

The Washington City Council met in a continued session on Tuesday, May 27, 2008 at 4:30 p.m. in the Council Chambers at the Municipal Building. Present were: Judy Jennette, Mayor; Doug Mercer, Mayor Pro tem; Richard Brooks, Councilman; Darwin Woolard, Councilman; Archie Jennings, Councilman; Gil Davis, Councilman; Jim Smith, City Manager; Reatha Johnson, Acting City Clerk; and Franz Holscher, City Attorney.

Also present were: Anita Radcliffe, Acting Finance Director; Allen Lewis, Public Works Director; Bobby Roberson, Planning and Community Development Director; Phil Mobley, Parks and Recreation Director; Mick Reed, Police Chief; Lynn Lewis, Tourism Development Director; Keith Hardt, Electric Director; Gloria Moore, Library Director; and Mike Voss, of the Washington Daily News.

Mayor Jennette called the meeting to order and Councilman Woolard delivered the invocation.

APPROVAL/AMENDMENTS TO AGENDA

Mayor Jennette made the request to switch item #7 and #9 around on the agenda list under the Budget Workshop.

Mayor Jennette asked if the proposed contract from Ms. Rita Thompson should be discussed in closed session. Franz Holscher, City Attorney, asked if Ms. Thompson would be an employee of the City or an independent contractor. Mayor Jennette said she was asking to be an independent contractor, and Mr. Holscher stated this would bring this topic out of closed session and into open session. Mr. Holscher said he would check to make sure and Mayor Jennette suggested having this item placed at the end of the agenda for discussion.

Mayor Jennette also informed Council that the County Manager called and had requested someone to be at the County meeting tonight to discuss the City's request for County funding. Their meeting will start at 6:30 p.m. and Mr. Smith will go over to make a presentation for us while Council will be in the public hearing.

No votes were taken to switch items #7 and #9 around, but Council agreed to switch them.

COMMITTEE OF THE WHOLE

FINANCIAL REPORTS

Ms. Anita Radcliffe, Acting Finance Director, presented information on the General Fund and the Enterprise Funds. Mayor Pro tem Mercer had a question that applied to every projection listed on the budget worksheets, why is there such a significant increase in salaries and fringes. Mayor Jennette asked if the projected year end is what actually being budgeted? Ms. Radcliffe stated "yes" and this means we may not spend all of it. Councilman Jennings stated then it is not an annualized number and that it would be helpful going forward if Council could see a general annualized number.

Mayor Jennette asked Ms. Radcliffe if this report was required by the State or Federal government to be presented this way; Ms. Radcliffe stated the governmental board (FASBI) is Federal and the report is government accounting.

FYI – CONTRACTS FOR WATER TREATMENT CHEMICALS

Jim Smith, City Manager, stated this report was for information only and with the increase cost of commodities everything is up substantially.

PRESENTATION – MARC RECKO ON CONSOLIDATION

Bobby Roberson, Planning and Development Director, introduced Mr. Marc Recko, Executive Director of Washington Housing Authority and Mid-East Housing and stated he will mainly be speaking about the consolidation of the Housing Authority. Mr. Recko will also speak briefly on two housing grants.

Mr. Recko spoke to Council about the concept of a merger between the two Housing Authorities. There are two Housing Authorities based on 809 Pennsylvania Avenue - one is the Washington Housing Authority and the other is the Mid-East Regional Housing Authority. The Mid-East Regional Housing Authority covers all seven counties. If they can accomplish this merger, then he would have to come back to Council for approval. This will be a process, it will have to go to each legislative body, each County, and then to the State for approval.

Mr. Recko spoke on the two grants that Mr. Roberson had alluded to. The Washington Housing Authority runs two (2) basic programs, Public Housing and Section 8 vouchers. The Mid-East runs six (6) programs: Public Housing, Section 8, Tax credits, Section 8 Project Based, Rural Development Projects, and Private Management.

Mr. Recko stated they are in the process of a Path the Home Ownership Program and it will be available to the entire community, not just Public Housing. Mr. Recko stated the State offers a Capacity Building Grant of up to \$75,000 per year for two years. In order to get the Capacity Building Grant, Washington Housing Authority will need the support of the City of Washington. Mr. Recko stated he will probably be coming to Council next month for approval. Once the capacity is there, he will be coming back to Council with a CDBG Grant an opportunity of up to \$250,000 that will flow through Washington Housing Authority Inc. and it's non-profit. Their proposal will be to purchase lots at Northgate in order to build homes for moderate to low income individuals.

Mayor Jennette feels that in combining the two organizations, the City will be eligible for more grant funding and more program opportunities and Mr. Recko stated "without a doubt". Mr. Smith asked about a program if you took (for example) twenty vouchers and pledge them to someone who is willing to build twelve units of housing could it be done here. Mr. Recko stated it had not been done with Washington Housing Authority Inc., but it had been done with Mid-East and that will be one of the things the Capacity Grant will allow them to do.

Councilman Jennings asked in the Northgate project that he is proposing, where along the way that qualifies for the grant that we presently have. Mr. Recko stated the original CDBG grant went to help build the infrastructure to cause the development to be built. Councilman Jennings stated that just going to the Housing Authority did not satisfy the State requirement so are we still under the same premises that it has to be occupied by moderate to low income individuals and Mr. Recko stated "yes".

DISCUSSION – DEMOLITION BY NEGLECT

Mayor Jennette stated she had spoken with Mr. Smith today and this is more of a budget issue since it would involve putting more money in the budget to deal with the two properties we have currently underway with the Demolition by Neglect Ordinance. Mr. Smith stated in order to make the Demolition by Neglect Ordinance work then we will have to be serious and appropriate the money to make some improvements. Mr. Smith stated in the meantime, Council could take a look at an Alarm Ordinance where a property that has been vacant for over six months would require having fire alarms actively connected to the Fire Department and intrusion alarms actively connected to the Police

Department. Mr. Smith stated the structure still could deteriorate with the Alarm Ordinance. Councilman Jennings said there could also be a vacant property that could be taken care of, then the vacancy, in and of itself, may not be a requirement for the alarm. Mr. Smith stated it would depend on how the ordinance is set up.

Councilman Jennings asked Mr. Holscher when they wrote the Demolition by Neglect was there any other recovery method available in the ordinance other than a lien on the property to be recovered at the time the property is sold and Mr. Holscher said not to his knowledge.

Councilman Jennings stated he was looking at a more aggressive stance that would allow the City to commit a certain number of dollars to the program and have us recover on a more routine basis. That was keep us from having to keep funding the program every budget year if would could cycle some of those dollars through cohesive recovery methods. Mayor Jennette inquired if there was any kind of grant out there to give us seed money to start this program. Mr. Roberson said one thing they can look at is the certified Government Commission, since they have a maintenance type of program set up. Mr. Roberson stated his recommendation would be to actually take a step back and look at the minimum housing code and bring it up to date. Mr. Roberson said the code they are looking at (one in which Mr. Smith is familiar with) is the International Property Maintenance Code. Councilman Woolard inquired if the International Code would take care of vacancy. Mr. Roberson stated they are operating under the League of Municipalities Minimum Housing Code which went out about ten years ago. Mayor Jennette asked Mr. Roberson if he was saying it would be easier to enforce if we tighten up our minimum housing; Mr. Roberson stated that was correct. Mayor Jennette asked how soon we would have new standards for minimum housing. Mr. Roberson said he would like to refer this to Chief Davis because he felt his department had been working on it. Mr. Smith stated after the last discussion they had on this issue, he met with Chief Davis and we have a firefighter that is on light duty who has been assigned to the Inspection Department and will finish the work on this project. Mr. Smith feels it should be completed within the next ninety days.

Mayor Pro tem Mercer stated last year the Council was receiving a list of projects with time line along with regular reports and he feels that this has fallen by the way side. Mayor Jennette stated that was based on a prioritized list that the Council produced from its previous Planning Session and she has only received two prioritized list from the Council for this Planning Session. If she could get the rest of them, she will bring the list in so Council can verify what they would like to be top priority. Mayor Pro tem Mercer felt any kind of project that are assigned by consensus or vote should be go on a list and we should be keeping track of it. Mayor Jennette said they could take the old chart and modify it for what we want to do. Councilman Brooks stated there was a list at the Planning Session to be prioritized and Mayor Jennette said yes and it is important to narrow it down to what we would like to see. There were about fifty items on that list (from both City employees and Council).

DISCUSSION – TRANSPORTATION IMPROVEMENT PLAN

Mr. Bobby Roberson, Planning and Development Director, passed out the updated information on the Thoroughfare Plan for the City of Washington, dated September, 2000. Mr. Roberson said the Transportation Improvement Plan had actually been delegated out and he would like to look at the executive summary on page 2. This page identifies what the NCDOT considers to be the priorities throughout our jurisdiction. Mr. Roberson called Council attention to Washington Park and Chocowinity being included as well. Mr. Roberson requested Council to set priorities on an annual basis set and a representative will go to the NCDOT annual appropriation meeting to make the presentation.

Mr. Roberson asked Council to turn to the last page which talks about some things that needed to be considered in the long range approach.

Mr. Roberson reiterated that this is information that came out of the Thoroughfare Plan and Council should take this document and develop a priority system to present to DOT.

Council expressed several ideas and concerns to Mr. Roberson concerning the Highway 17 bypass and asked if some of those concerns should be on the plan.

Mayor Jennette asked Mr. Roberson if it would be possible to get DOT to come here with the folk who is responsible for the bypass project to sit down with Council and go through the whole process. Mr. Roberson stated he would be able to do it. Councilman Jennings suggested that Council may need to go visit our board representative and Mayor Jennette stated she agrees but she was involved in this about eight years ago and DOT said we don't really have a choice. DOT stated they were building this new kind of road system that had not been done in this state before. Councilman Jennings stated he was also told when the bypass came to your community this is your chance to stand up and say what we want that bypass to look like.

Mayor Jennette asked since we are seeking funding for the Brown Street Bridge and Charlotte Street Bridge, should it not be included on the list. Mr. Roberson stated he will discuss everything that needs to be included on the list with Mr. Allen Lewis, Public Works Director; he is the one who set the priorities for the City.

Mr. Smith stated he would like to point out part of the problem - Mr. Roberson was talking about is the Thoroughfare Plan and not the Transportation Improvement Plan. Mr. Roberson stated they need to make sure that the Thoroughfare Plan and the Transportation Improvement Plan are coherent. Mayor Jennette asked how soon would this come back to Council and Mr. Roberson said June or July of 2008. Mr. Smith suggested going back to the TIP which had all the information on it; this would be something relatively quick you could get to the State. Councilman Jennings said a couple of weeks ago he had a chance to meet with Representative Williams and he suggested our Transportation Board Representative Marvin Blount would be willing to come and sit down with the whole Council.

Mr. Smith inquired about a meeting with the County that Mr. Blount wasn't able to attend. Mr. Smith asked if the meeting was postponed. Mr. Roberson said "no" what they did were the priorities for the SR Improvement Roads in Beaufort County.

ACKNOWLEDGE – FRIENDS OF THE LIBRARY (DONATIONS)

Mayor Jennette asked if Council would include this discussion with the Library budget since there weren't too many friends present. Gloria Moore, Library Director agreed with this being discussed with the budget.

Council convened for a break and reconvened @ 5:45 p.m.

BUDGET WORKSHOP

Washington Tourism Development & Civic Center

Council reviewed the Washington Tourism Development proposed budget with Lynn Lewis, Tourism Development Authority Director. Ms. Lewis pointed out that both the Civic Center budget and the Tourism Development Authority budget

are reimbursed to the City from the occupancy tax collection and revenues collected at the Civic Center. Ms. Lewis explained they were requesting \$20,000 because of much needed maintenance repair.

Mayor Pro tem Mercer made the observation that he considered the \$20,000 should not be in Capital Outlay and moved to Main/Repair Building. Mr. Smith and Ms. Radcliffe pointed out this was not done in government accounting anything over five years - \$5,000 must show up in Capital Outlay. Mr. Smith stated this was set by a previous City Council and this Council has the authority to change the standard.

There were no changes made in this department at this time.

Council reviewed the Washington Tourism Development budget with Lynn Lewis, Tourism Development Authority Director.

Councilman Woolard asked Ms. Lewis what was TDA paying back to the City, and she answered \$68,000. Councilman Jennings asked what are the annual property taxes and Ms. Lewis said \$242,000 and they keep 3%.

Councilman Jennings asked for a report on the Revenues at the Civic Center, of which Ms. Lewis provided before she left the meeting.

There were no changes made in this department at this time.

Library

Gloria Moore, Library Director, acknowledged contributions from Friends of the Library.

Council reviewed the Library proposed budget with Gloria Moore, Library Director. Ms. Moore explained to Council the need of adding one part time employee. Ms. Moore and Mr. Smith spoke on the estimates she received on replacing the roof.

Councilman Jennings stated the Library should be top line and we need more revenue in the Library account. It is clear the County does not want to help us with the Library.

Council requested an increase of \$40,000 for the roof and \$8,000 for the study into Capital Outlay.

PUBLIC HEARING ON THE PROPOSED FY 08-09 BUDGETS

Mayor Jennette stated this is a public hearing.

In the standing-room only meeting, Mayor Jennette asked for a show of hands on the citizens here to speak for the pool. Mayor Jennette informed the public that this was just a rumor, the Council voted unanimously to keep the pool open which resulted in applause from the audience. Mayor Jennette also informed the audience that it costs the City \$380,000 a year to operate the pool, but it generates just \$90,000 in revenue. Mayor Jennette said she would hope everyone would recognize the deficit and not be opposed to changing the fees. Many of the people who attended the hearing to show their support for keeping the pool open indicated they would not be opposed to an increase in pool fees. Many in the audience voiced having Beaufort County help pay to operate the pool, Mayor Jennette suggested they go over to the Beaufort County Board of Commissioners' public hearing and let them know how they felt. Also, there was a turn out number in the audience to support the Grace Martin Harwell Senior Center in the Peterson Building. Mr. Bob Hudson opened the discussion on the

behalf of the Senior Center and stated a petition was signed and available for Council to keep the Senior Building opened. Mayor Jennette and Council made it clear that nothing was going to happen there either. The Council stated that looking at this site for restrooms and showers to serve the public and boaters had not been seriously considered and are no longer on the table. The question was again raised if the County and the City could collaborate in the maintenance of these establishments since it was enjoyed by all. Mayor Jennette said we would welcome any kind of support from the County.

The names of the citizen that submitted their names in favor of the Aquatic Center and the Grace Martin Harwell Senior Center are listed below:

Phil and Jean Becker
Martha Baynor
Rebecca Jones
Bob Hudson
Don Kennedy
Marsha Wify
Barbara Dunn
Arnold Penhollow
Alan Shaffter
Doris and Robert Emer
Peggy Cohn
Diana Mathiesen
Richard Young
Ann Nisbitt
Luella Ellis
Ryan Nielsen

Petition for the Senior Center will be kept in the City's Clerk office.

Mr. Gary Tomasulo spoke to the line item for DWOW and stated in the past four years, over \$450,000 had been given to this organization between the City and the County. Mr. Tomasulo expressed his feelings concerning DWOW and feels the City need to cut their strings and cut them now. Mr. Tomasulo suggested the following things could be done with the money:

- New person in the Planning Department for the Central Business District
- \$60,000 placed in a façade grant
- Bathroom on the Waterfront should have showers installed
- Give the money to the Downtown Merchants

Mr. Tomasulo also had one other issue and that was the 401K for City employees. City employees are the heart and soul of the City and we need to keep them healthy and happy. Mr. Tomasulo asked Council to reconsider, if possible, not to take away the 401K from the employees; you need to find another way.

Councilman Jennings pointed out to Mr. Tomasulo that the 401K had not been taken away; all Council asked for was how that money was allocated. Mayor Jennette asked the Manager if he would also clarify the line item for DWOW. Mr. Smith stated DWOW is not asking for any operating money this year, they have only asked to do the alley between Market Street and the Parking lot. Mr. Tomasulo asked then why the \$60,000 was earmarked on their line item and not marked for alleys. Mr. Smith stated on DWOW board you have the Chambers, the Merchants, the Historic Foundation, a lot of the organizations that support the downtown and the consensus of all of those organizations was to have the alley improved. Mr. Smith stated given the shortfall of funds in this year's budget they felt by getting all of those organizations working together they would be able to get the alley done.

Mayor Jennette closed the public hearing.

Council convened for a break and reconvened at 7:20 p.m.

BUDGET WORKSHOP CONTINUED

Planning and Development

Council reviewed the Planning and Development proposed budget with Bobby Roberson, Planning and Development Director. Mr. Roberson stated he had met the Manager's projected budget and the only thing different is under Capital Outlay to replace laptop computer and printer.

Councilman Woolard asked Mr. Roberson how many projects are given during the year for his department to keep up with. Mr. Roberson stated approximately eight. Councilman Woolard also asked Mr. Roberson how did it worked when his office had Inspections. Mr. Roberson stated the record speaks for itself, in less that seven (7) years all of their people qualified at the highest level, he had three (3) Inspectors and they all were at a level five (5).

Councilman Davis asked Mr. Roberson how he felt about Inspection being under his department. Mr. Roberson stated he would ask direction from the Manager on that, he reports to him and he doesn't think it would be fair to the Manager. He is a big supporter of the City/Manager form of government. The manager knows what his position is and he understands this is a critical time; he will depend on the Manager to make that decision. Mr. Smith agreed we need put the 3rd position back.

Councilman Jennings noted the challenge the City will have to replace Mr. Roberson at his retirement. Mr. Roberson stated that was the reason he had given Council and the Manager a year's notice. Mayor Jennette asked for Council to think it through because now would be the time to do it right since there will be reorganization in this department. Councilman Davis stated that Mr. Smith had been asked to put the Inspections back under Planning & Development and it had not been done. Councilman Jennings said that is the Manager's job and responsibility, to organize his department and that is where the accountability lies. If Council goes around moving departments, then Council becomes accountable for their performance. Councilman Jennings stated we would create a disaster if every time somebody wants something done in their department they would come to Council. Councilman Brooks stated this is what would be called micro management and we do not need to do that.

Council discussed the possibility of hiring an Engineer and agreed to leave it on the table for consideration.

There were no changes made at this time.

RECREATION DEPARTMENT

Council reviewed the Recreation Administration, Aquatic Center, Events and Facilities, Athletics and Programs, Senior Center, Parks and Grounds, and the Waterfront Docks proposed budget with Phil Mobley, Parks and Recreation Director. Mr. Mobley stated they did meet the numbers given to them by the Manager and it is bare bone now. Mr. Mobley stated it is the plan to raise the fees at the Aquatic Center. Also, they are looking at not having an Aquatic Supervisor but have two Aquatics Specialist instead; this is change the pay grade and save about \$12,000. Ms. Kristie Hardison may be assigned to supervise the pool.

Mayor Pro tem Mercer asked the degrees the water is kept at the pool and can it be lowered a couple of degrees. Councilman Jennings stated we need

more users of the pool and can we need to identify a group who can utilize the pool doing downtime.

Ms. Carolyn Everette stated the Senior Program Budget needs an additional full time person. They will only require \$5,000 from the City and they are applying for a grant from the State for \$50,000. Mr. Mobley said if they continue to receive the money from the State then they will have the position, if they don't receive the money the position will be eliminated. The full time person will help eliminate the part time position.

Mr. Smith said we are making money in the Waterfront Docks; a lot of improvements in terms of the way it is managed.

Mayor Pro tem Mercer requested an increase of \$2,000 put into the Waterfront Docks budget for a second water fountain. Council stated they would like to have a fountain on each end of the parkway.

There were no changes in the proposed budget for the Aquatic Center, Events and Facilities, Athletics and Programs, Senior Center, Parks and Grounds.

Council requested Mr. Mobley and Mr. Smith get some numbers on how much power is used in the Docks.

Mr. Smith read the resignation and release agreement for an employee from the Police Department.

Council agreed to discuss the contract for a minute clerk on June 2, 2008 continued meeting.

On motion of Councilman Brooks and seconded by Councilman Davis, Council unanimously adjourned the meeting at 8:55 pm, until June 2, 2008 in the Council Chamber at the Municipal building.

**Reatha B. Johnson
Acting City Clerk**