



SEPTEMBER 13, 2010
5:30 PM

Opening of Meeting

Nondenominational Invocation

Roll Call

Approval of Minutes from July 26th, August 9th and August 23, 2010 **(page 4)**

Approval/Amendments to Agenda

PRESENTATION OF FINANCE AWARD

I. Consent Agenda:

- A. Declare Surplus/Authorize – Sale of vehicle and equipment through electronic auction using GovDeals **(page 69)**

II. Comments from the Public:

III. Public Hearing on Zoning: **6:00 PM**

- A. Adopt – Annexation ordinance to extend City of Washington corporate limits for contiguous property owned by Wheatfield Subdivision**(page 70)**
- B. Adopt - Ordinance to renew temporary moratorium on expansion or establishment of Electronic Gaming Operations(Internet Sweepstakes) within the City of Washington's jurisdiction for a period of 3 months (90 days) **(page 76)**

IV. Public Hearing – Other:

- A. None

V. Scheduled Public Appearances:

- A. John White – Small claim against City
- B. William Conner – 15th Street basketball courts
- C. Gary Ceres - Proposal for general craft/farmer's market on Ayers Lane Alley **(page 79)**



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- D. Roger Warner –Utilities adjustment request **(page82)**
- E. Antromeed Johnson – Utility Rates
- VI. Correspondence and Special Reports:
 - A. Discussion – Municipal Agreement with NCDOT, US Hwy 17 improvements **(page 83)**
- VII. Reports from Boards, Commissions and Committees:
 - A. Human Relations Council**(page 96)**
 - B. Washington Harbor District Alliance **(page 97)**
 - C. Financial Reports (as available)
 - 1. General
 - 2. Enterprise Funds
- VIII. Appointments:
 - A. Appointments – Various Boards, Commissions and Committees **(page 98)**
- IX. Old Business:
 - A. Authorize – City Manager to enter into an additional 90 day lease extension with Impressions Marketing Group, Inc. **(page 111)**
 - B. Memo – Purchase of recycling roll-out carts **(page113)**
 - C. Accept – PARTF Grant, Authorize and Ratify the City Manager signing contract **and** Adopt Grant Project Budget Ordinance in the amount of \$295,125. **(page114)**
 - D. Memo – Boating Infrastructure Grant Program (BIGP) 2011 Update **(page127)**
 - E. Memo - Pets on the boardwalk – Moss Landing Marina request **(page128)**



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- F. Discussion –Letter from Will Mayo, Attorney for First Presbyterian Church **(page129)**
- G. Adopt – Budget Ordinance for reallocation of Property, Casualty, & Liability Insurance Cost **(page 130)**
- H. Adopt – Budget Ordinance amendment for outstanding purchase orders from FY 09/10 (\$4,395,841) **(page133)**
- X. New Business:
- A. Adopt – Ordinance to amend Chapter 18, Section 18-123, Designated Prohibited Parking Areas **(page142)**
- B. Authorize – City Manager to execute **and** submit Water Shortage Response Plan **(page144)**
- C. Authorize – City Manager to enter into a Lease Agreement with Fortescue Investment Group, LLC to lease the parking lot located at 114 East 2nd Street.**(page151)**
- D. Adopt – Resolution authorizing the advertisement of an offer to purchase certain property located at 507 West Second Street **(page157)**
- E. Approve – FY09 CDBG Housing Development Program - WHI - Legally Binding Commitment **(page 162)**
- XI. Any Other Items From City Manager:
- A. None
- XII. Any Other Business from the Mayor or Other Members of Council
- A. None
- XIII. Closed Session – Under NCGS 143-318.11(a)(3) Attorney Client Privilege: James Tripp vs. City of Washington 09-CVS-1298; City of Washington vs. Ann F. Meredith, et.al 08-CVS-105.
- XIV. Adjourn - Until Monday, September 27, 2010 at 5:30 pm, in the Council Chambers at the Municipal Building.

**CITY COUNCIL MINUTES
WASHINGTON, NORTH CAROLINA**

JULY 26, 2010

The Washington City Council met in a regular session on Monday, July 26, 2010 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; Jim Smith, City Manager; Cynthia Bennett, City Clerk and Franz Holscher, City Attorney.

Also present were: Matt Rauschenbach, Chief Financial Officer; Robbie Rose, Fire Chief; Frankie Buck, Assistant Public Works Director; John Rodman, Planning Director; Keith Hardt, Electric Director; David Carraway, Information Technology; Gloria Moore, Library Director; Philip Mobley, Parks & Recreation Director; Mick Reed, Police Chief; and Mike Voss, of the Washington Daily News.

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

APPROVAL OF MINUTES

Councilman Mercer requested that an amendment be made to the June 21, 2010 minutes on page 2, paragraph 4 to include the statement “ the additional 1½ cents specific to the public safety capital reserve fund”, the motion will read as follows: (begin motion) By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council adopted the user fee schedule included in the appendix of the budget, set 2010 Advalorem Tax rate at \$0.50 per \$100.00 value which represents a revenue neutral rate of \$.4856 and an additional amount (clarification: “the additional 1½ cents specific to the public safety capital reserve fund”) for public facilities, and adopted Budget Ordinance for Fiscal Year 2010-2011 by 4-1 vote. Councilman Mercer opposed.(end motion)

Councilman Mercer also asked staff to make sure the corrections had been made to the fee schedule regarding the electric deposit fee language.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council unanimously approved the minutes of May 24, June 1, June 14, 2010 as presented, and June 21, 2010 as amended.

PRESENTATIONS:

Ms. Beth Batchelor – Washington Daily News Athlete of the Year

Ms. Hanna Copeland, Ms. Janella Thompson, Ms. Kiara Smith and Ms. Crystal Martinez – Award Winning Public Service Announcement for Stormwater Project

Gratitude to Lee Chevrolet – Donation Fire Works Display

Honoring Mr. Linley Gibbs - Dedicated Member of the Washington Tourism Development Authority

NC Department of Labor Safety Awards and Electricities Safety Award: Electric Department, Fire Department and Public Works Department

APPROVAL/AMENDMENTS TO AGENDA

Mayor Pro tem Roberson suggested placing a 9:30pm time assessment on the agenda to determine if any remaining items should be continued to another meeting. Councilman Mercer requested Item F: Authorize – City Manager to Refund Ms. Sina Thurman Sewer Charges Beyond that Allowed by City Code (\$703.51); be moved to New Business as Item J. Mayor Jennings noted, the closed session topics will be continued until August 9th due to the length of the agenda, at that time a discussion regarding personnel will be held along with approving closed session minutes.

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

CONSENT AGENDA:

By motion of Councilman Mercer, seconded by Councilman Pitt, Council approved the Consent Agenda as amended.

A. ADOPT – ADMINISTRATIVE GUIDELINES AND PROGRAM POLICIES FOR THE CITY’S FY09 CDBG – HD PROGRAM

1. Financial Management Resolution	6. Policy Prohibiting Use of Force
2. Citizen Participation Plan	7. Legally Binding Commitment
3. Local Economic Benefit for LMI persons	8. Floodplain Certification
4. Equal Employment & Procurement Policy	9. Release of Funding Conditions
5. Policy Concerning Code of Conduct	10. Implementation Schedule

B. REPORTING – REALLOCATION OF FUNDING 2009/2010 BUDGET – GENERAL FUND, WATER FUND, SEWER FUND, STORM WATER FUND, ELECTRIC FUND, AND AIRPORT FUND

<p>General Fund:</p> <ul style="list-style-type: none"> -Decreased Miscellaneous \$41,629 -Decreased Economic Development \$9,375 -Decreased EMS \$52,175 -Increased Mayor \$940 -Increased Human Resources \$1,650 -Increased Finance \$2,660 -Increased Billing \$12,680 -Increased Customer Service \$8,142 -Increased Outside Agencies \$1,100 -Increased Legal Services \$29,000 -Increased Municipal Building \$8,280 -Increased Code Enforcement/Inspections \$7,025 -Increased Street Maintenance \$9,926 -Increased Street Lighting \$2,000 -Increased Public Works Director \$2,380 -Increased Brown Library \$4,532 -Increased Recreation Administration \$5,929 -Increased Events & Facilities \$6,585 -Increased Civic Center \$350 	<p>Sewer Fund:</p> <ul style="list-style-type: none"> -Decreased Wastewater Treatment Plant \$1,510 -Increased Public Works Director \$1,510 <p>Water Fund:</p> <ul style="list-style-type: none"> -Decreased Water Treatment \$8,755 -Increased Public Works Director \$1,385 -Increased Water Construction \$7,370 <p>Storm Water Fund:</p> <ul style="list-style-type: none"> -Decrease Contingency \$5,275 -Increase Administration and Operations \$5,275 <p>Warren Field Airport Fund:</p> <ul style="list-style-type: none"> -Increased Airport Operations \$14,590 -Decreased Airport Contingency \$14,590 <p>Electric Fund:</p> <ul style="list-style-type: none"> -Decreased Power Line Construction \$105,460 -Increased Misc. Non-Departmental \$7,310 -Increased Utility Communications \$28,650 -Increased Purchase Power \$69,500
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**C. ACCEPT – DONATION FROM LEE CHEVROLET BUICK AND ADOPT BUDGET
ORDINANCE AMENDMENT FOR THE DONATION (\$10,000)
AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2009-2010**

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

Section 1. That account number 10-40-3612-4802, Recreation Fees Special Events portion of the General Fund revenue budget, be increased in the amount of \$10,000.

Section 2. That account number 10-40-6121-3403, Special Events portion of the General Fund appropriations budget, be increased in the amount of \$10,000.

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 26th day of July, 2010

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

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

**D. ADOPT – BUDGET ORDINANCE AMENDMENT FOR SEWER IMPROVEMENTS
ALONG PENNSYLVANIA AVENUE (\$15,000)
AN ORDINANCE TO AMEND THE PROJECT ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2009-2010**

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

Section 1. That the Construction portion of the CDBG Grant Fund Pennsylvania Avenue Sewer Extension project be decreased in the amount of \$15,000, account number 71-90-8000-4500.

Section 2. That account number 71-90-8000-0405, Engineering portion of the CDBG Grant Fund Pennsylvania Avenue Sewer Extension project be increased in the amount of \$15,000.

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 26th day of July, 2010.

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

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

E. AUTHORIZE – CITY MANAGER TO SIGN RELEASE, HOLD HARMLESS AND INDEMNIFICATION AGREEMENT WITH BRIDGE HARBOR, LLC (FIREWORKS)

RELEASE, HOLD HARMLESS AND INDEMNIFICATION AGREEMENT

WHEREAS, the City of Washington (“City”) has contracted with East Coast Pyrotechnics, Inc. to provide a fireworks show for the public on July 4, 2010;

WHEREAS, the City has requested Bridge Harbor, LLC to allow its property to be used in conjunction with the above; and

WHEREAS, Bridge Harbor, LLC desires to permit its property to be used in conjunction with the above upon the condition that the City furnish it with this Release, Hold Harmless and Indemnification Agreement (“Release”).

NOW THEREFORE, know all persons by these presents, upon execution of this Release and in consideration of the foregoing, which consideration is acknowledged to be sufficient and legally binding, the City does hereby agree to unconditionally release, hold harmless, indemnify, acquit and forever discharge Bridge Harbor, LLC, and its respective agents, representatives, insurers, successors, and assigns, and each of them, respectively, of and from all and any manner of action or actions, cause and causes of actions, claims, demands, costs, expenses, attorney’s fees, and consequential, general, special, and punitive damages or liabilities, known or unknown, on account of; or in any way related to or growing out of the use of Bridge Harbor, LLC’s property to produce a firework show for the public on July 4, 2010 as more particularly described hereinabove.

IN WITNESS WHEREOF, the City has caused this instrument to be executed in its name by its City Manager, attested by its City Clerk, and its corporate seal to be hereunto affixed, all by proper corporate authority duly given.

This the 28th day of June, 2010

s/Cynthia S. Bennett
City Clerk

s/James C. Smith
City Manager

F. (Moved to New Business- Item J) AUTHORIZE – CITY MANAGER TO REFUND MS. SINA THURMAN SEWER CHARGES BEYOND THAT ALLOWED BY CITY CODE (adjustment \$703.51 and an additional adjustment \$2,618.14)

COMMENTS FROM THE PUBLIC:

Mac Hodges, Washington Harbor District Alliance requested approval for allowing alcohol on site at the Sept. 12th Pirates Beach Music Festival and the Oct. 9th presentation of the ECU vs. Southern Mississippi which are being added to the Movies in the Park schedule. The Pirates Beach Music Festival will be sponsored by the Belle of Washington. In regards to the Beach Music Festival, the event will be as it was last year, allowing canned beer to be brought by attendees or they may purchase beer from Pirates Pub or Mimi’s which are located

in the footprint of the concert. Mayor Jennings noted this item would be included in the August 9th agenda.(topic was readdressed later in the meeting)

Elder John White, 128 Thomas Road, stated he has an issue with an easement and damages he received when a tree fell on his personal property. He stated there seems to be a 16' easement between the power line and where he lives at 128 Thomas Road. There have been several events of power outages and trees in the power lines from 2008 to last year. The tree has been trimmed on several occasions and they came back in November and cut the top out of the tree and cut all the limbs out. At that time it was discussed they were going to remove the two trees because the limbs blew the transformer. He was left with the thought that the trees would be removed. Sometime after July 2nd the tree fell across his barn, riding lawn mower, four wheeler, motorcycle, a convertible vehicle and his daughter's go-cart. An assessment of the damages was completed and Mr. White said he was lead to believe an agreement would be settled for the damages. Mr. White stated the adjuster called later and said they weren't going to pay him. He met later with Bill Lurvey, Risk Manager and received documents regarding work orders for his property. Mr. White was told a field supervisor (Al Leggett) from the City would come and assess the tree.

Mayor Jennings stated he appreciated Mr. White coming down to explain this to Council and he was made aware of the situation earlier today. Mayor Jennings would like for the City to look at this situation to make sure we have all the facts and then get back to Mr. White. Mr. White stated in reference to restrictions, he was told the restrictions were for the dwellings only. He understood that if needed at anytime the tree would be taken down. Mr. White says he has one more tree that Mr. Leggett told him they would take down because it blew the transformer. The tree is leaning towards his house and bedroom and he is afraid the tree will fall on his house. Mayor Pro tem Roberson asked Mr. White if he could summarize on one page what happened and submit that to the City. Mr. White stated he did that when he met with Dave Roberson from Risk Management in Raleigh. Mr. White stated he was told it was his fault because he parked his car in the driveway. Mayor Jennings stated the League has already looked into this issue and we have some summary facts. Mayor Pro tem Roberson asked Mr. White if he had to go to Raleigh? Mr. White says he drives to Raleigh every Sunday as his brother is a Pastor and he assists him there. Mayor Jennings thanked Mr. White for bringing this issue to the Council's attention.

PUBLIC HEARING: ACCEPT – ZONING CHANGE CONSISTING OF 7.78 ACRES OF PROPERTY LOCATED AT THE INTERSECTION OF HWY 17 N & NEW HOPE ROAD

Mayor Jennings opened the public hearing. John Rodman, Planning Director stated a request has been made by Mr. Jason Briley, representing Northgate Homes, to rezone approximately 7.78 acres of property located at the intersection of Hwy 17 N and New Hope Road (SR 1439). The property is currently zoned RA-20 (Residential Agricultural) and the request is to rezone the property to B-4 (Neighborhood Business). The Planning Board voted 7-0 to recommend to City Council to approve the rezoning of the 7.78 acres.

Mayor Pro tem Roberson stated the zoning change needs to be consistent with the comprehensive plan and land use map. Mr. Rodman noted this issue is reflected in the Resolution presented by the Planning Board. Mr. Rodman said there will be no access to this property from Hwy. 17, access will only be obtained from New Hope Road.

Public Comment:

Jason Briley came forward to answer any questions Council may have. There being no further public comments, the public hearing was closed.

By motion of Mayor Pro tem Roberson, seconded by Councilman Mercer, Council accepted the recommendation of the Planning Board and approved the rezoning of the property located at the intersection of Hwy 17 N and New Hope Road (SR1439) containing 7.78 acres, from RA-20 (Residential Agricultural) to B-4 (Neighborhood Business) based on the findings (Resolution) by the Planning Board and to amend the Comprehensive Land Use Plan to reflect the Neighborhood Commercial District zoning change.

**RESOLUTION OF THE CITY OF WASHINGTON PLANNING BOARD
CONTAINING A RECOMMENDATION TO THE
WASHINGTON CITY COUNCIL CONCERNING A PROPOSED
ZONING MAP AMENDMENT**

WHEREAS, the City of Washington received a request to rezone certain property from RA-20 (Residential Agricultural) to B-4 (Neighborhood Business) which property is specifically identified as Beaufort County Parcel Identification Numbers 5677-48-0457 and 5677-48-0785; and

WHEREAS, North Carolina General Statute §160A-383 states, in pertinent part “.... the planning board shall advise and comment on whether the proposed amendment is consistent with any comprehensive plan that has been adopted and any other officially adopted plan that is applicable. The planning board shall provide a written recommendation to the governing board that addresses plan consistency and other matters as deemed appropriate by the planning board.....”

WHEREAS, the rezoning request was duly advertised and the subject of a public hearing by the Planning Board of the City of Washington on June 22, 2010; and

WHEREAS, the City of Washington Planning Board made the following findings and conclusions:

1. The subject parcels and rezoning request are subject to the Comprehensive Land Use Plan and other officially adopted plans by the City of Washington.
2. The rezoning request is not consistent with the City of Washington’s Future Land Use Map because said map designates the subject parcels as an area suitable for an O&I (Office and Institutional) zoning classification.
3. The rezoning request is not unreasonable because of the inconsistency with said map because the land uses in close proximity to the proposed rezoning are compatible with the rezoning requests and the adjacent zoning district.
4. The rezoning request is consistent with the Comprehensive Plan which states that the demand for regional commercial nodes exist or will exist along the northern ETJ extent of the US Hwy 17 Bypass.

- 5. The rezoning request is in the public interest due to the change of land use activities in the area and because of the positive impact to the surrounding community and immediate neighbors.

NOW, THEREFORE, BE IT RESOLVED, on the basis of the foregoing findings and conclusions, the Planning Board does hereby recommend to the City Council that the rezoning request be APPROVED.

s/Dot Moate, Chair
City of Washington Planning Board

PUBLIC HEARING: ACCEPT – A PROGRAM AMENDMENT TO THE PROJECT DESCRIPTION FOR COMMUNITY DEVELOPMENT BLOCK GRANT: 08-C-1812-CAPACITY BUILDING ELIMINATING THE TRAINING AND HIRING OF NEW STAFF AS A FUNCTION OF THE GRANT

Mayor Jennings opened the public hearing. Bianca Gentile is the administrator of the grant, but is out on maternity leave, subsequently, John Rodman, Planning Director will update Council on the status of the grant. Mr. Rodman stated in 2008 the City of Washington was awarded a Capacity Building Grant in the amount of \$75,000. Part of the program description was to hire an additional staff person for housing counseling, etc. They were dependent upon the Z. Smith Reynolds Foundation to assist in funding that position, the funding did not materialize and they were unable to fund the position. The Division of Community Assistance asked that a program amendment be written stating the additional staff person would not be hired.

The current economic crisis and the lack of private foundation support (Z. Smith Reynolds foundation declined their application to expand staff levels) negates the addition of a new staff as a prudent move for the sub grantee, Washington Housing Incorporated (WHI). WHI's grant match remains the same and no budget revisions are required. Council requested additional information on this item and placed this topic on the August 9th agenda for action.

Public comment. There being no public comments, the public hearing was closed.

PUBLIC HEARING: APPROVE –THE APPLICATION TO THE BUREAU OF JUSTICE THROUGH THE EDWARD BYRNE MEMORIAL JUSTICE GRANT, LOCAL SOLICITATION DIRECT APPROVE –THE APPLICATION TO THE BUREAU OF JUSTICE THROUGH THE EDWARD BYRNE MEMORIAL JUSTICE GRANT, LOCAL SOLICITATION DIRECT APPROPRIATIONS (\$12,852)

Mayor Jennings opened the public hearing. Chief Mick Reed stated the Washington Police Department received notification that they had become eligible for Edward Byrne Memorial Justice Grant. Our obligation is to hold a public hearing and to provide documentation of how the funds would be spent. This grant requires no local match. The funds would be used for equipment needs such as:

Light Weight Duty Gear (belt, holster, handcuff case, etc.)	\$200 each for 37 sworn officers	\$7,400.00
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Uniform Shirt Badges	\$71.20 each for 35 sworn officers	\$2,492
Special Event Uniform Shirts	\$40 each for 37 sworn officers	\$1,480
Special Event Uniform Pants each for 37 sworn officers	\$40 each for 37 sworn officers	\$1,480
		TOTAL \$12,852.00

Mayor Jennings opened the floor for public comment. There being no public comments, the public hearing was closed.

By motion of Councilman Mercer, seconded by Councilman Pitt, Council approved the application to the Bureau of Justice through the Edward Byrne Memorial Justice Grant, Local Solicitation Direct Appropriations (\$12,852).

PUBLIC HEARING: APPROVE – CONVERSION PROCESS FOR HAVENS GARDENS D.O.T. PROCEEDS

Mayor Jennings opened the public hearing. Philip Mobley, Parks and Recreation Director stated because Havens Gardens was remodeled using a grant from the Land and Water Conservation Fund (LWCF) in the late 1980's, the City must always use this area for Parks and Recreation. When NCDOT widened the Park Drive Hwy 32 Road and Bridge, they had to use part of Havens Gardens buffer areas on the park side and the boat ramp side.

NCDOT paid the City the appraised value of the land which was \$145,200, two parcels of approximately .5 acres, total. The City purchased Tract (1) on 9/9/09 for \$67,150 and Tract (2) with its 2 parcels on 7/21/10 for \$60,000 from Ms. Mayo. Mr. Thomas Moore, owner of tract (3), and the City of Washington are starting to negotiate. Mr. Mobley said the Public Meeting is a requirement for the Conversion process. The City Attorney and City Staff are diligently working to compile the necessary support documentation to be submitted to the National Park Service Southeast Regional Office in Atlanta, GA by August 21, 2010.

Public Comments: There being no public comments, Mayor Jennings closed the public hearing.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council held the required public comment period and upon conclusion approved the conversion process for Havens Gardens.

MS. PAT MANSFIELD – UPDATE BLACKBEARD ALLIANCE - ABSENT

MS. STACEY VANDERMEEDEN – 14TH/NICHOLSON STREET STOP SIGN REQUEST – ABSENT

MS. SUSAN ZACHARY – STREET CLOSING MAIN/STEWART PARKWAY

Ms. Zachary addressed the Council regarding the recent closing of the sweeping turn from Main Street onto Stewart Parkway. Councilman Mercer stated when the Revitalization Plan was reviewed one of the suggestions was the realignment of Main and Gladden Street and to subsequently do away with the sweeping turn from Main Street onto Stewart Parkway. He stated he made the original motion to close the turn for a period of 60 days to see what would happen if that turn was eliminated. This would allow us to determine how this area would be modified. Mayor Jennings noted we did a poor job of notifying the public as to the reason that area was closed off. Ms. Zachary said something should have been posted on the barrier explaining the reason for the closing and a phone number to call to voice concerns or ask questions. Jim Smith, City Manager stated the Washington Daily News published two articles regarding this topic and it was on the City's cable information channel as well.

RECESS: 6:30pm-6:45pm

*Mayor Jennings stated we need to take up several action items: (1) Mac Hodges, WHDA (2) Ms. Sina Thurman, Sewer Charge Refund (3)Public Comments: Omar Parker.

MAC HODGES, WASHINGTON HARBOR DISTRICT ALLIANCE

Mayor Jennings stated the WHDA is requesting permission to allow people to bring coolers and canned beer and allow the consumption of beer in the contained roped off area at the Sept. 12th Pirates Beach Music Festival. As well as allow Mimi's and Pirates Pub to sell beer during this event. They are also requesting permission to reserve docks J, K, and L because the Belle of Washington is the sponsor for the event.

Councilman Mercer voiced concern and opposition to the selling and/or consumption of alcoholic beverages during a family event.

By motion of Councilman Davis, seconded by Councilman Pitt, Council approved the request by Washington Harbor District Alliance to allow people to bring coolers with canned beer and the consumption of beer in the contained area at the September 12th Pirates Beach Music Festival as well as to allow Mimi's and Pirates Pub to sell beer during this event. The motion carried 4-1 with Councilman Mercer opposing.

AUTHORIZE – CITY MANAGER TO REFUND MS. SINA THURMAN SEWER CHARGES BEYOND THAT ALLOWED BY CITY CODE (adjustment \$703.51 and an additional adjustment \$2,618.14)

(begin Memo from Allen Lewis, Public Works Director) Ms. Thurman lives outside the City on a private road just off of Highland Drive. She is an outside city water customer who has also been charged outside city sewer since January of 2005. She was informed by her landlord last month that she had a septic tank and was not on city sewer. Staff has confirmed this on the ground and authorized a refund of 12 months worth of sewer charges, the maximum permitted per city code sec. 38-217(a)(1) which states, "If the city determines that it has overcharged or undercharged a customer on account of its error, the city shall refund or recover the difference subject to the following: The adjustment period shall be limited to the lesser of the actual period during which the error occurred or twelve (12) months". This amounted to a \$703.51 adjustment. While Ms. Thurman is familiar with the above noted portion of the City Code, she is not satisfied with the adjustment thus far and feels that she is

due an adjustment from January of 2005. This would result, by my calculations, in an additional adjustment of \$2,618.14. Thus, based on recent precedent by Council, staff is asking Council to authorize us to refund the balance noted above. (end memo)

Ms. Sina Thurman stated for five years she has been charged for sewer and she has a septic tank. Mayor Jennings gave a brief history of this item stating she was credited \$703.51 and should be refunded an additional \$2,618.14, which requires Council approval.

By motion of Councilman Davis, seconded by Councilman Moultrie, Council authorized the Manager to refund Ms. Sina Thurman sewer charges beyond that allowed by City Code in the amount of \$2,618.14.

Mayor Pro tem Roberson suggested the need for a map that shows the parcel numbers served by city utilities that could be used by customer service for determining fees, etc. Mr. Smith stated we need a GIS mapping system that all this information could be linked to, but we would need funding for that.

PUBLIC APPEARANCE: OMAR PARKER

Mr. Omar Parker thanked Council for keeping him out of foreclosure regarding the former Beaufort County Health Department building on Harvey Street. Mr. Parker stated that if he could get the money he would like to get the building back to be able to continue his project and save the building. Mayor Jennings stated the building is in a tough condition and FEMA has identified this structure as a repetitive loss and they are in the process of determining if any structure should be allowed at that location due to flooding. Mayor Jennings stated Mr. Parker's ministry and program is not linked to that building. Mayor Jennings suggested that Mr. Parker meet with the Manager and Parks and Recreation Director when he has his plan ready.

DISCUSSION – STATUS OF CURRENT GRANTS (2010 DEPARTMENTAL AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) AND NON-ARRA FUNDING OPPORTUNITIES)

Mr. Smith stated this was a monthly update from Bianca Gentile. (begin memo) Respectfully submitted is a departmental and ARRA project update.

Notifications and Awards:

NC Department of Energy, Energy Interns: The City of Washington will use two interns from East Carolina University to work with city staff and the staff of Martin County Community Action Agency which provides weatherization services locally. The analysis will establish the most effective weatherization measures and review the minimum housing code. Grant award amount: \$30,000; Total project cost: \$49,960 (city and ECU match with in-kind services).

Submittals:

- Department of Environment and Natural Resources: Planning Access Grant. Funds will used to construct restrooms and showers as proposed in the Revitalization Strategy (90% grant, 5% cash match, 5% in-kind match). Pre-application due: July 26, 2010 and if invited to apply for funds final application is due September 26, 2010.
- Department of Environment and Natural Resources: Boating Infrastructure Grant (BIG). Funds will be used to offset the cost of constructing bathrooms and shower facilities as proposed in the

Revitalization Strategy. These funds can only be used for the “transient” boater population, or roughly 25% of the total project cost. Deadline: July, 2010. Written by Michele Oros on behalf of planning and parks and recreation departments.

- **Main Street Energy Fund:** The State Energy Office is released the Request for Proposals just as I went out on maternity leave. DWOW has contracted the services of Ellen Hoj to assist with grant preparation. This program is designed to assist NC Main Street municipalities with energy upgrades in the central business district. Eleven local businesses received FREE energy audits and five will likely apply: Inner Banks Arts Center, Fire Station Lofts, The Moss House, RuffKuttz and Haven’s Wharf Application will be submitted August 2nd 2010.

Potential projects:

- The North Carolina State Energy Office (SEO) is soliciting proposals from local governments, public K-12 schools and community colleges for energy efficiency upgrade projects using commercially available technologies that reduce energy consumption and reduce emissions. All facilities must be located in North Carolina. Funds for this Funding Opportunity come from the American Recovery and Reinvestment Act of 2009 and are intended to result in significant and sustained job creation and energy efficiency. The SEO is requesting Projects that are cost effective and can be quickly implemented while attaining the job creation and retention, and achieve energy efficiency goals. Institutions must follow competitive bid process requirements for proposed projects. The focus of this grant is to reduce energy consumption and provide jobs or retain existing jobs.

Building retrofits must result in sustainable energy savings. The successful Applicant must manage and monitor the retrofit work, verify energy savings and verify economic benefits including job creation and retention.

Eligible projects are limited to:

- lighting retrofits, such as switching T-12 to T-8 or T-5;
- installation of lighting control technology, including occupancy sensors;
- retro-.commissioning of HVAC equipment and energy management systems;
- installation of premium efficient motors and/or drives;
- basic weatherization; and
- heating and air conditioning analysis, optimization, repair and replacement (boilers are excluded).

REQUESTING PERMISSION TO SUBMIT AN APPLICATION ON AUGUST 10, 2010 to SEO to conduct a lighting retrofit on 9 municipal buildings and the Impression’s Building.

The North Carolina State Energy Office (SEO) will award a portion of its Energy Efficiency Community Block Grants (EECBG) American Recovery and Reinvestment Act (ARRA) funding to City and County governments, public schools K- 12, and community colleges for Projects in the **transportation sectors**. Awards may be made for Projects that further the goals stated below:

- Improving energy efficiency and reducing energy consumption;
- Displacing petroleum usage;
- Creating and/or retaining jobs;
- Reducing greenhouse gas (GHG) and criteria pollutant emissions; and
- Implementing Projects that could be replicated around the state.

The following projects are eligible for funding at the levels indicated below.

Project Description Eligible Amount

- Installation of refueling/recharging infrastructure for alternative fuel vehicles up to 50% of cost
- Conversion of existing fuel storage tanks to ethanol or biodiesel up to 100% of cost
- Purchase of advanced technology vehicles up to 50% of incremental cost
- Lease of advanced technology vehicles up to 50% of incremental cost
- Installation of idle reduction mechanisms up to 50% of cost
- Vehicle conversions, repowers, and retrofits up to 100% of cost
- Installation of LED street lighting, LED traffic signals, or signal synchronization up to 100% of cost

REQUESTING PERMISSION TO SUBMIT AN APPLICATION ON AUGUST 27, 2010 to SEO, should a project be identified.

By motion of Mayor Pro tem Roberson, seconded by Councilman Pitt, Council authorized the submittal of grant applications to the State Energy Office on August 10, 2010 to conduct a lighting retrofit on 9 municipal buildings and the Impression's Building and on August 27, 2010 should a project be identified in the transportation sector of grant funding.

HUMAN RELATIONS COUNCIL

Postmaster Ms. Myra Lynn discussed the need for support of the promotion of the Negro Leagues Baseball Stamp official pre-issuance. This event will be coming to Washington on July 2, 2010. Sponsors include: U. S. Postal Service, Beaufort County Human Relations, the City of Washington and Metropolitan AME Zion Church. The Human Relations Council succeeded in collecting over \$3,000 in sponsorship for this event. Also, with the help of Mr. James C. Smith, City Manager, Ms. Lynn was pointed in the right direction for any assistance she would be in need of. Mayor Jennings presented the first key to the city to the Negro Leagues members at the luncheon held at Metropolitan.

Joint meeting with Greenville HRC Broad — Board members suggested Councilman Pitt arrange a meeting with Ms. Cassandra Daniels and the board will finalize the date at the July meeting.

Appropriation of funding — The remaining account balance was distributed between the Negro Leagues Baseball Stamp official pre-issuance and Martin Luther King Jr. National Memorial.

TOURISM DEVELOPMENT AUTHORITY**Report JUNE-JULY 2010**

- Met with NCDOT officials to discuss safety and signage concerns along the bypass. Because there is no opportunity for private billboards (2+ miles of bridge), a plea has been made for special consideration for signage along the bypass. While it is doubtful that we will be successful, they have ensured their assistance when/where possible.
- Banner ad on www.cruisersnet.net can now be found on a premium page, rather than just the NC page it was previously on. Have been discussing additional free opportunities within this site with their marketing people.

- Met with Eye Integrated to determine our course of action for the next 6 months, including media placements, billboard needs, and additional opportunities. They will present our plan at the July meeting.
- July-December calendars are completed and are presently being distributed.
- Met with a representative from Journal Communications to discuss the marketing opportunities available with www.VisitNC.com and the NC Travel Guide. The print component includes considerable added value on the website (video, banner ad, and brochure downloads). These opportunities will begin January 2011. We are presently considering the options that will ultimately be selected.
- Began employee evaluations for all employees (full-time and part-time).
- Re-supplied sales inventory for the Visitor Center and introduced new post cards and decals.
- Sent correspondence to local merchants letting them know of items available for wholesale and reminding them of opportunities to promote their businesses on the visitor website.
- With the intention of attracting room nights for Washington hotels, I have initiated conversations with the baseball and softball leagues to offer assistance and support for hosting tournaments. I have also pitched this idea to the Mayor and am encouraged that the parties will begin working together towards a common goal of economic development.
- Request for proposals for Civic Center sales has been distributed to several interested parties. A more concentrated distribution will take place in the next week.
- Attended the City's quarterly supervisor's update. The City Manager reviewed the adopted budget and departments shared updates.
- Met with Bill Sykes of the Harbor Commission to discuss marketing of the waterfront docks. This was a great sharing of ideas and opportunities. We will be exploring some cross promotion of the docks on the website, perhaps with a page dedicated to the docks. He is also going to propose to the WHDA that a rack card be developed and printed for distribution at other marinas along the ICW.
- Locations, funding and "owners" of the brick signs are presently being sought. Initial discussions indicate the possibility of locating one sign (the one that has been erected but moved) south of the Highway 17 bridge. It has been suggested that area civic groups and garden clubs be contacted to assist with funding the cost to erect the remaining sign.
- New signage for the Visitor Center is in the works. We were able to acquire a sandwich board from a neighboring business that was closing and door signage will be improved. We have noticed that pedestrians have difficulty determining what the visitor center is, as there is no signage at eye level.

WASHINGTON HARBOR DISTRICT ALLIANCE (WHDA)

Main Street Energy Grant Round II

With the delayed release on round two of the Main Street Energy Grant and the fact that the release coincided with Bianca Gentile's maternity leave WHDA was faced with possibly having to cancel the grant application. This would be very disappointing since over 9 businesses have shown interest in using the State's 50% match to improve the energy efficiency in their downtown properties. WHDA sought assistance by contacting Ellen Hoj, who had just moved to Washington and had expressed an interest in getting involved in WHDA. Ellen has an impressive resume in city planning and grant writing. With Bianca's assistance, Ellen has taken over the project which involves much detail because of the 9 different businesses

applying. Ellen Hoj is now about two-thirds of the way through with the grant writing or coordinating process and should be able to meet the August 6th deadline.

NDC - National Development Council

Chris Furlough, Ross Hamory and Beth Byrd are in communication with Hank Coleman, and are finalizing the NDC contract. Plans have been made for the first onsite visit which will be sometime in August.

Downtown Business Analysis and Development Plan

Many of the issues facing economic restructuring of the downtown were discussed during the process of creating the Washington Visualization & Reinvestment Strategy for the Washington waterfront last fall. The Chamber of Commerce and WHDA brought Bob Murphrey, NC Main Street Coordinator to town June 30th, when he presented the detailed steps of creating a Downtown Development plan for Washington. The purpose of this plan is to identify the opportunities for business and real estate development in downtown Washington. By producing this analysis of Washington's strengths, weaknesses and opportunities, it will help us all to understand what direction should be forged in the future. Trent Tetterton has stepped forward and offered his assistance to WHDA and the Chamber in acquiring the myriad of information needed. Work is underway and should be completed by the September 1st deadline.

Pickin' On the Pamlico

Please mark your calendars to attend the Annual Pickin' on the Pamlico which will be held Saturday, August 14th at Festival Park. The crabs are running great this year — we'll have additional tents in case of rain and we will be dancing to the sounds of Billy Holton and the Soul Shakers who are from Oriental and will make their premiere in Washington. Tickets are \$40.00 and are available at the Visitors Center and Charisma Boutique. Please support WHDA by attending this fundraiser.

Movies in the Park (MITP)

MITP have proven to be a popular event with at least 80 to 100 people attending each movie. Next movies will be August 12h0 featuring the Eagles Farewell Tour, Sept. 17th when the Chamber of Commerce presents A Bug's Life. We are hoping to add a football game on Oct. 9th when we invite all ECU fans out to watch the 7:30 game against Southern Miss. WHDA will wrap up the season on October 22d when we will show We Are Marshall.

Music In The Streets (MITS)

MITS continues to be popular even with the summer heat. The committee is dedicated to bringing varying acts and new participants to keep the event fresh. We were proud to be able to entice the National Guard to participate when they brought out their climbing rock wall in July (and have plans for August too). The kids were thrilled. We would like to encourage the Police, Fire Departments and any other City agency to get involved as well.

Pirates Beach Music Festival

Plans are well underway for the Beach Music Festival which will be held Sunday, Sept. 11th at Festival Park. Half of the funds raised will go towards expenses incurred in the design and build of the permanent music pavilion on the festival park grounds.

Smoke On The Water is now a production of the Noon Rotary Club with Spencer Stanley of BCDC as the Chair.

Washington Harbor District Board

We are proud to announce a few new members that have joined the WHDA Board. Garleen Woolard and Rebecca Clark have agreed to share the VP of Organization Chair. Russell Smith has agreed to join the Board in the At-Large position.

The WHDA Board:

- President - Ross Hamory
- VP Economic Restructuring — Chris Furlough
- VP Promotions — Mac Hodges
- VP Design — Scott Campbell
- VP Organization — Garleen Woolard & Rebecca Clark
- Merchants Rep. — Bob Henkel
- At Large — Russell Smith
- Secretary — Sharon Pettey
- Treasurer — Bill Sykes

FINANCIAL REPORTS

Financial reports were distributed to Council prior to the meeting. Councilman Mercer voiced concern over the increase in the Worker’s Compensation line item. Mr. Rauschenbach stated the initial reserve was \$600,000 that was to cover our “stop loss” on re-insurance. In year one, we would take the money we would have normally spent being fully insured with the League, this is how the amount increased to approximately \$823,000. We had approximately \$65,000 worth of claims, which would reduce to the amount to 758,000. In the current budget there was no additional funding into the worker’s comp reserve. Basically funds will flow in and out depending on claims.

Councilman Mercer also questioned the purchase orders submitted at the end of the fiscal year. He would like a printout of purchase orders that were issued in June in excess of \$5,000. Mr. Rauschenbach will have the requested documents for the August 9th meeting.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council accepted the reports of the Human Relations Council, Washington Harbor District Alliance, Tourism Development Authority and Financial Reports as presented.

APPOINTMENTS – VARIOUS BOARDS, COMMISSIONS AND COMMITTEES

Council continued the appointments to the Planning Board, Alternate Member-Enlarged Board of Adjustment, Library Board, Alternate At Large-Washington Electric Utilities Advisory Board, Airport Advisory Board and remaining vacancies on the Human Relations Council to allow time for more applications to be received.

By motion of Councilman Moultrie, seconded by Mayor Pro tem Roberson, Council appointed Claud Hodges to the Board of Adjustment, to fill the expired term of Chris Tkach, term to expire June 30, 2013.

By motion of Councilman Davis, seconded by Mayor Pro tem Roberson, Council reappointed Tim Ware(outside) to the Recreation Advisory Committee term to expire June 30, 2013.

By motion of Councilman Davis, seconded by Mayor Pro tem Roberson, Council reappointed Cindy Cochran(inside) to the Recreation Advisory Committee term to expire June 30, 2013.

By motion of Councilman Davis, seconded by Mayor Pro tem Roberson, Council reappointed Joe Taylor(inside) to the Recreation Advisory Committee, term to expire June 30, 2013.

By motion of Councilman Pitt, seconded by Mayor Pro tem Roberson, Council reappointed William O'Pharrow to the Human Relations Council, term to expire June 30, 2013.

By motion of Councilman Pitt, seconded by Mayor Pro tem Roberson, Council reappointed Cynthia Lovick to the Human Relations Council, term to expire, June 30, 2013. (After the meeting Ms. Lovick advised she did not want to be reappointed subsequently, this appointment will need to be readdressed at the August 9th meeting)

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council reappointed Doug Mercer to the Animal Control Appeal Board, term to expire June 30, 2013.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council appointed Monica Ferrari to the Animal Control Board to fill a vacant position, term to expire June 30, 2013.

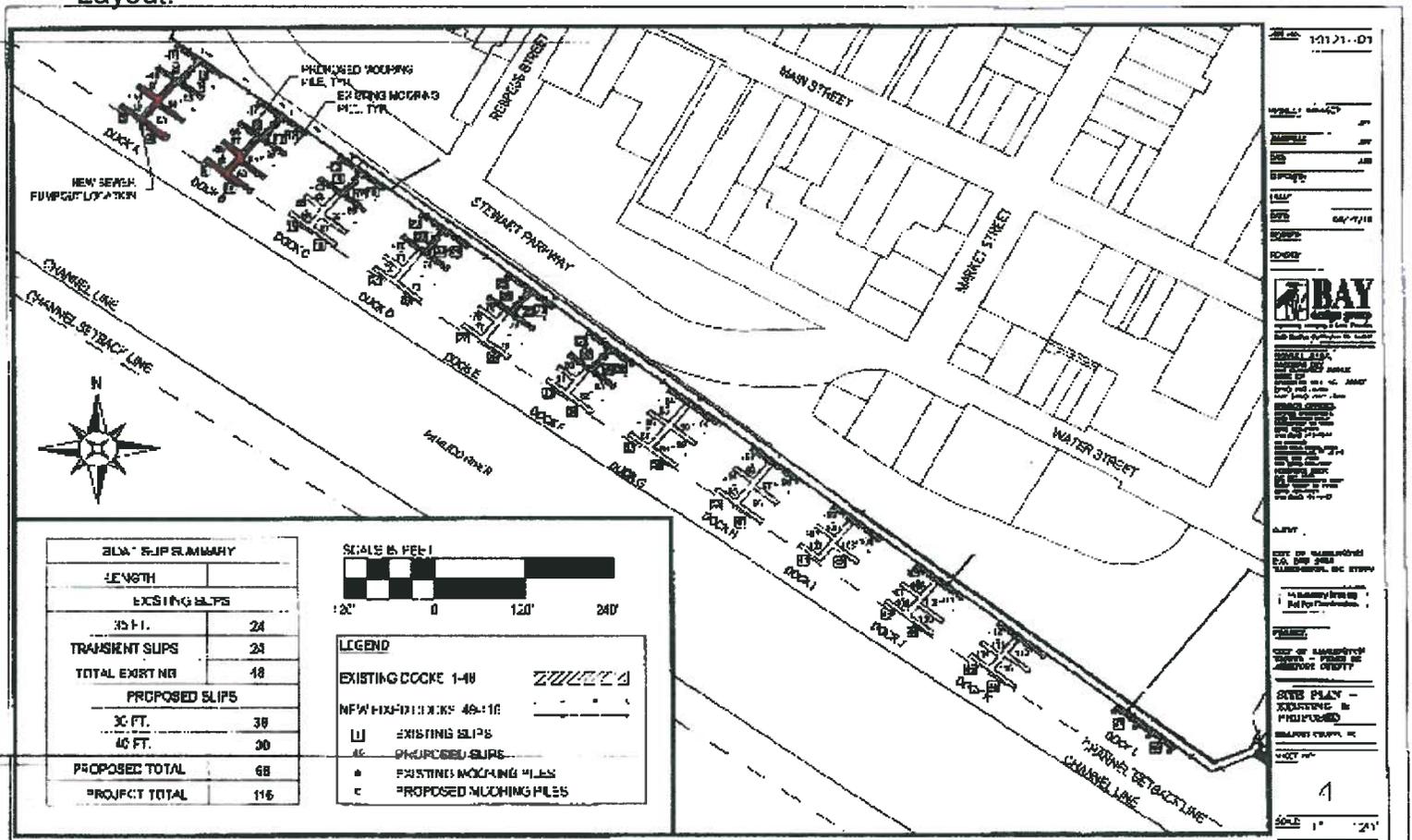
By motion of Councilman Pitt, seconded by Councilman Moultrie, Council appointed Gloria Crenshaw to the Washington Electric Utilities Advisory Commission to fill the expiring term of Antromeed Johnson, term to expire June 30, 2013.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council appointed Doug Mercer as Council liaison to the Airport Advisory Committee.

UPDATE – 2008 BIG-P GRANT (DOCKS) – TIMETABLE

Philip Mobley, Parks and Recreation Director explained at this stage of the process, Bill Forman, Bay Design Group, our Engineer for the waterfront docks, has finished all design work and the project has cleared the Environmental Assessment Clearinghouse by the State. We had a public notice meeting July 8, 2010 in the Grace Martin Harwell Senior Center showing designs and alternative designs for the 2007 Docks Project and possible locations. We had a very good showing of about 30 plus people that were very interested in the waterfront docks. They were positive and asked great questions and gave great comments.

The total plans of the waterfront have been now submitted (July 14, 2010) along with the City's check for \$400 to the Division of Coastal Management for a minimum of 75 days of review in order to obtain the Major CAMA permit. Bill Forman is in the process of developing the job bid packet for constructors to develop their bid from. We have not set any dates for submission of bids yet. The deadline (January 31, 2011) has already been extended once because of the need to produce a new Major CAMA Permit and the precursor of the year long Environmental Assessment. After construction of the 2008 BIGP docks, the number of total docks will be 56. The number of transient docks will be 12. The number of free docks will be 10. The number of permanent docks will be 34. The number of docks on the waterfront, if we max out the number of docks that the EA and Major CAMA Permit allows, will be 116. Once the City receives the Major CAMA Permit, the City only has to renew yearly to keep the Major CAMA Permit in force for future development. Also once we have the permit, we only have to apply to the Division of Coastal Management to change future designs of the Dock Layout.



MEMO – AIRFIELD FACILITIES TO SUPPORT FIELD CARRIER LANDING PRACTICE

Mr. Smith stated the Department of the Navy sent out an RFP to all general aviation airports in the region asking if the airports were interested in supporting field carrier landing practice for turboprop aircraft. Although we obviously need additional activity at Warren Field Airport, I believe that the noise generated by the frequent activity described in this solicitation

would not be acceptable. Councilman Davis stated he had originally asked for this item to be revisited and upon further research agrees this will be too noisy.

By motion of Mayor Pro tem Roberson, seconded by Councilman Davis, Council accepted the recommendation of the City Manager to not respond to this solicitation.

MEMO – HEALTHPLUS THERAPEUTIC SERVICES PURCHASE AND SALES AGREEMENT
(\$175,000)

Mr. Smith noted a Phase I Environmental Assessment would cost approximately \$3,000 and a Phase II approximately \$5,000. Mr. Smith submitted a memo to Council stating the purchase and sales agreement for the Old Ed Tech building and property was accepted by Mr. Michael Lowe, owner of HealthPlus Therapeutic Services, Inc. on July 8, 2010. City Attorney, Franz Holscher had received information suggesting a former service station was located on this property. The best information we have from unofficial sources is that the former service station was not on this land. In addition the new sewer line connection to Carver Machine was run in this vicinity also, and to the best of our knowledge did not encounter any petroleum pollution. Mr. Smith said he would feel comfortable in proceeding with this acquisition without an environmental assessment. However, you should be aware of the risk involved as laid out in the City Attorney's letter.

(begin letter) As you will recall, during closed session on June 21st the City Council unanimously authorized you to sign an offer to purchase and contract in the amount of \$175,000.00 with HealthPlus Therapeutic Services, Inc. for the acquisition of the above property and to purchase the same contingent on a clean release, clean title and a clean environmental bill of health. It is our understanding that there may have been a service station and/or repair garage located either on or near said property. Councilman Gil Davis has informed our office that he believes the service station/repair garage was located approximately where the basketball courts are currently at the corner of Harvey Street Annex and John Small Avenue. He does not believe that any of the previous service station/repair garage operation was located on the property currently owned by HealthPlus. You requested that our office review any file or other information concerning the property at the State of North Carolina Department of Environment and Natural Resources (NCDENR).

Chip Edwards of our office communicated the local NCDENR office in an attempt to obtain any information it had with regard to environmental issues at the property. Mr. Scott Bullock of the Underground Storage Tanks Division of NCDENR informed our office that it did not have a physical file for this site. However, Mr. Bullock provided Chip with the following information off the computer database. A "Notice of Intent" to remove underground storage tanks was filed in 1993 with NCDENR under File No.: 0-027600. The service station/repair garage was "located on the corner of the Harvey Street Annex and 5th Street", but it is unclear exactly where the operation was located in relation to the HealthPlus property. Mr. Bullock indicated that the Notice of Intent was archived with their main office in Raleigh and no copy was retained because no action was required at the site by the State. In addition, he informed Chip that no assessment or any other information was required or obtained by NCDENR because there were no other requirements or restrictions placed upon the previous property owner(s) with regard to the property. M. Bullock could not tell whether any such tanks were registered or unregistered. He advised that a Phase II Environmental Site Assessment may be necessary

for the City to determine whether any environmental issues ever existed at or near the property.

Especially in light of Council's motion and the limited information we have obtained, our office advises that the City needs to make an informed decision concerning whether it desires to obtain a Phase II Environmental Site Assessment prior to purchasing the subject property. The terms of our offer to purchase provide that the City, in its sole discretion, may elect to have an environmental assessment performed on the subject property. The City has 60 days from July 12th (September 10th) to make this election and notify HealthPlus of the same. Such an election and notification would toll the running of any other time periods under the offer, including the time within which to close. If the City decides to obtain an environmental assessment and depending upon the results, the City might also explore whether it would be prudent to acquire environmental contamination insurance and/or a Brownfields Agreement. The City should also consider the possibility of requiring the current owner to execute a proper indemnification agreement with the City should any environmental issues arise in the future. (end letter)

Council took no action on this item.

MEMO – AGREEMENT TO PURCHASE PROPERTY LOCATED ON THE CORNER OF BRIDGE AND SECOND STREETS

(begin memo from Jim Smith, City Manager) On June 21st City Council authorized us to enter into an agreement with Mr. Floyd Banks to purchase the property located on the corner of Bridge and 2nd St in order to accommodate a future expansion of the Brown Library. Inasmuch as there was once a service station located on the site we requested the City Attorney's Office review any files at the North Carolina Department of Environment and Natural Resources (NCDENR) regarding the property. The Underground Storage Tanks Division provided us with documents regarding previous environmental testing and sampling at this location. They indicated that some samples were taken and tested in 1990. The laboratory report submitted showed "a very low-level of the total petroleum hydrocarbons. It appears that most of the samples were obtained from the boundaries of the property as concrete pavement or an old foundation was encountered preventing the taking of samples from certain areas. In addition a "notice of intent" to remove underground storage tanks at the location was provided to NCDENR in 1990. The tanks were apparently unregistered tanks which at that time required no further action by the property owner with regard to any environmental issues which may have existed at the property when the tanks were removed. St. Clair Trucking Inc. recently provided a letter to NCDENR indicating that it had removed the tanks at Pamlico Auto Center for Mr. Floyd Banks at 131 N. Bridge St. in Washington on May 15, 1995, and that the hole was filled in with rock, gravel and sand. NCDENR cautioned that the City should consider contracting for an independent Phase II Environmental Site Assessment. The executed terms of our offer to purchase the property include a provision that the City may elect to have an environmental assessment performed. The City has until August 30 to make a selection and notify Mr. Banks accordingly. Such an election and notice would toll the running of any other time periods under the offer including the time within which to close. If the City Council decides not to proceed with an environmental assessment we should require the current owner to execute a proper indemnification agreement with the City should any environmental issues

arise in the future and also consider obtaining environmental contamination insurance.(end memo)

Council by consensus recommended proceeding with the Phase I Environmental Assessment as long as the cost does not exceed \$5000. If the cost exceeds \$5000, Council can reconsider the assessment.

MEMO – PROPOSED LEASE AGREEMENT WITH IMPRESSIONS MARKETING GROUP, INC. FOR THE PROPERTY LOCATED AT 234 SPRINGS ROAD

(being memo) Since September of 2006 the City Council has authorized extensions of the existing "letter" lease with Impressions Marketing Group for the property located at 234 Springs Road (the former Hamilton Beach plant). While negotiations were in progress with the Committee of 100 to purchase the underlying property from the City and to obtain grants/subsidized loans in order to make improvements. These have proven to be unsuccessful. It is now proposed that the City lease the building directly to IMG. Because it is a complicated lease with numerous provisions and is subject to statutory leasing requirements, we are providing an advance copy of the proposed lease. If Council accepts the draft lease, then it can be brought back to Council on 8/9/10 for action.(end memo)

Franz Holscher, City Attorney said he thought we were near the end of the agreement negotiations regarding rent and managing repairs of the building. Council by consensus agreed to wait until the additional comments were received from Impressions to act on this item.

APPROVE & AUTHORIZE –EXECUTE A ONE-YEAR EXTENDED AGREEMENT (NOVATION) TO REPLACE CURRENT AGREEMENT AND AUTHORIZE THE MAYOR TO EXECUTE CONTRACT WITH TRADEWIND OF NEW BERN, NC TO OPERATE WARREN FIELD AIRPORT

Mayor Jennings stated we were already seven months into a renewed contract which renewed automatically in January 2010 for two years with Tradewind Aviation. The idea was that Council would enter this one-year extended agreement to replace the current agreement. The new one-year extended agreement (Novation) would expire on June 2011. The new agreement voids the current agreement. Mayor Pro tem Roberson voiced concern over some issues taking place at the airport, one issue is campers setup at the airport to conduct the jump school. Mayor Jennings stated these items will be addressed by the Airport Advisory Committee.

By motion of Councilman Moultrie, seconded by Councilman Pitt, Council approved a one-year extended agreement (Novation) to replace the current agreement and authorized the Mayor to execute a contract with Tradewind Aviation of New Bern, NC to operate Warren Field Airport. Voting for the motion: Councilman Mercer, Pitt and Moultrie; voting against: Councilman Davis and Roberson. The motion carried 3-2.

ACCEPT & AUTHORIZE – AGREEMENT TO PURCHASE THE ANNIE MAYO'S PROPERTY AT SPRINGS ROAD

Mr. Smith stated the purchase and sales agreement for the Annie Laura Mayo property located adjacent to the Susie Gray McConnell Sport Complex was executed by Ms.

Mayo, on July 21 2010. The agreement provides that the City will pay \$60,000 for the two parcels of land comprising approximately 5.6 acres with frontage on Springs Road. There are no known environmental or other unique constraints on the property. This is a second purchase of property from Ms. Mayo with the intention of providing for the future expansion of the city's athletic complex. The North Carolina Department of Transportation purchased approximately 1/2 acre of land from the City at Havens Gardens Park for the reconstruction of the Runyan Creek Bridge. They paid the City \$145,200 for this land. These funds must be used for park land purposes since the City used Land and Water Conservation Fund monies in the 1980s to improve Havens Gardens. Initially the City purchased a parcel from Ms. Mayo to construct an emergency access from the Athletic complex to Springs Road. This second purchase is for the balance of the Mayo property. This purchase will result in a total of \$127,150 of the initial \$145,200 being applied to qualifying land purchases. The balance is yet to be committed to a specific purchase but negotiations are under way to acquire at least a portion of an adjoining parcel from a different owner.

By motion of Councilman Davis, seconded by Councilman Pitt, Council accepted and authorized the agreement to purchase the Annie Mayo property located adjacent to the Susie Gray McConnell Sports Complex that was executed by Ms. Mayo on July 21, 2010.

ADOPT – FINAL BUDGET ORDINANCE AMENDMENT FOR FY 09/10 (\$102,678)

Mr. Rauschenbach presented the final budget ordinance amendment for FY09-10 (\$102,678) in order to true up the financial records for the fiscal year, funding needs to be reallocated among the various departments or additional funding needs to be made for departmental deficiencies.

By motion of Councilman Moultrie, seconded by Councilman Pitt, Council adopted the final budget ordinance amendment for FY 09-10(\$102,678)

AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF WASHINGTON, NC FOR THE FISCAL YEAR 2009-2010

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

Section 1. That the following accounts in the Miscellaneous Non-Departmental portion of the General Fund appropriations budget be increased in the amounts shown to cover anticipated expenses for FY 09/10:

10-00-4400-5705	Tourism Authority	\$25,000
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Section 2. That the following accounts in the Outside Agency portion of the General Fund appropriations budget be increased in the amounts shown to cover anticipated expenses for FY 09/10:

10-40-6170-9111	Vietnam Moving Wall	\$8,810
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Section 3. That the following revenues in the General Fund be increased in the amounts shown to cover anticipated expenses for the remainder of FY 09/10:

10-00-3270-1110	Local Occupancy Tax	\$25,000
10-40-3611-8409	Contributions Vietnam Wall	6,635
10-00-3991-9910	Fund Balance Appropriated	<u>2,175</u>
		\$33,810

Section 4. That the following accounts in the Worker’s Compensation Fund appropriations budget be increased in the amounts shown to cover anticipated expenses for FY 09/10:

85-60-4930-1000	General Fund WC Claims	\$63,000
85-60-4930-3000	Water Fund WC Claims	85
85-60-4930-3200	Sewer Fund WC Claims	1,808
85-60-4930-3400	Storm Water Fund WC Claims	3,130
85-90-4930-3500	Electric Fund WC Claims	395
85-90-4930-3800	Solid Waste WC Claims	<u>450</u>
		\$68,868

Section 5. That the following revenues in the Worker’s Compensation Fund be increased in the amounts shown to cover anticipated expenses for the remainder of FY 09/10:

85-60-3940-1000	Payments from General Fund	\$63,000
85-60-3940-3000	Payments from Water Fund	85
85-60-3940-3200	Payments from Sewer Fund	1,808
85-60-3940-3400	Payments from Storm Water Fund	3,130
85-60-3940-3500	Payments from Electric Fund	395
85-60-3940-3800	Payments from Solid Waste Fund	<u>450</u>
		\$68,868

Section 6. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 7. This ordinance shall become effective upon its adoption.

Adopted this the 26th day of July, 2010.

s/Cynthia S. Bennett,
City Clerk

s/N. Archie Jennings, III
MAYOR

MEMO – MOSS LANDING MARINA PETS ON BOARDWALK

Philip Mobley, Parks and Recreation Director reviewed his memo with council. He stated the subject of Moss Landing Dock Tenants accessing the boardwalk from their Docks

keeps presenting itself in several different categories, one of which is the question of how to get their pets from their boats to allowable pet areas. A few citizens have displayed their disapproval of the Marina Tenants using the City Boardwalk with their pets. (By Ordinance pets are not allowed on the City Boardwalk, excluding service animals). Recognizing these pet owners need a logical way to walk their pets, one would assume they would exit the boardwalk at the first exit point off the boardwalk after leaving their dock. However, this accommodation is not currently allowed under the current code. In addition to the normal need of getting a pet from the Marina to the allowed pet area and because of a medical condition, we have allowed a lady from the marina to have a permit (which she wears) to walk her pet on the Boardwalk in order to get to the Marina parking lot area. This area is near the west end of the Boardwalk near the NC Estuarium. Exiting the boardwalk at the closest exit to her dock is not an option because she is highly allergic to the fire ants in that area. Chief Reed has met with us and has been most helpful to the Parks and Recreation Department with this situation we have at hand. But, like the chief says, this is a policy decision and he is on the enforcement side of the issue. In addition, we have talked about a couple of other issues that concern us; like trash from the Moss Landing Marina and Safety concerns when the boardwalk is closed, with the Harbor Management Committee. We have tried, unsuccessfully, to organize a meeting between the City, Moss Landing Marina and Moss Landing Partners. Staff believes it is time for Council to hear these concerns. We are asking for assistance and guidance to help facilitate resolutions. Moss Landing Marina has asked for assistance with this matter.

Mayor Pro tem Roberson suggested that Council members go to the area and review the situation for themselves. This item will be revisited on August 9th.

MEMO – EASEMENT TO U.S. CELLULAR FOR COMMUNICATIONS ANTENNA TOWER

City Attorney, Franz Holscher included a memo in Council's agenda packet that stated, if this project is endorsed by Council, the City would convey to U.S. Cellular .086 acres for an ingress-egress and utilities easement from 7th Street across the City's gravel parking lot located across the street from the 7th Street Recreation Center to the back of said gravel parking lot and lease to U.S. Cellular a .044 acre plot of land behind that gravel parking lot. On that plot of land, U.S. Cellular would construct an elevated platform for an 11.25 by 24 foot equipment shelter and a 100 foot stealth monopole. If the City Council endorses this concept, it is believed the City will have to run a public notice at least 10 days before August 9 of its intent to adopt a resolution authorizing this Ground Lease and pass said resolution at its August 9th meeting assuming the term, including any extension, is less than 10 years. If the term, including any extension, exceeds 10 years, we will be required to follow the statutory procedures for the sale of real property which may push us beyond August 9th. Upon endorsement by Council, I will review and render my opinion concerning the Ground Lease and Memorandum of Lease.

Mayor Pro tem Roberson stated he is opposed to telecommunication towers being in residential districts. He also noted this item should go before the Board of Adjustment as it should require a variance and a special use permit. John Rodman, Planning Director said this item will be heard before the Board of Adjustment at their August meeting. Council determined it was premature for this item to come before Council and will let the Board of Adjustment hear the request first. Jim Smith, City Manager stated US Cellular wanted to make sure that if they went through the process with the Board of Adjustment, they wanted to have assurance they could acquire a property lease from the City. The cell phone company feels they are serving

the citizens by placing this tower for increased service in this location. Gary Miller, US Cellular came forward to answer any questions from Council. Mayor Jennings explained the proper procedure needs to be followed by going before the Board of Adjustment.

ADOPT – RESOLUTION DESIGNATING SUPPORT FOR THE PROPOSED ACCESS ENHANCEMENT PROJECT AT HAVENS GARDENS FROM MARINE RESOURCES FUNDS

Philip Mobley, Parks and Recreation Director explained the City Council adopted the updated Five Year CIP in January 2010. One of the “on-going” items in that Plan was an update to Havens Gardens, with future improvements such as replacement of the old fishing pier, replace 600’ of bulkhead and 100’ of new wooden walkway with fishing stations from the park side to the concrete walkway under Hwy 32 Bridge. The total preliminary cost is \$406,750. The City is not required to match the grant monies awarded. However it will help the City in the ranking process if the City will offer a match. He proposes the City offer a \$25,000 match. The Washington Recreation Advisory Committee voted at their July meeting to support this Resolution, the Havens Gardens Grant project and the \$25,000 cash match. Rivers and Associates of Greenville is assisting the Parks and Recreation Department in applying for the Marine Resources Fund. On July 30, 2010 we will be applying for monies from the Marine Resources Fund. Mr. Mobley stated this item was not in the budget as the funds just became available July 1st. Councilman Davis said we told Mr. Mobley to research and find grant funding, of which he did.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council adopted the Resolution designating support for the proposed access enhancement project at Havens Gardens from the Marine Resources Funds.

AUTHORIZING RESOLUTION BY THE CITY COUNCIL OF THE CITY OF WASHINGTON, NORTH CAROLINA

WHEREAS, The North Carolina Marine Fisheries Commission (MFC) and the North Carolina Wildlife Resources Commission (WRC) has authorized the making of Marine Resources Funds to aid universities, local North Carolina governmental entities, and eligible agencies in funding the cost of projects that will manage and enhance the marine resources of North Carolina; and

WHEREAS, The City of Washington has need for and intends to plan for the construction or rehabilitation of a publicly-owned facility/access site (Havens Gardens Park) to provide fishermen access to fisheries resources; and

WHEREAS, The City of Washington intends to request funding assistance from the Marine Resources Fund for the project;

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

That the City of Washington supports the proposed access enhancement project. That the City of Washington will provide for efficient operation and maintenance of the project on completion of construction thereof.

That Archie Jennings, Mayor, and Jim Smith, City Manager, and successors so titled, are hereby authorized to execute and file an application on behalf of City of Washington with the North Carolina Division of Marine Fisheries (DMF) for a grant to assist in the construction of the project described above.

That Archie Jennings, Mayor, and Jim Smith, City Manager, and successors so titled, are hereby authorized and directed to furnish such information as the DMF 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 the grants pertaining thereto.

Adopted this the 26th day of July, 2010 at Washington, North Carolina.

s/Cynthia S. Bennett
City Clerk

s/N. Archie Jennings, III
Mayor

AUTHORIZE – SALE AND CONSUMPTION OF ALCOHOL AT WHDA'S 5TH ANNUAL PICKIN' ON THE PAMLICO

Jim Smith, City Manager stated WHDA is hosting its 5th Annual Pickin' on the Pamlico on Saturday, August 14th. This is a ticketed event with an anticipated crowd of around 500 people. A special events permit has been granted through Kristal Hardison at Washington Parks and Recreation.

By motion of Councilman Davis, seconded by Councilman Moultrie, Council allowed the sale and consumption of alcohol at WHDA's 5th Annual Pickin' on the Pamlico on August 14th, 2010. Councilman Mercer opposed, motion carried 4-1.

ADOPT – RESOLUTION DIRECTING CITY CLERK TO INVESTIGATE A PETITION FOR A CONTIGUOUS ANNEXATION OF WHEATFIELD SUBDIVISION

John Rodman, Planning Director explained on July 15, 2010, Mr. John Wehrenberg presented a petition for a contiguous annexation for the property located at Wheatfield Subdivision. The property contains 35.15 acres and is adjacent to Tree Shade Community (Phase II). The property is located off of Old Bath Hwy (SR 1501).

By motion of Mayor Pro tem Roberson, seconded by Councilman Pitt, Council adopted the resolution directing the City Clerk to investigate a petition for a contiguous annexation received under General Statutes 160A-31.

**RESOLUTION DIRECTING THE CLERK TO INVESTIGATE
A PETITION RECEIVED UNDER G.S. 160A-31**

WHEREAS, a petition requesting annexation of an area described in said petition was received on July 26, 2010 by the Washington City Council; and

WHEREAS, G.S. 160A-31 provides that the sufficiency of the petition shall be investigated by the City Clerk before further annexation proceedings may take place; and

WHEREAS, the City Council of the City of Washington deems it advisable to proceed in response to this request for annexation;

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Washington that: The City Clerk is hereby directed to investigate the sufficiency of the above-described petition and to certify as soon as possible to the City Council the result of her investigation.

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

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

AMEND – CHAPTER 8, SECTION 18 – RESTRICTION OF ANIMALS IN CEMETERIES

Mayor Jennings stated this item serves as clarification for an item that was thought to be an ordinance, but was generally a “best practice”. Allen Lewis, Public Works Director explained in a Council Action form presented in the agenda packet, that during recent Council meetings, the issue of animals, specifically dogs, within the cemeteries has been discussed. As noted to you in an e-mail last month, the current ordinance does not completely prohibit animals within the cemetery. Rather Sec. 8-18 states that “No person shall permit any animal to run at large or wander into the cemeteries.” To completely prohibit animals, or at least pets, from our City-maintained cemeteries, the attached amendment is proposed for your approval.

By motion of Councilman Davis, seconded by Mayor Pro tem Roberson, Council adopted an ordinance to amend Chapter 8, Section 18 Animals restricted in reference to animals in the cemetery, with an effective date of August 1, 2010.

**AN ORDINANCE TO AMEND CHAPTER 8,
SECTION 18: ANIMALS RESTRICTED
OF THE WASHINGTON CITY CODE**

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

Section 1 That Chapter 8, Section 18: Animals restricted be amended by deleting the following:

“No person shall permit any animal to run at large or wander into the cemeteries.”

Section 2. That Chapter 8, Section 18: Animals restricted be amended by adding the following:

“No Person shall permit any animal onto city-owned cemetery property whether restrained or at large.”

Section 3. All ordinances in conflict with this ordinance are hereby repealed.

Section 4. This ordinance shall become effective August 1, 2010.

This the 26th day of July 2010.

s/Cynthia S. Bennett
City Clerk

s/N. Archie Jennings, III
Mayor

AWARD – CONTRACT FOR 2010-2011 STREET IMPROVEMENTS AND RESURFACING (\$288,480)

Jim Smith, City Manager reviewed the locations to be improved or resurfaced. Councilman Mercer questioned the need for paving Brown Street from Second Street to Moss Landing and feels we shouldn't pave the portion of the street that is mainly used for commercial deliveries at the building supply company. Frankie Buck, Asst. Public Works Director stated this is still a public write-of-way and this is why it was included in the list.

Street resurfacing work will be performed at the following locations:

1. East 7th Street from Havens St. to Hudnell St.
2. Charlotte Street from John Small Ave to Park Dr.
3. Fleming Street from W. 2nd St to W. 5th St.
4. Washington Street from W. Main St to W. 5th St.
5. Market Street from 2nd St to 3rd St.
6. Brown Street from Moss Landing to E. 2nd St.(except the southernmost block of Brown Street below the intersection of Main Street)
7. East Fourth Street from Harvey St. to Bonner St.
8. Aycock Street from E. 9th St. to Willow St.
9. East Fourth Street from Charlotte St. to Simmons St.
10. Bridge Street from W. 9th St to W. 11th St

Additionally, milling work to be performed on the following streets prior to resurfacing:

1. Charlotte Street from John Small Ave to Park Dr.
2. Market Street from 2nd St to 3rd St.

By motion of Councilman Mercer, seconded by Councilman Pitt, Council awarded a contract, in the amount of \$288,480.00 to Greenville Paving Company for the 2010-2011 Street Improvements and Resurfacing. Street resurfacing and improvements will be performed at the following locations:

1. East 7th Street from Havens St. to Hudnell St.
2. Charlotte Street from John Small Ave to Park Dr.
3. Fleming Street from W. 2nd St to W. 5th St.
4. Washington Street from W. Main St to W. 5th St.
5. Market Street from 2nd St to 3rd St.
6. Brown Street from Moss Landing to E. 2nd St.(except the southernmost block of Brown Street below the intersection of Main Street)
7. East Fourth Street from Harvey St. to Bonner St.
8. Aycock Street from E. 9th St. to Willow St.
9. East Fourth Street from Charlotte St. to Simmons St.
10. Bridge Street from W. 9th St to W. 11th St

Additionally, milling work to be performed on the following streets prior to resurfacing:

1. Charlotte Street from John Small Ave to Park Dr.
2. Market Street from 2nd St to 3rd St.

ADOPT – BUDGET ORDINANCE AMENDMENT TO APPROPRIATE FUNDS FOR THE REPLACEMENT OF THE HVAC SYSTEM AT THE WATER TREATMENT PLANT

Adam Waters, Water Treatment Division explained they started having issues with the HVAC system around mid-to-late June, after the budget was passed, and without much warning. For the first week or so after the system started malfunctioning, they had contractors try to make repairs to keep the existing system running. Unfortunately they were unsuccessful. Mr. Waters started getting quotes in late June/early July to replace the system. Initial prices were in the range of \$30,000 to \$94,000. The quotes were discussed with the vendors and made adjustments in the type of replacement system to be installed. As a result, the price to replace the existing system was negotiated down to approximately \$19,000.

A motion was made by Mayor Pro tem Roberson, seconded by Councilman Davis, to adopt the attached budget ordinance amendment in the amount of \$19,000 to provide funds for the replacement of the HVAC system at the Regional Water Treatment Plant. Discussion. Councilman Mercer felt it would be more beneficial to replace the system with a bigger unit to achieve the required temperature in both areas. Mr. Adams explained it would be cheaper to complete both jobs now. A mini-split system in the electrical room could be installed for about \$3000. No vote was taken, motion died.

By motion of Councilman Mercer, seconded by Councilman Davis, Council adopted a budget ordinance amendment in the amount of \$25,000 to provide funds for the replacement of the HVAC system at the Regional Water Treatment Plant which will include a HVAC system for the electrical room.

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2010-2011**

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

Section 1. That the Estimated Revenues in the Water Fund be increased in the amount of \$25,000 in the account Fund Balance Appropriated, account number 30-90-3991-9910.

Section 2. That account number 30-90-8100-1500, Maint/Repair Buildings, Water Treatment portion of the Water Fund appropriations budget be increased in the amount of \$25,000 to provide funds for replacement of the HVAC system at the Water Treatment Plant.

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 26th day of July, 2010.

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

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

MEMO – LICENSE ASSIGNMENT AGREEMENT WITH MD7 CAPITAL THREE, LLC RENEW CELL TOWER ON 3RD STREET WATER TANK

(begin memo from Allen Lewis, Public Works Director) In 1999 the City entered into a License Assignment Agreement with Triton PCS Property Company, LLC to, in effect, rent space on our 3rd Street water tower for the purposes of attaching a cellular antenna. The current agreement calls for rent increases every five (5) years and the proposed agreement does not allow an increase for the next ten (10) years, the current agreement allows for a termination of the contract with a thirty (30) day written notice. The proposed agreement guarantees rental income for ten (10) years. This is being submitted for your review only at this time as we just received the latest version of this agreement today. With further review, we hope to bring this to you for approval at the August 9, 2010 Council meeting. (end memo)

City Attorney, Franz Holscher noted in his initial review of the agreement it appears MD7 is requesting to increase the term of the agreement while decreasing payments. Mr. Holscher suggested this item needs further review. Council, by consensus agreed to revisit this item on August 9th.

DISCUSSED – CITY-OWNED VEHICLES AUTHORIZED TO BE DRIVEN HOME 2010-2011 AND JUSTIFICATIONS

Council discussed the need of taking certain vehicles home in regards to service vehicles such as Electric, Water/Sewer, etc. and public safety vehicles. Mr. Smith stated we probably will only be talking about a few people, which would be employees who don't get paid overtime, they get comp time and those employees get to drive the vehicle home to use in the event of an afterhours call. Mayor Jennings suggested staff look at possibly reducing the fleet even more. Councilman Mercer commended Chief Reed for reducing the fleet for the Police Department. Chief Reed stated the authorized vehicles are not taken home every night, but on an as needed basis. Mark Yates, Fire/Rescue/EMS stated he and Chief Hardison take their vehicles home only the week they are on call. Councilman Pitt stated the people taking home the vehicles are the experts in their fields and need the vehicles.

By motion of Councilman Mercer, seconded by Councilman Pitt, Council approved the list of vehicles as presented with the exception that if any vehicles on this list are going out of the county that they be removed. Discussion. Chief Reed voiced concern over the K-9 officer and requested permission that this employee lived outside of the county, they be given an exception. Mayor Jennings stated we should let the motion stand and if there are issues such as this they should be taken up with the City Manager. Mayor Pro tem Roberson explained that authority was given in the past in regards to response time, not distance from the City. Frankie Buck, Asst. Public Works Director stated that David Gibbs, Streets Superintendent lives on Clark's Neck Road(Pitt Co.) and his response time would be less than his own as he lives on Market Street. Ext. Mr. Buck is asking that Council consider response time or mileage exemptions. Mayor Jennings explained the few exemptions would be addressed on a case by case basis with the City Manager. Motion carried.

By motion of Councilman Mercer, seconded by Councilman Pitt, Council approved the list of vehicles as presented with the exception that if any vehicles on this list are going out of the county that they be removed. The few exemptions, such as K-9 Officer and Streets

Superintendent(David Gibbs) would be addressed on a case by case basis with the City Manager. Motion carried.

City-owned vehicles authorized to be driven home 2010-2011

(f) City-owned vehicles may be authorized to be driven home in accordance with the following provisions.

(1) For bona fide non-compensatory business reasons, a department head, with approval of the City Manager, may require employees in certain positions to commute to and from work in City vehicles. These positions must receive annual approval from the City Council during the annual budget process in order for the employee in the position to utilize a City-owned vehicle to commute to and from work. In accord with federal and state law, an employee may not use the City-owned vehicle for personal use other than commuting. Under these conditions, the City will account for commuting use as specified and required in IRS regulations.

(2) The City Manager will consider need, distance, and proximity to city and county limits, City service area, public perception, and other relevant factors in making decisions about commuting. Updates by department heads shall be submitted during the annual budget process to the City Manager who will forward the information to the City Council for review and approval.

<p>Finance 653 Field Service Rep 620 Field Service Rep</p>	<p>Fire 238 Fire Chief 237 Fire Marshal 248 Operations Chief</p>
<p>Electric 615 Electric Line Operations Superintendent</p>	<p>Recreation 801 Rec. Maint. Supv.</p>
<p>Police 133 Chief Reed 166 Detective Davis 138 Detective Black 143 Detective Lee 139 Lt. Chrismon 144 Lt. Hales 145 SRO Bailey 147 SRO Everett 161 Detective Watson 131 Detective Dickinson</p>	<p>Public Works 412 Mike Woolard 452 Floyd Wainwright 411 Willie Blount 451 David Gibbs 401 Frankie Buck 410 Bill Wynne</p>

GREEN FLEET COMMITTEE

Councilman Mercer requested a report from the Green Fleet Committee.

MR. ALLEN PITTMAN – EXCEL T-BALL

Mr. Allen Pittman explained that Exceptional Children Enjoying Life (ExCEL) is a Tee ball league for children with special needs. ExCEL will be starting its 2010 season on September 12, 2010. The season will feature 6 games. The games will be held on Sunday afternoons at 2:30 PM at the McConnell Sports Complex. He requested assistance with the \$300.00 field rental fee. Exceptional Children Enjoying Life was founded to provide special needs children a way to “enjoy” the types of recreational activities that most other children take for granted. We provide this league at no cost to the children who participate. Volunteers and donations are always needed and appreciated for this program to be a success.

Mayor Pro tem Roberson suggested each Councilmember donated \$50 each to this program. Mayor Jennings said he would like to see the Council's personal contribution as well as the City's contribution.

By motion of Councilman Davis, seconded by Councilman Pitt, Council provided \$300 from Fund Balance to pay for the field rental fee. Council also agreed that each member would personally donate \$50 to this program.

CLOSED SESSION – UNDER NCGS 143-318.11(A)(1) DISCLOSURE OF CONFIDENTIAL INFORMATION AND NCGS 143-318.10(E) THE PUBLIC RECORDS ACT

Closed Session items were removed and placed on the August 9, 2010 agenda.

ELDER JOHN WHITE

Mr. John White came back before Council and stated he wanted to make Council aware that a work order was in place to cut a 16' easement that was two driveways down from his residence to cut down and trim trees near the power lines. He asked to be placed on the list so the tree could be removed at his property. Mayor Jennings asked if that tree could be placed back on the list. Mr. Smith noted he believed some items needed to be moved before any work could be started. Mr. White stated he has already moved the items that were in the way.

ADJOURN

By motion of Councilman Moultrie, seconded by Mayor Pro tem Roberson, Council adjourned the meeting at 9:30pm until August 9, 2010 at 5:30pm at the Municipal Building.

(Subject to the Approval of the City Council)

**Cynthia S. Bennett
City Clerk**

**CITY COUNCIL MINUTES
WASHINGTON, NORTH CAROLINA**

August 9, 2010

The Washington City Council met in a regular session on Monday, August 9, 2010 at 5:30pm in the City Council Chambers at the Municipal Building. Present were: Archie Jennings, Mayor; Bobby Roberson, Mayor Pro tem; Doug Mercer, Councilman; Ed Moultrie, Councilman; William Pitt, Councilman; Gil Davis, Councilman; Matt Rauschenbach, Chief Financial Officer and Assistant City Manager; and Reatha Johnson, Assistant City Clerk.

Also present were: Robbie Rose, Fire Chief; Allen Lewis, Public Works Director; John Rodman, Planning Director; Keith Hardt, Electric Director; Mick Reed, Police Chief; Ray Midgett, Information Technology Director; Susan Hodges, Human Resource Director; Mike Voss, of the Washington Daily News and Delma Blinson, of the Beaufort Observer.

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

APPROVAL/AMENDMENTS TO AGENDA

Councilman Mercer requested moving Consent Item B: Adopt – Capital Project Ordinance RZEDB Fire Station Roof Project and Consent Item C: Adopt-Budget Ordinance Amendment to reduce General Fund and Storm Water Fund revenues and appropriations to establish these projects as Capital Projects to Old Business as item F & G; this will move Old Business Item F to Old Business Item H: Adopt – Capital Project Ordinance RZEDB Storm Water Drainage Projects; Old Business Item G to Old Business Item H: Memo -2010-2011 Fee Manual: Electric Deposits; Old Business Item H to Old Business Item I: Adopt – Resolution authorizing the City Manager to request for grant assistance from the State of North Carolina through the Construction Grants and Loans Section of the Division of Water Quality for the construction of a new pump station near Main and Respass and approve request for transfer of funds. Additionally, Councilman Mercer requested to add Old Business Item K: Adopt Resolution in Support of US 17 Comprehensive Study.

Mayor Jennings requested adding two items under XII. Any other business from the Mayor or other Members of Council. Item A. Clarify Minutes of 7-26-10 and item B. Discuss – Letter from Groundwater Management Associates, Inc. (GMA) – Cope and Costs for Environmental Services for property located at 131 Bridge Street.

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

CONSENT AGENDA

By motion of Mayor Pro tem Roberson, seconded by Councilman Pitt, Council approved the Consent Agenda as amended.

- A. Adopt – budget ordinance to appropriate funds for the purchase of property from Ms. Annie Mayo and Mr. Floyd Banks

AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF WASHINGTON, N.C. FOR THE FISCAL YEAR 2010-2011

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

Section 1. That account number 10-00-4400-7100, Land Acquisition, portion of the General Fund appropriations budget be increased in the amount of \$182,000 to provide funds for the purchase of the Annie Mayo Floyd Banks properties.

Section 2. That the Estimated Revenues in the General Fund be increased in the amount of \$182,000 in the account Fund Balance Appropriated, account number 10-00-3991-9910.

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 9th day of August, 2010.

s/Cynthia S. Bennett
City Clerk

s/N. Archie Jennings,III
Mayor

- B. Move to Old Business Item F Adopt – Capital Project Ordinance RZEDB Fire Station Roof Project
- C. Move to Old Business Item G Adopt – Budget Ordinance Amendment to reduce General Fund and Stormwater Fund Revenues and appropriations to establish these projects as Capital Projects
- D. Declare Surplus/Authorize – sale of vehicle through electronic auction using GovDeals

#607	2002 Ford F750 Bucket Truck w/ 2002 Warner WL14OFC-HD Body	3FDXF75H72MA3 1178 02030	142,220
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ADOPT – ORDINANCE TO AMEND CHAPTER 40, SECTION 40-93, TABLE OF USES, OF THE CODE OF ORDINANCES OF THE CITY OF WASHINGTON

Mayor Jennings opened the public hearing. Planning Director, John Rodman requested Council accept the recommendation of the Planning Board and approve the Ordinance to amend Chapter 40, Article IV, Zoning districts, Section 40-93, Table of Uses. Mr. Rodman stated that with the addition of a proposed Police Station in the AP (Airport) Zoning District a request has been made by the Department of Planning and Development of the City of Washington to add Police Stations & Fire Stations as a special use in the aforementioned zoning district. A Special Use Permit will require approval from the City of Washington's Board of Adjustment. Mr. Rodman stated Police and Fire Stations are normally grouped together as Governmental Buildings but this in no way indicates there is going to be a Fire Station located on that piece of property.

There being no further comments, the public hearing was closed.

By motion of Councilman Mercer, seconded by Councilman Pitt, Council approved the Ordinance amending the Table of Uses for the Airport Zone to include Fire Stations & Police Stations.

An Ordinance to Amend Chapter 40, Zoning, Article IV, Section 40-93, of the City of Washington Code

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

Section 1. That Chapter 40, Article Lv. Zoning Districts, Section 40-93, Table of Uses, be amended by adding Police Stations and Fire Stations, as a Special Use in the Airport (AP) Zoning District.

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

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

Adopted this the 9th day of August, 2010.

s/Cynthia S. Bennett
City Clerk

s/N. Archie Jennings, III
Mayor

DISCUSSION – STATUS OF CURRENT GRANTS (2010 DEPARTMENTAL AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) AND (NON-ARRA FUNDING OPPORTUNITIES)

Chief Financial Officer, Matt Rauschenbach presented a summary of current grant projects and their status, which includes:

- Energy Efficiency in Government Building Grant
- Main Street Energy Fund
- Project Description Eligible Amount

Notifications and Awards:

- None

Submittals:

- **Energy Efficiency in Government Buildings Grant** (Government Round 2). The North Carolina State Energy Office (SEO) re-released its solicitation for proposals from local governments, public K-12 schools and community colleges for energy efficiency upgrade projects. The focus of this grant is to reduce energy consumption and provide jobs or retain existing jobs. Funds come from the American Recovery and Reinvestment Act of 2009. Institutions must follow competitive bid process requirements for proposed projects. The City of Washington is submitting a proposal to upgrade lighting in ten municipal buildings (City Hall, Brown Library, Civic Center, Peterson Building, Susie Grey McConnell Center, Bobby Andrews Center, Impressions building, Communications Center, Fire Station #1 and Warren Airfield, Proposed actions:
 - Replace light bulbs (switching T-12 to T-8 or T-5) and ballasts;
 - Install lighting control technology, including occupancy sensors;
 - Install Dectron energy kit, heating element for pool
- **Main Street Energy Fund:** The State Energy Office has released the Request for Proposals just as Bianca Gentile went out on maternity leave. DWOW has contracted the services of Ellen Hoj to assist with grant preparation. This program is designed to assist NC Main Street municipalities with energy upgrades in the central business district. Eleven local businesses received FREE energy audits and five will likely apply: Inner Banks Arts Center, The Moss House, Ruff Kuttz and Haven's Wharf. Application will be submitted August 6nd, 2010.

Potential projects:

- **Energy and Transportation grant** The North Carolina State Energy Office (SEO) will award a portion of its Energy Efficiency Community Block Grants (EECBG) American Recovery and Reinvestment Act (ARRA) funding to City and County governments, public schools K-12, and community colleges for Projects in the **transportation sectors**. Awards may be made for Projects that further the goals stated below:

- ✓ Improving energy efficiency and reducing energy consumption;
- ✓ Displacing petroleum usage;
- ✓ Creating and/or retaining jobs;
- ✓ Reducing greenhouse gas (GHG) and criteria pollutant emissions; and
- ✓ Implementing Projects that could be replicated around the state.

Project Description Eligible Amount

- ✓ Installation of refueling/recharging infrastructure for alternative fuel vehicles up to 50% of cost
- ✓ Conversion of existing fuel storage tanks to ethanol or biodiesel up to 100% of cost

- ✓ Purchase of advanced technology vehicles up to 50% of incremental cost
- ✓ Lease of advanced technology vehicles up to 50% of incremental cost
- ✓ Installation of idle reduction mechanisms Up to 50% of cost
- ✓ Vehicle conversions, repowers, and retrofits up to 100% of cost
- ✓ Installation of LED street lighting, LED traffic signals, or signal synchronization up to 100% of cost

If a project is identified, the City been asked to submit a project as a sub grantee of the NC Solar Center. NC Solar Center would be the grantee, thus the city's reporting requirements would be minimal.

HUMAN RELATIONS COUNCIL

Ms. April Corbett & Mr. Isaac Barrett – Project Next Step Coordinator, Ms. Corbett and assigned Gang Prevention Specialist, Officer Barrett discussed the introduction of summer program Camp D.R.E.A.M. (Dedicated to Rebuilding, Educating, Achieving, and Motivating the youth and community).

Summer Program began June 28 and continues to August 13
8 am-1pm on Monday-Thursday

Located in Old Fort Housing Authority Office

Teachings include but are not limited to:

- GREAT (gang resistance education awareness training)
- Literacy classes
- Drug awareness classes
- Alcoholism awareness classes
- HIV prevention classes
- Social skills classes
- Street Smarts
- Helmet Safety
- Seatbelt Safety
- Role Models
- Guest Speakers

*Breakfast and Lunch provided by Eastern Elementary School

Officer Barrett discussed the collaborative effort with the Boys and Girls Club, Beaufort County Sheriff's Dept., and Project New Hope. Officer Barrett shared the necessity of more volunteers. There are approximately 30 children attending with only two parents that have volunteered.

Joint meeting with Greenville HRC Broad –Councilman Pitt shared that Ms. Cassandra Daniels had been on vacation and a meeting date could not be finalized.

Note: The Human Relations Council was responsible for contributing over \$3,000 through sponsorship in support of the Negro League Baseball Dedication

WASHINGTON HARBOR DISTRICT

Washington Harbor District Director, Beth Byrd stated she had received the North Carolina Annual Report and will have it available for Council review next month. Ms. Byrd reminded everyone that tickets are available for Pickin' on the Pamlico.

FINANCIAL REPORTS

Mayor Jennings polled Council regarding any questions they have concerning Purchase Orders.

Mayor Pro tem Roberson expressed his concerns of software being purchased by the Planning Department. Chief Financial Officer, Matt Rauschenbach advised Council that it was for rights to use grant administration software noting that several staff members had attended a webinar in June. This software would enhance the City's ability to understand grants that are available, apply for those grants, and manage grants awarded.

Councilman Mercer stated he understands when the City borrows money for installment purchases that money is borrowed from a lending institution for specific activities. Councilman Mercer said to his knowledge we did not have any installment purchases in the 09-10 budget. Everything in the 09-10 budget that was an installment purchase was already a carry-over from the 08-09 budget. Councilman Mercer pointed to several purchase orders that was of particular concern. If the money was carried over from last year the monies from the preceding budget, he assumes there was a purchase order issued to a vendor for the amount of money borrowed for the items purchased. A year later, we haven't spent that money and we will carry it over another year for projects. After reviewing the list of purchase orders, he was "upset" with the number of last-minute purchase orders being made. There was a purchase order for a project that had been completed, if the project was completed and just waiting for invoices, why should we write another purchase order? He felt that certain practices related to purchase orders give some City accounts "slush funds" when it comes to making some purchases. Mayor Pro tem Roberson and Councilman Mercer expressed concerns with the proliferation of purchase orders during June, the last month of the 2009-2010 fiscal year and with the amount of those purchase orders totaling \$3.1 million. Also, Councilman Mercer addressed concerns with grants. When a grant is issued the purchase order wasn't written shortly after and he cited several examples for both purchase orders and grants.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council approved for staff to adopt a policy that brings to Council every purchase order in excess of \$20,000 and all vehicle purchases. This information should be given to Council in the Consent agenda and Councilman Mercer clarified his

statement by adding an effective date of September 1, 2010. Discussion followed: Motion passed by 3-2 vote. Councilman Mercer, Mayor Pro tem Roberson and Councilman Davis voted for the motion with Councilman Pitt and Councilman Mercer voting against the motion. Motion carried.

Mr. Rauschenbach shared this will make it more inefficient for staff to do their job and cited several reasons why. Mr. Rauschenbach addressed the purchase order concerns and shared the installment purchases from 08-09 was deferred because mid-year utilities increases and spending was deferred to the end of last fiscal year so the Electric Fund could save that debt service. The debt actually happened around the end of June or July. The bulk was for Electric System projects which often include “made to order” equipment with delivery lead time of a year or more. The installment purchases are now complete. Mr. Rauschenbach provided information on other purchase orders and clarified how the practice of carrying over can change depending on the circumstance. Mr. Rauschenbach stated there are no “slush funds” and each City department does a good job when it comes to fiscal responsibility. The carry-over project balances will become clear by the end of August when all prior year invoices have been received and paid. We expected unspent project balances at that time and that amount will flow to fund balance. Councilman Mercer questioned this reasoning of deferring borrowed money when Council pointed out and agreed upon that we had the \$500,000 contingency and it would cover the \$500,000 for the remaining five months of that fiscal year that was caused by the increase in the Electric rate. Mr. Rauschenbach suggested this was before his time and Councilman Mercer agreed that it was. Also, Chief Reed noted what happens when it comes to police cars with State contracts – between the time you budget for the vehicle and the time you actually receive the vehicle.

Mayor Jennings pointed out it is difficult for Council to sort out the carrying over (etc.) and recalls he asked earlier in the year to try to steer away from the practice of bringing everything forward all at one time. Council must have this information and it is hard to sort through this procedure. Mayor Jennings requested to have some practice employed where the money is spent a lot closer to when it is actually requested.

Council Davis mentioned other municipalities that have project budgets and the money is put aside and not placed in the budget every year. It would be easier for him to understand this practice. Councilman Mercer recognized this as being right and has advocated this for a long time but stated there are projects that come before Council that are not project type material.

APPOINTMENTS

Mayor Jennings called for appointment to the Human Relations Council. Councilman Pitt explained there were some confusion last month and that Ms. Lovick had expressed a desire that she no longer wished to serve. Councilman

Pitt recommended the Clerk advertise for the remaining position along with other vacancies and will take those up next month.

By motion of Councilman Pitt, seconded by Councilman Mercer, Council appointed **Marisol Barr** to the Human Relations Council, to fill the expiring term of **Cynthia Lovick**, term to expire June 30, 2013.

ADOPT – RESOLUTION FIXING DATE FOR PUBLIC HEARING ON THE CONTIGUOUS ANNEXATION OF THE WHEAT FIELD SUBDIVISION LOCATED ON OLD BATH HIGHWAY AND CONTAINING 35.14 ACRES

Planning Director, John Rodman stated that Council had adopted a resolution on July 26, 2010 directing the Clerk to investigate the petition presented for a contiguous annexation. The Clerk has certified the petition and the Planning Board requests that Council set the public hearing for the September 13th meeting.

By motion of Councilman Davis, seconded by Councilman Moultrie, Council approved setting the public hearing for the September 13th meeting. Mayor Pro tem Roberson amended the motion to reflect six months from the date of adoption.

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

WHEREAS, a petition requesting annexation of the 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 2nd floor of the municipal building located at 102 East 2nd Street at 6:00 p.m. on Monday, September 13, 2010.

Section 2. The area proposed for annexation is described as follows:

Being all of that tract of land noted on that survey "Annexation Map, Wheat Field Subdivision" by Mayo and Associates, P.A. dated February 2, 2005

and being located in Long Acre 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 contains 35.14 acres more or less.

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.

APPROVE – A PROGRAM AMENDMENT FOR THE CAPACITY BUILDING GRANT # 08-C-1812

Director of Planning, John Rodman noted this was a grant issued in 2008 for Capacity Building in conjunction with the City of Washington and Washington Housing Incorporated. Mr. Rodman shared with Council that the money had already been spent. The grant will be closing out at the end of the month since it has been a two year period. There is approximately \$1300 left in the budget, approximately \$50,000 spent on personnel and salaries, \$1200 on training, \$850 on travel and \$4500 on planning.

Due to lack of funding from additional sources Washington Housing Incorporated proposes to eliminate the hiring of an additional staff person as a function of the grant. The Division of Community Assistance requires a program amendment to reflect the change of services. Mayor Pro tem Roberson disagreed with spending the money the way you want for grants and not for the original intent and Councilman Mercer agreed. Mr. Rodman explained that the majority of the money was spent on most of the eligible items. Mayor Pro tem Roberson had a question on subsection 5 concerning the 25 lots. Mr. Rodman stated the Housing Authority would get the money from the new HD grant (the City has applied for an awarded this grant). Discussion followed.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council supported a program amendment for the project description as outlined. **However**, Council directed that a letter be written from the City of Washington stating if Washington Housing Incorporate deviates from any future grant structure without notifying the City, we will not approve any future narrative changes.

APPROVE – POSTPONING FURTHER ACTION ON THE SLIP LANE FROM W. MAIN ST. TO STEWART PARKWAY PENDING REPORT FROM NCDOT

By motion of Councilman Mercer, seconded by Councilman Roberson, Council approved postponing further action on the slip lane until they receive a report from NCDOT.

MEMO – BRICK CROSSWALKS AT THE INTERSECTION OF STEWART PARKWAY AND RESPESS STREET

Public Works Director, Allen Lewis stated that on the direction of Councilman Mercer he contacted Mr. Ross Boyer who did the work at Harding Square and inquired if he could possibly do this type of work. Mr. Boyer stated he could and would provide a proposal with the brick similar to what is there now. Councilman Mercer clarified that he had not directed Mr. Lewis just inquired if he had contacted Mr. Boyer.

By motion of Mayor Pro tem Roberson, seconded by Councilman Davis, Council agreed to award contract to Mr. Ross Boyer not to exceed \$17,000 for repairs on existing brick crosswalks at the intersection of Stewart Parkway and Respass Street to appropriate fund balance out of the Powell Bill Funds.

Councilman Mercer inquired if that would give Mr. Lewis enough money to repair the drainage problem that he had mentioned several times, Mr. Lewis responded “hopefully”. Mr. Lewis stated he will give an update on August 23, 2010 if there is a need for more money.

(Begin Memo)

This is a follow-up to the request from Council on April 12 and May 10 regarding the above subject.

As a reminder, staff was asked to look into making repairs to the existing brick crosswalks rather than replacing them with concrete. It was suggested that we contact the City of New Bern. After speaking with the street superintendent as well as the contractor, it became apparent that the installation of their brick crosswalks was entirely different that what was done on our waterfront. Significant costs would be incurred to remove the existing pavers, as well as the concrete trench underneath, to install brick crosswalks similar to that done by the New Bern. Contact was then made with the original designer of the existing crosswalks, Mr. Bill Foreman who, in turn, contacted the contractor, Fred Adams Paving Company, Inc., that installed the original crosswalks. Both agreed that the concrete trench that the existing brick pavers are set in needs to have holes drilled through it to allow stormwater runoff to drain through rather than sitting in the concrete trench.

At the May 10, 2010 Council meeting, I was instructed to place the proper funding in the budget for my recommendation for the repair of the crosswalks and that it would be discussed during the budget workshop. During budget workshops, we never went through this specific issue due to looking at the broad spectrum of cuts city-wide. Due to the cuts, particularly within the Powell Bill fund, I would suggest that we replace the existing brick with stained concrete as I suggested back in April for an approximate material cost of \$3,000. City forces will be utilized for all labor involved. The other proposals from various

contractors for stamped concrete, stamped asphalt or “permanent” repair of the existing brick, ranged in price from \$8,000 to \$17,700.
(end memo)

**MEMO – MUNICIPAL AGREEMENT WITH THE NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION FOR PROJECT W-5008 –
WIDENING 15TH STREET**

Mayor Pro tem Roberson inquired as to where the \$135,000 would come from and Mr. Lewis informed Council that the \$135,000 was being provided by the State anything exceeding the \$135,000 would be the City's responsibility. Councilman Mercer noted the memo indicates that Mr. Lewis is still reviewing the cost of the proposal that is being presented. Councilman Mercer recognized there is \$285,000 discussed within the memo. The City does not have any indication of what the total cost of the project may be and Mr. Lewis noted this is the reason why it is in a memo form at this time. No action will be required tonight.

Councilman Davis inquired if the City would have to bear the cost of the drainage ditch and Mr. Lewis suggested NCDOT would pipe this as part of the project.

Mayor Jennings stated that appraisal and everything would still need to be done and Mr. Lewis agreed.

(Begin Memo)

This is in reference to the attached agreement noted above.

The referenced agreement is for the widening of 15th Street to provide for a center turn lane from approximately 400 LF west of Washington Street to approximately 400 LF east of Pierce Street. Some key features for consideration in of approving this agreement are that the City shall be responsible for right of way acquisition costs which exceed \$135,000 and utility relocation costs that exceed \$150,000. At this time, staff is still reviewing recently revised plans which significantly reduced right of way acquisition necessary for the project to determine if these figures are sufficient to cover the costs associated with utility relocation. As such, this agreement is submitted for your review only at this time.
(End Memo)

**MOVE FROM CONSENT - ITEM B: ADOPT – CAPITAL PROJECT
ORDINANCE RZEDB FIRE STATION ROOF PROJECT**

Councilman Mercer expressed his concerns with adopting the Project Ordinance pursuant the Chapter 159 -13.2 of the General Statutes. Councilman Mercer stated under this particular Statutes it states in this section Capital Projects means project finance in whole or in part by the proceeds of bonds, notes or debt instruments or a project involving in the construction or acquisition of a Capital Project. Councilman Mercer stated when Council went through the

budget process; Chief Rose recognized he had a leaky roof. Chief Rose budget requested a maintenance item for the repair of the roof of \$42,000 in which Council approved. Councilman requested leaving the \$42,000 in the budget as a maintenance item under the Fire Department budget.

Mr. Rauschenbach explained it was in the original budget as part of the Recovery Zone discussions in which Council authorized staff to go up to a certain amount. It ended up being four million dollars primarily for the stormwater projects. It was brought to Council’s attention that we needed to have something that we could place a lien on as part of the project and stormwater funds would not work. You could apply it to something like the Fire Station or improvement to City Hall for that debt issuance. The final budget approved by City Council for Recovery Zone Bond issuance for \$42,000. Councilman Mercer requested a time line for the issuance for the Bond and Mr. Rauschenbach referred to the schedule when requesting the initial request to the Department of Commerce allocation and believes that was done in June and the time line would be in December. Application will be submitted to the LGC twenty eight days prior and after they approve the debt, the debt would then be issued this calendar year prior to January 1st. Councilman Mercer stated he understood. He was under the impression it was going through the normal process of selling bonds and it would be next year before they would be sold.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council adopted a Capital Project Ordinance to appropriate funds for the recovery zone economic development Fire Station #1 roof replacement project.

**A CAPITAL PROJECT ORDINANCE FOR THE RECOVERY ZONE BOND
FIRE STATION ROOF REPLACEMENT PROJECT
CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2010-2011**

BE IT ORDAINED by the City Council of the City of Washington, North Carolina, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The project authorized is for replacement of Fire Station #1’s roof funded by Recovery Zone Economic Development Bonds.

Section 2. The officers of this unit are hereby directed to proceed with the project within the terms of the bond documents.

Section 3. The following amounts are appropriated for the project:

59-10-4340-7400	Capital Outlay	\$42,000
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Section 4. The following revenue is anticipated to be available for this project:

59-10-3920-9200 Recovery Zone Bond Proceeds \$42,000

Section 5. The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient detailed accounting records to satisfy the requirements of the grantor agency and grant agreement.

Section 6. Funds may be advanced from the General Fund for the purpose of making payments that are due. Reimbursement requests should be made to the loan agency in an orderly and timely manner.

Section 7. The Finance Director is directed to report, on a monthly basis, the financial status of each project element in Section 3 and on the total grant revenues received or claimed.

Section 8. The Budget Officer is directed to include a detail analysis of past and future costs and revenues on this capital project in every budget submission made to the City Council.

Section 9. Copies of this capital project ordinance shall be furnished to the City Clerk, Budget Officer, and Finance Director for direction in carrying out this project.

Section 10. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 11. This ordinance shall become effective upon its adoption.

Adopted this the 9th day of August, 2010.

s/Cynthia S. Bennett
City Clerk

s/N. Archie Jennings, III
Mayor

**MOVED FROM CONSENT- ITEM C: ADOPT – BUDGET ORDINANCE
AMENDMENT TO REDUCE GENERAL FUND AND STORM WATER FUND
REVENUES AND APPROPRIATIONS TO ESTABLISH THESE PROJECTS AS
CAPITAL PROJECTS**

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council adopted a Budget Ordinance Amendment to reduce General Fund and Storm Water Fund revenues and appropriations.

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2010-2011**

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

Section 1. That the Estimated Revenues in the Storm Water Fund be decreased in the amount of \$3,958,000 in the account Recovery Bond Proceeds, account number 34-90-3710-8900.

Section 2. That account number 34-90-5710-7400, Capital Outlay, portion of the Storm Water Fund appropriations budget be decreased in the amount of \$3,958,000.

Section 3. That the Estimated Revenues in the General Fund be decreased in the amount of \$42,000 in the account Recovery Zone Bond Proceeds, account number 10-00-33920-9200.

Section 4. That account number 10-10-4340-7400, Capital Outlay, portion of the General Fund appropriations budget be decreased in the amount of \$42,000.

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 9th day of August, 2010.

s/Cynthia S. Bennett
City Clerk

s/N. Archie Jennings, III
Mayor

**ADOPT – CAPITAL PROJECT ORDINANCE RZEDB STORM WATER
DRAINAGE PROJECTS**

Councilman Mercer requested the following changes: Section 1. following the word improvement insert the word “**primarily**” in the Jack’s Creek basin and add a new Section 7. with the language being provided by Councilman Mercer and the remaining sections be re-numbered 8,9,10,11, &12. Please note the language below:

New Section 7. Language: In order to repay the debt service from the proceeds of the Bond sales, the City will annually appropriate funds from the revenue generated by collection of Stormwater Fees until adequate funds are available for the repayment of the debt. In no case shall the appropriation be less than \$400,000 a year.

By motion of Councilman Mercer, seconded by Council Davis, Council adopted an amended Capital Project Ordinance RZEDB Storm Water Drainage Projects with a new section 7 and with the inclusion of the word “primarily” in section 1. **Councilman Mercer amended motion:** fees adequate or available for the repayment of the debt but in no case shall the appropriation be < \$400,000 a year.

Mr. Rauschenbach requested clarification and Councilman Mercer stated if the stormwater fees that are in place this year generates \$300,000 that every year from now on that appropriation would not be less than \$300,000. If you have to adjust the stormwater fee schedule to insure that you get that \$300,000 then you would do so. Mr. Rauschenbach noted when looking at the project proposal after removing the labor out of the stormwater fund back to the general fund based on projections in this year’s budget the stormwater fees are approximately \$500,000 and after you reduce the stormwater operations (etc.) you will end up with a little north of \$300,000 a year. The positive cash flow into the stormwater would be available for debt service. Councilman Mercer stated if you put the \$500,000 into debt service for this project you will have enough to pay it off in roughly eight years. Mayor Jennings suggested we don’t have \$500,000 not according to Mr. Rauschenbach. Mr. Rauschenbach stated the net is \$305,000 and the debt service for this will be \$345,000 for the \$3,958,000 and explained where the monies would be applied. Mr. Rauschenbach noted there would be a \$40,000 shortfall in the net fees as they exist today unless some other expenses are moved back to the general fund. Approximately \$40,000 a year will have to be used out of the stormwater \$490,000 fund balance to make up the difference unless other action is taken. This will last twelve years and the debt is set up for fifteen years. Mr. Lewis mentioned the regular intent of the funds was for projects, so everyone is right in what has been stated. After the fees were enacted they went into salaries and routine maintenance so basically very little fund balance was accumulated. This past fiscal year, Council started cutting a big chunk out of this to the tune of \$305,000. The thought process was this is the first step and that the next fiscal year we would possibly look at funding more of those items that were left in the stormwater fund out of the general fund. Mr. Lewis suggested according to Mr. Rauschenbach figures another \$40,000-\$45,000 funded out of the general fund would completely cover the debt for the next fifteen years. Mayor Jennings elaborated by stating with the newly created cash flow from taking the positions out that gave us \$300,000 that we didn’t have before. Also, we have \$490,000 in fund balance that we have accumulated over time. That \$490,000 plus the new cash flow covers the debt. The final number to pay back the debt on the 4 million dollars is \$345,000 per year. Councilman Mercer requested, at this time, to take the next big step and commit this money to projects and debt service and if we have personnel positions that need to be maintained, they should go some other place. **Point of clarification made by Mayor Jennings:** No one on this Council including this Mayor was in the group that changed the initial practice of voting to put positions there. Mayor Jennings stated we have a need for \$345,000 per year out of the \$500,000 to carry the

debt. If we commit the entire \$500,000 we will retire it earlier but we will not have any flexibility around our fees and what we use them for above the \$345,000. Do we want to earmark all the fees for this particular bond issue? Mayor Pro tem Roberson inquired at what juncture are we just going to do Capital Improvement Programs for storm drainage and not include all this other information concerning i.e., salaries, nutrients (etc.) and Mayor Jennings noted there are no salaries in there now. Following discussion: Please see the amended motion.

**A CAPITAL PROJECT ORDINANCE FOR THE RECOVERY ZONE BOND
STORM WATER PROJECTS
CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2010-2011**

BE IT ORDAINED by the City Council of the City of Washington, North Carolina, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The project authorized is for storm water drainage improvements primarily in the Jack’s Creek basin funded by Recovery Zone Economic Development Bonds.

Section 2. The officers of this unit are hereby directed to proceed with the project within the terms of the bond documents.

Section 3. The following amounts are appropriated for the project:

58-90-5710-7400	Capital Outlay	\$3,958,000
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Section 4. The following revenue is anticipated to be available for this project:

58-90-3710-8900	Recovery Zone Bond Proceeds	\$3,958,000
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Section 5. The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient detailed accounting records to satisfy the requirements of the grantor agency and grant agreement.

Section 6. Funds may be advanced from the General Fund for the purpose of making payments that are due. Reimbursement requests should be made to the loan agency in an orderly and timely manner.

Section 7. In order to repay the debt service from the proceeds of the Bond sales, the City will annually appropriate funds from the revenue generated by collection of Stormwater Fees until adequate funds are available for the repayment of the debt. In no case shall the appropriation be less than \$400,000 a year.

Section 8. The Finance Director is directed to report, on a monthly basis, the financial status of each project element in Section 3 and on the total grant revenues received or claimed.

Section 9. The Budget Officer is directed to include a detail analysis of past and future costs and revenues on this capital project in every budget submission made to the City Council.

Section 10. Copies of this capital project ordinance shall be furnished to the City Clerk, Budget Officer, and Finance Director for direction in carrying out this project.

Section 11. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 12. This ordinance shall become effective upon its adoption.

Adopted this the 9th day of August, 2010.

s/Cynthia S. Bennett
City Clerk

s/N. Archie Jennings, III
Mayor

MEMO – 2010-2011 FEE MANUAL: ELECTRIC DEPOSITS

Councilman Mercer noted that the fee manual adopted last year when the budget was adopted had the language in there that is shown as being the 09-10 fee manual and he quoted the language contained in Section A. Councilman Mercer stated following some comments from the public and a meeting by the Washington Utilities Electric Advisory Committee, it was recommended that there be a number of changes to the fee policy. Basically those changes related to the number of extensions an individual could have. As well as, allowing the payment of the deposit to be in two or more payments as necessary, changing the deposit requirements for after cut off, capping the deposit for residential customers at \$200 or \$300 and then changing the language regarding the rebate of the deposit at the end of six months rather than fourteen months by an automatic credit to the account. When Council received the fee manual this year, it eliminated all that language concerning checking the credit and having a fee or deposit relative to whether you had a electric heat or non-electric heat or whether you were an owner or tenant and states that residential electric deposits will be capped at \$200. When you go to customer service, now, you automatically pay \$200 deposit and don't feel that was the intent of the Advisory Committee's action when the recommendation was presented. Last time we requested to modify the fee manual that we adopted this year to continue to contain that language regarding owner, tenant, electric and non-electric heat and language after that regarding capping the fees extension was in effect what the Advisory Committee recommended. Councilman Mercer requested to go back and have

the 10-11 fee manual include the owner, tenant, electric and non-electric in the 10-11 fees. Mr. Rauschenbach clarified the \$200 deposit cap is not automatic. Each individual credit is checked at the time of application. If credit is deemed adequate then no deposit is required. If it is inadequate credit then the \$200 deposit applies. If a social security number is not provided then it is capped at \$300. Mayor Jennings noted to Councilman Mercer's point, the old fee schedule allowed some deposits less than \$200 and now if a deposit is required it is either \$200 or \$300. There is deposit currently less than that. Mr. Rauschenbach agreed and stated the old language was varying levels from \$50 to \$125 or at the City's discretion one twelfth of the annual charges based on the annual pay history. Councilman Mercer agreed and stated this is the language he wants put back. Councilman Roberson inquired if these were the six items recommended by the Washington Utilities Electric Advisory Board and Councilman Mercer said 'no'. First, part of the old fee schedule has been omitted and we would like to have that reinserted in the 10-11 fee schedule. Mr. Rauschenbach requested that if Council goes in this direction then he is of the opinion that we should explore how long that rate structure has been in place. Following discussion:

Council directed staff to reinsert the old fee schedule language and then they will review it.

ADOPT – RESOLUTION AUTHORIZING THE CITY MANAGER TO REQUEST FOR GRANT ASSISTANCE FROM THE STATE OF NORTH CAROLINA THROUGH THE CONSTRUCTION GRANTS AND LOANS SECTION OF THE DIVISION OF WATER QUALITY FOR THE CONSTRUCTION OF A NEW PUMP STATION NEAR MAIN AND RESPESS AND APPROVE REQUEST FOR TRANSFER OF FUNDS - \$600,000

Public Works Director, Allen Lewis asked to delete the language and approve request for transfer of funds. Mr. Lewis stated this is just formalizing what had been discussed with Council numerous times. There is some funding possibly available that would allow the City to rebuild this pump station with up to 50% principal forgiveness loan. The remainder balance of the loan would be at a low interest State Revolving Loan Fund which is typically ½ of the prime but should not exceed 3%. Prior to going forth with any construction, it will come back to Council for approval, if anything is awarded.

Councilman Mercer inquired how much money is being requested and Mr. Lewis stated \$600,000.

By motion of Councilman Davis, seconded by Councilman Mercer, Council adopted a resolution authorizing the City Manager to request loan assistance from the State of North Carolina through the Construction Grants and Loans Section of the Division of Water Quality for the construction of a new pump station at Main and Respepp and not to exceed application cost of \$600,000.

Mayor Pro tem Roberson inquired as to the location and Mr. Lewis stated it is located in the parking lot behind the old Fowle building.

AUTHORIZING RESOLUTION BY GOVERNING BODY OF THE APPLICANT

WHEREAS, The Federal Clean Water Act Amendments of 1987 and Safe Drinking Water Act Amendments of 1996 and the North Carolina Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of construction of wastewater or drinking water system improvements, and

WHEREAS, The City of Washington has need for and intends to construct a new Pump Station above the 100 year flood level to replace the existing Main & Respass Pump Station which is below the 100 year flood level, to prevent flooding and pollution, and

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

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

That City of Washington will arrange financing for all remaining costs of the project, if approved for a State grant or loan 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 and the repayment of all principal and interest on the debt.

That the City of Washington agrees to include in the loan agreement a provision authorizing the State Treasurer, upon failure of the City of Washington to make scheduled repayment of the loan, to withhold from the City of Washington any State funds that would otherwise be distributed to the local government unit in an amount sufficient to pay all sums then due and payable to the State as a repayment of the loan.

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

That James C. Smith, City Manager, 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 or loan to aid in the construction of the project described above.

That James C. Smith, City Manager, 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 9th day of August, 2010, at Washington, North Carolina.

s/N. Archie Jennings, III
Mayor

ADOPT - RESOLUTION IN SUPPORT FOR HIGHWAY 17

Councilman Mercer referred to an email that was mailed out to City Council last week containing a letter from Marc Finlayson with a proposed Resolution attached.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council adopted a Resolution in support of the application to Golden Leaf for Highway 17 to conduct an environmental impact analysis.

RESOLUTION IN SUPPORT OF US 17 COMPREHENSIVE STUDY

WHEREAS, US 17, the Ocean Highway, was once the primary north-south transportation route in the coastal plain of eastern North Carolina; and,

WHEREAS, the building of the Interstate Highway System diverted significant amounts of traffic away from US 17; and,

WHEREAS, US 17 has not received the attention and funding required to upgrade the facility, leaving more than 50 miles in dangerous, inadequate two lane condition; and,

WHEREAS, because of a lack of an improved US 17, eastern North Carolina lags behind the rest of the state in recruiting manufacturing industry, attracting tourists to the region's destinations, providing the transportation infrastructure needs of our state's two ocean ports and meeting the growth demands of the military; and,

WHEREAS, there is substantial amount of poverty, economic distress and social difficulty in eastern North Carolina due to the lack of economic opportunity that safe and adequate highways provide; and,

WHEREAS, an improved US 17 will enable eastern North Carolina to recruit and retain industrial jobs whose companies require access to four lane highways that will link products and services to eastern US markets; and,

WHEREAS, an improved US 17 will enable the tourism industry to showcase the wonderful recreational, environmental and heritage tourist destinations found in eastern North Carolina, that other states can promote because of access to the interstate System; and

WHEREAS, an improved US 17 will greatly enhance the ability of North Carolina's ocean ports at Wilmington and Morehead City to move goods in and out of those facilities and link the ports to markets across the country; and

WHEREAS, some of the most strategically important military bases in the United states are found in eastern North Carolina, and whose growth is negatively impacted by an unsafe, inadequate two lane US 17 and

WHEREAS, the true benefit of US 17 as a fully improved, four lane coastal corridor cannot be known definitively unless a comprehensive economic impact analysis is conducted; and

WHEREAS, such an economic impact study for the US 17 corridor will encourage the North Carolina Department of Transportation to fully fund the improvements to the highway and accelerate the planning, design, permitting, right of way and construction processes; and,

WHEREAS, such a study will provide reliable facts and data and insightful analysis that will greatly benefit counties, municipalities and regional economic partnerships in their business recruitment and development activities.

NOW, THEREFORE, BE IT RESOLVED THAT THE UNDERSIGNED, N. ARCHIE JENNINGS, III, MAYOR OF THE CITY OF WASHINGTON, DOES HEREBY JOIN WITH ITS NEIGHBORS ON THE US 17 CORRIDOR IN REQUESTING THAT FUNDS IN THE AMOUNT OF AT LEAST \$250,000 BE APPROPRIATED, GRANTED OR OTHERWISE PROVIDED TO ENABLE THE COMPLETION OF A COMPREHENSIVE STUDY TO DEMONSTRATE THE ECONOMIC IMPACT OF A FOUR LANE CORRIDOR FOR EASTERN NORTH CAROLINA

s/N. Archie Jennings, III
Mayor

CLARIFICATION OF MINUTES DATED 7-26-10

Mayor Jennings called for clarification of a motion made on the minutes dated July 26, 2010. Council originally passed the 0.50 cents tax rate to include 1 ½ to public facilities. After that, Councilman Mercer recalled that we actually said specific to “public safety capital reserve fund”. After reviewing the tape, that wasn’t what was said.

Mayor Jennings requested to correct this by simply allowing the minutes to stand as originally stated and then clarify that in the context of 0.50 cents tax rate the phrase public facilities actually meant to be stated as “**public safety capital reserve fund**”. This will clarify the statement in context which will allow the original minutes to stand. Mayor Pro tem Roberson agreed with this statement and liked the clarity.

By motion of Mayor Pro tem Roberson, seconded by Council Davis, Council agreed to clarify the minutes as mentioned above.

City Attorney, Franz Holscher stated so we will allow the minutes to remain unchanged when Council approved the minutes it was with the understanding there would be a correction to amplify that public facilities meant “public safety capital reserve fund”. Council agreed that it was modified tonight by the request made by Mayor Jennings and would be footnoted.

DISCUSSION – LETTER DELIVERED TO CITY ATTORNEY FRANZ HOLSCHER FROM GROUNDWATER MANAGEMENT ASSOCIATES, INC (GMA) SCOPE AND COSTS FOR ENVIRONMENTAL SERVICES FOR PROPERTY LOCATED AT 131 BRIDGE STREET

Mayor Jennings call Councils attention to the letter received from Groundwater Management Associates, Inc. (GMA). Mayor Jennings stated this was relative to action taken at the last meeting where we allowed a \$5,000 cap for a full environmental assessment. Mr. Holscher stated he understood the directive from Council was to approve phrase I not to exceed \$5,000. He in turn contacted GMA and asked Ms. Jarvis if that would provide the City with the information necessary for Council to make an informed decision. Ms. Jarvis responded that she doesn't think she can do enough for \$5,000 and feels it needs to be \$6,500. This will allow her to do some actual sampling or testing where Council will have some results. Mayor Jennings stated there is some alternate solution that could be done for \$5,000 but it would not give Council a definitive answer. The \$6,500 will allow Ms. Jarvis to do the Phase I plus a limited Phase II.

Councilman Mercer expressed some concerns that this may require a full Phase II. Mayor Jennings said if we did find some residual would Council not want a full Phase II. Mr. Holscher was concerned if you purchase the property and pull up the concrete and disturb contaminates, the City will have a liability and responsibility. Following discussion:

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council appropriated \$6,500 to do what is describe in the letter looked over by the City Attorney.

(Begin Memo)

Re: Scope and Costs for Environmental Services
Floyd M. Banks Property, 131 Bridge Street, Washington, Beaufort
County, North Carolina

Dear Mr. Holscher,

Per your request, Groundwater Management Associates, Inc. (GMA) is providing you with a description of services for environmental assessment at the above property. GMA can provide a full ASTM compliant Phase I environmental Site Assessment (ESA) only for less than the approved \$5,000 approved by the City of Washington, City Council on July 26th. However, as we discussed earlier,

based on the known history of the property and lack of proper closure assessment for the former underground storage tank system, I would recommend assessment of the property beyond a Phase I ESA.

An ASTM complaint Phase I ESA does not include any sampling or testing for a subject property. It includes a detailed current and historical search uses of the subject property and surrounding **properties so that any “areas of concern” may be identified that may warrant further investigation (i.e. sampling and testing/also called Phase II sampling).**

A full ASTM compliant Phase I ESA plus limited Phase II Sampling and Testing can be completed by GMA for \$6500. This price includes soil and groundwater samples collected and tested from two locations of highest risk (former tank basin and dispenser island) on the subject parcel and data summarized in a report written and sealed by a licensed geologist. As a lesser alternative, GMA could offer an approach for the City Council that would include an Environmental Transaction Screen (ETS), which only targets the subject parcel, plus limited sampling and testing to try and stay within the approved \$5000 budget.

Please contact me at (252) 758-3310 if you have any questions. To retain GMA's services, please submit a purchase order for the approved services. Thank you for granting GMA the opportunity to be of service.
(End Memo)

CLOSED SESSION – UNDER NCGS 143-318.11(a)(1) DISCLOSURE OF CONFIDENTIAL INFORMATION AND NCGS 143-318.10(e) THE PUBLIC RECORDS ACT AND NCGS 143-318.11(a)(6) PERSONNEL

A motion was made by Councilman Mercer, seconded by Councilman Pitt, Council agreed to go into closed session @7:40 pm under NCGS 143-318.11(a)(1) and NCGS 1143-318.10(e) the public records act and NCGS 143-318.11(a)(6) Personnel.

A motion was made by Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council agreed to come out of closed session at 8:20 pm.

ADJOURN

By motion of Councilman Pitt, seconded by Councilman Moultrie, Council adjourned the meeting @ 8:25 pm until August 23, 2010 at 5:30 pm in the Council Chambers at the Municipal.

(Subject to the Approval of the City Council)

**Reatha B. Johnson
Assistant City Clerk**

**CITY COUNCIL MINUTES
WASHINGTON, NORTH CAROLINA**

August 23, 2010

The Washington City Council met in a continued session on Monday, August 23, 2010 at 5:30pm in the City Council Chambers at the Municipal Building. Present were: Archie Jennings, Mayor; Bobby Roberson, Mayor Pro tem; Doug Mercer, Councilman; Rev. Edward Moultrie, Councilman; William Pitt, Councilman; Gil Davis, Councilman; James C. Smith, City Manager; and Cynthia Bennett, City Clerk.

Also present were: Robbie Rose, Fire Chief; Allen Lewis, Public Works Director; John Rodman, Planning Director; Mick Reed, Police Chief; Ray Midgett, Information Technology Director; Philip Mobley, Parks and Recreation Director; and Mike Voss, of the Washington Daily News.

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

APPROVAL/AMENDMENTS TO AGENDA

Mayor Jennings requested adding two discussion items:

1. Invoice received from NCDOT in the amount of \$112,495.34
2. Hospital Board to receive public comments

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

UPDATE – PROPERTY ACQUISITION AND DISCUSSION OF POTENTIAL FOR LIBRARY EXPANSION

City Manager, James Smith noted that Council had authorized staff to have an Environmental Assessment referencing the possible library expansion. The price quote was received at \$6,000 and the owner has been notified that the City is exercising the clause in the purchase sales agreement.

Mr. Smith inquired if they should approach other property owners (particularly the owner of the parcel located on the Second Street side in front of the Library – small brick house) to see if they would be interested in selling. Mayor Pro tem Roberson felt this would be a good idea and Mayor Jennings added this may be the perfect time to find out where the City stands. Councilman Mercer encouraged the purchasing of the property on Second Street because it was on the market. He doesn't know if you really want to go out and make overtures to other property holders at this time because he isn't sure if there are definitive plans to expand the Library.

Councilman Mercer noted the discussion of Council concerning the potential combination of BHM and Brown Library for some period of time and that

this process may begin to move forward again in the near future. This could influence our discussions of renovations or enlargements of Brown Library.

Mayor Jennings suggested if Council members are approached by property owners to try and receive all the information available regarding the parcels.

Mr. Smith reviewed the meeting last week between Brown Library Director, Gloria Moore; BHM Director, MJ Carbo; NC State Library Consultant; Jennifer Pratt and himself to discuss any changes and the bottom line was 'no' nothing had changed. The State feels that if BHM was to break up, the logical pattern for Washington would be a Washington/Beaufort County/Hyde Library. This would still qualify as a regional Library and we would continue to get money for Hyde County and Beaufort County Library. The State feels Hyde should be included because it can't stand alone. Ms. Carbo indicated that she was not aware of any interest of BHM wishing to make any major changes unless Washington was willing to put its money into their BHM budget with a unified card catalogue. The State indicates that where they have had mergers of that sort in the past, the amount of borrowing back and forth isn't as one sided as we would think. The State recommends this approach. Another approach would be compensation back and forth for borrowing books.

Mayor Jennings suggested there are a lot of options and a few developments on the horizon - Being toward the end of the year every regional Library system will need to restate its purpose, make-up etc. (this is the best chance to re-organize what's now BHM arrangement). Mayor Jennings suggested getting an update out to Council and keeping communications open with the County.

DISCUSSION – PROCESS FOR REVITALIZATION OF THE OLD CITY HALL AND 507 W. 2ND STREET

City Manager, James Smith reviewed the visit from Ed Lipsky of Rehab Builders. Mr. Lipsky visited several of the historic buildings: Fowle building, Hotel Louise, Belk, Artisan Center and Old City Hall. Preliminary pro forma was done on each. Mr. Lipsky performed a more detailed study of the Old City Hall and suggested commercial space – two offices downstairs and two apartments upstairs. None of the pro forma's was without funding gaps.

Mr. Smith stated that the house located at 507 West 2nd Street was given to the City. The roof has been temporarily repaired and Bishop Jones group has cleaned up in the house and property. The building has been sealed and boarded up. There was a meeting with Preservation North Carolina and they are willing to help by publishing these properties on the web and in their magazine. Preservation North Carolina promotes the building they are working on. Also, Mr. Smith advised that a local party (Mr. Robin Banks) had expressed interested in the rehabbing of that building with a short time frame for exterior renovocations.

Mr. Smith asked Mr. Rodman if he had checked the restrictive covenants and rehab guidelines and if Mr. Banks was willing to entertain those options. Mr. Rodman had checked with Mr. Banks and stated Mr. Banks would be willing to entertain those options. Mayor Pro tem Roberson expressed his concerns because he felt the first step would be to certify the property as surplus and then go to the upset bid process. Mayor Jennings and Mr. Smith confirmed that Mayor Pro tem Roberson was correct (Mr. Smith noted this was going to be his next statement). Mayor Jennings suggested that the property will be structured for sale under these terms and submit a facsimile of the Preservation of North Carolina Covenants or Rehab agreement. If you would bid on it (we are assuming Mr. Banks would) or anyone else would agree to do the same thing. Mr. Smith shared he had spoken with Tyler Mulligan, Assistant Professor of Public Law with North Carolina School of Government and he confirmed that we could go through the upset bid process.

Mr. Smith reviewed the meeting between Washington Harbor District Alliance and the National Development Council stating they could do the following for the City:

1. Training Program in Eastern North Carolina for Rehab
2. Expertise (have successful done other projects)
3. Honest Broker

Mayor Jennings requested having the Alliance come back to Council and present information gathered. Mayor Pro tem Roberson requested a time line stating what will be done and when it will be completed. Mayor Jennings noted our ultimate goal for the building is to save it.

Councilman Davis inquired from the City Attorney, Franz Holscher if we have to declare the property surplus and feels we need to start that process as soon as possible. Councilman Davis asked what will the City need to do and Mr. Holscher stated it depends on what direction the Council wishes to go. If you want to convey the property on 507 West 2nd Street to the Preservation of North Carolina you can do so by private negotiation and sale. There is a specific section in the Statue that will allow you to do this for non-profit so long as there is a Preservation agreement in place. If the City has received an offer from Mr. Banks, the Clerk will need to publish a notice and Council would have a resolution at a future meeting. In the resolution you would declare the property surplus. You would state whether or not you are willing to accept their offer and that would go into the upset bid process. If you decide to convey the property to Mr. Banks, the deed should contain restrictive covenants that are basically the same as what is in the Preservation agreement with the Preservation of North Carolina.

Mayor Jennings directed staff to have this as an action item for September 13th and to consider the resolution that would accomplish the recommendation

given by the City Attorney. Mr. Smith inquired which process and Mayor Jennings stated through the upset bid process.

DISCUSSION – IMPLEMENTATION PROCESS FOR CUSTOMER ENERGY MANAGEMENT PROGRAM (LOAD MANAGEMENT)

Mr. Smith reviewed the recommendation received from Washington Electric Utilities Advisory Commission and staff. Mr. Smith called Council's attention to the direction given to staff at a budget meeting forward with the load management program with \$300,000.

Councilman Pitt shared what came out of the meeting.

1. Ways to make it user friendly to the public
2. Expound on the number of what the load management will do for the community
3. Best time to go forward with the program would be Public Power week in October.

Councilman Pitt stated they are one member short on the Advisory Commission once that member is approved, they will go forth with the program. Mayor Jennings requested an update on the Minimum Housing code and how it relates to energy efficiency. Mr. Rodman stated the City has received a grant program that allows the City to add additional interns and they will begin working on this through East Carolina along with our Minimum Housing and Energy Efficiency. This should get started by the end of the month which will be discussed tomorrow night with the Planning Board.

Mayor Pro tem Roberson suggested educating and training an employee from the Inspection Department to take over the Minimum Housing Inspection as opposed to adding a new employee. Mr. Smith suggested it would depend on what happens overall and mentioned there is one person out in the Inspections Department on Workers Compensation. We will need to look at employees at that time and the state of the economy.

Mr. Ed Pruden suggested it is not necessarily just an inspection of facilities that are in place but it is an inspection of verification of operation of existing facilities (which may or may not require someone with some technical competence to be able to recognize those facts about the operation of load management switches). There are approximately thousands of those already in place and in terms of the time required to go around making sure the devices are functioning properly, it would require quite a bit of time. With the existing workload on staff, it is not something that can be done on a full time basis. Councilman Mercer suggested knowing how many switches are already in place would be of benefit to Council. It may be we have enough on order and already in place to cover the City. The last purchase order indicates we have purchased two devices to test the switches when installed. Mr. Hardt elaborated that a lot of this information was presented at the Town Hall meeting and he can pull the

material. The 4300 was an answer to a question when someone asked the number of residential customers dwelling inside the City. That 4300 was not the number of potential switches we have it was based on the different appliances it would control. Mayor Jennings asked for an estimate of how long it would take to install the 1500 switches. Mr. Pruden stated with a two man crew you may be able to install four day.

Mayor Jennings recommended finding a way to communicate to the public the number one way to reduce your overall cost and thereby reduce rates. Mr. Pruden ask for direction from Council. More discussion ensued on ways to communicate to the community and making sure everyone is armed with the basic facts. Mayor Jennings task Mr. Hardt with bringing back to Council some sort of documentation that would simply address all the facts and issues.

Mayor Pro tem Roberson voiced his concern if the employee installing the switches should be a license electrician. Mr. Hardt stated it depends on who you talk with. Mayor Pro tem Roberson suggested we need to proceed carefully.

PROPOSAL – INTERIM USE OF 233 E. 7TH STREET PROPERTY BY THE POLICE DEPARTMENT

Chief Reed referred to the memo and explained they have been looking for a place to relocate Project Next Step:

(Begin Memo: Temporary Use of 7th Street Property for Project Next Step)
Recently the City of Washington purchased the property on 7th St. (the former school Ed Tech property) from Mr. Michael Lowe. Allen Lewis has indicated that it is planned to demolish the structure to make way for storm water improvements. As you know, the Washington Police Department is actively seeking temporary office space to continue Project Next Step. One of the main components of this project is location. We would like to suggest temporarily relocating PNS to the 7th St. property **only** for the rest of FY 2010/2011.

Advantages:

- This temporary move would allow the Project to remain in a vital location that supports the mission of the Project.
- The money saved by eliminating the cost of rent, etc. would further our goal of funding the Project through the remainder of the fiscal year.
- The move would provide additional time to pursue options for continuation of Project Next Step.

It is emphasized that this move would be only temporary. This topic is placed before Council for discussion purposes only.

(End Memo)

Chief Reed noted this would eliminate paying rent where they are located now. Also, it would put them in an area where it is important for them to be.

Councilman Mercer inquired as how much of the building would be needed and Chief Reed stated one office. Councilman Mercer asked if the utilities could be cut off to the rest of the building because this would be his only concern. Mr. Lewis stated there are eight units and we would only need to use one. Mayor Pro tem Roberson expressed concern with mold due from flooding. Mr. Lewis said there was no conflict with drainage improvements.

Mayor Jennings directed staff to consult and revisit with FEMA referencing demolition and stated tonight is just a fact finding mission.

Mayor Jennings commended Chief Reed for being creative and stated it would work for a little while.

DISCUSSION – PROPOSAL BY THE SCHOOL DEPARTMENT FOR THE CITY OF WASHINGTON POLICE DEPARTMENT TO PROVIDE RESOURCE OFFICERS FOR THEIR EDUCATIONAL TECHNOLOGY FACILITY

Chief Reed reviewed the memo and stated this information is the result of a meeting date August 10 with the School Superintendent:

(Begin Memo)

Request by Beaufort County Schools to provide Student Resource Officer (SRO) for the Alternative Education Tech School in Washington.

On August 10th, 2010 I met with Dr. Don Phipps regarding contracted positions located at the High School and Middle School. Dr. Phipps requested an additional SRO be assigned at the Alternative Ed Tech School on Bridge Street in Washington. For the past number of years, that position has been supplied by the Beaufort County Sheriff's Office. The Washington Police Department is in favor of the request. The Manager and I have spoken regarding this topic and there are a number of positive reasons to consider.

This move would simplify the law enforcement response to this facility because the Washington Police Department is accountable for all activity in the City limits. This move would better coordinate the law enforcement role throughout the City Schools. Although much of the training (G.R.E.A.T., D.A.R.E.) is similar throughout the County and City, this would allow better cohesiveness within the City schools. This move would allow more direct, personal contact between the students who live in the City with W.P.D. officers, further solidifying the positive relationship as the students grow.

Page two of this document details the financial burden from the City and the Schools via contractual obligation. While the County Schools pay a percentage of the total cost of an officer, the City of Washington would be obligated to fund the balance of a new officer and staffing level of the WPD would increase by one.

While this topic placed before Council for discussion purposes only, please note that we would ask for guidance in this matter to proceed as quickly as possible. (End Memo)

Councilman Mercer stated the memo indicated the cost for the Officer would be \$43,900 which would include salaries and benefits and does not cover any other cost for that officer. Councilman Mercer requested the true value for the cost of that officer for the City. Chief Reed stated the \$43,921 is the base line salary and benefits you would have to add approximately \$5,000-\$6,000 for equipment. However, he kept that off because the PD currently has equipment in house that possibly could be used. Councilman Mercer suggested his estimated cost would include another \$2,000-\$3,000 to clothe and equip the officer. Also, Councilman Mercer noted all of the SRO's need a vehicle and you would be talking about another \$10,000. He sees the true cost of being \$60,000-\$65,000. Councilman Mercer stated Council needs to understand that with the two SRO's the City presently has and the cost of outfitting another officer, the City will be responsible for potentially \$60,000-\$65,000 supplementing School Resource Officers if the third one is put in place. Council asked Chief Reed if he had a car in place and Chief Reed stated he was reasonably sure he would with the current vehicle allowance. Chief Reed stated the figures he presented was based on a January 1, and the best case scenario. If the position is authorized, Chief Reed is requesting that WPD not transfer an existing officer into the SRO until someone is hired to replace or have someone on the street to fill that position.

Mayor Jennings inquired about the John Small and P.S. Jones resource officer and stated we still provide SRO's for those schools. Would there be a possibility that the Sheriff's Department could take on that responsibility and we could move our existing officer. In other words, switch the officer from John Small and P.S. Jones to the Ed Tech Center. Chief Reed stated that option had not been discussed and he can't speak to that. It is an option he can bring up with Dr. Phipps.

Councilman Pitt asked if the County was willing to put any money into an SRO Officer position at the Ed Tech Center. Chief Reed stated they would agree to a contractual obligation just like they do currently (\$37,000) and that number is allocated by the State.

DISCUSSION – CLOSING/RELOCATION OF 15TH BASKETBALL COURT

Mayor Pro tem Roberson stated this was added to the agenda as an item of discussion. He likes sports and played sports but this is causing a respect issue. When there is a funeral being conducted at Oakdale and you have lost a love one, it is not the proper time to be playing basketball. Something needs to be done and if it causes for relocation of the basketball court then we need to pursue it.

Councilman Moultrie asked if signs could be posted stating that during the service basketball must decrease until burial has been completed. Councilman Mercer stated discussion was held on this item years ago but it was to close the whole thing - the building and the basketball court. The building is in need of repairs if we continue to use it. He concurs with Mayor Pro tem Roberson because he has been involved in funerals and the ballgame never stops. Councilman Moultrie stated if you want to discuss the respect issue what about the walking during that time and the dogs running around. Councilman Davis noted that in the early nineties the basketball players were respectful they would stop playing and held the ball but over the last fifteen years that has drastically changed and he doesn't feel signs will work. Mayor Pro tem Roberson did not have any objections to people walking or dogs in the cemetery but felt it needed to be an open discussion, perhaps a public hearing and talk about the issues. Mayor Jennings commented that there shouldn't be any dogs out there as an ordinance has been passed to that effect.

Mayor Jennings recognized the residence in the audience and stated this was not a scheduled public hearing or comment period but would allow a very brief comment period.

Mr. Bill Booth felt it would be a good idea to have a discussion on what we should do. Councilman Moultrie made some good points and so did Mayor Pro tem Roberson. It is important that the individuals in the City have a right to play basketball and should have the freedom to play.

Mr. William O'Pharrow expressed the same sentiment as Mr. Booth and Councilman Moultrie. He enjoyed playing basketball there too. He feels this is very important to the community, both black and white. He enjoys the community with the kids of different races, different ages, etc and also feels signs will work.

Mr. Mickey Cochran spoke to the history of the courts. Mr. Cochran feels you shouldn't have a recreation area at a cemetery. Someone made an unwise decision to place a recreation area in Oakdale Cemetery. It is a matter of appearance and no way you can justify placing a recreation area in a cemetery. Also, it is a matter of respect for the deceased and their families - going back into the 1700's. Placing a sign there is not the issue or a solution it is a matter of appearance.

Mr. Tyron Wilson noted he used to go out there to play and when the guys saw a funeral they would actually stop playing or if someone old was walking by that they would speak. Times are changing and are different. What would happen if we move the park, what would happen to the kids that go out there to play? This is a place where they grew up and love, legends were made there (i.e. Dominique and Damien Wilkins). This is really truly a historic place. You can ask someone like himself or others in the community to go out there and

teach the young people to stop. How much will it cost to move to somewhere else, he sees it as extra cost. It's not just a race issue.

Mr. William Conner expressed that his first true love is basketball. He has coached at every level. He learned to play there and still plays out there when able. He agrees with Mr. Wilson in his statement of looking at some of the pros that have played out there. It was up the East Coast that if you came and played at 15th street you could play anywhere. I am teaching my boys now to play out there and from his experience when there, they always stop for funerals. It is up to us to teach the younger crowd that is out there now what they should do. Most of the funerals are never in the section where they are playing ball most are in the back. The other courts tend to be slicker and you could have more injuries there. Most of the upkeep at 15th Street is done by the citizens, not the City.

Mr. Tony Boston added there needs to be an open discussion.

Mr. Smith did not know if this would help but if it is a noise issue maybe the City could install a noise barrier between the court and the cemetery.

Councilman Pitt suggested 15th Street is the premier place to play basketball in Washington and it is historically known. He also sees the need for public involvement. He requests that everyone think about this issue carefully and do what we need to do to make Washington an all inclusive community.

Mayor Jennings heard that it is not a racial thing and that it is good basketball out there but he also heard there needs to be a measure of respect for the cemetery. Everyone seems to be in agreement of what the issues are. With Council's support he would like to see this discussed (that was the other positive thing he heard – let's sit down and talk about it). We may have differing opinions but believe we can find an answer to that situation. Mr. Cochran is right it has been going on long enough. Mayor Jennings inquired of Mr. Mobley if the Recreation Advisory Board could host a meeting on this discussion to receive more feedback on what should happen and bring this back to Council. If Council needs to do a broader public hearing then we can do this as well.

DISCUSSION – INVOICE RECEIVED FROM NCDOT IN THE AMOUNT OF \$112,495.34

Councilman Mercer suggested to table this discussion until there can be additional conversations with the Secretary of Department of Transportation.

By consensus, Council agreed.

By motion of Councilman Davis, seconded by Mayor Pro tem Roberson, Council agreed to extend the meeting until 8 pm.

DISCUSSION – HOSPITAL BOARD RECEIVING PUBLIC COMMENTS

Mayor Jennings noted that the Hospital Board will be receiving public comment in the first week of September prior to City Council next meeting. Mayor Jennings inquired if the City would like to have a stated position prepared for that meeting.

Councilman Mercer stated he did not have any objection to having some type of statement supporting the continued operation of the Hospital within the City. We don't have a dog in that fight, it is between the County and the Hospital. This would require a lot of paperwork being shuffled between the members of this Council so all members can approve what will be presented. Mayor Jennings envisioned having a set of considerations from the City leaders (jobs, healthcare, etc.) for the board to utilize during its decision making process.

Mr. Smith stated the hospital is an important economic engine in this City.

Mayor Jennings suggested giving some considerations from the City Council to the County on City letterhead this would be a good way of approaching the concerns and not be involved in the decision making process.

Councilman Moultrie voiced the City should make their views known because it has such an impact on the City of Washington.

Mayor Jennings suggested drafting a resolution stating in order of importance: access, quality healthcare, consideration of jobs represented by the Hospital, and general economic impact of the Hospital in the community and to be circulated via email.

AIRPORT ADVISORY COMMITTEE MEETING

Mr. Smith mentioned the first airport get acquainted meeting was held on Monday, August 23rd. The following meetings have been scheduled:

- A tour of the airport has been scheduled
- Tradewind and Mr. Rauschenbach to go over financial
- Talbert and Bright, the Airport Engineers
- Chasity Clark, FAA State representative

Councilman Mercer is the liaison for this committee and will need to be included to the contact list.

Mr. Smith noted that now we have some expensive airplanes at the airport, we have replaced the keypads. Mayor Jennings inquired as to the problems with the cards. Mr. Smith explained that security has been increased at the airport and keypads had been replaced with cards. The cards have been distributed to people who have aircraft and business at the airport. We are now receiving complaints from individuals who cannot get into the airport. Mayor

Jennings suggested what was happening in some cases it taking 30/60/90 days to get a card. Tradewind is telling individuals that it is the City's fault. Mr. Smith noted that the Advisory committee requested to convert the personnel gate, not the vehicle access, back to a keypad. Mayor Jennings stated that right now we have a lack of communication.

CLOSED SESSION

By motion of Councilman Davis, seconded by Councilman Pitt, Council agreed to go into closed session under NCGS 143-318.11(a)(1) Confidential Information/Attorney Client Privilege, NCGS 143-318.11(a)(3) Attorney Client Privilege including but not limited to James Tripp vs. the City of Washington and NCGS 143-318.11(a)(6) Personnel.

By motion of Councilman Davis, seconded by Councilman Mercer, Council agreed to come out of closed session.

By motion of Councilman Davis, seconded by Mayor Pro tem Roberson, Council agreed to extend the meeting 1 hr to 9 pm.

By motion of Councilman Davis, seconded by Councilman Pitt, Council agree to extend the meeting to 9:30 pm

ADJOURN – UNTIL MONDAY, SEPTEMBER 13, 2010 AT 5:30 PM IN THE COUNCIL CHAMBERS AT THE MUNICIPAL BUILDING

By motion of Councilman Davis, seconded by Councilman Pitt, Council adjourned the meeting at 9:35 pm until September 13, 2010 at 5:30 pm in the Council Chambers at the Municipal.

(Subject to the Approval of the City Council)

**Cynthia S. Bennett
City Clerk**



City of Washington

REQUEST FOR CITY COUNCIL ACTION

To: Mayor Jennings & Members of the City Council
From: Mike Whaley, Purchasing Agent
Date: August 3, 2010
Subject: Declare Surplus/Authorize Electronic Auction of Vehicles through GovDeals

Applicant Presentation: N/A
Staff Presentation: N/A

RECOMMENDATION:

I move that City Council declare surplus and authorize the sale of the following vehicle and implement through electronic auction using GovDeals.

BACKGROUND AND FINDINGS:

The purpose of this Council Action is to declare surplus the following city vehicle and implement and authorize the sale of this vehicle and implement through electronic auction using GovDeals.

<u>Vehicle Number</u>	<u>Make/Model Description</u>	<u>Serial Number</u>	<u>Odometer Reading</u>
#607	2002 Ford F750 Bucket Truck w/ 2002 Warner WL140FC-HD Body	3FDXF75H72MA31178 02030	142,220
#008	Land Pride Side Arm Mowing Attachment (Public Works)	Type PR-3, COD#585/.002.02	N/A
#009	Hardee Tiger, Model #H360-CO Side-Mount Mower Attachment (Public Works)	N/A	N/A

PREVIOUS LEGISLATIVE ACTION

FISCAL IMPACT

Currently Budgeted (Account _____) Requires additional appropriation
 No Fiscal Impact

SUPPORTING DOCUMENTS

City Attorney Review: _____ Date By: _____ (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review: *[Signature]* Concur September 13, 2010 Recommend Denial _____ No Recommendation
 _____ Date *[Signature]* 9/17/10



City of Washington
REQUEST FOR CITY COUNCIL ACTION

To: Mayor Jennings & Members of the City Council
From: John Rodman, Planning Director
Date: September 2, 2010
Subject: Hold public hearing and adopt annexation ordinance to extend City of Washington corporate limits for contiguous property owned by Wheatfield Subdivision
Applicant Presentation: John Wehrenberg
Staff Presentation: John Rodman

RECOMMENDATION:

I move that the City Council hold a public hearing and adopt the annexation ordinance to extend the City of Washington corporate limits for the contiguous annexation of the Wheatfield Subdivision located off Old Bath Highway (SR 1501) and containing 35.15 acres.

BACKGROUND AND FINDINGS:

At the August 9, 2010 City Council meeting, Council adopted a resolution calling for a public hearing on the request for an annexation of contiguous property known as Wheatfield Subdivision. The property is located off Old Bath Highway (SR 1501) and contains 35.15 acres.

After the public hearing, if Council desires to proceed with the annexation the attached ordinance needs to be adopted that will place the property inside the city limits effective December 31, 2010.

PREVIOUS LEGISLATIVE ACTION

Investigated Petition – July 26, 2010
Set Public Hearing – August 9, 2010

FISCAL IMPACT

___ Currently Budgeted ___ in General Fund Revenue ___ Requires additional appropriation ___ No Fiscal Impact

SUPPORTING DOCUMENTS

Attached map, legal description & annexation ordinance

City Attorney Review: _____ Date By: _____ (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review:  Concur _____ Recommend Denial _____ No Recommendation 9/9/10 Date
September 13, 2010
Page 70 of 170

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

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

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

WHEREAS, the City Clerk has certified the sufficiency of the petition and a public hearing on the question on of this annexation was held at the City Council Chambers on the 2nd floor of the municipal building located at 102 East 2nd Street at 6:00 p.m. on Monday, September 13, 2010, after due notice by the Washington Daily News on September 7th & September 11th 2010;

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

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

Section 1. By the virtue of the authority granted by G.S. 160A-31, the following described territory is hereby annexed and made part of the City of Washington as of December 31, 2010:

Being all of that tract of land noted on that survey "Annexation Map, Wheat Field Subdivision" by Mayo and Associates, P.A. dated February 2, 2005 and being located in Long Acre Township, Beaufort County North Carolina and being more particularly described as follows;

Beginning at a point in the southern right-of-way of SR 1501, "Old Bath Highway", said point being the intersection of the center-line of Pumpernickel Place and the southern right-of-way of said road and point of beginning being located NORTH 47 DEGREES 03 MINUTES 22 SECONDS EAST FOR A DISTANCE OF 69.54 FEET FROM POINT "F" AS SHOWN ON SAID MAP AND THENCE NORTH 46 DEGREES 54 MINUTES 48 SECONDS WEST FOR A DISTANCE OF 25.00 FEET TO THE POINT OF BEGINNING:

THENCE FROM SAID POINT OF BEGINNING SOUTH 46 DEGREES 54 MINUTES 48 SECONDS EAST FOR A DISTANCE OF 25.00 FEET ALONG THE RIGHT-OF-WAY OF SR 1501 TO A SET REBAR; THENCE SOUTH 47 DEGREES 03 MINUTES 22 SECONDS EAST FOR A DISTANCE OF 69.54 FEET TO A FLAT BAR; THENCE SOUTH 42 DEGREES 42 MINUTES 32 SECONDS WEST FOR A DISTANCE OF 381.49 FEET TO A SET REBAR; THENCE NORTH 37 DEGREES 36 MINUTES 05 SECONDS WEST FOR A DISTANCE OF 94.81 FEET TO A SET REBAR IN THE SOUTHERN RIGHT-OF-WAY IN PUMPERNICKEL PLACE; THENCE SOUTH 53 DEGREES 47 MINUTES 17 SECONDS WEST FOR A DISTANCE OF 18.21 FEET TO

A SET REBAR IN THE RIGHT-OF-WAY OF PUMPERNICKEL PLACE; THENCE WITH A CURVE TURNING TO THE LEFT WITH AN ARC LENGTH OF 10.20', WITH A RADIUS OF 264.24', WITH A CHORD BEARING OF SOUTH 52 DEGREES 41 MINUTES 12 SECONDS WEST , WITH A CHORD LENGTH OF 10.20', TO A SET REBAR IN THE NORTHERN BOUNDARY OF WHEAT FIELD SUBDIVISION; THENCE SOUTH 37 DEGREES 51 MINUTES 04 SECONDS EAST FOR A DISTANCE OF 527.08 FEET TO AN EXISTING IRON ROD; THENCE SOUTH 47 DEGREES 05 MINUTES 09 SECONDS EAST FOR A DISTANCE OF 158.36 FEET TO A SET IRON PIPE; THENCE SOUTH 52 DEGREES 06 MINUTES 26 SECONDS EAST FOR A DISTANCE OF 509.00 FEET TO AN EXISTING IRON PIPE; THENCE SOUTH 42 DEGREES 33 MINUTES 34 SECONDS WEST FOR A DISTANCE OF 814.82 FEET TO AN EXISTING IRON PIPE; THENCE NORTH 63 DEGREES 48 MINUTES 14 SECONDS WEST FOR A DISTANCE OF 905.34 FEET TO AN EXISTING IRON PIPE; THENCE NORTH 64 DEGREES 27 MINUTES 17 SECONDS WEST FOR A DISTANCE OF 259.09 FEET TO AN EXISTING REBAR; THENCE NORTH 64 DEGREES 17 MINUTES 51 SECONDS WEST FOR A DISTANCE OF 190.03 FEET TO AN EXISTING IRON PIPE; THENCE NORTH 64 DEGREES 16 MINUTES 14 SECONDS WEST FOR A DISTANCE OF 15.92 FEET TO A SET REBAR WITH CAP; THENCE NORTH 35 DEGREES 48 MINUTES 26 SECONDS EAST FOR A DISTANCE OF 265.65 FEET TO A SET REBAR WITH CAP; THENCE NORTH 29 DEGREES 37 MINUTES 59 SECONDS EAST FOR A DISTANCE OF 288.46 FEET TO A SET REBAR WITH CAP; THENCE NORTH 31 DEGREES 52 MINUTES 11 SECONDS EAST FOR A DISTANCE OF 341.10 FEET TO A SET REBAR WITH CAP; THENCE NORTH 35 DEGREES 20 MINUTES 51 SECONDS EAST FOR A DISTANCE OF 187.93 FEET TO A SET REBAR WITH CAP; THENCE NORTH 39 DEGREES 23 MINUTES 10 SECONDS EAST FOR A DISTANCE OF 241.33 FEET TO A SET REBAR WITH CAP; THENCE SOUTH 37 DEGREES 51 MINUTES 04 SECONDS EAST FOR A DISTANCE OF 1.53 FEET TO AN EXISTING IRON PIPE; THENCE SOUTH 37 DEGREES 51 MINUTES 04 SECONDS EAST FOR A DISTANCE OF 277.18 FEET TO A SET REBAR IN THE WEST RIGHT-OF-WAY IN PUMPERNICKEL PLACE; THENCE WITH A CURVE TURNING TO THE RIGHT WITH AN ARC LENGTH OF 11.63', WITH A RADIUS OF 314.24', WITH A CHORD BEARING OF NORTH 52 DEGREES 43 MINUTES 54 SECONDS EAST , WITH A CHORD LENGTH OF 11.63', TO A SET REBAR WITH CAP IN THE NORTHERN RIGHT-OF-WAY OF PUMPERNICKEL PLACE; THENCE NORTH 53 DEGREES 47 MINUTES 17 SECONDS EAST FOR A DISTANCE OF 17.00' FEET TO A SET REBAR WITH CAP IN THE NORTHERN RIGHT-OF-WAY OF PUMPERNICKEL PLACE; THENCE NORTH 37 DEGREES 36 MINUTES 05 SECONDS WEST FOR A DISTANCE OF 59.36 FEET TO A SET REBAR WITH CAP AT THE CORNER OF LOT 64; THENCE NORTH 42 DEGREES 42 MINUTES 32 SECONDS EAST FOR A DISTANCE OF 351.00 FEET TO A SET REBAR IN THE SOUTHERN RIGHT-OF-WAY OF SR 1501; THENCE SOUTH 44 DEGREES 23 MINUTES 02 SECONDS EAST FOR A DISTANCE OF 60.99 FEET TO A POINT IN THE SOUTHERN RIGHT-OF-WAY OF SR 1501; THENCE SOUTH 46 DEGREES 52 MINUTES 30 SECONDS EAST FOR A DISTANCE OF 20.83 FEET TO A SET REBAR WITH CAP IN THE INTERSECTION OF THE SOUTHERN RIGHT-OF-WAY OF SR 1501 AND THE NORTHERN RIGHT-OF-WAY OF PUMPERNICKEL PLACE; THENCE SOUTH 46 DEGREES 52 MINUTES

30 SECONDS EAST FOR A DISTANCE OF 25.00 FEET ALONG THE RIGHT-OF-WAY OF SR 1501 TO THE POINT OF BEGINNING.

Together with and subject to covenants, easements, and restrictions of record.

Said property contains 35.144 acres more or less.

Section 2. Upon and after December 31, 2010, the above described territory and its citizens and property shall be subject to all debts, laws, ordinances and regulations in force in the City of Washington and shall be entitled to the same privileges and benefits as other parts of the City of Washington. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10.

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

Adopted this ____ 13th ____ day of __September__, 2010.

N. Archie Jennings, Mayor

ATTEST:

APPROVED AS TO FORM:

Cynthia S. Bennett, Clerk

City Attorney

Annexation #10-A-01
Wheatfield Subdivision

WHEAT FIELD SUBDIVISION

PRELIMINARY PLAT
NOT FOR RECORDATION, CONVEYANCES,
SALES OR FINAL DESIGN.

THIS DRAWING IS AN ELECTRONIC FILE
FOR VIEWING ONLY.

ANNEXATION MAP

LONG ACRE TOWNSHIP

BEAUFORT COUNTY

NORTH CAROLINA

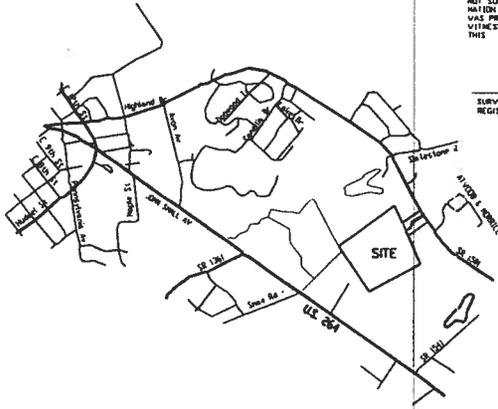
PRELIMINARY PLAT
NOT FOR RECORDATION, CONVEYANCES,
SALES OR FINAL DESIGN.

THIS DRAWING IS AN ELECTRONIC FILE
FOR VIEWING ONLY.

I, HERWOOD MARTIN MAYO, CERTIFY THAT THIS PLAT WAS DRAWN UNDER MY DIRECTION AND SUPERVISION FROM AN ACTUAL SURVEY IN ACCORDANCE WITH THE PROVISIONS OF THE SURVEYING ACT OF 1972, AS AMENDED, AND THAT THE BOUNDARIES AND DEPARTURES THEREON ARE CORRECTLY SHOWN AS BOUND LINES PLATTED FROM INFORMATION FOUND IN BOOK PAGE AND THAT THIS PLAT WAS PREPARED IN ACCORDANCE WITH THE SURVEYING ACT OF 1972, AS AMENDED, WITHIN MY ORIGINAL SIGNATURE, REGISTRATION NUMBER AND SEAL. THIS DATE AS 2008.

THAT THE SURVEY CREATES A SUBDIVISION OF LAND WITHIN THE AREA OF A COUNTY OR MUNICIPALITY THAT HAS AN ORDINANCE THAT REGULATES PARCELS OF LAND.

HERWOOD MARTIN MAYO
PROFESSIONAL LAND SURVEYOR
REGISTRATION NUMBER L-1546



VICINITY MAP
NOT TO SCALE

PRELIMINARY PLAT
NOT FOR RECORDATION, CONVEYANCES,
SALES OR FINAL DESIGN.

THIS DRAWING IS AN ELECTRONIC FILE
FOR VIEWING ONLY.

(252) 946-3469
Washington, NC

SURVEYOR
REGISTRATION NUMBER L-1546

REVIEW OFFICER
STATE OF NORTH CAROLINA
COUNTY OF BEAUFORT.

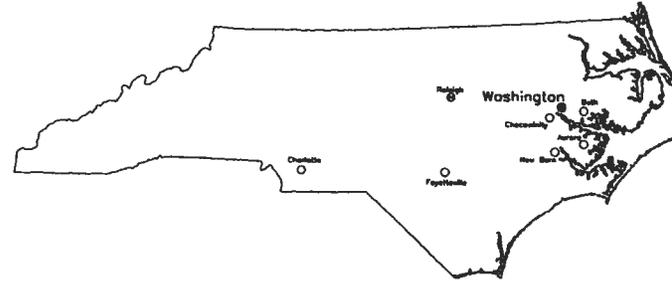
CERTIFY TO THE BEST OF MY KNOWLEDGE AND BELIEF THE MAP/PLAT TO WHICH THIS CERTIFICATION IS APPLIED MEETS THE STATUTORY REQUIREMENTS FOR RECORDING.

REVIEW OFFICER

DATE

REGISTER OF DEEDS

NORTH CAROLINA
BEAUFORT COUNTY
THIS MAP/PLAT WAS PRESENTED FOR REGISTRATION AND RECORDED IN THIS OFFICE IN PLAT CABINET SLIDE THIS DAY OF 2010 AT JOHNNEN LEGGETT WHITEHURST BY REGISTER OF DEEDS



NORTH CAROLINA

PRELIMINARY PLAT
NOT FOR RECORDATION, CONVEYANCES,
SALES OR FINAL DESIGN.

THIS DRAWING IS AN ELECTRONIC FILE
FOR VIEWING ONLY.

(252) 229-0872
New Bern, NC

MAYO AND ASSOCIATES, P.A.

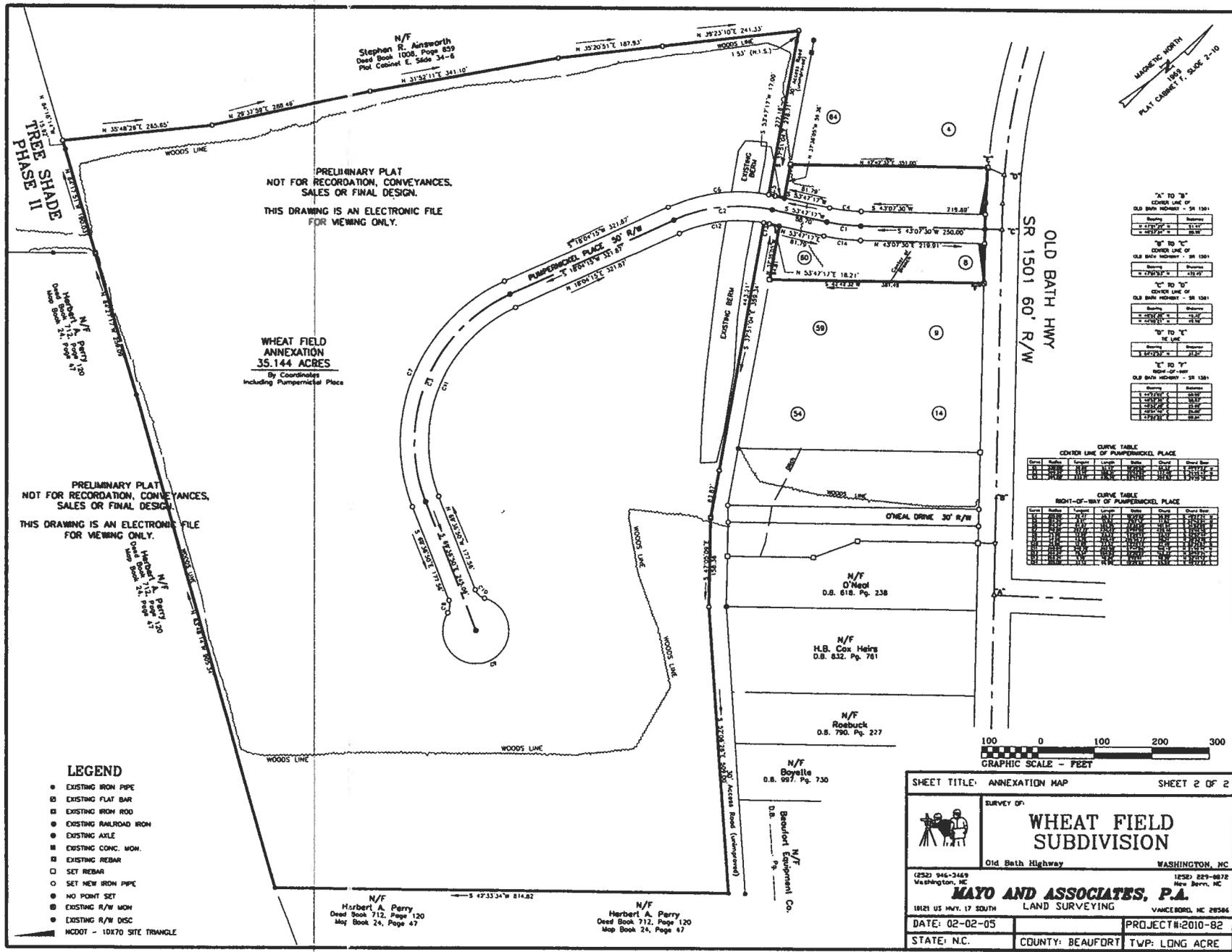
10121 US HWY 17 South

LAND SURVEYING

VANCEBORO, NC 28586



03032 CMC
00000.DWG
PROJ. 27010-02
SHEET 1 OF 2

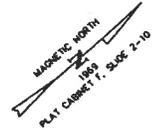


PRELIMINARY PLAT
NOT FOR RECORDATION, CONVEYANCES,
SALES OR FINAL DESIGN.
THIS DRAWING IS AN ELECTRONIC FILE
FOR VIEWING ONLY.

WHEAT FIELD
ANNEXATION
35.144 ACRES
By Coordinates
Including Pumpmichel Place

PRELIMINARY PLAT
NOT FOR RECORDATION, CONVEYANCES,
SALES OR FINAL DESIGN.
THIS DRAWING IS AN ELECTRONIC FILE
FOR VIEWING ONLY.

- LEGEND**
- EXISTING IRON PIPE
 - EXISTING FLAT BAR
 - EXISTING IRON ROD
 - EXISTING RAILROAD IRON
 - EXISTING AXLE
 - EXISTING CONC. MON.
 - EXISTING REBAR
 - SET REBAR
 - SET NEW IRON PIPE
 - NO POINT SET
 - EXISTING R/W MON
 - EXISTING R/W DISC
 - ▲ MCDOT - 10X70 SITE TRIANGLE



"A" TO "B"
CENTER LINE OF
OLD BATH HIGHWAY - SR 1501

Bearing	Distance
N 21°07'00" E	31.31'
S 25°02'00" W	30.00'

"B" TO "C"
CENTER LINE OF
OLD BATH HIGHWAY - SR 1501

Bearing	Distance
N 7°00'00" E	178.29'

"C" TO "D"
CENTER LINE OF
OLD BATH HIGHWAY - SR 1501

Bearing	Distance
N 25°00'00" E	18.00'

"D" TO "E"
THE LINE

Bearing	Distance
S 62°00'00" W	21.32'

"E" TO "F"
NEAR-OF-LINE
OLD BATH HIGHWAY - SR 1501

Bearing	Distance
N 12°00'00" E	30.00'
S 25°00'00" W	30.00'
N 25°00'00" E	30.00'
S 25°00'00" W	30.00'

CURVE TABLE
CENTER LINE OF PUMPMICHEL PLACE

Station	Length	Chord	Chord Bear.	Delta	Delta Dist.
1+00.00	100.00	100.00	90.00°	90.00°	0.00
2+00.00	100.00	100.00	90.00°	90.00°	0.00
3+00.00	100.00	100.00	90.00°	90.00°	0.00

CURVE TABLE
RIGHT-OF-WAY OF PUMPMICHEL PLACE

Station	Length	Chord	Chord Bear.	Delta	Delta Dist.
1+00.00	100.00	100.00	90.00°	90.00°	0.00
2+00.00	100.00	100.00	90.00°	90.00°	0.00
3+00.00	100.00	100.00	90.00°	90.00°	0.00



SHEET TITLE: ANNEXATION MAP SHEET 2 OF 2

SURVEY OF:
**WHEAT FIELD
SUBDIVISION**

Old Bath Highway WASHINGTON, NC

(252) 946-3469 1252 229-8872
Washington, NC New Bern, NC

MAYO AND ASSOCIATES, P.A.
LAND SURVEYING

18121 US HWY. 17 SOUTH VANCEBORO, NC 27886

DATE: 02-02-05 PROJECT#: 2010-82

STATE: N.C. COUNTY: BEAUFORT TWP: LONG ACRE



City of Washington REQUEST FOR CITY COUNCIL ACTION

To: Mayor Jennings & Members of the City Council
From: John Rodman, Planning & Development
Date: September 1, 2010
Subject: Public Hearing: Renewal of a temporary moratorium on any expansion or establishment of Electronic Gaming Operations (Internet Sweepstakes) within the City of Washington's jurisdiction.

Applicant Presentation: Dot Moate – Planning Board
Staff Presentation: Glen Moore

RECOMMENDATION:

I move we accept the recommendation of the Washington Planning Board and adopt an Ordinance to renew the temporary moratorium on any expansion or establishment of Electronic Gaming Operations (Internet Sweepstakes) within the City of Washington's jurisdiction for a period of 3 months (90 days).

BACKGROUND AND FINDINGS:

The Washington City Council approved a recommendation from the Planning Board to adopt a temporary moratorium on Electronic Gaming operations on May 24, 2010. The duration of the temporary moratorium was 90 days. The moratorium that is being renewed on property inside the City of Washington's jurisdiction is consistent with the North Carolina General Statutes 160A-381(d). The City of Washington has found it necessary to renew the moratorium for ninety (90) days in order to review both the compatibility of these land uses with the City's land use plans as well as the affects that the electronic gaming operations may have on the surrounding land uses before permitting any additional such uses to locate within the community.

PREVIOUS LEGISLATIVE ACTION

The public hearing on adoption of the ordinance for the moratorium was held in May 2010. The original moratorium expired August 22, 2010.

FISCAL IMPACT

___ Currently Budgeted (Account _____) ___ Requires additional Appropriation ___ No Fiscal Impact

SUPPORTING DOCUMENTS

Proposed ordinance.

City Attorney Review: _____ Date By: _____ (if applicable)
 Finance Dept Review: _____ September 13, 2010 _____ (if applicable)
 City Manager Review: _____
 Page 76 of 170
 Concur _____ Recommend Denial
 No Recommendation 9/17/10 Date

Draft



City of Washington

P.O. Box 1988, Washington, NC 27889-1988

Ordinance Renewing a Ninety Day Moratorium on Expansion of Electronic Gaming Operations (aka Internet Sweepstakes Operations) Within the City of Washington Jurisdiction

WHEREAS, the City of Washington (hereafter "the City") is a municipal corporation organized under the laws of North Carolina, invested with the powers enumerated in Chapter 160A of the North Carolina General Statutes; and

WHEREAS, the City is authorized by North Carolina General Statutes Chapter 160A, Article 19 to plan and regulate development and the uses of buildings, structures and land within its corporate limits, and pursuant to North Carolina General Statutes Chapter 160A-381(e), the City is authorized, under certain circumstances, to impose a development moratorium; and

WHEREAS, pursuant to North Carolina General Statutes Chapter 160A, Article 8, the City is given authority to prohibit, regulate and abate acts, omissions, or conditions detrimental to the health, safety or welfare of its citizens; and

WHEREAS, an "internet café," "cybercafé," "electronic gaming operations," "internet sweepstakes" or similar activity, by whatever name it might be known, (hereinafter "internet sweepstakes operations") in a place where a patron can use a computer with internet access, usually for a fee based on time of usage, to participate in games of chance or sweepstakes; and

WHEREAS, internet sweepstakes operations are not specifically listed as a permitted use in the City's zoning ordinance nor is it naturally incident or accessory to any other permitted use; and

WHEREAS, cities may extend or renew any temporary moratoria on any city development approval process required by law, as provided by NCGS 160A-381(e); and

WHEREAS, any ordinance renewing or extending a development moratorium must expressly include at the time of adoption statements as to why the renewal of the moratorium is necessary as well as what new facts or conditions warrant the renewal, which are as follows:

1. The Ban Electronic Sweepstakes bill (HB80) that passed in both houses of the General Assembly, was signed into law by Governor Beverly Perdue on July 20, 2010 with an effective date of December 1, 2010, making internet sweepstakes operations illegal.
2. On July 27, 2010, two internet sweepstakes software vendors filed suit with the Superior Court against the State of North Carolina challenging the Ban Electronic Sweepstakes bill (HB80).
3. The current moratorium on the expansion of internet sweepstakes operations expired on August 22, 2010. In order to best protect the City's interests and the citizens of Washington prior to the December 1, 2010 effective date of the HB80 law, a renewal of the moratorium is recommended for an additional 90 days.
4. Should the HB80 law be overturned allowing the legal operation of internet sweepstakes activities, the City needs to consider how internet sweepstakes operations should be classified under current City code and amend the current zoning ordinance accordingly.

THEREFORE, BE IT RESOLVED:

1. THAT a ninety (90) day moratorium is renewed immediately on the establishment, creation, opening or expansion of an internet sweepstakes operation, or similar activity, whether independent or incidental to or accessory to any other permitted use;
2. THAT this ninety (90) day moratorium shall apply throughout the City's Jurisdiction;
3. THAT this ordinance shall become effective immediately upon its adoption.

~~Adopted on September 13, 2010~~

N. Archie Jennings III, Mayor

ATTEST:

Cynthia S. Bennett, City Clerk

Ceresnowenterprises@yahoo.com

Proposed Ayers Lane Market for Fridays

Issued permit to I Can't Believe It's a Book Store

Proposed activity:

A general craft/farmer's market style alley market on Ayers Lane Alley every Friday from September through December.

Vendors would be selected by I Can't Believe It's a Book Store.

Hours of operation would be mornings and afternoons each Friday.

Probable vendors would include artisans, craftsman, unique gift items, packaged goods items, etc.

Need from City:

Only need from city is permit/permission to use the alley for these purposes each Friday. I Can't Believe It's a Book Store will assume responsibility for ensuring that vendors set-up and clean-up their spaces properly, maintain the alley, etc.

10^A - 3^P

Possible extend
for MITS

Gary A Ceres

I Can't Believe It's a Book Store

946-0855

Please give me a call, I'd like to sit with you if I could to give you a synopsis of what I envision for this. Thanks.

Ayers Alley Exchange

LICENSING

Depending on what you sell, there are specific licenses that may affect you. If you are selling a food item, such as produce or bread, you must have a Health Permit issued to you by the Beaufort County Department of Health. Vendor(s) shall be solely responsible for compliance with all state, county and local health codes and regulations.

Vendors are responsible for all additional licenses required by law.

INSURANCE

Should the law require insurance for the sale of an item or providing a specific service, vendors will be held completely responsible for being in compliance.

REFURBISHED/SECONDHAND MERCHANDISE

Any vendor who sells, exchanges, offers to sell, or exchange, exposes for sale or exchange, or possesses with the intent to sell or exchange, refurbished and/or secondhand merchandise of any type, or kind shall post a sign at the front of his or her booth clearly stating that they sell refurbished merchandise.

Violation of any of the above described provisions will result in revocation of your selling privileges.

*** THE SALE OF WEAPONS IS ABSOLUTELY PROHIBITED ***

No Seller may sell, exchange, offer to sell or exchange, expose for sale or exchange, or possess with the intent to sell or exchange, store, or transfer any weapons, or obviously harmful products at the Ayers Alley Exchange or the grounds thereof. Further prohibited items consist of, but are not limited to, the following:

PROHIBITED MERCHANDISE

- Ammunition
- Bombs
- Counterfeit Merchandise
- Cross-bows
- Dogs/Cats

- Drug Paraphernalia
- Fireworks
- Grenades
- Guns
- Knives
- Mace
- Mace-like products
- Martial Art Weaponry
- Pepper Spray
- Pornography
- Rifles
- Stun Guns
- Swords
- Tear Gas
- Tobacco Products

The Event organizer, I Can't Believe It's a Book Store, reserves the right to prohibit additional items for sale, regulate signage, and otherwise set additional rules for the Ayers Alley Exchange.

ONLY VENDORS ON THE APPROVED VENDOR LIST MAY PURCHASE A SPACE FOR THE AYERS ALLEY EXCHANGE

Please make all inquiries to:

I Can't Believe It's a Book Store
128 W Main St
Washington, NC 27889
252-946-0855



City of Washington

P.O. Box 1988, Washington, NC 27889-1988
102 E. 2nd St - Telephone 252 975-9300 - Fax 252 946-1965

MEMORANDUM

DATE: September 2, 2010

TO: Mayor and City Council

FROM: Customer Service Department

SUBJECT: Mr. Roger Warner Public Appearance

Mr. Roger Warner has been charged for temporary service at the commercial rate since a house fire in May 2000. Records are unavailable from 10 years ago to determine whether Mr. Warner requested that the service be switched from a temporary service to a permanent service. A recent inspection of the meter by the County inspector did not provide any clarification since the current service is to a mobile home and is attached to a pole.

The maximum adjustment as allowed by the City Code and NC Utilities Commission has been issued in the amount of \$237.39. Mr. Warner is not satisfied with the adjustment and feels he is due a refund for the entire 10 year period. The additional credit is estimated at \$2,200.



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

BEVERLY EAVES PERDUE
GOVERNOR

1501 MAIL SERVICE CENTER, RALEIGH, N.C. 27699-1501

EUGENE A. CONTI, JR.
SECRETARY

September 7, 2010

Mr. James C. Smith, City Manager
City of Washington
Post Office Box 1988
Washington, North Carolina 27889-1988

Dear Mr. Smith:

I am contacting you regarding the Municipal Agreement between the City of Washington and the North Carolina Department of Transportation (NCDOT) establishing the responsibilities of the parties for work to be performed in connection with to the improvements of US Highway 17 from South of SR 1149 (Price Road) to South of SR 1536 (Hamilton Road), Project R-2510B, WBS 34440.3.7. This agreement was authorized by the City of Washington City Council at the November 14, 2005 meeting. I am also writing about the Utility Agreement for reimbursement of costs related to relocation and adjustment of sewer lines and water pipes for R-2510B, WBS 34440.3.7.

As you know, Mr. R.A. Lewis, III, Public Works Director for the City of Washington wrote Stephen M. Worthy, Utilities Agent for NCDOT, on January 31, 2007, advising that the design of the water and sewer relocation and cost estimates submitted by Flatiron/United were reasonable. The cost estimates were \$1,753,128.60 for the work on the water pipes (\$1,121,396.78) and sewer lines (\$631,731.82). Those estimates have been reduced by NCDOT after further review to a total of \$1,687,430.19 for the work on the water pipes (\$1,089,452.25) and sewer lines (\$597,977.94).

As you also know, after requests by the City for a more flexible reimbursement schedule, NCDOT has authorized special terms for the reimbursement of these costs: a fifteen-year payment plan with no interest to be charged the first three years. NCDOT then submitted the Utility Agreement for Project R-2510B, WBS 34440.3.7 for reimbursement of costs related to relocation and adjustment of sewer lines water pipes in accordance with the Flatiron/ United estimate, which Washington officials found reasonable.

The City of Washington has not returned executed originals of either the Municipal Agreement or the Utility Agreement for Project R-2510B, WBS 34440.3.7. Nor has the City submitted its first installment of the reimbursement due for this Utility Agreement to reflect the new estimates: \$1,687, 430.19 total for the work on the water pipes (\$1,089,452.25) and sewer lines (\$597,977.94).

Mr. James C. Smith, City Manager
September 7, 2010
Page 2

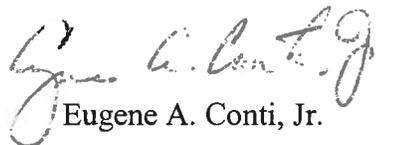
I am transmitting both agreements to you and formally requesting that you submit an executed original of each agreement to me within 10 days from the date of this letter, by September 17, 2010. I am also formally requesting payment in the amount of \$112,495.34 representing the first reimbursement payment under the Utility Agreement by September 17, 2010. This is not unreasonable since the City of Washington has delayed payment under their original authorization of November 14, 2005, and has had three years to budget for this obligation since the original Utility Agreement was submitted to the City.

If the Department does not receive the executed Agreements and the first reimbursement payment by September 17, 2010, NCDOT will be forced to take all actions available to recover the sums owed for expenses NCDOT has incurred for this work, including, but not limited to, withholding Powell Bill funds for the City of Washington.

If you have any question about these demands, you may contact Terry Gibson at (919) 733-7384 or Ellis Powell at (919) 733-2520.

Thank you for your immediate attention to this matter.

Sincerely,



Eugene A. Conti, Jr.

EC/sn

Mr. James C. Smith

September 7, 2010

Page 2

cc: Hugh Overholt, Board of Transportation Member
Terry R. Gibson, P.E., State Highway Administrator
Ellis Powell, PE, Chief of Staff
Jon Nance, P. E., Chief Engineer, Operations
Betsy Strickland, Special Deputy Attorney General
Sandra M. Nance, Assistant to the State Highway Administrator
Robert Memory, State Utility Agent



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

BEVERLY EAVES PERDUE
GOVERNOR

EUGENE A. CONTI, JR.
SECRETARY

Invoice

Bill To:
CITY OF WASHINGTON ATTN.: MR. JAMES C. SMITH, MANAGER PO Box 1988 WASHINGTON NC 27889-1988

Order Information
Customer Number: 59429 Invoice Number: 90320445 Purchase Order #: 004160-001_4905_0001 Purchase Order Date: 10/15/2007 Sales Order Number: 289096 Payment Terms: Due Immediately Billing Date: 09/01/2010 Due Date: 09/01/2010

Remit To:

North Carolina Department of Transportation
Fiscal Section - Accounts Receivable Unit
1514 Mail Service Center
Raleigh, North Carolina 27699-1514

Contact Person: Earl Jones
Phone: 919-733-3624 Ext. 401
Fax: 919-715-8718
Internet: eljones@ncdot.gov

Page 1 of 1

Invoice Details

Item	Description	Quantity	Unit Price	Amount
0010	Municipal Participation Reimbursement DESIGN BUILD UTILITY AGREEMENT DATED 10/15/07 WITH THE CITY OF WASHINGTON CONSISTING OF THE DESIGN-BUILD CONSTRUCTION OF THE WASHINGTON BYPASS-US17 FROM SOUTH OF SR1149 (PRICE ROAD) TO SOUTH OF SR1536 (HAMILTON BEACH ROAD). SPECIFICALLY, INSTALLATION OF PROPOSED MUNICIPALLY-OWNED WATER AND SEWER LINES BY THE DESIGN-BUILD CONTRACTOR ALONG PROJECT R-2510B IN BEAUFORT COUNTY. AGREEMENT COSTS TOTAL \$1,687,430.19 WITH PAYMENT TO BE MADE IN 15 ANNUAL INSTALLMENTS, THUS THE CURRENT INSTALLMENT AMOUNT NOW DUE TO NCDOT IS \$112,495.34 PER 8/18/10 E-MAIL FROM SANDY NANCE OF NCDOT'S STATE HIGHWAY ADMINISTRATOR'S OFFICE.	1 EA	112,495.34	112,495.34
	Total Amount Due			\$ 112,495.34

Please return the attached copy of this invoice to ensure proper credit for your payment. Remittances should be made payable to N.C. Department of Transportation.

NORTH CAROLINA
BEAUFORT COUNTY

8/3/05

NORTH CAROLINA DEPARTMENT
OF TRANSPORTATION

MUNICIPAL AGREEMENT

AND

PROJECT: R-2510 B
WBS: 34440.3.7

CITY OF WASHINGTON

THIS AGREEMENT, made and entered into this the ____ day of _____, 20__, between the DEPARTMENT OF TRANSPORTATION, an agency of the State of North Carolina, hereinafter referred to as the Department, and the CITY OF WASHINGTON, a municipal corporation, hereinafter referred to as the Municipality;

W I T N E S S E T H:

WHEREAS, the Department has prepared and adopted plans to make certain street and highway constructions and improvements within the Municipality under Project R-2510 B; Beaufort County, said plans consist of the improvement of US 17 from south of SR 1149 (Price Rd.) to US 17 south of SR 1536 (Hamilton Rd.); said project having a right-of-way width as shown on the project plans on file with the Department's office in Raleigh, North Carolina; and,

WHEREAS, the Department and the Municipality have agreed that the corporate limits of the Municipality, as of the date of the awarding of the contract for the construction of the above-mentioned project, are to be used in determining the duties, responsibilities, rights and legal obligations of the parties hereto for the purposes of this Agreement; and,

WHEREAS, the Municipality and the Department are authorized by the following legislation: General Statutes of North Carolina, Section 136-66.1, Section 160A-296 and

297, Section 136-18, and Section 20-169, to provide adequate traffic operating controls and control devices for the safe and efficient utilization of highways; and,

WHEREAS, the City Council of the Municipality has approved the construction of said project in accordance with the plans and specifications on file with the Department and has agreed to participate in certain costs thereof in the manner and to the extent as hereinafter set out and has further agreed to the establishment and maintenance of certain traffic operating controls as hereinafter set out.

NOW, THEREFORE, in consideration of the premises and the benefits accruing to the Department and the Municipality as the result of the construction of Project R-2510 B, Beaufort County, it is agreed as follows:

1. The Department shall be responsible for the preparation of the environmental and/or planning document, including any environmental permits, needed to construct the project. All work shall be done in accordance with Departmental procedures and guidelines.
2. The Department shall be responsible for the design of the project plans and specifications for the project. All work shall be done in accordance with Departmental standards and specifications.
3. The Municipality, except as set out in Paragraph 4 hereinbelow, shall perform, or cause to be performed, the work hereinafter set out when the same shall become necessary by reason of the construction or relocation of streets or sidewalks, or by reason of the widening or improvement thereof; said work to be performed, or provision made therefor, in a manner satisfactory to the Department prior to beginning construction of the project herein referred to:

(A) The Municipality, without expense to the Department, shall exercise any rights which it may have under any franchise to effect all necessary changes, adjustments, and relocations of telephone, telegraph, and electric power lines; underground cables, gas lines, and other pipelines or conduits; or any privately- or publicly-owned utilities.

(B) The Municipality, without cost or obligation to the Department, except as set out in Paragraph 5 hereinbelow, shall lay, change, relay, repair, and otherwise adjust any municipally-owned electric, water, sewer, and gas lines, and any other pipelines or conduits; and shall make all necessary adjustments to house or lot connections or services lying within the right of way or construction limits, whichever is greater, of the project, whether said connections or services are owned by the Municipality or by others. The Municipality shall make every effort to promptly relocate said municipally-owned utilities and to make all necessary adjustments to said house or lot connections or services in order that the Department will not be delayed in the construction of the project.

4. The Department, where necessitated by construction, will make vertical adjustments of two (2) feet or less to the existing manholes, meter boxes, and valve boxes at no expense to the Municipality.

5. The Department will reimburse the Municipality in accordance with the Municipally-Owned Utility Policy of the Department contained in the official minutes of the November 14, 1986, meeting of the Board of Transportation, which policy is incorporated herein by reference.

6. The Department shall acquire the right of way necessary to provide a right of way of the width and of the length as called for in the plans and specifications of the project

on file with the Department, such right of way to be provided by the Department without any cost whatsoever to the Municipality.

7. It is further agreed that, upon completion of the project, the Department shall establish, maintain and enforce traffic operating controls on Project R-2510 B in accordance with the project plans, the North Carolina General Statutes, the latest edition of the Manual on Uniform Traffic Control Devices for Streets and Highways, the Policy on Street and Driveway Access to North Carolina Highways dated January 9, 1987, or subsequent revision thereof, and all Departmental criteria.

8. Subject to successful completion of the planning document and all required environmental work, the Department will construct the project in accordance with the plans and specifications adopted therefor or as altered or amended by the Department. The Department shall have the right to abandon the project at any time before the Municipality has been called upon to perform any part of its agreement.

IT IS UNDERSTOOD AND AGREED that the approval of the project by the Department is subject to the conditions of this Agreement and that no expenditure of funds on the part of the Department will be made until the terms of this Agreement have been complied with on the part of the Municipality.

IN WITNESS WHEREOF, this Agreement has been executed, in duplicate, the day and year heretofore set out, on the part of the Department and the Municipality by authority duly given, as evidenced by the attached certified copy of Resolution, Ordinance or Charter Provision, as the case may be.

L.S.
ATTEST

CITY OF WASHINGTON

BY: _____
CLERK

BY: _____
MAYOR

MUNICIPAL SEAL

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

Municipal Finance Officer

Federal Tax Identification Number

City of Washington

Remittance Address:
City of Washington

DEPARTMENT OF TRANSPORTATION

BY: _____
STATE HIGHWAY ADMINISTRATOR

APPROVED AS TO FORM:

BY: _____
ASSISTANT ATTORNEY GENERAL

NORTH CAROLINA
BEAUFORT COUNTY

10/15/07

NORTH CAROLINA DEPARTMENT OF
TRANSPORTATION

DESIGN BUILD
UTILITY AGREEMENT

AND

CITY OF WASHINGTON

PROJECT: R-2510 B
WBS: 34440.3.7

THIS AGREEMENT is made and entered into on the last date executed below, by and between the North Carolina Department of Transportation, an agency of the State of North Carolina, hereinafter referred to as the "Department" and the City of Washington, a municipal corporation, hereinafter referred to as the "Municipality".

W I T N E S S E T H:

WHEREAS, the Department has prepared and adopted plans to make certain street and highway constructions and improvements under Project R-2510 B, Beaufort County, said plans consisting of the design-build construction of the Washington Bypass – US 17 from south of SR 1149 (Price Rd.) to south of SR 1536 (Hamilton Beach Rd.); said project having a right-of-way width as shown on the project plans on file with the Department's office in Raleigh, North Carolina, and,

WHEREAS, the parties hereto wish to enter into an agreement for certain utility work to be performed by the Department's design-build contractor with full reimbursement by the Municipality for the costs thereof as hereinafter set out.

NOW, THEREFORE, it is agreed as follows:

1. As requested by the Municipality, the Department shall issue a supplemental agreement for Project R-2510 B, Beaufort County for the design-build contractor to install proposed municipally-owned water and sewer lines. Said work shall be accomplished in accordance with project supplemental agreement between Department and the design-build contractor.

2. The Municipality shall be responsible for the entire cost of said utility work by the design-build contractor. The cost to the Municipality is \$1,687,430.19.

(A) Upon completion of the highway project, the Department shall submit the first of fifteen (15) annual invoices to the Municipality for cost incurred. Billing will be based upon the approved cost as reflected in the supplemental agreement between the Department and the design-build contractor. The current scheduled completion date of the subject project is November 1, 2010.

(B) The Municipality shall reimburse the Department in fifteen (15) equal annual payments in the amount of \$112,495.34 with the first payment now due (invoice enclosed).

(C) After the first three (3) years, interest shall be charged at the rate of eight percent (8%) from years four (4) through fifteen (15) on any unpaid balance due. In accordance with G.S. 147-86.1; G.S. 147-86.21 and G.S. 105-241.1 (I), the Department shall charge interest on the unpaid balance from the date the account receivable was due until it is paid.

(D) If the Municipality does not pay said invoice with 10 days of receipt of the invoice, the Department shall charge a late payment penalty and interest on unpaid balance due in accordance with G.S. 147-86.23.

(E) Any additional utility work requested by the Municipality not included as part of this agreement, shall require a new agreement or a revision to this agreement.

3. In the event the Municipality fails for any reason to pay the Department in accordance with the provisions for payment hereinabove provided, the Municipality hereby authorizes the Department to withhold so much of the Municipality's share of funds allocated to said Municipality by the General Statutes of North Carolina, Section 136-41.1, until such time as the Department has received payment in full.

4. Upon the satisfactory completion of the water and sewer municipally-owned utility lines covered under this Agreement, the Municipality shall assume normal maintenance operations to the said utility lines. Upon completion of the construction of the highway project, the Municipality shall release the Department from any and all claims for damages in connection with adjustments made to its utility line; and further, the Municipality shall release the Department of any future responsibility for the cost of

maintenance to said utility lines. Said releases shall be deemed to be given by the Municipality upon completion of construction of the project and its acceptance by the Department from its contractor unless the Municipality notifies the Department, in writing, to the contrary prior to the Department's acceptance of the project.

5. It is further agreed that the following provisions shall apply regarding the municipally-owned utility covered in this Agreement.

(A) The Municipality obligates itself to service and to maintain its facility to be retained and installed over and along the highway within the Department's right-of-way limits in accordance with the mandate of the North Carolina General Statutes and such other laws, rules and regulations as have been or may be validly enacted or adopted, now or hereafter.

(B) If at any time the Department shall require the removal of or changes in the location of the encroaching facilities which are being installed at the Municipality's expense, the Municipality binds itself, its successors and assigns, to promptly remove or alter said facilities, in order to conform to the said requirement, without any cost to the Department.

IN WITNESS WHEREOF, this Agreement has been executed, in duplicate, the day and year heretofore set out, on the part of the Department and the Municipality by authority duly given, as evidenced by the attached certified copy of Resolution, Ordinance or Charter Provision, as the case may be.

L.S.
ATTEST:

CITY OF WASHINGTON

BY: _____

BY: _____

TITLE: _____

TITLE: _____

DATE: _____

(MUNICIPAL SEAL)

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act

Municipal Finance Officer

Federal Tax Identification Number

Remittance Address:
Mr. James C. Smith, Manager
City of Washington
P. O. Box 1988
Washington, NC 27889-1988

DEPARTMENT OF TRANSPORTATION

BY: _____
STATE HIGHWAY ADMINISTRATOR

DATE: _____

APPROVED AS TO EXECUTION:

BY: _____
ASSISTANT ATTORNEY GENERAL



HUMAN RELATIONS COUNCIL

102 East 2nd Street

Washington, NC 27889

Phone: 252-975-1280

Fax: 252-974-6461

Human Relations Council (HRC) Report Monday August 9, 2010 City Council Meeting

Ms. April Corbett & Mr. Isaac Barrett – Project Next Step Coordinator, Ms. Corbett and assigned Gang Prevention Specialist, Officer Barrett discussed the introduction of summer program Camp D.R.E.A.M. (Dedicated to Rebuilding, Educating, Achieving, and Motivating the youth and community).

Summer Program began June 28 and continues to August 13
8 am-1pm on Monday-Thursday

Located in Old Fort Housing Authority Office

Teachings include but are not limited to:

- GREAT (gang resistance education awareness training)
- Literacy classes
- Drug awareness classes
- Alcoholism awareness classes
- HIV prevention classes
- Social skills classes
- Street Smarts
- Helmet Safety
- Seatbelt Safety
- Role Models
- Guest Speakers

*Breakfast and Lunch provided by Eastern Elementary School

Officer Barrett discussed the collaborative effort with the Boys and Girls Club, Beaufort County Sheriff's Dept., and Project New Hope. Officer Barrett shared the necessity of more volunteers. There are approximately 30 children attending with only two parents that have volunteered.

Joint meeting with Greenville HRC Broad – Councilman Pitt shared that Ms. Cassandra Daniels had been on vacation and a meeting date could not be finalized.

Note: The Human Relations Council was responsible for contributing over \$3,000 through sponsorship in support of the Negro League Baseball Dedication

North Carolina Main Street Statistical Summary: FY09-10

WASHINGTON												
	Façades Redone	Bldg. Renovations	New Jobs	Jobs Lost	Net Job Gain	New Businesses	Businesses Closed	Business Gain	Business Expansion	New Investment PUBLIC	New Investment PRIVATE	New Investment TOTAL
Current Figures	11	1	31	22	9	8	7	1	2	112,407	4,370,514	4,482,921
Previous Cumulative	102	27	273	55	218	95	21	74	7	1,579,633	3,528,547	5,108,180
NEW CUMULATIVE	113	28	304	77	227	103	28	75	9	1,692,040	8,399,061	9,591,101
Program Highlights												
<p>Downtown Washington on the Waterfront merged with the Merchants Association and the Citizens for Revitalization Committee, which presented an opportunity to update the DWOW name to reflect our new position in the community. We are now the Washington Harbor District Alliance and stronger than ever, with the help of many volunteers, downtown organizations and sponsors. All board positions are now filled.</p> <p>Downtown Revitalization plan adopted by City Council 10/2009 www.washingtononthewater.com/Visualization_Reinvestment_Strategy.html</p> <p>WHDA is proud to bring these events to downtown: Saturday Market - Weekly farmers/artisans market.</p> <p>Little Washington Sailing Club - 2nd season in progress - teaching approximately 50 children to sail in the Washington Harbor.</p> <p>Pirates Beach Music Festival – September 2009 – Attracted over 2,000 people from many parts of NC and other areas. Event raised \$8,000 for a permanent music park on the old Evans Seafood property site and \$4,000 for WHDA</p> <p>Art Walk – November 2009 & May 2010 - Very successful events promoting all of downtown's many art galleries. Presented in conjunction with the BC Arts Council</p> <p>7th Annual Christmas Flotilla & Toys for Tots Campaign – December 2009 - Bringing hundreds of people downtown to kick off the holiday season.</p> <p>Hometown Holiday – December 2009 - A festive night to listen to the carolers, visit with Santa and shop downtown.</p> <p>Music In The Streets - April thru October 2010 - Refreshed and renewed under WHDA's care with a new main stage acts, non-profit agencies participation and larger than ever crowds.</p> <p>Movies In The Park - May thru October 2010 - New this year and sure to be a favorite, judging by the fantastic response we've seen from Beaufort County families so far.</p> <p>Pickin on the Pamlico - Drew 550 people to downtown Washington and raised \$6,000 for WHDA.</p>												



City of Washington

REQUEST FOR CITY COUNCIL ACTION

To: Mayor Jennings & Members of the City Council
From: Cynthia S. Bennett, City Clerk *CSB*
Date: September 2, 2010
Subject: Appointments to Various Boards, Commissions, and Committees
Applicant Presentation: N/A
Staff Presentation: N/A

RECOMMENDATION:

See attached recommended motions

BACKGROUND AND FINDINGS:

Advertisements were placed in the Washington Daily News for vacancies for expiring terms on various boards, commissions, and committees. Copies of all applications received were distributed to department heads to allow them time to meet with their Council liaison.

Recommendations will be made by the Council Liaisons.

PREVIOUS LEGISLATIVE ACTION

N/A

FISCAL IMPACT

Currently Budgeted (Account _____) Requires additional appropriation No Fiscal Impact

SUPPORTING DOCUMENTS

Applications

City Attorney Review: _____ Date By: _____ (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review: _____ Concur ___ Recommend Denial ___ n/a, No Recommendation_9-2-10_ Date *[Signature]*

ACTIONS SUGGESTED:

- A. ***2 applications were received*** **Airport Advisory Committee – To fill one vacancy on the newly established Airport Advisory Committee**

I move that the City Council appoint _____ to the Airport Advisory Committee.

- B. ***2 applications were received*** **Board of Library Trustees - To fill the unexpired term of David McNeil**

I move that the City Council appoint _____ to the Board of Library Trustees, to fill the unexpired term of **David McNeil**, term to expire June 30, 2013.

- C. ***1 application received*** **Alternate At Large - Washington Electric Utilities Advisory Commission- To fill the expiring term of Garleen Woolard**

I move that the City Council appoint/reappoint _____ to the Washington Electric Utilities Advisory Commission to fill the expiring term of **Garleen Woolard**, term to expire June 30, 2012.

- D. ***1 application received*** **Planning Board – To fill expiring term of Dan McNeil**

I move that the City Council appoint/reappoint _____ to the Planning Board, to fill the expiring term of **Dan McNeil** term to expire June 30, 2013.

- E. ***1 application received*** **Alternate Member - Enlarged Board of Adjustment – To fill the expiring term of Ronald Price**

I move that the City Council appoint/reappoint _____ to the Enlarged Board of Adjustment, to fill the expiring term of **Ronald Price**, term to expire June 30, 2013, subject to the concurrence of the Beaufort County Board of Commissioners.

- F. ***no applications were received*** **Human Relations Council – To fill the unexpired term of Alice Moore**

I move that the City Council appoint _____ to the Human Relations Council, to fill the unexpired term of **Alice Moore**, term to expire June 30, 2013.

**COUNCIL LIAISONS and/or APPOINTMENTS
for
BOARDS AND COMMISSIONS**

Effective December 2009

PLANNING BOARD	Ed Moultrie
BOARD OF ADJUSTMENT	Gil Davis
HISTORIC PRESERVATION	Archie Jennings
LIBRARY BOARD	Bobby Roberson
HOUSING AUTHORITY	Ed Moultrie
RECREATION COMMISSION	Gil Davis
TOURISM DEVELOPMENT AUTHORITY	Bobby Roberson*
ECONOMIC DEVELOPMENT COMMISSION	Archie Jennings*
WASHINGTON Harbor District Alliance	Bobby Roberson*
HUMAN RELATIONS COUNCIL	William Pitt
ELECTRIC UTILITIES ADVISORY COMMISSION	William Pitt
AIRPORT ADVISORY COMMITTEE	Doug Mercer

*Indicates a Voting Seat

Primary Board Airport Advisory Committee Other Boards _____

**CANDIDATES REQUEST FOR APPOINTMENT TO BOARDS, COMMISSIONS,
AND/OR AUTHORITY OF THE CITY OF WASHINGTON**

NAME Clifford Roy Whichard
(Please Print)

ADDRESS P.O. Box 1506 Washington, N.C. 27889 or 105 Justin Dr

E-mail: rwhichard@hotmail.com

PHONE NO. (BUSINESS) _____ (HOME) 252-946-6905

DO YOU LIVE WITHIN THE CORPORATE LIMITS OF WASHINGTON? YES NO

HOW LONG HAVE YOU BEEN A RESIDENT OF BEAUFORT COUNTY? 37 YEARS

YEARS OF EDUCATION Graduate School

HAVE YOU SERVED ON A BOARD/COMMISSION OF THE CITY? YES NO
IF YES, PLEASE INDICATE _____

DO YOU ANTICIPATE A CONFLICT OF INTEREST BY SERVING AS A MEMBER OF A BOARD/COMMISSION? No IF YES, EXPLAIN _____

STATE REASONS WHY YOU FEEL QUALIFIED FOR THIS APPOINTMENT(S)
(OPTIONAL): Use back of sheet if additional space is needed

A resident of Beaufort Co.
A pilot with a air plane hangared at Warren
field.

NOTE: This information will be used by the City Council in making appointments to Boards and Commissions AND, in the event you are appointed, it may be used as a news release to identify you to the community.

Clifford Roy Whichard
Signature

Aug. 30, 2010
Date

NOTE: Application will remain on file for six (6) months Expiration Date: _____

Primary Board Airport Comm. Htee Other Boards _____

**CANDIDATES REQUEST FOR APPOINTMENT TO BOARDS, COMMISSIONS,
AND/OR AUTHORITY OF THE CITY OF WASHINGTON**

NAME FREDERICK P. SUTLIFF
(Please Print)

ADDRESS 105 WATERS WAY NW WASHINGTON

PHONE NO. (BUSINESS) _____ (HOME) 252940 0822

DO YOU LIVE WITHIN THE CORPORATE LIMITS OF WASHINGTON? YES () NO ()

HOW LONG HAVE YOU BEEN A RESIDENT OF BEAUFORT COUNTY? 14 YEARS

YEARS OF EDUCATION 14

HAVE YOU SERVED ON A BOARD/COMMISSION OF THE CITY? YES () NO ()
IF YES, PLEASE INDICATE _____

DO YOU ANTICIPATE A CONFLICT OF INTEREST BY SERVING AS A MEMBER OF A BOARD/COMMISSION? NO IF YES, EXPLAIN _____

STATE REASONS WHY YOU FEEL QUALIFIED FOR THIS APPOINTMENT(S)

(OPTIONAL): Use back of sheet if additional space is needed

PILOT FOR 45 YEARS SERVED IN
MANAGEMENT POSITIONS FOR 2
CORPORATIONS VERY INTERESTED IN AVIATION
Retired Police Officer

NOTE: This information will be used by the City Council in making appointments to Boards and Commissions AND, in the event you are appointed, it may be used as a news release to identify you to the community.

Fredrick P. Sutliff
Signature

AUG 12 2010
Date

NOTE: Application will remain on file for six (6) months Expiration Date: _____

Primary Board Library Other Boards _____

CANDIDATES REQUEST FOR APPOINTMENT TO BOARDS, COMMISSIONS,
AND/OR AUTHORITY OF THE CITY OF WASHINGTON

NAME Sharon Harding Brown

ADDRESS 816 Isabella Avenue Ext, Washington, NC 27889

PHONE NO. (BUSINESS) _____ (HOME) 252-946-5463

DO YOU LIVE WITHIN THE CORPORATE LIMITS OF WASHINGTON? YES () NO ()

HOW LONG HAVE YOU BEEN A RESIDENT OF BEAUFORT COUNTY? Since Nov 2009 YEARS
(born in Washington, NC 1950, moved to Greenville 1971)

YEARS OF EDUCATION HS grad + 3 yrs college

HAVE YOU SERVED ON A BOARD/COMMISSION OF THE CITY? YES () NO ()
IF YES, PLEASE INDICATE _____

DO YOU ANTICIPATE A CONFLICT OF INTEREST BY SERVING AS A MEMBER OF A
BOARD/COMMISSION? no IF YES, EXPLAIN _____

STATE REASONS WHY YOU FEEL QUALIFIED FOR THIS APPOINTMENT (s)

(OPTIONAL): Use back of sheet if additional space is needed.

I love to read and grew up using Brown Library resources. I remember when the
current building was new. I feel I would be an asset to the Board as a past and present
user of the library in order to improve its services to the public, especially the baby boomers.

NOTE: This information will be used by the City Council in making appointments to Boards and
Commissions AND, in the event you are appointed, it may be used as a news release to identify you to the
community.

Sharon H. Brown
Signature

5-27-10
Date

NOTE: Application will remain on file for six (6) months. Expiration Date: _____

I have 26 years experience as a secretary at ECU, the last 12 as secretary to a surgeon in the Med. School. The Library should be an important part of everyone's life. I would welcome the opportunity to serve on this Board. Thank you for your consideration.

Primary Board Library Other Boards _____

**CANDIDATES REQUEST FOR APPOINTMENT TO BOARDS, COMMISSIONS,
AND/OR AUTHORITY OF THE CITY OF WASHINGTON**

NAME Crissman H. Blackstone (Criss)
(Please Print)

ADDRESS 170 Washington Harbour, Washington, NC

PHONE NO. (BUSINESS) _____ (HOME) (252) 946-1986

DO YOU LIVE WITHIN THE CORPORATE LIMITS OF WASHINGTON? YES () NO ()

HOW LONG HAVE YOU BEEN A RESIDENT OF BEAUFORT COUNTY? 40 YEARS

YEARS OF EDUCATION B.A. English, M.Ed. Counselor, extra Reading cert. (8)
Element. Ed.

HAVE YOU SERVED ON A BOARD/COMMISSION OF THE CITY? YES () NO ()
IF YES, PLEASE INDICATE _____

DO YOU ANTICIPATE A CONFLICT OF INTEREST BY SERVING AS A MEMBER OF A
BOARD/COMMISSION? NO IF YES, EXPLAIN _____

STATE REASONS WHY YOU FEEL QUALIFIED FOR THIS APPOINTMENT(s)

(OPTIONAL): Use back of sheet if additional space is needed

I think to be active on the library board, one has to understand the purpose of the library; which is to share the love of learning with others. Of course that has changed

NOTE: This information will be used by the City Council in making appointments to Boards and Commissions AND, in the event you are appointed, it may be used as a news release to identify you to the community.

Criss H. Blackstone
Signature

June 20, 2010
Date

NOTE: Application will remain on file for six (6) months Expiration Date: _____

tremendously over the years, so it is not just a love for books. Now it encompasses many other ways of learning. It is a many faceted process.

Many years ago Sally Moler and I helped Mrs. Loy start the Summer Program at the Brown Library, which is still being had each summer. I am very proud of that.

I enjoy being with, and get along well with people.

I think I would be an asset to the Brown Library board.

Primary Board ELECTRIC UTILITIES Other Boards _____

**CANDIDATES REQUEST FOR APPOINTMENT TO BOARDS, COMMISSIONS,
AND/OR AUTHORITY OF THE CITY OF WASHINGTON**

NAME WALTER ROBERT ZERNIAK III
(Please Print)

ADDRESS 103 BLUEGILL DR. WASHINGTON, NC

PHONE NO. (BUSINESS) 252-946-7111 (HOME) 252-974-1017

DO YOU LIVE WITHIN THE CORPORATE LIMITS OF WASHINGTON? YES NO

HOW LONG HAVE YOU BEEN A RESIDENT OF BEAUFORT COUNTY? 16 YEARS

YEARS OF EDUCATION B.S. - EAST CAROLINA

HAVE YOU SERVED ON A BOARD/COMMISSION OF THE CITY? YES NO
IF YES, PLEASE INDICATE N/A

DO YOU ANTICIPATE A CONFLICT OF INTEREST BY SERVING AS A MEMBER OF A
BOARD/COMMISSION? NO IF YES, EXPLAIN N/A

STATE REASONS WHY YOU FEEL QUALIFIED FOR THIS APPOINTMENT(S)
(OPTIONAL): Use back of sheet if additional space is needed
EXTENSIVE EXPERIENCE WITH COMMUNITY RELATIONS, PUBLIC RELATIONS &
CUSTOMER SERVICE AS A BEAUFORT COUNTY DEPUTY SHERIFF (PAST 11 1/2 YRS.)
WITH THE LAST 6 YRS. AS SCHOOL RESOURCE OFFICER.

NOTE: This information will be used by the City Council in making appointments to Boards and
Commissions AND, in the event you are appointed, it may be used as a news release to identify you to the
community.

WR Zerniak III
Signature

8/4/10
Date

NOTE: Application will remain on file for six (6) months Expiration Date: _____

Primary Board PLANNING BOARD Other Boards _____

**CANDIDATES REQUEST FOR APPOINTMENT TO BOARDS, COMMISSIONS,
AND/OR AUTHORITY OF THE CITY OF WASHINGTON**

NAME DAN McNeill
(Please Print)

ADDRESS 622 EAST MAIN ST.

PHONE NO. (BUSINESS) 945-1122 (HOME) 946-8409

DO YOU LIVE WITHIN THE CORPORATE LIMITS OF WASHINGTON? YES () NO ()

HOW LONG HAVE YOU BEEN A RESIDENT OF BEAUFORT COUNTY? Life YEARS

YEARS OF EDUCATION B.S. ECU

HAVE YOU SERVED ON A BOARD/COMMISSION OF THE CITY? YES () NO ()
IF YES, PLEASE INDICATE _____

DO YOU ANTICIPATE A CONFLICT OF INTEREST BY SERVING AS A MEMBER OF A
BOARD/COMMISSION? NO IF YES, EXPLAIN _____

STATE REASONS WHY YOU FEEL QUALIFIED FOR THIS APPOINTMENT(S)

(OPTIONAL): Use back of sheet if additional space is needed

Building Contractor
Life Residence of Washington
and Beaufort County

NOTE: This information will be used by the City Council in making appointments to Boards and Commissions AND, in the event you are appointed, it may be used as a news release to identify you to the community.

D. McNeill
Signature

9/2/10
Date

NOTE: Application will remain on file for six (6) months Expiration Date: _____

Primary Board Planning Board Other Boards Board of Adjustment **Alternate Enlarged**

CANDIDATES REQUEST FOR APPOINTMENT TO BOARDS, COMMISSIONS, AND/OR AUTHORITY OF THE CITY OF WASHINGTON

NAME Ronald F Price (Ron)
(Please Print)

ADDRESS 924 Isabella Ave. Ext. Washington, NC 27889

PHONE NO. (BUSINESS) Cell 902 7014 (HOME) 833-4584

DO YOU LIVE WITHIN THE CORPORATE LIMITS OF WASHINGTON? YES () NO (X) E.T.J

HOW LONG HAVE YOU BEEN A RESIDENT OF BEAUFORT COUNTY? 1 1/2 YEARS

YEARS OF EDUCATION 14+

HAVE YOU SERVED ON A BOARD/COMMISSION OF THE CITY? YES () NO ()
IF YES, PLEASE INDICATE Pitt County (See Notes)

DO YOU ANTICIPATE A CONFLICT OF INTEREST BY SERVING AS A MEMBER OF A BOARD/COMMISSION? No IF YES, EXPLAIN _____

STATE REASONS WHY YOU FEEL QUALIFIED FOR THIS APPOINTMENT(s)
(OPTIONAL): Use back of sheet if additional space is needed

- See Attached sheet -

NOTE: This information will be used by the City Council in making appointments to Boards and Commissions AND, in the event you are appointed, it may be used as a news release to identify you to the community.

Ronald F Price
Signature
9/2/10
Date

NOTE: Application will remain on file for six (6) months Expiration Date: _____

Ronald (Ron) Forbes Price

The following consists of my business, service organizations and community involvement, past and present.

BUSINESS – Currently

- President for Partners for Profit Investment Club
- Semi-retired
- Expert witness in insurance
- Insurance Consultant and consultant in purchasing and selling insurance agencies
- Licensed Real Estate Broker, North Carolina (inactive)
- Real Estate Investor

BUSINESS – Previously

- Principal and Vice President of Cypress Insurance Group, Ft. Lauderdale, Florida
- President of Culbreth Insurance Inc., Ft. Lauderdale, Florida
- President of Roberts-Price Insurance Agency, Rocky Mount, North Carolina
- President of Admiral Insurance Agency, Ft. Lauderdale, Florida
- Sr. Vice President of D.R. Mead & Company, Miami and Ft. Lauderdale, Florida (Mortgage Bankers and Insurance Agents)

ORGANIZATIONS

- Former member of Pitt County Planning Board
- Former member of Pitt County Development Commission
- U.S. Army Veteran
- Insurance Instructor
- Past Vice President and Director of The Business Forum of Broward and Palm Beach Counties, Florida
- Past President and Director of Independent Insurance Agents of Broward County, Florida
- Education Committee for the N.C. Independent Insurance Agents Association
- Insurance Agent of Record for cities of Oakland Park, Lazy Lakes, Tamarac, Lauderdale-by-the-Sea, and Broward County, Florida

COMMUNITY INVOLVEMENT (Past)

- Board Member-Fraternal Order of Police Auxiliary (FOPA), Rocky Mount, NC
- Board Member-Rotary International, Ft. Lauderdale, Florida
- Board Member-United Hearing and Deaf Services, Ft. Lauderdale, Florida
- Rotary Club Member, Bethel, N.C. (Past)
Co-Founder of Down East Pig Cook-Off (Festival of the Arts), Rocky Mount, NC
- Cluster Director of Boundbrook Condo Assoc., West Palm Beach, Florida
- Sponsor and Organizer of Charity Benefits
- Other community projects



City of Washington
REQUEST FOR CITY COUNCIL ACTION

To: Mayor Jennings & Members of the City Council
From: James C. Smith, City Manager
Date: September 2, 2010
Subject: Lease Extension for Impression Marketing Group, Inc. for the Property at 234 Springs Road
Applicant Presentation: N/A
Staff Presentation: James C. Smith, City Manager

RECOMMENDATION:

I move that Council authorize the City Manager to enter into an additional 90 day lease extension with Impressions Marketing Group, Inc. term to expire December 31, 2010.

BACKGROUND AND FINDINGS:

In 2007 the City Council authorized the City Manager to enter into a letter agreement with Impressions Marketing Group to occupy the property at 234 Springs Road under the terms of the former lease with Hamilton Beach Proctor Silex. They have occupied the property over the past several years. The letter agreement will expire on September 30, 2010. A new Lease Agreement will not be finalized by that time. The attached letter agreement extends the current lease for an additional 90 days.

PREVIOUS LEGISLATIVE ACTION

Previous letter lease extension approved on June 14, 2010 to expire on September 30, 2010.

FISCAL IMPACT

X Currently Budgeted ___ in General Fund Revenue ___ Requires additional appropriation ___ No Fiscal Impact
Currently budgeted in the Recreation Parks and Grounds Maintenance budget. No additional fees or charges are proposed.

SUPPORTING DOCUMENTS

Letter Agreement.

City Attorney Review: _____ Date By: _____ (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review:  Concur _____ Recommend Denial _____ No Recommendation 9/17/10 Date

September 13, 2010

Mr. Kevin Goodale, Chief Financial Officer
Impressions Marketing Group, Inc.
7951 Angleton Court
Lorton, VA 22079

Re: 234 Springs Road, Washington, NC – manufacturing facility

Dear Mr. Goodale:

This letter is to confirm the extension of Impressions Marketing Group's tenancy. More specifically, you may continue to occupy the above facility under the below terms until December 31, 2010.

The rental for each month shall be \$32,728.00. Rental shall be subject to future negotiations after September 30, 2010 in accordance with the terms anticipated in the new lease agreement. Your occupancy will continue to be subject to an access agreement between the City and Hamilton Beach and will continue to be "as is" with no obligation on behalf of the City to perform any maintenance whatsoever during this term.

It is my intention that this extension would provide time for Impressions and the City to conclude their negotiations and arrangements for a long-term occupancy agreement. Be assured of the City's continuing willingness to work with Impressions to facilitate your occupancy of the Springs Road building while we conclude long-term arrangements.

Please indicate your company's agreement to the terms hereof by your execution in the blank provided below and, once executed, please return one copy of the executed document to me.

Yours very truly,

James C. Smith, City Manager
City of Washington



City of Washington

P. O. Box 1988, Washington, NC 27889-1988

MEMORANDUM

DATE: September 3, 2010
TO: Mayor and City Council
FROM: Allen Lewis *Allen Lewis*
Public Works Director
SUBJECT: Purchase of Recycling Roll-Out Carts.

The purpose of this memorandum is to inform Council of intent to purchase 4,000 - 95 gallon roll-out carts to be used for recycling. Funds for the purchase of these carts were approved in last year's budget and included a \$100,000 grant from NCDENR.

<u>Vendor</u>	<u>Cost for 4,000 Carts</u>	<u>Delivery</u>	<u>Less Trade-In</u>
Ameri-Kart	\$191,920.00	by 12-31-10	N/A
Grand Total	\$191,920.00		

Proposals were requested and opened on August 23, 2010 at 2:00 p.m. Two vendors provided proposals, Schaeffer Systems International, Inc. and Ameri-Kart Waste Handling Products. While Schaeffer's price was cheaper (\$150,992.00 delivered for 65 gallon carts), Ameri-Kart has provided the vast majority of the carts used in the City for better than 20 years, some of which are still in service today. They also provided prices for 2 types of 65 gallon carts. Their cheaper version was \$170,040.00 delivered and their nicer version was \$187,520.00 delivered. Staff wishes to purchase the 95 gallon version because it standardizes all of the roll-out carts we have in our system. Also, all of the lids, wheels, axles, etc. that either the nicer 65 gallon Ameri-Kart or 95 gallon Ameri-Kart products are completely interchangeable with our existing carts.

Again, as a reminder, this program was funded with a \$100,000 grant from NCDENR and \$100,000 in previously approved City funds.

/al

September 13, 2010

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City of Washington

REQUEST FOR CITY COUNCIL ACTION

To: Mayor Jennings & Members of the City Council
From: Philip Mobley, Director Parks and Recreation
Date: September 13, 2010
Subject: Accept PARTF Grant, Authorize and Ratify the City Manager signing contract and adopt Grant Project Budget Ordinance in the amount of \$295,125.

Applicant Presentation: None
Staff Presentation: Philip Mobley/Recreation Advisory Committee

RECOMMENDATION:

- I move City Council accept a PARTF Grant from NCDENR in the amount of \$295,125.
- I move City Council Authorize and Ratify the City Manager signing a contract with NCDENR in the amount of \$295,125.
- I move City Council adopt a Grant Project Budget Ordinance amendment in the amount of \$295,125.

BACKGROUND AND FINDINGS:

On May 7, 2010 the City was awarded a PARTF (50/50) matching grant from the NCDENR in the amount of \$295,125 (which is 50% of the total project of \$590,250).

The City (General Fund and Donations) will fund the match of \$295,125. The funding period is from 8/1/2010 to 7/31/2013 or three years.

Because the grant arrived two months after the award, I assumed that all official paperwork was approved. I requested the City Manager to sign the contract, in order for the Park Planning Team, headed by Joe Taylor, Chairman of the Recreation Advisory Committee, to proceed with the startup of design and engineering for the park site. In our design and planning stage the only monies allowed by the PARTF Grant to be spent is for the planning stage of the grant. No other monies have been spent on this project.

When the Accounting Department started formulating a Budget Ordinance Amendment for the Parks and Recreation Department for this project, we could not find official documentation to allow us to move forward with this project.

The Washington Recreation Advisory Committee, the C4R Sub-Committee, the PARTF Application Team (public involvement group), citizens at the Public Meeting held January 7, 2010 and City staff are on record as supporting this positive venture.

PREVIOUS LEGISLATIVE ACTION

- 1/19/2010 Council Authorized Mayor to sign PARTF Grant Application
- 1/19/2010 Public Hearing to Adopt Addendum to P & R Master Plan
- 1/19/2010 Council Authorize Addendum to 9/10 CIP Plan for "Festival Park"

FISCAL IMPACT

___ Currently Budgeted (Account _____) ___ Requires additional appropriation ___ No Fiscal Impact

SUPPORTING DOCUMENTS

- Contract Attached
- Grant Project Budget Ordinance

City Attorney Review: _____ Date By: _____ (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review:  _____ Concurs _____ Denial _____ No Recommendation 9/13/10 Date

**A GRANT PROJECT ORDINANCE FOR PARTF GRANT
CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2010-2011**

BE IT ORDAINED by the City Council of the City of Washington, North Carolina, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted:

Section 1. The project authorized is to design and construct a festival park.

Section 2. The officers of this unit are hereby directed to proceed with the project within the terms of the grant documents.

Section 3. The following amounts are appropriated for expenditure in the capital project fund:

62-40-6120-0400	Planning & Design	\$ 39,000
62-40-6120-8000	Construction	525,000
62-40-6120-9900	Contingency	<u>26,250</u>
	Total	\$590,250

Section 4. The following revenue is anticipated to be available to complete this project:

62-40-3460-3000	PARTF Grant Funds	\$295,125
62-40-3352-0000	City Contribution-Transfer from G/F	<u>295,125</u>
	Total	\$590,250

Section 5. That account number 10-00-4400-6200, Transfer to Capital Project Fund, Miscellaneous Non-Departmental portion of the General Fund appropriations budget be increased by \$295,125 to provide funds for the City match.

Section 6. That the Estimated Revenues in the General Fund be increased in the amount of \$295,125 in the account Fund Balance Appropriated account number 10-00-3991-9910.

Section 7. The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient detailed accounting records to satisfy the requirements of the grantor agency and grant agreement.

Section 8. Funds may be advanced from the General Fund for the purpose of making payments that are due. Reimbursement requests should be made to the grantor agency in an orderly and timely manner.

Section 9. The Finance Director is directed to report, on a monthly basis, the financial status of each project element in Section 3 and on the total grant revenues received or claimed.

Section 10. The Budget Officer is directed to include a detail analysis of past and future costs and revenues on this grant project in every budget submission made to the City Council.

Section 11. Copies of this grant project ordinance shall be furnished to the City Clerk, Budget Officer, and Finance Director for direction in carrying out this project.

Section 12. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 13. This ordinance shall become effective upon its adoption.

Adopted this the 13th day of September, 2010.

MAYOR

ATTEST:

CITY CLERK

STATE OF NORTH CAROLINA
COUNTY OF WAKE

GRANTEE'S FEDERAL
IDENTIFICATION
NUMBER: **-***1364

North Carolina Parks and Recreation Trust Fund Project Agreement

Grantee: City of Washington

Project Number: 2010-631

Project Title: Festival Park

Period Covered By This Agreement: (08/01/2010 to 07/31/2013)

Project Scope (Description of Project): Development including event stage, tot lot, picnic shelter, site amenities, landscaping, irrigation, utilities, site preparation, accessible routes, planning costs and contingency.

Project Costs:	PARTF Amount	\$ <u>295,125</u>
	Local Government Match	\$ <u>295,125</u>

Conditions

The North Carolina Department of Environment and Natural Resources (hereinafter called the "Department") and the City of Washington (hereinafter referred to as "Grantee") agree to comply with the terms, promises, conditions, plans, specifications, estimates, procedures, project proposals, maps, and assurances described in the North Carolina Parks and Recreation Trust Fund (PARTF) administrative rules and grant application which are hereby by reference made a part of the PARTF grant contract and which are on file with the Division of Parks and Recreation. In addition, the Department and the Grantee agree to comply with the State of North Carolina's Terms and Conditions as listed in Attachment A to this contract.

Now, therefore, the parties hereto do mutually agree as follows:

Upon execution of this grant agreement, the Department hereby promises, in consideration of the promises by the Grantee herein, to obligate to the Grantee the grant amount shown above. The Grantee hereby promises to efficiently and effectively manage the funds in accordance with the approved budget, to promptly complete grant assisted activities described above in a diligent and professional manner within the project period, and to monitor and report work performance.

The parties to this contract agree and understand that the payment of the sums specified in this contract is dependent and contingent upon and subject to the appropriation, allocation and availability of funds for this purpose to the Department.

Eligible Project Costs and Fiscal Management

The PARTF grant amount must be matched on at least a dollar-for-dollar basis by the Grantee. To be eligible, project costs must be incurred during the contract period, be documented in the grant application, described in the project scope of this agreement, and initiated and/or undertaken after execution of this agreement by the Grantee and the Department.

PARTF assistance for land acquisition will be based on the fair market value of real property or the sales price, whichever is less. Value must be based upon an independent appraisal by a licensed appraiser holding a general or residential certification from the North Carolina Appraisal Board. The Department shall review the appraisal as to content and valuation. Approval of appraised amounts rests with the Department. The Grantee agrees to begin development on PARTF acquired land within five (5) years of the date this contract is signed by the Department and Grantee in order to allow general public access and use.

Payment shall be made in accordance with the contract documents as described in the Scope of Work (Attachment B). Payment for work performed will be made upon receipt and approval of invoice(s) from the Grantee documenting the costs incurred in the performance of work under this contract. Invoices may be submitted to the Contract Administrator quarterly. Final invoices must be received by the Department within forty-five (45) days after the end of the contract period or contract completion, whichever occurs first. Accounting records should be based on generally accepted local government accounting standards and principles. Records shall be retained for a period of five (5) years following project completion, except that records shall be retained beyond a five (5) year period if audit findings have not been resolved. All accounting records and supporting documents will clearly show the number of the contract and PARTF project to which they are applicable. The State Auditor shall have access to persons and records as a result of all contracts and grants entered into by state agencies and or political subdivisions in accordance with General Statute 147-64.7.

The Grantee agrees to refund to the Department, subsequent to audit of the project's financial records, and costs disallowed or required to be refunded to the Department on account of audit exceptions.

Project Execution

The Grantee may not deviate from the scope of the project without approval of the Department. When one of the conditions in the contract changes, including but not limited to the project scope, a revised estimate of costs, a deletion or additions of items, or need to extend the contract period, the Grantee must submit in writing a request to the Department for approval.

The Grantee shall be considered to be an independent contractor and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. The Grantee represents that it has, or will secure at its own expense, all personnel required in performing the services under this agreement. Such employees shall not be employees of, or have any individual contractual relationship with the Department.

In the event the Grantee subcontracts for any or all of the services covered by the contract:

- (a) The Grantee is not relieved of any of the duties and responsibilities provided in this contract;
- (b) The subcontractor agrees to abide by the standards contained herein or to provide such information as to allow the Grantee to comply with these standards; and,
- (c) The subcontractor agrees to allow state and federal authorized representative's access to any records pertinent to its role as a subcontractor.

In accordance with Executive Order 12549, Debarment and Suspension, 7 CR Part 3017, Section 3017.50, the grantee agrees not to subcontract with any vendors debarred or suspended by the State of North Carolina and shall not knowingly enter into any lower tier covered transactions with a person or vendor who is debarred, suspended or declared ineligible.

The Grantee shall not substitute key personnel assigned to the performance of this contract without prior approval by the Department's Contract Administrator. Phillip Mobley is designated by the Grantee as key personnel for purposes of this contract. The Department designates John Poole, PARTF Grant Program Manager as the Contract Administrator for the contract.

Department Contract Administrator	Grantee Contract Administrator
NC Department of Environment and Natural Resources Division of Parks and Recreation Attention: John Poole, Contract Administrator 1515 Mail Service Center Raleigh, NC 27699-1615 Telephone: 919-715-2662 Email: John.Poole@ncdenr.gov	City of Washington Attention: Phillip Mobley 310 West Main Street, Suite 200 Washington, NC 27889 Telephone: 910-332-4818 Email: pmobley@washingtontnc.gov

The Grantee agrees to comply with all applicable federal, state and local statutory provisions governing purchasing,

construction, land acquisition, fiscal management and the environment including but not limited to the following: North Carolina Archives and History Act; Prime Agricultural and Forest Lands (N.C. Executive Order #96); North Carolina Executive Order #16; Local Government Budget and Fiscal Control Act (G.S. 159); Formal Contracts, Informal Contracts and Purchasing (G.S. 44A-26, G.S. 58-31 to 58-40, G.S. 87-15, G.S. 133-1.1, G.S. 133-3, G.S. 133 Article 3, G.S. 136-28.4, G.S. 143 Article 3D, G.S. 143-48, and G.S. 143-128 to 143-135; Conflict of Interest (G.S. 14-234); Americans With Disabilities Act of 1990 (P.L. 101-336); N.C. State Building Code; and the North Carolina Environmental Policy Act (G.S. 113A-1 to G.S. 113A-12), Sales Tax Refund (G.S. 105-164.14), and OMB Circular A-87 Cost Principles for Local, State, and Indian Tribal governments.

The Grantee agrees it provides a drug-free workplace in accordance to the requirements of the Drug-Free Workplace Act of 1988, CFR Part 3017.60D.

The Grantee agrees to permit periodic audits and site inspections by the Department to ensure work progress in accordance with the approved project, including a close-out inspection upon project completion. After project completion, the Grantee agrees to conduct grant contract compliance inspections at least once every five (5) years and to submit a Department provided inspection report to the Department.

The Grantee agrees land acquired with PARTF assistance shall be dedicated in perpetuity as a recreation site for the use and benefit of the public, the dedication will be recorded in the deed of said property and the property may not be converted to other than public recreation use without approval of the Department. The Grantee agrees to maintain and manage PARTF assisted development/ renovation projects for public recreation use for a minimum period of twenty-five (25) years after project completion.

The Grantee agrees to operate and maintain the project site so as to appear attractive and inviting to the public, kept in reasonably safe repair and condition, and open for public use at reasonable hours and times of the year, according to the type of facility and area.

The Grantee shall agree to place utility lines developed with PARTF assistance underground.

If the project site is rendered unusable for any reason whatsoever, the Grantee agrees to immediately notify the Department of said conditions and to make repairs, at its own expense, in order to restore use and enjoyment of the project by the public.

The Grantee agrees not to discriminate against any person on the basis of race, sex, color, national origin, age, residency or ability in the use of any property or facility acquired or developed pursuant to this agreement.

The Grantee certifies that it:

- (a) has neither used nor will use any appropriated funds for payment to lobbyists
- (b) will disclose the name, address, payment details, and purposes of any agreement with lobbyists whom Grantee or its sub-tier contractor(s) or sub-grantee(s) will pay with profits or non-appropriated funds on or after December 22, 1989
- (c) will file quarterly updates about the use of lobbyists if material changes occur in their use.

Project Termination and Applicant Eligibility

The Grantee may unilaterally rescind this agreement at anytime prior to the expenditure of funds on the project described in this contract.

If through any cause, the Grantee fails to fulfill in a timely and proper manner the obligations under this contract, the Department shall thereupon have the right to terminate this contract by giving written notice to the Grantee of such termination and specifying the reasons thereof. In that event, the Grantee shall be entitled to receive just and equitable compensation for any satisfactory work completed in an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of the Grantee covered by this contract.

Failure by the Grantee to comply with the provisions and conditions set forth in the formal application, PARTF administrative rules and this agreement shall result in the Department declaring the Grantee ineligible for further participation in PARTF, in addition to any other remedies provided by law, until such time as compliance has been obtained to the satisfaction of the Department.

In witness whereof, the Department and the Grantee have executed the Agreement in duplicate originals,

September 13, 2010

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one of which is retained by each of the parties.

CITY OF WASHINGTON	
Name of Grantee (Local Government)	Signature of Grantee (Chief Elected Official)
Typed or Printed Name of Official	Title of Official

(Notary Public Completes)

State of North Carolina

County of

On this _____ day of _____, 2009,

_____ personally appeared before me the said named _____, to me known and known to me to be the person described in and who executed the foregoing instrument, and he (or she) acknowledged that he (or she) executed the same and being duly sworn by me, made oath that the statements in the foregoing instrument are true.

My commission expires _____, 20_____.

Signature of Notary Public

(Seal Here)



**North Carolina Department of Environment and Natural Resources
Dee Freeman, Secretary**

By: _____ **Director, Division of Purchase and Services**
 Department Head or Authorized Agent for Secretary Freeman Title

**General Terms and Conditions
Governmental Entities**

DEFINITIONS

Unless indicated otherwise from the context, the following terms shall have the following meanings in this Contract. All definitions are from 9 NCAC 3M.0102 unless otherwise noted. If the rule or statute that is the source of the definition is changed by the adopting authority, the change shall be incorporated herein.

- (1) "Agency" (as used in the context of the definitions below) means and includes every public office, public officer or official (State or local, elected or appointed), institution, board, commission, bureau, council, department, authority or other unit of government of the State or of any county, unit, special district or other political sub-agency of government. For other purposes in this Contract, "Agency" means the entity identified as one of the parties hereto.
- (2) "Audit" means an examination of records or financial accounts to verify their accuracy.
- (3) "Certification of Compliance" means a report provided by the Agency to the Office of the State Auditor that states that the Grantee has met the reporting requirements established by this Subchapter and included a statement of certification by the Agency and copies of the submitted grantee reporting package.
- (4) "Compliance Supplement" refers to the North Carolina State Compliance Supplement, maintained by the State and Local Government Finance Agency within the North Carolina Department of State Treasurer that has been developed in cooperation with agencies to assist the local auditor in identifying program compliance requirements and audit procedures for testing those requirements.
- (5) "Contract" means a legal instrument that is used to reflect a relationship between the agency, grantee, and sub-grantee.
- (6) "Fiscal Year" means the annual operating year of the non-State entity.
- (7) "Financial Assistance" means assistance that non-State entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance. Financial assistance does not include amounts received as reimbursement for services rendered to individuals for Medicare and Medicaid patient services.
- (8) "Financial Statement" means a report providing financial statistics relative to a given part of an organization's operations or status.
- (9) "Grant" means financial assistance provided by an agency, grantee, or sub-grantee to carry out activities whereby the grantor anticipates no programmatic involvement with the grantee or sub-grantee during the performance of the grant.
- (10) "Grantee" has the meaning in G.S. 143-6.2(b): a non-State entity that receives a grant of State funds from a State agency, department, or institution but does not include any non-State entity subject to the audit and other reporting requirements of the Local Government Commission. For other purposes in this Contract, "Grantee" shall mean the entity identified as one of the parties hereto. For purposes of this contract, Grantee also includes other State agencies such as universities.
- (11) "Grantor" means an entity that provides resources, generally financial, to another entity in order to achieve a specified goal or objective.
- (12) "Non-State Entity" has the meaning in N.C.G.S. 143-6.2(a)(1): A firm, corporation, partnership, association, county, unit of local government, public authority, or any other person, organization, group, or governmental entity that is not a State agency, department, or institution.
- (13) "Public Authority" has the meaning in N.C.G.S. 143-6.2(a)(3): A municipal corporation that is not a unit of local government or a local governmental authority, board, commission, council, or agency that (i) is not a municipal corporation and (ii) operates on an area, regional, or multiunit basis, and the budgeting and accounting systems of which are not fully a part of the budgeting and accounting systems of a unit of local government.
- (14) "Single Audit" means an audit that includes an examination of an organization's financial statements, internal controls, and compliance with the requirements of Federal or State awards.
- (15) "Special Appropriation" means a legislative act authorizing the expenditure of a designated amount of public funds for a specific purpose.
- (16) "State Funds" means any funds appropriated by the North Carolina General Assembly or collected by the State of North Carolina. State funds include federal financial assistance received by the State and transferred or disbursed to non-State entities. Both Federal and State funds maintain their identity as they are sub-granted to

other organizations. Pursuant to N.C.G.S. 143-6.2(b), the terms "State grant funds" and "State grants" do not include any payment made by the Medicaid program, the Teachers' and State Employees' Comprehensive Major Medical Plan, or other similar medical programs.

- (17) "Sub-grantee" has the meaning in G.S. 143-6.2(b): a non-State entity that receives a grant of State funds from a grantee or from another sub-grantee but does not include any non-State entity subject to the audit and other reporting requirements of the Local Government Commission.
- (18) "Unit of Local Government" has the meaning in G.S. 143-6.2(a)(2): A municipal corporation that has the power to levy taxes, including a consolidated city-county as defined by G.S. 160B-2(1), and all boards, agencies, commissions, authorities, and institutions thereof that are not municipal corporations.

Relationships of the Parties

Independent Contractor: The Grantee is and shall be deemed to be an independent contractor in the performance of this Contract and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. The Grantee represents that it has, or shall secure at its own expense, all personnel required in performing the services under this agreement. Such employees shall not be employees of, or have any individual contractual relationship with, the Agency.

Subcontracting: To subcontract work to be performed under this contract which involves the specialized skill or expertise of the Grantee or his employees, the Grantee first obtains prior approval of the Agency Contract Administrator. In the event the Grantee subcontracts for any or all of the services or activities covered by this contract: (a) the Grantee is not relieved of any of the duties and responsibilities provided in this contract; (b) the subcontractor agrees to abide by the standards contained herein or to provide such information as to allow the Grantee to comply with these standards, and; (c) the subcontractor agrees to allow state and federal authorized representatives access to any records pertinent to its role as a subcontractor.

Sub-grantees: The Grantee has the responsibility to ensure that all sub-grantees, if any, provide all information necessary to permit the Grantee to comply with the standards set forth in this Contract.

Assignment: The Grantee may not assign the Grantee's obligations or the Grantee's right to receive payment

hereunder. However, upon Grantee's written request approved by the issuing purchasing authority, the Agency may:

- (a) Forward the Grantee's payment check(s) directly to any person or entity designated by the Grantee, or
- (b) Include any person or entity designated by Grantee as a joint payee on the Grantee's payment check(s).

Such approval and action does not obligate the State to anyone other than the Grantee and the Grantee remains responsible for fulfillment of all contract obligations.

Beneficiaries: Except as herein specifically provided otherwise, this Contract insures to the benefit of and is binding upon the parties hereto and their respective successors. It is expressly understood and agreed that the enforcement of the terms and conditions of this Contract, and all rights of action relating to such enforcement, are strictly reserved to the Agency and the named Grantee. Nothing contained in this document shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of the Agency and Grantee that any third person receiving services or benefits under this Contract is an incidental beneficiary only.

Indemnity

Indemnification: In the event of a claim against either party by a third party arising out of this contract, the party whose actions gave rise to the claim is responsible for the defense of the claim and any resulting liability, provided that a party may not waive the other party's sovereign immunity or similar defenses. The parties agree to consult with each other over the appropriate handling of a claim and, in the event they cannot agree, to consult with the Office of the Attorney General.

Default and Termination

Termination by Mutual Consent: Either party may terminate this agreement upon thirty (30) days notice in writing from the other party. In that event, all finished or unfinished documents and other materials, at the option of the Agency, be submitted to the Agency. If the contract is terminated as provided herein, the Grantee is paid in an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of the Grantee covered by this agreement; for costs of work performed by subcontractors for the Grantee provided that such subcontracts have been approved as provided herein; or for each full day of services performed where compensation is based on each full day of services

performed, less payment of compensation previously made. The Grantee repays to the Agency any compensation the Grantee has received which is in excess of the payment to which he is entitled herein.

Termination for Cause: If, through any cause, the Grantee fails to fulfill in timely and proper manner the obligations under this agreement, the Agency thereupon has the right to terminate this contract by giving written notice to the Grantee of such termination and specifying the reason thereof and the effective date thereof. In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Grantee, at the option of the Agency, be submitted to the Agency, and the Grantee is entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials. The Grantee is not relieved of liability to the Agency for damages sustained by the Agency by virtue of any breach of this agreement, and the Agency may withhold payment to the Grantee for the purpose of set off until such time as the exact amount of damages due the Agency from such breach can be determined.

Waiver of Default: Waiver by the Agency of any default or breach in compliance with the terms of this Contract by the Grantee is not a waiver of any subsequent default or breach and is not a modification of the terms of this Contract unless stated to be such in writing, signed by an authorized representative of the Agency and the Grantee and attached to the contract.

Availability of Funds: The parties to this Contract agree and understand that the payment of the sums specified in this Contract is dependent and contingent upon and subject to the appropriation, allocation, and availability of funds for this purpose to the Agency.

Force Majeure: Neither party is in default of its obligations hereunder if and it is prevented from performing such obligations by any act of war, hostile foreign action, nuclear explosion, riot, strikes, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.

Survival of Promises: All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable federal or State statutes of limitation.

Intellectual Property Rights

Copyrights and Ownership of Deliverables: Any and all copyrights resulting from work under this agreement shall belong to the Grantee. The Grantee hereby grants to the North Carolina Department of Environment and Natural Resources a royalty-free, non-exclusive, paid-up license to use, publish and distribute results of work under this agreement for North Carolina State Government purposes only.

Compliance with Applicable Laws

Compliance with Laws: The Grantee understands and agrees that is subject to compliance with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and/or authority.

Equal Employment Opportunity: The Grantee understands and agrees that it is subject to compliance with all federal and State laws relating to equal employment opportunity.

Confidentiality

Confidentiality: As authorized by law, the Grantee keeps confidential any information, data, instruments, documents, studies or reports given to or prepared or assembled by the Grantee under this agreement and does not divulge or make them available to any individual or organization without the prior written approval of the Agency. The Grantee acknowledges that in receiving, storing, processing or otherwise dealing with any confidential information it will safeguard and not further disclose the information except as otherwise provided in this Contract or without the prior written approval of the Agency.

Oversight

Access to Persons and Records: The State Auditor has access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions in accordance with N.C.G.S. 147-64.7. Additionally, as the State funding authority, the Agency has access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions.

Record Retention: The Grantee may not destroy, purge or dispose of records without the express written consent of the Agency. State basic records retention policy requires all grant records to be retained for a minimum of five years or until all audit exceptions have been resolved, whichever

is longer. If the contract is subject to Federal policy and regulations, record retention may be longer than five years since records must be retained for a period of three years following submission of the final Federal Financial Status Report, if applicable, or three years following the submission of a revised final Federal Financial Status Report. Also, if any litigation, claim, negotiation, audit, disallowance action, or other action involving this Contract has started before expiration of the five-year retention period described above, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular five-year period described above, whichever is later.

Time Records: The GRANTEE will maintain records of the time and effort of each employee receiving compensation from this contract, in accordance with the appropriate OMB circular.

Miscellaneous

Choice of Law: The validity of this Contract and any of its terms or provisions, as well as the rights and duties of the parties to this Contract, are governed by the laws of North Carolina. The Grantee, by signing this Contract, agrees and submits, solely for matters concerning this Contract, to the exclusive jurisdiction of the courts of North Carolina and agrees, solely for such purpose, that the exclusive venue for any legal proceedings shall be Wake County, North Carolina. The place of this Contract and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract or tort, relating to the validity, construction, interpretation, and enforcement shall be determined.

Amendment: This Contract may not be amended orally or by performance. Any amendment must be made in written form and executed by duly authorized representatives of the Agency and the Grantee.

Severability: In the event that a court of competent jurisdiction holds that a provision or requirement of this ~~Contract violates any applicable law, each such provision~~ or requirement shall continue to be enforced to the extent it is not in violation of law or is not otherwise unenforceable and all other provisions and requirements of this Contract shall remain in full force and effect.

Headings: The Section and Paragraph headings in these General Terms and Conditions are not material parts of the agreement and should not be used to construe the meaning thereof.

Time of the Essence: Time is of the essence in the performance of this Contract.

Care of Property: The Grantee agrees that it is be responsible for the proper custody and care of any State owned property furnished him for use in connection with the performance of his contract and will reimburse the State for its loss or damage.

Ownership of equipment purchased under this contract rests with the Agency. Upon approval of the Agency Contract Administrator, such equipment may be retained by the Grantee for the time the Grantee continues to provide services begun under this contract.

Travel Expenses: All travel, lodging, and subsistence costs are included in the contract total and no additional payments will be made in excess of the contract amount indicated in above. Contractor must adhere to the travel, lodging and subsistence rates established in the Budget Manual for the State of North Carolina.

Sales/Use Tax Refunds: If eligible, the Grantee and all sub-grantees shall: (a) ask the North Carolina Department of Revenue for a refund of all sales and use taxes paid by them in the performance of this Contract, pursuant to G.S. 105-164.14; and (b) exclude all refundable sales and use taxes from all reportable expenditures before the expenses are entered in their reimbursement reports.

Advertising: The Grantee may not use the award of this Contract as a part of any news release or commercial advertising.

Recycled Paper: The Grantee ensures that all publications produced as a result of this contract are printed double-sided on recycled paper.

Sovereign Immunity: The Agency does not waive its sovereign immunity by entering into this contract and fully retains all immunities and defenses provided by law with respect to any action based on this contract.

Gratuities, Kickbacks or Contingency Fee(s): The parties certify and warrant that no gratuities, kickbacks or contingency fee(s) are paid in connection with this contract, nor are any fees, commissions, gifts or other considerations made contingent upon the award of this contract.

Lobbying: The Grantee certifies that it (a) has neither used nor will use any appropriated funds for payments to lobbyist; (b) will disclose the name, address, payment details, and purpose of any agreement with lobbyists whom the Grantee or its sub-tier contractor(s) or sub-grantee(s) will pay with profits or non-appropriated funds on or after December 22, 1989; and (c) will file quarterly updates about the use of lobbyists if material changes occur in their use.

By Executive Order 24, issued by Governor Perdue, and N.C. G.S. § 133-32:

It is unlawful for any vendor or contractor (i.e. architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or vendor), to make gifts or to give favors to any State employee of the Governor's Cabinet Agencies (i.e., Administration, Commerce, Correction, Crime Control and Public Safety, Cultural Resources, Environment and Natural Resources, Health and Human Services, Juvenile Justice and Delinquency Prevention, Revenue, Transportation, and the Office of the Governor). This prohibition covers those vendors and contractors who:

- (1) have a contract with a governmental agency; or
- (2) have performed under such a contract within the past year; or
- (3) anticipate bidding on such a contract in the future.

For additional information regarding the specific requirements and exemptions, vendors and contractors are encouraged to review Executive Order 24 and G.S. Sec. 133-32.

Executive Order 24 also encouraged and invited other State Agencies to implement the requirements and prohibitions of the Executive Order to their agencies. Vendors and contractors should contact other State Agencies to determine if those agencies have adopted Executive Order 24."

Scope of Work

**North Carolina Division of Parks and Recreation
Parks and Recreation Trust Fund – Grants Program for Local Governments**

Grantee: City of Washington

Title of Project: Festival Park

Project Number: 2010 - 631

Contract Number: 3198

Amount of Grant: \$ 295,125

Amount of Match: \$ 295,125

Contact Person for Project: Philip Mobley

Title: Director of Parks and Recreation
City of Washington

Address:
310 West Main Street
Suite 200
Washington, NC 27889

Telephone: 252-975-9367

Contact email address: pmobley@washingtonnc.gov

Scope of Project: Development including event stage, tot lot, picnic shelter, site amenities, landscaping, irrigation, utilities, site preparation, accessible routes, planning costs and contingency.

Length of Project: 36 months (8/1/2010– 7/31/2013)

Schedule for Reimbursements: Grantee may submit bills quarterly after a significant portion of work has been completed on the project element(s). Not more than 90% of the grant will be reimbursed until the grantee completes the project elements specified in the grant (refer to detailed budget submitted with grant application).

The City of Washington grant application and support documentation are, by reference, part of the contract. The administrative rules of the N.C. Parks and Recreation Trust Fund are, by reference, a part of the contract.



City of Washington

Department of Parks & Recreation



MEMORANDUM

DATE: September 13, 2010
TO: Mayor and City Council
FROM: Philip W. Mobley, Director of Parks and Recreation *PWM*
SUBJ: BIG-P 2011 update

This memo is written to inform and update Council about the BIG-P 2011 grant monies that we applied for in July 2010. This grant was sought to assist the City in the construction of restrooms on the East end (Festival Park) and the West end (CAMA grant and City matching funds) of Stewart Parkway.

We have been contacted by Ms. Kelly Price of the Division of Marine Fisheries stating that the State of North Carolina is recommending that the project on the West end of Stewart Parkway be funded in the amount of \$50,000.

The State will now update our proposal and file a new application with US Fish and Wildlife Services for final approval.

310 West Main Street ♦ P.O. Box 1988 ♦ Washington, NC 27889-1988
Telephone 252-975-9367 ♦ Fax 252-946-8433 ♦ TDD 1-800-735-2962
www.ci.washington.nc.us ♦ recreation@washingtonnc.ws



City of Washington

Department of Parks & Recreation



MEMORANDUM

DATE: September 13, 2010

TO: Mayor and City Council

FROM: Philip W. Mobley, Director of Parks and Recreation *PWM*

SUBJ: Pets on the Boardwalk – Moss Landing Marina request

I am informing Council about the status of the Moss Landing Marina request to allow their tenants pets on the Wetlands Boardwalk with a permit.

City Staff met with the Moss Landing Marina parties to discuss what could be done to create a workable solution for the Moss Landing Upland owners and the Moss Landing Marina.

After discussions with both parties individually, it was discovered that Moss Landing Marina and Moss Landing Upland owners have issues that must be worked out by them before the City can try to help them with any solutions concerning the Boardwalk.

As far as the Moss Landing Marina tennant and her emergency permit goes, the Permit has expired and the tenant is no longer renting at the Moss Landing Marina.

310 West Main Street ♦ P.O. Box 1988 ♦ Washington, NC 27889-1988
Telephone 252-975-9367 ♦ Fax 252-946-8433 ♦ TDD 1-800-735-2962
www.ci.washington.nc.us ♦ recreation@washingtonnc.ws

MAYO & MAYO
ATTORNEYS AT LAW
102 WEST SECOND STREET
POST OFFICE BOX 635
WASHINGTON, NORTH CAROLINA
27889

JOHN A. MAYO 1891-1965
WILLIAM P. MAYO
WILLIAM P. MAYO, JR.

AREA CODE 252
TELEPHONE 946-2418
FAX 946-3366

August 23, 2010

The City of Washington
c/o James C. Smith, City Manager
102 E 2nd Street
Washington, NC 27889

RE: First Presbyterian Church
Washington, NC

Dear Franz:

I am writing you at the request of the Session of the First Presbyterian Church of Washington. The Church currently owns the lands formerly occupied by Billy Parvin's service station and the former Washington Cleaners property. The Church is interested in trading lands with the City for that portion of the Municipal Parking Lot which runs between our church property and the above properties. We are hopeful that the City will trade land with the Church in an amount of essentially equal square footage as shown on the attached sketch and tax map. The building located on the former service station property would transfer to the City at no cost.

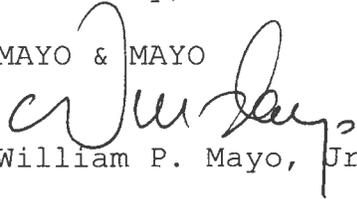
The Church would also like to continue to use the "new" municipal lot in a manner consistent with our present use of the existing parking lot.

Please contact me at your convenience to discuss the procedures and legal contractual matters necessary to make this happen. I appreciate your time and feel free to call me if you have any questions.

I look forward to your reply.

Sincerely,

MAYO & MAYO


William P. Mayo, Jr.



City of Washington

REQUEST FOR CITY COUNCIL ACTION

To: Mayor Jennings & Members of the City Council
From: Matt Rauschenbach, C.F.O.
Date: September 13, 2010
Subject: Budget Ordinance for Reallocation of Property, Casualty, & Liability Insurance Cost
Applicant Presentation: N/A
Staff Presentation: Matt Rauschenbach

RECOMMENDATION:

I move that City Council adopt a Budget Ordinance to reallocate the property, casualty, and liability insurance cost.

BACKGROUND AND FINDINGS:

The property, casualty, and liability insurance cost has been reallocated among areas using a method that more closely matches the risk of what's insured. The actual premiums were charged to each area based on the reallocation and a budget amendment is necessary to realign the budget accordingly.

PREVIOUS LEGISLATIVE ACTION

FISCAL IMPACT

Currently Budgeted (Account _____) Requires additional appropriation
 No Fiscal Impact

SUPPORTING DOCUMENTS

Budget Ordinance

City Attorney Review: _____ Date By: _____ (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review:  Concur _____ Recommendation Denial _____ No Recommendation
 September 13, 2010
 Date Page 130 of 170

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2010-2011**

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

Section 1. That the following accounts in the General Fund be increased or (decreased) to reflect a reallocation of property, casualty, and liability insurance premium from the amount budgeted:

10-00-4400-5400	Miscellaneous	(59,727)
10-40-6125-5400	Civic Center	7,235
10-10-4340-5400	Fire	22,721
10-10-4341-5400	EMS	3,105
10-00-4135-5400	Customer Service	1,367
10-00-4130-5400	Finance	807
10-00-4125-5400	Human Resources	386
10-40-6110-5400	Library	5,655
10-10-4310-5400	Police	49,741
10-20-4250-5400	Garage	6,525
10-20-4510-5400	Streets	15,609
10-40-6120-5400	Parks & Recreation	30,842
10-00-4131-5400	Warehouse	604
10-10-4350-5400	Inspections	1,450
10-00-9990-9900	Contingency	<u>(86,320)</u>
	Total	0

Section 2. That the following accounts in the Water Fund be increased or (decreased) to reflect a reallocation of property, casualty, and liability insurance premium from the amount budgeted:

30-90-6610-5400	Insurance & Bonds	(50,205)
30-90-9990-9900	Contingency	50,205

Section 3. That the following accounts in the Sewer Fund be increased or (decreased) to reflect a reallocation of property, casualty, and liability insurance premium from the amount budgeted:

32-90-6610-5400	Insurance & Bonds	(30,594)
32-90-9990-9900	Contingency	19,678

Section 4. That the Estimated Revenues in the Sewer Fund be decreased \$10,916 in the account Fund Balance Appropriated, account number 32-90-3991-9910.

Section 5. That the following accounts in the Storm Water Fund be increased or (decreased) to reflect a reallocation of property, casualty, and liability insurance premium from the amount budgeted:

34-90-5710-5400	Insurance & Bonds	(2,255)
34-90-9990-9900	Contingency	2,255

Section 6. That account number 35-90-6610-5400, Insurance & Bonds, Miscellaneous Non-Departmental portion of the Electric Fund appropriations budget be decreased \$5,553.

Section 7. That the Estimated Revenues in the Electric Fund be decreased \$5,553 in the account Fund Balance Appropriated, account number 35-90-3991-9910.

Section 8. That the following accounts in the Solid Waste Fund be increased or (decreased) to reflect a reallocation of property, casualty, and liability insurance premium from the amount budgeted:

38-90-6610-5400	Insurance & Bonds	4,349
38-90-9990-9900	Contingency	(4,349)

Section 9. That account number 37-90-4530-5400, Insurance & Bonds, Warren Field Airport Fund appropriations budget be decreased \$4,173.

Section 10. That the Estimated Revenues in the Airport Fund be decreased \$4,173 in the account Fund Balance Appropriated, account number 37-90-3991-9910.

Section 11. That account number 39-90-4740-5400, Insurance & Bonds, Cemetery Fund appropriations budget be increased \$2,112.

Section 12. That the Estimated Revenues in the Cemetery Fund be increased \$2,112 in the account Fund Balance Appropriated, account number 39-90-3991-9900.

Section 13. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 14. This ordinance shall become effective upon its adoption.

Adopted this the 13th day of September, 2010.

MAYOR

ATTEST:

CITY CLERK



City of Washington

REQUEST FOR CITY COUNCIL ACTION

To: Mayor Jennings & Members of the City Council
From: Matt Rauschenbach, Chief Financial Officer
Date: September 13, 2010
Subject: Adopt a budget ordinance amendment for outstanding purchase orders from FY 09/10 (\$4,395,841).

RECOMMENDATION:

I move that City Council adopt a budget ordinance amendment in the amount of \$4,395,841 for purchase orders outstanding from fiscal year 2009-2010 that are being brought forward into fiscal year 2010-2011 for payment.

BACKGROUND AND FINDINGS:

At the close of fiscal year 2009-2010 the City had the following amount of outstanding purchase orders, by fund, issued for contracts and merchandise:

General Fund	\$795,700
Water Fund	5,891
Sewer Fund	232,182
Storm Water Fund	75,721
Electric Fund	2,873,281
Airport Fund	207,197
Solid Waste Fund	200,000
Cemetery Fund	980
Façade Fund	4,889
	\$4,395,841

Funding for these outstanding purchase orders is restricted in fund balance at June 30, 2010. Therefore, the funding needs to be appropriated in the current fiscal year for spending.

PREVIOUS LEGISLATIVE ACTION

FISCAL IMPACT

_____ Currently Budgeted Requires additional appropriation _____ No Fiscal Impact

SUPPORTING DOCUMENTS

City Attorney Review: _____ Date By: _____ (if applicable)
 Finance Dept Review: _____ Date By: _____ (if applicable)
 City Manager Review: _____ Concur _____ Recommend Denial _____ No
 Recommendation _____ Date September 13, 2010

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2010-2011**

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

Section 1. That the following amounts are hereby appropriated for spending in FY 10/11 in order to satisfy existing contracts, grant obligations, and purchase orders at the end of last fiscal year.

Schedule A. General Fund

Mayor	\$6,327
TDA Director	2,000
Human Resources	285
Finance	22,592
Information Systems	15,292
Customer Service	2,444
Municipal Building	819
Police	4,589
Fire	580
Planning/Zoning	29,350
Powell Bill Allocation	378,604
Library	27,599
Recreation Administration	400
Recreation Events & Facilities	558
Athletics & Programs	800
Senior Programs	450
Waterfront Docks	170,939
Aquatic Center	4,166
Parks & Grounds	<u>127,906</u>
Total	\$795,700

Schedule B. Water Fund

Water Treatment Plant	\$5,891
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Schedule C. Sewer Fund

Wastewater Maintenance	\$73,250
Wastewater Construction	16,966
Wastewater Treatment Plant	105,706
Sewer Lift Stations	<u>36,260</u>
Total	\$232,182

Schedule D. Stormwater Fund

Operations	\$74,798
Nutrient Control	<u>923</u>
Total	\$75,721

Schedule E. Electric Fund

Electric Director	\$1,556,556
Utility Communications	130
Meter Services	75,835
Substation Maintenance	624,886
Power Line Maintenance	9,105
Power Line Construction	<u>606,769</u>
Total	\$2,873,281

Schedule F. Airport Fund

Operations	\$207,197
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Schedule G. Solid Waste Fund

Operations	\$200,000
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Schedule H. Cemetery Fund

Operations	\$980
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Schedule I. Façade Program

Economic Development-Façade Grants \$4,889

Section 2. That the following revenues be increased in the respective amounts to meet the foregoing obligations:

Recreation Trail Grant	\$74,206
Waterfront Dock Grant	182,000
Historic Preservation Grant	11,500
General Fund Balance Appropriated	527,994
Water Fund Balance Appropriated	5,891
Sewer Fund Balance Appropriated	232,182
Storm Water Fund Balance Appropriated	75,721
Hwy 17 Reimbursements	1,556,556
Electric Fund Balance Appropriated	1,316,725
Vision 100 Grant Funds 38.7.1	93,997
Vision 100 Grant Funds 38.8.1	92,152
Airport Fund Balance Appropriated	21,048
Curbside Recycling Grant	100,000
Solid Waste Fund Balance Appropriated	100,000
Cemetery Fund Balance Appropriated	980
Façade Program	<u>4,889</u>
Total	\$4,395,841

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 13th day of September, 2010.

MAYOR

ATTEST:

CITY CLERK

8/31/2010 9:59:03 AM

City Of Washington

PO #	PO Date	Vendor #	Vendor Name	Account #	Account Name	Encumbered
44944	3/22/2010	4070	COASTAL SCIENCE & ENGINEERING	10-00-4110-0400	PROFESSIONAL SERVICE	1,827
45497	6/30/2010	8988	MUNICIPAL CODE CORPORATION	10-00-4110-0400	PROFESSIONAL SERVICE	4,500
					10-00-4110	Totals- 6,327
45498	6/30/2010	416	CITY OF WASHINGTON	10-00-4124-7000	NONCAPITALIZED PURCH	2,000
					10-00-4124	Totals- 2,000
45484	6/29/2010	1413	RENN TAFF OFFICE SUPPLIES INC.	10-00-4125-3300	DEPARTMENTAL SUPPLIE	285
					10-00-4125	Totals- 285
43624	5/18/2009	2523	MEGA FORCE ACQUISITION CORP.	10-00-4130-0400	PROFESSIONAL SERVICE	749
45499	6/30/2010	2523	MEGA FORCE ACQUISITION CORP.	10-00-4130-0400	PROFESSIONAL SERVICE	6,850
37846	8/27/2007	4410	LOGICS, LLC	10-00-4130-4501	PROGRAM ENHANCEMENTS	4,190
40688	4/15/2008	4410	LOGICS, LLC	10-00-4130-4501	PROGRAM ENHANCEMENTS	8,178
44583	12/9/2009	4410	LOGICS, LLC	10-00-4130-4501	PROGRAM ENHANCEMENTS	2,625
					10-00-4130	Totals- 22,592
45451	6/25/2010	416	CITY OF WASHINGTON	10-00-4132-4505	PEG CHANNEL EXPENSES	1,807
45453	6/25/2010	1708	UNITED STATES CELLULAR	10-00-4132-4500	CONTRACT SERVICES	725
45490	6/29/2010	4351	VC3, INC.	10-00-4132-4501	PROGRAM ENHANCEMENTS	12,760
					10-00-4132	Totals- 15,292
44913	3/11/2010	9665	EXECUTIVE PERSONNEL GROUP, LLC	10-00-4135-0400	PROFESSIONAL SERVICE	733
45103	5/5/2010	2523	MEGA FORCE ACQUISITION CORP.	10-00-4135-0400	PROFESSIONAL SERVICE	265
45105	5/5/2010	9665	EXECUTIVE PERSONNEL GROUP, LLC	10-00-4135-0400	PROFESSIONAL SERVICE	1,446
					10-00-4135	Totals- 2,444
45233	5/27/2010	987	LOWES	10-00-4260-1500	MAINT/REPAIR BUILDIN	500
45461	6/29/2010	1821	WILKINSON ENTERPRISES	10-00-4260-1500	MAINT/REPAIR BUILDIN	319
					10-00-4260	Totals- 819
44338	9/24/2009	955	LAWMEN'S SAFETY SUPPLY, INC.	10-10-4310-5601	MATERIALS-AMMO/BATTE	1,948
44506	11/9/2009	955	LAWMEN'S SAFETY SUPPLY, INC.	10-10-4310-5701	CONTROLLED SUBSTANCE	462
44899	3/9/2010	10699	WATCH GUARD VIDEO	10-10-4310-3300	DEPARTMENTAL SUPPLIE	218
44971	4/1/2010	955	LAWMEN'S SAFETY SUPPLY, INC.	10-10-4310-7000	NONCAPITALIZED PURCH	639
45139	5/7/2010	2324	HTM CONCEPTS	10-10-4310-3600	UNIFORMS	1,323
					10-10-4310	Totals- 4,589
44486	11/4/2009	6086	MES-CAROLINA'S	10-10-4340-3602	SAFETY EQUIPMENT	250
45419	6/23/2010	784	H.E.S. INC.	10-10-4340-9800	VOLUNTEER EXPENSES	330
					10-10-4340	Totals- 580

September 13, 2010

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PO #	PO Date	Vendor #	Vendor Name	Account #	Account Name	Encumbered
45106	5/5/2010	12634	DRUCILLA H. YORK	10-10-4910-4505	CONTRACT SERVICES- N	4,500
45494	6/30/2010	12738	ECIVIS, INC.	10-10-4910-5300	DUES & SUBSCRIPTIONS	14,850
45500	6/30/2010	416	CITY OF WASHINGTON	10-10-4910-4505	CONTRACT SERVICES- N	7,000
45501	6/30/2010	416	CITY OF WASHINGTON	10-10-4910-7000	NONCAPITALIZED PURCH	3,000
				10-10-4910	Totals-	29,350
42521	12/9/2008	796	READY MIXED CONCRETE CO.	10-20-4511-5600	MATERIALS	3,285
43473	4/30/2009	10122	BARNHILL CONTRACTING	10-20-4511-5600	MATERIALS	268
43483	4/30/2009	756	GREENVILLE PAVING AND CONTRACTING, INC.	10-20-4511-4500	STREET PAVING	222,080
43537	5/4/2009	756	GREENVILLE PAVING AND CONTRACTING, INC.	10-20-4511-5600	MATERIALS	21,984
44229	8/19/2009	1568	ST. CLAIR TRUCKING CO.	10-20-4511-4500	STREET PAVING	1,800
44242	8/25/2009	796	READY MIXED CONCRETE CO.	10-20-4511-5600	MATERIALS	3,464
45000	4/14/2010	12590	RAMEY KEMP & ASSOCIATES	10-20-4511-7300	PROPERTY IMPROVEMENT	61,968
45044	4/28/2010	796	READY MIXED CONCRETE CO.	10-20-4511-4500	STREET PAVING	11,399
45074	5/4/2010	756	GREENVILLE PAVING AND CONTRACTING, INC.	10-20-4511-4500	STREET PAVING	52,356
				10-20-4511	Totals-	378,604
43990	6/30/2009	416	CITY OF WASHINGTON	10-40-6110-4500	CONTRACT SERVICES	10,000
45126	5/7/2010	164	BAKER & TAYLOR BOOKS	10-40-6110-5600	MATERIALS	1,039
45493	6/30/2010	1485	SEABOARD SECURITY SYSTEMS	10-40-6110-7000	NONCAPITALIZED PURCH	13,638
45496	6/30/2010	416	CITY OF WASHINGTON	10-40-6110-7000	NONCAPITALIZED PURCH	2,922
				10-40-6110	Totals-	27,599
45407	6/22/2010	6122	WATERS SURVEYING INC.	10-40-6120-0400	PROFESSIONAL SERVICE	400
				10-40-6120	Totals-	400
45319	6/9/2010	10218	SUSAN SUGGS	10-40-6121-3403	SPECIAL EVENTS	185
45352	6/14/2010	649	ENECO EAST	10-40-6121-1502	MAINT/REPAIR HVAC	373
				10-40-6121	Totals-	558
45407	6/22/2010	6122	WATERS SURVEYING INC.	10-40-6122-4504	BEAUFORT COUNTY REIM	800
				10-40-6122	Totals-	800
45058	4/28/2010	6406	PROSOURCE INDUSTRIES INC.	10-40-6123-4501	MIDEAST GRANT - GENE	450
				10-40-6123	Totals-	450
41259	6/24/2008	4070	COASTAL SCIENCE & ENGINEERING	10-40-6124-7400	CAPITAL OUTLAY	1,250
45502	6/30/2010	416	CITY OF WASHINGTON	10-40-6124-7400	CAPITAL OUTLAY	169,688
				10-40-6124	Totals-	170,938
44891	3/5/2010	12301	PENCO PRODUCTS INC.	10-40-6126-7400	CAPITAL OUTLAY	184
45174	5/17/2010	5495	GREENVILLE POOL AND SUPPLY CO.	10-40-6126-1600	MAINT/REPAIR EQUIPME	3,982
				10-40-6126	Totals-	4,166

PO #	PO Date	Vendor #	Vendor Name	Account #	Account Name	Encumbered
45032	4/23/2010	416	CITY OF WASHINGTON	10-40-6130-7300	OTHER IMPROVEMENTS	27,600
45147	5/10/2010	1808	WESTINGHOUSE ELECTRIC SUPPLY	10-40-6130-1502	MAINT/REPAIR PARKS	1,530
45282	6/4/2010	273	FLOYD A. BROOKS, JR.	10-40-6130-1502	MAINT/REPAIR PARKS	6,000
45503	6/30/2010	416	CITY OF WASHINGTON	10-40-6130-7305	PROPERTY IMPROVEMENT	92,776
				10-40-6130	Totals-	127,906
44517	11/16/2009	9117	ENVIRONMENTAL RESOURCES ASSOC.	30-90-8100-4501	CONTRACT LAB SERVIC	491
45236	5/28/2010	769	HACH COMPANY	30-90-8100-1600	MAINT/REPAIR PLANT E	900
45239	6/1/2010	12060	ENVIRONMENTAL CHEMIST, INC.	30-90-8100-4501	CONTRACT LAB SERVIC	500
45441	6/24/2010	10697	WIRELESS COMMUNICATIONS, INC.	30-90-8100-1600	MAINT/REPAIR PLANT E	10
45472	6/29/2010	3631	CENTRAL HEATING & A/C OF	30-90-8100-1500	MAINT/REPAIR BUILDIN	3,000
45479	6/29/2010	10800	ENVIRONMENT 1	30-90-8100-4501	CONTRACT LAB SERVIC	990
				30-90-8100	Totals-	5,891
45003	4/14/2010	787	HENDRIX-BARNHILL CO.	32-90-8200-4500	CONTRACT SERVICES	45,250
45084	5/4/2010	1430	RIVERS & ASSOCIATES INC.	32-90-8200-4500	CONTRACT SERVICES	28,000
				32-90-8200	Totals-	73,250
43492	5/1/2009	9699	EJE RECYCLING & DISPOSAL, INC.	32-90-8210-4500	CONTRACT SERVICES SE	16,966
				32-90-8210	Totals-	16,966
45172	5/17/2010	1301	THE PERKINSON CO.	32-90-8220-1600	MAINT./REPAIR PLANT	2,250
45236	5/28/2010	769	HACH COMPANY	32-90-8220-1600	MAINT./REPAIR PLANT	2,266
45286	6/8/2010	11765	ITT-FLYGT CORP.	32-90-8220-1600	MAINT./REPAIR PLANT	19,500
45441	6/24/2010	10697	WIRELESS COMMUNICATIONS, INC.	32-90-8220-1600	MAINT./REPAIR PLANT	1,690
45456	6/28/2010	3757	MCNAUGHTON-MCKAY ELECTRIC CO	32-90-8220-7400	CAPITAL OUTLAY	25,000
45457	6/28/2010	7920	US/FILTER/WALLACE & TIERNAN PRODUCTS	32-90-8220-7400	CAPITAL OUTLAY	55,000
				32-90-8220	Totals-	105,706
43630	5/18/2009	5251	COVINGTON DIESEL	32-90-8230-7400	CAPITAL OUTLAY	1,063
45068	4/30/2010	5251	COVINGTON DIESEL	32-90-8230-7400	CAPITAL OUTLAY	25,503
45288	6/8/2010	1430	RIVERS & ASSOCIATES INC.	32-90-8230-0400	PROFESSIONAL SERVICE	9,694
				32-90-8230	Totals-	36,260
40224	2/12/2008	8343	CARVER MACHINE WORKS, INC.	34-90-5710-1601	MAINT/REPAIR JACKS	11,921
43481	4/30/2009	8343	CARVER MACHINE WORKS, INC.	34-90-5710-1601	MAINT/REPAIR JACKS	37,279
43535	5/4/2009	1568	ST. CLAIR TRUCKING CO.	34-90-5710-5600	MATERIALS	1,898
45057	4/28/2010	8343	CARVER MACHINE WORKS, INC.	34-90-5710-1601	MAINT/REPAIR JACKS	23,700
				34-90-5710	Totals-	74,798
44434	10/20/2009	3046	THE WOOTEN COMPANY	34-90-5712-0400	PROFESSIONAL SERVICE	923
				34-90-5712	Totals-	923

PO #	PO Date	Vendor #	Vendor Name	Account #	Account Name	Encumbered
39110	8/20/2007	10531	C.W. WRIGHT CONSTRUCTION COMPANY, INC.	35-90-7220-0405	HWY 17 230 KV RELOCA	161,494
45504	6/30/2010	416	CITY OF WASHINGTON	35-90-7220-0405	HWY 17 230 KV RELOCA	348,231
45504	6/30/2010	416	CITY OF WASHINGTON	35-90-7220-0406	HWY 17 LINE RELOCATI	784
45504	6/30/2010	416	CITY OF WASHINGTON	35-90-7220-0407	HWY 17 BYPASS NORTH	48,407
45504	6/30/2010	416	CITY OF WASHINGTON	35-90-7220-0411	US HWY 17 RELOCATION	881,434
45504	6/30/2010	416	CITY OF WASHINGTON	35-90-7220-0420	NCDOT - RUNYON CREEK	71,177
45504	6/30/2010	416	CITY OF WASHINGTON	35-90-7220-0425	NCDOT - CLARKS CREEK	44,222
45504	6/30/2010	416	CITY OF WASHINGTON	35-90-7220-0430	NCDOT - MINUTE MAN L	251
45504	6/30/2010	416	CITY OF WASHINGTON	35-90-7220-0435	NCDOT - HWY 33 BRIDG	556
				35-90-7220	Totals-	1,556,556
45374	6/16/2010	1116	NAMEPLATES INC.	35-90-7230-3300	DEPARTMENTAL SUPPLIE	130
				35-90-7230	Totals-	130
45111	5/6/2010	5210	SHEALY ELECTRIC	35-90-7250-7400	CAPITAL OUTLAY	20,395
45321	6/9/2010	5210	SHEALY ELECTRIC	35-90-7250-7400	CAPITAL OUTLAY	3,444
45323	6/9/2010	1808	WESTINGHOUSE ELECTRIC SUPPLY	35-90-7250-7400	CAPITAL OUTLAY	525
45374	6/16/2010	1116	NAMEPLATES INC.	35-90-7250-3600	UNIFORMS-EMPLOYER'S	260
45462	6/29/2010	5210	SHEALY ELECTRIC	35-90-7250-7400	CAPITAL OUTLAY	21,211
45505	6/30/2010	416	CITY OF WASHINGTON	35-90-7250-4500	CONTRACTED SERVICES	30,000
				35-90-7250	Totals-	75,835
41222	6/18/2008	8392	ALTERNATIVE TECHNOLOGIES, INC	35-90-8370-1603	MAINT/REPAIR SUBSTAT	185
44261	8/31/2009	93	AMERICAN SAFETY & UTILITY CORP	35-90-8370-1603	MAINT/REPAIR SUBSTAT	263
44969	4/1/2010	4438	TRANSFORMER MAINTENANCE	35-90-8370-7401	INSTALLMENT NOTE PUR	14,590
45040	4/28/2010	10412	NIXON POWER SERVICES COMPANY	35-90-8370-7400	CAPITAL OUTLAY	44,994
45043	4/28/2010	1808	WESTINGHOUSE ELECTRIC SUPPLY	35-90-8370-1600	MAINT/REPAIR EQUIP	2,837
45222	5/26/2010	7296	COMVERGE TECHNOLOGIES INC	35-90-8370-7000	NONCAPITALIZED PURCH	98,800
45268	6/4/2010	140	ATLANTIC POWER SYSTEMSOF NC, INC.	35-90-8370-1600	MAINT/REPAIR EQUIP	8,115
45279	6/4/2010	1808	WESTINGHOUSE ELECTRIC SUPPLY	35-90-8370-7400	CAPITAL OUTLAY	3,677
45280	6/4/2010	4438	TRANSFORMER MAINTENANCE	35-90-8370-1603	MAINT/REPAIR SUBSTAT	9,863
45281	6/4/2010	1808	WESTINGHOUSE ELECTRIC SUPPLY	35-90-8370-7400	CAPITAL OUTLAY	5,765
45325	6/9/2010	140	ATLANTIC POWER SYSTEMSOF NC, INC.	35-90-8370-1600	MAINT/REPAIR EQUIP	19,608
45367	6/16/2010	12723	R.B. WATKINS	35-90-8370-1603	MAINT/REPAIR SUBSTAT	9,950
45374	6/16/2010	1116	NAMEPLATES INC.	35-90-8370-3600	UNIFORMS-EMPLOYER'S	200
45415	6/22/2010	5500	THERMAL TECHNOLOGIES, INC	35-90-8370-4500	CONTRACTS	2,080
45422	6/23/2010	9683	PITT COUNTRY MART	35-90-8370-3101	GASOLINE PURCHASES	37,542
45423	6/23/2010	12730	ENTEK SYSTEMS	35-90-8370-1602	MAINT/REPAIR RADIO	5,050
45436	6/23/2010	4438	TRANSFORMER MAINTENANCE	35-90-8370-1603	MAINT/REPAIR SUBSTAT	1,200
45449	6/25/2010	12734	ENERSYS	35-90-8370-1603	MAINT/REPAIR SUBSTAT	1,343
45488	6/29/2010	12622	C.T.E., INC.	35-90-8370-7400	CAPITAL OUTLAY	12,193
45495	6/30/2010	416	CITY OF WASHINGTON	35-90-8370-7000	NONCAPITALIZED PURCH	199,612
45506	6/30/2010	4808	CITY OF WASHINGTON	35-90-8370-7401	INSTALLMENT NOTE PUR	147,019
				35-90-8370	Totals-	624,886

PO #	PO Date	Vendor #	Vendor Name	Account #	Account Name	Encumbered
44038	7/10/2009	130	ASPLUNDH TREE EXPERT COMPANY	35-90-8380-4501	CONTRACT SERVICE-TRE	6,115
45374	6/16/2010	1116	NAMEPLATES INC.	35-90-8380-3600	UNIFORMS-EMPLOYER'S	1,530
45394	6/21/2010	8685	J. HARLEN CO.	35-90-8380-3300	DEPARTMENTAL SUPPLIE	929
45459	6/29/2010	784	H.E.S. INC.	35-90-8380-3300	DEPARTMENTAL SUPPLIE	531
				35-90-8380	Totals-	9,105
44612	12/17/2009	63	ALTEC INDUSTRIES, INC.	35-90-8390-7400	CAPITAL OUTLAY	168,173
44994	4/12/2010	12588	GERALD S. BENTON	35-90-8390-0400	PROFESSIONAL SERVICE	3,049
45331	6/9/2010	1426	IRBY	35-90-8390-5601	MATERIAL UNDERGROUND	720
45393	6/17/2010	11711	COX INDUSTRIES, INC.	35-90-8390-7400	CAPITAL OUTLAY	10,051
45413	6/22/2010	11985	SHERMAN & REILLY, INC.	35-90-8390-7400	CAPITAL OUTLAY	23,350
45414	6/22/2010	8685	J. HARLEN CO.	35-90-8390-7400	CAPITAL OUTLAY	1,439
45445	6/25/2010	1426	IRBY	35-90-8390-7400	CAPITAL OUTLAY	29,778
45448	6/25/2010	1808	WESTINGHOUSE ELECTRIC SUPPLY	35-90-8390-7400	CAPITAL OUTLAY	1,467
45473	6/29/2010	590	DUDLEY LANDSCAPING & TREE	35-90-8390-7400	CAPITAL OUTLAY	4,000
45506	6/30/2010	4808	CITY OF WASHINGTON	35-90-8390-7401	INSTALLMENT PURCHASE	364,742
				35-90-8390	Totals-	606,769
40611	4/7/2008	9394	TALBERT & BRIGHT	37-90-4530-4511	VISION 100 GRANT 362	10,679
41336	6/30/2008	9394	TALBERT & BRIGHT	37-90-4530-4511	VISION 100 GRANT 362	93,762
44959	3/26/2010	12378	ELJ INC.	37-90-4530-4512	VISION 100 GRANT 362	12,338
45212	5/25/2010	9394	TALBERT & BRIGHT	37-90-4530-4512	VISION 100 GRANT 362	603
45357	6/14/2010	12481	PAMLICO LAND & TIMBER COMPANY	37-90-4530-1505	MAINT/REPAIR GROUNDS	100
45439	6/24/2010	9176	SFI ELECTRONICS, INC.	37-90-4530-1501	MAINT/REPAIR HANGARS	115
45486	6/29/2010	531	D & H EQUIPMENT COMPANY	37-90-4530-1505	MAINT/REPAIR GROUNDS	150
45507	6/30/2010	416	CITY OF WASHINGTON	37-90-4530-4512	VISION 100 GRANT 362	89,450
				37-90-4530	Totals-	207,197
45508	6/30/2010	416	CITY OF WASHINGTON	38-90-4710-7000	NONCAPITALIZED PURCH	200,000
				38-90-4710	Totals-	200,000
45231	5/27/2010	51	AGRI SUPPLY CO., INC.	39-90-4740-3300	DEPARTMENTAL SUPPLIE	230
45405	6/22/2010	1065	MITCHELL TRACTOR & EQUIP. CO.	39-90-4740-1700	MAINT/REPAIR VEHICLE	250
45487	6/29/2010	531	D & H EQUIPMENT COMPANY	39-90-4740-1600	MAINT/REPAIR MOWERS	500
					Totals-	980
43721	6/1/2009	11956	MELISSA WHITFORD	67-60-8280-9700	FACADE GRANTS	500
43722	6/1/2009	1524	SLOAN INSURANCE AGENCY, INC.	67-60-8280-9700	FACADE GRANTS	1,463
43725	6/1/2009	5821	STEWART'S JEWELRY STORE	67-60-8280-9700	FACADE GRANTS	1,463
43745	6/3/2009	1757	G.W. WALKER & SONS INC	67-60-8280-9700	FACADE GRANTS	1,463
					Totals-	4,889



City of Washington

REQUEST FOR CITY COUNCIL ACTION

To: Mayor Jennings & Members of the City Council
From: Allen Lewis, Public Works Director
Date: 09-01-10
Subject: Amend Section 18-123 – Designated Prohibited Parking Areas.
Applicant Presentation: N/A
Staff Presentation: Allen Lewis

RECOMMENDATION:

I move Council adopt an ordinance to amend Chapter 18, Section 18-123 – Designated prohibited parking areas, to prohibit parking on the east side of Market Street as noted in the attached amendment.

BACKGROUND AND FINDINGS:

The Public Works department was asked by business owners, property owners and residents to look into marking parking spaces as well as establishing no parking areas along the east side of Market Street, just south of Third Street. The attached ordinance amendment will prohibit parking eighty (80) feet south of Third Street on the east side of Market Street, then allow for one parking space, prohibit parking in front of the garage door that is used for deliveries to the Washington Daily News and allow for two more parking spaces beyond that point.

PREVIOUS LEGISLATIVE ACTION

N/A

FISCAL IMPACT

Currently Budgeted (Account) Requires additional appropriation No Fiscal Impact

SUPPORTING DOCUMENTS

Ordinance to amend Chapter 18, Section 18-123, Designated prohibited parking areas.

City Attorney Review: _____ Date By: _____ (if applicable)
 Finance Dept Review: _____ Date By: _____ (if applicable)
 City Manager Review:  _____
 Concurrence Denial No Recommendation Date 9/13/10

**AN ORDINANCE TO AMEND CHAPTER 18, ARTICLE V,
SECTION 18-123: DESIGNATED PROHIBITED PARKING AREAS,
OF THE WASHINGTON CITY CODE**

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

Section 1. That Chapter 18 Section 18-123 – Designated prohibited parking areas, be amended to remove the following:

Market Street and Third Street, on the west side of Market Street for ninety (90) feet south of Third Street, on the east side of Market Street for fifteen (15) feet south of Third Street, on the south side of Third Street for one hundred (100) feet west of Market Street and for eighteen (18) feet east of Market Street; on the north side of Third Street for one hundred fifty (150) feet west of Market Street and for forty (40) feet east of Market Street

Section 2. That Chapter 18 Section 18-123 – Designated prohibited parking areas, be amended to add the following:

Market Street and Third Street, on the west side of Market Street for ninety (90) feet south of Third Street, on the east side Market Street for eighty (80) feet south of Third Street, on the east side of Market Street for twenty (20) feet from a point one-hundred (100) feet south of Third Street, on the south side of Third Street for one hundred (100) feet west of Market Street and for eighteen (18) feet east of Market Street; on the north side of Third Street for one hundred fifty (150) feet west of Market Street and for forty (40) feet east of Market Street

Section 3. All ordinances in conflict with this ordinance are hereby repealed.

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

This the 13th day of September 2010.

Mayor

ATTEST:

City Clerk



City of Washington

REQUEST FOR CITY COUNCIL ACTION

To: Mayor Jennings & Members of the City Council
From: Allen Lewis, Public Works Director
Date: 09-01-10
Subject: Adopt Water Shortage Response Plan and Authorize Manager to Sign the Plan Once Approved by the NC Division of Water Resources.
Applicant Presentation: N/A
Staff Presentation: Allen Lewis

RECOMMENDATION:

I move Council adopt the attached Water Shortage Response Plan and authorize the City Manager to sign the plan.

BACKGROUND AND FINDINGS:

The Public Works department has been working on a Water Shortage Response Plan for some time now to meet the minimum requirements of NCGS 143-355.2(a) as well as NCAC 02E.0607. We have finally met all of these requirements and should be receiving written approval by the time of this meeting. This plan would be implemented in the event of drought conditions in an effort to conserve water consumption. As a point of reference, during the dry spell we had in this area a few years ago, we never came close to the triggers that would have required any mandatory consumption reductions outlined in the attached plan.

PREVIOUS LEGISLATIVE ACTION

N/A

FISCAL IMPACT

Currently Budgeted (Account) Requires additional appropriation No Fiscal Impact

SUPPORTING DOCUMENTS

Proposed City of Washington Water Shortage Response Plan.

City Attorney Review: _____ Date By: _____ (if applicable)
 Finance Dept Review: _____ Date ~~September 13, 2010~~ (if applicable)
 City Manager Review:  _____ Concur Page 14 of 17 Denial _____ No Recommendation 9/17/10 Date

WATER SHORTAGE RESPONSE PLAN

The purpose of this plan is to establish procedures for reducing potable water use during times of water shortage whenever existing water supply sources are inadequate to meet current demands for potable water.

A water shortage condition will exist whenever it is predicted that the water level in the Castle Hayne Aquifer will decline to the extent that continued availability of water for human consumption, sanitation, health, fire protection, and commercial usage is at risk after considering aquifer levels, demands, long-term precipitation forecasts, and availability of water from other sources, it shall become necessary to declare a water shortage and implement conservation requirements under the standards set forth herein.

I. Authorization

The City Manager shall enact the water shortage response provisions contained herein whenever the trigger conditions as outlined in Section IV are met.

II. Notification

The City of Washington employees shall be informed of the advisory notice and required response measures via a citywide departmental meeting and e-mail notification. The residential, commercial, institutional, and industrial water customers shall be notified of the advisory notice and required response measures by the following means of communication: (1) Connect CTY-mass notification service, (2) City's website- <http://www.ci.washington.nc.us/>, (3) City's cable channel 9, (4) Local newspaper(s), (5) Local news channels-WITN 7, WNCT 9 & WCTI 12, and (6) Local radio stations.

III. Levels of Response

There are four levels of water shortage responses. A description of each response level and corresponding water reduction measures are listed below. Customer education and outreach program will be available to encourage water conservation and assistance with obtaining maximum results at each stage.

In Stage I, Voluntary Reductions, all water customers will be asked to reduce their normal water use by 5 % of the customer's average usage. Examples of such voluntary reductions and efficiency measures include the following:

- (1) Washing dishes by hand, or fully loading dishwashers;
- (2) Identify and repair plumbing leaks;
- (3) Limiting the frequency of car washing;
- (4) Watering plants with leftover household water;

- (5) Watering plants deeply to encourage root growth;
- (6) Delaying the seeding or sodding of new lawns;
- (7) Washing clothes only with fully loaded washers;
- (7) Installing flow restriction devices on showers and toilets;
- (8) Prohibiting children from playing in lawn sprinklers;
- (9) Putting industrial/commercial voluntary conservation programs into effect which:
 - a. Restrict water use for dust control
 - b. Limit the washing of commercial vehicles
 - c. Reduce usage of automatic exterior sprinklers
 - d. Limit the wash down of exterior impervious services

All non-residential customers, excluding customers who purchase water at a wholesale rate and excluding Beaufort County Hospital and private medical offices and clinics for public health reasons, who use 1,000 cubic feet (7480 gallons) of water or more per day shall submit plans to the City Manager demonstrating the ability to reduce water consumption by ten (10) percent (Stage II-Mandatory Reductions) and thirty (30) percent per day Stage II-Mandatory Reductions).

The customers who use 1,000 cubic feet (7480 gallons) or more of water per day shall be based on the average usage during the corresponding billing period of the most recent twelve month period ending June 30, in which no water use restriction pursuant to this plan was in effect. If no meter readings are recorded or otherwise available for a customer's billing period, the City Manager will establish an average based on other users similar to the customers with no recorded readings.

In Stage II, Mandatory Reductions I, all residential water customers shall reduce their normal water use by 5 % of the customer's average usage. All non-residential customers, as described in Stage I, shall be required to implement plans submitted in Stage I for ten (10) percent reductions.

When Stage II is in effect, it shall be unlawful to use water supplied by the city from the public water system for the following purposes:

- (1) Watering lawns, grasses, shrubbery, trees, flowers, and vegetable gardens except when:
 - a. Such watering is done on either a Wednesday and Saturday or Thursday and Sunday schedule as determined by geographic location within the city between the hours of 6:00 p.m. and 9:00 p.m. and such watering is done either by a handheld hose or container, a drip irrigation system, or automated sprinkler devices;
 - b. Persons regularly engaged in the sale of plants shall permitted to use water to maintain such plants;
 - c. The City Manager shall have the authority to equitably adjust the foregoing restrictions by establishing zones or districts in which watering can be done on specified days and, further, depending on the water level in the aquifer, may authorize the operation of irrigation systems and other water uses restricted or prohibited by this article, on specified days in specified zones or districts as he determines is consistent with water conservation and the then current level of the aquifer.

- (2) Filling of newly constructed or drained pools, wading pools, ornamental fountains, ponds, or other structures designed to hold more than 100 gallons of water;
- (3) Washing outside areas such as streets, sidewalks, patios, service station aprons, parking lots, exteriors of office buildings, homes, or apartments, or using water for similar purposes provided, however, that firms having a license from the City of Washington to conduct a pressure cleaning business in the city may wash residential, commercial, and office structures and other ancillary facilities as necessary to maintain public health and sanitation standards;
- (4) Using water for dust control or compaction;
- (5) Washing automobiles, trucks, trailers, vans, boats, airplanes, or any other type of mobile equipment; provided, however, persons regularly engaged in the business of washing motor vehicles or operating commercial car wash facilities shall be permitted to use water for such purpose and provided further, a business regularly engaged in the sale and/or leasing of vehicles may wash vehicles at the site of the business when they are received prior to placement on display for sale or lease, and when they are sold or leased to a new owner or lessor;
- (6) Using water from public or private fire hydrants for any purpose except fire suppression or other public emergency or other public works department needs;
- (7) Serving water in restaurants, cafeterias, or other eating establishments except upon request of patrons.

In Stage III, Mandatory Reductions II, all residential water customers shall reduce their normal water use by 10 % of the customer's average usage. All non-residential customers, as described in Stage I, shall be required to implement plans submitted in Stage I for thirty (30) percent reductions.

When Stage III is in effect, it shall be unlawful to use water supplied by the city from the public water system for the following purposes:

- (1) Using water in any of the ways restricted by the Stage I mandatory water use condition;
- (2) Watering lawns, grasses, shrubby trees, flowers, and vegetable gardens except when:
 - a. Such watering is done either a Saturday or Sunday between the hours of 6:00 p.m. and 9:00 p.m. depending on geographic location within the city;
 - b. Such watering is done only by handheld hose or container, or drip irrigation. Provided, however, that persons regularly engaged in the sale of plants shall be permitted to use water to maintain such plants;
 - d. The City Manager shall have the authority to equitably adjust the foregoing restrictions by establishing zones or districts in which watering can be done on specified days and, further, depending on the water level in the aquifer, may authorize the operation of irrigation systems and other water users restricted or prohibited by this article, on specified days in specified zones or districts as he determines is consistent with water conservation and the then current level of the aquifer.
- (3) Filling or refilling any swimming or wading pool;
- (4) Any non-residential customers who submitted water use reduction plans or were required to submit water use reduction plans shall implement the thirty (30) percent per day reduction plan as approved by the City Manager. If the managed reduction in water usage cannot be obtained without threatening health or safety, or if there has been a significant change in the customer's circumstances, the customer may apply to the City Manager for a variance to the water use

restriction requirement. Customers may appeal the administrative decision of the City Manager to the City Council;

(5) Commercial car wash facilities shall be permitted to use water for washing motor vehicles provided they can certify to the City Manager that their car wash facility recycles a minimum of fifty (50) percent of the water.

In Stage IV, Emergency and/or Water Rationing, is to provide drinking water to protect public health, such as, residences, residential health care facilities and correctional facilities. All customers are only permitted to use water at the minimum required for public health protection. Firefighting is the only allowable outdoor water use and pickup locations for distributing potable water will be announced via the means of Section II-Notification as listed above.

IV. Triggers or Conditions for Each Level

Stage I, Voluntary Reductions, will be determined by the City Manager on the threshold of drought conditions in our service area or regionally.

Stage II, Mandatory Reductions I, will be determined by the City Manager at any time the static water levels drop in any three (3) of the City's eight (8) monitoring wells to a level that is within 20 feet of the corresponding production wells intake, or current trends indicate levels will reach said level within the next thirty (30) days. Stage II Mandatory Water Conservation condition may also be declared, by the City Manager, at any time the City's water treatment facilities treatment capability is reduced by 25% of its maximum rated capacity.

Stage III, Mandatory Reductions II, will be determined by the City Manager at any time the static water levels drop in any four (4) of the city's eight (8) monitoring wells to a level that is within fifteen (15) feet of the corresponding production wells intake, or current trends indicate levels will reach said level within the next thirty (30) days. Stage II Mandatory Water Conservation condition may also be declared, by the City Manager, at any time the city's water treatment facilities treatment capability is reduced by 45% of its maximum rated capacity.

Stage IV, Emergency and/or Water Rationing will be determined by the City Manager at any time the static water levels drop in any four (4) of the city's eight (8) monitoring wells to a level that is within ten (10) feet of the corresponding production wells intake, or current trends indicate levels will reach said level within the next thirty (30) days. Stage IV, Emergency and/or Water Rationing condition may also be declared, by the City Manager, at any time the city's water treatment facilities treatment capability is reduced by 55% of its maximum rated capacity.

V. Enforcement of Each Level

The requirements of this plan will be enforced by the City's Public Works Department, Code Enforcement Officer, and/or Police personnel. Drought surcharge rates may be implemented in Stages 2, 3 & 4, and the rates shall be determined at the implementation of the plan. Drought surcharge rates shall not exceed the percentage of reduction per cubic foot the customer

experiences in each of the stages. Any person, firm, or corporation who violates any provision of this plan shall be guilty of a misdemeanor and upon conviction, shall be punished as follows:

Residential Users

First Violation –Warning notice;

Second Violation—One hundred dollar (\$100.00) fine;

Third Violation—Two hundred fifty dollar (\$250.00) fine;

Fourth Violation—Termination of service until such time as the violator established to the reasonable satisfaction of the City Manager that such customer has taken appropriate steps to prevent any further violations;

Fifth Violation—Termination of service until the City Manager declares an end of the water shortage.

Commercial Users

First Violation –Warning notice;

Second Violation— Two hundred fifty dollar (\$250.00) fine;

Third Violation—Five hundred dollar (\$500.00) fine;

Fourth Violation—Termination of service until such time as the violator established to the reasonable satisfaction of the City Manager that such customer has taken appropriate steps to prevent any further violations;

Fifth Violation— Termination of service until the City Manager declares an end of the water shortage.

High Volume Water Users – 1,000 cubic feet (7480 gallons) or more

First Violation—Warning notice;

Second Violation—One thousand dollar (\$1,000.00) fine;

Third and subsequent Violations—Five thousand dollars (\$5,000.00) fine.

VI. Public Comment

A draft of the Water Shortage Response Plan will be available for public review in the City Manager's Office located at 102 East 2nd Street. It will also be available on the city's website <http://www.ci.washington.nc.us/> for review and comments can be made by email within the specified time or call the City Manager's office @ 252 975-9333. Two advertisements will be placed in the local newspaper, the Washington Daily News.

VII. Variance Protocols

Variance requests are available from the Public Works Director’s Office located at 102 East 2nd Street. All applications must be submitted to the Public Works Department for review by the City Manager or his/her designee. The variance approval or denial will be given within 2 weeks and will be determined by the current water supply and demand.

VIII. Abatement

When water shorter conditions have abated and the situation is returning to normal, water conservation measures employed during each phase will be decreased in reverse order of implementation. Permanent measures directed toward long-term monitoring and conservation will be implemented or continued so that the community will be in a better position to prevent shortages and respond to recurring water shortage conditions.

IX. Effectiveness

The effectiveness of the plan will be evaluated by the measured reductions in water usage for residential and commercial users according to each percentage of reduction per stage and the time elapsed of each stage compared to past history of each user.

X. Revision

The plan will be reviewed and revised as needed to adjust to new water demands based on the city’s need and at least every five (5) years. The City Manager and staff will evaluate the plan after the induction and completion of the plan. If recommendations for changes are made, then the City Manager will review and notify the City Council and the public of those changes.

XI. State Approval of Water Shortage Response Plan

This plan was submitted to NC Division of Water Resources on _____.
NC Division of Water Resources has issued final approval of this plan on _____
via letter dated _____.

XII. City Approval of Water Shortage Response Plan

The City Manager authorizes the implementation of the Water Shortage Response Plan to be effective per the date below. The Water Shortage Response Plan will be reviewed as needed or five (5) years from the inception of this plan. The review date will be _____.

City Manager

Date



City of Washington REQUEST FOR CITY COUNCIL ACTION

To: Mayor Jennings & Members of the City Council
From: James C Smith, City Manager
Date: 9/9/2010
Subject: Lease agreement between the City of Washington and Fortescue Investment Group LLC for certain parking spaces at 114 E. 2nd St.
Applicant Presentation: NA
Staff Presentation: City Manager

RECOMMENDATION:

Move to authorize the City Manager to enter into a lease agreement with Fortescue Investment Group for a portion of land located at 114 E. 2nd St. to facilitate City employee parking.

BACKGROUND AND FINDINGS:

Since the retail business located on the property at 114 E. 2nd St. adjacent to City Hall closed several years ago the property has been used for City employee parking. At some time in the past an informal agreement was apparently reached between the City and the property owner that the City would wave utility fees in return for use of the property for employee parking. Subsequently the utilities were cut off. Recently, utilities have been reactivated in order to facilitate a potential sale of the property. Because the parking benefits City Hall generally and not just utilities it seems more appropriate that the City pay a monthly rent for use of the property. The utilities amount to approximately \$125 per month. The owner has agreed to accept this amount as rental for the property until is sold or otherwise disposed of.

PREVIOUS LEGISLATIVE ACTION

None

FISCAL IMPACT

Currently Budgeted (Account _____) Requires additional appropriation No Fiscal Impact

SUPPORTING DOCUMENTS

Lease Agreement

City Attorney Review: _____ Date By: _____ (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review:  Concur _____ Recommend Denial _____ No Recommendation 9/9/10 Date

**STATE OF NORTH CAROLINA
COUNTY OF BEAUFORT**

LEASE AGREEMENT

THIS LEASE AGREEMENT (hereinafter referred to as "Agreement") is made and entered into as of the _____ day of _____, 2010, by and between **FORTESCUE INVESTMENT GROUP, LLC**, a limited liability company organized and existing under North Carolina law (hereinafter referred to as "Lessor") and the **CITY OF WASHINGTON**, a municipal corporation of the State of North Carolina (hereinafter referred to as "Lessee").

WITNESSETH

WHEREAS, Lessor owns a parcel of land that is adjacent to Lessee's "City Hall" property and has an address of 114 East 2nd Street, Washington, North Carolina, a portion of which property is available for parking.

WHEREAS, the employees of Lessee have been using portions of said property for parking for some period of time.

WHEREAS, the parties hereto desire to formalize said arrangement and the related relationship.

WHEREAS, Lessor now desires to lease said portion of said parcel that is available for parking to Lessee to allow Lessee and Lessee's employees to continue to park vehicles thereon.

WHEREAS, Lessee desires to lease said portion of said parcel that is available for parking to allow Lessee and Lessee's employees to continue to park vehicles thereon.

NOW, THEREFORE, subject to the terms and conditions hereinafter set forth, Lessor does hereby lease and let unto Lessee and Lessee hereby takes and accepts, together with all privileges and appurtenances thereto, said portion of said parcel that is available for parking and owned by Lessor as more particularly described on Exhibit "A" attached hereto (hereinafter referred to as "Premises"). In consideration of the mutual promises and covenants herein contained, the benefits to the Lessor and Lessee, and for Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, the parties do

hereby agree as follows.

1. **Premises.** The Premises as defined herein are more particularly described on Exhibit "A" attached hereto. This Agreement includes the right of access for ingress and egress to and from as well as over and across said parcel for parking thereon.
2. **Condition of Premises.** Taking possession of the Premises by Lessee shall be conclusive evidence that Lessee has accepted said Premises as is and that Lessor is under no duty to repair anything on, or furnish any services for, the subject property or otherwise improve in any way the Premises or the above referenced parcel.
3. **Term.** This Agreement shall commence as of the _____ day of _____, 2010, and shall continue on a month to month basis until the 30th day of _____, 2012, unless terminated earlier by either party as herein provided. This Agreement may be terminated upon thirty (30) days written notice by either party. Neither party shall have nor make any claim, for damages or otherwise, upon the other should either party elect to exercise its right to early, unilateral termination hereunder. This Agreement shall automatically renew unless either party gives to the other party written notice of nonrenewal at least thirty (30) days prior to the end of the initial term or any extension thereof, as applicable.
4. **Rental.** Rental shall be One Hundred Twenty-Five Dollars (\$125.00) per month and shall be payable in advance on or before the first day of each month, beginning _____ 1, 2010.
5. **Assignment.** Lessee shall not assign its interest in this Agreement, sublease any portion of the Premises, or permit third parties to occupy or use any portion of the Premises without Lessor's prior written consent, which consent may not be unreasonably withheld. Notwithstanding the foregoing, Lessor expressly authorizes Lessee to utilize the Premises as hereinbefore described and expressly authorizes Lessee to provide such access to the Premises as is necessary to and for Lessee and Lessee's employees to park thereon.
6. **Use of Premises.** Lessee shall use the Premises during the term of this Agreement for the purposes specified herein and none other. Lessee shall not make any unlawful or offensive use of the Premises.
7. **Taxes.** Lessor shall pay and discharge punctually as and when the same shall come due and payable without penalty, all real estate taxes attributable to the Premises and all personal property taxes attributable to personal property located on the Premises and owned by Lessor. It is the intent of the parties hereto that Lessor shall be responsible for all governmental impositions, charges, and assessments attributable to said parcel, including Premises, owned by Lessor.
8. **Insurance.** Lessee shall include the Premises under the coverage of its current or subsequent general liability insurance policy.

9. **Surrender of Possession.** Upon the expiration or other termination of this Agreement, Lessee shall quit and surrender the Premises to Lessor.
10. **Recordation.** Lessee, in its discretion, may record a memorandum of this Agreement in the Beaufort County Register of Deeds.
11. **Notices.** Notices provided for in this Agreement shall be sufficient if sent by registered mail, postage prepaid, and addressed as follows:

TO LESSOR: Jim Fortescue, Manager
Fortescue Investment Group, LLC
444 Stewart Parkway
Washington, NC 27889

TO LESSEE: Attn: City Manager
City of Washington
Post Office Box 1988
Washington, NC 27889

Any notice so given to either party hereunder shall be conclusively considered to have been received on the third business day following the proper mailing thereof. Each party shall give written notice to the other of any change of address at least thirty (30) days in advance of the date such change is to become effective, whereupon the address so given shall control.

12. **Relationship of Parties.** In carrying out the terms and conditions of this Agreement, Lessee is an independent party from Lessor and is not an agent or employee of Lessor. Nothing contained in this Agreement shall create or be construed as creating a partnership, joint venture, or employee relationship in the eyes of the law between Lessor and Lessee.
13. **Waiver.** No waiver of any condition, covenant or restriction of this Agreement by either party shall be deemed to imply or constitute a further waiver of the same or any other condition, covenant or restriction of this Agreement.
14. **Illegal Provisions, Governing Law.** If any provision of this Agreement shall be declared illegal, void, or unenforceable, the other provisions shall not be affected, but shall remain in full force and effect. This Agreement shall be governed by and construed in accordance with the laws of North Carolina.
15. **Entire Agreement.** This Agreement contains the entire agreement between the parties hereto with respect to the Lessee's use and occupancy of said property and all prior and contemporaneous agreements are merged herein, and this instrument shall not be altered or

STATE OF NORTH CAROLINA
COUNTY OF BEAUFORT

I, _____, a Notary Public of the State and County aforesaid, certify that CYNTHIA S. BENNETT personally appeared before me this day and acknowledged that she is City Clerk of the CITY OF WASHINGTON, a North Carolina municipal corporation, and as the act of the corporation, the foregoing instrument was signed in its name by JAMES C. SMITH, its City Manager, sealed with its corporate seal and attested by herself as its City Clerk.

Witness my hand and official seal, this the _____ day of _____, 2010.

NOTARY PUBLIC

My Commission expires: _____

STATE OF NORTH CAROLINA
COUNTY OF _____

Before me, a Notary Public in and for the County and State aforesaid, this day personally appeared **JIM FORTECUE** and acknowledged that he is Member/Manager of **FORTECUE INVESTMENT GROUP, L.L.C.**, and acknowledged the due execution by him of the foregoing instrument for the purposes therein expressed.

Witness my hand and official seal, this the _____ day of _____, 2010.

NOTARY PUBLIC

My Commission expires: _____

EXHIBIT "A"

Lying and being in the City of Washington, Beaufort County, North Carolina, more particularly described as follows:

BEING a portion of that property described in Book 1412, Page 555 of the Beaufort County Registry, said portion consisting of the area available for parking on said property and that area only.



City of Washington

REQUEST FOR CITY COUNCIL ACTION

To: Mayor Jennings & Members of the City Council
From: James C Smith, City Manager 
Date: 9/9/2010
Subject: Disposition of property at 507 W 2nd St.
Applicant Presentation: NA
Staff Presentation: City Manager

RECOMMENDATION:

Move to approve the RESOLUTION AUTHORIZING THE ADVERTISEMENT OF AN OFFER TO PURCHASE CERTAIN PROPERTY

BACKGROUND AND FINDINGS:

The residential property at 507 W. 2nd St. has been steadily deteriorating over a period of years to the point at which the City was forced to consider it to be a matter of demolition by neglect. Extended negotiations with the former owner were conducted with the result that the property was donated to the City. After removing debris and securing the property, the City met with Preservation North Carolina to solicit their assistance in finding someone to rehabilitate the property. The property is located in the Historic District. Recently the City received an offer of \$1000 to purchase the property with the stated intent of rehabilitating it in accordance with historic district standards. It is proposed to use the upset bid process to facilitate the sale. It is proposed that a 120 day time limit be placed on restoring the exterior of the structure and a 24 month time limit established for interior renovations. Failure to meet the stated time limits will result in the property reverting to the ownership of the City, including any improvements which have been completed. As a condition of the sale, the restrictive covenants of the Historic Preservation Foundation of North Carolina Inc., or something similar, will be placed upon the property.

PREVIOUS LEGISLATIVE ACTION

Deed to property accepted from Mr. Timothy M. Evans

FISCAL IMPACT

Currently Budgeted (Account _____) Requires additional appropriation if proceeds of the sale are to be expended No Fiscal Impact

SUPPORTING DOCUMENTS

RESOLUTION AUTHORIZING THE ADVERTISEMENT OF AN OFFER TO PURCHASE CERTAIN PROPERTY

City Attorney Review: _____ Date By: September 13, 2010 (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review:  Concur _____ Recommend Denial _____ No Recommendation 9/9/10 Date

PUBLIC NOTICE

The City Council of the City of Washington has received an offer to purchase the following property, having an address of 507 West Second Street, for the sum of \$1,000.00:

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

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

Persons wishing to upset said offer must submit a written bid to the City Clerk at 102 East Second Street, Washington, North Carolina, by 5:00 p.m. on _____ (date that is 10 days from the publication of notice). To qualify as an upset bid, the offer must be at least \$1,100.00 and must be accompanied by a bid deposit equal to five percent (5%) of the increased bid. Once a qualifying upset bid has been received, the bid will become the new offer.

If a qualifying upset bid is received, the new offer will be advertised and the process continued until a ten (10) day period has passed without receipt of a qualifying upset bid.

Inquiries regarding the sale may be directed to the City Manager at 102 East Second Street, Washington, North Carolina 27889.

Any subsequent conveyance of said property shall be subject to the following.

- a. Any restrictive or protective covenant, and a reversionary clause, that, in the sole discretion of the City, are required in order to preserve and restore said property consistent with the City of Washington Historic District Guidelines for existing structures as may be amended, the Secretary of the Interior's Standards for the Treatment of Historic Properties as may be amended, and any other law, code, or guideline applicable to the property.
- b. A preservation, rehabilitation, and/or maintenance agreement, in the sole discretion of the City, by and between the purchaser and the City. Said agreement will be enforceable by said reversionary clause and shall include, among other things, requirements that the exterior restoration of the structure located on the property be completed within one hundred twenty (120) days and the entire renovation of said structure be completed within two (2) years.

- c. The purchaser shall be responsible for payment of any taxes due or coming due against the property.
- d. Any conveyance shall be by special warranty deed.

Notwithstanding anything herein to the contrary, the City, without recourse from any individual making an offer or any subsequent qualifying upset bid, reserves the right to cancel this upset bid process and enter an Option to Purchase Real Property for Historic Preservation with the Historic Preservation Foundation of North Carolina, Inc. or convey the property outright to the Historic Preservation Foundation of North Carolina, Inc.

This notice is published in accordance with North Carolina General Statute § 160A-269.

Cynthia S. Bennett
City Clerk for the City of Washington

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

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

NOW, THEREFORE, BE IT RESOLVED by the City Council that:

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

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

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

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

7. Any subsequent conveyance of the property described above shall be subject to the following.
- a. Any restrictive or protective covenant, and a reversionary clause, that, in the sole discretion of the City, are required in order to preserve and restore said property consistent with the City's Historic District Guidelines for existing structures as may be amended, the Secretary of the Interior's Standards for the Treatment of Historic Properties as may be amended, and any other law, code, or guideline applicable to the property.
 - b. A preservation, rehabilitation, and/or maintenance agreement, in the sole discretion of the City, by and between the purchaser and the City. Said agreement will be enforceable by said reversionary clause and shall include, among other things, requirements that the exterior restoration of the structure located on the property be completed within one hundred twenty (120) days and the entire renovation of said structure be completed within two (2) years.
 - c. The purchaser shall be responsible for payment of any taxes due or coming due against the property.
 - d. Any conveyance shall be by special warranty deed.
8. Notwithstanding anything herein to the contrary, the City, without recourse from any individual making the offer or any subsequent qualifying upset bid, reserves the right to cancel this upset bid process and enter an Option to Purchase Real Property for Historic Preservation with the Historic Preservation Foundation of North Carolina, Inc. or convey the property outright to the Historic Preservation Foundation of North Carolina, Inc.

Adopted this _____ day of _____, 2010

N. Archie Jennings, III
Mayor

ATTEST:

Cynthia S. Bennett,
City Clerk



City of Washington
REQUEST FOR CITY COUNCIL ACTION

To: Mayor Jennings & Members of the City Council
From: J. Reed Whitesell, Project Manager–HCP, Inc.
Date: September 8, 2010
Subject: Approval of Legally-Binding Commitment for FY09 CDBG-HD Project
Applicant Presentation: Chris Hilbert, HCP
Staff Presentation: Franz Holscher, City Attorney

RECOMMENDATION:

Approve Legally-Binding Commitment between City of Washington and Washington Housing Non-Profit, Inc., related to proposed development of 13 new stick-built homes with FY09 CDBG Housing Development funds.

BACKGROUND AND FINDINGS:

The City attorney and CDBG consultant have reviewed and edited the draft LBC included in the FY09 CDBG-HD project application and have made extensive modifications to clarify the agreement and to guarantee that the city is provided security if the non-profit developer fails to complete the development and conveyance of 13 new stick-built homes to low- and moderate income households as specified in the FY09 CDBG-HD Grant Agreement between the City of Washington and the NC Division of Community Assistance. The new homes are to be located on parcels on 7th Street and in the Northgate Subdivision, owned by the Washington Housing Authority and Northgate LLC, respectively.

PREVIOUS LEGISLATIVE ACTION

N/A

FISCAL IMPACT

N/A

___ Currently Budgeted (Account _____) ___ Requires additional appropriation ___x___ No Fiscal Impact

SUPPORTING DOCUMENTS

LBC is attached.

City Attorney Review: _____ Date By: _____ (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review: 9/13/10 Date Concur [Signature] Recommend Denial ___ No Recommendation ___

Legally Binding Commitment

City of Washington and Washington Housing Nonprofit Inc.

FY2009 CDBG Housing Development Program

This Legally Binding Commitment for the City of Washington FY09 CDBG Housing Development Program (hereinafter referred to as the "Agreement") is entered into as of the [REDACTED] day of [REDACTED], 2010, by and between the City of Washington (hereinafter referred to as the "City") and Washington Housing Nonprofit Inc. d/b/a Washington Housing Incorporated (hereinafter referred to as "WHI").

RECITALS

WHEREAS, the City has received a Community Development Block Grant-Housing Development (hereinafter referred to as "Grant") in the amount of \$227,700.00 from the North Carolina Department of Commerce, Division of Community Assistance (hereinafter referred to as "DCA"). The purpose of the Grant is to provide funds for acquisition, development, construction and conveyance of thirteen (13) stick built homes specifically for and to low to moderate income individuals (hereinafter referred to as "LMI") within the time period allowed by the Grant and/or DCA, which Grant is incorporated herein by reference as if fully set forth.

WHEREAS, WHI is a nonprofit organization that promotes asset building strategies for LMI in the City and Beaufort County, and will perform its obligations under this Agreement consistent with the terms, conditions, and considerations contained herein, said Grant, and the FY09 Grant Project Application (hereinafter referred to as "Grant Application"), which Grant Application is incorporated herein by reference as if fully set forth.

WHEREAS, release of Grant funds by DCA is contingent upon a legally binding commitment between the City and WHI that obligates both parties to fulfill the terms of the Grant and, more particularly, defines WHI's specific commitment to utilize Grant funds to acquire, develop, construct and convey said homes to LMI.

NOW, THEREFORE, in consideration of and in exchange for the mutual promises set forth herein, and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the City and WHI mutually agree as follows.

PART A – ACTIVITIES AND PERIOD OF PERFORMANCE

Section 1 WHI will perform the following.

1. Acquire thirteen (13) proposed development sites from the Washington Housing Authority, or some other entity acceptable to DCA, utilizing Grant funds.
2. Complete construction and conveyance of thirteen (13) affordable housing units as described in the Grant and Grant Application to LMI no later than April 26, 2013 (36 months from the date of the executed Grant).
3. Qualify and counsel potential homebuyers to purchase completed units.
4. Market and coordinate the sale of the properties to LMI.
5. Address all questions regarding the Grant to the City-appointed Grant contact, not DCA.
6. Fulfill all obligations of the City under the Grant and Grant Application, including but not limited to all such obligations that are either directly or indirectly dependent upon WHI for fulfillment. Such

obligations include, but are not limited to complying with all applicable certifications and requirements, including but not limited to those certifications and requirements required by the North Carolina Department of Commerce and DCA. As more specifically provided for in the Grant, WHI shall, among other things, comply with the procurement standards set forth in 4 N.C. Administrative Code 19L.0908.

Section 2 The City will perform the following.

1. Provide financial management of Grant funds.
2. Assist WHI with property acquisition and the real estate closing process.
3. Establish benchmarks and monitor the project for progress toward goals.
4. Provide WHI with copies of relevant DCA correspondence regarding the project including, but not limited to, policy interpretation or changes, reporting requirements, monitoring visits, etc.
5. Assist WHI with establishment of procedures for establishing homeowner eligibility and homeowner counseling.
6. Manage all Grant compliance activities, including environmental labor standards, procurement, fair housing, and EEO requirements.

PART B – TERM OF AGREEMENT

This Agreement shall commence on the day first above written and continue until April 26, 2013 or until such time as DCA requires in order to close out the Grant and receive any reimbursement that may then be due DCA.

PART C – MISCELLANEOUS/SPECIAL CONDITIONS

1. The City and DCA, or their respective duly authorized representatives, shall have the right to request status reports from WHI regarding requests for reimbursement of WHI staff and overhead costs with Grant funds, the disposition of Grant funds, and the progress of programmed activities funded through the Grant.
2. Amendments: The Grant, Grant Application, and this Agreement may not be amended or revised without written approval of both parties and concurrence from DCA.
3. WHI shall keep and maintain all books, records, and other documentation directly related to the receipt and disbursement of Grant funds and fulfillment of this Agreement as well as the Grant.
4. Notwithstanding anything herein to the contrary, the parties hereto acknowledge the due execution of the Grant between the City and DCA, and agree that any conflict between the provisions, requirements, duties, or obligations of this Agreement and the Grant shall be resolved in favor of the Grant.
5. This Agreement constitutes a legally enforceable contract and shall be governed by and construed in accordance with the laws of the State of North Carolina.
6. Liabilities and Loss: The City assumes no liability with respect to accidents, bodily injury, illness, breach of contract, or any other damages or loss, or with respect to any claims arising out of any activities undertaken by WHI under this Agreement, whether with respect to persons or property of WHI, or third parties. WHI agrees to obtain insurance or otherwise protect itself or others as it may deem desirable. Further, WHI agrees to indemnify, defend and save harmless the City and its officers, agents and employees from any and all claims and losses accruing or resulting to any and all subcontractors, materialmen, laborers and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the performance of this Agreement, and from any and all claims

and losses accruing or resulting to any person, firm, corporation who may be injured or damaged by WHI or its agents in the performance of this Agreement.

7. WHI shall at all times comply with all laws, ordinances, and regulations of federal, state, and local governments which may in any manner affect or be related to the performance of this Agreement.
8. WHI may not assign any interest in this Agreement, nor transfer any interest in the same, without the written consent of the City.
9. WHI represents that it has, or will secure at its own expense, all personnel required to monitor, carry out, and perform the scope of services of this Agreement and the Grant. Such employees shall not be employees of the City. Such personnel shall be fully qualified and shall be authorized under state and local law to perform the required services.
10. In carrying out the terms and conditions of this Agreement, WHI is an independent party from the City and is not an agent or employee of the City. Nothing in this Agreement shall create or be construed as creating a partnership, joint venture, or employee relationship between the City and WHI.
11. This Agreement may be executed in one or more counterparts, each of which, when executed, shall be deemed an original, and all such counterparts, together, shall constitute one and the same Agreement which shall be sufficiently evidenced by one of such original counterparts.
12. WHI shall execute and provide the City with a promissory note(s) and deed(s) of trust, in a form satisfactory to the City in the City's sole discretion, secured by all properties acquired with Grant funds. Said promissory note(s) and deed(s) of trust shall, among other things, secure WHI's performance of its obligations arising from this Agreement, the Grant, and the Grant Application.

PART D – NON-PERFORMANCE BY WHI AND REIMBURSEMENT OF GRANT FUNDS

If WHI fails to acquire, develop, construct, and convey thirteen (13) affordable housing units to LMI as described in this Agreement, the Grant, or the Grant Application by April 26, 2013 and if the City is required to reimburse DCA any Grant funds expended due to WHI's non-performance, including any pro rata portion (approximately \$18,000.00 per unit), WHI agrees to pay or reimburse the City for 100% of any required City reimbursement to DCA of Grant funds. Among other possible remedies and recourses of action, the City may pursue collection of the above referenced promissory note(s) as well as deed(s) of trust through foreclosure of the same to fund said reimbursement or otherwise upon WHI's failure to perform any obligation required by or arising from this Agreement, the Grant, or the Grant Application.

PART E – COMMUNITY DEVELOPMENT BLOCK GRANT PROVISIONS

If through any cause either party shall fail to fulfill in a timely and proper manner the obligations under this Agreement or violate any of the covenants, agreements, or stipulations of this Agreement, one party may, without waiving any claim or recourse it may have against the other party, terminate this Agreement by giving written notice to the other party of such termination and specifying the effective date of such termination. In such event, all finished or unfinished documents, data, studies, drawings, maps, models, photographs, and reports prepared by WHI under the terms of this Agreement shall, at the option of the City, become City property without additional consideration.

1. CONFLICT OF INTEREST: MEMBERS, OFFICERS, OR EMPLOYEES OF THE LOCAL GOVERNING BODY OR OTHER PUBLIC OFFICIALS:

No member, officer, or employee of the City, no members of the governing body of the locality or localities who exercise any functions or responsibilities with respect to the CDBG-HD program during his tenure and for one year thereafter, shall have any financial interest, either direct or indirect, in any contract or subcontract or the proceeds thereof for work to be performed in connection with the program assisted under this Agreement. Immediate family members of said members, officers, employees, and officials are similarly barred from having any financial interest in the program. The City and WHI shall incorporate, or cause to be incorporated, in all contracts arising herefrom a provision prohibiting such conflict of interest consistent with the purpose of this section.

2. NON-DISCRIMINATION

No person in the United States shall, on the grounds of race, color, national origin or sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under the performance of this Agreement.

No qualified personnel shall, on the basis of age or handicap, be excluded from participation in, be denied the benefits of, or otherwise be subject to discrimination under the performance of this Agreement.

3. EXECUTIVE ORDER 11246 CLAUSE

- (i) WHI and the City will not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin. WHI and the City will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or national origin. Such action shall include, but not be limited to the following: employment; upgrading, demotion, or transfer; recruitment and advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training including apprenticeships. WHI and the City agree to post, in conspicuous places available to employees and applicants for employment, notices to be provided by the contracting officer setting forth the provisions of this non-discrimination clause.
- (ii) WHI and the City will, in all solicitations or advertisements for employees placed by or on behalf of WHI or the City, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex or national origin.
- (iii) WHI and the City will send to each labor union or representative of workers with which it has a collective bargaining agreement or other contract or understanding, a notice to be provided by the agency contracting officer, advising the labor union or workers representative of WHI and the City commitments under Section 202 of Executive Order No. 11246 of September 24, 1965, and shall post copies of the notice in conspicuous places available to employees and applicants for employment.
- (iv) WHI and the City will comply with all provisions of Executive Order No. 11246 of September 24, 1965, and of the rules, regulations, and relevant orders of the Secretary of Labor.
- (v) WHI and the City will furnish all information and reports required by Executive Order No. 11246 of September 24, 1965, and by the rules, regulations, and orders of the Secretary of Labor, or pursuant

thereto, and will permit access to its books, records, and accounts by the contracting agency and the Secretary of Labor for purposes of investigation to ascertain compliance with such rules, regulations and orders.

- (vi) In the event WHI or the City fails to comply with the non-discrimination clauses of this Contract or with any of such rules, regulations, or orders, this Agreement may be canceled, terminated or suspended in whole or in part and WHI or the City may be declared ineligible for further Government contracts in accordance with procedures authorized in Executive Order No. 11246 of September 24, 1965, and such other sanctions may be imposed and remedies invoked as provided in Executive Order No. 11246 of September 24, 1965, or by rules, regulations, or order of the Secretary of Labor, or as otherwise provided by law.
- (vii) WHI and the City will include the provisions of this and the preceding Paragraphs (i) through (vii) in every subcontract or purchase order unless exempted by rules, regulations, or orders of the Secretary of Labor issued pursuant to Section 204 of Executive Order No. 11246 of September 24, 1965 so that such provisions will be binding upon each subcontractor or vendor. WHI and the City will take such action with respect to any subcontract or purchase order as the contracting agency may direct as a means of enforcing such provisions, including sanctions for non-compliance. Provided, however, that in the event WHI or the City become involved in, or are threatened with litigation by a subcontractor or vendor as a result of such direction by the contracting agency, WHI or the City may request the United States to enter into such litigation to protect the interests of the United States.

4. SECTION 3 COMPLIANCE IN THE PROVISION OF EMPLOYMENT AND BUSINESS OPPORTUNITIES

- (i) The work to be performed under this Agreement is on a project assisted under a program providing direct Federal financial assistance from the Department of Housing and Urban Development and is subject to the requirements of Section 3 of the Housing and Urban Development Act of 1968, as amended, 12 U.S.C. 1701u. Section 3 requires that, to the greatest extent feasible, opportunities for training and employment be given to lower income residents of the project area and contracts for work in connection with the project be awarded to business concerns which are located in, or owned in substantial part by persons residing in, the area of the project.
- (ii) The parties to this Agreement will comply with the provisions of said Section 3 and the regulations issued pursuant thereto by the Secretary of Housing and Urban Development set forth in 24 CFR 135, and all applicable rules and orders of the Department issued thereunder. The parties to this Agreement certify and agree that they are under no contractual or other disability which would prevent them from complying with these requirements.
- (iii) WHI and the City will send to each labor organization or representative of workers with which it has a collective bargaining agreement or other Contractor or understanding if any, a notice advising said labor organization or workers' representative of its commitments under this Section 3 clause and shall post copies of the notice in conspicuous places available to employees and applicants for employment or training.

- (iv) WHI and the City will include these Section 3 clauses in every subcontract for work in connection with the project and will, at the direction of the applicant for or recipient of Federal financial assistance, take appropriate action pursuant to the subcontract upon a finding that the subcontractor is in violation of regulations issued by the Secretary of Housing and Urban Development, 24 CFR 135. Neither WHI nor the City will subcontract with any subcontractor where it has notice or knowledge that the latter has been found in violation of regulations under 24 CFR 135 and will not let any subcontract unless the subcontractor has first provided it with a preliminary statement of ability to comply with the requirements of these regulations.
- (v) Compliance with the provisions of Section 3, the regulations set forth in 24 CFR 135 and all applicable rules and orders of the Department issued thereunder prior to the execution of the Agreement shall be conditions of the federal financial assistance provided for in conjunction with the project and shall be binding upon the applicant or recipients for such assistance, its successors and assigns. Failure to fulfill these requirements shall subject the applicant or recipient, its contractors, and subcontractors, its successors, and assigns to those sanctions specified by the grant or loan agreement or contract through which Federal assistance is provided, and to such sanctions as are specified by 24 CFR 135.

5. NON-DISCRIMINATION CLAUSE CONCERNING HANDICAP AND AGE

WHI/the City will not discriminate on the basis of age under the Age Discrimination in Employment Act of 1975, as amended (42 U.S.C 6101 et seq.), or with respect to any otherwise qualified handicapped individual as provided in Section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C 794), or as otherwise prohibited by state or federal law.

6. ACCESS TO RECORDS AND RECORD RETAINAGE CLAUSE

In general, all official project records and documents must be maintained during operation of this project and for five (5) years following close out in compliance with 15 NCAC13.1 Rule 0922, Record Keeping.

The Department of Commerce, the North Carolina Department of Treasurer, the Controller, the Attorney General of North Carolina, the United States Department of Housing and Urban Development, the Comptroller General of the United States, or any of their duly authorized representatives, shall have access to any books, documents, papers, and records of the administering agency which are pertinent to the execution of this Agreement for the purpose of making audits, examinations, excerpts, and transcripts.

7. LOBBYING CLAUSE

- (i) No federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement.

- (ii) If any funds other than Federal appropriated funds have been paid or will be paid to any person by the undersigned for influencing or attempting to influence an officer or employee of any agency, a Member of Congress in connection with this Federal contract, grants, loan, or cooperative agreement, the undersigned shall complete and submit Standard Form LLC, "Disclosure Form to Report Lobbying" in accordance with its instructions.

This is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by Section 1352, Title 31, and U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each failure.

IN WITNESS THEREOF, the City and WHI have executed this Agreement through duly authorized representatives, all as of the date written above.

PRE-AUDIT CERTIFICATE

This Agreement has been pre-audited per North Carolina General Statute § 159-28 in the manner required by the Local Government Budget and Fiscal Control Act.

 Matt Rauschenbach, Chief Financial Officer
 City of Washington

WASHINGTON HOUSING NONPROFIT INC.

CITY OF WASHINGTON

By: _____ (SEAL)

By: _____ (SEAL)

 Printed Name

 Printed Name

 Title

 Title

 Date

 Date

**NORTH CAROLINA
BEAUFORT COUNTY**

The undersigned, a Notary Public of the County and State aforesaid, hereby certifies that _____ personally appeared before me this day, and being duly sworn by me, acknowledged that he/she is _____ of **Washington Housing Nonprofit Inc.**, and that by authority duly given and as the act of Washington Housing Nonprofit Inc. the foregoing instrument was signed by him.

Witness my hand and notary seal this _____ day of _____ 2010.

Notary Public

My Commission expires: _____

**NORTH CAROLINA
BEAUFORT COUNTY**

The undersigned, a Notary Public of the County and State aforesaid, hereby certifies that _____ personally appeared before me this day, and being duly sworn by me acknowledged that he is _____ of the **City of Washington**, and that by authority duly given and as the act of the City the foregoing instrument was signed by him.

Witness my hand and notary seal this _____ day of _____ 2010.

Notary Public

My Commission expires: _____