

The Washington City Council met in a regular session on Monday, April 25, 2016 at 5:30pm in the City Council Chambers at the Municipal Building. Present were: Mac Hodges, Mayor; Virginia Finnerty, Mayor Pro tem; Doug Mercer, Councilmember; Richard Brooks, Councilmember; Larry Beeman; Councilmember and William Pitt, Councilmember. Also present: Bobby Roberson, City Manager; Franz Holscher, City Attorney and Cynthia S. Bennett, City Clerk.

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

APPROVAL OF MINUTES:

By motion of Councilmember Mercer, seconded by Councilmember Brooks, Council approved the minutes of April 9th & April 11th, 2016 as presented.

APPROVAL/AMENDMENTS TO AGENDA

Mayor Hodges reviewed the requested amendments to the agenda:

- Remove: Old Business A: TDA lease – advertise(lease > 1 year)
- Remove: Old Business C: Sound Rivers lease – advertise (lease > 1 year)
- Add: Other items from City Manager – Fire engine
- Add: Other items from City Manager - Disposition of 415 W. 2nd Street
- Remove from Consent for discussion purposes: Consent Item D: PO's > \$20,000
- Add: Other business from Council: Updates from League Board Meeting

By motion of Councilmember Mercer, seconded by Councilmember Brooks, Council approved the agenda as amended.

CONSENT AGENDA:

By motion of Councilmember Pitt, seconded by Councilmember Beeman, Council approved the consent agenda as amended.

A. Declare Surplus/Authorize – Electronic Auction of Vehicle through GovDeals
*Vehicle #608 1988 Chev. F700/Dump Truck Electric Dept. VIN:1FDNK74P3JVA16595 Odometer Reading: 83,580

B. Adopt – Library & Cemetery Trust Budget Ordinance Amendment
**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2015-2016**

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

Section 1. That the Estimated Revenues in the Library Trust Fund be increased in the amount of \$200 in the account Interest Earned- Library Trust, account number 11-40-3831-0000.

Section 2. That the following account numbers in the Library Trust Fund appropriations budget be increased or decreased in the amounts indicated for anticipated interest income:

11-40-6300-9200	Adm. Chrgs. to General Fund	\$ 200
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Section 3. That the Estimated Revenues in the Cemetery Trust Fund be increased in the amount of \$1,300 in the account Interest Earned- Cemetery Trust, account number 12-40-3831-0000.

Section 4. That the following account numbers in the Cemetery Trust Fund appropriations budget be increased or decreased in the amounts indicated for anticipated interest income:

12-40-6400-9205	Adm. Chrgs. to Cemetery Fund	\$ 1,300
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Section 5. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 6. This ordinance shall become effective upon its adoption.
Adopted this the 25th day of April, 2016.

Attest:
s/Cynthia S. Bennett,
City Clerk

s/Jay MacDonald Hodges,
Mayor

C. Adopt – Airport Terminal Grant Project Amendment
**AN ORDINANCE TO AMEND THE GRANT PROJECT ORDINANCE FOR THE AIRPORT
TERMINAL GRANT
CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2015-2016**

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

Section 1. That the following appropriation accounts in the Airport Terminal Grant project be increased by the following amounts to reflect the actual revenue received:

66-90-3352-0000	City Contribution	\$ 385
66-90-3831-0000	Interest Earned	<u>804</u>
	Total	\$1,189

Section 2. That the following revenue accounts in the Airport Terminal Grant project be increased by the following amounts:

66-90-4530-9910	Residual Equity Transfer to GF	\$30,067
66-90-4530-0400	Professional Services	(20,800)
66-90-4530-4500	Construction	<u>(8,078)</u>
	Total	\$1,189

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 25th day of April, 2016.

Attest:

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

**s/Jay MacDonald Hodges,
Mayor**

D. *Item Removed from Consent for Discussion - Approve – Purchase Order >\$20,000*

ITEM D FROM CONSENT AGENDA: APPROVE – PURCHASE ORDER >\$20,000

* \$26,150 purchase order to Southeastern Transformer Co. for a backup transformer for the Stanadyne plant.

Councilmember Mercer expressed his comments regarding the request for replacement or spare transformer for Stanadyne. Jeff Clark, Interim Electric Director provided an update stating the existing spare on-hand is for Hamilton Beach or Flanders Filters. Mr. Clark noted that we've had issues with this transformer before at Stanadyne. Councilmember Mercer suggested that it would be to our benefit to get into a "parts pool" with possibly Greenville, Kinston and New Bern in order to interchange transformers. Mr. Clark explained that Washington and Monroe are the only cities that use these types of transformers.

By motion of Councilmember Mercer, seconded by Councilmember Beeman, Council approved the purchase order as presented.

COMMENTS FROM THE PUBLIC:

Susan Zachary expressed her comments regarding the request for the Sound Rivers lease. Sound Rivers occupies the 2nd floor of the old depot for approximately \$10.00 per year. She stated Sound Rivers is a non-profit just like Eagle's Wings, Zion Shelter and Ruth's House to name a few. She asked how the City Council could let Sound Rivers (a non-profit) rent this space for just \$10. Has Sound Rivers provided the same financial information that is required from other non-profits when requesting funding from the City? Eagle's Wings asked for assistance for utilities, instead they received \$810 for the entire fiscal year. She asked why Eagle's Wings can't get funding like Sound Rivers, their free rent equates to nearly \$4,000 per year. All outside agencies should be treated equally.

PUBLIC HEARING 6:00PM– ZONING: NONE

PUBLIC HEARING 6:00PM – OTHER: NONE

CORRESPONDENCE AND SPECIAL REPORTS:

MEMO –Budget Transfer – General Fund – *approved as presented*

The Budget Officer transferred \$13,200 of funds between the Customer Service and Accounting Departments of the General Fund appropriations budget to provide funds for the vacation pay off as a result of one retirement and one resignation.

*From: 10-00-4135-0200 Salaries \$7600
10-00-4135-0600 Group. Ins. \$5600*

To: 10-00-4130-0200 Salaries \$13,200

REPORTS FROM BOARDS, COMMISSIONS AND COMMITTEES:

HUMAN RELATIONS COUNCIL – *approved as presented*

*Human Relations Council (HRC) report for the month of April
Monday, April 25, 2016 City Council Meeting*

MISSION STATEMENT

- To promote social and economic equality in the community, working with Local Government and other resources*
- To appreciate the cultural and ethnic diversity of the citizens of Washington and Beaufort County*
- To encourage citizens to live and work together in harmony and mutual respect*

PRESENTATION: *Former Board member Emma Howard – 11 yrs. & 5 months of service*

SCHEDULED PUBLIC APPEARANCES: *NONE*

OLD BUSINESS:

Update – Historical Marker: Sub-committee member Griffin shared City Council had approved the application to be submitted to the North Carolina Highway Historical Marker Advisory Committee on March 28, 2016. The next step for the Human Relations Council will be to contact NCHHMAC members for their support.

Update – Fair Housing Forum: Sub-committee member Wilson voiced the forum had been scheduled for Tuesday, April 26, 2016 at the Civic Center from 6:30 pm – 8:00 pm. The sub-committee decided to go back to the original time slot to have more community involvement.

NEW BUSINESS: *NONE*

OTHER BUSINESS:

FYI – All FYI items and reminders were discussed inclusive of the March 8, 2016 report submitted to City Council and financial report.

OPEN DISCUSSION:

Lt. Chrismon reviewed the up-coming summer programs and also shared PAL will be sponsoring their two week summer program. Ms. Grimes stated football camp has been scheduled again this year and the date will be June 17th – 18th. National Night Out will be held on the 1st Tuesday in August (8-2-2016) from 6:00pm – 8:00pm.

Vice-chair Hawn inquired about what programs (if any) are being considered for at risk youth. Police is continuing to work with the Boys & Girls Club and Ms. Grimes suggested they will be revisiting a former program “Community Policing” to have individual contact. Vice-chair Hawn stated he manages a boat company and inquired if there would be any interest with youth learning how to build boats and maybe have a replica placed on the waterfront. The answer “yes” Chief Drakeford is always interested in any curricular activity that will benefit our youth.

APPOINTMENTS: *NONE*

OLD BUSINESS:

AUTHORIZE – **MAYOR TO EXECUTE CIVIC CENTER LEASE WITH THE TDA**

Item removed from agenda

AUTHORIZE – **CITY MANAGER TO ENTER INTO AN IT MANAGED SERVICES AGREEMENT WITH THE SOUNDSIDE GROUP**

Background and Findings: The SoundSide Group has been providing managed service for the City’s IT systems for the past two and one half years. We have been pleased with their service. The current agreement expires June 30, 2016. The new agreement includes an additional day of onsite support each month and the new VOIP phone system.

Councilmember Mercer stated that we have had a long relationship with SoundSide and inquired if we should consider offers from other vendors.

David Carraway, Network Administrator explained it would be advantageous to City of Washington's network(due to the working relationship and location of their employees relative to City Hall) to remain with the SoundSide Group. It would take at least 6-9 months for a new group to get "up to speed" with our network. Staff did negotiate heavily regarding fees with the SoundSide group. Discussion was held regarding virtual desktops and the hopes to eliminate purchasing personal computers each year. Five virtual desktops will be installed at City Hall in the near future.

By motion of Mayor Pro tem Finnerty, seconded by Councilmember Brooks, Council authorized the City Manager to enter into an IT managed services agreement with the SoundSide Group.



Tel: (877) 774-9774
info@soundsidegroup.com

City of Washington

Prepaid Hours Agreement Signature Page

This agreement consists of this signature page and the attached Terms and Conditions document.

This agreement is the complete agreement between the parties hereto concerning the subject matter of service and maintenance and replaces any prior oral or written agreements between the parties. There are no conditions, understandings, agreements, representations, or warranties, expressed or implied, which are not specified herein. This agreement may only be modified by a written document executed by the parties hereto.

Billing Information: **\$4500 per month**
Contract Hours: **Up to 50 hours per month**
Effective Date: **07/01/2016**
Expiration Date: **06/30/2018**

Authorized Signature: *Alice Winslow*
Printed Name: Alice Winslow
Title: President
Date: 04/12/2016
Company Name: The SoundSide Group

Bobby E. Robinson
City Manager
Bobby E. Robinson
04-20-2016
City of Washington

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Prepaid Hours Agreement Terms and Conditions

Project Definition:

Perform network documentation, troubleshooting and problem resolution for the existing network. VoIP systems are considered to be part of the network. Labor for adding new and/or making configuration changes to phones along with general maintenance (software and/or firmware) are included.

Perform assessments, security audits, server upgrades, configuration changes, documentation and problem resolution.

Provide PC support (hardware and software) for your environment. The PC support can be used for setups, upgrades, resolving problems or basic PC education and user assistance.

This prepaid hour's agreement includes up to 50 hours of support per month at \$90/hour during normal working hours. Additional support time can be purchased on an hourly basis at \$90/hour for normal working hours. Night, weekend, or holiday work will be at a rate of \$150/hour. Major projects will have labor attached and will follow the same rates as stated above - \$90/hour for normal business hours and \$130 outside of normal business hours. If prepaid hours are available they can be used for the major projects.

Monitoring remotely will be done daily to save on hours used.

Hours not used in the current fiscal year are non-transferrable (do not roll over to a new PHA).

A report of hours used against the contract will be produced monthly or as needed by customer.

Priority Response:

Client determines the criticality of the call. If client classifies the problem as critical, we will return the call within a 2-hour period and devise a plan for resolving the problem ASAP. If other non-prepaid calls are pending, they are delayed while your service call is scheduled and completed. If client classifies the issue as non-critical, these calls will be answered within 24 hours. For low priority calls, you may leave a message at The SoundSide Group office at 877-774-9774. You may also email low priority calls to support@soundsidegroup.com.

Term:

This prepaid agreement shall remain in effect from the "Effective Date" to the "Expiration Date" indicated on the Signature Page. Thereafter, the agreement shall renew automatically for one (1) year terms at a 3% increase over the current rate unless either party terminates this agreement by giving written notice to the other party with at least thirty (30) days' notice before the end of the initial term or any renewal term.

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The SoundSide Group, Inc.

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Not Included:

Software used for upgrades, non-warranty parts used for repairs/enhancements, cabling, manufacturer defined consumables, and in-home PC repair are not included and will be billed separately when utilized. Non-covered items will be assigned a project ID with a Purchase Order associated with it. Additionally, while SoundSide Group will make every effort to prevent data loss, SoundSide Group will not be held liable for any data loss suffered by client.

Prohibition against Hiring:

During the term of this prepaid agreement, and for a period of 12 months following the expiration of this agreement, the customer shall be prohibited from hiring any employee of SoundSide without SoundSide's consent. The parties agree that the violation of this provision will cause irreparable damage to SoundSide, the amount of which is difficult to ascertain. As such, the parties agree that this provision may be enforced by equitable remedies, including restraining orders, preliminary and permanent injunctions.

Scheduling:

The agreement shall be until the end of the term. Normal work hours will be 8:30 am to 5:00 pm, local time, Monday through Friday, excluding SoundSide Group observed holidays.

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The SoundSide Group, Inc.

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AUTHORIZE – CITY MANAGER TO ENTER INTO LEASE WITH SOUND RIVERS

Item removed from agenda

AUTHORIZE – CITY MANAGER TO EXECUTE AMENDMENT TO EMS MC BILLING CONTRACT

Background and Findings: The current contract was entered into in 2010. The contract rate of 7.5% of collections was subsequently reduced to 7.25% upon achievement of specified metrics. The amendment extends the contract three years with an automatic renewal provision at a reduced collection fee of 6.95%. Cost savings of \$2,100 per year will result. The City Attorney had some minor revisions that will be forwarded to EMS MC Billing.

Councilmember Mercer commented that the agreement needs to reflect that the City can get out of the contract if the County takes over EMS services and/or billing.

By motion of Councilmember Pitt, seconded by Mayor Pro tem Finnerty, Council authorized the City Manager to execute an amendment to the EMS billing and collection contract subject to the revisions by the City Attorney.

Amendment

THIS FIRST AMENDMENT TO AGREEMENT entered into the 31st day of March 2016, by and between City of Washington (hereinafter "Client") and EMS MANAGEMENT & CONSULTANTS, INC., a North Carolina Corporation, the address of which is PO Box 863, Lewisville, North Carolina, 27023 (hereinafter "contractor")

WITNESSETH:

WHEREAS, the parties entered into a Billing Services Agreement dated April 1, 2010 whereby the contractor agreed to provide billing and collection services for the Client.

WHEREAS, now the parties wish to amend the Agreement to clarify the terms pertaining to:

1. Compensation Rate Decrease
2. Term of Agreement Extension

NOW, THEREFORE, in consideration of the mutual covenants herein, the parties hereby agree as follows:

ITEM ONE: Amend the Agreement Section 2. Compensation of EMS|MC, (a) – (d) and replace it in its entirety:

(a.) Compensation of EMS|MC.

Client shall pay a fee for the services of EMS|MC hereunder, on a monthly basis, in an amount equal to 6.95% percent of "Net Collections" as defined below (the "Compensation") or a minimum of \$100.00, whichever is greater. Net Collections shall mean all cash and check amounts including electronic fund transfers (EFT's) received by EMS|MC from payers, patients, attorney's offices, court settlements, collection agencies, government institutions, group health insurance plans, private payments, credit cards, healthcare facilities or any person or entity submitting funds on a patient's account, OR any amounts paid directly to the Client with or without the knowledge of EMS|MC that are paid, tendered, received or collected each month for Client's services and transportation, less refunds processed or any other necessary adjustments to those amounts. Necessary adjustments shall include credit(s) for any portion of the Compensation that has been paid and is attributable to Net Collections that included a check or other payment that is not subsequently honored or otherwise credited to the account of the Client. Notwithstanding anything contained herein to the contrary, the annual State Medicaid EMS reimbursement or similar reimbursement shall not be included in Net Collections or in conjunction with said calculation of said Compensation. Net Collections is not defined to mean any single non-insurance payments or time of service payments made directly to the Client.

EMS|MC shall submit an invoice to Client by the 10th day of each month for the Compensation due to EMS|MC for the previous calendar month. The Compensation amount reflected on the invoice shall be paid in full by the 20th day of the month in which the invoice is first presented to Client. Such amount shall be paid without offset unless the calculation of the amount is disputed, in which case Client shall pay the undisputed amount and shall provide EMS|MC with detailed written notice of the basis for the disputed portion no later than the time payment is normally due. All invoices are to be paid directly from Client's banking institution to EMS|MC via paper check, direct deposit or ACH draft initiated by EMS|MC into EMS|MC's bank account.

In the event of a material change to the billing process and/or scope of services provided in this Agreement or a significant difference in the original patient demographics provided by Client, EMS|MC reserves the right to, in good faith, negotiate a fee change with Client and amend this Agreement.

EMS|MC will immediately cease to process claims for Client should the outstanding balance owed to EMS|MC become in arrears for a reason that is not justified. This determination will be at the sole and absolute discretion of EMS|MC. Claims processing will not resume until all outstanding balances are paid in full or arrangements approved by EMS|MC have been made to wholly resolve any outstanding balances.

FEES and CHARGES – A one-time late fee of 5% shall be added to any invoices that remain unpaid by the 25th day of the calendar month in which such invoice is first presented to Client. Interest shall begin to accrue on all unpaid balances starting thirty (30) days after presentation of said invoice for any unpaid balances at the rate of 1% per month. Client shall be responsible for all costs of collection incurred by EMS|MC or others in attempting to collect any amounts due from Client under this Agreement, including, but not limited to, reasonable attorney fees.

ITEM TWO: Amend the Agreement Section 4., Term of Agreement (a) and (a)(i), Termination Cause, and replace it in its entirety with the following (Section 4 (a)(ii), other case, shall remain in effect and unchanged):

(a) Term of Agreement.

This Agreement shall be effective upon execution and shall thereafter continue through March 31, 2019. This Agreement shall be binding upon the parties hereto

and their respective successors, assigns, and transferees with prior express consent of the parties. The Agreement shall automatically renew on the same terms and conditions as stated herein, for successive one (1) year terms, unless either party gives written notice of intent not to renew at least 60 days before expiration of any term. Notwithstanding anything herein to the contrary, this Agreement may be terminated under the provisions provided below.

(i.) Termination for Cause. Notwithstanding paragraph 4(a), this Agreement may be terminated by either party at any time for cause based on a material breach of a term or condition hereof by the other party which is not remedied by the other party within ten (10) days of written notice describing the breach in reasonable detail. "Cause" shall include the following:

- (1) Failure of Client to make timely payments due under this Agreement;
- (2) Any willful or reckless damage to property, business, reputation, or good will of the other party hereto;
- (3) Willful or reckless injury to any customer, independent contractor, employee or agent of the other party hereto;
- (4) Client's engagement of another billing services provider to provide services during the term of this Agreement;
- (5) If the County assumes operations of City of Washington EMS;
- (6) Harassment of any contractor or commitment of any act which otherwise creates an offensive work environment for contractors;
- (7) Inattention to or neglect of the duties to be performed by each party, which inattention or neglect is not the result of illness or accident;
- (8) Failure to practice in accordance with the appropriate policies, standards and procedures established by the respective parties;

- (9) Commitment of any unethical or immoral act which harms the other party or could have the effect of harming the other party; or
- (10) Any breach of any material provision of this Agreement.

No other terms or conditions of the above mentioned Agreement for Services shall be changed as a result of this Amendment.

IN WITNESS WHEREOF, the Parties hereto have executed this Amendment the day and year first written above.

EMS Management & Consultants, Inc.

By: Allan Logie
Print Name: Allan Logie
Title: Chief Performance Officer
Date: 5-4-2016

City of Washington

By: Bobby Robertson
Print Name: Bobby Robertson
Title: City Manager
Date: 5/4/2016



NEW BUSINESS:
ADOPT – RESOLUTION AUTHORIZING THE MAYOR TO REQUEST GRANT ASSISTANCE FROM NC DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES DIVISION OF WATER INFRASTRUCTURE FOR ASSET INVENTORY ASSESSMENT GRANT

Background and Findings: The Asset Inventory and Assessment Grants were created to fund water and wastewater projects. The Grant has a limit of \$150,000 per application over three years. Funds are used to inventory existing water and sewer systems and document the condition of the inventoried item in our infrastructure. The amount of match required will range from 5% to 20%. Local Government Unit (LGU) indicators such as poverty rate, median household income, percent of unemployment, and other factors determine the match percentage. In-kind services will apply as part of the match.

Frankie Buck, Public Works Director explained that our match will most likely be around 5% and we can use in-kind services for that match. Mr. Roberson explained that this report gives us ten points towards future grant assistance applications.

By motion of Councilmember Pitt, seconded by Councilmember Beeman, Council adopted a resolution authorizing the Mayor to request grant assistance from the NC Department of Environment and Natural Resources Division of Water Infrastructure for an Asset Inventory Assessment.

RESOLUTION BY GOVERNING BODY OF APPLICANT

WHEREAS, The Federal Clean Water Act Amendments of 1987 and the North Carolina the Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing of wastewater collection and treatment systems, and

WHEREAS, The City of Washington has need for and intends to conduct an asset inventory assessment project for the existing wastewater system, and

WHEREAS, The City of Washington intends to request state grant assistance for the project,

NOW THEREFORE BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF WASHINGTON:

That City of Washington, the Applicant, will arrange financing for all remaining costs of the project, if approved for a State grant award.

That the City of Washington will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the system.

That the City of Washington will provide for efficient operation and maintenance of the project on completion.

That Mac Hodges, Mayor, the Authorized Official, and successors so titled, is hereby authorized to execute and file an application on behalf of the City of Washington with the State of North Carolina for a grant to aid in the financing of the project described above.

That the Mac Hodges, Mayor, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project: to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the City of Washington has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

Adopted this the 25th day of April, 2016 at Washington, North Carolina.

ATTEST

Cynthia S. Bennett
City Clerk


Mac Hodges
Mayor

CERTIFICATION BY RECORDING OFFICER

The undersigned duly qualified and acting City Clerk of the City of Washington does hereby certify: That the above/attached resolution is a true and correct copy of the resolution authorizing the filing of an application with the State of North Carolina, as regularly adopted at a legally convened meeting of the City Council duly held on the 25th day of April, 2016; and, further, that such resolution has been fully recorded in the journal of proceedings and records in my office. IN WITNESS WHEREOF, I have hereunto set my hand this 25th day of April, 2016.


Cynthia S. Bennett
City Clerk


North Carolina Department of Environmental Quality
Division of Water Infrastructure
Spring 2016 Application for Funding



1. General Information
Fill in the blanks and check the appropriate boxes.

Applicant Name: City of Washington County: Beaufort DUNS Number (www.sam.gov): 075565051
Project Name: Wastewater System Asset Inventory Assessment Funding Amount Requested: \$150,000.00

Applicant Type:
 Municipality
 County
 Water and Sewer District
 Water and Sewer Authority
 Sanitary District
 Non-Profit Water Corporation
 Other (Specify:)

Funding Program(s) Requested:
 Asset Inventory and Assessment Grant (\$150,000 max.)
 Merger/Regionalization Feasibility Grant (\$50,000 max.)
 Clean Water State Revolving Fund
 State Reserve Projects (\$3M max. per grant/\$3M max. per town)

Project Type (Check all that apply):
 Drinking Water
 Stormwater/Stream Restoration
 Wastewater
*Drinking water and wastewater projects must be submitted as separate applications.

2. Applicant Contact Information
Provide the following contact information for the Applicant.

Elected Official Name: Mac Hodges
Elected Official Title: Mayor
Is the Authorized Representative different from the Elected Official? Yes No

Authorized Representative Name (if "Yes" box was checked): Mac Hodges
Authorized Representative Title: Mayor
Mailing Address Line 1: P.O. Box 1988
Mailing Address Line 2: 102 E. Second Street
City: Washington
State: North Carolina
Zip Code: 27889
Phone Number: (252) 975-5461
E-Mail Address: mhodges@washstatowne.gov, hbroberson@washstatowne.gov

3. Application Preparer Contact Information
Provide the following contact information for the application preparer.

Firm Name: Rivers & Associates, Inc.
Contact Name: Gregory J. Churchill, P.E.
Mailing Address Line 1: 107 E. Second Street
Mailing Address Line 2: P.O. Box 929
City: Greenville
State: North Carolina
Zip Code: 27858
Phone Number: 252-752-4135
E-Mail Address: gchurchill@riversandassociates.com

4. Engineer Contact Information
Provide the following contact information for the engineer if "Yes."
Is the engineering firm different from the application preparer? Yes No

Engineering Firm Name:
Contact Name:
Mailing Address 1:
Mailing Address 2:
City:
State:
Zip Code:
Phone Number:
E-Mail Address:

5. Affordability and User Rate Information
For the **CWSRF program only**, if the Applicant is eligible for principal forgiveness, will this project move forward without it? Yes No

If applying for the **State Project Grant program only**, check the appropriate boxes below.
Estimated grant percentage as calculated by affordability calculator: 25% 50% 75% 100% Will you accept funding if your estimated percent grant is less than what is shown? Yes No

Complete the following information below for all programs:

Number of Residential Water Connections*	N/A	Number of Residential Sewer Connections*	3,915
Number of Non-Residential Water Connections*	N/A	Number of Non-Residential Sewer Connections*	973
Total Water Debt Service*	N/A	Total Sewer Debt Service*	\$ 200,401
Percent Population Change*	0.62 %	Poverty Rate*	29.4 %
Median Household Income*	\$ 31,574	Percent Unemployment*	7.2 %
Property Valuation per Capita*	\$ 89,765		

*Provide information related to the specific project type (e.g., for drinking water projects, only drinking water information, for wastewater projects, only wastewater information).
*Data for these indicators must come from the data sheets for places and counties.

Water Bill for 5,000 gallons:	\$29.56	Sewer Bill for 5,000 gallons:	\$38.26
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*Use in-town rates only and include most recent rate sheets as supporting documentation in Section 4 of the priority points narrative.

List the percentage of utility bills collected and any rate increases for the past five years.

Year	Percentage of Utility Bills Collected	Rate Increase Percentage
FY 10/11	99.8 %	0.0 %
FY 11/12	99.8 %	0.0 %
FY 12/13	99.8 %	0.0 %
FY 13/14	99.8 %	0.0 %
FY 14/15	99.8 %	4.0 %

6. Project Description
In the space below, please provide a description of the project. Include in this description the project purpose (e.g., to address I/I issues or drinking water contamination issues) and what the project entails (e.g., rehabilitation of 2,000 lf. of sewer, construction of a new well). Include information such as types of equipment to be included, capacity of equipment (if applicable), and estimates of line length.

Number of New Connections Served by Project (if applicable): N/A

This project is an Asset Inventory and Assessment (AIA) of the City of Washington's existing wastewater system. The City's sanitary sewer system consists of approximately 391,000 feet of 6" - 24" gravity mains, thirty-two (32) pumping stations with a network of 4" - 12" individual and common force mains to collect waste flow from approximately 4,900 residential, commercial and institutional customers for delivery to the wastewater treatment plant (WWTP). The City's collection and treatment system also receives raw wastewater flow from the neighboring Town of Chocowinity as well. The Washington WWTP is an advanced tertiary treatment facility with current capacity equal to 3.63 MGD. Highly treated effluent flow is disposed of via surface water discharge to the Tar-Panlico River Basin. Class B residuals are stabilized and disposed of via land application by contract sludge disposal operators.

The City has an assortment of planning, design, construction, operational and maintenance documentation, as well as undocumented operational knowledge, related to the wastewater collection and treatment system. This AIA project will facilitate organization of that information into an Asset Management Plan (AMP) to assist in documenting, prioritizing, and planning for future needs of the system, as well as to preserve institutional knowledge as City staff retire and are replaced.

This AIA project will largely make use of current mapping and identification of system assets. The focus of the AIA will be to perform a criticality assessment of the gravity collection system, pumping stations, force mains, and treatment works; provide a condition assessment of the critical assets; prepare capital and O&M cost estimates for needed repairs/replacement/upgrades; create a priority list of projects; develop a 10-year Capital Improvements Plan for the wastewater system; and prepare an Asset Management Plan as a planning and management tool to assist with annual budgeting, setting water rates, and funding needed repair and replacement projects.

7. Additional Information for Consideration
Please provide additional information about the project in the following space below. The additional information must fit in this space and must be provided in accordance with Supplemental Guidance for the Ranking of Applications & Providing Additional Information for Consideration. Note: This item does not apply to the Drinking Water State Revolving Fund program. See attached narrative responses.

8. Project Budget (for Construction Projects Only)			
Complete the project budget by addressing the categories provided in the table below (insert rows as needed). Total the cost amount for each line, and provide the total cost amount.			
	Division Funding Requested	Other Secured Funding Source(s)	Total Cost Amount
Indicate construction costs by line item (e.g., linear feet of different-sized lines)			
Construction Costs			
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
N/A	N/A	N/A	N/A
Contingency (10% of construction costs):	N/A	N/A	N/A
Construction Subtotal:	N/A	N/A	N/A
Engineering Costs			
Engineering Design	N/A	N/A	N/A
Permitting	N/A	N/A	N/A
Land Surveying Costs	N/A	N/A	N/A
Engineering Subtotal:	N/A	N/A	N/A
Administration Costs			
Planning	N/A	N/A	N/A
Assessment Preparation	N/A	N/A	N/A
Grant Administration (if applicable)	N/A	N/A	N/A
Loan Administration (if applicable)	N/A	N/A	N/A
ER Preparation	N/A	N/A	N/A
Environmental Documentation Preparation	N/A	N/A	N/A
Legal Costs	N/A	N/A	N/A
Other	N/A	N/A	N/A
Administration Subtotal:	N/A	N/A	N/A
TOTAL PROJECT COST:	N/A	N/A	N/A
Please provide a PE Seal for the estimate in the space to the right.		N/A	

Certification by Chief Elected Official/Authorized Representative

Please read each statement and initial in the space to the left.

- The attached statements and exhibits are hereby made part of this application, and the undersigned representatives of the Applicant certifies that the information in this application and the attached statements and exhibits is true, correct, and complete to the best of his/her knowledge and belief. By initialing each item and signature at the end of this application, he/she further certifies that:
1. as Authorized Representative, he/she has been authorized to file this application by formal action of the governing body;
 2. the governing body agrees to provide for proper maintenance and operation of the approved project after its completion;
 3. the Applicant has substantially complied with or will comply with all federal, state, and local laws, rules, and regulations and ordinances as applicable to this project;
 4. the Applicant will adopt and place into effect on or before the completion of the project a schedule of fees and charges which will provide for the adequate and proper operation, maintenance, and administration and repayment of all principle and interest on loans (if applicable) of the project;
 5. the Applicant has followed proper accounting and fiscal reporting procedures, as evidenced by the Applicant's most recent audit report, and that the Applicant is in substantial compliance with provision of the general fiscal control laws of the State;
 6. the project budget provided on Page 5 of this application form includes all funding requested from all sources of funding proposed for this project; and
 7. the (Town or County), North Carolina is organized and chartered under the laws of North Carolina. All officials and employees are aware of, and in full compliance with NCGS 14-234, "Director of public trust contracting for his own benefit, participation in business transaction involving public funds; exemptions." (For units of local government only. All others should initial "N/A.")
 8. the Applicant acknowledges that all loans are subject to approval by the Local Government Commission.
 9. in accordance with G.S. 120-157.1 through 157.9, for local government debt to be issued greater than \$1,000,000, the local government must submit a letter to Committee Chairs, Committee Assistant, and the Fiscal Research Division of the General Assembly at least 45 days prior to presentation before the Local Government Commission.

Completeness Checklist*	
In addition to this application, the following items must be included for complete application package: please initial that each item is included in this submittal.	
	Resolution by Governing Body of Applicant with Certification by Recording Officer (due 6/15/16)
	Fund Transfer Certification
	Applicable Priority Rating System Form with supporting narratives and documentation
	Current Rate Sheets
	Form LGC 108A (all programs except for CDBG-I)
	Form LGC 108C (Wastewater and Drinking Water Projects) or LGC 108D and 108E (Stormwater Projects)
*All forms are available separately on the DWT website.	
For each application, please provide copies that are bound (e.g., report cover with fasteners, plastic report combs, spiral or 3 ring-binders.) No paper clips, staples or binder clasps, for each application.	
Send one (1) original and one (1) copy of the Application and all items above to:	
Mailing Address* (US Postal Service only)	Physical Address (FedEx, UPS):
Division of Water Infrastructure 1633 Mail Service Center Raleigh, NC 27699-1633	Division of Water Infrastructure - 8 th Floor, Archdale Building 512 North Salisbury Street Raleigh, NC 27604 919.707.9160
*Please allow a week for delivery if mailing via the US Postal Service.	
**For all courier services, please use the physical address, as having a courier deliver to the mailing address will delay package delivery.	

Application Signature

Please note: Original signatures are required for each application.


SIGNATURE OF CHIEF ELECTED OFFICIAL/AUTHORIZED REPRESENTATIVE

Mac Hodges, Mayor, 4/25/16
TYPED NAME, TYPED TITLE, DATE

ANY OTHER ITEMS FROM CITY MANAGER:
FIRE ENGINE 3 - #236

Fire Chief, Robbie Rose provided information regarding Engine 3 – vehicle # 236 which is a 1988 model, noting the vehicle did not pass the pump certification inspection. This item was included in the Capital Improvement Plan for replacement in the upcoming budget year. The minimum cost to tear down and repair the pumps was estimated at \$12,000 pending the conditions of everything else inside the pump. The Department of Insurance – Fire Rating Section stated it the fire engine doesn't pass the pump test it has to be removed from service. This leaves us without a truck. The fleet size needs to be maintained according to the Dept. of Insurance. We would like to go through the same

process we went through about six months ago by sending out request for proposals to approximately seven fire truck vendors to find a demo model or factory owned truck.

Councilmember Mercer inquired as to the length of time to repair the pumps. Chief Rose noted 1-2 weeks, but explained the engine doesn't really meet any current standards, which is why it was included in the CIP for replacement in the upcoming budget. If we purchase a demo/factory model we can save approximately 10%. Mr. Roberson explained that if we remain one engine down, this would affect our fire rating/classification rating. Chief Rose noted that we currently have mutual aid agreements with surrounding volunteer fire departments

Councilmember Mercer asked why not repair this engine and keep it in reserve and purchase a new engine. Chief Rose explained that process would increase our fleet, the 1988 engine would become surplus once the replacement engine was purchased.

Councilmember Pitt inquired about the current value of 1988 engine and Chief Rose noted he was unsure of the value.

Councilmember Beeman asked if we would still have to repair the truck to keep it in service until the replacement engine was found in order to maintain our current fire rating. Chief Rose explained we would not need to repair this engine, we could maintain fire coverage with the automatic mutual aid agreement with the surrounding volunteer fire departments.

Councilmember Brooks noted this truck has been pushed back before and it is time to replace the engine. We need to get the new truck or demo/factory model and let the old truck go.

Chief Rose explained that staff is looking at a demo/factory model as this will be a 3-4 month process. He does not recommend rebuilding the pumps on a 1988 fire engine. Chief Rose stated that his department is highly satisfied with the factory model fire engine they recently received.

Chief Rose said the automatic mutual aid agreement doesn't cost us anything and helps us protect/improve our fire rating. Our current rating is a 5 out of 10.

By motion of Councilmember Brooks, seconded by Mayor Pro tem Finnerty, Council granted Chief Rose the authority to go ahead and look for a new or demo/factory model fire truck to fit the needs of the City. Motion carried 4-1 with Councilmember Mercer opposing.

Chief Rose will send out proposals for demo/factory model like last time.

Councilmember Mercer and Councilmember Beeman would prefer a new truck.

415 W. 2ND STREET

City Manager, Bobby Roberson explained that the City has obtained ownership of 415 W. 2nd Street - former A&B tax office. He would like to go through the proper procedure to dispose of the structure. We would need a Certificate of Appropriateness from the Historic Preservation Commission in order to remove the house. We will be working through Preservation NC to find a buyer for the structure in order to have it removed from the property. If we do not receive any offers to purchase and move the structure within six months, then we would request to take the property down. Mr. Roberson explained this would allow for additional parking at the library. By consensus, Council authorized Mr. Roberson to move forward with the disposition of 415 W. 2nd Street.

ANY OTHER BUSINESS FROM THE MAYOR OR OTHER MEMBERS OF COUNCIL:

Councilmember Pitt provided updates from the latest League of Municipalities Board of Directors meeting. Items recently discussed were as follows:

- House Bill 2
- Police Body Camera – how long to maintain recording
- Municipal service districts
- Stormwater control
- Drinking water standards
- Billboards
- Budget amendments

- Modification of tier system

**CLOSED SESSION: UNDER NCGS § 143-318.11(A)(3) ATTORNEY/CLIENT PRIVILEGE;
(A)(5) POTENTIAL LAND ACQUISITION AND (A)(6) PERSONNEL**

By motion of Councilmember Pitt, seconded by Councilmember Beeman, Council entered into closed session under NCGS § 143-318.11 (A)(3) Attorney/Client Privilege; (A)(5) Potential Land Acquisition for the property located at 411 W. 2nd Street owned by William Ellis Thompson and listed by the Rich Company and (A)(6) Personnel at 6:15pm.

By motion of Councilmember Brooks, seconded by Councilmember Beeman, Council agreed to come out of closed session at 7:00pm.

Budget Discussion – General Fund

Pg. 16 – Councilmember Beeman - Question regarding \$5 credit card charge – *payments made by phone*

Pg. 17 – Councilmember Brooks - Question regarding the increase in Economic Development. *Civic Center and Airport subsidy moved to Economic Development*

Pg. 19 – Councilmember Brooks – Question regarding clawback for Keyslanding. *\$50,000 credit per home occupied by qualified LMI – we will not have to make another payment as two homes were recently occupied by LMI*

Councilmember Brooks inquired about the Dectron unit for the pool. Mr. Roberson noted the Dectron unit was not included in the budget. Mr. Roberson said that Council needs to make a decision about the future of the pool. Councilmember Beeman noted that we own the facility and we need to keep it functional.

2017 Budget Summary				Significant Budget Items	
	Mgr Budget		Net	\$	Description
	Revenue	Expense			
General Fund	15,104,301	15,104,301			
Enterprise Funds:	3,158,780	3,158,780	0		
Water				31,436	Down town beautifaction person, funded with façade grant and Retail Strategies elimination
Water cap reserve	4,000	4,000	0	118,656	Airport subsidy moved to economic development
Sewer	3,269,132	3,269,132	0	77,813	Cemetery subsidy funded with \$1/account from Electric Fund
Sewer cap reserve	10,000	10,000	0		100% pay as you go capital, no new bank financing
Stormwater	894,003	894,003	0	40,000	BC E911 FTE payment discontinued
Electric	34,824,386	34,824,386	0	56,403	Legal services reduced from FY 2016 estimate
Airport	692,902	692,902	0	300,000	Excludes Aquatic Center dehumidification system replacement
Sanitation	1,298,036	1,298,036	0	57,335	Civic Center subsidy (subsidy, maintenance, insurance) moved to economic development
Cemetery	307,428	307,428	0		Vehicle replacement fund contribution at full year amount of \$482,766 plus an additional
Total Enterprise Funds	44,458,667	44,458,667	0	713,648	\$230,882 fire engine makeup
Other Funds:	600	600	0	9,823	GF administrative charge added for TDA/Civic Center
LIBRARY TRUST FUND				5,000	Reduced Civic Center subsidy
CEMETERY TRUST FUND	2,000	2,000	0	254,442	Electric transfer to General Fund increased to \$908,723
PUBLIC SAFETY CAPITAL RESERVE	166,970	166,970	0	144,000	City street lights moved to Electric Fund
ECONOMIC DEVELOPMENT CAPITAL RESERVE	328,336	328,336	0		
TRILLIUM PLAY TOGETHER GRANT	284,156	284,156	0		
DOWNTOWN DEVELOPMENT	85,500	85,500	0		
HOTEL PROJECT-NEW AGE PROPERTIES	206,400	206,400	0		
CDBG JOB CREATION IDX	300,000	300,000	0		
RZEDB- STORM WATER PROJECT	5,012,039	5,012,039	0		
IDX IMPRESSIONS EXPANSION	512,500	512,500	0		
CDBG PROGRAM INCOME FUND	5,957	5,957	0		
PEDESTRIAN PLAN GRANT	10,000	10,000	0		
POLICE STATION CAPITAL PROJECT FUND	1,206,854	1,206,854	0		
FINANCIAL SOFTWARE CAPITAL PROJECT FUND	250,000	250,000	0		
AIRPORT TERMINAL GRANT PROJECT	1,254,488	1,254,488	0		
FACADE GRANT PROGRAM FUND	0	0	0		
WAY FINDING	150,000	150,000	0		
AIRPORT REHABILITATION	460,121	460,121	0		
CWSF LOAN	2,000,000	2,000,000	0		
EDA WATER PROJECTS	1,428,262	1,428,262	0		
EDA SEWER PROJECTS	1,423,894	1,423,894	0		
WORKERS COMPENSATION FUND	97,000	97,000	0		
VEHICLE MAINTENANCE FUND	714,648	714,648	0		
FACILITY MAINTENANCE FUND	500	500	0		
Total Other Funds	15,900,225	15,900,225	0		
Grand Total City	75,463,193	75,463,193	0		

\$	Description
73,779	General Fund
7,257	Water Fund
7,055	Sewer Fund
19,680	Electric Fund
519	Airport
4,027	Solid Waste
1,780	Cemetery
114,057	Total
	Health Insurance 5% increase avoidance:
(41,589)	General Fund
(4,074)	Water Fund
(4,338)	Sewer Fund
(9,897)	Electric Fund
(269)	Airport
(3,298)	Solid Waste
(1,238)	Cemetery
(64,703)	Total
	Reserve for future capital expenditures:
23,021	Water
80,000	Storm Water
970,000	Electric
51,634	Solid Waste
	Tax, Rate, & Fee Changes:
	\$.02 property tax increase for Police Station capital project fund, will cover \$2.1 million in de
171,854	service + \$1 million in project fund
	Simplified residential load management credits
23,550	Cemetery lot fee +5%, perpetual care fee to Cemetery Fund instead of trust
15,000	0.5% increase in water rates
62,000	2% increase in sewer rates
	\$.50/rate increase in monthly residential storm water rates, 50% increase in commercial to
257,015	fund capital improvements in addition to debt service

**BUDGET COMMENTS & QUESTIONS - GENERAL FUND
FROM COUNCILMEMBER MERCER**

p. 11 & 12 The property evaluation used is actually lower than last year's evaluation by \$7,638,000. With a 52 cents tax rate, this is equal to \$397,009 (About \$190,000 is due to the 2 cents rate increase).

I believe it is reasonable to assume a small increase in the total property evaluation. If we assume a 0.5% increase, the total evaluation would go up to \$871,241,736, with total revenue of \$4,530,456. This would indicate that one cent of tax rate is approximately \$87,120. When the prior year's taxes and penalties are added the potential revenue is \$4,702,467, but a collection rate of 96.5% will lower this to \$4,537,871.

This would increase potential ad valorem taxes by \$230,747 and I recommend that we use these values in the budget. This amount would significantly reduce the transfer from the Electric Fund and/or reduce the need for an appropriation from the Fund Balance.

	Levy			Appraised Value		
	Property	RMV	Total	Property	RMV	Total
2015						
Levy	3,982,528	379,178	4,361,706	796,505,600	75,835,600	872,341,200
Collections	3,872,318	376,719	4,249,037			
% Collected	97.2%	99.4%	97.4%			
2016 Budget						
Levy	3,999,768	334,768	4,334,536			
Collections	3,799,780	318,029	4,117,809			
% Collected	95.0%	95.0%	95.0%			
2016 Estimate						
Levy	3,937,011	359,333	4,296,344	787,402,200	71,866,600	859,268,800
Collections	3,828,061	357,003	4,185,063	3,918,240	net levy 3/31/16	
% Collected	97.2%	99.4%	97.4%	783,648,000		
2017 Budget						
Levy	3,937,011	359,333	4,296,344	787,402,200	71,866,600	859,268,800
Collections	3,779,531	355,740	4,135,270			
% Collected	96.0%	99.0%	96.3%			
2017 Estimate						
Levy	3,918,240	372,448	4,290,688	783,648,000	74,489,660	858,137,660
Collections	3,761,510	368,724	4,130,234			
% Collected	96.0%	99.0%	96.3%			

P13. Why do we include \$400 for Privilege License, when we have no fee schedule?
Taxi cab license

-
- P14. Did the value of the Electric Fund properties with the City limits increase by 3%, thereby increasing the Payment in Lieu of Taxes by 3%.
Yes, based on gross asset value in 2015 CAFR (staff will double-check calculations)
- P17. Five years ago, the sitting Council set a goal of reducing the transfer from the Electric Fund each year. We did this for three years and had reduced the transfer to about \$470,000. Last year we increased the transfer and are proposing an additional increase this year, so that the transfer proposed is \$908,723.
When you consider the other monies from the Electric Fund (\$1,844,184) impacting the General Fund, the total is \$2,752,907.
This Council needs to decide if the Electric Fund is to again become our Money Tree or are we going to operate the Electric system in a way to reduce electric rates to our customers or continue to dodge the concept of cutting cost or raising tax rates.
- P25. Street Lighting is transferred to the Electric Dept. I feel this is where it should be, but this is part of the \$1.8 million impact.
- Human Resources
- P37. Why is the copier charged to the Human Resources Dept., when it is used by everyone? Why not charge to the Managers Office?
HR now has their own multi-function copier.
- Finance
- P41. Why do we pay Civic Club dues (\$680) for Finance Officer, when we do not appear to pay dues for any other Dept. Head?
CFO is a member of the Rotary Club to represent the City.
- Warehouse
- P43. Why do we provide uniforms for only one of the two employees?
Purchasing agent does not wear a uniform.
- P49. *Mayor Pro tem Finnerty suggested holding a promotion drive for electronic billing in order to save on printing and postage.*
- Customer Services
- P51. Eight phones for 6.5 people.
6.5 fulltime, 1 part time, phones at each counter (3) and in mail room (1)
- Police
- P80. Do we have a substation or is this an office?
Substation lease from the Washington Housing Authority, \$2,000 telephones and \$3,000 utilities.
- P82. Will the requested tower replace the need for rent on an existing tower where rent has increased? *Yes.*
- Fire
- P83. & 93. We really need to show a split between Fire and EMS staff that is more realistic. This 75-25 split is going to bite us if we are not careful. Understand it may affect Medicaid collections from State, but how much longer are we going to get these monies?
Split is based on call volume and is accepted by DHHS for the annual EMS Medicaid cost reimbursement.
- Streets
- P104. Nine vehicles for 7.5 people.
The vehicles listed in the justifications in this fund are not all passenger vehicles some equipment numbers are construction equipment. Listed below are descriptions: 450 – No longer exists , 452 ¾ TN Truck driven by Street Supervisor, 454, 455, 456- 2 TN Dump trucks used for material handling. 461-Motorgrader, 463-Loader, 464-Asphalt roller, 465-10 Wheel Dump truck, 4053 – Paint stripping machine.

Library

P114. Are we required to pay any dues to participate in NC Cardinal? Are we better off to leave Cardinal, so that we may increase fees for non-resident users?
No dues or maintenance for the first two years. Saves approximately \$18,000 per year.

Rec Admin

P117. Why do we purchase WDN for senior Center?
For Recreation administrative staff then circulated to Senior center.

Events

P121. What is \$10,000 for fireworks? I thought this was donation by Lee Chevrolet.
Lee Chevrolet paid for the event several years ago when the fireworks were not included in the budget. They support other advertising and support through the WHDA.

Senior

P124. Request for \$7500 for shuffleboard court. Thought we had a grant to cover this or we were to use grant for another purpose.
\$1,500 BCHD grant. Amount will be reduced to \$6,000 to reflect grant funding.

P126. Why replace this van? When Rec. Dept. schedules a trip requiring a van, rent and require participants to cover rental cost.
Replacement of van was removed from the vehicle replacement fund (fund 86), replacement cost contribution was not eliminated and should be if the transportation needs will be outsourced when the current vehicle is retired from service. Van will not be replaced at the end of useful life.

Docks

P124. Why do we need \$20,000 of improvements to the Dockmasters station when is only a year old?
Replace building for golf cart & drink machine storage. City Manager will review cost. Building was originally designed to be a gazebo with benches and a drive in area at the rear for golf cart as well as drink machine - in keeping with the design of the lighthouse. Mr. Roberson stated the plan was approved several years ago by City Council – design by Susan Suggs.

We put a PC in the Dockmasters office last year, why does he need a tablet?
For onsite credit card payment for dock services.

Pool

P131. Three phones for one full time employee.
Dedicated 911 phone as required by the Health Department and front desk rollover line and supervisor phone.

Mayor Pro tem Finnerty inquired about Marketing & Promotions for the Aquatic Center.
Kristi Roberson explained the website is in the process of being designed. Parks and Rec. currently has the movie license for showing movies for the Senior Center and Summer Programs.

P132. Move replacement equipment from Equipment Repairs to Non-Capital purchases.
\$1,650 heater in women's restroom, \$1,300 free weights, & \$1,200 lifeguard chair can be moved as suggested.

Grounds

P138. Need much more detail about the proposed sidewalks at the McConnell complex. CIP suggest requested by Council, this needs further clarification.
\$56,000 is ½ of estimate provided by Rivers & Associates to purchase material. Public works staff will provide the labor for the planned improvements.

Councilmember Mercer suggested cutting the \$56,000 from the budget. Councilmembers Beeman, Finnerty and Brooks requested to leave the \$56,000 in the budget. Discussion was held regarding ADA compliance. Mr. Roberson explained that Rivers & Associates delivered a plan showing where the concrete sidewalks should be installed as well as the cost. Kristi Roberson explained that Councilmember Beeman requested the Parks and Recreation Dept. pursue a sidewalk project at the sports complex for access to the dugouts and the bleachers.

Beebe Park bathroom should only be funded after we have a complete plan for expansion of this area. Cannot continue to do piecemeal based on what someone suggests today and then have it change tomorrow.

Beebe Park committee supports locating the restroom facility on the memorial park property. Mr. Roberson said he spoke with William O'Pharrow and Mr. O'Pharrow would like to have the restroom located on Beebe Park and not on the school property. Kristi Roberson noted that a plan has already been formulated and the committee wanted restrooms and playground equipment. A joint use agreement was entered with the City and the Board of Education for use of the Ed Tech property. The grant will not fund the restrooms and the granting agency is requesting the City fund them and the Beebe Park committee was in agreement with that concept. Councilmember Mercer expressed concern if the restrooms were not installed on City property. Councilmember Brooks noted that the sewer lines are more accessible on the Ed Tech property for restrooms. Councilmember Brooks agreed that the Beebe Park committee will need to meet with the Recreation Advisory Board to finalize plans for the park.

Maintenance Shop not in CIP. (\$30,000) Didn't we just build storage building on Airport property?

\$45,000 was included in the 2017 CIP under Recreation B&G.

Recess at 8:15pm-8:25pm

Additional questions & comments regarding General Fund:

- Discussion was held regarding Ad valorem taxes – increase collections by 1% and increase valuation by .5% total increase of \$61,688.
- Promote electronic billing to save postage and printing
- Check calculation for payment in lieu for electric fund assets
- Dectron unit - \$500,000 in building maintenance fund – could be used for Dectron unit if needed (pg. 315) Discussion continued regarding the Dectron unit.
- Reduce shuffleboard court appropriation from \$7,500 to \$6,000
- Remove \$5,567 appropriation to vehicle replacement fund since Parks and Rec. vehicle will not be replaced.
- Review cost for gazebo/golf cart building near dock masters station
- Reclassify equipment being purchased at aquatics center to non-capital
- Rivers & Associates – ADA report to Council with NCGS and ADA claim in Elizabeth City
- Beebe Park committee meet with Recreation Advisory Committee for consensus on Beebe Park plan
- Kate B. Reynolds grant status

Councilmember Mercer discussed the request for a 1% COLA. He suggested ½% COLA increase instead. Mr. Roberson reviewed that the average COLA for populations of 5,000-9,999 is 1.43%. COLA increase for populations of 10,000-24,999 is 1.1%. This information was received from the NC League of Municipalities and Mr. Roberson noted we need to be consistent with municipalities in our category/size. Councilmember Brooks requested the 1% COLA stay in the budget – Councilmember Beeman and Mayor Pro tem Finnerty agreed.

Councilmember Mercer reviewed the salary schedule compiled by NCLM and he noted that our sanitation workers are among the lowest paid in 30+ cities on his comparison list. He suggested raising the pay grade for sanitation workers by one pay grade. By consensus, Council was in agreement with the reclassification of the sanitation workers. Councilmember Pitt noted that we need the salary study, but we also need to make sure we are able to pay for the implementation of the plan.

Mr. Roberson explained that our entire payroll classification system needs to be reviewed as it hasn't been studied since 2008. Council will need to determine how to pay for the study as well as implement the plan. Mr. Roberson explained that we need to look at the staying capabilities of our employees.

Councilmember Brooks inquired why some of the outside agencies show zero funding. Mr. Roberson explained those agencies were moved into the economic development portion of the budget (pg. 139).

Councilmember Brooks inquired about the budgeted amount for legal fees of \$140,000 (pg. 71). Mr. Roberson explained that during the May 9th meeting he will bring forth a contract for the City Attorney that addresses everything that the Council has previously discussed. The \$140,000 will be adjusted.

Mr. Roberson explained that Tuesday, Council will discuss Enterprise Funds after the expansion budget.

ADJOURN

By motion of Councilmember Brooks, seconded by Councilmember Beeman, Council adjourned the meeting at 9:00pm until Tuesday, April 26, 2016 at 5:30pm in the Council Chambers at the Municipal Building.

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