

The Washington City Council met in a continued session on Monday, November 28, 2011 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; Gil Davis, Councilman; Bobby Roberson, Mayor Pro tem; Josh Kay, City Manager; Cynthia Bennett, City Clerk and Franz Holscher, City Attorney.

Also present were: Robbie Rose, Fire Chief; Allen Lewis, Public Works Director; John Rodman, Planning Director; Keith Hardt, Electric Director and Mike Voss, of the Washington Daily News.

Mayor Jennings called the meeting to order and Mayor Pro tem Roberson delivered the invocation.

APPROVAL/AMENDMENTS TO AGENDA

City Manager, Josh Kay suggested the following amendments to the agenda:

1. Add purchase order > \$20,000 for EMA Resources in the amount of \$85,000 for land application of residual sludge
2. Remove item #5 Authorize & Approve - Authorize City Manager To Execute Professional Services Agreement With Rivers And Associates, Inc. For 16" Parallel Water Line From The Water Treatment Plant To Us 264 And Approve Corresponding Purchase Order -\$125,000
3. Remove item #6 Closed Session

Councilman Mercer suggested the following amendment to the agenda:

1. Add a brief discussion of Carter Leary's request regarding the removal and refurbishing of military items from Oakdale Cemetery & City Hall and returning them to Veteran's Park

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

LANDEX'S JUDY SIEGEL – HOTEL LOUISE/BELK BUILDING SENIOR LIVING PROJECT PRESENTATION

Landex's Judy Siegel explained the proposal of converting the Hotel Louise & Belk Buildings into senior-living facilities for senior citizens on fixed incomes. David Johnston, Landex stated they have zoning issues regarding parking. Currently, 42 spaces are required by the Zoning Ordinance but they are going to request a variance from the Board of Adjustment and request a lease of 16 spaces from the City to give a total of 33 parking spaces. A van will be provided to transport tenants throughout the town as all of the residents will not have their own vehicle. The rear portion of the Belk building will be removed (2 story windowless box) that was an addition to the building sometime in the 1950's. The remainder of the Belk building and Hotel Louise will be renovated. There will be a computer center, social area along West Main Street and 6(1 bedroom) and 6(two bedroom units) on the first floor. Mr. Johnston proceeded to explain the remainder of the layout of the two buildings explaining that on the 4th floor of the two buildings a connector would be built to join the two buildings or allow connectivity from the 4th floor to both buildings. The roof will have a terrace on the Belk building to allow a beautiful view of the waterfront.

The proposed project calls for converting the downtown buildings into 35 one-bedroom apartments and 24 two-bedroom apartments. The project would provide housing for people at least 62 years old who have a fixed income of around \$25,000 or less annually, according to the presentation. Ms. Siegel explained that the project has an estimated price tag of nearly \$10 million and that in order for them to receive any tax credits, the city would have to initiate the application process. "Yes, we are looking for the city to participate," Ms. Siegel replied to a question by Mayor Archie Jennings. She noted that Landex is prepared to provide about \$8.5 million toward the project's financing. The city's participation would include help finding funding sources for the remaining \$1.5 million (approximate) needed to build the project, with that funding possibly coming from sources such as grants and/or city dollars. The very first step is to find out whether the elected officials are comfortable with this going forward. We would work with your staff to see whether we can put those pieces of the puzzle together.

Councilman Mercer stated regardless of the amount needed, Landex will need a commitment from the city that we're either going to apply for a (Community Development Block Grant) or something to get that amount of money.

Councilman Mercer also expressed concerns about the city having enough time to review details of the proposed project before a January 13, 2012, deadline for submitting an application regarding the project to state officials. If that deadline is missed, Landex would have to wait until January 2014 to submit an application, Ms. Siegel said. Construction could begin in the spring of 2013 and would be a 12 month project.

Councilman Davis said we should "explore our options" in regard to the project. He and other council members said additional information about the project is needed to determine its viability.

Council would like more details, especially about financing, before deciding whether to support the project or not. The City Manager was directed to obtain further information and report back to Council.

Total development costs @\$9,713,000

Estimated sources of funds:

First mortgage of @\$ 287,000

Private equity from the sale of Historic Tax Credits @\$1,800,000

Private equity from LIHTC @\$6,200,000

GAP @ \$1,426,000

State requirements

City must have initiated the project

City must have invested in the area

City must strongly support the project

TYRONNE WILSON – ABA BASKETBALL PRESENTATION

Tyronne Wilson, East Carolina Trojans of the American Basketball Association explained, three ABA games have been played to date. The games have been very successful, although very costly. He is contacting local businesses for sponsorship of the games. Mr. Wilson voiced concern over the cost of the gym rental at Washington High School as well as the cost of having police officers at the game. Mayor Jennings advised Mr. Wilson that the City does not have any control over the cost of the gym rental, that would be need to be addressed by the school board. Mr. Wilson is seeking the city's support, including funding, in bringing the Trojans to Washington. Mayor Jennings asked if Mr. Wilson's idea was to get the team established and then go play the games in Greenville. Mr. Wilson stated he would love to keep the team in Washington, but it is very costly and there aren't enough sponsors in Washington to support the events. One company in Greenville could probably support all of the games for the entire year. Mayor Jennings thanked Mr. Wilson for the update and advised him to keep working with the City Manager for his specific needs.

*6:55pm - Extension of meeting: By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council extended the meeting until 8:00pm.

RECESS until 7:00pm

APPROVE – PURCHASE ORDERS > \$20,000

- Requisition #10471: Burney & Burney Construction Co. Of Greenville, NC For \$50,373.50 Keys Landing Phase I Washington Keys Landing Subdivision, Phase 1 Street & Utility Improvements(Previous Purchase Orders Were For Utility Improvements, Not Street Improvements)
- Requisition #10492: EMA Resources of Mocksville, NC for \$85,000 for land application of residuals sludge (\$93,000 was budgeted, this will conclude the 5th year with the contractor and staff is in the preliminary stages of requesting proposals for the future)

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council approved the purchase orders as presented for Burney & Burney Construction (\$50,373.50) and EMA Resources (\$85,000).

**ADOPT – RESOLUTION TO CONVEY SURPLUS REAL PROPERTY LOCATED
AT 126 N. MARKET STREET**

Josh Kay, City Manager explained that during the regular scheduled meeting of the City Council, which was held on November 14, 2011, an offer to Purchase and Contract for Old City Hall was received from Laura Darré and Kathryn Pisciotta collectively d/b/a The Snug Harbor Team in the amount of \$25,000. During that meeting a resolution was adopted to begin the upset bid process to dispose of the property located at 126 N. Market Street. The original offer of \$25,000 was advertised for 10 days as required by the upset bid process. After the 10 day cycle was concluded, no other bids were submitted. The recommendation of staff is to accept the offer in the amount of \$25,000 and adopt a resolution authorizing the Mayor to sign all the necessary legal documents to convey the surplus property to Laura Darré and Kathryn Pisciotta collectively d/b/a The Snug Harbor Team.

Mayor Pro tem Roberson inquired if Beaufort County had given approval of this offer? Mr. Kay stated that the County Manager has given verbal approval of the offer on behalf of the Commissioners. Franz Holscher, City Attorney stated that his office will draft a release and have the County execute the release and have it recorded to allow a clear transfer of the property.

By motion of Councilman Mercer, seconded by Councilman Moultrie, Council adopted the Resolution to convey the surplus real property located at 126 N. Market Street to Laura Darré and Kathryn Pisciotta collectively d/b/a The Snug Harbor Team for \$25,000 and authorize the Mayor to sign all the necessary legal documents to convey the surplus property.

**RESOLUTION STATING THE INTENT OF THE CITY OF WASHINGTON
TO CONVEY SURPLUS REAL PROPERTY LOCATED
AT 126 NORTH MARKET STREET**

WHEREAS, the City of Washington has declared the real property having an address of 126 North Market Street to be surplus to the needs of the City.

WHEREAS, the upset bid procedure for selling real property, as outlined and set forth in North Carolina General Statute § 160A-269, has been followed.

WHEREAS, the required notices for the upset bid process were advertised in the Washington Daily News. The notices described the property, set out the amount and terms of the original offer as well as any subsequent offers, and specified the requirements for submission of a qualifying upset bid and any subsequent qualifying upset bids.

WHEREAS, the upset bid process having concluded, the final, highest qualifying bid (offer) is now being reported to City Council for their consideration.

NOW THEREFORE BE IT RESOLVED: The final, highest qualifying bid (offer) in the amount of \$25,000 is accepted by the City of Washington and the appropriate officials are hereby authorized to execute all the legal documents necessary to convey the property located at 126 North Market Street to Laura Darré and Kathryn Pisciotta collectively d/b/a The Snug Harbor Team consistent with the terms of the Offer to Purchase and Contract between the parties.

Adopted this the 28th day of November, 2011

s/Cynthia S. Bennett
City Clerk

s/N. Archie Jennings, III
Mayor

EYE INTEGRATED - BRANDING PRESENTATION

Josh Kay, City Manager reviewed the history of this project stating that several community partners (WTDA, WHDA, the City and Chamber) have been working for approximately a year to develop a comprehensive brand. Each partner was asked to invest \$2,000 in the project. The committee selected the services of Eye Integrated Communications in Greenville to conduct the research needed for brand development. Eye Integrated Communications is presently the agency responsible for WTDA's marketing/advertising campaign.

Bill Roberts, Eye Integrated stated that a community event was held in September with approximately 25 members participating. The presentation was aired on Cable 9 and Facebook to allow

for public comment. The development of a community brand will allow the city and other partner organizations to have one common theme in its efforts to promote the city to businesses, residents and visitors, according to the committee. The overall consensus was the brand of "Little Washington" is Washington big enough to be "Little". Advertising efforts such as: "Have a Little fun in Washington", "Live a Little in Washington", "Enjoy a Little sun in Washington", "Do a Little business in Washington", and "Expect big things in Little Washington". The brand is who you are. Mr. Roberts stated that outside of Washington, "Little Washington" is very much embraced, while some inside Washington do not embrace that title.

Lynn Lewis, TDA Director stated the designs will be on display and located at the Visitor's Center to allow for public review and comments. An update will be given to Council during the January Committee of the Whole meeting. Councilman Davis stated he has heard comments and displeasure with the term "Little Washington" and fears residents will be offended and the public prefers "The Original Washington". Councilman Moultrie stated he like "Original Washington" better than "Little Washington". Mayor Pro tem Roberson stated that if you go outside of Washington, then we are referred to as "Little Washington".

ADOPT – RESOLUTION FIXING DATE FOR PUBLIC HEARING FOR THE NON-CONTIGUOUS ANNEXATION OF THE BODDIE-NOELL PROPERTY

City Manager, Josh Kay explained that when an annexation petition is received, the City Council must direct the Clerk to investigate the sufficiency of the petition. Upon making an investigation, the Clerk shall certify the results to the governing body. Upon receipt of the Clerk's certificate, the City Council shall fix a date for a public hearing on the annexation. Notice of the public hearing must be published once in the newspaper at least ten (10) days before the date of the hearing. On November 14, 2011 City Council adopted a resolution directing the Clerk to investigate the petition presented for a non-contiguous annexation.

Councilman Mercer requested a cost/benefit analysis of all future non-contiguous annexations.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council adopted the resolution fixing the date for a public hearing on January 9, 2012 on the non-contiguous annexation of the Boddie-Noell property located on US Hwy 264 and containing 2.55 acres.

RESOLUTION FIXING DATE OF PUBLIC HEARING ON QUESTION OF ANNEXATION PURSUANT TO G.S. 160A-31

WHEREAS, a petition requesting annexation of the non-contiguous area described herein has been received; and

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

WHEREAS, certification by the City Clerk as the sufficiency of the petition has been made;

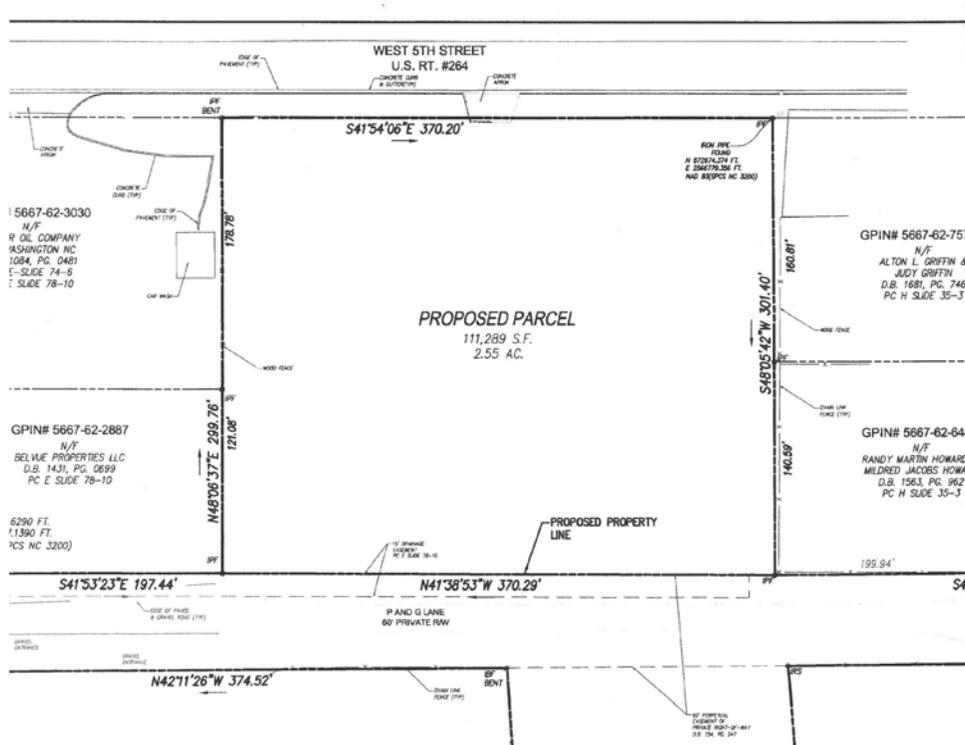
NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Washington, North Carolina that:

- Section 1. A public hearing on the question of annexation of the non-contiguous area described herein will be held at the City Council Chambers on the 2 floor of the municipal building located at 102 East 2nd Street at 6:00 p.m. on Monday, January 9, 2012.
- Section 2. The area proposed for annexation is described as follows:
Being 2.55 acres of the 5.14 acre tract of land noted on the survey "Boddie Noell Enterprises, Inc." by AES Consulting Engineers dated September 14, 2011 and being located in Washington Township, Beaufort County North Carolina and being more particularly described as follows;
See Attached Map
Together with and subject to covenants, easements and restrictions of record. Said property to be annexed contains 2.55 acres.

Section 3. Notice of the public hearing shall be published once in the Washington Daily News, a newspaper having general circulation in the City of Washington, at least ten (10) days prior to the date of the public hearing.

s/Cynthia S. Bennett
City Clerk

s/N. Archie Jennings, III
Mayor



CARTER LEARY’S REQUEST REGARDING VETERAN’S PARK

Councilman Mercer discussed the request made by Mr. Carter Leary during an earlier Council meeting for the removal and refurbishing of military items from Oakdale Cemetery & City Hall and returning them to Veteran’s Park. Councilman Mercer stated we need a master plan for Veteran’s Park. Council directed staff to oversee this project and allowed Mr. Leary to remove the mortars and refurbish them and place them at Veteran’s Park.

AUTHORIZE & APPROVE - AUTHORIZE CITY MANAGER TO EXECUTE PROFESSIONAL SERVICES AGREEMENT WITH RIVERS AND ASSOCIATES, INC. FOR 16” PARALLEL WATER LINE FROM THE WATER TREATMENT PLANT TO US 264 AND APPROVE CORRESPONDING PURCHASE ORDER -\$125,000(item removed from agenda)

CLOSED SESSION - UNDER NCGS §143-318.11 (A)(4)ECONOMIC DEVELOPMENT AND NCGS §143-318.11(A)(3) ATTORNEY/CLIENT PRIVILEGE(item removed from agenda)

***Reminder of Christmas Parade to be held in Washington on Saturday, December 3rd at 11:00am and Energy Bonanza on Tuesday, November 29th beginning at 4:00pm at the Civic Center.**

ADJOURN

By motion of Councilman Pitt, seconded by Councilman Davis, Council adjourned the meeting at 7:50pm until December 12, 2011 at 5:30pm in the Council Chambers at the Municipal Building.

Cynthia S. Bennett, CMC
City Clerk