

The Washington City Council met in a continued session on Monday, August 25, 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; Gil Davis, Councilman; Jim Smith, City Manager; Reatha Johnson, Acting City Clerk; and Franz Holscher, City Attorney.

Councilman Archie Jennings arrived at 4:43 p.m. and was made a part of the minutes.

Also present were: Anita Radcliffe, Acting Finance Director; Allen Lewis, Public Works Director; Mick Reed, Police Chief; Bobby Roberson, Planning and Community Development Director; Philip Mobley, Parks & Recreation Director; Keith Hardt, Electric Director; Susan Hodges, Human Resource Director; Ray Midgett, IT 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 added two items to the agenda: Personnel update on City Clerk search and information on Taxi Cab fares, and change all other items accordingly.

On motion of Councilman Woolard, seconded by Councilman Brooks, Council unanimously approved the agenda, as amended.

### **UPDATE – CITY CLERK SEARCH**

Susan Hodges, Human Resources Director, updated Council on the City Clerk search. Ms. Hodges stated that interviews for three (3) of the candidates had been set for September 2<sup>nd</sup> beginning at 7:30 a.m.

Council has received the resumes of the top candidates tonight and she would like to emphasize they are confidential. When people apply for a job it is a personnel, confidential matter and the interviews will be conducted in closed session. Ms. Hodges is seeking Council's input because she wants the interviews to be productive and effective. This will allow Council to receive the information they want out of the interview. Ms. Hodges stated she is assuming Council would like her to develop some interview questions and an evaluation form for them.

Mayor Pro tem Mercer requested a copy of the present job description. It is his understanding that the position had been changed from Assistant to the City Manager to some other title, City Clerk. Ms. Hodges stated the title had not been changed. The Department Head status had been taken away and moved down one pay grade but nothing was changed in the description. Mayor Pro tem Mercer was under the impression that three (Councilman Davis, Mayor Jennette, and himself) had concurred the title should be changed. Mayor Jennette remembered he brought the subject up but no vote was taken to change it. Mayor Pro tem Mercer stated when the question was raised about the change in title the response they were given was the majority of Council had not responded. Mayor Jennette suggested this be discussed when they do the interviews because you need to know if the person can perform at the Assistant to the Manager level. Mayor Jennette pointed out that doing the preliminary interviews, the sub-committee felt the top candidates could function at this level but would like the whole Council's input to see if they want the person to take on this type of responsibility.

Mr. Smith stated he would like to mention they have completed the recruitment and application review for the Finance Director Position and will soon start doing telephone interviews.

#### **UPDATE – TAXI CAB FARES**

Mr. Smith asked Council to recall the gentlemen (Mr. Lucky Warren) that appeared before Council at the meeting held August 11, 2008. Mr. Lucky Warren asked Council for an increase in taxi cab rates. In the intervening period, a copy was pulled of the zone map and has been placed in front of Council. The map had three (3) zones. Zone 1 is the middle of the City, zone 2 has a couple of isolated incorporations adjacent to the main part of the City, and zone 3 is located on the west side and they are isolation annexations.

Mr. Smith stated, in looking at this, when zones were created, zone 1 was \$4.00, zone 2 was \$5.00, and zone 3 was \$7.00. However, the map that's been in use for an indefinite period has zone 1 & 2 both at \$5.00. Council approved a temporary increase for each zone by \$1.00, which was interpreted as \$6.00, \$6.00 and \$8.00, however; Council may want to go back and reconsider \$6.00, \$7.00, and \$8.00 as the 3 zones. Mr. Smith recommended going back and doing it by some descending scale.

Mayor Pro tem Mercer inquired of Mayor Jennette if she could recall why the zones only included the incorporated area of the City. Mayor Jennette remembered Ms. Carol Williams bringing a map of zones, and evidently had discussed it with the Taxi cab drivers and they were all in agreement everything in the City limits should be \$5.00 per fare. Mayor Pro tem Mercer stated it appears to him if we are going to do zones, the zones should incorporate those areas adjacent to town. He can't see leaving Washington Park, Beaufort Heights, Rosedale, or Tranters Creek Estates open to any rate rather than a fixed rate in a zone. Mr. Keith Hardt shared a discussion he recalled took place in 2004 stating you can only regulate the rate within your City limits. Mr. Smith asked Mr. Holscher, before any action is taken, to look at it and see whether the County has any authority.

Mayor Jennette inquired if we were taking action on this at the regular Council meeting and Mr. Smith responded yes. Mr. Smith asked if he could get a consensus tonight on the direction Council would like to go, three different rates or two. Council agreed on two zones with two rates and go up \$1.00 per zone. Pink and Green will be zone 1 and the blue will be zone 2.

#### **UPDATE – COLOR CODED MAP OF HAVEN'S GARDEN PROJECT**

Mr. Lewis updated Council on the map they had in front of them. Mr. Lewis said he took a copy of an older map in his office and basically the top sketch showing the bridge in relationship to the roadway had not changed. There is two twelve foot travel lanes, two six foot bike paths (which will be asphalt), and a 5 ½ foot concrete sidewalk on either side.

Councilman Davis inquired if he was talking about a 47 foot bridge altogether and Mr. Lewis responded yes. Councilman Davis asked if it was going to be wider than the present bridge and Mr. Lewis said "yes". Councilman Davis wondered how much clearance would be underneath the bridge and Mr. Lewis said it was the same thing they were told a year or two ago, about two foot of vertical clearance. That is what is there now.

Mr. Smith and Council had a question concerning a floating walkway under a bridge. Mr. Lewis stated the picture was of a boardwalk underneath the bridge. Mr. Mobley, one of two members of the Recreation Advisory Board, and himself are meeting with Mr. Ed Eatmon at Haven's Garden about the possibility of a pedestrian under path. Councilman Jennings stated something like a floating

walkway will be accessed on the South west bank (kind of a rip rap shoreline) and Mr. Lewis responded yes. Councilman Jennings asked since the bridge is wider will it encroach upon that existing bulkhead. Mr. Lewis asked Council to recall when Mr. Eatmon addressed Council month before last and stated there will be more fill there than there is now. Mr. Lewis pointed out this means that area will naturally be wider and as far as any floating walkway he seriously doubts DOT will allow it. Mr. Smith said they were talking about a floating walkway. They were looking at options. Mayor Jennette said the one at Swansboro can't move but it is occasionally under water. Councilman Jennings stated so you can't use it in high water and the answer was yes. If anything like that is available to us and with the widening of the bridge, will we be able to deal with the concrete rip rap. Mr. Lewis stated if he had to guess the design would be the same or similar but if they allow for some sort of underpath, he assumes it would probably be the same because it is cheaper for DOT. A staff member met with Mr. Lewis this morning and stated if there is any type of pedestrian underpath allowed under that bridge then any maintenance or cleaning would be the City's responsibility.

Council had several other questions for Mr. Lewis and he responded the best he could according to the knowledge he had on the issues.

Mr. Lewis asked to take this opportunity to update Council on a price quote for Hodges Avenue from 264 all around to Quail Ridge Apartment complex. The ball park figure is \$250,000 - \$275,000. Mayor Jennette stated in speaking with Rev. David Moore one day last week, he informed her that he had spoken with Mr. Bobby Roberson and indicated they could apply for CDBG money that would be available. Councilman Jennings inquired on a ball park figure for completing Page Road. Mr. Lewis couldn't remember but felt that would be a project DOT would fund if there is right-of-way through there. Mayor Jennette recalled it being about \$300,000. Councilman Jennings asked to receive a ball park figure on it. Mr. Smith recalled the difficulty in getting the State to pay for it was because half of the benefit would go to a private land owner. Mr. Lewis said the Manager was right about that, the State is not supposed to use funds to help a private developer.

#### **REVIEW – PRIVILEGE LICENSE ANALYSIS AND DISCUSSION**

Mr. Smith stated they had created a model for privilege licenses and ran a number of scenarios. There was an analysis placed in front of Council that consisted of thirteen pages and he would like to indicate what is on the spreadsheet. Mr. Smith explained the worksheet by first stating Council will see vendors who filed or did not file a report. Those who show 0.00 gross receipts either went out of business or did not file a report and if you do not file a report you receive a bill for the maximum amount. Mr. Smith explained the columns as follows:

Second column –	the type of business that each one represents
Third column –	gross receipts reported
Fourth column –	represents current fees that was set during the budget
Fifth column –	represents the old rate (2007 rate)
Sixth column –	\$1,000 maximum for all businesses except service
Seventh column –	\$1,000 maximum for all businesses
Eight column –	\$1,500 maximum with a \$1,000 on service
Ninth column –	\$1,500 maximum with a \$500 maximum for service
Tenth column –	\$1,750 maximum with a \$500 maximum for service

Mr. Smith recommends two of the options reported on the spreadsheet. The first one, Mr. Smith recommends going with either the \$1,500 maximum with the \$1,000 for service businesses. Mr. Smith said when this was last discussed, there was a lot of questions about why the difference (why \$2,500 for some and \$500 for others). If Council adopts or agrees to this recommendation there are

about fifteen businesses that were billed at the \$500 level and he doesn't recommend we go back and re-bill those people at a \$1,000. That would cost the City about \$5,000 in lost revenue but we will still take in about \$200,000 and this will take in the amount of money in the budget.

The second option Mr. Smith recommends if there is a reason for keeping the service business at \$500 is the last column, which provides a \$1,750 maximum for manufacturing, retail, and wholesale.

Mayor Pro tem Mercer inquired if Mr. Smith had done any projections regarding the number of firms that have not reported gross receipts but have been billed the \$2,500. How many will drop substantially and how many firms will be left paying \$2,500 max and truly deserve to pay that \$2,500? Mr. Smith stated we don't have a good number for that, but they did look at the \$2,500 match. It will theoretically produce \$275,000 and we would write off the \$75,000. There are a fair number of those firms who would not pay the \$2,500.

Councilman Jennings stated when this initially became an issue he was told that the move to the maximum resulted in a ball park figure of \$100,000. He was shocked that there were fifty firms within the City limits that were maxing out but now we know that is not necessarily the case because some have not reported yet. Councilman Jennings appreciated the spreadsheets because it gives Council something to go by, but when we first made this change, we were trying to create some equity on the maximum end. If we need to pursue that further, then Council needs more than one strategy. He does not feel good about this at all.

Mayor Pro tem Mercer asked does a firm get billed more than once and Mr. Smith said "no". Mayor Pro tem Mercer asked why he sees firms listed twice with different numbers. Ms. Radcliffe explained that is where a customer has to pay for both a wholesale and retail license.

Councilman Jennings asked that Council receives a copy of the statute and Councilman Jennings suggested several ideas to make it cross productive other than a levied fee. Mr. Smith stated the City pays the Chamber about \$3,000 and Councilman Jennings stated a lot of times when we run into these problems, people will ask to find out what is being done in other communities. Councilman Jennings said this is nice to know but they are not making the City's decision and Mayor Jennette stated one of the problem is they are all doing something different. Councilman Jennings said when some communities are not charging at all, what is the City providing of additional value for that fee? Mr. Smith stated the City does provide higher level of Police and Fire services (Chocowinity, etc.). Mayor Pro tem Mercer agreed with Councilman Jennings and stated he would like to see the statute of what we can and can't charge for. Also, there were four gentlemen who appeared before council and stated the rate was too high and yet those firms are among the ones that have the highest sales reported on this report. He has not heard anyone downtown to come in to say a word about the fees. He concurs that it is a substantial jump but you have to be making sales in excess of \$3,300,000.00 before you trigger the max. When you look through the list there are about one dozen firms and the percentage of the dozen firms is less than .08 hundreds of a percent of their sales; whereas the one that is paying \$50 on the \$25,000 is 2/10 of a percent. If it is going to be equitable let's charge everyone to 2/10 of a percent and let's see how many people are up here in a line; or lets drop everybody back to .05% and see how many applauses we receive.

Councilman Jennings said they addressed this at the EDC meeting today. If we have a firm that employs hundreds of people and an increase of the magnitude that Mayor Pro tem Mercer is referring to is a big issue, then Council needs to know about that because that is not a lot of money in the scheme of things.

Councilman Jennings inquired if this information had been given to the Chamber and Mr. Smith responded yes and he also met with Catherine Glover.

Mayor Jennette asked Council if they would like to review this at the September meeting or October. Council agreed to review this at the regular meeting and have updates at the Committee of the Whole meeting on September 8, 2008.

**FYI – LETTER FROM CHRIS FURLOUGH**

Mr. Smith stated Mr. Furlough had concerns about any connection to that line would diminish his capacity. Mr. Smith stated that wasn't true and we can't see any possibility of any connections being made. Mr. Furlough wanted to express his concerns and Mr. Smith asked that he give Council a letter. Mr. Smith stated the contract has already been signed.

**CLOSED SESSION – UNDER G.S. 143-318.11(a)(6) PERSONNEL**

On motion of Councilman Woolard, seconded by Councilman Davis, Council unanimously agreed to go into closed session under G.S. 143-318.11(a)(6) Personnel.

On motion of Councilman Woolard, seconded by Councilman Jennings, Council unanimously agreed to come out of closed session.

**EXTEND THE MEETING**

On motion of Councilman Woolard, seconded by Councilman Davis, Council unanimously agreed to extend the meeting until 6:30 p.m.

On motion of Councilman Woolard, seconded by Councilman Davis, Council unanimously agreed to go into closed session under G.S. 143-318.11(a)(6) Personnel.

On motion of Councilman Woolard, seconded by Councilman Brooks, Council unanimously agreed to come out of closed session.

At 6:30 p.m., on motion of Councilman Davis, seconded by Councilman Woolard, Council unanimously adjourned the meeting until Tuesday, September 2, 2008 at 7:30 a.m. in the Council chambers at the Municipal Building.

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**Reatha B. Johnson  
Acting City Clerk**