANCE ESTABLISHING AN ANNEXATION AGREEMENT BETWEEN
THE CITY OF WASHINGTON, NORTH CAROLINA, AND
THE TOWN OF WASHINGTON PARK, NORTH CAROLINA**

WHEREAS, Chapter 160A, Cities and Towns; Article 4A, Extension of Corporate Limits; Part 6, Annexation Agreements, of the North Carolina General Statutes authorize municipalities to enter into binding agreements concerning future annexation in order to enhance orderly planning by such municipalities as well as by residents and property owners in areas adjacent to such municipalities.

WHEREAS, North Carolina General Statute § 160A-58.23 authorizes two or more municipalities to enter into agreements in order to designate one or more areas which are not subject to annexation by one or more of the participating municipalities, thereby allowing one such municipality to potentially propose annexation within the area the other municipality has agreed not to annex.

WHEREAS, the City of Washington (City) and Town of Washington Park (Town) desire to enter into this Annexation Agreement (Agreement) in order to designate a certain area as not subject to annexation by the Town, enhance orderly planning by the municipalities as well as by residents and property owners in and around such certain area, and thereby allow the City to potentially propose annexation within such certain area.

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of Washington, North Carolina, and the Town Board of Commissioners for the Town of Washington Park, North Carolina, pursuant to said relevant statutory authority, and for and in consideration of the mutual covenants and agreements herein and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereto do hereby covenant and agree as follows.

Section 1. DURATION. This Agreement shall terminate five (5) years after its effective date.

Section 2. AREA SUBJECT TO AGREEMENT. The area subject to this Agreement is that certain tract or parcel of land having an address of 620 River Road in Long Acre Township, Beaufort County, North Carolina, more particularly described as follows: See Exhibit A.

Section 3. AGREEMENT NOT TO ANNEX. The Town agrees that it has no intention to annex, and will not annex, the above described area for the duration of this Agreement.

Section 4. EFFECTIVE DATE OF AGREEMENT. The effective date of this Agreement is October 8, 2012, or the date the last participating municipality adopts an ordinance approving this Agreement, whichever date is later.

Section 5. WAIVER OF NOTICE. Pursuant to North Carolina General Statute §160A- 58.24(a)(5), the Town hereby waives any written notice, including the related notice time period, from the City should the City propose to annex the above described area or a portion thereof during the term of this Agreement.

Section 6. OTHER NECESSARY OR PROPER MATTERS.

- a. By virtue of the respective, duly authorized signatures below, the parties hereto warrant that, after having published a notice for a public hearing as required by North Carolina General Statute § 160A-58.24(c) as well as North Carolina General Statute § 160A-31(c), each participating municipality hereto held a public hearing on this Agreement and, following said hearing, adopted this Ordinance approving this Agreement.
- b. Modification. This Agreement may only be modified by a subsequent agreement entered into by the parties hereto after a duly noticed public hearing or hearings as required by North Carolina General Statute § 160A- 58.24 and the adoption of ordinances approving such subsequent agreement.
- c. The City received a Petition Requesting a Non-Contiguous Annexation (“Petition”) of the area described herein dated April 5, 2012, and, on May 14, 2012, adopted a Resolution Directing the Clerk to Investigate a Petition Received Under G.S. 160A-31. The City Clerk presented the City

Council with a Certificate of Sufficiency dated June 4, 2012 concerning said Petition and, on June 11, 2012, the City Council adopted a Resolution Fixing Date of Public Hearing on Question of Annexation Pursuant to G.S. 160A-3 1 that scheduled a public hearing on said Petition during the City Council meeting set for July 23, 2012. As more specifically provided for hereinabove, the Town hereby waives any notice, including the related notice time period, prior to the City's consideration and potential adoption of an annexation ordinance concerning the above described area.

- d. A map depicting the location of the area described herein in relation to the respective, existing corporate limits of the City and the Town is attached hereto as Exhibit B.
- e. By entering this Agreement, the City will be authorized to annex the area described herein under North Carolina General Statute § 160A-58.1(b2).

ADOPTED this the 8th day of October, 2012, by the City of Washington.

Attest:

s/Cynthia S. Bennett, CMC
City Clerk

s/N. Archie Jennings, III
Mayor

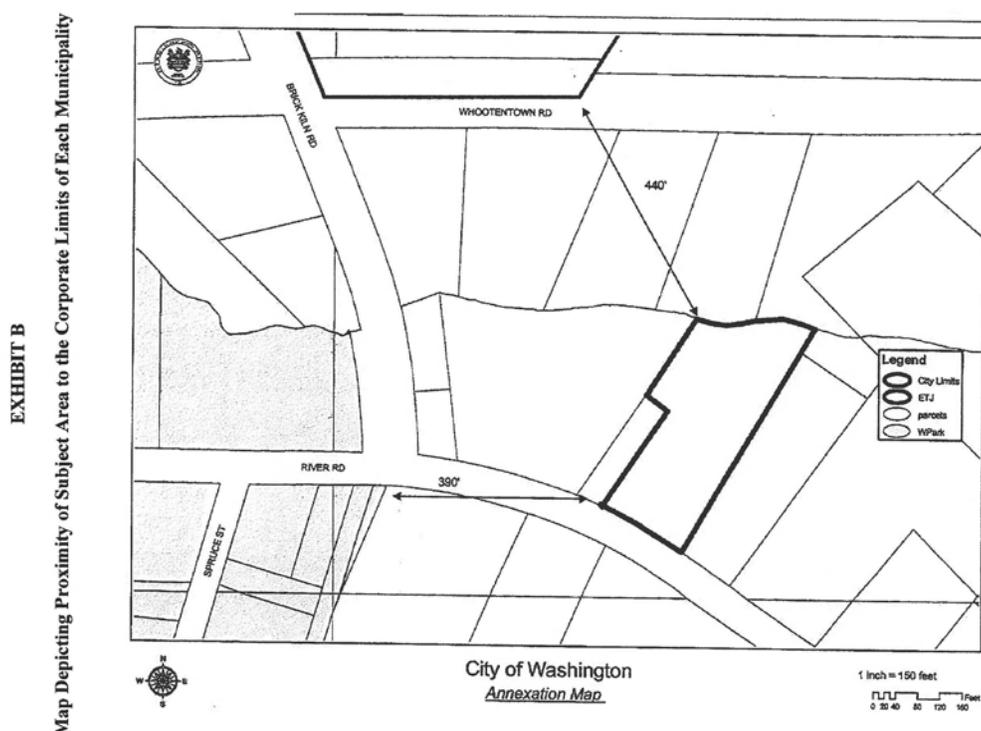
EXHIBIT A

Area Subject to Agreement Lying and being in Long Acre Township, Beaufort County, North Carolina, more particularly described as follows:

BEGINNING at an iron pipe located on the Northerly edge of River Road, said iron being located South 73° 6' 30" East 384.78 feet from an existing PK nail at the centerline intersection of River Road and SR 1303; thence from said fixed point of beginning North 42° 46' 47" East 211 feet to an iron pipe; thence North 45° 58' 37" West 50 feet to an iron pipe; thence North 42° 41' 46" East 183.80 feet to a point located in the centerline of the run of Maple Branch; thence following the centerline of Maple Branch the following courses and distances: South 74° 46' 16" East 20.31 feet; thence South 80° 54' 47" East 25.05 feet; thence South 73° 46' 16" East 57.64 feet; thence South 75° 46' 51" East 61.90; thence South 71° 52' 34" East 40.73 feet; thence South 38° 57' 32" West 475.04 feet to an iron located on the Northerly edge of the right of way of River Road; thence North 48° 39' West 22.88 feet to a point; thence North 52° 15' 31" West 87.91 feet; thence North 57° 10' 7" West 53.55 feet to the point of beginning, containing 1.76 acres as shown on survey by Jarvis Associates, PA, dated January 27, 1997, entitled, "Property of River City Real Estate & Development, LLC", a copy of which is recorded in Book 1067, Page 445, Beaufort County Registry. Reference is also made to deed in Book 1777, Page 403, Beaufort County Registry. Reference is also made to deed in Book 1067, Page 444, Beaufort County Registry. Reference is further made to deed in Book 1252, Page 648, Beaufort County Registry. Reference is further made to deed in Book 1266, Page 362, Beaufort County Registry.

EXHIBIT B

Map Depicting Proximity of Subject Area to the Corporate Limits of Each Municipality



PUBLIC HEARING: ACCEPT/ADOPT – PLANNING BOARD RECOMMENDATION AND ADOPT ORDINANCE TO AMEND THE CITY OF WASHINGTON CODE OF ORDINANCES TO UPDATE THE CODE (TEXT AMENDMENTS)

Mayor Jennings opened the public hearing. John Rodman, Interim Director of Community & Cultural Resources explained that due to the organizational restructuring, some of the text needs to be amended to reflect the most recent changes. The Planning Board suggested that the text be amended to reflect the changes and to update the City Code.

There being no comments from the public, Mayor Jennings closed the public hearing.

By motion of Mayor Pro tem Roberson, seconded by Councilman Brooks, Council accepted the recommendation of the Planning Board and approved the Ordinance to Amend Chapter 6, Article I, Article IV; Chapter 18, Article VIII; Chapter 20, Article II; and Chapter 40, Article X in order to update the Washington City Code.

AN ORDINANCE TO AMEND CHAPTER 6 BUILDINGS AND BUILDING REGULATIONS, ARTICLE I, ARTICLE IV; CHAPTER 18 MOTOR VEHICLES AND TRAFFIC, ARTICLE VIII; CHAPTER 20 OFFENSES AND MISCELLANEOUS PROVISIONS, ARTICLE II; CHAPTER 40 ZONING, ARTICLE X OF THE WASHINGTON CITY CODE
WHEREAS, NCGS 160A-385 authorizes local governments to amend ordinances regulating land use within their jurisdiction; and

WHEREAS, the amendment set out below is made in accordance with NCGS 160A-364; and

WHEREAS, the amendment set out below is intended to promote the public health, safety, and welfare by amending the City Code to define and regulate prescribed conditions for permitted uses.

THEREFORE, BE IT ORDAINED by the City Council of the City of Washington, North Carolina that:

Section 1. The following be amended by adding:

Chapter 6 Buildings and Building Regulations

Article I. In General

Sec. 6-3. ~~Chief of Fire-Rescue-EMS Inspections.~~ Chief Building Official.

Such officer or employee as the City Manager may appoint shall be the ~~Chief of Fire-Rescue-EMS Inspections~~ **Chief Building Official** of the city, and he shall possess all the powers conferred and perform all the duties prescribed by G.S. 160A-412 and other statutes applicable thereto. He shall possess such further power and perform such further duties as may be prescribed by this chapter. He shall receive the fees allowed by statute. The ~~Chief or his deputy~~ **Chief Building Official or his designee**, shall have the right to enter, at all reasonable times, any building, structure or premises within the city for the purpose of inspecting or in the performance of his duties. He shall make or cause to be made such inspection of all chimneys, flues, steam and fire openings within the city. He may, when occasion requires, appoint a deputy to perform any part of his duties.

Article IV. Swimming Pools

Sec. 6-88. Permit required for construction.

A permit shall be applied for and issued by the Building Inspector before construction shall begin on any swimming pool. The application for the permit shall be accompanied by a complete and detailed set of plans and specifications of the swimming pool. Before any permit shall be issued such plans and specifications shall be approved by the ~~Chief of Fire-Rescue-EMS Inspections~~ **Chief Building Official** and the county Health Department, and before any swimming pool shall be used, a final inspection and approval shall be required from both the ~~Chief of Fire-Rescue-EMS Inspections~~ **Chief Building Official** and the county Health Department.

Sec. 6-89. Construction and use requirements.

(1) All swimming pools to be constructed or which are already constructed shall be enclosed by a fence which shall be at least four (4) feet in height and which shall be of a type not readily climbed by children. The gates shall be of a self-closing and latching type with the latch on the inside of the gate, not readily available for children to open; provided, however, that if the entire premises of the residence is enclosed, then this provision may be waived by the ~~Chief of Fire-~~

~~Rescue-EMS-Inspections~~ *Chief Building Official* upon inspection and approval of the residence enclosure.

Sec. 6-90. Inspection.

The ~~Chief of Fire-Rescue-EMS-Inspections~~ *Chief Building Official* shall have the right at any reasonable hour to inspect any swimming pool for the purposes of determining that all provisions of this article are fulfilled and complied with.

Chapter 18 Motor Vehicles and Traffic

Article VIII. Abandoned, Nuisance and Junked Motor Vehicles

Sec. 18-242. Administration.

The Police Department and the ~~Chief of Fire-Rescue-EMS-Inspections~~ *Chief Building Official* of the city shall be responsible for the administration and enforcement of this article. The Police Department shall be responsible for administering the removal and disposition of vehicles determined to be abandoned on the public streets and highways within the city, and on property owned by the city. The ~~Chief of Fire-Rescue-EMS-Inspections~~ *Chief Building Official* shall be responsible for administering the removal and disposition of abandoned, nuisance or junked motor vehicles located on private property. The city may contract with private tow truck operators or towing businesses to remove, store, and dispose of abandoned vehicles, nuisance vehicles and junked motor vehicles in compliance with this article and applicable state laws. Nothing in this article shall be construed to limit the legal authority or powers of officers of the Police Department and ~~Fire Inspections~~ Department in enforcing other laws or in otherwise carrying out their duties.

Sec. 18-243. Definitions.

Authorizing official means any police officer or the ~~Chief of Fire-Rescue-EMS-Inspections~~, *Chief Building Official*, respectively, designated to authorize the removal of vehicles under the provisions of this article.

Sec. 18-245. Nuisance vehicle unlawful; removal authorized.

(b) Upon investigation, the ~~Chief of Fire-Rescue-EMS-Inspections~~ *Chief Building Official* may determine and declare that a vehicle is a health or safety hazard and a nuisance vehicle and order the vehicle removed.

Sec. 18-246. Junked motor vehicle regulated; removal authorized.

(d) Subject to the provisions of subsection (e) of this section, upon investigation, the ~~Chief of Fire-Rescue-EMS-Inspections~~ *Chief Building Official* may order the removal of a junked motor vehicle, as defined in this article, after finding in writing that the aesthetic benefits of removing the vehicle outweigh the burdens imposed on the private property owner. Such finding shall be based on a balancing of the monetary loss of the apparent owner against the corresponding gain to the public by promoting or enhancing community, neighborhood or area appearance. The following, among other relevant factors, may be considered:

(e) The following shall be permitted concealment or enclosure of junked motor vehicles:

(1) One (1) junked motor vehicle, in its entirety, can be located in the rear yard, as defined by the city's zoning chapter, if the junked motor vehicle is entirely concealed from public view from a public street and from abutting premises by an acceptable covering. The ~~Chief of Fire-Rescue-EMS-Inspections~~ *Chief Building Official* has the authority to determine whether any junked motor vehicle is adequately concealed as required by this provision. The covering must remain in good repair and must not be allowed to deteriorate. The covering or enclosure must be compatible with the objectives stated in the preamble of the model ordinance from which this article derives.

Sec. 18-247. - Removal procedure.

(b) *Appeal.* With respect to abandoned vehicles on private property, nuisance vehicles and junked motor vehicles to which notice is required to be given, if the registered owner or person entitled to possession does not remove the vehicle but chooses to appeal the determination that the vehicle is abandoned, a nuisance vehicle or in the case of a junked motor

vehicle that the aesthetic benefits of removing the vehicle outweigh the burdens, such appeal shall be made to the ~~City Council~~ *Washington Board of Adjustment* in writing, heard at the next regularly scheduled meeting of the ~~City Council~~ *Board of Adjustment*, and further proceedings to remove the vehicle shall be stayed until the appeal is heard and decided.

Sec. 18-253. Conditions on removal of vehicles from private property.

As a general policy, the city will not remove a vehicle from private property if the owner, occupant or lessee of such property could have the vehicle removed under applicable state law procedures. In no case will a vehicle be removed by the city from private property without a written request of the owner, occupant or lessee, except in those cases where a vehicle is a nuisance vehicle or is a junked motor vehicle which has been ordered removed by the ~~Chief of Fire-Rescue-EMS Inspections~~ *Chief Building Official*. The city may require any person requesting the removal of an abandoned, nuisance or junked motor vehicle from private property to indemnify the city against any loss, expense or liability incurred because of the removal, storage or sale thereof.

Chapter 20 Offenses and Miscellaneous Provisions

Article II. Nuisances

Sec. 20-39. Procedure.

(a) After a determination by the Code Enforcement Officer that a nuisance does exist, the following procedures shall apply:

(3) The owner or person in possession may, before the expiration of the ten-day period, appeal the Code Enforcement Officer's findings to the ~~City Council~~ *Washington Board of Adjustment* by delivering a written notice of appeal to the ~~City Clerk~~ *Planning Department*, which appeal shall stay the abatement process until a final determination is made by the Board of Adjustment.

Chapter 40 Zoning

Article X. Flood Damage Prevention

Sec. 40-261. Provisions for flood management.

(b) *Basis for establishing the special flood hazard areas.* The special flood hazard areas are those identified by the Federal Emergency Management Agency (FEMA) or produced under the Cooperating Technical State (CTS) agreement between the state and FEMA in its Flood Hazard Boundary Map (FHBM) or Flood Insurance Study (FIS) and its accompanying flood maps such as the Flood Insurance Rate Map (FIRM) and/or the Flood Boundary Floodway Map (FBFM), for the city dated ~~February 4, 1987~~ *May 15, 2003*, which with accompanying supporting data, and any revision thereto, including letters of map amendment or revision, are adopted by reference and declared to be a part of this article. The special flood hazard areas also include those defined through standard engineering analysis for private developments or by governmental agencies, but which have not yet been incorporated in the FIRM. This includes, but is not limited to, detailed flood data:

Sec. 40-262. Administration.

(a) *Designation of Floodplain Administrator.* The ~~Chief of Fire-Rescue-EMS Inspections~~ *Chief Building Official*, or his designee, herein referred to as the Floodplain Administrator, is hereby appointed to administer and implement the provisions of this article.

Sec. 40-263. Provisions for flood hazard reduction.

(b) *Specific standards.* In all special flood hazard areas where base flood elevation (BFE) data has been provided, as set forth in Section 40-261(b), or Section 40-262(c)(11) and (12), the following provisions are required:

(1) *Residential construction.* New construction or substantial improvement of any residential structure, including manufactured homes, shall have the reference level, including basement, elevated no lower than the regulatory flood protection elevation *plus one (1) foot or the design flood elevation, whichever is higher.*

(2) *Nonresidential construction.* New construction or substantial improvement of any commercial, industrial, or other nonresidential structure shall have the reference level, including basement, elevated no lower than the regulatory flood protection elevation ***plus one (1) foot or the design flood elevation, whichever is higher.*** Structures located in A, AO, AE and A1-30 zones may be floodproofed to the regulatory flood protection elevation in lieu of elevation provided that all areas of the structure below the required flood protection elevation are watertight with walls substantially impermeable to the passage of water, using structural components having the capability of resisting hydrostatic and hydrodynamic loads and the effect of buoyancy. A registered professional engineer or architect shall certify that the standards of this subsection are satisfied. Such certification shall be provided to the official as set forth in Section 40-262(b)(3).

(3) *Manufactured homes.* Requirements for mobile homes are as follows:

- a. New or replacement manufactured homes shall be elevated so that the reference level of the manufactured home is no lower than the regulatory flood protection elevation ***plus one (1) foot or the design flood elevation, whichever is higher.***

Section 2. This Ordinance shall become effective upon its adoption.

Section 3. All Ordinances or parts in conflict herein are repealed.

Adopted this the 8th day of October, 2012.

Attest:

s/Cynthia S. Bennett, CMC
City Clerk

s/N. Archie Jennings, III
Mayor

DAVID PLUMMER & ROBERT JOLLY- RETAIL STRATEGIES

Retail Strategies is an exclusive joint venture partnership between:

- Decision Data Resources (DDR)- best of class demographics research firm and leading provider of next generation web-based GIS solutions and project specific consulting services to economic and workforce development related organizations
- Retail Specialists, Inc. (RSI)- is a commercial real estate company with offices in Birmingham and New Orleans that focuses entirely on retail project leasing and retailer recruitment, retail tenant representation, retail brokerage, retail property management, retail development, and redevelopment.

Retail Strategies offers unparalleled:

- market analysis
- strategic planning
- and retail recruitment and development services to municipalities and economic development authorities throughout the Southeast

Project Overview

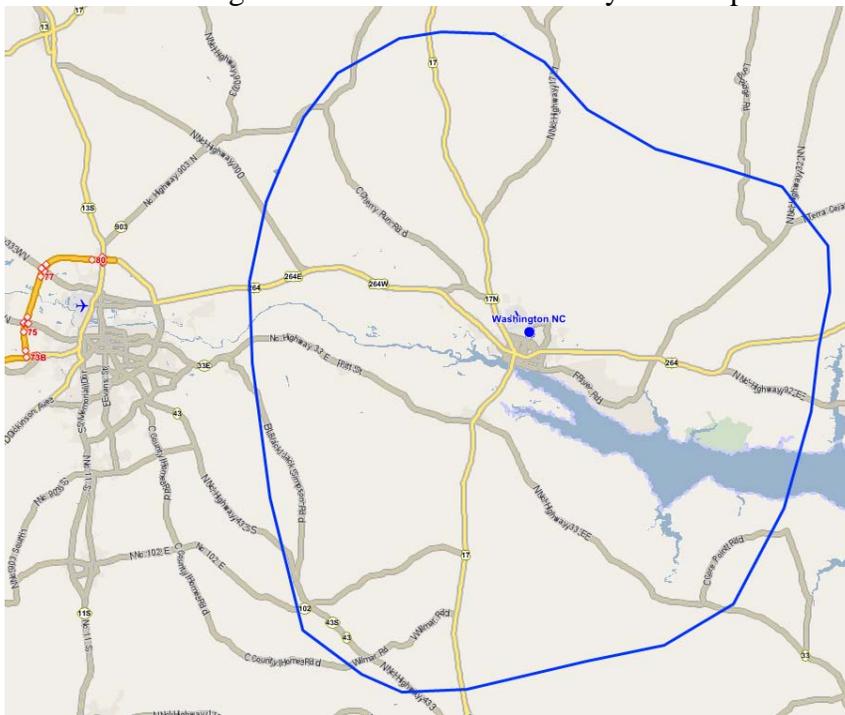
- It is becoming a commonly held principle within municipalities across the United States that Retail is the “new industry” relative to increasing a community's economic tax base
- Maximizing retail potential enhances a community’s vitality, creates a stable employment platform, and improves the quality of life.
- Cities throughout the country are proactively seeking to recruit new retailers in an effort to accomplish these and other economic and quality-of-life-enhancing objectives. This is especially true in the City of Washington.
- The initial focus of this effort is on research, planning and recruitment of a full service restaurant and a national grocer to compliment the existing mix of retailers in the market.
- The secondary focus of this effort is on the creation of a strategic retail recruitment plan for a national clothing retailer to fill the need for a men’s, women’s, and children’s clothing retailer in the market.
- Retail Strategies has partnered with The City of Washington to determine, through in-depth research and analysis, opportunities for new retailers to locate within the community. Retail Strategies will utilize the research discoveries to create and manage, for the City of Washington,

a Retail Recruitment Strategic Plan that will identify key retail categories and specific retailers that will be targeted to fill the spending gaps identified in the research.

- Through its partnership with Retail Strategies, The City of Washington will have the added benefit of the Retail Specialists, Inc. retail leasing and brokerage platform to assist in the execution of the Retail Recruitment Strategic Plan on behalf of Washington and its local property owners.
- Retail Strategies has completed a very comprehensive analysis of the Washington market. Included in the study is a custom trade area that expands the boundaries of Washington to include outlying communities that are believed to shop in Washington for their primary goods and services.
- While many demographic factors have been identified and studied by the research team, the most useful studies relative to retail recruitment are the Gap and Peer Analysis'.
- Both studies present encouraging conclusions that will be immediately useful in creating and executing the Retail Recruitment Strategic Plan.

Summary of Retail Analysis Services

- Demographic Research – Historical, Current and Projected
- Consumer Expenditure and Retail Potential Analysis
- Consumer Behavior and Attitude Research
- Mosaic Lifestyles
- Retail Gap Analysis
- Retail Peer Analysis
- Retail Competitor Analysis
- Market Maximization Summary and Strategic Retail Recruitment Plan
- Identification of Retail Prospects and Cataloging of local commercial properties.
- Execution of Strategic Retail Recruitment Plan by Retail Specialists, Inc.



(The trade area lines will be re-drawn.)

Washington North Carolina Custom Trade Area Demographics

	Population Change	Percent Change
1980 Census	32,061	
1990 Census	36,150	12.8%
2000 Census	40,990	13.4%
2010 Census	46,109	12.5%
2011 AGS	47,038	2.0%
2016 AGS Projection	50,807	8.0%
	Households Change	Percent Change
1980 Census	11,361	

1990 Census	13,728	20.8%
2000 Census	16,313	18.8%
2010 Census	18,582	13.9%
2011 AGS	18,858	1.5%
2016 AGS Projection	20,007	6.1%
		Income (2011)
Median Household Income		\$43,387
Average Household Income		\$57,232
Average Family Income		\$67,432

Washington Trade Area Gaps

Appliances & Electronics Stores	\$16,555,041
Art Dealers	\$227,569
Auto Parts & Accessories	\$10,210,325
Book Stores	\$6,077,437
Camera & Photography Stores	\$1,269,296
Children's and Infant's Clothing Stores	\$2,155,092
Clothing Accessory Stores	\$434,710
Computer Stores	\$7,486,375
Cosmetics & Beauty Stores	\$1,049,868
Department Stores	\$27,088,815
Drinking Places	\$1,722,714
Family Clothing Stores	\$8,236,291
Floor Covering Stores	\$2,418,383
Full Service Restaurants	\$15,639,610
Furniture Stores	\$9,082,671
General Merchandise Stores	\$2,307,453
Gift & Souvenir Stores	\$1,798,891
Grocery Stores	\$37,020,730
Hardware Stores	\$3,828,869
Hobby, Toy, and Game Stores	\$1,082,380
Home Centers	\$9,285,094
Jewelry Stores	\$4,988,828
Limited Service Restaurants	\$18,290,735
Liquor Stores	\$3,093,906
Luggage Stores	\$3,843,046
Meat Markets	\$1,123,509
Men's Clothing Stores	\$1,272,745
Motorcycle and Boat Dealers	\$1,826,329
Office and Stationary Stores	\$5,022,991
Optical Goods Stores	\$2,373,878
Pet & Pet Supply Stores	\$1,178,733
Pharmacy and Drug Stores	\$13,342,558
Shoe Stores	\$2,680,205
Sporting Goods Stores	\$3,002,365
Tire Dealers	\$4,543,590
Women's Clothing Stores	\$4,156,170

WASHINGTON GAP SUMMARY

Following is a summary of the primary spending gaps and an explanation of each:

<u>CATEGORY</u>	<u>TRADE AREA</u>	<u>GAP</u>	<u># OF RETAILERS TARGETED IN PLAN</u>	<u>POTENTIAL SF</u>
1. Grocery Stores	CUSTOM	\$37 Million	2	65,000 sf
2. Restaurants (All Categories)	CUSTOM	\$34 Million	5	30,000 sf
3. Department Stores	CUSTOM	\$27 Million	1	50,000 sf
4. Clothing and Accessories	CUSTOM	\$16 Million	5	25,000 sf
5. Appliances and Electronics	CUSTOM	\$16 Million	1	10,000 sf
6. Pharmacy	CUSTOM	\$13 Million	1	10,000 sf
7. Hardware/ Home Centers	CUSTOM	\$13 Million	1	20,000 sf
8. Auto Parts and Tires	CUSTOM	\$10 Million	2	15,000 sf
9. Furniture	CUSTOM	\$9 Million	2	20,000 sf
10. Book Stores	CUSTOM	\$6 Million	1	15,000 sf
11. Office Supplies	CUSTOM	\$5 Million	1	10,000 sf
12. Jewelry	CUSTOM	\$5 Million	1	4,000 sf
13. Sporting Goods and Hobby	CUSTOM	\$3 Million	1	10,000 sf
14. Shoe Stores	CUSTOM	\$3 Million	1	5,000 sf
TOTAL		\$187 Million	25	289,000 sf

City of Washington Peers (Southeastern States)

City	State	2011 Population	2011 Household Average Income	2011 Total Expenditure Apparel	2011 Total Expenditure Food and Beverages	2011 Total Expenditure Household Furnishing and Equipment
West Point	MS	10,995	\$45,072	\$8,376,813.16	\$27,659,845.23	\$7,370,919.32
Fairfield	AL	10,956	\$44,535	\$7,941,003.93	\$26,101,678.09	\$6,982,452.22
Palatka	FL	10,525	\$38,209	\$7,038,223.75	\$23,379,991.79	\$6,011,660.04
Fairburn	GA	10,412	\$58,816	\$8,777,561.22	\$28,576,234.79	\$8,091,175.56
Brownsville	TN	10,011	\$41,677	\$7,511,676.38	\$25,064,161.60	\$6,487,354.66
Westview	FL	9,618	\$42,273	\$5,797,376.76	\$19,181,963.86	\$5,043,910.66
Woodfield	SC	9,527	\$49,863	\$7,528,993.19	\$24,893,285.02	\$6,702,500.80
Washington	NC	9,517	\$48,279	\$8,330,639.36	\$27,297,295.36	\$7,352,628.04
Fort Valley	GA	9,490	\$53,621	\$6,813,208.48	\$22,040,991.92	\$5,955,395.92
Brookhaven	MS	9,400	\$53,874	\$7,815,732.83	\$25,311,821.14	\$6,966,216.75
West Perrine	FL	9,390	\$42,179	\$5,583,085.88	\$18,406,686.84	\$4,799,420.72
Cairo	GA	9,378	\$40,501	\$6,374,294.64	\$21,044,834.41	\$5,479,376.15
Forestdale	AL	9,225	\$57,021	\$7,937,307.04	\$25,907,247.88	\$7,233,788.34
Bennettsville	SC	9,171	\$35,866	\$4,920,451.68	\$16,517,304.00	\$4,230,588.01

City Of Washington Peers

- Identified 13 Peer Communities
- Peer Communities came from 7 States
- Analyzed Retail and Restaurant Companies from all Peers
- Total Peer Community Companies Identified: 1,700+
- Identified Retailers and Retail Concepts that best fit the Washington Market

Six Month Retail Recruitment Plan

-
- I. COMPLETE THE NECESSARY TARGETED RESEARCH NECESSARY FOR FULL-SERVICE RESTAURANTS AND GROCERS, THEN INITIATE DISCUSSIONS WITH MANY NATIONAL BRANDS.
 - a. Complete research to identify key spending gaps and create a prospect list of targeted retailers to fill the gaps (complete)
 - b. Create marketing presentation and flyer (complete)
 - c. Meet with local property owners as needed to complete a development plan.
 - d. Provide regular updates to Josh Kay
 - II. INITIATE DISCUSSIONS WITH NATIONAL CLOTHING RETAILERS
 - a. Meet with TJ Maxx, Ross, and Steinmart to discuss interest and present research discoveries.
 - b. Meet with local property owners as needed to complete a development plan.
 - c. Provide regular updates to Josh Kay
- Phase I Retail Recruitment Plan**
- III. MEET WITH ALL KEY PROPERTY OWNERS TO PRESENT RESEARCH DISCOVERIES AND DISCUSS OPPORTUNITIES FOR DEVELOPMENT/ REDEVELOPMENT.
 - IV. CREATE AND EXECUTE MARKETING PLAN FOR KEY GAP AND RESTAURANT INITIATIVE.
 - a. Create marketing presentation on Washington and local development opportunities
 - b. Create a prospect list of targeted retailers and restaurants to fill the gaps (in process)
 - c. Identify development opportunities from meetings with local property owners and create site plans and proformas to present to retailers and restaurants.
 - d. Mass marketing to retail and restaurant tenants and regional brokerage community (in process)
 - e. Regular updates to Josh Kay
- **Discussion of Restaurant, Grocer and Clothing Recruitment Prospects as well as the Washington local property catalog.**

COMMENTS FROM THE PUBLIC

Scott Campbell, Bob Henkel and Trent Tetterton discussed the Turnage Theater and urged Council to purchase the property or do whatever needs to be done to save the Turnage in order to keep the theater in the public domain. The Turnage brings a reputation for the arts to Washington.

CORRESPONDENCE AND SPECIAL REPORTS: NONE

REPORTS FROM BOARDS, COMMISSIONS AND COMMITTEES:

HUMAN RELATIONS COUNCIL

Update-Multicultural Festival 2012 Vice chair Cherry informed Board members that by consensus, the committee agreed to hold the Multicultural Festival in the spring. Committee members felt they would not have enough time to properly prepare for the festival (primary reason raising funds). Dates will be discussed during the next committee meeting.

Updates-Kimberly Grimes, Crime Prevention & Outreach Manager voiced the Police & Fire department sponsored a meet & greet at Clifton Meadows on July 27, 2012. "National Night Out" was held on 8-14-12 and was well attended. Listed below are events planned for the month of September:

- Meet & Greet at New Horizon Apartments (2-3 pm on Saturday, 9-15-12)
- Pill Drop Day (10-2 pm on Saturday, 9-29-12 and will be located at Wal*Mart)

Discussion of By-laws: Board member Hughes expressed his concerns over several items in the by-laws. A sub-committee was formed to revisit the by-laws and an amendment will be presented to the Human Relations Council on Tuesday, October 9, 2012 for consideration.

Discussion: Suggestion from new Board members concerning events or projects they would like to see implemented. No suggestions were presented at this time.

FYI items addressed at this time inclusive of August report submitted to City Council on September 10, 2012 and all reminders.

WASHINGTON HARBOR DISTRICT ALLIANCE

Old City Hall- Main Street Solutions Fund Grant

The Old City Hall project has been stalled by the NC Historic Tax Credits application approval process. Property owners Kathryn Pisciotta and Laura Darre have discovered that it is very difficult to get clear definition on what rehabilitation is allowed under the Secretary of the Interior's Standards for Rehabilitation, which must be followed to receive the tax credits. Considerable time has been spent clarifying the possibilities with SHPO. The owner's out of frustration and the need to move forward have abandoned more elaborate plans to restore the building and are now concentrating on a plan that seems to assure approval. Mechanical blueprints are at the engineering office now, the necessary approvals should be forthcoming and construction can then begin.

A note about this situation: if I understand it correctly something should be done to stress to SHPO that this process is seriously retarding the chance that small historic towns like Washington can develop economically. Washington will have a hard time progressing if the approval process is so difficult and expensive that the project is put at risk, (because a developer must rely on expensive engineers instead of SHPO's assistance) making the project no longer feasible. Realizing that Washington doesn't have an architect in town, never mind an architect that specializes in the historic tax credits and that developers need to rely on all monetary resources at their disposal to make a project feasible.

Event Season Winding Down

WHDA has successfully produced 14 of the 16 events we hold downtown yearly. The Maritime Market was expanded to include the BoCo Music Festival. The 4th of July was bigger and better than ever bringing a record number of people downtown. The Downtown Motown concert held in September was counted as a success because it met our goals of producing an event that the black community could support. The Pickin' on the Pamlico attracted many from outside the area and raised 5,000 for WHDA. Music in the Streets has one production left in the regular calendar and is working with the Noon Rotary to present an evening of music on the Friday of Smoke on the Water. The first organization meeting for Hometown Holidays celebration will be held Oct. 3rd.

New Logo Approved by Board

The board was presented the concept for the new Washington "wave" logo and requested a similar but distinctive logo be created for WHDA. After several rounds of adjustments the WHDA Board sent this logo to Josh Kay for approval and approval was given.



Turnage Theater

Given the impending foreclosure proceedings and sale of the Turnage Theater, Trent Tetterton held a meeting the last week in September to discuss possible ownership scenarios. At the meeting options were discussed. The option that this group of 24 concerned citizens most wants to encourage was that the City of Washington would look into acquiring the property and then identifying an entity that would operate the theater. Josh Kay, Randall Woodruff, Trent Tetterton and Joey Toler agreed to meet and discuss/investigate the particulars to present to Council.

Maritime Team and Planning Department Present Plans for New Dockmaster Station to the Public

On September 11th, 2012 a meeting was held to update the public on the progress of the design of the dock master station and the boater/ public restrooms. The presentation was very similar to John Rodman's presentation to Council earlier this summer. This meeting was planned to obtain public feedback. There was about 30 people attending and all feedback was positive. The Planning Department stills waits for the State to release funds for the project.

Merchants

Friends Campaign to launch in October.

In order to improve communications - along the order of the Coffee with Council - a new merchant newsletter will be distributed this month.

Board Continues to Meet:

The WHDA Board meets every third Wednesday of the Month at 8:30AM at the Inner Banks Artisans Center. The meetings are open to the public and any interested person is invited to attend.

FINANCIAL REPORTS

Councilman Mercer expressed concerns with several line items in the financial reports. City Manager, Josh Kay stated he will follow up with the Finance Officer regarding Councilman Mercer's concerns.

APPOINTMENTS: NONE

**ADOPT – ANNEXATION ORDINANCE TO EXTEND THE CITY OF WASHINGTON
CORPORATE LIMITS FOR NON-CONTIGUOUS PROPERTY OWNED BY EASTERN
PRIDE INC.**

At the June 11, 2012 City Council Meeting, Council adopted a resolution calling for a public hearing on the request for an annexation of the non-contiguous property currently owned by Eastern Pride. The property is located at 620 River Road and containing 1.76 acres. The public hearing was held July 23, 2012.

PREVIOUS LEGISLATIVE ACTION

Investigated Petition November 14, 2011
Set Public Hearing June 11, 2012
Held Public Hearing July 23, 2012

By motion of Councilman Pitt, seconded by Councilman Brooks, Council adopted the annexation ordinance to extend the City of Washington corporate limits for the non-contiguous annexation of the Eastern Pride Inc. property located at 620 River Road and containing 1.76 acres with the approval of an annexation agreement with the Town of Washington Park.

**AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF
WASHINGTON, NORTH CAROLINA**

WHEREAS, the Washington City Council has been petitioned under G.S. 160A-31 to annex the area described below; and

WHEREAS, the Washington City Council has by resolution directed the City Clerk to investigate the sufficiency of the petition; and

WHEREAS, the City Clerk has certified the sufficiency of the petition and a public hearing on the question on of this annexation was held at the City Council Chambers on the 2nd floor of the municipal building located at 102 East 2nd Street at 6:00 p.m. on Monday, July 23, 2012, after due notice by the Washington Daily News on July 13, 2012 & July 20, 2012;

WHEREAS, the Washington City Council finds that the area described herein meets the standards of G.S. 160A-31;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Washington, North Carolina that:

Section 1. By the virtue of the authority granted by G.S. 160A-31, the following described territory is hereby annexed and made part of the City of Washington as of December 31, 2012.

Being all of that certain lot or parcel of land lying and being located in Long Acre Township, Beaufort County North Carolina and being more particularly described as follows:

BEGINNING at an iron pipe located on the Northerly edge of River Road, said iron being located South 73 6' 30" East 384.78 feet from an existing PK nail at the centerline intersection of River Road and SR 1130; thence from said fixed point of beginning North 42 46' 47" East 211 feet to an iron pipe; thence North 45 58' 37" West 50 feet to an iron pipe; thence North 42 41' 46" East 183.80 feet to a point located in the centerline of the run of Maple Branch; thence following the centerline of Maple Branch the following courses and distances: South 74 46' 16" East 20.31 feet; thence South 80 54' 47" East 25.05 feet; thence South 73 46' 16" East 57.64 feet; thence South 75 46' 51" East 61.90 feet; thence 71

52' 34" East 40.73 feet; thence South 38 57' 32" West 475.04 feet to an iron located on the Northerly edge of the right of way of River Road; thence North 48 39' West 22.88 feet to a point; thence North 52 15' 31" West 87.91 feet; thence North 57 10' 7" West 53.55 feet to the point of beginning containing 1.76 acres as shown on survey by Jarvis Associates, PA, dated January 27, 1997 entitled, "Property of River City Real Estate & Development, LLC", a copy of which is recorded in Book 1067, Page 445, Beaufort County Registry. Reference is also made to deed in Book 1067, Page 444, Beaufort County Registry. Reference is further made to deed in Book 1252, Page 648, Beaufort County Registry. Reference is further made to deed in Book 1266, Page 362, Beaufort County Registry. Together with and subject to covenants, easements, and restrictions of record. Said property contains 1.76 acres more or less.

Section 2. Upon and after December 31, 2012 the above described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the City of Washington and shall be entitled to the same privileges and benefits as other parts of the City of Washington. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10.

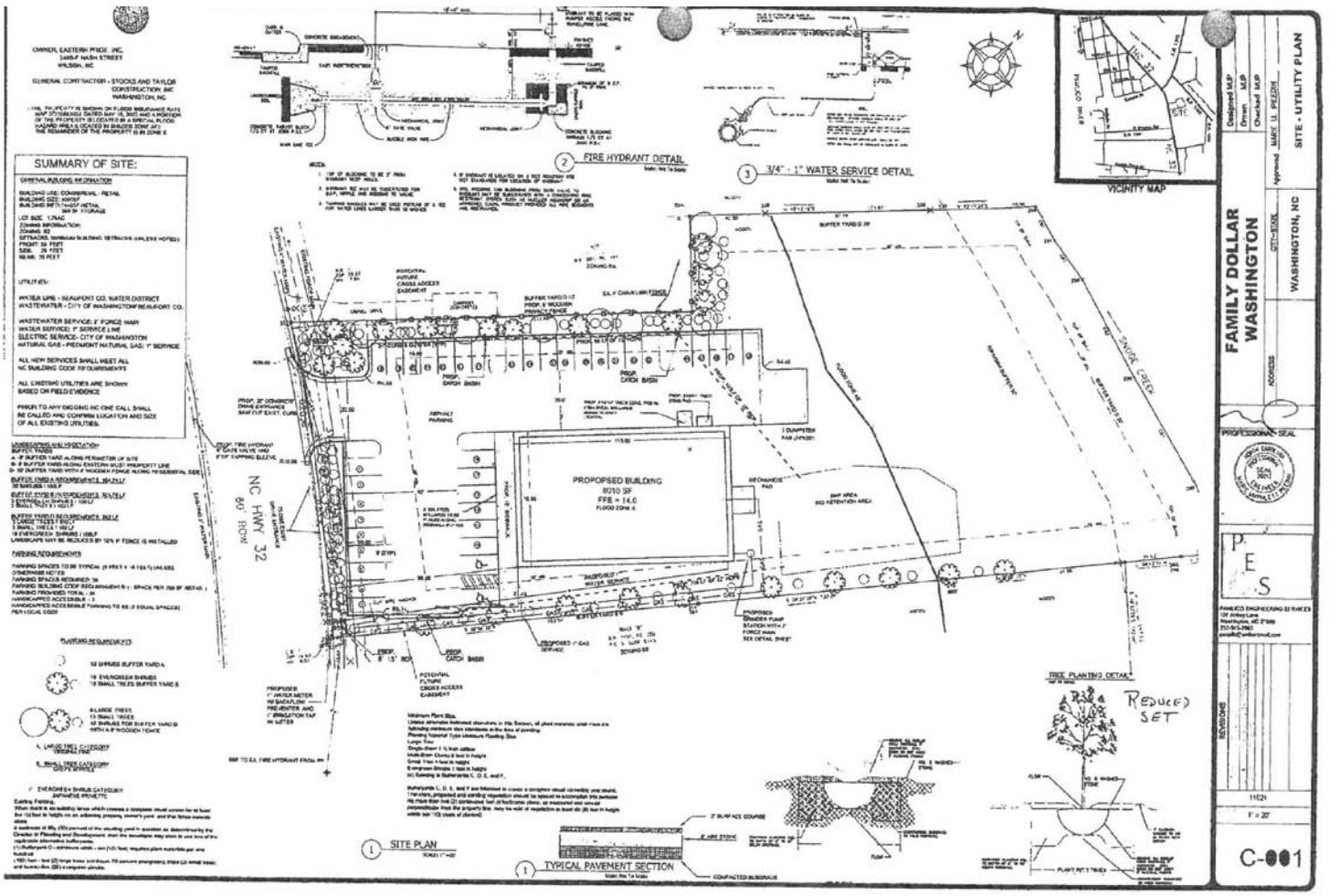
Section 3. The Mayor of the City of Washington shall cause to be recorded in the office of the Register of Deeds of Beaufort County, and in the office of the Secretary of the State in Raleigh, North Carolina, an accurate map of the annexed property, described in Section 1 above, together with a duly certified copy of this ordinance. Such a map shall also be delivered to the County Board of Elections, as required by G.S. 163-288.1.

Adopted this 8th day of October, 2012.

Attest:

s/Cynthia S. Bennett, CMC
City Clerk

s/N. Archie Jennings, III
Mayor



AWARD/AUTHORIZE/ADOPT/APPROVE – CIVIC CENTER DECK BID AWARD AND AUTHORIZE CITY MANAGER TO EXECUTE CONTRACT AND ADOPT THE BUDGET ORDINANCE AMENDMENT AND APPROVE CORRESPONDING PURCHASE ORDERS (\$129,500)

City Manager Josh Kay explained that four bids were received for the restoration of the Civic Center Deck. Horton Contractors of Washington, NC was the lowest responsible bidder at \$129,500.

\$125,000 was budgeted for this project as an installment purchase. The budget amendment appropriates an additional \$4,600 and the related debt service. Work will begin on October 15th and is scheduled to be completed in 90 days.

Mayor Pro tem Roberson inquired if the construction process would inhibit the PTRF annual oyster roast fundraiser. Mr. Kay stated the contractor and staff will do everything possible to eliminate or reduce the impact on this and any other events. Lynn Lewis, TDA Director explained that all renters had been contacted and advised of the pending construction and alternative solutions were offered should the need arise.

By motion of Councilman Moultrie, seconded by Mayor Pro tem Roberson, Council awarded the \$129,500 Civic Center deck restoration bid to Horton Contractors, Inc., authorized the City Manager to execute the contract, adopted the Budget Ordinance Amendment, and approved corresponding purchase orders.

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2012-2013**

BE IT ORDAINED by the City Council of the City of Washington, North Carolina:

Section 1. That the following accounts and amounts be increased in the General Fund revenue budget for the Civic Center deck restoration project:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
10-00-3920-9101	Proceeds from Lease Purchase	\$4,600

Section 2. That the following accounts and amounts be increased or decreased in the departments indicated of the General Fund appropriations budget:

<u>Department</u>	<u>Account</u>	<u>Description</u>	<u>Amount</u>
Civic Center	10-40-6125-7401	Installment Purchase	\$ 4,600
Civic Center	10-40-6125-1500	Maint./Repair Building	(261)
Debt Service	10-50-4020-8000	Proposed Inst. Note Pymt.	<u>261</u>
	Total		\$ 4,600

Section 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 4. This ordinance shall become effective upon its adoption.

Adopted this the 8th day of October, 2012.

Attest:

s/Cynthia S. Bennett, CMC
City Clerk

s/N. Archie Jennings, III
Mayor

*RECESS

**ADOPT/APPROVE – ADOPT CAPITAL PROJECT AMENDMENT FOR STORMWATER
IMPROVEMENT PROJECT AND APPROVE CORRESPONDING PURCHASE ORDER
(\$28,364)**

City Manager, Josh Kay reviewed the summary of the project submitted by Allen Lewis, Public Works Director. The stormwater improvement project is now substantially complete less some punch list items that have been accounted for in this request to re-allocate funds within the project. At the August 13, 2012 Council meeting, I presented to you the need to transfer \$2,799 from contingency to construction line item in this project fund. This was based on projected under-runs in some portions of the contract and additional items as explained as a result of inquiry from this meeting. Total expenditures to the contractor, T.A. Loving Company will be \$3,953,790. As of the August 13, 2012 Council meeting, there where purchase orders totaling \$3,926,426 approved. This means we need a final purchase order in the amount of \$28,364, which corresponds with the budget ordinance amendment. The justification for this additional expense is noted in the attached September 28, 2012 letter from Durk Tyson with Rivers and Associates. The reason for the difference in the budget ordinance amount of

\$28,364 and the number noted in the attached letter of \$29,420 is due to credits in the line item for sales tax refunds. This will be the final budget amendment as it relates to the original stormwater project. After this transfer is made, there will be \$146,253 in contingency, a portion of which (\$50,000) is planned to be used for Iron Creek as directed.

A motion was made by Councilman Pitt and seconded by Mayor Pro tem Roberson to adopt a capital project amendment to re-allocate funds for the stormwater improvement project in the amount of \$28,364 and approve the corresponding purchase order. Councilman Mercer noted that the last time Council met, staff indicated that all purchase orders and change orders had been issued. Allen Lewis, Public Works Director explained that the parking lot beside the basketball courts off of John Small Avenue was a major problem and needed repairing, although, the entire lot was not to be replaced as a portion of the project. We didn't want part of the parking lot repaired and the remainder of it left broken up. Subsequently the entire lot was torn out and replaced outside of the original bid. A change order was issued for this job without approval of Council. Motion carried 4 to 1 with Councilman Mercer opposing.

Mayor Jennings suggested it was time to discuss the continued need or discontinuance for purchase orders over \$20,000 coming to Council for approval.

**AN ORDINANCE TO AMEND THE CAPITAL PROJECT ORDINANCE FOR THE
RECOVERY ZONE BOND STORM WATER PROJECTS
CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2012-2013**

BE IT ORDAINED by the City Council of the City of Washington, North Carolina:

Section 1. That the following accounts in the Storm Water Capital Project be increased or decreased by the following amounts to provide additional funds for the contractor to complete the project:

58-90-5710-4500	Construction	\$	28,364
58-90-5710-9900	Contingency		<u>(28,364)</u>
	Total	\$	0

Section 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 3. This ordinance shall become effective upon its adoption.

Adopted this the 8th day of October, 2012.

Attest:

s/Cynthia S. Bennett, CMC
City Clerk

s/N. Archie Jennings, III
Mayor

**AUTHORIZE – STAFF TO APPLY FOR EDA GRANT FOR VARIOUS
WATER AND SEWER PROJECTS**

City Manager, Josh Kay explained that staff has recently become aware of funding opportunities for various water and sewer projects through the US Economic Department of Administration. These projects include \$600,000 for a generator at the wastewater treatment plant, \$800,000 for the parallel water line from the water treatment plant, \$125,000 for a generator with automatic switch gear at the Cherry Run sewer lift station and \$475,000 for eliminating gaseous chlorine disinfection at the water treatment plant. The funding available is for fifty percent (50%) of the total cost of the projects meaning that the remaining funds will need to come from the water and sewer funds. All of the projects, with the exception of the generator for the Cherry Run sewer lift station, are in the CIP that was presented to Council for 2013-2017. The total maximum amount of the grant for any given entity is \$1,000,000.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council authorized staff to apply for EDA funding for various water and sewer projects totaling approximately \$2,000,000.

Council discussed the logistics of who will write the grants for these projects. Request for proposals were sent out several months ago for grant writing and professional engineering reports for other projects. Staff is requesting to use the approved bid which was awarded to Rivers and Associates.

AUTHORIZE – CITY MANAGER TO SIGN REIMBURSEMENT AGREEMENT WITH NORTH CAROLINA DEPARTMENT OF TRANSPORTATION

City Manager, Josh Kay explained the draft Reimbursement Agreement with the North Carolina Department of Transportation (NCDOT) for the construction of a new terminal building. The NCDOT has agreed to award the City \$500,000 in funds toward the construction of this building. Also attached is a draft breakdown of the remaining funding sources for the project estimated at just over \$1 million. The NPE 2012 and NPE 2013 funds shown are what we commonly refer to as “Vision 100” monies that we are awarded annually. The reason for this agreement and cost breakdown being in draft form is due to waiting on firm quotes from vendors to provide the temporary modular terminal building at the airport until this new building can be completed. Draft costs are below.

COSTS			FUNDING		Furnishings	
Building (Design)		\$150,000.00	NPE 2012	\$150,000.00	Remaining portion of Insurance Pay-Out	\$51,300.00
Building (Construction)	3500 sq. ft. * \$200 per sq. ft.	\$700,000.00	State Aid to Airports	\$500,000.00		\$51,300.00
Building (Admin/Inspection)		\$100,000.00	NPE 2013	\$150,000.00		
Temporary Modular Terminal Building	\$1500 * 18 Months	\$27,000.00	Partial Insurance Pay-Out	\$274,700.00		
Contingency	10%	\$97,700.00				
		\$1,074,700.00		\$1,074,700.00		

NOTES:

Addition of Contingency Funds
 Reduction of Furnishing Allowance due to eligibility constraints
 Additional funding allocated for Professional Fees
 Insurance Pay-Out will be deemed as "In-Kind", serve as local match
 NCDOT Maintenance to be performed on existing apron & vehicular parking lot: at 100% *Estimated \$75k*

Mr. Kay explained that the only out of pocket expenses will be the City’s annual match for the Vision 100 grants which is already budgeted in the amount of approximately \$17,000 each year. These funds would already be budgeted annually for these grants.

Councilman Mercer inquired “Why don’t we allow the insurance company to replace the building as it was in total, at no cost to the City?” Then we wouldn’t have to use any of our Vision 100 grant funding. Mr. Kay noted we would still have other expenses. What we are trying to do is expand the size (3500 sq. ft.) to include some community uses as well as emergency management facilities. We have not received the exact dollar amount on the insurance reimbursement. Mayor Jennings noted that if we were to build back just as the building was (2400 sq.ft.), with the option to add on at a later date, then we would be missing the opportunity for funding for the construction. If we expand the building in the future then the future expansion will come out of the City’s pocket. Discussion continued regarding replacing the building at the same size or an alternate size.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council authorized the Manager to sign the Reimbursement Agreement with the North Carolina Department of Transportation for the construction of a new terminal building at Warren Field Airport.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council approved the use of funds to be restricted for the use of rental for the temporary modular unit for storage and preliminary design.

REIMBURSEMENT AGREEMENT

This Agreement is made this 8th day of October, 2012, by and between the NORTH CAROLINA DEPARTMENT OF TRANSPORTATION ("Department"), an agency of the State of North Carolina, and the City of Washington ("Sponsor").

WHEREAS Chapter 63 of the North Carolina General Statutes authorizes Department to promote the further development and improvement of air routes, airport facilities, seaplane bases, heliports, protect their approaches and stimulate the development of aviation, commerce and air facilities in the State of North Carolina; and

WHEREAS, Sponsor has undertaken a project which Department finds will promote further development and improvement of airport facilities in the State of North Carolina, to wit:

Construction of a new terminal building ("Project"); and

WHEREAS, Sponsor has requested additional funds in order to proceed with the construction of the Project; and

WHEREAS, Department has agreed to award the Sponsor \$500,000 of "State Aid to Airports" funds to be used by Sponsor for the Project; and

WHEREAS, as part of the award above, Department has agreed to reimburse the City for their use of a "temporary modular terminal building" for up to 18 months at an amount not to exceed \$27,000.00.

NOW, THEREFORE, IT IS AGREED AS FOLLOWS:

1. Sponsor will commit their FAA 2012 and 2013 NPE funds toward the design and construction administration of the Project.

IN WITNESS WHEREOF, THE PARTIES HAVE EXECUTED THIS AGREEMENT THIS THE DAY AND YEAR FIRST WRITTEN ABOVE.

NORTH CAROLINA DEPARTMENT OF
TRANSPORTATION

CITY OF WASHINGTON

BY

BY

DIRECTOR OF AVIATION

TITLE

ALJ

City Manager



AUTHORIZE – CITY MANAGER TO SIGN A TERMINAL BUILDING ANNEX LEASE AGREEMENT WITH TRADEWIND SKY SPORTS, LLC

Josh Kay, City Manager explained the draft lease agreement is for Tradewind Sky Sports to operate a jump school from the terminal building annex at the airport. This agreement is for jump school operations only. Staff has thoroughly reviewed the original agreement submitted by Tradewind Sky Sports and has revised it as attached and submitted it to Tradewind Sky Sports for their review and approval. This agreement, or something similar, needs to be in place prior to October 15 when City of Washington staff takes over the day-to-day operations of the remainder of airport operations. Mr. Kay reviewed the specifics of the agreement with Council.

By motion of Councilman Moultrie, seconded by Councilman Brooks, Council authorized the Manager to sign the attached Terminal Building Annex Lease Agreement with Tradewind Sky Sports, LLC to run a Fixed Base Operation — Jump School at Warren Field Airport and authorized the City Manager and/or City Attorney to make minor, non-substantive changes to the agreement if necessary. Motion carried 4:1 with Councilman Mercer opposing. (After the meeting, Tradewind Sky Sports withdrew request for contract.)

**ADOPT – RESOLUTION – DISPOSITION OF VACANT LOT LOCATED AT
507 WEST SECOND STREET**

Mr. Kay explained that on July 23, 2012, Council awarded the demolition contract for the structure located at 507 West 2nd Street to the lowest responsible bidder, Roanoke Electric Corporation, in the amount of fourteen thousand seven hundred dollars (\$14,700). Subsequently, the vacant property was declared surplus. An offer to purchase was received on October 1, 2012 in the amount of \$100 from the adjacent property owner, Cindy Jackson. In order to move forward with the process, Council has to adopt the resolution to start the upset bid process. The lot is a substandard lot of record. Council still has the right to reject any and all offers for any reason. The final bid will still have to be approved by Council. Mayor Pro tem Roberson stated that Council needs to determine some guidelines for disposition of these properties.

By motion of Councilman Pitt, seconded by Mayor Pro tem Roberson, Council adopted the Resolution authorizing the advertisement of an offer to purchase certain property located at 507 West Second Street. Motion carried 4:1 with Councilman Mercer opposing.

Mayor Pro tem Roberson suggested reviewing surplus properties owned by the City as a discussion item at the November 19th planning session.

**RESOLUTION AUTHORIZING THE ADVERTISEMENT OF AN OFFER TO PURCHASE
CERTAIN REAL PROPERTY**

WHEREAS, the City Council of the City of Washington ("City") desires to dispose of certain surplus real property of the City.

NOW, THEREFORE, BE IT RESOLVED by the City Council as follows.

1. The following described real property, having an address of 507 West Second Street, is hereby declared to be surplus to the needs of the City.

That certain tract or parcel of land lying and being in the City of Washington, Beaufort County, North Carolina, more particularly described as follows:

IT BEING that Lot One (1) containing 0.09 acres as shown on survey map entitled "Survey for Timothy M. Evans" prepared by Waters Surveying dated December 3, 2009 and being that same property deeded to the City of Washington by deed dated January 27, 2010 recorded in Book 1710, Page 461, Beaufort County Registry, to which survey map and deed reference is herein made for a more complete and adequate description.

2. The City has received an offer to purchase the property described above for the sum of one hundred dollars (\$100.00). The person who made said offer must deposit with the City Clerk a sum equal to five percent (5%) of his or her offer (five dollars - \$5.00) by cash or check. Said offer is available for public inspection in the office of the City Clerk.
3. The City proposes to accept said offer unless a qualifying upset bid shall be made.
4. The City Clerk shall cause a notice of such offer to be published in accordance with North Carolina General Statute § 160A-269.
5. Any person desiring to submit a qualifying upset bid to said offer shall submit a written upset bid to the City Clerk within ten (10) days of the date the notice provided for herein is published. In order to qualify as an upset bid, any such upset bid must raise said offer by not less than ten percent (10%) of the first one thousand dollars (\$1,000.00) and five percent (5%) of the remainder of said offer. Any person making a qualifying upset bid must deposit with the City Clerk a sum equal to five percent (5%) of the qualifying upset bid by cash or check. The highest such qualifying upset bid received by the City Clerk during said ten (10) day period shall become a new offer. If there is more than one qualifying upset bid in the highest amount, the first such qualifying upset bid received shall become the new offer.
6. The City Clerk is directed to advertise any new offer at the increased amount and to continue this process until a ten (10) day period has passed without receipt of a subsequent qualifying upset bid (new offer).

numerous leaks. All of those leaks went into the sewer system. The policy the Council approved on June 13, 2011, states that if a customer has high water use due to leaks and the water goes into the sewer system, then the customer will not receive an adjustment for the charges. The current charges are approximately \$3,000 and the non-profit is asking for assistance. Mayor Jennings stated that the building where the leaks took place are not part of the non-profits lease and they did not have access to this structure. Council discussed various options for the non-profit to settle the charges. Council by consensus, agreed to charge no further penalties and allow the non-profit to begin a payment plan to settle the charges.

DISCUSSION – NCLM UPDATES

Councilman Pitt updated Council with the latest updates from the General Government Legislative Action Committee. Councilman Pitt reviewed the use of mopeds and scooters. This item was brought before the Legislative Council last year as Senate Bill 195 and was turned down. The bill explained that these types of transportation should be registered with NCDOT and carry liability insurance. The bill was turned down with NCDOT stating these types of transportation should not be licensed nor insured.

DISCUSSION – MOTORIZED WHEELCHAIRS

Councilman Pitt noted that motorized wheelchairs are a dangerous way to travel the streets of the City of Washington due to their low speed and low visibility. Our motorists need to be alert and aware of the motorized wheelchairs.

DISCUSSION - EDC BY-LAWS

Councilman Mercer explained that the EDC By-laws committee met, but he was unable to attend due to a prior engagement. It is his understanding that the Committee will meet once the new EDC Director is in place. Councilman Mercer hopes to have an updated version of the by-laws by the City Council meeting on November 5th.

CLOSED SESSION – UNDER § NCGS 143-318.11(A)(3) ATTORNEY CLIENT PRIVILEGE – CITY OF WASHINGTON VS. ANNE & HARRY MEREDITH, ET AL (08-CVS-105); (A)(5) POTENTIAL ACQUISITION OF PROPERTY – PROPERTY LOCATED ON 1656 SPRINGS ROAD OWNED BY RICKY AND BRENDA BRANN, FOR THE POTENTIAL USE OF PARKS AND RECREATION AND PROPERTY LOCATED AT 150 WEST MAIN STREET OWNED BY TURNAGE THEATER, LLC FOR THE POTENTIAL USE OF THE ARTS; (A)(6) PERSONNEL; AND(A)(1) DISCLOSURE OF CONFIDENTIAL INFORMATION UNDER § NCGS 143-318.10 (E), THE PUBLIC RECORDS ACT

By motion of Councilman Pitt, seconded by Councilman Mercer, Council entered into closed session at 8:30pm under NCGS § 143-318.11(a)(3) Attorney Client Privilege – City of Washington vs. Anne and Harry Meredith, et al (08-CVS-105); (a)(5) Potential Acquisition of Property – property located on 1656 Springs Road owned by Ricky and Brenda Brann for the potential use of parks and recreation **and** property located at 150 West Main Street owned by Turnage Theater, LLC for the potential use of the arts; (a)(6) Personnel; and (a)(1) Disclosure of Confidential Information under NCGS § 143-318.10(e), the Public Records Act

By motion of Councilman Moultrie, seconded by Councilman Brooks, Council came out of Closed Session at 9:50pm.

ADJOURN

By motion of Councilman Pitt, seconded by Councilman Brooks, Council adjourned the meeting until November 5, 2012 at 5:30pm.

Cynthia S. Bennett, CMC
City Clerk