

The Washington City Council met in a regular session on Monday, November 5, 2012 at 5:30pm in the 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/Planning Director; Stacy Drakeford, Interim Fire and Police Services Director; Susan Hodges, Human Resources Director; Keith Hardt, Electric Director; Lynn Lewis, Tourism Director; David Carraway, IT; Kristi Hardison, Parks and Recreation Manager and Mike Voss, Washington Daily News.

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

**APPROVAL OF MINUTES FROM OCTOBER 8, 2012**

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council approved the minutes of October 8, 2012 as presented.

**APPROVAL/AMENDMENTS TO AGENDA**

Mayor Jennings requested the addition of New Business Item G: Approve hangar sub-lease from Craig Goess to John Hayes/Carolina Crop Care, LLC.

Mayor Jennings requested the addition of Old Business Item B: First Presbyterian Church property offer and Item C: 507 West Second Street.

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

**CONSENT AGENDA**

By motion of Councilman Mercer, seconded by Councilman Brooks, Council approved the consent agenda as presented.

- A. Approve – FEMA AFG Grant – Excess Funds PO (\$23,000)
- B. Authorize/Adopt – Repurchase of Cemetery Lot N-117, Plots 3,4,7 and 8 in Oakdale Cemetery (\$2,400) **and** Adopt Budget Ordinance Amendment

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF  
WASHINGTON, NC 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 Cemetery Fund be increased in the amount of \$2,400 in the account Transfer from General Fund, account number 39-90-3980-1000.

Section 2. That account number 39-90-4740-4901, Repurchase Cemetery Lots, portion of the Cemetery Fund appropriations budget be increased in the amount of \$2,400 to provide funds for the repurchase of cemetery lot N-117 plots 3, 4, 7, and 8.

Section 3. That account number 10-00-4400-3900, Transfer to Cemetery Fund, Miscellaneous portion of the General Fund appropriations budget be increased in the amount of \$2,400.

Section 4. That the Estimated Revenues in the General Fund be increased in the amount of \$2,400 in the account Fund Balance Appropriated, account number 10-00-3991-9910.

Section 5. All ordinances or parts of ordinance in conflict herewith are hereby repealed.

Section 6. This ordinance shall become effective upon its adoption.

Adopted this the 5<sup>th</sup> day of November, 2012.

Attest:

s/Cynthia S. Bennett, CMC  
City Clerk

s/N. Archie Jennings, III  
Mayor

**PUBLIC HEARING ON ZONING: NONE**

**PUBLIC HEARING - OTHER: NONE**

**SCHEDULED PUBLIC APPEARANCES:**

Mr. Jayesh Patel explained his utility billing error where he was using only three (3) pole lights and the City was charging him for six (6). Once Mr. Patel figured out the problem and explained the situation to the City employees, he was given some adjustments of approximately \$856 for one year. Mr. Kay explain the city code allows for the refund for twelve months only. In essence, the City followed the city code and refunded Mr. Patel \$856.92 for twelve months.

Mayor Jennings inquired if we had anyway of verifying when Mr. Patel first made the City aware of the problem. Mr. Rauschenbach stated he was first made aware early August of 2012. Councilman Mercer referred to the memo received by Council and suggested our records have a six year void in which our billing system will not tell us what was transpiring. Mr. Patel stated he has been paying since May of 2003 and not 2007.

Mayor Pro tem Roberson expressed he didn't mind funding the additional year but felt we need additional information. If Mr. Patel can provide this information to the City Manager then Council can determine an agreed upon amount to be refunded in accordance with the North Carolina General Statutes. Mayor Jennings said that the statute of limitations is written to give some responsibility to the customer.

Mayor Jennings and members of City Council directed staff to furnish more information regarding the time frame when the City was made aware of the overbilling. Staff will be in contact with Mr. Patel.

Some of the information contained in the email:

Mr. Patel, the owner of the Washington Motel, is making an appearance to request additional consideration of this area light charges beyond the 12 month credit (\$856.92) that was given in accordance with City Code section 10-50. Some additional information:

1. Customer called to report that two area lights weren't working in August, 2012. Two bulbs were replaced and we realized that he was being billed incorrectly for 3 A06 lights instead of 2 A05 and 1 A06. Rates for A06 are \$62.41/month and A05 are \$28.76.
2. History of area light billing:

Date	A05	A06	A07	Total
7/16/2004	1	3	3	7
4/14/2006	0	3	3	6
10/19/2007	0	3	0	3
9/14/2012	2	1	0	3

3. Work order does not exist from October 2007 when the area lights were reduced from 6 to 3.

Based on this information I would surmise that the area lights have been incorrectly billed since 2007. NCGS 1-53(1) limits the recovery period to two years. If Council elects to give an additional year of credit it would be \$806.74.

Mr. Derik Davis expressed he was addressing Council tonight on the condition of the boardwalk past the Estuarium toward McNair Street. On October 18 at approximately 4:00 pm he encountered a board that was popped up on the boardwalk. Mr. Davis fell on the boardwalk and was injured and continued by saying he may need surgery on his shoulder.

Mr. Davis shared in his encounter around town that 24 persons told him they have tripped/fallen on the boardwalk and 3 persons have fallen since October 18 (list of the person names can be provided to Council by Mr. Davis). Mr. Davis requested staff to take a look at the boardwalk.

A portion of the boardwalk has been replaced and he has submitted photographs to Mr. Kay of the area where he fell.

Mayor Jennings and members of Council wished Mr. Davis a speedy recovery.

**COMMENTS FROM THE PUBLIC:**

**Mr. Gerald Seighman** discussed the Turnage Theater and the editorial in the Washington Daily News. Several of Mr. Seighman questions/comments are as follows:

- Where would the money come from to purchase the building ?
- What are the annual operating cost for utilities, insurance, maintenance?
- What group will operate the enterprise?
- Will there be any additional operating cost of the building maintenance that the City would be obligated to provide?
- What is the business plan and does it insure that the tax payers are not subsidizing it or either a special interest group type of entertainment?
- Will the business plan provide revenue to the City to compensate for the loss?

**CORRESPONDENCE AND SPECIAL REPORTS**  
**LOAD MANAGEMENT REPORTS**

	September 2012	Project to Date	October 2012	Project to Date
Total Load Management Device Installations	75	1,593	74	1,667
Total Accounts Added with Load Management	62	1,234	53	1,287
<b>Appliance Control Installations</b>				
Air Conditioner / Heat Pump	29	1,268	55	1,323
Auxiliary Heat Strip	5	617	33	650
Electric Furnace	3	230	5	235
Water Heater	48	986	46	1,032
<b>Total Encumbrances to Date</b>				
Load Management Devices		\$65,600		\$65,600
Contractor Installations		\$175,000		\$175,000
		\$240,600		\$240,600
<b>Total Expenses to Date</b>				
Load Management Device Purchases		\$65,600		\$65,600
Contractor Installation Expenses	\$5,555	\$168,955	\$7,330	\$176,285
		\$234,555		\$241,885
		\$147		\$145
		\$76		\$75
Load Management Devices Remaining in Stock	907		833	

**REPORTS FROM BOARDS, COMMISSIONS AND COMMITTEES:**  
**HUMAN RELATIONS COUNCIL**

**Update – Multicultural Festival 2012** – Board member Howard voiced the sub-committee did not meet but that the festival has been scheduled for the spring of 2013.

**Approve – Amended By-laws dated 10-9-12** – By motion of Board member Hughes, seconded by Board member Howard, by consensus, Board members approved the by-laws as amended.

**Discussion – Prayer** – By consensus, Board members approved changing the language to “Nondenominational Invocation”.

**FYI – items addressed at this time** – inclusive of September report submitted to City Council, financial report, public notification and the PAL Dinner Dance flyer.

**UPDATES – WASHINGTON POLICE & FIRE SERVICES** – Lt. Chrismon distributed a “Community Watch Program & Fire Prevention Program” - making a change in your neighborhood.

Also, he noted the Halloween event sponsored by the Washington Police & Fire Department has been scheduled for Saturday, October 20, 2012 at Havens Gardens from 3:30pm – 7:30 pm.

**COMMENTS FROM BOARD MEMBERS AND THE PUBLIC –  
REGARDING “HOW TO MOTIVATE INTEREST” IN THE BOARD MEETINGS**

Board members suggested extending invitations to the following organizations:

- Beaufort County Community College (BCCC)
- Beaufort County Board of Education
- Vidant Beaufort Hospital
- Beaufort County Health Department
- Beaufort County Department of Social Services
- Washington Housing Authority, Inc.
- Beaufort County – County Commissioners
- Beaufort County Development Center (BCDC)

Ms. Betty Moore a resident from the City of Washington explained there would be more participation from the public when they are made aware of this Board.

**FINANCIAL REPORTS**

No concerns were expressed at this time.

**APPOINTMENTS: NONE**

**ADOPT – BUDGET ORDINANCE AMENDMENT FOR OXIDATION DITCH REPAIRS AT  
THE WASTEWATER TREATMENT PLANT.**

At the July 23, 2012 Council meeting, staff informed Council of the significant failure with one of the mixers in the original oxidation ditch at the Wastewater Treatment Plant (WWTP). After discussing the proposal for the estimated \$50,000 in needed repairs, staff was directed to fix the problem versus patching the problem. Repairs have been completed at this point with actual expenditures and/or encumbrances to-date of \$39,735.91. Repairs include the complete removal of all grit from the oxidation ditch, the repair of holes in the large draft tubes, repairs to the corroded decking sub-structure over the draft tubes and various other smaller items that were not include in the original estimate. There are two purchase orders, yet to be approved, for the refurbishing of the damaged gear box (\$24,341) and the refurbishing of the damaged mixer blade (\$9,390), that will bring the total for the project to \$73,466.91. Recommendation of staff is for Council to approve the budget ordinance amendment to allocate funds to cover the oxidation ditch repairs.

By motion of Councilman Mercer, seconded by Councilman Brooks, Council approved the budget ordinance amendment for Oxidation Ditch Repairs at the Wastewater Treatment Plant.

Mayor Pro tem Roberson expressed concern with rebuilding/refurbish items instead of purchasing new items.

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

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

Section 1. That account number 32-90-3991-9910, Fund Balance Appropriated portion of the Sewer fund revenue budget be increased in the amount of \$40,891 to provide funds for the repair of the oxidation ditch mixer.

Section 2. That account number 32-90-8220-1505, Maintenance/Repair Oxidation Ditch, Waste Water Treatment portion of the Sewer Fund appropriations budget be increased in the amount of \$73,467.

Section 3. That account number 32-90-9990-9900, Contingency, Contingency portion of the Sewer Fund appropriations budget be decreased in the amount of \$32,576.

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

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

Adopted this the 5<sup>th</sup> day of November, 2012.

**Attest:**

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

**s/N. Archie Jennings, III  
Mayor**

**DISCUSSION – FIRST PRESBYTERIAN CHURCH**

Mayor Jennings said this discussion is relative to an offer the First Presbyterian Church made. Mr. Kay recapped the City's intentions noting that at one point and time, Council discussed a property swap between the current lot and two lots that the First Presbyterian Church owns. Mr. Kay expressed he offered he asked if the church would be willing to buy the lot from the City this would reduce any expenses the City would have on paving or upkeep. If the church wishes to buy the property then the City should have some type of letter of understanding inclusive of moving lines or easement relocations, etc.

Mr. Kay and Mr. Holscher met with the First Presbyterian Church attorney and the City received a letter from the attorney on behalf of the First Presbyterian Church offering \$37,500 for the two lots.

Mr. Kay explained the appraisal performed in 2004 on one lot and the tax value on both lots combined is \$70,661. Mayor Pro tem Roberson suggested the need for an updated appraisal of the property.

By motion of Mayor Pro tem Roberson, seconded by Councilman Pitt, Council agreed to obtain an appraisal of the two lots.

Direction was given to staff to advise the church the City is moving toward getting an appraisal, this way the City is taking action and not keep the church guessing.

**DISCUSSION – 507 WEST SECOND STREET**

City Manager, Josh Kay reviewed this item and noted Council has a bid of \$110 from Timothy Evans. Council can either accept the bid of \$110 to transfer the property or reject all bids.

Councilman Brooks inquired what was the value of the property and Mr. Kay said the City spent \$14,700 to demolish the building located on 507 West Second Street but did not know the tax value of the property.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council approved rejecting all bids.

Councilman Mercer expressed the need to set some reasonable value for properties to be disposed of. Establish procedures by which there is some minimum value that's established for any surplus property based on tax value or any expenditures the City of Washington made to the property. Mayor Pro tem Roberson suggested this item could be discussed at the planning session.

**AWARD/APPROVE – TENTATIVELY AWARD CONTRACT FOR PAVEMENT REHABILITATION AT WARREN FIELD TO TRIANGLE GRADING AND PAVING (\$352,700) AND APPROVE WORK AUTHORIZATION (\$48,105) AND APPROVE CORRESPONDING BUDGET ORDINANCE AMENDMENT AND PURCHASE ORDERS**

City Manager, Josh Kay explained the bid tabulation sheet received from John Massey, P.E., of Talbert and Bright, the City's airport engineers. We received a bid from Triangle Grading and Paving for this work also. Mr. Kay said they were the only contractor to bid the project, even after a second advertised bid opening for this work. The bid was reviewed by the NCDOT – Division of Aviation, and has met their approval. Repairs will be made to the primary runway, 5-23, as well as the secondary, 17-35 and taxiways "C" and "B". Mr. Kay explained that 2009, 2010 and 2011 Vision 100 funds will be utilized for this work.

Mr. Kay noted that staff is requesting approval of a purchase order for the construction phase services for this work. Talbert and Bright has submitted a proposal for a work authorization in the amount of \$48,105 for this work. Vision 100 funds will be utilized for this work as well. Mr. Kay noted

that the work scope and fee have been reviewed and approved by the NC Division of Aviation. It is the recommendation of staff that Council award and approve the contract for pavement rehabilitation at Warren Field to Triangle Grading and Paving in the amount of (\$352,700) approve the work authorization of (\$48,105) and approve corresponding budget ordinance amendment and purchase orders for said work.

Mayor Pro tem Roberson and Councilman Mercer expressed concerns with the mobilization cost. Also, Mayor Pro tem Roberson said he didn't see any contingency money set aside for a contract this size. He continued by stating since he been on Council there have always been change orders. Mr. Lewis explained that the Division of Aviation will not allow us to show a contingency line item in their grant.

By motion of Councilman Moultrie, seconded by Mayor Pro tem Roberson, Council tentatively awarded the contract for Pavement Rehabilitation at Warren Field to Triangle Grading and Paving (\$352,700) and approved work authorization (\$48,105) and approved corresponding budget ordinance amendment and purchase orders.

Mayor Pro tem Roberson requested the City Attorney clarify the word tentatively in awarding the contract (either will award the contract or not award the contract). Mr. Holscher referred to Mr. Lewis and Mr. Lewis said it was tentatively because we don't have all the bonds in place and all paperwork with the Division of Aviation.

Mayor Pro tem Roberson noted that in the future, the action item needs to state "award subject to" and not "tentatively".

(begin memo) Dear Mr. Lewis: Bids were received and opened on Friday, September 21, 2012 for the Airfield Pavement Rehabilitation project at Warren Field. This was the second advertised bid opening and one bid was received for this project from Triangle Grading and Paving. Attached please find the certified bid tabulation. We have reviewed the bids received and Triangle Grading and Paving is the lowest responsive and responsible bidder.

With their bid, Triangle Grading and Paving indicated that they will provide \$18,800 in DBE participation that will be provided by a DBE subcontractor Cruz Brothers to perform the concrete placement work. The DBE goal established by the NCDOT for this project is 4.0%.

Triangle Grading and Paving did provide a bid bond in accordance with the specifications and other bid documents have been properly completed and signed including their DBE paperwork.

The City of Washington has available Vision 100 grant funds plus the 10% local match totaling \$401,076 that can be used for Construction and Construction Administration, RPR and QA testing services.

Based on review of the bids, Talbert & Bright recommends award of the Base Bid, Bid Alternate #1 and a portion of Bid Alternate #2 to the low bidder, Triangle Grading and Paving in the amount of \$352,700. The portion of Bid Alternate #2 is detailed in the attached Quantities for Award. Based on an award of \$352,700 and DBE participation of \$18,800, the DBE participation for this project will be 5.3% which will exceed the goal set for the project. (end memo)

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF  
WASHINGTON, NC 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 Airport Fund be increased or decreased in the following accounts and amounts to consolidate Vision 100 Grant funding for the Airfield Pavement Rehabilitation project:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
37-90-3490-0007	Grant Funds 36237.38-9.1	\$( 60,969)
37-90-3490-0008	Grant Funds	( 150,000)
37-90-3490-0009	Vision 100 Grant 36237.38.10.1	210,969

Section 2. That the Airport Fund appropriations budget be increased or decreased in the following accounts and amounts:

<u>Account</u>	<u>Description</u>	<u>Amount</u>
37-90-4530-4513	Vision 100 Grant 36237.38.9.1	\$( 67,744)
37-90-4530-4514	Grant Funds FY 11/12	(166,677)
37-90-4530-4515	Vision 100 Grant 36237.38.10.1	234,411

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

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

Adopted this the 5<sup>th</sup> day of November, 2012.

**Attest:**

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

**s/N. Archie Jennings, III**  
**Mayor**

**ADOPT – BUDGET ORDINANCE AMENDMENT – KEYS LANDING SUBDIVISION (\$20,000)  
AND APPROVE PURCHASE ORDERS**

City Manager, Josh Kay reviewed this project and noted it had been going on for a while. The Keys Landing Subdivision is a Community Development Block Grant Project jointly through the City of Washington and Metropolitan Housing. Initially, the project was for 13 lots but because of budget overruns it was scaled back to 5 lots. In order to have a balanced budget, additional expenses were removed from the budget list. One of the items removed included the clearing of each lot in order to construct single family homes. Staff has received tentative bids and the lowest bid received was \$4,000 per lot or \$20,000 total. Staff is requesting that a budget ordinance amendment be approved in order to appropriate funds for the clearing of these lots so that construction on the houses may begin.

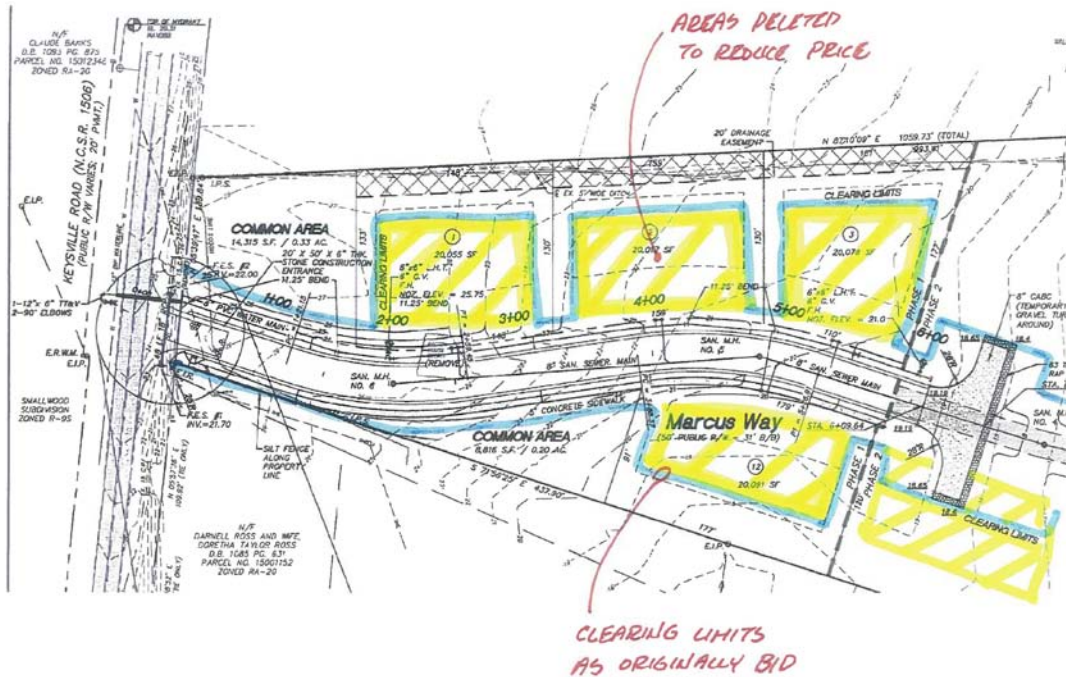
By motion of Councilman Moultrie, seconded by Councilman Brooks, Council adopted a budget ordinance amendment to appropriate funds for expensed related to lot clearing in order to construct single family dwellings in Phase 1 of Keys Landing Subdivision and approved purchase order of \$20,000.

Mayor Pro tem Roberson had several questions directed to Mr. Rodman, Interim Community and Cultural Services Director:

1. Lot clearing
2. Sidewalks
3. Paving

Mr. Rodman explained the questions of concern.

Mayor Jennings addressed who pays for clearing the lots when the budget is balanced because he understand about the sidewalks. Mr. Rodman stated there were only certain items that could be removed and this was one of those items. Mayor Jennings said there are some things you can live without but somebody will have to clear the lots. Councilman Mercer requested a full account of how much monies we have in this project to date, in addition to the original match on the grant. Mayor Pro tem Roberson explained whenever you have Community Development Block Grant activities and you receive money to pay back on the houses that the City actually recaptures what is known as program income. Mayor Pro tem Roberson recommended targeting the money from Program Income designated for Community Development Block Grants and in addition, take the Housing Authority payment in lieu of taxes and put that into Program Income so when we come up with short amount we can apply this money toward that debt. Discussion continued with members of Council expressing other concerns.



**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF WASHINGTON, NC 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 increased in the amount of \$20,000 in the account Fund Balance Appropriated, account number 10-00-3991-9910, Fund Balance Appropriated portion of the Sewer fund revenue budget be increased in the amount of \$40,891 to provide funds for the repair of the oxidation ditch mixer.

Section 2. That account number 10-00-4400-1501, Maint/Repair Grounds, Miscellaneous portion of the General Fund appropriations budget be increased in the amount of \$20,000 to provide funds for lot clearing in the Keys Landing subdivision.

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

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

Adopted this the 5<sup>th</sup> day of November, 2012.

**Attest:**

s/Cynthia S. Bennett, CMC  
City Clerk

s/N. Archie Jennings, III  
Mayor

**ADOPT/AWARD – ORDINANCE TO CONDEMN AS UNSAFE THE STRUCTURE LOCATED AT 107 EAST 8<sup>TH</sup> STREET AND AWARD THE DEMOLITION CONTRACT TO T.J.’S MARINE (\$4,950)**

Josh Kay, City Manager stated this is an ordinance condemning 107 East 8<sup>th</sup> Street. Mr. Kay stated we had a notice of complaint and notice of hearing – September 7, 2012, hearing held – September 19, 2012 and order to remedy defective condition – September 19, 2012. The property owner has not complied so the first recommendation is to adopt the ordinance condemning the structure and the second option is that we award the demolition contract to T.J.’s Marine for \$4,950. Four bids to demolish the structure were received with the low bid coming from T.J.’s Marine at \$4,950.

By motion of Mayor Pro tem Roberson, seconded by Councilman Brooks, Council adopted the ordinance condemning the structure located at 107 East 8<sup>th</sup> Street as unsafe and demolish and remove the structure.

By motion of Mayor Pro tem Roberson, seconded by Councilman Brooks, Council awarded the demolition contract to the lowest responsible bidder, T.J.’s Marine, in the amount of four thousand nine hundred fifty (\$4,950) dollars.



**AN ORDINANCE FINDING THAT THE STRUCTURE DESCRIBED HEREIN IN THE CITY OF WASHINGTON IS CONDEMNED AS UNSAFE AND DIRECTING THAT IT BE DEMOLISHED**

**WHEREAS**, the City Council of the City of Washington finds that the structure located on the property having an address of 107 East 8<sup>th</sup> Street, Washington, North Carolina and being owned by Brice Puryear (a/k/a Brice C. Puryear as well as Chris Puryear) and wife, Sharon Puryear, has been condemned as, among other things, unsafe pursuant to North Carolina General Statute § 160A-426 and that all applicable statutory provisions have been complied with as a condition of the adoption of this Ordinance.

**WHEREAS**, the structure located on said property should be demolished and removed as directed by the Senior Building Official for, among other things, the reasons stated by the Senior Building Official in his September 19, 2012 Notice of Decision that was served on the property owners.

**WHEREAS**, the owners of the structure have been given a reasonable opportunity to bring the structure into compliance with the applicable standards of the City Code as well as State statute in accordance with North Carolina General Statute § 160A-425 et seq as well as pursuant to the Order issued by the Senior Building Official in said Notice of Decision.

**WHEREAS**, said owners have failed to comply with said Order.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Washington as follows.

**Section 1.** The Senior Building Official is hereby authorized and directed to proceed to demolish and remove the above described structure located at 107 East 8<sup>th</sup> Street in accordance with the applicable provisions of the City Code and North Carolina General Statute § 160A-432 *et seq*.

**Section 2.** Pursuant to North Carolina General Statute § 160A-432, the amounts incurred by the City in connection with any demolition or removal authorized hereunder shall be a lien against the real property upon which the cost was incurred. The lien shall be filed, have the same priority, and be collected in the same manner prescribed by law as liens for special assessments. The amounts incurred by the City in connection with any demolition or removal authorized hereunder shall also be a lien against any other real property owned by the above named owners and located within the City limits or within one mile of the City limits, except for the above named owners' primary residence.

**Section 3.** This Ordinance shall be recorded in the Office of the Register of Deeds of Beaufort County, North Carolina.

This Ordinance shall become effective on this date of adoption November 5, 2012.

**Attest:**

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

**s/N. Archie Jennings, III  
Mayor**



**ADOPT/AWARD – ORDINANCE TO CONDEMN AS UNSAFE THE STRUCTURE LOCATED AT 312 EAST WATER STREET AND AWARD THE DEMOLITION CONTRACT TO ST. CLAIR TRUCKING (\$8,400)**

Josh Kay, City Manager explained this is an ordinance condemning 312 East Water Street. Mr. Kay stated that the Code Enforcement Officials had been dealing with this property for quite some time. Most recent communication was notice of complaint and notice of hearing was May 30, 2012 and hearing was held on June 12, 2012 with order to remedy defective condition – September 19, 2012. We received 3 bids to demolish the structure with the lowest bid from St. Clair Trucking for (\$8,400).

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council adopted the ordinance condemning the structure located at 312 East Water Street as unsafe and demolish and remove the structure.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council awarded the demolition contract to the lowest responsible bidder, St. Clair Trucking, in the amount of eight thousand four hundred (\$8,400) dollars.



**AN ORDINANCE FINDING THAT THE STRUCTURE DESCRIBED HEREIN IN THE CITY OF WASHINGTON IS DILAPIDATED AS WELL AS CONDEMNED AS UNSAFE AND DIRECTING THAT IT BE DEMOLISHED**

**WHEREAS**, the City Council of the City of Washington finds that the structure located on the property having an address of 312 East Water Street, Washington, North Carolina and being owned by William R. Henry, Jr. has been found to be dilapidated pursuant to Section 6-132 *et seq* of the Washington City Code and has been condemned as, among other things, unsafe pursuant to North Carolina General Statute § 160A-426 and that all applicable statutory provisions have been complied with as a condition of the adoption of this Ordinance.

**WHEREAS**, the structure located on said property should be demolished and removed as directed by the Senior Building Official for, among other things, the reasons stated by the Senior Building Official in his June 12, 2012 Notice of Decision that was served on the property owner.

**WHEREAS**, the owner of the structure has been given a reasonable opportunity to bring the structure into compliance with the applicable standards of the City Code as well as State statute in accordance with North Carolina General Statute § 160A-425 *et seq* as well as 160A-441 and pursuant to the Order issued by the Senior Building Official in said Notice of Decision.

**WHEREAS**, said owner has failed to comply with said Order.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Washington as follows.

**Section 1.** The Senior Building Official is hereby authorized and directed to proceed to demolish and remove the above described structure located at 312 East Water Street in accordance with applicable provisions of the City Code and North Carolina General Statute § 160-432 *et seq* as well as 160A-441 *et seq*.

**Section 2.** Pursuant to North Carolina General Statute § 160A-432, the amounts incurred by the City in connection with any demolition or removal authorized hereunder shall be a lien against the real property upon which the cost was incurred. The lien shall be filed, have the same priority, and be collected in the same manner prescribed by law as liens for special assessments. The amounts incurred by the City in connection with any demolition or removal authorized hereunder shall also be a lien against any other real property owned by the above named owner and located within the City limits or within one mile of the City limits, except for the above named owner's primary residence.

**Section 3.** This Ordinance shall be recorded in the Office of the Register of Deeds of Beaufort County, North Carolina.

This Ordinance shall become effective on this date of adoption November 5, 2012.

**Attest:**

s/Cynthia S. Bennett, CMC  
City Clerk

s/N. Archie Jennings, III  
Mayor

**ADOPT/AUTHORIZE – RESOLUTION SMALL BUSINESS ENTREPRENEURIAL ASSISTANCE (SBEA) GRANT AND AUTHORIZE CITY MANAGER AND MAYOR TO SIGN ALL CDBG DOCUMENTS**

Mr. Kay reviewed the memo received by Mr. Rodman. The Division of Community Investment and Assistance has approved the 2011 Community Development Block Grant (CDBG) for Small Business and Entrepreneurial Assistance (SBEA) funds in the amount of \$200,000. The primary purpose of the SBEA program is to provide funding to local governments to jumpstart the growth of existing small businesses by expanding their businesses and creating new jobs. Five (5) local businesses will participate in the program and provide the local match. Staff is recommending approval of the resolution tonight in order to apply for the SBEA grant.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council adopted the resolution for the SBEA grant approving various CDBG related documents and authorized the City Manager and Mayor to sign all CDBG documents on behalf of the City of Washington.

(begin memo:)

The purpose of this memo is to summarize the Program Manual for the FY 11 CDBG Program. We will ask for action on the items in the Manual at the November 5, 2012 meeting. A complete copy of the Manual is located at the City Municipal Building. The following should provide a brief summary for you of the **required** items contained within the Manual.

- (1) **Fair Housing Plan:** The Plan's purpose is to ensure that fair housing is available to all citizens of City of Washington and that discrimination does not occur. The activities scheduled in the Plan will be undertaken to affirmatively further fair housing in the County.
- (2) **Equal Employment and Procurement Plan:** The Plan ensures that City of Washington maintains a policy that provides equal employment opportunities for all persons regardless of race, color, religion, sex, national origin, handicap, age, political affiliation, or any other merit factor, except where religion, sex, national origin, or age are bona fide occupation qualifications for employment. Through this document, John Rodman, Planning Director is designated to assist in the implementation of the Plan and will serve as the Equal Employment and Procurement Officer for the County.
- (3) **Local Economic Benefit for Low and Very Low Income Persons Plan:** The Plan requires contractors to submit, as applicable, a Local Economic Benefit for Low and Very Low Income Persons Plan. It also requires that City of Washington will develop a listing of jobs, supplies and contracts likely to be used during the course of the project. The Plan also states that John Rodman, Planning Director, will serve as Equal Opportunity Officer to coordinate the implementation of the Plan.
- (4) **Section 504 Compliance Officer/Grievance Procedure:** The Plan states that the County will not discriminate against persons with handicaps or disabilities in the CDBG Program or general government services. The Plan states that citizens may file Section 504 grievances at any time during the program and that the City Council designates John Rodman, Planning Director, as Section 504 Compliance Officer for the process. Grievances would come to John Rodman, Planning Director, 102 E 2nd Street, Washington, NC 27889, and the City Council must respond to all grievances within ten (10) days of receipt of the comments. If any individual, family or entity should have a grievance concerning any action prohibited under Section 504, they would schedule a meeting with the Compliance Officer. Deadlines for responses are contained in the Plan.

(5) **Citizen Participation Plan:** The Plan ensures that citizens will be provided adequate opportunity for meaningful involvement on a continuing basis and for participation in planning, implementing, and assessing City of Washington's CDSG Program. The Plan contains sections such as Objectives of the Plan, Citizen Involvement, Citizen Access to Records, Timely Information and Submission of Views and Proposals, Response to Proposals and Complaints, and a Citizen Participation Plan Certification.

(6) **Residential Anti-Displacement and Relocation Assistance Plan:** The Plan requires the replacement and providing of relocation assistance to anyone living in an eligible dwelling which is demolished or converted to use other than low/moderate income housing. The Plan includes explanation of One-for-One Replacement Unit Requirement and Relocation Assistance.

(7) **Optional Coverage Relocation Plan:** The Plan makes occupants of dwellings that agree to voluntary demolition of the dwelling they occupy eligible for relocation benefits.

(8) **Code of Conduct/Hatch Act Policy/Section 519:** The Policy itself is a conflict of interest policy that explicitly spells out what County officials and employees cannot do and be involved in during the course of the project. In addition, the policy prohibits the use of excess force.

(9) **Acquisition Guidelines:** The Guidelines detail the objectives of the real property acquisition practices of the County. The Guidelines state that it is the County's intent to only acquire property in the approved project area to meet the aims and objectives of the CDSG program.

(10) **Disposition Guidelines:** The Guidelines detail the objectives of the real property disposition practices of the County. The Guidelines state the intent and procedures of the disposition practices of the County.

(11) **Relocation Guidelines:** The Guidelines detail the objectives of the relocation practices of the County. The Guidelines state that it is the intent of the County to only relocate occupants whose dwelling is unfit for human habitation and beyond the scope of rehabilitation.

(12) **Clearance Guidelines:** The Guidelines detail the objectives of the demolition and clearance practices of the County. The Guidelines state that the intent of the County is to rehabilitate substandard privately owned dwellings whenever feasible. However, when housing conditions are dilapidated and the cost of rehabilitation is economically unfeasible, the CDSG program will acquire, demolish, and clear the structures.

(13) **Rehabilitation Guidelines:** The Guidelines detail the objective of the rehabilitation practices of the County. The Guidelines state that the intent of the County is to rehabilitate private property in a cost-effective manner in the approved project area whenever feasible to meet the plans and to achieve the aim of the CDSG project.

Attached for information purposes is the Rehabilitation Financial Design.

(14) **Rehabilitation/Reconstruction Guidelines:** The Guidelines detail the objective of the rehabilitation/reconstruction practices of the County. The Guidelines state that the intent of the County is to use reconstruction in lieu of rehabilitation for properties that cannot be cost effectively rehabilitated.

(15) **Hook-Up Guidelines:** The Guidelines detail the objective of the hook-up practices of the County. The Guidelines state the intent of the County to provide a hook-up in a cost-effective manner to approved existing public utility lines to meet the plans and achieve the aims of the CDBG project.

(16) **Public Facilities Guidelines:** The Guidelines detail the objectives of the public facility improvement practices of the County. The Guidelines state that the County will undertake public facility improvements whenever feasible, in accordance with the approved application.

(17) **Complaint Procedure:** The Procedure has all comments being sent to John Rodman, Planning Director, 102 E 2nd Street, Washington, NC 27889. The deadlines for responses and periods are included in the Procedure.

(18) **Contracts Officer Designation:** The Designation states that the City Council designates John Rodman, Planning Director as Contracts Officer for the CDBG Program. The Contracts Officer will have the authority to execute contracts pertaining to acquisition, disposition, clearance, relocation, rehabilitation and administration within the limitations of the approved Grant Application and Local, State and Federal Procurement Procedures.

(19) **Labor Standards Officer Designation:** The Designation states that the City Council designates John Rodman, Planning Director as the Labor Standards Officer for the CDBG Program with the authority to enforce compliance of labor standards on all jobs requiring labor standards provisions.

(20) **Verification Officer Designation:** The Designation states that the City Council designates John Rodman, Planning Director as the Verification Officer for the CDBG Program with the responsibility to verify the eligibility of all contractors and subcontractors participating on jobs funded in full or in part with Community Development funds.

(21) **Just Compensation Officer Designation:** The Designation states that the City Council designates John Rodman, Planning Director as the Just Compensation Officer for the CDBG Program, and through

this service would have the authority to certify just compensation of private property acquisition within the limitations of the approved Grant Application and State and Federal Acquisition Procedures.

(22) **Financial Management Procedure:** The Procedure will meet City of Washington's requirement to maintain a financial accounting system for the CDBG Program. The Procedure meets all various Federal guidelines for financial management of Federally-assisted activities. All of the requirements needed are contained within the Procedure.

We hope that this memo helps summarize what is contained in the Manual.

cc: Warren Wooten, The Wooten Company (end memo)

**CITY OF WASHINGTON COMMUNITY DEVELOPMENT PROGRAM  
PROGRAM MANUAL RESOLUTION**

A Resolution Authorizing the Adoption of the Program Manual for the City of Washington FY 11 Small Business & Entrepreneurial Assistance Community Development Program.

Be it Resolved by the City Council of City of Washington, North Carolina, that:

WHEREAS, the City is participating in the Community Development Block Grant Program under the Housing and Community Development Act of 1974, as amended, administered by the North Carolina Department of Commerce; and

WHEREAS, the following documents are required under this program;

- Fair Housing Plan
- Equal Employment and Procurement Plan
- Local Economic Benefit For Low And Very Low Income Persons Plan
- Section 504
- Citizen Participation Plan
- Residential Anti-Displacement And Relocation Assistance Plan
- Optional Coverage Relocation Plan
- Code Of Conduct/Hatch Act Policy/Section 519
- Acquisition Guidelines
- Disposition Guidelines
- Relocation Guidelines
- Clearance Guidelines
- Rehabilitation Guidelines
- Rehabilitation/Reconstruction Guidelines
- Hook Up Guidelines
- Public Facility Guidelines
- Complaint Procedure
- Contracts Officer Designation
- Labor Standards Officer Designation
- Verification Officer Designation
- Just Compensation Officer Designation
- Financial Management Procedure

THAT, John Rodman, Planning Director is hereby authorized to execute any and all Grant related documents; and

**THEREFORE BE IT RESOLVED**, that the City Council of City of Washington, North Carolina, hereby adopts the Program Manual to be used throughout the implementation of the City of Washington FY 11 Small Business & Entrepreneurial Assistance Community Development Program.

Adopted this 5th day of November, 2012.

**Attest:**

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

**s/N. Archie Jennings, III  
Mayor**

**APPROVE – AMENDED BY-LAWS UNDER ARTICLE II, PAGE 3-SECTION 4(A)(B) & (C); ARTICLE IV, PAGE 4-SECTION 2 & SECTION 3 AND ARTICLE V, PAGE 5-SECTION 4, OF THE WASHINGTON/BEAUFORT COUNTY HUMAN RELATIONS COUNCIL**

Mr. Kay noted he served on the committee with the Human Relations Council to review the by-laws and make specific changes. The review primarily revolved around who handles the finances and stated this would be the City of Washington. Also, the makeup of the executive committee (primarily the secretary and treasurer position) from two separate individuals to a staff position and one requiring that any amendment of the by-laws must be approved by a simple majority. The by-laws were approved by the Human Relations Council and are being presented to City Council for final approval.

By motion of Councilman Pitt, seconded by Councilman Brooks, Council accepted the language change recommendation of the Washington Beaufort County Human Relations Council and approved the amended by-laws under Article II, Page 3-Section 4(a), (b), & (c); Article IV; Page 4-Section 2& 3 and Article V-Page 5-Section 4 of the Washington Beaufort County Human Relations Council.

**The Washington/Beaufort County Human Relations Council at a regular meeting held Tuesday, October 9, 2012 approved amending the following by-laws:**

**Article II, Page 3-Section 4(a), (b), & (c) Authority of Council (HRC) revision:**

- (a) The Council may make expenditures, enter into contracts and agreements without specific approval of its Governing Body, provided the respective obligations, contracts, or expenditures meet all legal requirements, (including but not limited to Section 2-290 of the Code of the City of Washington) will not exceed the unexpended funds remaining in the respective line item of the Council's budget, and will not be binding on the Governing Body. No personnel shall be hired or paid by the Council unless (the individual proposed is) approved by the City Council.
- (b) The Council is authorized to receive contributions from private agencies, or from individuals, in addition to any funds which may be appropriated for its use. The City of Washington's finance division shall manage and maintain all HRC funds and investments within the City's normal financial management procedures.
- (c) The HRC shall provide regular updates to the City Council. Special reports and recommendations can be made to (or requested by) the City Council as the need arises. The HRC will provide an annual report as required by the Code of the City of Washington.

**Article IV, Page 4-Section 2 & 3 Meetings of Council (HRC) revision:**

Section 2: Special meetings of the HRC may be called by the Chairman, Vice-Chairman or three (3) members of the HRC. The Purpose of the meeting shall be stated in the written or telephone notice. All members and local media will be notified pursuant to and in compliance with North Carolina General Statutes.

Section 3: A quorum of the HRC shall consist of a simple majority of the Council. No proxies shall be allowed.

**Article V, Page 5-Section 4 Officers – Secretary/Treasurer revision:**

Section 4: The City Manager, as ex-officio to the HRC, shall serve as Secretary/Treasurer and may appoint a city employee(s) to serve as a recording secretary and/or treasurer. The City Manager will serve in an ex-officio capacity and will not be eligible to vote on any matter.

The Secretary/Treasurer shall be responsible for such books, documents and reports as necessary or requested by the Chairman of HRC; responsible for recording the minutes of all meetings, regular, special, executive board and annual. Such books shall be open for inspection as prescribed by law. The Secretary shall, in general, perform all duties associated with the office of Secretary subject to the control of the HRC.

The Secretary/Treasurer shall oversee any funds appropriated to the HRC. He/she shall maintain such records and make sure reports as required by HRC or the Governing Body.

A financial report shall be made at each regular meeting of HRC. The Treasurer shall, in general, perform all other duties associated with the office.

**APPROVE/AUTHORIZE – CRAIG GOESS HANGAR SUB-LEASE**

City Manager, Josh Kay noted there is an opportunity in the hangar lease agreement for the current lessee to lease or assign the lease to another party provided they are given written permission and authority by the City. Mr. Goess currently has a lease with the cooperate hanger that's at the airport and has been actively trying to find someone to assume the lease or sub-lease or to sell. Mr. Goess was able to find Mr. John Hayes and is requesting to sub-lease that space to Mr. Hayes. The lease will essentially remain intact and also Mr. Hayes and Mr. Goess be held jointly in party to this lease.

Mr. Holscher noted the sub-lease will be a separate legal document from the original lease and will state the outline of the relationship of the parties. Mr. Holscher has requested the attorney representing these gentlemen to add a provision that acknowledges that both Mr. Goess and Mr. Hayes will be jointly liable for all the obligation of the tenant under the lease.

Councilman Mercer expressed concern of the ownership of the building itself and inquired how long the hangar had been on site and does it belong to the City or Mr. Goess. Mr. Holscher explained. Mr. Kay explained the sublease doesn't extend the time for that lease (time period for Mr. Goess lease reminds the same - yr. 2034). Mayor Pro tem Roberson suggested discussing the specific lease agreement in closed session and Council agreed.

By motion of Councilman Mercer, seconded by Councilman Moultrie, Council agreed to continue this item until a future date and instruct the staff to acquire additional information regarding the sub-lease.

**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**

By motion of Councilman Pitt, seconded by Councilman Mercer, Council entered into closed session at 6:40pm 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.

By motion of Councilman Moultrie, seconded by Councilman Brooks, Council came out of Closed Session at 7:50pm.

**REMINDER:**

Salvation Army Christmas Celebration Banquet to be held on November 15, 2012 at 6-7:30 pm at the Civic Center.

**ADJOURN**

By motion of Mayor Pro tem Roberson, seconded by Councilman Brooks, Council adjourned the meeting until November 19, 2012 at 5:30pm at the Civic Center.

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Cynthia S. Bennett, CMC  
City Clerk