

The Washington City Council met in a regular session on Monday, September 17, 2007 at 4:30 in the Council Chambers at the Municipal Building. Present were: Judy Jennette, Mayor; Darwin Woolard, Mayor Pro tem; Ed Gibson, Councilman; Richard Brooks, Councilman; Archie Jennings, Councilman; Mickey Gahagan, Councilman; James Smith, City Manager; Franz Holscher, City Attorney; and Rita A. Thompson, City Clerk.

Also present were: Carol Williams, Finance Director; Jimmy Davis, Fire Chief; Bobby Roberson, Community Development Planning Director; Keith Hardt, Electric Director; Allen Lewis, Public Works Director; Susan Hodges, Human Resources Director; Philip Mobley, Parks & Recreation Director; Bob Trescott, DWOV Director; and Mike Voss, of the Washington Daily News.

Mayor Jennette called the meeting to order, and Mayor Pro tem Woolard delivered the invocation.

CONSTITUTION DAY

Mayor Jennette announced that it is Constitution Day.

APPROVAL/AMENDMENTS TO AGENDA

Mayor Jennette moved I.E. Storm Drainage Presentation to VI.B.2. and VI.B. 4. Moss Partners Easement Agreement to VI.B.1. and renumber consecutively.

On motion of Councilman Gahagan, seconded by Councilman Jennings, Council unanimously approved the agenda, as amended.

Councilman Gibson arrived at this point.

APPROVAL OF MINUTES

On motion of Councilman Jennings, seconded by Mayor Pro tem Woolard, Council unanimously approved the minutes of August 13, August 17 and August 31, 2007, as submitted.

YOUTH ADVISORY COUNCIL (JOB LINK)

Mayor Jennette welcomed the Youth Advisory Council from Job Link, along with Dixon Davis, Advisor.

CONSENT AGENDA

On motion of Mayor Pro tem Woolard, seconded by Councilman Gahagan, Council unanimously approved the Consent Agenda, as follows:

- A. Accept – BIG Grant by the NC Division of Marine Fisheries for additional “T” Docks (\$304,676)
- B. Adopt – Budget Ordinance Amendment for Outstanding Purchase Orders from FY 06-07 (\$2,545,678)

AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF WASHINGTON, N.C. FOR THE FISCAL YEAR 2007-2008

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

General Fund

Section 1. That the Estimated Revenues in the General Fund be increased in the following amounts and accounts shown:

10-00-3991-9910	Fund Balance Appropriated	\$689,006
10-00-3440-0000	CWMTF-Land Acquisition Grant	13,920
10-10-3433-0000	Domestic Violence Grant	3,530
10-10-3435-3302	Cama Public Access Grant	100,000
10-40-3617-3305	Rural Center Grant-Turnage Theater	<u>76,791</u>
		\$883,247

Section 2. That account number 10-00-4110-0400, Professional Services, City Council portion of the General Fund appropriations budget be increased in the amount of \$8,535 to provide funds for purchase orders #34526 and #37897 outstanding from FY 06/07.

Section 3. That account number 10-00-4125-1200, Printing & Publishing, Human Resources portion of the General Fund appropriations budget be increased in the amount of \$210 to provide funds for purchase order #38545 outstanding from FY 06/07.

Section 4. That account number 10-00-4130-1400, Employee Development, Finance Director portion of the General Fund appropriations budget be increased in the amount of \$1,200 to provide funds for purchase order #38648 outstanding from FY 06/07.

Section 5. That account number 10-00-4132-4501, Program Enhancements, Information Services portion of the General Fund appropriations budget be increased in the amount of \$39,265 to provide funds for purchase order #37846 outstanding from FY 06/07.

Section 6. That account number 10-00-4400-7100, Land Acquisitions, Miscellaneous Non-Departmental portion of the General Fund appropriations budget be increased in the amount of \$13,920 to provide funds for purchase order #38611 outstanding from FY 06/07.

Section 7. That the following accounts in the Economic Development portion of the General Fund appropriations budget be increased in the amounts shown to provide funds for purchase orders #35934 and #35935 outstanding from FY 06/07.

10-00-4650-4508	Flanders Filters Tax Incentive	\$63,518
10-00-4650-4509	Shell Bldg. #2 Payment	<u>22,500</u>
		\$86,018

Section 8. That the following accounts in the Police Department portion of the General Fund appropriations budget be increased in the amounts shown to provide funds for purchase orders #38581 and #38730 outstanding from FY 06/07.

10-10-4310-1500	Maintenance/Repair Building	\$2,250
10-10-4310-7401	Domestic Violence Grant	<u>4,706</u>

		\$6,956
--	--	---------

Section 9. That account number 10-10-4311-1100, Telephone, E-911 Communications portion of the General Fund appropriations budget be increased in the amount of \$900 to provide funds for purchase order #37748 outstanding from FY 06/07.

Section 10. That the following accounts in the Fire Department portion of the General Fund appropriations budget be increased in the amounts shown to provide funds for purchase orders #38290, #38632 and #38646 outstanding from FY 06/07.

10-10-4340-0400	Professional Services	\$6,500
10-10-4340-7400	Capital Outlay	1,000
10-10-4340-9800	Volunteer Expenses	<u>302</u>
		\$7,802

Section 11. That the following accounts in the Planning/Zoning Department portion of the General Fund appropriations budget be increased in the amounts shown to provide funds for purchase orders #35981, #37921, #38005, #38183, #38314, #38641, #38642 and #38692 outstanding from FY 06/07.

10-10-4910-0400	Professional Services	\$7,280
10-10-4910-1200	Printing & Publishing	1,021
10-10-4910-4502	Contract Services Zoning	1,640
10-10-4910-4504	Contract Services-Cama Land Use	2,701
10-10-4910-4508	Contract Services-Public Access Grant	<u>116,667</u>
		\$129,309

Section 12. That the following accounts in the Powell Bill Allocation portion of the General Fund appropriations budget be increased in the amounts shown to provide funds for purchase orders #33176, #35543, #35635, #35867, #36951, #38232, #38271 and #38289 outstanding from FY 06/07.

10-20-4511-4500	Street Paving	\$135,227
10-20-4511-5600	Materials	<u>17,828</u>
		\$153,055

Section 13. That the following accounts in the Library Department portion of the General Fund appropriations budget be increased in the amounts shown to provide funds for purchase orders #36625, #38363, #38504, #38676 and #38691 outstanding from FY 06/07.

10-40-6110-1500	Maintenance/Repair Building	\$13,000
10-40-6110-7400	Capital Outlay	1,000
10-40-6110-7401	Installment Purchases	<u>17,645</u>
		\$31,645

Section 14. That the following accounts in the Recreation Administration portion of the General Fund appropriations budget be increased in the amounts shown to provide funds for purchase orders #35395 and #38587 outstanding from FY 06/07.

10-40-6120-0400	Professional Services	\$7,000
10-40-6120-3400	EDP Supplies	<u>120</u>
		\$7,120

Section 15. That the following accounts in the Events & Facilities portion of the General Fund appropriations budget be increased in the amounts shown to provide funds for purchase orders #38523, #38663 and #38682 outstanding from FY 06/07.

10-40-6121-3402	Summer Materials Program	\$980
10-40-6121-3403	Special Events	96
10-40-6121-4801	Concession Purch-Skate	<u>66</u>
		\$1,142

Section 16. That account number 10-40-6122-4504, Beaufort County Contributions, Athletic & Programs portion of the General Fund appropriations budget be increased in the amount of \$2,900 to provide funds for purchase order #38276 outstanding from FY 06/07.

Section 17. That account number 10-40-6123-4500, Mid East Grant, Senior Programs portion of the General Fund appropriations budget be increased in the amount of \$2,211 to provide funds for purchase orders #38423, #38546, #38548 and #38549 outstanding from FY 06/07.

Section 18. That account number 10-40-6124-1602, Maintenance/Repair Radios, Waterfront Docks portion of the General Fund appropriations budget be increased in the amount of \$127 to provide funds for purchase orders #38441 outstanding from FY 06/07.

Section 19. That account number 10-40-6126-3303, Safety/ADA Supplies, Aquatic Center portion of the General Fund appropriations budget be increased in the amount of \$200 to provide funds for purchase order #38252 outstanding from FY 06/07.

Section 20. That the following accounts in the Recreation Parks & Grounds Maintenance portion of the General Fund appropriations budget be increased in the amounts shown to provide funds for purchase orders #37633, #38158, #38251, #38601, #38610, and #38612 outstanding from FY 06/07.

10-40-6130-1500	Maintenance/Repair Buildings	\$2,800
10-40-6130-4501	Contract Service Grounds	12,250
10-40-6130-7300	Other Improvements	30,000
10-40-6130-7301	BEEBE Park Improvements	28,389
10-40-6130-7400	Capital Outlay	139,605
10-40-6130-7401	Installment Purchases	<u>75,000</u>
		\$288,044

Section 21. That account number 10-40-6170-9115, Turnage Theater Project, Outside Agency portion of the General Fund appropriations budget be increased in the amount of \$102,688 to provide funds for purchase order #36219 outstanding from FY 06/07.

Water Fund

Section 22. That the Estimated Revenues in the Water Fund be increased in the amount of \$13,251 in the account Fund Balance Appropriated, account number 30-90-3991-9910.

Section 23. That the following accounts in the Water Treatment Plant portion of the Water Fund appropriations budget be increased in the amounts shown to provide funds for purchase orders #36814, #37299, #38061, #38317, #38329, #38609, #38713 and #38733 outstanding from FY 06/07.

30-90-8100-1500	Maintenance/Repair Building	\$9,575
30-90-8100-1600	Maintenance/Repair Plant Equip.	1,415
30-90-8100-3303	Laboratory Supplies	663
30-90-8100-4501	Contract Lab Services	<u>1,598</u>
		\$13,251

Sewer Fund

Section 24. That the Estimated Revenues in the Sewer Fund be increased in the amount of \$129,368 in the account Fund Balance Appropriated, account number 32-90-3991-9910.

Section 25. That account number 32-90-8200-4500, Contract Services, Wastewater Collection Maintenance portion of the Sewer Fund appropriations budget be increased in the amount of \$40,000 to provide funds for purchase order #38260 outstanding from FY 06/07.

Section 26. That account number 32-90-8210-4500, Contract Services, Wastewater Construction portion of the Sewer Fund appropriations budget be increased in the amount of \$25,000 to provide funds for purchase order #38260 outstanding from FY 06/07.

Section 27. That the following accounts in the Wastewater Treatment portion of the Sewer Fund appropriations budget be increased in the amounts shown to provide funds for purchase orders #36245, #36814, #37247, #38166, #38317, #38329, #38512, #38583, #38707, #38708 and #38733 outstanding from FY 06/07.

32-90-8220-1600	Maintenance/Repair Plant	\$3,133
32-90-8220-3303	Laboratory Supplies	1,658
32-90-8220-4501	Contract Lab Services	528
32-90-8220-7401	Installment Note Purchases	<u>16,450</u>
		\$21,769

Section 28. That the following accounts in the Wastewater Lift Station portion of the Sewer Fund appropriations budget be increased in the amounts shown to provide funds for purchase orders #35015, #37887, #38166, #38712 and #38733 outstanding from FY 06/07.

32-90-8230-0400	Professional Services	\$6,479
32-90-8230-1500	Maintenance/Repair Building	6,418
32-90-8230-7401	Installment Note Purchases	<u>29,702</u>
		\$42,599

Storm Water Fund

Section 29. That the Estimated Revenues in the Storm Water Fund be increased in the amount of \$43,674 in the account Fund Balance Appropriated, account number 34-90-3991-9910.

Section 30. That the following accounts in the Storm Water Fund appropriations budget be increased in the amounts shown to provide funds for purchase order #38234 and #38376 outstanding from FY 06/07.

34-90-5710-1601	Maintenance/Repair Jacks Creek	\$17,669
34-90-5710-7401	Installment Note Purchases	<u>26,005</u>
		\$43,674

Electric Fund

Section 31. That the Estimated Revenues in the Electric Fund be increased in the amounts and accounts shown:

35-90-3500-3605	NCDOT Hwy. 17 Reimbursement	\$20,000
35-90-3991-9910	Fund Balance Appropriated	<u>1,207,746</u>
		\$1,227,746

Section 32. That account number 35-90-7220-0405, Hwy. 17 230 KV Relocation, Electric Director, portion of the Electric Fund appropriations budget be increased in the amount of \$20,000 to provide funds for purchase order #38394 outstanding from FY 06/07.

Section 33. That account number 35-90-7230-1100, Telephone, Load Management portion of the Electric Fund appropriations budget be increased in the amount of \$157 to provide funds for purchase order #38170 outstanding from FY 06/07.

Section 34. That account number 35-90-7240-1201, Marketing & Promotions, Customer Service portion of the Electric Fund appropriations budget be increased in the amount of \$410 to provide funds for purchase order #38216 outstanding from FY 06/07.

Section 35. That the following accounts in the Substation Maintenance portion of the Electric Fund appropriations budget be increased in the amounts shown to provide funds for purchase orders #32623, #34515, #36384, #36749, #36750, #37310, #37525, #37796, #37831, #37985, #38006, #38008, #38033, #38430, #38551, #38552, #38553, #38570, #38622, and #38733 outstanding from FY 06/07.

35-90-8370-1600	Maintenance/Repair Equip.	\$1,144
35-90-8370-1602	Maintenance/Repair Radio	1,445
35-90-8370-1603	Maintenance/Repair Substation	3,105
35-90-8370-1605	Maintenance/Repair SCADA	2,212
35-90-8370-4500	Contracts	2,217
35-90-8370-7400	Capital Outlay	9,050
35-90-8370-7401	Installment Note Purchases	<u>826,353</u>
		\$845,526

Section 36. That account number 35-90-8380-5606, Underground Material Maintenance, Power Line Maintenance portion of the Electric Fund appropriations budget be increased in the amount of \$1,152 to provide funds for purchase order #38144 outstanding from FY 06/07.

Section 37. That the following accounts in the Power Line Construction portion of the Electric Fund appropriations budget be increased in the amounts shown to provide funds for purchase orders #32623, #37476, #37839, #37953,

#37961, #37962, #37966, #37977, #38157, #38431, #38530, #38631, #38634, #38650, #38684, #38694, and #38733 outstanding from FY 06/07.

35-90-8390-5607	Materials-Special Projects	\$97,078
35-90-8390-7400	Capital Outlay	2,000
35-90-8390-7401	Installment Note Purchases	<u>261,423</u>
		\$360,501

Airport Fund

Section 38. That the Estimated Revenues in the Airport Fund be increased in the amounts and accounts shown:

37-90-3490-0001	Obstruction Grant 36244.51.5.2	\$166,650
37-90-3490-0003	Vision Grant 36237.38.5.1	3,842
37-90-3490-0004	Vision Grant 36237.38.6.1	51,598
37-90-3991-9910	Fund Balance Appropriated	<u>24,677</u>
		\$246,767

Section 39. That the following accounts in the Airport Fund appropriations budget be increased in the amounts shown to provide funds for purchase orders #37141, #37518, #38167, and #38506 outstanding from FY 06/07.

37-90-4530-4507	Obstruction Grant 36244.51.5.2	\$185,167
37-90-4530-4509	Vision 100 Grant 36237.38.5.1	4,269
37-90-4530-4510	Vision 100 Grant 36237.38.6.1	<u>57,331</u>
		\$246,767

UDAG Fund

Section 40. That the Estimated Revenues in the UDAG Fund appropriations budget be increased in the amount of \$1,625 in the account Fund Balance Appropriated, account number 67-60-3991-9910.

Section 41. That account number 67-60-8280-9700, Façade Grants portion of the UDAG Fund appropriations budget be increased in the amount of \$1,625 to provide funds for purchase order #38639 outstanding from FY 06/07.

Section 42. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 43. This ordinance shall become effective upon its adoption.

Adopted this the 17th day of September, 2007.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

s/Rita A. Thompson
RITA A. THOMPSON, CITY CLERK
CITY CLERK

- C. Adopt – Budget Ordinance Amendment for Police Dept. and Recreation Parks and Grounds Division (\$2,480)

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2007-2008**

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

Section 1. That the Estimated Revenues in the General Fund be increased in the amount of \$2,480 in the account Fund Balance Appropriated, account number 10-00-3991-9910.

Section 2. That account number 10-10-4310-3304, Supplies Traffic Safety, Police Department portion of the General Fund appropriations budget be increased in the amount of \$1,280.

Section 3. That account number 10-40-6130-7301, BEEBE Park Improvements, Parks & Grounds portion of the General Fund appropriations budget be increased in the amount of \$700 to provide funds for shelter improvements.

Section 4. That account number 10-40-6130-1504, Maintenance/Repair Veteran's Park, Parks & Grounds portion of the General Fund appropriations budget be increased in the amount of \$500 to provide funds for plaques.

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 17th day of September, 2007.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

- D. Authorize – Repurchase of Cemetery Lot P-34 Plot 8 Oakdale Cemetery for (\$112.50)
- E. MOVED FYI – Drainage Study Presentation
- F. Adopt – Resolution Transportation Thoroughfare Plan for the US 264 Corridor Connecting Washington and Greenville

RESOLUTION

Whereas, thoroughfare planning enables a transportation system to be progressively developed to adequately meet the transportation needs of communities; and,

Whereas, when land development occurs traffic volumes increase and uncoordinated driveway entrance and exits are created leading to increased congestion and safety hazards; and,

Whereas, the location of present and future population along with commercial and industrial development affects major street and highway locations; and

Whereas, planning for future transportation needs prevents unnecessary cost and impacts to the physical, social, and economic environment; and,

Whereas, it is important to determine the existing and projected average daily traffic volumes, roadway capacity, and the recommended ultimate lane configuration for US Highway 264 between Greenville and Washington; and,

Whereas, a thoroughfare concept between the two municipalities, Greenville and Washington, will enable street improvements to be made as traffic demand increases and help eliminate unnecessary reconstruction, so needless expenses will be averted; and,

Whereas, planning a connecting thoroughfare system between the two communities will keep pace with increasing traffic demands and an efficient street utilization system can be attained, requiring a minimum amount of land for street purposes and protecting traffic safety; and,

NOW THEREFORE BE IT RESOLVED: that the City of Washington supports the need to develop a transportation thoroughfare plan between the two municipalities whereby this process will allow public officials to assure development of the most appropriate street system that will meet existing and future travel desires between the two urban areas.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

- G. Adopt – Resolution authorizing the Mayor and City Manager execute agreements for right-of-way agreements for the extension of the Linnie Perry Road

RESOLUTION AUTHORIZING THE MAYOR AND CITY MANAGER EXECUTE AGREEMENTS FOR RIGHT OF WAY FOR THE EXTENSION OF THE LINNIE PERRY ROAD TO NCDOT

WHEREAS, it would greatly improve safety and flow of traffic for existing and future businesses for Linnie Perry Road to be extended to the east and north to connect to the intersection of Springs Rd with SR 17;and,

WHEREAS, such a connection would require construction of a connector through existing City property; and,

WHEREAS, it is in the best interest of the City for Linnie Perry Road be extended to the east of the existing city owned industrial land off Springs Rd, thereby creating a future parcel for economic development and job creation; and,

WHEREAS, on August 13, 2007, the City Council of the City of Washington did by motion unanimously authorize the Mayor and City Manager to execute appropriate agreements to transfer to the State of North Carolina the necessary right-of-way to connect Linnie Perry Road to Springs Road;

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

That the Mayor and City Manager are hereby authorized to execute appropriate agreements with the North Carolina Department of Transportation necessary to allow for the extension of the Linnie Perry Road eastward and then northward around and through existing City property.

Adopted this the 17th day of September, 2007, in the City of Washington, North Carolina.

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

JCPC FUNDING

Mayor Jennette stated that the State Legislature is in the process of moving their funding for Juvenile Crime Prevention from being a recurring funding item to a non-recurring funding item. She stated this pays for a lot of important things for the City. Franz Holscher, City Attorney, has prepared a letter asking them to put it back into recurring funds.

WATER SHORTAGE RESPONSE PLAN

Mayor Jennette stated Governor Easley has put a Water Shortage Response Plan in place due to the drought. Beaufort County has been designated as a "severe" drought county. Mr. Lewis stated that castle hayne is a huge aquifer and at this time our water levels are only a foot or two lower than last year with another 200 feet of water underneath. Washington does not have an issue at this time.

ECONOMIC DEVELOPMENT COMMISSION

Councilman Gahagan stated that the Quick Start #2 is on schedule. They are continuing to talk to businesses interested in that building. The business in the Skill Center continues to operate. Because we have buildings, we have people to come and talk to us about moving to Beaufort County.

TOURISM DEVELOPMENT AUTHORITY

Mayor Jennette stated that the Tourism Development Authority has adopted their long range plan. Lynn Lewis was nominated and won a Presidential Recognition Award from the Tourism Industry for her services to the tourism industry in this State. Mayor Jennette also mentioned that the Tourism Authority has sent a letter asking Council to make the replacement of public bathrooms on Stewart Parkway a top priority.

HUMAN RELATIONS COUNCIL

Mayor Jennette stated that the Human Relations Council is finishing up the Pulpit Exchange. They are planning to have a Ecumenical Event that will focus on the Islamic faith, Judaism and Christianity.

DOWNTOWN WASHINGTON ON THE WATERFRONT

Bob Trescott, DWOV Director, stated he has been here two months now. There are a lot of activities going on:

- Reorganizing and streamlining the DWOV Board
- Started Maritime Sub-committee to deal with the waterfront and activities on the river
- Emphasis on organizational build out, volunteer development and fundraising
- Upgrading website on design
- Recommendations on Parking Study will be back soon
- Working with Department of Commerce and Tourism Office on a way finding plan
- Ayers Alley is proceeding and will be completed in time for the Turnage Theater Opening
- Broadening media communications
- Emphasizing coordination with the merchants on the Christmas Flotilla
- Economic restructuring – working on closer ties with the merchants, starting a committee with the property owners and beginning this week with a board meeting of the merchants on a downtown business strategy

PARKING COMMITTEE

Councilman Jennings stated that they are waiting for the final report and recommendation from the survey.

WARREN FIELD AIRPORT

Mayor Jennette stated she, James Tripp and the City Manager met with Rick Barkes with the State Aviation Office to discuss the Rural Airport Grants. That process is underway but they have not yet announced the grant cycle. Mr. Tripp stated that we have not gotten any notices for 2008. They feel money will be appropriated again this year, \$2 million, with seventeen airports being eligible for that funding. Nine received funds last time and Washington should be in line to get funding this round. Mr. Tripp stated that we should be getting a notice for \$150,000 Vision 100 funds. There is an interest in a corporate hangar. The concrete slab is down and the building should be going up this week. Another fellow is interested in building a corporate hangar but it is a competitive market. He stated he is working with the Committee of 100 in developing an economic stimulus plan for the airport.

Referring to the steps at the Airport, Mr. Tripp stated that the steps are Tradewinds' obligations, but he is going to buy the wood for them to put the labor in.

ENTERPRISE FUNDS CONTROLLER

Mr. Tripp stated he is following up on an item asked for by Councilman Gahagan. He passed out a report to Council to show how revenues and expenditures look from a variety of perspectives.

Mr. Tripp stated they had talked to Booth & Associates to develop a strategy to cooperate with Tideland Electric to see if there are some cost savings available for both organizations. He has found that proposals have been floated for the last ten years but have never been acted on. Mr. Tripp passed out some information on this. He stated he would like for Council to consider directing staff to formally negotiate with Tideland Electric to begin evaluating each other's systems to find cost savings. He stated that a proposed study was about \$5,000 to be split between the two organizations. The same thing occurred in 2002. A much larger scope was determined in July and might not be accepted by their board at that price tag. He would like to scale it down.

Councilman Gibson referred to the report handed out on revenues and expenditures, and asked what the negative \$452,000 represents? Mr. Tripp stated that one time expenditures that occur and revenue sources that occur in the past year, as an

economist, he is interested in which direction are we flowing? He stated he would have to look at our budget without these one time revenues and one time expenditures. A revenue source might be the Moss Property sale. The property was purchased for economic development which is serving that purpose. It was liquidated to cover expenses at the time it was needed. Also, that negative \$452,000 subtracts out depreciation, inventory, and Highway 17 expenditures and revenues. There are items that cloud the judgment when looking at revenues over expenditures or vice versus.

Councilman Gibson asked if that means we are going to be \$452,000 short in the Electric Fund? Mr. Tripp stated he would leave that up to our auditors to make that final determination. According to the accounting billing software we have, he would leave that to the Finance Director. He stated it looks like revenues exceeded expenditures but again you have to consider the revenue source was Moss Property. That \$452,000 does not say that we are going to come up \$452,000 short because the Moss property sale did occur. Mr. Tripp stated a few years ago when you had the fund balance transfers, the number was \$2 million dollars. After you did the transfer, your budget balanced. This is what this page is getting at, it is showing what your revenues and expenditures would have looked like without the Moss property sale and the DOT expenditures.

Councilman Gibson stated it still looks like a deficit of \$452,000. Mr. Tripp stated that it looks like a better situation than the previous year so there comes the question of how fast are we catching up. Councilman Gibson stated he needs to understand what's here.

Councilman Gahagan asked if this number reflects the transfer to the General Fund? Mr. Tripp answered no, the transfer to the General Fund is still one of the expenditures in the miscellaneous line item. Councilman Gahagan stated that if you took that expenditure out, which is how much? Mr. Tripp answered, he believes \$1.7, he doesn't recall. Councilman Gahagan stated that if you did take it out, that would show the business itself is making money before we spend it? Mr. Tripp answered yes.

REVIEW AND APPROVAL – SMART GROWTH CHECKLIST FOR THE CITY OF WASHINGTON

Mr. Roberson stated that the Smart Growth Checklist has been consolidated and broken down into questions, with backup information in another format.

On motion of Mayor Pro tem Woolard, seconded by Councilman Jennings, Council unanimously accepted the recommendation of the Planning Board and approved the Smart Growth Check List to be included in the review process when considering land development proposals throughout our jurisdiction with emphasis on zoning and subdivision approval, as follows:

Washington NC SMART GROWTH SCORECARD **Adapted from the Smart Growth Leadership Institute**

The Washington Smart Growth Scorecard is a tool designed to help local elected officials, planners, members of design review boards, developers, and community stakeholders objectively analyze projects and answer the questions—*“Is this a smart growth project?”* and *“Does this proposed project fulfill Washington’s community goals?”* It points out strengths and weaknesses of a proposed project and can help screen potential development issues and provide a base for possible areas for improvement. The Washington Smart Growth Scorecard provides for a critical framework that allows for project advocacy as well as improvements in project design and development.

CRITERIA and EVALUATION

A. LOCATION

- Q1. Does the project reinforce the Washington Land Use Plan and respect environmentally sensitive areas?

B. SERVICE PROVISION AND GOVERNMENT EXPENDITURES

- Q1. Does the proposed project adversely impact water provision in the area?
- Q2. Does the proposed project adversely impact sewer capacity?
- Q3. Does the proposed project adversely impact road capacity?
Does it improve connectivity for all modes of transport and is the proposed development on the adopted Thoroughfare Plan?

C. DENSITY AND COMPACTNESS

- Q1. At what density will the project be developed?
- Q2. Does the project plan minimize areas devoted to parking?

D. DIVERSITY OF USE

- Q1. Does the project provide a mix of land uses or for single use projects, does it add to the diversity of uses within ¼ mile?
- Q2. Does the project physically mix uses or types within the site or within the adjacent (1/4 mile) neighborhood?

E. HOUSING DIVERSITY

- Q1. Does the project provide different housing types and/or does it increase the diversity of housing options in the immediate (1/4 mile) neighborhood?
- Q2. The project provides a variety of housing prices accessible to different income levels and/or increases the diversity of housing prices in the immediate (1/4 mile) neighborhood and/or provides workforce housing.
- Q3. Does the project physically mix housing types and/or price levels within the project or within the immediate adjacent (1/4 mile) neighborhood?

F. TRANSPORTATION: ACCESSIBILITY

- Q1. Are frequently visited uses within ½ mile of the proposed project?
- Q2. Are there barriers to frequently visited uses inside or outside the project?

G. TRANSPORTATION: MOBILITY AND CONNECTIONS

- Q1. Does the project provide infrastructure for multiple transportation options, or is it located to take advantage of existing infrastructure?
- Q2. Will the majority of the residents or employees in the proposed project be able to safely and reasonably reach existing or planned public transit service without a car (either by walking, biking or using a shuttle)?
- Q3. Does the project road system connect to and logically extend external street and transportation systems at multiple locations?
- Q4. Is the project is located on an existing interconnected street system, or does it provide an internal street system that is interconnected?
- Q5. Is the proposed or existing streetscape design safe and pedestrian friendly and will it encourage residents and visitors to walk to frequently visited uses?

- Q6. Is parking within the project designed and located to create safe, pedestrian friendly environments?

H. COMMUNITY CHARACTER AND DESIGN

- Q1. Does the orientation of the proposed building(s) maintain or establish a consistent edge from the street?
- Q2. Does the design(s) of the building exterior(s) contribute to a visually interesting and pedestrian friendly streetscape and does it establish or add to area's design character?
- Q3. Does the project provide accessible* public spaces (community centers, recreational facilities, parks, plazas, open space)?
- Q4. Does the project respect the site's original topography, highlight natural features in the existing landscape and maintain or rehabilitate existing structures for continuing use?

I. ENVIRONMENTAL PROTECTION

- Q1. Will the project design and location likely contribute to improving air quality?
- Q2. Does the project provide effective and environmentally sensitive storm-water management facilities or design?
- Q3. Does the project avoid development on wetlands, streams, shorelines and related buffer areas?
- Q4. Does the project avoid development on slopes steeper than 15% or on highly unstable soils, on floodplains, or on habitat for threatened or endangered species, or on significant rock outcroppings, or on farmland or critical and historic cultural icons?
- Q5. Does the project use design techniques such as clustering and vertical development to avoid sensitive environmental features, minimize development area and/or maximize areas of contiguous open space on site?
(Score as either N/A or Excellent)
- Q6. Does the project relieve development pressure on natural resources on or off site through use of transfer of development rights, long-term protection strategies or other means?
(Score as either N/A or Excellent)

J. STAKEHOLDER PARTICIPATION AND COMMUNITY DEVELOPMENT.

- Q1. Did the project proponents begin inclusive citizen and stakeholder participation early in the design process and do they continue to consult the public throughout the approval process?
- Q2. Have the project proponents identified and addressed community and stakeholder concerns?
- Q3. Does the proposed project meet identified community and area needs and plans?
- Q4. Does the proposed project positively impact employment opportunities in the community?
- Q5. Does the project promote jobs/housing balance?

Mr. Roberson stated that Jason Briley called and he stated he could not make this meeting and requested this be listed on the October agenda. Mr. Roberson stated that Mr. Briley was suppose to deliver a certain amount of lots and the timeframe is December, 2008. Mr. Briley has not sold any lots to low to moderate income.

Mr. Holscher stated that, in summary, the City of Washington, Northgate and the State of North Carolina entered into an agreement for Crisis Housing Assistance infrastructure funds in 2002. That agreement provided \$1.62 million dollars to the City, from which the City could transfer funds to Northgate for eligible costs that were associated with the subdivision. Those eligible costs were primarily related to infrastructure. Northgate agreed to develop 162 lots and sell 50% (81 lots) of them to Hurricane Floyd victims. Under the original agreement, the City was liable to recapture and pay to the State up to \$810,000 based upon \$10,000 per lot up to 81 not sold to Hurricane Floyd victims. The performance was originally supposed to be completed by 2007 with Bobby assisting Northgate in getting a gracious extension from the State through December 31st 2008. We are about a year and half out from the drop dead date. Earlier this year, the State was closing this particular grant program. The State recognized the opportunity to locate potential Hurricane Floyd victims at this point in time is impractical and as a result had offered a final relief option to the City and Northgate. One option was to sell 15% of the 162 lots or 24 to Hurricane Floyd victims, or sell 20%, or 32 lots to low to moderate purchasers. The City elected the second option. As a result, Northgate is required to sell 32 lots (not necessarily homes) to LMI purchasers by December 31, 2008. If not, the State will require the City to recapture \$10,000 for each unsold lot up to 32 for a total of \$320,000. A notice will be sent after December 31, 2008 giving us 60 days to provide that recaptured amount.

Mr. Holscher stated that the last time he talked to Mr. Briley he had sold seventeen homes, of which three were sold to Hurricane Floyd victims (but we have no verification of that). The City has directed the City Attorney's office to provide Northgate with formal notice of its potential default and the City's intention to foreclose on the City's Deed of Trust against the property and/or seek any other remedy to recapture these funds. We are also exploring whether the second Deed of Trust is still out there and providing notice to that lien holder which might give us potential leverage or pressure. Mr. Holscher stated that he and Bobby Roberson met with Mr. Briley in late June to try to assist him in coming up with a plan to meet that 32 lot benchmark. Mr. Roberson provided Mr. Briley with an income verification form to be used with prospective purchasers to prove they qualified as LMI. Mr. Holscher suggested to Mr. Briley that he consider associating himself with someone from the local community with experience in LMI development. Mr. Roberson referred Mr. Briley to Gina Amaxopulos, of the Washington Housing Authority, to explore the IDA program. Finally, he asked Mr. Briley to determine if any of his previous sales could possibly qualify as LMI. During that conversation Mr. Briley agreed to provide Mr. Roberson within 30 days the necessary documentation and financial information from those previous purchasers, but we have not received that information yet. Thereafter, Mr. Briley also agreed to provide Bobby Roberson with a written report each month of these activities and progress, including notification prior to any sale so we can make sure he obtained adequate documentation to verify any subsequent purchaser qualified as LMI or we could otherwise require a release fee. In the meantime, Mr. Roberson was going to meet with Mr. Briley and determine if he is in compliance with other requirements of this project or any other project he may have pending. Mr. Holscher stated his office will explore any other remedies or recourse the City might have, including any requirements we might place for a release on our Deed of Trust in conjunction with any subsequent closings that may occur.

Mayor Jennette asked that Bobby Roberson draft a letter to Mr. Briley, over her signature, encouraging him to be here in October with the paperwork he needs to have and a presentation as to what he is exploring in meeting this deadline.

**AUTHORIZE – MAYOR TO EXECUTE EASEMENT AGREEMENT BETWEEN
THE CITY OF WASHINGTON TO MOSS PARTNERS LLC. REGARDING**

**WALKWAYS OVER THE CITY'S WETLANDS AREA TO CONNECT THE
CONDOMINIUMS WITH THE MARINA**

Mr. Wayland Sermons, Attorney for Moss Partners, LLC., requested Council to approve the Easement Agreement that connects the open property to the marina that will be built. Maps were handed out to the Council. The five easements are on the map. Mr. Sermons stated that the first block includes the easement that is being granted to the Moss Partners which consist of property that goes from the northern boundary line to the southern boundary. Crosswalks will be constructed from the property to the marina in those easement locations. The other areas are easements within the creative wetlands. The City's property line is the line L38 down to L21. Basically, the first one gives them access from the parking area to the marina; the second one is an extension of the view corridor from Academy, not the street before Academy; and the third one is the view corridor from Academy that goes to two different docks. He stated they comply with all the terms of the conservation easement so the Cleanwater Trust Fund money is not in jeopardy.

Mr. Sermons stated that Moss Partners would take care of any damages, injuries, etc. to the boardwalk while they are under construction, or to any person while they are on their property. The conservation easement also requires that whatever they build be made available to the public.

Councilman Jennings asked if anyone could go to the end of Dock C? Mr. Sermons answered no, you can only go on the portions of the docks that are within the City's property which end essentially at the property line. The agreement does not extend through the riparian rights. Once the easement is recorded, that will remove all the barriers to them applying to the Council of State to obtain the state easement within the public trust waters. This is the final thing they need to obtain all the permits that will enable them to meet the condition in the original sales contract that will release the funds being held in the trust account.

On motion of Councilman Gahagan, seconded by Councilman Brooks, Council unanimously authorized the Mayor to execute the easement agreement between the City of Washington and Moss Property Partners LLC which provides Moss Partners, LLC with certain pedestrian easements upon which they may construct elevated pedestrian's walkways.

NORTH CAROLINA

BEAUFORT COUNTY

THIS EASEMENT AGREEMENT, made and entered into by and between the **CITY OF WASHINGTON, a North Carolina Municipal Corporation**, hereinafter referred to as "**SELLER**", and **MOSS PROPERTY PARTNERS, LLC**, hereinafter referred to as "**BUYER**".

WITNESSETH

WHEREAS, SELLER and BUYER entered into an Agreement dated the 28th day of May, 2003, which was revised on the 28th day of November, 2005 and again on the 27th day of February, 2007, and an Agreement dated the 1st day of December, 2005, all providing for the purchase and sale of real property as well as other rights (hereinafter referred to collectively as "Revised Agreement");

WHEREAS, paragraph 19 of the Revised Agreement provides that the **SELLER** shall convey to **BUYER** certain multiple pedestrian easements upon which **BUYER** may construct elevated pedestrian walkways across the wetlands property owned by **SELLER** to the Pamlico River, as allowed by the Conservation Easement

Created Wetland/Grassed Swale dated August 26, 2003 by and between **SELLER** and the State of North Carolina recorded in Deed Book 1350, Page 252 of the Beaufort County Registry (hereinafter referred to as "Conservation Easement");

WHEREAS, said Revised Agreement provides that the exact locations of said easements and walkways would be mutually agreed upon between the parties, and at all times would remain available and open to the general public; and

WHEREAS, the plans and specifications of the marina component of **BUYER'S** project have been finalized, the parties have agreed to the location of such easements and walkways, and the parties' desire to enter into a written Easement Agreement pursuant to the terms of the Revised Agreement.

NOW, THEREFORE, in consideration of ten dollars (\$10.00) and other valuable considerations, the receipt and legal sufficiency of which are hereby acknowledged, **SELLER** does hereby give, grant, bargain and sell, and does hereby convey unto **BUYER**, its successors and assigns, easements, as more particularly described on Exhibit A attached hereto.

1. These easements are given for the purpose of allowing **BUYER**, its successors or assigns, to construct and maintain elevated pedestrian walkways leading from the upland property now or formerly owned by **BUYER**, its successors or assigns, over the wetlands property, to and from the existing boardwalk maintained by **SELLER**, and over the Conservation Easement to **BUYER'S** proposed landings, marina docks, piers, and other waterfront amenities on the Pamlico River (hereinafter referred

to as "Other Amenities") as contemplated by the Revised Agreement. These easements are also given for the purpose of allowing **BUYER**, its successors or assigns, the nonexclusive right, in common with the general public, to use certain portions of the existing boardwalk as depicted on Exhibit A to access **BUYER'S** Other Amenities and to install certain utility improvements as more specifically provided for hereinafter.

2. **BUYER** agrees that at all times any and all improvements, excluding utilities, made by **BUYER** and located within the bounds of **SELLER'S** property shall remain open and available for use by the general public. **BUYER** shall be responsible for and hold **SELLER** harmless from any claims whatsoever arising from the public's use of **BUYER'S** improvements as described herein.
3. **BUYER** agrees to keep said elevated pedestrian walkways maintained in a good and useable condition, reasonable wear and tear excepted. In any event, at a minimum, **BUYER** shall construct and maintain said elevated pedestrian walkways consistent and in keeping with the construction, materials, appearance, and lighting of the existing boardwalk constructed over the wetlands property. Said elevated pedestrian walkways as well as any utility improvements, including water and electricity, necessary for **BUYER'S** Other Amenities shall not be directly attached to nor in any manner place any torsional stress, weight, chafe nor in any way undermine the structural integrity of the existing boardwalk. **BUYER** shall be responsible for constructing and maintaining any and all intersections of said elevated pedestrian walkways with said existing boardwalk and making any necessary improvements to ensure the structural integrity, load bearing, and stabilization requirements of the elevated walkways and existing boardwalk. **BUYER** must obtain

the express written consent of **SELLER** before making any modifications to the existing boardwalk. **BUYER** shall provide **SELLER** with plans and specifications for said elevated pedestrian walkways for **SELLER'S** approval prior to construction of the same. Upon completion of construction of said elevated pedestrian walkways, **SELLER** shall inspect the same and **BUYER** shall make any reasonable modifications required by said inspection.

4. **BUYER** warrants that its construction, exercise, and use of said easements and/or elevated pedestrian walkways as well as installation of utility improvements, including water and electricity, necessary for **BUYER'S** Other Amenities shall be subject to and consistent with any and all provisions, restrictions, and requirements of said Conservation Easement, including but not limited to the ten percent (10%) improvement of total area restriction contained in Article II Subsection C of the Conservation Easement.
5. **BUYER** shall be responsible for obtaining any and all necessary permits or other official permission required by any federal, state, or local law or regulatory agency and comply with all applicable permits, laws, and regulations in its exercise and use of the rights and easements conveyed hereby, including but not limited to the installation of utility improvements such as water and electricity necessary for **BUYER'S** Other Amenities
6. **BUYER** shall reimburse or compensate **SELLER** for any expenses incurred by **SELLER** to repair the existing boardwalk due to damage or injury to the existing boardwalk caused by **BUYER'S** elevated pedestrian walkways, Other Amenities, or other improvements or caused by those using the same.
7. In the event the existing boardwalk or a part thereof is damaged, destroyed, or ceases to exist; such damage prevents

BUYER from fully utilizing the easements contemplated herein; and **SELLER** confirms in writing in response to written notice from **BUYER** that **SELLER** does not intend to repair the existing boardwalk in a sufficient manner to allow **BUYER** to fully utilize the easements contemplated herein, **BUYER** may reconstruct so much of the existing boardwalk as is necessary to allow **BUYER** to fully utilize the easements conveyed herein.

8. Subject to the foregoing conditions, **SELLER** does hereby give, grant and convey easements in and over its property as described on Exhibit A attached hereto.
9. In the event **BUYER** (a) is unable to obtain any necessary permission and/or approval from any federal, state, or other regulatory agency to construct said elevated pedestrian walkways or said Other Amenities as contemplated by the Revised Agreement or (b) fails to construct either of the above all within three years of the execution hereof, said easements along with any and all rights, interests, and privileges herein conveyed shall revert to **SELLER** and **BUYER** shall execute any document required in order to effectuate said reversion.

TO HAVE AND TO HOLD said rights and easements to it, the **BUYER**, its successors and assigns; it being agreed that the rights and easements hereby granted are appurtenant to and run with the land and rights now owned by **BUYER** which adjoins subject property.

The **SELLER** covenants with the **BUYER** that it has done nothing to impair such title as said **SELLER** received, other than those matters that are of public record including but not limited to the Conservation Easement referred to hereinabove, and it will warrant and defend the title against the lawful claims of all persons claiming by, under, or through said **SELLER**.

IN WITNESS WHEREOF, **SELLER** has caused this instrument to be executed in its name by its Mayor, attested by its City Clerk and its municipal seal to be hereunto fixed, and **BUYER** has caused this instrument

to be executed in its name by its Operating Manager, all by proper authority
duly given.

**CITY OF WASHINGTON, a Municipal
Corporation in the State of North
Carolina**

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

s/Rita A. Thompson
RITA A THOMPSON, CMC
CITY CLERK

**MOSS PROPERTY PARTNERS, LLC a
North Carolina Limited Liability
Company**

EXHIBIT A

Lying and being in the City of Washington, County of Beaufort, State of North
Carolina, more particularly described as follows.

Those certain four easements as shown on those certain plats by Mayo and
Associates, PA that are recorded in the Beaufort County Registry in Plat Cabinet
____, Slides __ - __. Reference is herein made to said plats and the same are
incorporated herein for more a complete and adequate description of said five
easement areas.

DRAINAGE STUDY PRESENTATION

Mr. Lewis stated that the City of Washington applied for a grant with the Division
of Water Resources to do a drainage study in certain sections of the City. The grant was
approved and the contract was awarded to Rivers & Associates to perform the study.

Mr. Doug Tyson, of River & Associates, presented a power point presentation on
the Drainage Study, as follows:

Drainage Study for portions of:

- Jack's Creek Basin
- Runyon Creek Basin
- Cherry Run Basin
- Mitchell Branch Basin

Expanding on Previous Studies and Beyond:

Jack Creek

Rivers and Associates – 1987
Jarvis and Associates – 1999

Smallwood Subdivision

Jarvis and Associates – 2000

Airport Canal Area – current

Iron Creek Area – current

Drainage Study Preliminary Design Criteria

- Pipe Networks are designed to convey the 10 year, 10 minutes storm
- Pipe Crossings along NCDOT Street, Brown Street and Charlotte Street designed to convey the 25 year storm

- Rainfall Intensities
 - 10 year = 6.50 inches per hour
 - 25 year = 7.31 inches per hour

Storm Drainage Deficiencies within the City of Washington

- Result of increased stormwater runoff from development over time
- Deteriorated pipe networks
- Inadequate inlet capacity and debris blockage

How Bad is it?

Jack's Creek Study Area

-80% of pipe network is inadequate to convey the 10 year design storm

Smallwood Subdivision Study Area

-40% of pipe network is inadequate to convey the 10-year design storm

Airport Canal Study Area

-Downstream blockage contributes to many of the problems upstream

Iron Creek Subdivision Study Area

-Recent improvements downstream have shown some relief

What are the recommendations for improvements?

Recommendations include options for channel improvements, pipe replacements, additional storm drainage inlets, and plans for project implementation and funding.

Within the Jack's Creek area, improvements should begin downstream at Charlotte Street and Brown Street before most upstream improvements are made. Upstream maintenance of the existing storm drainage system would alleviate some problems with localized street flooding. Within the Smallwood subdivision, many drainage ditches are in need of improvement, along with the need for larger pipes under roadway crossings. The Airport Canal area improvements are recommended to take place downstream of U.S. Highway 17 and upstream along West 13th Street. Some relief within the Iron Creek area has occurred due to the downstream ditches of Mitchell Branch being cleaned out. Further recommendations for this area involve maintenance of the existing channel.

Necessary Funding and Financial Responsibility

- A bond referendum is recommended to fund a storm drainage project which will focus on areas of most pressing need
- The debt service for these bonds should be paid from revenue in the City's Stormwater Utility Fund
- Based on market conditions at the time of borrowing, the City can expect to leverage in the range of \$5 million in construction funding with existing revenues of \$405,000 per year.

Project Year 1

- Begin downstream at Charlotte Street and Brown Street
- Construct recommended drainage improvements in Smallwood Subdivision
- Remove constructions along Airport Canal

Year 1 Construction Cost Estimates:

- 2007 Dollars - \$2.77 million

- The cost of waiting....
- Beginning Project within 1.5 to years – expect \$3.1 million

Project Year 2

Jack's Creek Improvements Downstream of 8th Street

- Increase channel capacity in this area
- Replace existing corrugated metal arch pipes with twin concrete box culverts
- Explore cost savings options such as pipe removal and channel excavation

Year 2 Improvements – Construction Cost Estimates:

- 2007 Dollars - \$2.3 million
- The cost of waiting....
- Beginning project within 2 to 3 years – expect \$2.9 million

In conclusion, Mr. Lewis will be speaking to property owners about taking some of the culverts out, getting bond referendum information, and getting a cost savings estimate on maintenance.

**PUBLIC HEARING - CONSIDER – AMENDING CHAPTER 27,
ZONING, ARTICLE VI. SECTION 51. SCHEDULE OF DIMENSIONAL
STANDARDS BY ZONING DISTRICTS**

Ms. Dot Moate, representing the Planning Board, stated that the Planning Board has been reviewing the height requirements for all the zoning districts for the last six months. A series of public meetings have been held. The Planning Board recommends a change in the B1H Historic District to change the height requirement to be the same as those in the B1H Historic Overlay District. The height of the new building should relate to the prevailing height along the street. The height should not exceed 15 feet above the average height of the building on the block, measuring from both sides of the street but no taller than 65 feet in height. The vote was unanimous by the Planning Board members to amend the height requirement.

Ms. Moate stated it is in the B1H but is outside the overlay district. Ms. Moate stated these three lots were not included before, and are now recommending they be the same height as the historic district.

Council asked for clarification. Mr. Roberson stated what is on the agenda tonight will affect three properties that are outside the B1H Historic District, (1) Jack Ulrichs' property (2) Turner's Pest Control and (3) a vacant lot owned by Bill Litchfield's son. Mr. Roberson stated you could extend the overlay district but then you would have two parcels that would be vacant, and typically, inside the historic district you have contributing or non-contributing structures. These properties are zoned B1H now.

Mayor Jennette suggested it would be more understandable if other letters were used to get more clarity, that it is confusing.

Ms. Moate stated that the Planning Board members felt that it should be consistent with the Historic District. Mayor Jennette stated that Council asked them to address a transitional thing between the historic district and the non historic district.

Mr. Holscher stated that the Historic Preservation Commission guidelines were amended last month, not a matter of zoning.

Councilman Gibson stated that he doesn't understand why not just use a sensible 65 feet Mr. Roberson stated that this averages the height of buildings in that block to establish the height within that district.

Mayor Jennette opened the public hearing.

There were no comments from the public.

Councilman Gahagan made a motion to set the height on the outside of the overlay district with a maximum 65' height period, until such time the Historic Preservation Commission comes back with a recommendation and we determine what we are going to do. Mayor Pro tem Woolard seconded the motion.

Before vote was taken, Council continued with more discussion and felt they should hear back from the Historic Preservation Commission.

Ms. Moate stated that the Planning Board met with the Historic Preservation Commission several times and discussed this. After they made a recommendation to the Council on the last issue, some thought we had included these lots and they were not. That is why we came back with this as a separate issue. Mayor Jennette stated that her issue was with the prevailing height of 65', that some of those buildings were non-contributing and therefore, non-contributing structures should influence new development. She was hoping the Historic Preservation Commission would tweak this and come back with another recommendation.

Councilman Gahagan withdrew his motion and Mayor Pro tem Woolard withdrew his second.

Councilman Gahagan moved that Council table this until next month. Councilman Brooks seconded the motion.

Councilman Jennings offered an amendment to the motion that at that meeting the Historic Preservation Commission and the Planning Board be represented to give Council their input. Councilman Brooks seconded the amendment to the motion.

Councilman Gibson stated he wanted to make another motion, and he has expressed his thoughts to get out of this confusion by just putting a height of 65' height limit maximum and leave out the 15' above average height in one block.

Councilman Jennings stated that if we take that position, we would be denying any recommendation that the Historic Preservation Commission and Planning Board have made without hearing from them again.

Vote was taken on the amended motion, as follows:

AYES: Mayor Pro tem Woolard
Councilman Gibson
Councilman Brooks
Councilman Jennings
Councilman Gahagan

NAYS: None

Vote was taken on the motion to table it, as follows:

AYES: Mayor Pro tem Woolard
Councilman Gibson
Councilman Brooks
Councilman Jennings
Councilman Gahagan

NAYS: None

Both motions carried unanimously.

**CONSIDER – PRELIMINARY SUBDIVISION PLAT OF O’NEAL FARM,
HAVING PUBLIC ACCESS FROM S. R. 1501 OLD BATH HIGHWAY**

Ms. Moate stated that the subdivision contains 50 lots, each having more than 20,000 square feet per lot. The main entrance is from SR 1501, Old Bath Highway and the developer has provided another 30 foot right of way for a second entrance for fire protection. The street section contains curb and guttering, and the Planning Board recommended sidewalks on both sides of the street and connect with the sidewalks in Treeshade Subdivision. The Planning Board recommended approving the preliminary subdivision plat of O’Neal Farm, subject to conditions set forth in Attachment A. Vote was unanimous in recommending the approval.

Mayor Jennette stated this is a public hearing.

Mr. John Wehrenberg stated that when the discussion came up about the sidewalks connecting Treeshade Subdivision, he thought it was a good idea. However, he also thinks it would be a good idea to connect to Macswoods and do it all at one time. He would like to see a plan to connect the three subdivisions.

Mr. Roberson stated the Smart Growth Check List was applied and rated at 55%, with open space lowering the score.

Councilman Gahagan stated that Macswood does not have sidewalks. Mr. Wehrenberg stated it would connect to the road system unless a sidewalk is put down the main highway, from Treeshade into town.

Mr. Wehrenberg stated this subdivision is pretty much like Treeshade. The homes may be 1800 square feet instead of 2000 square feet. Treeshade is doing very well and O’Neal Farm is patterned like it. No lots are smaller than one-half acre.

Mayor Jennette closed the public hearing.

On motion of Mayor Pro tem Woolard, seconded by Councilman Gibson, Council unanimously accepted the recommendation of the Planning Board and approved the preliminary subdivision plat of O’Neal Farm, subject to the specific conditions set forth in Attachment A, as follows:

**Attachment “A”
O’Neal Farm
(John Wehrenberg)**

Planning and Development comments:

1. Sidewalks to be installed on both sides of the streets
2. Public streets are to have curb and gutter installed in accordance with the Manual of Standard Design and Details
3. Sidewalks are to be extended into Tree Shade, Phase II

Public Works comments:

1. This subdivision will be subject to the City of Washington’s Tar-Pamlico Stormwater Program for Nutrient Control.
2. City of Washington water and sewer services are not currently available for this site. Additionally, sewer capacity downstream from this project is not readily available at this time even if the developer installed the infrastructure.
3. There needs to be a cul-de-sac installed at the end of the road between lots 1 and 50.

4. Centerline radii need to be shown for proposed roads.

Fire Dept. comments:

1. Maintain Fire Apparatus Access Road of 26 feet width inside curb with radius inside curb of 25 feet of the N.C. Fire Code with-in 150 feet of any portion of building.
 - A. Dead end turn around provisions per section 503
 1. 120 feet hammerhead, 60 feet Y or 96 feet Cul de sac
 2. 750 feet max dead end.
2. All street names and addresses shall be assigned by the Building Inspection Office.
3. Two remote access entrances shall be required when:
 - A. 1 and 2 family residential development exceeding 30 units
 1. 30 feet Emergency exit noted as O'Neal Drive shall:
 - a. Have continuous right away from Old Bath Highway to site
 - b. Be an access and exit right away
 - c. Shall be designed in accordance with NC Fire Code Standards
 - d. Maintained by Homeowners Association to NC Fire Code Standards
 - e. If gated shall have Knox Key access provided
4. Fire Hydrant See Appendix C of the NC Fire Code Fire (Contact Fire Marshal for Hydrant Placement)
 - A. 6 inch or larger mains
 - B. Along all fire access roads and adjacent streets
 - C. Number and distribution of hydrants per table C 105.1
5. Fire Flow Requirements See Appendix B table 105.1 of the NC Fire Code Fire. Fire Flow cannot be determined until building plans are submitted.

The approval of plans does not constitute approval of construction methods, devices and/or construction materials. All construction materials and methods, devices, and systems shall be approved contingent of each meeting the intent of the NC Fire Code and all other applicable standards.

**REVOCATION– OF NANETTE FLOYD PATTERSON’S CERTIFICATE
OF CONVENIENCE AND NECESSITY D/B/A DOVE PERSONAL CARE
SERVICES**

Mayor Jennette stated this is a public hearing.

There were no comments from the audience.

Mayor Jennette closed the public hearing.

On motion of Mayor Pro tem Woolard, seconded by Councilman Jennings, Council unanimously revoked the Certificate of Convenience and Necessity issued to Nanette Floyd Paterson to operate two taxicabs in the City of Washington.

COMMENTS FROM THE PUBLIC

There were no comments from the public.

**APPROVE – RESOLUTION AUTHORIZING THE DISPOSITION
OF CERTAIN REAL PROPERTY BY PRIVATE SALE AND
APPROVING THE CONVEYANCE OF SAID PROPERTY
(FORMER HAMILTON BEACH PROPERTY)**

Mr. Holscher stated that at the August 31st meeting, Council authorized him to transmit an agreement to the Committee of 100 concerning the potential sale of the former Hamilton Beach property. Direction was given to him to revise the agreement. One item required by the General Statutes is for Council to pass a Resolution authorizing the disposition of property which would mean you are authorizing the Mayor to continue the negotiations. That Resolution will be published and the Agreement cannot be signed until after ten days after the publication.

Councilman Gahagan made a motion to authorize the Mayor to execute the appropriate documents to convey City property located at 234 Springs road commonly known as the Hamilton Bach property to the Beaufort County Committee of 100. Councilman Jennings seconded the motion.

Before vote was taken, Councilman Gibson stated he has no problem with the Committee of 100 and if they go through with the plans they published, it is a good deal. However, the problem he has is the price they are offering for the property. He feels that Council should not get rid of the property for no less than \$1.5 million. The property is appraised at \$3.2 million as it is. It is a valuable piece of property and an asset. It brings in almost \$200,000 in rent a year to the City. How will the City replace that kind of income? The building has been bad-mouthed so much that it is easy to believe it is a relic. The building is not a relic...it houses a thriving business and to take less than \$1.5 million is a front to the taxpayers. The 200 jobs are not going away just because Council would ask for a fair and just price. Competition and economic pressure say whether or not jobs go away or stay, not the Committee of 100. The Committee of 100 has no power to keep or lose jobs, and saying so does not make it true. He asked Council again to not take less than \$1.5 million dollars for this valuable asset. Let's try to do a better job than take an unjust price for this building.

Councilman Jennings stated that the purchase price is not only \$1 million, it's \$1 million plus what we recover from damages from Hamilton Beach and there is a retention of a five acre lot that will have road frontage so the net to the taxpayer is much more than \$1 million. He stated we can argue all day about the nuance around economic development and whether the Committee of 100 is effective but we would have to stipulate that they are more effective and more well versed than the City in acting as a landlord in the attempt to obtain jobs. Councilman Gibson stated the City manages millions of dollars of worth of property and is capable of doing a good job and he is advocating that Council ask for more than \$1 million for this property.

Councilman Jennings offered an amendment to the motion to include that the Council adopt a Resolution authorizing the disposition of certain real property by private sale and the conveyance of said property (former Hamilton Beach property). Councilman Gahagan seconded the amendment.

Vote was taken on the amended motion, as follows:

AYES : Mayor Pro tem Woolard
Councilman Brooks
Councilman Jennings
Councilman Gahagan

NAYS: Councilman Gibson

Vote was taken on the first motion, as follows:

AYES : Mayor Pro tem Woolard
Councilman Brooks
Councilman Jennings
Councilman Gahagan

NAYS: Councilman Gibson

Councilman Gibson stated that in his 18 years on the Council, this is the undoubtedly the biggest give-away of assets he has ever witnessed.

**RESOLUTION AUTHORIZING THE DISPOSITION
OF CERTAIN REAL PROPERTY BY PRIVATE SALE AND
APPROVING THE CONVEYANCE OF SAID PROPERTY PURSUANT TO
NORTH CAROLINA GENERAL STATUE § 160A-279 AND 160A-267**

WHEREAS, the City of Washington (hereinafter referred to as “City”) owns the property located at 234 Springs Road, commonly known as the Hamilton Beach property and facility, having a Tax Parcel No. of 5677-61-3599 and, further, being the first tract of that property conveyed to the City by deed dated June 14, 1993 and recorded in Deed Book 979, Page 738: and

WHEREAS, North Carolina General Statue § 160A-279 authorizes a city to convey real property by private sale to a non-profit corporation is the city is authorized by law to appropriate money to said non-profit corporation; and

WHEREAS, North Carolina General Statue § 160A-20.1 authorizes a city to contract with and appropriate money to any private entity to carry out any purpose that the city is authorized to carry out, and the city is authorized by North Carolina General Statue § 158-7.1 to engage in economic development; and

WHEREAS, the Beaufort County Committee of 100, Ltd. (hereinafter referred to as “Committee”) is a non-profit 501(c)(3) corporation, to which the City is authorized to appropriate money and which actively engages in a purpose the City is authorized to carry out – economic development; and

WHEREAS, the City has negotiated with the Committee to convey a portion of the above referenced property to the Committee in order that the Committee may obtain certain financing and funding sources to accomplish at least \$3.5 million upgrade to the facility currently located on the portion of the property to be conveyed and enter into a long-term lease with the current occupant of said facility or some other similar employer; and

WHEREAS, said upgrade and said long-term lease with the current occupant of the facility or some other similar employer will enhance the economic development of the City and provide jobs for its citizens; and

WHEREAS, said property is surplus property of the City and its City Council desires to dispose of the same; and

THEREFORE, the City Council for the City of Washington resolves that:

1. The Mayor of the City is authorized to execute all documents necessary to convey fee simple title to that portion of the above referenced property to be conveyed to the Committee as more specifically provided for in that Agreement for Purchase and Sale of Real Property (hereinafter referred to as “Agreement”) by and between the City and the Committee, a copy of which is attached hereto and incorporated herein by reference.
2. The above described property is hereby declared to be surplus to the needs of the City.
3. The Mayor of the City is authorized to dispose of the described property by private sale at a negotiated price.

4. Further consideration for the conveyance contemplated herein are the mutual promises, obligations, and considerations as more specifically provided for in said Agreement.
5. The City Clerk shall publish a notice summarizing the contents of this resolution in accordance with North Carolina General Statute § 160A-267.
6. The sale contemplated hereunder may be consummated not earlier than ten (10) days from the date of said publication.

Adopted this 17th day of September, 2007.

s/Judy Jennette
JUDY JENNETTE

ATTEST:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

**ADOPT – ORDINANCE PROHIBITING ANY TOBACCO
PRODUCTS AT ORGANIZED RECREATIONAL YOUTH
ATHLETIC ACTIVITIES ON CITY PROPERTIES AND OR CITY
LEASED PROPERTIES**

Philip Mobley, Parks and Recreation Director, stated that over the past three years has heard a lot of comments from the public about trying to remove tobacco products out of sports areas. The Advisory Committee has been discussing this and is recommending that the use of tobacco products be taken out of out youth athletic areas. He commented that it will be hard to enforce.

Mr. Holscher stated there are some state statutes that are in the area of smoking prohibition, etc. and he would like for Council to table this until next month so he can revise the ordinance amendment.

Mr. Smith stated that it appears that what you are trying to accomplish at least for everything except smokeless tobacco is already in place, but we want to confirm that. We would target smokeless tobacco products in the ordinance amendment, and hopefully make it consistent with state statute. We just have to enforce it.

On motion of Councilman Gahagan, seconded by Councilman Jennings, Council unanimously tabled this issue until next month pending further evaluation.

CHANGE MEETING DATE FOR NOVEMBER

Mayor Jennette noted that the Committee of the Whole meeting has been changed to October 29th because of the Greenville-Washington Joint Committee Meeting, and the November regular Council meeting has been changed to November 13th because November 12th is a holiday.

WHICHARD BEACH'S PROJECT

Mr. Smith stated that the proposed Whichard's Beach project for the tall structures has been abandoned and they are proposing about 58 single family dwellings. The issue for the City is if it is appropriate to have sewer on a peninsula. We will have to look at the agreement to see if there are any amendments needed since the change in the design. Mr. Smith recommended, along with the developer, that they continue to have sewer in the project at the developer's expense.

Council will have to approve any amendment to the agreement. Councilman Jennings stated that the paper said that the County terminated all their vested rights the developer had prior to the Remby Project. Mr. Holscher stated there was a previous agreement between the City and N. C. Land Partners and the action of the Beaufort County Planning Board would not void the rights and obligations that arise from that contractual agreement. He stated he will read the agreement to see if additional amendments are needed.

Councilman Jennings expressed concern that Council know what's in the agreement before going any further.

On motion of Councilman Jennings, seconded by Councilman Gahagan, Council unanimously adjourned the meeting at 7:10 p.m.

**Rita A. Thompson, CMC
City Clerk**