

The Washington City Council met in a regular session on Monday, February 9, 2009 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 B. Johnson, Assistant City Clerk; and Franz Holscher, City Attorney.

Councilman Archie Jennings arrived at 4:50 p.m. and was made a part of the minutes.

Also present were: Anita Radcliffe, Acting Finance Director; Jimmy Davis, Fire Chief; Allen Lewis, Public Works Director; John Rodman, Planning Administrator; Philip Mobley, Parks & Recreation Director; Mick Reed, Police Chief; Keith Hardt, Electric Director, Gloria Moore, Library Director; Ray Midgett, IT Director; Mike Voss, of the Washington Daily News; and Jay Niver with Beaufort Observer.

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

APPROVAL/AMENDMENTS TO AGENDA

Mayor Jennette added item V1. A. 12. Old Business - Discussion of Outstanding Debt Collection Resolution and approve refunds for all categories of fees that were waived, and added Adrian Solomon under Special Appearance – Update Council on the Trapeze School. Mayor Pro tem Mercer requested item V1. A. 5., V1. A. 6. V1. A. 7, and VI. B. 3. be moved to the Consent Agenda as item D, E, etc. and item I. D. on Consent Agenda moved to Old Business as item V1. A.11. Councilman Davis requested by suggestion of the Attorney to include Potential Acquisition of Real Property: Property located on Springs Road & owned by Ms. Annie Mayo under Closed Session G.S. 143-318.11(a)(5) and Councilman Jennings requested item V1. A. 10 be moved to Closed Session under G.S. 143-318.11(a)(5) Potential Acquisition of Real Property: Lots owned by First Presbyterian Church on Respass Street. Franz Holscher, City Attorney, requested to add ‘Special Warranty Deed’ on item V1. A. 6. with this request, Council agreed to keep item V1. A. 6. and V1. A. 7. under Old business for discussion.

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

APPROVAL OF MINUTES

On motion of Councilman Woolard, seconded by Councilman Davis, Council unanimously approved the minutes of January 12, and January 26, 2009, as submitted.

Mayor Pro tem Mercer commended the City Clerk, Cynthia Bennett for the compression of minutes.

CONSENT AGENDA

On motion of Mayor Pro tem Mercer, seconded by Councilman Woolard, Council unanimously approved the consent agenda, as amended.

- A. Adopt – Revised Grant Project Ordinance For The CDBG Grant #08-C-1812 To Include Administration (\$7,500)

**AN ORDINANCE TO AMEND THE PROJECT ORDINANCE OF THE CITY OF
WASHINGTON, N.C. FOR THE FISCAL YEAR 2008-2009**

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

Section 1. That account number 57-60-4930-0405, Planning portion of the CDBG Grant Project Fund appropriations budget be decreased by \$7,500 to provide funds for City administration costs.

Section 2. That account number 57-60-4930-0410, Administration -City portion of the CDBG Grant Project Fund appropriations budget be increased by \$7,500 to provide funds for City administration costs. .

Section 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 4. This ordinance shall become effective upon its adoption.

Adopted this the 9th day of February, 2009.

s/Judy M. Jennette
JUDY M. JENNETTE
MAYOR

s/Cynthia S. Bennett
CYNTHIA S. BENNETT
CITY CLERK

B. Accept – Bill & Melinda Gates Opportunity Online Hardware Grant & Friends Of Brown Library 25% Required Match And Adopt Budget Ordinance Amendment (\$7,800)

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF
WASIDNGTON, N.C. FOR THE FISCAL YEAR 2008-2009**

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 \$7,800 in the account Library Grant -Bill Gates Foundation, account number 10-40-3610-3300.

Section 2. That account number 10-40-6610-7400, Capital Outlay, Library Department portion of the General Fund appropriations budget be increased in the amount of \$7,800 to provide funds for purchase of computer equipment.

Section 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 4. This ordinance shall become effective upon its adoption.

Adopted this the 9th day of February, 2009.

s/Judy M. Jennette
JUDY M. JENNETTE
MAYOR

s/Cynthia S. Bennett

**CYNTHIA S. BENNETT
CITY CLERK**

- C. Adopt – Resolution By The City Of Washington City Council For Veteran Government Bond, Stamp And Coin Program

**RESOLUTION BY THE CITY OF WASHINGTON CITY COUNCIL FOR
VETERAN GOVERNMENT BOND, STAMP AND COIN PROGRAM**

WHEREAS, the nation is blessed with men and women who voluntarily swear an oath to defend the Constitution of the United States of America against all enemies, foreign and domestic;

WHEREAS, these men and women make great personal sacrifices in the name of our Constitution thereby ensuring the perpetuation of our individual liberties;

WHEREAS, these same men and women voluntarily make great personal sacrifices to carry democracy and extend the freedoms we enjoy to the underprivileged of the world;

WHEREAS, some of these men and women will incur great personal hardships and catastrophic injury in the performance of their duties;

WHEREAS, we feel duty bound to honor, support, and provide relief to these warriors, and their families.

NOW, THEREFORE, BE IT RESOLVED, that the City Council of the City of Washington does hereby resolve its total and unequivocal support of an initiative implementing a new government bond, stamp, and coin program, the proceeds from which shall be used exclusively for those warriors and their families who have bore the brunt of preserving our freedoms and extending those freedoms throughout the world.

This, the 9th day of February ,2009.

s/Judy M. Jennette
**JUDY M. JENNETTE
MAYOR**

s/Cynthia S. Bennett

**CYNTHIA S. BENNETT
CITY CLERK**

- D. Adopt – Budget Ordinance Amendment To Appropriate Funds For The Relocation Of The Wastewater Discharge Line From The Washington Regional Water Treatment Plant

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF
WASHINGTON, N.C. FOR THE FISCAL YEAR 2008-2009**

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

Section 1. That the Estimated Revenues in the Water Fund be increased in the amount of \$39,135 in the account Fund Balance Appropriated, account number 30-903991-9910.

Section 2. That account number 30-90-8140-1600, Maint/Repair Equipment, Water Maintenance portion of the Water Fund appropriations budget be increased in the amount of \$39,135 to provide funds for relocation of lines.

Section 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 4. This ordinance shall become effective upon its adoption.

Adopted this the 9th day of February, 2009.

s/Judy M. Jennette
JUDY M. JENNETTE
MAYOR

s/Cynthia S. Bennett
CYNTHIA S. BENNETT
CITY CLERK

E. Award – Audit Contract for Fiscal Year 2008-2009

(Copy of letter in folder)

**MR. GEORGE SCHRYER – REQUEST WITH THE VIETNAM MOVING WALL
PROJECT**

Mr. George Schryer, Retired Air Force Senior Master Sergeant and the District 2 commander of the North Carolina Veterans of Foreign Wars, is here representing the Red Brinson Washington Memorial VFW Post 6088 on River Road. He is requesting funds to help with moving the Vietnam Moving Wall Project to Washington. The Memorial honors the 58,000 men and women who lost their lives during the Vietnam War. The wall is also a tremendous tourist attraction, so it is expected that the community/merchants will benefit from this as well. Mr. Schryer is hoping that the City of Washington would become a co-sponsor to this event and has asked Jim Smith, City Manager, to be the co-chairman.

Cost: \$8,000 to \$9,000

\$5,000 to Vietnam Wall Memorial fund

Defray cost of upkeep of the panels etc.

\$1,000 for salary of two members of VVMF

\$100 per day per person X 5 days

\$1,000 Hotel accommodations for the two members of VVMF

Est. \$100 per night per person X 5 nights

Arrive on Wed. night and leave on Mon

\$1,000 Misc, Advertisements, etc.

The project's trigger point is reached when pledges reach \$6,000, and Mr. Schryer stated when that happens, an account for the project is established and plans finalized.

Mr. Schryer stated the committee has raised \$3,000 and hopes the City and County will pledge \$2,000. He stated Washington's Veterans Park meets all the requirements establish by the VVMF and they have been given the specific date of May 7, 8, 9, of 2010.

Mayor Jennette applauded Mr. Schryer for bringing all of this together; adding that bringing the replica to Washington is something the City has wanted to do for a long time. She stated this amount will be considered during the budget discussion.

**CAPTAIN LARRY WILLIAMS – SEA\\TOW PAMLICO SOUND
PRESENTATION**

Captain Larry Williams with Sea\\Tow Pamlico Sound discussed the proposal that was put forth to the City through Parks and Recreation. He stated they are interested in docking one of their boats along the Washington waterfront. In doing so, they would like to provide a wide variety of services- namely: fuel spills, breakaway vessels (Maritime law gives them authority to get that vessel under control), debris removal, adverse weather preparations, vessel communications and inspections of mooring ball and anchoring procedures. Mayor Jennette asked if they were certified to clean up these spills and Captain Williams said 'yes'.

Councilman Jennings stated he would like to find a way to structure the agreement and having Sea\\Tow in the Harbor would add some credibility and safety features. Mayor Jennette agreed but wanted to make sure all legal bases are covered. Franz Holscher suggested the City may want to consider a lease instead of a contract. The lease could restrict the relationship of Sea\\Tow leasing that space. Mr. Smith suggested Captain Williams, Phil Mobley, and himself meet to discuss a workable solution. Mr. Holscher said he would like for one feature of the lease to state the City has the ability to locate the boat anywhere in the facility they see fit based on other tenants (a space will be provided but the space may change).

Mayor Pro tem Mercer suggested a one year lease instead of three years initially. Mayor Pro tem Mercer inquired as to the size of the boat and Captain Williams stated it would either be 22' or 26'. Councilman Davis asked if Captain Williams had given a presentation to the Recreation Advisory Committee and Ms. Teresa Hamilton said "no" it will be presented at the next meeting.

MR. CALVIN BROWN – CEDAR HILL CEMETERY

Mr. Brown called and stated he would not be able to attend.

MS. ADRIAN SOLOMON – TRAPEZE SCHOOL

Ms. Solomon stated she had met with Bobby Roberson and provided his office all the information that was required and everything on his end is complete. She has worked with the insurance on the proposed lease and it is ready to be signed once everything is done. They are currently working on the lease which will incorporate some of the Trapeze School needs and the City's needs; they are looking forward to having the lease approved.

Mayor Jennette stated Council had received a copy of the lease and it is for informational purposes only and will be acted on at the March 9, 2009 meeting. Ms. Solomon stated this would delay their starting date and asked Council to consider expediting the process. Council agreed to have a Special meeting on February 26, 2009 to make a decision on the lease agreement.

ECONOMIC DEVELOPMENT COMMISSION

Councilman Jennings reported the Brownfields permit has come back for Hamilton Beach and they are now looking to iron out the financing. Also, a couple of interesting alternative energy type projects are on the drawing board.

TOURISM DEVELOPMENT AUTHORITY

Mayor Jennette reported the Tourism Development Authority had approved and adopted Judy Randall's plan. Ms. Randall will be doing a

presentation at the Committee of the Whole. Mayor Jennette noted that Tourism Development Authority voted to move their regular meeting day from the 2nd Wednesday of the month at 9:00 am to the 3rd Wednesday at noon.

HUMAN RELATIONS COUNCIL

Mayor Jennette reported the HRC met last month and discussed the bus station and thought they had a solution. The bus staff did not want to put it where they had recommended and we are back to square one. Rev. Moore is trying to find another location.

DOWNTOWN WASHINGTON ON THE WATERFRONT

Ross Hamory, President of DWOW, noted there was nothing to report at this time.

CITIZENS FOR REVITALIZATION

Mayor Pro tem Mercer stated they met last Tuesday afternoon and had a very productive session. Another meeting has been scheduled for Tuesday, 2-10-09 at 3 pm.

WARREN FIELD AIRPORT

City Manager, Jim Smith noted all the runways had been swept and this made a big improvement. Fueling facilities are out and bids are due at the end of the month. There is a remote chance the City may be able to get some Federal support with the Economic Stimulus Bill.

Councilman Woolard inquired if all the hangars had been leased and Mr. Smith stated 'yes' they had all been leased but he understands one person out there does not have a plane. Mr. Smith stated they will need to get to the bottom of that and this lease may have to be relinquished.

ANNEXATION REPORT

Mayor Pro tem Mercer stated there is an agenda item on this later.

HAVEN'S GARDEN REPORT

Parks and Recreation Director, Philip Mobley stated we have two categories: 1.) Meeting next Monday with the Recreation Advisory Committee and will come to Council in March with a recommendation (Councilman Jennings inquired if there would be a place for the citizen input on the design and Mr. Mobley said 'yes'). Councilman Jennings asked if this could be a public hearing and Mayor Pro tem Mercer suggested making it a public hearing so Council can here the comments. 2.) The meeting that was held today at DENR (pertaining to the walkway under the bridge on highway 32) with DOT, CAMA, Water Quality, Bill Foreman and board members from Recreation Advisory Committee was very productive. The main discussion was to make sure the walkway is out of the water enough and that there isn't a problem with boats as well as the height of the bridge. Also, make sure the 14 piles are in when the bridge come out. Mr. Foreman will get back in touch with Mr. Mobley this week to say what the cost will be. Councilman Brooks asked for the total pilings and Mr. Mobley stated Councilman Davis has a copy of what is proposed but it will change.

Mayor Jennette said they received a letter from DOT stating they will let these contracts in March and will work with the City as long they are not held up. She inquired if the CAMA permit included the entire walkway and Mr. Mobley stated it included the entire walkway from the Northside to the Southside.

Councilman Jennings suggested keeping NC Wildlife up to speed on this project. Mr. Mobley stated they had been in contact with them heavily and he will also talk to them about the no-wake area. Mr. Mobley acknowledged Allen Lewis and the Public Works department for the tremendous amount of help they have given.

HARBOR MANAGEMENT REPORT

Bill Sykes noted there was nothing to report at this time.

FINANCIAL REPORTS

Anita Radcliffe, Acting Finance Director, stated the spreadsheets had been updated from the most recent information available (December). Ms. Radcliffe pointed out and explained the change she made in presenting the fund balance appropriations.

Ms. Radcliffe answered Mayor Pro tem Mercer's question concerning the electric fund transfer (waiting to do the entry after the adoption of the budget ordinance tonight) and the question from Councilman Woolard concerning fuel sales at the airport.

APPOINTMENTS

Fire Chief, Jimmy Davis explained that the General Statute requires City Council to appoint two members to the board. Mr. Fred Watkins has been in this position for a long time but is still willing to serve unless Council has a request to appoint someone else.

On motion of Councilman Davis, seconded by Councilman Woolard, Council unanimously reappointed Fred Watkins to the Firemen's Relief Fund, term to expire January, 2011.

Mayor Pro tem Mercer requested in the future to follow standard procedure and advertise when there is an appointment to be made. Council needs to have some selectivity. Councilman Jennings agreed and stated Council had been given the information he requested and that will give them advance notice as to which positions will require appointments and how long the current appointees have served.

Council discussed the resignation of Mr. Bobby Roberson from the Washington Housing Authority Board. Council agreed to advertise for this appointment and it will be on the March agenda along with Mr. Roberson's resignation letter. At that time, they will accept Mr. Roberson's resignation and appoint someone to the board.

Mayor Jennette stated the Washington Housing Authority would like to turn in some names as well. Council liaison, Councilman Woolard, suggested he contact Mr. Marc Recko for any suggestions the Housing Authority has to fill these two positions.

AUTHORIZE DWOW – IN CONJUNCTION WITH THE LITTLE WASHINGTON SAILING CLUB AND THE NC ESTUARIUM, TO FILE A CAMA PERMIT APPLICATION

Dot Moate, representing DWOW, introduced Mr. Bill Walker who will take Council through the presentation. Mr. Walker stated Council had requested a letter of support from NC Estuarium and the letter is included in the package. Also, Pamlico Tar River Association, Washington/Beaufort County Chamber of Commerce, the Historic Downtown Washington Merchants Association endorses the "Little Washington Sailing Club".

Mr. Walker stated they would like to pursue a major CAMA permit that would allow them to put a platform at the Estuarium on which to store the boats. They have received a general permit from CAMA which allows them to operate the boats in the water.

Mayor Jennette understood that CAMA had stated they can only have five (5) boats and not six (6). Mr. Walker said that was correct, the area is designated for six (6) slips so if you include the Estuarium pontoon boat that leaves room for five (5) in the water at a time.

Mayor Jennette expressed concerns about volunteers running a project and once sees how much time it takes then they don't want to be there, "what assurances are we going to have that this is going to run smoothly?" Mr. Walker stated the members on this committee are very dedicated and committed.

Councilman Davis inquired as to the need for a major CAMA permit. Mr. Walker stated having the boats in the water constantly is a problem for the boats so they need to have a platform they can sit on when not in use and the platform is being donated free (there is no cost involved in this from the City with the exception of the permit fee). Councilman Jennings stated this is a decision by the Little Washington Sailing Club if they want to go to that extent, the City only asked to partner on the permit because it is the City dock.

On motion of Councilman Jennings, seconded by Councilman Woolard, Council unanimously authorized DWOW, in conjunction with the Little Washington Sailing Club and the NC Estuarium, to file a CAMA permit application to place a floating platform at the rear of NC Estuarium, between the existing pilings on the waterfront.

Councilman Davis expressed his reservations concerning the permit. Dot Moate explained why they had to apply for a permit on their own.

ACCEPT – RECOMMENDATION OF DWOW TO ALLOW APPROPRIATION OF \$15,000 FOR ALLEY IMPROVEMENTS

Planning Administrator, Mr. John Rodman stated due to the current economic trends members of DWOW felt that during this budget period the merchants within the central business district would be better served by reallocating the \$15,000 appropriation for alley improvements to the façade grant improvement program.

The city uses the grant program to encourage businesses to improve their buildings' appearances. The program is responsible for many of the downtown façade improvements. The program, which began in FY 91-92, awarded 143 grants totaling approximately \$256,660 through FY 07-08. The total cost of improvements made to the downtown properties during that period came to approximately \$1,164,784. There were no grants awarded in FY 03-04.

On motion of Councilman Davis, seconded by Councilman Jennings, Council unanimously accepted the recommendation of DWOW to allow the current appropriation of \$15,000 for alley improvements to be reallocated to the façade grant improvement program.

President of the Historic Downtown Washington Merchants Association, Gary Tomasulo and a grant recipient thanked DWOW for recommending the reallocation and the Council for approving it.

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF
WASHINGTON, N.C. FOR THE FISCAL YEAR 2008-2009**

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

Section 1. That account number 10-40-6170-9117, DWOW, Outside Agency Contribution portion of the General Fund appropriations budget be decreased in the amount of \$15,000 to provide funds for facade improvements.

Section 2. That account number 10-00-4400-6700, Transfer to UDAG Fund, Miscellaneous Non-departmental portion of the General Fund appropriations budget be increased in the amount of \$15,000 to provide a transfer of funds for facade improvements.

Section 3. That account number 67-60-3980-1000, Transfer from G/F, UDAG Fund appropriations budget be increased in the amount of \$15,000.

Section 4. That account number 67-60-8280-9700, Facade Improvements, UDAG Fund appropriations budget be increased in the amount of \$15,000 to provide funds for facade improvements.

Section 5. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 6. This ordinance shall become effective upon its adoption.

Adopted this the 9th day of February, 2009.

s/Judy M. Jennette
JUDY M. JENNETTE
MAYOR

s/Cynthia S. Bennett
CYNTHIA S. BENNETT
CITY CLERK

**AMEND – CHAPTER 11, SECTION 11-81 SUPERVISION OF WHARVES AND
DOCKS**

Parks and Recreation Director, Philip Mobley stated they are trying to put legislation in place for the area between the trestle and the bridge, from the shore on the Southside to the docks on the Northside would be supervised by the Parks and Recreation Department (the water itself).

The council-appointed Harbor Committee continues to fine tune a harbor-management plan, the draft is under review by City Council. Councilman Jennings said he's glad a "simple" solution was found, noting that an option included asking the N.C. General Assembly to authorize the City to regulate the use of its harbor.

Mayor Pro tem Mercer requested the following changes be implemented in the ordinance:

- Add five words behind supervision of, the five words are 'and subject to regulation by'
- Waterways should not be capitalized (Franz suggestion)
- Section 4. should be section 3. (Franz suggestion)

On motion of Councilman Jennings, seconded by Councilman Woolard, Council unanimously adopted an ordinance to amend Chapter 11, Section 11-81, to replace Supervision of Wharves and Docks of the City Code, as amended.

**AN ORDINANCE TO AMEND CHAPTER 11, PARKS AND RECREATION OF
THE WASHINGTON CITY CODE**

Section 1. That Chapter 11, Article IV. Section 11-81 be deleted and replaced in its entirety with the following:

Section 11-81 Supervision of Waterways, Wharves and Docks

The public waterways, wharves, and docks, within the city limits, shall be under the supervision of and subject to regulation by the Parks and Recreation Department.

Section 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 3. This ordinance shall become effective February 9, 2009.

This the 9th day of February, 2009.

s/Judy M. Jennette
JUDY M. JENNETTE
MAYOR

s/Cynthia S. Bennett
CYNTHIA S. BENNETT
CITY CLERK

**AWARD – CONTRACT FOR LABOR AND EQUIPMENT TO INSTALL FIBER
OPTIC CABLE**

IT Director, Ray Midgett stated they have a plan in place to put a Fiber Optic Data Network in the City. Mr. Midgett stated during the past budget process approximately \$55,075 was approved to do the first leg. The first leg was to be from City Hall to the Operation Center. Since then, several things have developed: new application at the Police Department and new application at the Fire Department and he feels it is a higher priority. In addition, deploying the network to these two locations realizes a reduce cost of approximately \$16,900 from the projected cost of installing fiber optic cable to the Operations Center.

Mr. Midgett stated this request is to award a contract for the labor and material to install fiber optic cable in the area of West Second Street, Respass Street and West Fifth Street.

Mayor Pro tem Mercer inquired how it was working today and raised several questions that Mr. Midgett answered. Mr. Midgett stated we are operating today across a wireless network link which is very slow and insecure. Mayor Pro tem Mercer asked Council to go back to the budget discussion and he feels this is an unbudgeted item.

On motion of Councilman Jennings, seconded by Councilman Woolard, Council awarded a contract in the amount of \$38,091.24 to E & R, Inc. to install fiber optic cable. Mayor Pro tem Mercer voted 'no' -motion carried by majority vote.

Council convened for a break and reconvened at 6 pm

COMMENTS FROM THE PUBLIC

President of the Historic Downtown Washington Merchants Association, Gary Tomasulo once again thanked DWOW for recommending the reallocation and the Council for approving the \$15,000 to the façade grant. Also, Mr. Tomasulo stated the Downtown Merchants are in favor of the sailing school.

AUTHORIZE – MAYOR AND CITY CLERK TO EXECUTE THE ATTACHED DEED FOR HIGHWAY RIGHT-OF-WAY WITH THE NCDOT FOR THE RUNYON CREEK BRIDGE REPLACEMENT PROJECT

City Attorney, Franz Holscher asked Council to give Allen Lewis or himself the authority to request NCDOT to accept a special warranty deed instead of a warranty deed due to some title issues.

On motion of Councilman Jennings, seconded by Councilman Brooks, Council unanimously authorized the Mayor and City Clerk to execute the attached Deed for Highway Right of Way with NCDOT for the Runyon Creek Bridge Replacement Project, as amended by the City Attorney.

(Copy of attached deed in folder)

AUTHORIZE – MAYOR AND CITY CLERK TO EXECUTE THE ATTACHED AGREEMENT FOR ENTRY WITH THE NCDOT FOR THE RUNYON CREEK BRIDGE REPLACEMENT PROJECT

On motion of Councilman Woolard, seconded by Councilman Jennings, Council unanimously authorized the Mayor and City Clerk to execute the attached Agreement for Entry with NCDOT for the Runyon Creek Bridge Replacement Project.

(Copy of attached agreement in folder)

ADOPT – RESOLUTION IDENTIFYING AREAS AS BEING UNDER CONSIDERATION FOR POSSIBLE FUTURE ANNEXATION

Planning Administrator, John Rodman presented the maps for possible future annexation and stated North Carolina State Law regarding annexation includes an option that the Planning Board or the City Council adopts a resolution identifying areas as being under consideration for annexation.

Mr. Rodman stated adoption of the attached resolution would maintain the Council's future ability to conduct a City-initiated annexation. However, adoption of this resolution does not require that the Council pursue a City-initiated annexation and the resolution of consideration remains in effect for two years.

The areas identified for possible future annexation:

1. John Small Avenue – Eastern Washington fringe; from intersection of Brick Kiln Rd east approximately 1.1 miles.
2. Honey Pod Farm – Honey Pod Farm Subdivision; between Brick Kiln Rd and Washington Park.
3. West 5th Street Area #1 – Western Washington; from the intersection of Cherry Run west to the intersection of Creekside Drive.
4. West 5th Street Area #2 – Western Washington; from the intersection of Creekside Drive west to the intersection Queen Street.

On motion of Councilman Jennings, seconded by Mayor Pro tem Mercer, Council unanimously adopted the Resolution of Consideration identifying areas as being under consideration for future annexation.

RESOLUTION OF CONSIDERATION

A RESOLUTION IDENTIFYING THE AREAS DESCRIBED HEREIN AS BEING UNDER CONSIDERATION FOR ANNEXATION AND NOTIFICATION TO CERTAIN PROPERTY OWNERS OF THEIR RIGHTS TO DELAYED ANNEXATION OF QUALIFIED PROPERTIES

BE IT RESOLVED by the City Council of the City of Washington that:

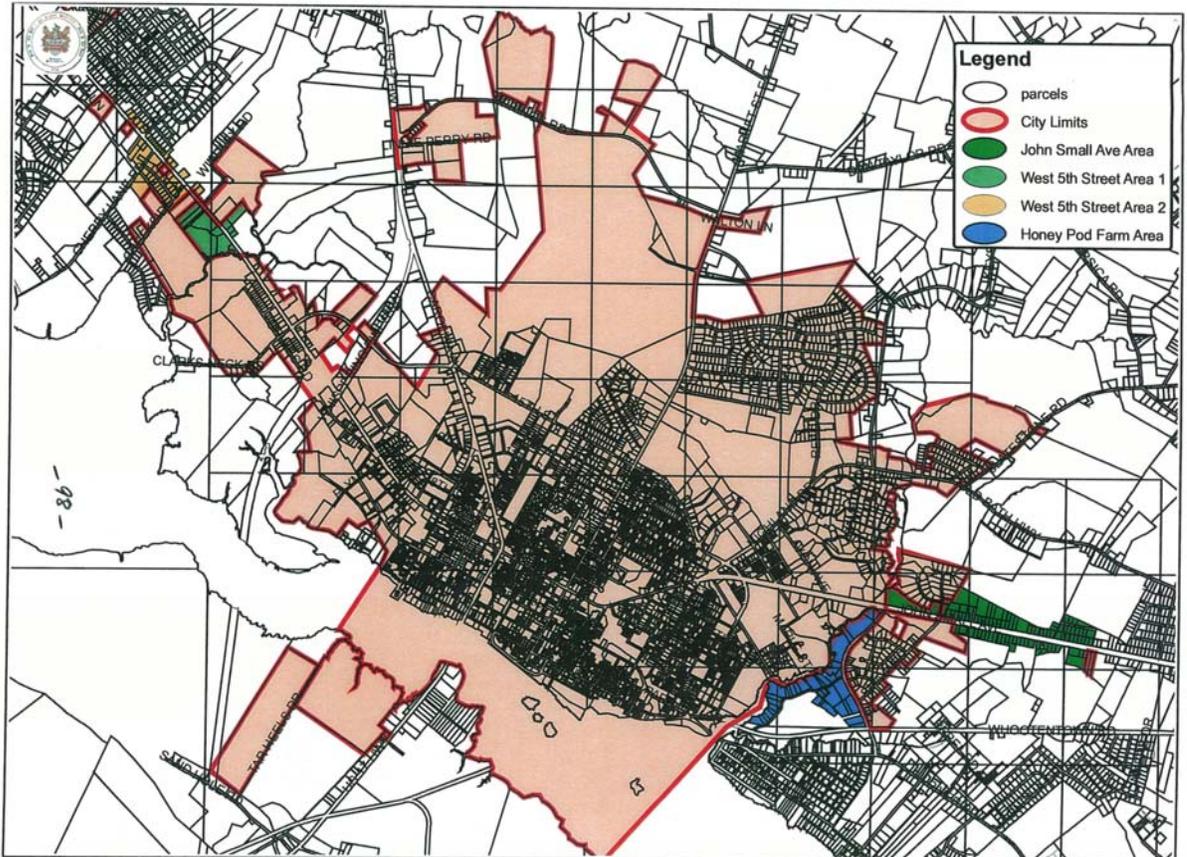
Section 1. Pursuant to G.S. 160A-49(i), the following described areas are hereby identified as being under consideration for future annexation by the City of Washington, under the provisions of Chapter 160A, Article 4A, Part 3 of the General Statutes of North Carolina:

Identification of Areas

	Area Name	General Location
1.	John Small Avenue	Eastern Washington fringe; from intersection of Brick Kiln Road east approximately 1.1 miles.
2.	Honey Pod Farm	Honey Pod Farm Subdivision; between Brick Kiln Road and Washington Park.
3.	West 5 th Street Area #1	Western Washington; from the intersection of Cherry Run west to the intersection of Creekside Drive.
4.	West 5 th Street Area #2	Western Washington; from the intersection of Creekside Drive west to the intersection of Cherry Run.

The attached maps are incorporated in this resolution by reference and further defines the areas described above.

Section 2. Owners of agricultural land, horticultural land and forestland within the areas under consideration for annexation as described in Section 1 above are hereby notified that they may have rights to a delayed effective date of annexation. G.S. 160A-49(f1) and (f2) provide that land being taxed at present-use value qualifies for delayed annexation, and land that is eligible for present-use value taxation but which has not been in actual production for the time required by G.S. 105-277.3 may qualify for delayed annexation by making application to the Beaufort County Tax Assessor for certification. For qualified tracts, the annexation will not become effective for most purposes until the last day of the month in which the tract or part thereof becomes ineligible for present-use classification under G.S. 105-227.4 or no longer meets the requirements of G.S. 160A-49(f1)(f2). Until annexation of a tract becomes effective, the tract will not be taxed by the City of Washington and will not be entitled to services from the City.



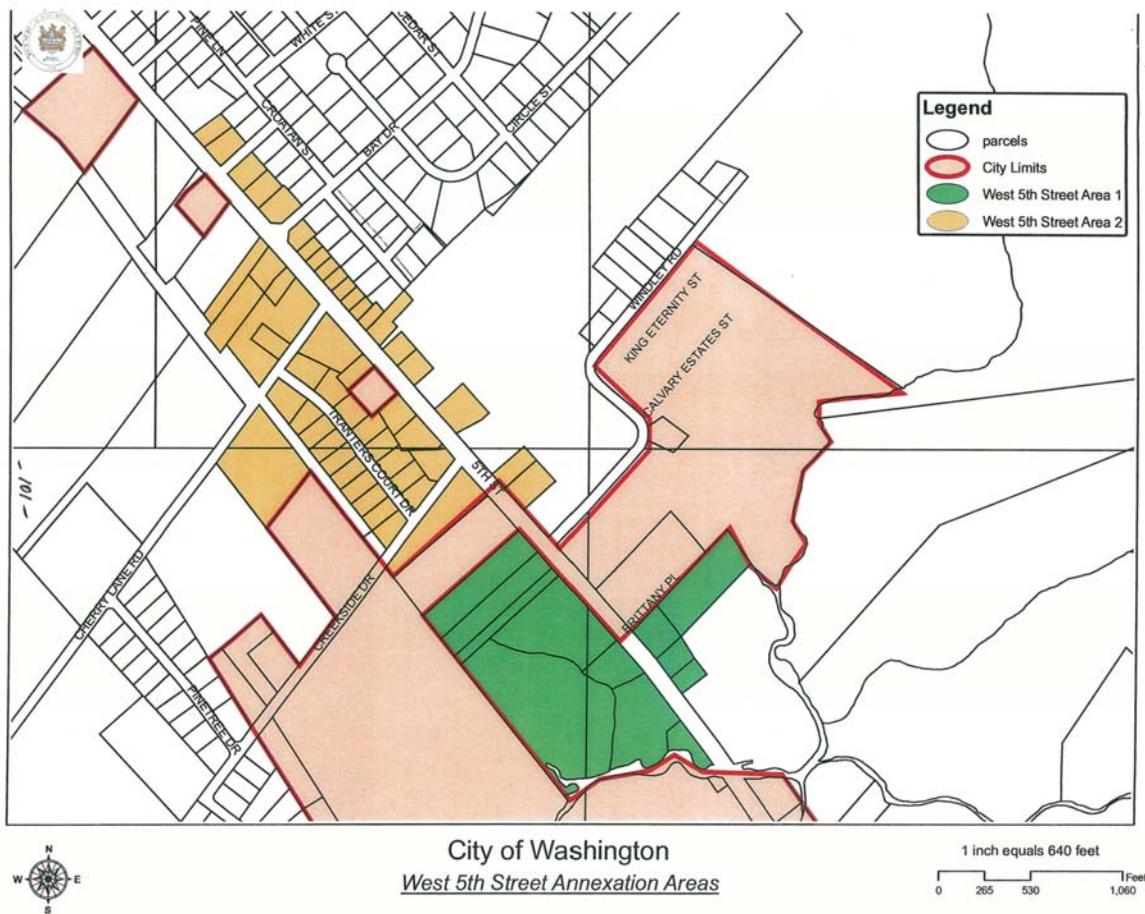
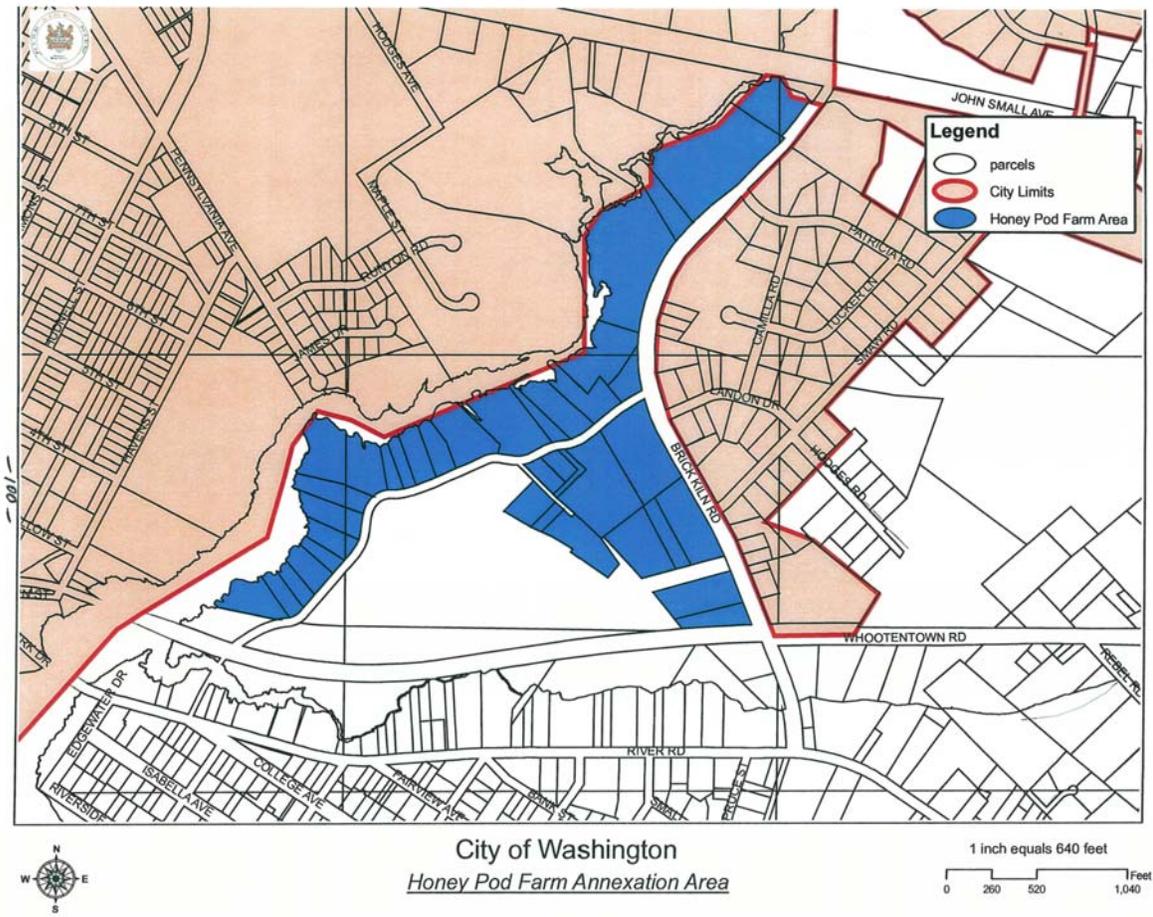
City of Washington
Annexation Areas for Consideration

1 inch equals 3,000 feet
0 1,250 2,500 5,000 Feet



City of Washington
John Small Avenue Annexation Area

1 inch equals 640 feet
0 260 520 1,040 Feet



Section 3. A copy of this resolution shall be filed with the City Clerk.

Section 4. This resolution shall remain effective as provided by G.S. 160A-49(i).

Adopted this 9th day of February, 2009

s/Judy M. Jennette
JUDY M. JENNETTE
MAYOR

s/Cynthia S. Bennett
CYNTHIA S. BENNETT
CITY CLERK

**ACCEPT – CLEAN WATER MANAGEMENT TRUST FUND GRANT
AGREEMENT APPROVAL**

Planning Administrator, John Rodman stated back in 2006 the city applied for and received a Clean Water Management Trust Fund Grant for the Barger property which is south of Highway 17 which contains about 114.88 acres. The total grant amount was \$60,000 and the price of the property was \$40,000. The City did receive a grant agreement from the Trust Fund but did not act on the agreement because we had other information about a couple of tracts they were discussing putting a Nature Park on.

Mr. Rodman said the Grant Agreement includes a conservation easement on two pieces of property. The properties are the Barger tract and the McMullan tract. A conservation easement on the McMullan tract valued at \$32,000 and a second conservation easement on the Barger tract valued at \$40,000. Councilman Jennings stated the easement is much larger than what the fund warrants.

The grant as currently written would allow the City to construct and maintain a wetland boardwalk area within the easements.

On the attached schedule Franz Holscher noted several things that should be changed (i.e. sub f. and g. under item 2 could be marked off).

On motion of Councilman Davis, seconded by Mayor Pro tem Mercer, Council unanimously agreed to instruct staff to go back to Clean Water Trust Fund to make a more viable agreement with them to see if we can get more funds or have less acreage that would have to be committed to the conservation easement and report back to Council. On motion of Councilman Jennings, seconded by Mayor Pro tem Mercer, Council unanimously amended the motion to include the various entities (all parties involved) working on the project.

City Attorney, Franz Holscher asked for clarification, "is the City talking about turning in this grant agreement and asking for a new one" and the answer from Council was 'yes'.

**UPDATE – PARAMORE AND WHICHARD PROPERTY, US HIGHWAY 17,
SOUTH**

Mr. John Rodman stated this concerns a zoning violation for several pieces of property in the ETJ with Mr. M.S. Paramore and Mr. Whichard. Mr. Rodman stated back in November the Planning Department sent Mr. Paramore a violation notice for the operation of a junk yard.

Mr. Paramore has removed some of the junk off of Mr. Whichards' property fronting on US17 and has begun installation of a fence. Mr. Rodman provided pictures of the property. Mr. Rodman said Mr. Paramore informed him he intended to have an auction to get rid of the larger items. At the last discussion held on January 22, 2009, Mr. Paramore asked for an extension on the time period expressing this was due to bad weather.

Councilman Davis noted it appeared to him that Mr. Paramore was putting a fence up but that he has had ample time to remove more of the items.

Mr. Franz Holscher stated there are three pieces of property that has been served with a notice of violation: Mr. Bobby Whichard, Mr. Mason Paramore and Ms. Rita Buck. We are talking about three owners, three parcels, and three violations.

Council unanimously agreed and instructed Mr. John Rodman to send Mr. Paramore a letter and stay with our policy. Mr. Paramore received his first letter November 10, 2008.

UPDATE – BEAUFORT COUNTY COOPERATIVE EXTENSION – MASTER GARDENER PROGRAM

City Attorney, Franz Holscher, stated the lease has been sent to North Carolina State Legal Department and certain Deans had to approve it. The Deans approved it and the Legal Department had some changes. Mr. Holscher stated he made most of those changes and some had to go back. He said the Lease should be before Council in March to adopt.

DISCUSSION - OUTSTANDING DEBT COLLECTION RESOLUTION AND REFUNDS FOR ALL CATEGORIES FEES THAT WERE WAIVED

Mayor Jennette stated the sub-committee had met a couple of times and they looked over what was out there. Recommendations are in the packet and letters are ready to send to various types of outstanding accounts. Based on the response, the decision will be made on how to schedule hearings for citizens to appeal.

Councilman Jennings stated his issue is that some citizens in the category where fees were waived paid their fees and he feels those fees should be refunded. Mayor Jennette asked if there were any idea of how many citizens we are talking about. Ms. Radcliffe didn't know right off hand. Mayor Jennette inquired as to how time consuming this project would be and Ms. Radcliffe said it would involve a great deal of time. Councilman Jennings said he appreciated this fact but felt it was the right thing to do.

Following discussion, on motion of Councilman Jennings, seconded by Mayor Pro tem Mercer, Council unanimously agreed to reimburse fees in the categories the committee had agreed to waive from the collection notice to date. Council also agreed that those same categories should be refunded.

ADOPT – BUDGET ORDINANCE AMENDMENT FOR THE ELECTRIC FUND AND GENERAL FUND (\$265,757)

Mayor Jennette stated this item was moved from the consent agenda for discussion. Mayor Pro tem Mercer said he requested the item moved so it could be voted on independently; no discussion is required. He felt this was a controversial item being there were a few hours discussion about those numbers (\$265,757) last month.

Ms. Radcliffe requested discussion on this item because Mr. Hardt found an error in the budget ordinance amendment. The original intent was for installment purchases to be deferred and the budget ordinance amendment before you remove them entirely. Ms. Radcliffe recommended striking out under section 1. the 'second line installment note proceeds' and leave this in the budget and also delete section 3. and section 4.

Councilman Woolard inquired if it would change the numbers and Ms. Radcliffe stated it would make section 1 total a positive \$1,888,743.

On motion of Councilman Woolard, seconded by Councilman Davis, Council adopted the budget ordinance in the amount of \$265,757 in the Electric Fund. Mayor Pro tem Mercer voted 'no' -motion carried by majority vote.

AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF WASHINGTON, N.C. FOR THE FISCAL YEAR 2008-2009

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

<p>35-90-3710-5100 35-90-3920-9100 35-90-3991-9910</p>	<p>Sale of Electricity Section 1. That the following Estimated Revenues in the Electric Fund be increased or decreased in the following amounts shown to cover anticipated revenue changes for FY 08/09.</p>	<p>\$1,304,039 (2,154,500) <u>384,704</u> \$ (265,757)</p>
Total		

Section 2. That account number 35-90-9990-9900, Contingency, portion of the Electric Fund appropriations budget be decreased in the amount of \$500,000 to help cover anticipated power purchase expenses for FY 08/09.

~~Section 3. That account number 35-90-8370-7401, Installment Note Purchases; portion of the Substation Division of the Electric Fund appropriations budget be decreased in the amount of \$1,565,000 to reflect the delay of capital expenses for FY 08/09.~~

~~Section 4. That account number 35-90-8390-7401, Installment Note Purchases, portion of the Power Line Construction Division of the Electric Fund appropriations budget be decreased in the amount of \$589,500 to reflect the delay of capital expenses for FY 08/09.~~

Section 5. That account number 35-90-6610-1000, Transfer to G/F, portion of the Miscellaneous Non-Departmental Division of the Electric Fund appropriations budget be decreased in the amount of \$420,000 to reflect the reduced transfer in FY 08/09.

Section 6. That account number 35-90-8320-4800, NCEMPA, portion of the Purchase Power Division of the Electric Fund appropriations budget be increased in the amount of \$2,808,743 to reflect the increase in power purchase rates and decrease in net revenues.

Section 7. That the following Estimated Revenues in the General Fund be increased or decreased in the following amounts shown to cover anticipated revenue changes for FY 08/09.

10-00-3980-3500	Transfer from Electric	\$(420,000)
10-00-3991-9910	Fund Balance Appropriated	<u>420,000</u>
	Total	0

Section 8. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 9. This ordinance shall become effective upon its adoption.

s/Judy M. Jennette
JUDY M. JENNETTE
MAYOR

s/Cynthia S. Bennett
CYNTHIA S. BENNETT
CITY CLERK

AUTHORIZE – MAYOR AND CITY CLERK TO EXECUTE THE MUNICIPAL AGREEMENT WITH NCDOT FOR PROJECT R-2510 C (US 17 NORTH OF WASHINGTON

Public Works Director, Allen Lewis stated in front of Council was a copy of the Municipal Agreement with NCDOT. The next phase of the Highway 17 widening project picks up where the current phase ends just past Springs Road and head north on towards Old Ford.

The agreement calls for the City to be responsible for all municipal-owned utilities within existing NCDOT right of way to be relocated for the construction project. There is a City water line that runs along US 17 and turns onto Cherry Run Road that will need to be relocated as part of this project. DOT encroachment agreements clearly state if DOT had a project that would require relocation the City would pay for the project; the estimate cost of relocating is \$175,000.

Mr. Smith stated he mentioned sections A & B because that is the \$1,700,000 they are working with the State on which has not been approved by Council and he wanted to throw the \$175,000 in the pot with that. Major Jennette agreed, citing they are killing us with this.

Councilman Woolard asked where the money would come from and Mr. Lewis stated from the water fund once the project is completed. Mr. Lewis stated he understands the hesitancy, however, Council had just voted on accepting \$145,000 for one half acre of land from NCDOT and the City will be going to them for encroachment agreement underneath the Runyon Creek Bridge.

Mr. Smith stated at some point and time this will need to be resolved and his suggestion would be to table this discussion until they can do some more negotiations with the State. The General Statute states that if you are over 5500 population you have to pay for it. Mr. Lewis shared that the Statute is over twenty years old.

Mr. Lewis pointed out the reason the Electric Department doesn't have to pay for relocation because it is in the City's own easement already; therefore, they are requiring our existing easement and moving it for us because it is not on their property and the waterline was placed within their right of way. Councilman Jennings inquired if this situation was exactly like the \$1.7 million situation and Mr. Lewis said that was correct.

Council agreed to contact the individuals who are helping with the \$1.7 million to see if it would be helpful to go ahead and eat \$175,000 or would it harm our argument to throw this one on top of the \$1.7 million. Mayor Pro tem Mercer suggested contacting Mr. Finlayson to see if there are any Federal dollars that might help us. Mayor Jennette stated she would see him in two weeks and ask him.

On motion of Councilman Davis, seconded by Councilman Jennings, Council unanimously tabled this item until May 11th, 2009.

AWARD – CONTRACT FOR LABOR AND EQUIPMENT TO RELOCATE THE ELECTRICAL DISTRIBUTION FACILITIES IN THE VICINITY OF THE RUNYON CREEK BRIDGE B/T THE CITY OF WASHINGTON AND THE TOWN OF WASHINGTON PARK ALONG N.C. HIGHWAY 32

Electric Director, Keith Hardt stated NCDOT has requested that the City of Washington relocate the overhead electrical distribution facilities (where City has prior rights) in the vicinity of the Runyon Creek Bridge so as to allow the bridge to be removed and replaced. Mr. Hardt stated this contract is to award labor and equipment to do that work. The lowest responsible bidder was E & R Inc.

Mayor Pro tem Mercer asked if this total cost comes back to the City from DOT and Mr. Hardt said 'yes'.

On motion of Mayor Pro tem Mercer, seconded by Councilman Davis, Council unanimously voted to award a contract in the amount of \$101,844.20 to E & R Inc. for the purpose of providing labor, material and equipment to relocate the distribution of facilities in the vicinity of the Runyon Creek Bridge.

**CLOSED SESSION – UNDER G.S. 143-318.11(a)(6) PERSONNEL AND
UNDER G.S. 143-318.11(a)(5) POTENTIAL ACQUISITION OF REAL
PROPERTY: PROPERTY LOCATED ON SPRINGS ROAD & OWNED BY MS.
ANNIE MAYO, LOTS OWNED BY FIRST PRESBYTERIAN CHURCH ON
RESPESS STREET – BATHROOM GRANT APPLICATION DISCUSSION**

On motion of Councilman Woolard, seconded by Councilman Brooks, Council unanimously agreed to go into closed session under G.S.143-318.11(a)(6) personnel and under G.S. 143-318.11(a)(5) potential acquisition of real property: property located on Springs Road & owned by Ms. Annie Mayo, lots owned by First Presbyterian Church on Respepp Street – bathroom grant application discussion.

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

CONTINUED – BATHROOM GRANT APPLICATION DISCUSSION

Councilman Davis suggested applying for the grant and we will need to have a design to go along with the application. We have one that was approved previously by CAMA. It may not have everything you want but he feels you will not be able to build everything you want in one year. It is not a perfect design but it will get you into the ball park and you will be able to add on to it.

Councilman Jennings understood that they would not have to put forth a design and Mayor Pro tem Mercer agreed. Councilman Davis stated you will need some type of footprint for them to approve. Mr. Smith agreed that you will need to have something to justify building a certain amount of square footage. Councilman Jennings said sounds like we need to describe our project and not submit a design.

Following discussion, on motion of Councilman Davis, seconded by Councilman Woolard, Council unanimously authorized the application for a CAMA grant for bathrooms on the west end of the Parkway. On motion of Councilman Jennings, seconded by Councilman Davis, Council unanimously amended the motion to include a general description of the project.

DISCUSSION

Mayor Jennette informed Council they would be contacted by Cynthia to put together a planning session in early March for half a day and talking about big picture items. Each council member was asked to submit a list of five items they wanted to discuss.

Councilman Davis inquired about the report concerning 401K stating it reported 217 people and if that was all of the City's employees. Did any of the

employees opt out and the Manager stated very few the major differences are because the Police Officers are not required to contribute under State Statue. Councilman Davis wanted to know how many employees choose not to take the health assessment and Mr. Smith stated two (2).

Councilman Jennings noted this brings up a good set of questions. Council could also depart from current policies to things like health care. He would like to make a footnote that the State is considering having employees cover part of their health care cost. Mr. Smith stated we were fortunate last year and made the right decision to not join the State health care plan, there cost is much higher than ours.

Mayor Pro tem Mercer noted he appreciated the overtime and travel report that is now being received in the package.

ADJOURN

On motion of Councilman Jennings, seconded by Councilman Woolard, Council unanimously adjourned the meeting at 8:30 pm, until Monday, February 23, 2009 at 4:30 pm in the Council Chambers at the Municipal Building.

**Reatha B. Johnson
Assistant City Clerk**