

The Washington City Council met in a regular session on Monday, April 27, 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; Archie Jennings, Councilman; Gil Davis, Councilman; Jim Smith, City Manager; Cynthia Bennett, City Clerk; and Franz Holscher, City Attorney.

Also present were: Matt Rauschenbach, Chief Financial Officer; Jimmy Davis, Fire Chief; Adam Waters, Public Works; Bobby Roberson, Planning Director; Philip Mobley, Parks & Recreation Director; Mick Reed, Police Chief; Gloria Moore, Library Director; Ray Midgett, Information Technology 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 Pro tem Mercer requested item I.D be removed from the Consent Agenda and placed as item VI.B.5 and items I.F and I.G be removed from the Consent Agenda and placed as items VI.A.13 & 14.

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

***PRESENTATION BY MAYOR JENNETTE: NC DEPARTMENT OF LABOR SAFETY AWARDS ELECTRIC DEPARTMENT, WATER RESOURCES & GENERAL SERVICES**

APPROVAL OF MINUTES

By motion of Councilman Woolard, seconded by Councilman Brooks, Council unanimously approved the minutes of March 3, March 9, and March 23, 2009, as presented.

APPROVAL OF CONSENT AGENDA

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

- A. Adopt – Grant Project Ordinance to appropriate funds for the sewer system evaluation survey for the Runyon Creek Drainage Basin

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 Sewer Fund be increased in the amount of \$40,000 in the account Rural Center Grant, account number 32-90-3480-3604.

Section 2. That account number 32-90-8220-0400, Professional Services, Waste Water Treatment Plant portion of the Sewer Fund appropriations budget be increased in the amount of \$40,000 to provide funds for a grant funded sewer study.

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 All ordinances or parts of ordinances in conflict herewith are hereby repealed.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 27th day of April, 2009.

s/Cynthia S. Bennett, City Clerk

s/Judy M. Jennette, Mayor

- B. Adopt – Budget Ordinance Amendment for the FY07 CDBG –CR
6th & 7th Streets Program (\$310,000)

**AN ORDINANCE TO AMEND THE GRANT 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 54-60-4930-4501, Clearance Activities portion of the 6th and 7th Street Revitalization Project Fund be increased in the amount of \$25,000 to provide funds for clearance activities.

Section 2. That account number 54-60-4930-4503, Relocation Assistance portion of the 6th and 7th Street Revitalization Project Fund be increased in the amount of \$170,000 to provide funds for relocation assistance.

Section 3. That account number 54-60-4930-7100, Acquisition portion of the 6th and 7th Street Revitalization Project Fund be increased in the amount of \$115,000 to provide funds for acquisition.

Section 4. That account number 54-60-4930-4500, Rehabilitation portion of the 6th and 7th Street Revitalization Project Fund be decreased in the amount of \$310,000 to provide funds for the above activities.

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 27th day of April, 2009.

s/Cynthia S. Bennett, City Clerk

s/Judy M. Jennette, Mayor

- C. Adopt – Budget Ordinance Amendment in the General Fund – Moore Aquatics and Fitness Center (\$5,871)

**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 General Fund be increased in the amount of \$5,871 in the account Contributions – Aquatic Center, account number 10-40-3612-4139.

Section 2. That account number 10-40-6126-1600, Maint/Repair Equipment, Aquatic Center portion of the General Fund appropriations budget be increased in the amount of \$5,871 to provide funds for purchase of swimming blocks.

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 27th day of April, 2009.

s/Cynthia S. Bennett, City Clerk

s/Judy M. Jennette, Mayor

- D. **Item moved to VI. B. 5 - Adopt** – Budget Ordinance Amendment for the Proposed Dog Park (\$1,000)
- E. **Adopt** – Budget Ordinance Amendment in the Electric Fund for reimbursable line relocation costs (\$1,274,300)

**AN ORDINANCE TO AMEND THE GRANT 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 the appropriations budget in the Electric Director portion of the Electric Fund be increased in the following accounts and amounts to provide for Highway 17 reimbursed activities:

35-90-7220-0201	Salaries – Hwy 17 Reimbursed	\$ 32,000
35-90-7220-0405	Hwy 17 230 KV Relocation	400,000
35-90-7220-0406	Hwy 17 Line Relocation	40,000
35-90-7220-0407	Hwy 17 Bypass North	200,000
35-90-7220-0420	NCDOT – Runyon Creek Bridge	300,000
35-90-7220-0425	NCDOT – Clark’s Creek Bridge	300,000
35-90-7220-1401	Travel –Hwy 17 Reimbursed	<u>2,300</u>
	Total	\$ 1,274,300

Section 2. That the Estimated Revenues in the Electric Fund be increased in the amount of \$1,274,300 in the account NCDOT Hwy 17 Reimbursements, account number 35-90-3500-3605.

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 27th day of April, 2009.

s/Cynthia S. Bennett, City Clerk

s/Judy M. Jennette, Mayor

F. **Item moved to VI.A. 13 - Adopt** – Budget Ordinance Amendment in the General Fund to appropriate funds for architectural and engineering services for new police station and transfer residual funds from the Fire Station Capital Project Fund to Public Safety Capital Reserve Fund (\$375,893)

G. **Item moved to VI.A. 14 - Acknowledgement** - Reallocation of funding – General Fund for purchase, installation, support and training of a Laserfiche system for storing City records (\$24,400)

GINA AMAXOPULOS – CAPACITY GRANT

Bobby Roberson, Director of Planning and Development noted that all CDBG grants require quarterly updates to Council. He added that all funding approval information has been completed and we are awaiting the funding approval letter from the State. Ms. Amaxopulos is attending the CDBG training program at the Institute of Government.

CHRIS HILBERT – HOUSING DEVELOPMENT – KEYSVILLE ROAD AND COMMUNITY REVITALIZATION 6TH & 7TH STREETS

Chris Hilbert, Holland Consulting Planners explained the State approved an amendment to this project in March. The work on 6th & 7th Street is about 50% complete on the infrastructure. The contracts have been awarded for the rehabilitation work and are waiting for the contractors to start. The demolition contracts and acquisition resolutions are on Council's agenda tonight. The owner relocations are underway. The tenant relocations are contingent on the acquisitions being completed.

Regarding the Keysville Road project, the subdivision re-design is complete and will be presented to the Planning Board on Tuesday night. Then it will be forwarded to Council for their consideration. Construction of the subdivision should begin in the Summer/Fall.

Mr. William Holiday, 129 West 7th Street came forward and requested to speak with Chris Hilbert regarding said property.

JASON BRILEY – NORTHGATE SUBDIVISION

Bobby Roberson, Director of Planning & Development and Jason Briley updated Council on this project. Mr. Roberson stated that 13 applications have been submitted to the State. There has to be a total of 32 lots sold before the end of December 2009, so Mr. Briley needs to sell 19 more lots to low to moderate income persons to meet the obligation. Mr. Roberson explained the State will not make an extension after December 2009.

MR. A. G. SWANNER – BELLE OF WASHINGTON

A.G. Swanner came forward and stated they would like to keep the Belle of Washington at the present dock (L) for the remainder of the contract year, paying \$2,000. He will continue to pay for the usage of electrical and water services.

Gerald Whitehurst updated the Council of the progress they are making with the Belle of Washington. He noted they have made contact with Mystery Tours for possible dinner cruises and they also have a wedding reception booked for the boat. The typical season will be mid-March to November for river cruises. They are requesting a hard surface walkway (concrete surface) from the promenade (brick walkway) to the sewer lift station and then a paved road from the lift station to Water Street. This hard surface will be used by all groups on the eastern end of Stewart Parkway.

Jim Smith stated the Public Works Department has looked at this idea and given an estimate of \$8,000-\$10,000 for a service driveway. Discussion regarding using "A" dock for loading and unloading. Councilman Jennings suggested a temporary solution would be for them to use the walkway by the Chamber for the caterers to transfer supplies to the boat. Mayor Jennette suggested they meet with the Recreation Advisory Board regarding installation of the walkway/driveway.

BILL FORMAN - UPDATE ON CAMA PERMIT AND EA STATUS

Bill Forman, Coastal Science and Engineering presented updates on the CAMA permit and phase 3 boat docks project as well as the pedestrian walkway. Mr. Forman explained the new alignment of the channel and presented a copy of the plat showing that. With the confirmed realignment, this will allow the availability to build more docks.

Existing Boat Slip Summary	
Length	#Slips
35ft	24
Transient Slips	24
Total Existing	48
Proposed Boat Slip Summary	
30 ft	39
40 ft	30

Proposed total	69
PROJECT TOTAL	117

Mr. Forman noted that we are not building this many slips, but we will have the CAMA permit if at a later date more slips were needed.

Boat Dock Project – Phase 3 Anticipated Schedule

- EA submitted – April 2009
- EA review and approval completed – October 2009
- CAMA permit submitted – September 2009
- CAMA permit approved – December 2009
- Contract documents ready for bidding – December 2009
- Bidding for construction – January 2010
- Begin dock construction, docks F & G – February 2010
- Dock construction completed – May 2010

Pedestrian Walkway – Anticipated Schedule

- Submit CAMA Major Permit Application for express review – week of April 27, 2009
- Approved CAMA Permit – no later than first week in June 2009
- NCDOT Bridge contractor allowed to star work in water – June 2009
- Contract documents for pile driving in bridge footprint – June 2009
- Bidding and/or negotiation for pile driving – July 2009
- Begin pile driving – following completion of existing bridge demolition – August 2009

CATHERINE GLOVER - 2009 SUMMER FESTIVAL – BEER GARDEN

Catherine Glover, Executive Director Chamber of Commerce explained the request for a beer garden at the Summer Festival. She stated the beer garden will be held in conjunction with the festival on June 12th and 13th with operating hours of 5:00pm to 9:30pm on both days. Since this is the first year for a beer garden, they are anticipating 500 participants. Like many festivals in surrounding counties, a beer garden is an addition to the festival that not only enhances the enjoyment of the weekend but also is seen as a revenue generator. They plan to sell beer and wine and heavy refreshments during the festival as well as various food items. The beer garden will be surrounded by over forty food vendors. They will be purchasing wristbands for access into the garden from the City. They will be working with local nonprofits to recycle the beer cans and will be responsible for making sure that cleanup is sufficient. The area will be a 30'x40' tent roped off and enclosed. They are hiring two bartenders and will have an ID checking station. There may also be extra ALE agents on duty as well as extra security from the Washington Police Department at the Chambers expense.

Mayor Pro tem Mercer stated this has been a family event since it started and he doesn't feel the beer garden should be allowed at this function. Mayor Jennette stated the Pickin' on the Pamlico has had a beer garden for the past four years. Councilman Jennings likes the idea of trying to control the situation and feels it is worth giving it a try. Councilman Mercer said that if we allow the beer garden then there shouldn't be any tolerance for alcohol consumption outside of the beer garden.

By motion of Councilman Jennings, seconded by Councilman Davis, Council moved to allow the beer garden for the 2009 Summer Festival on June 12th and 13th with operating hours of 5:00pm to 9:30pm on both days. Opposing: Mayor Pro tem Mercer.

ROBERT WILLIAMS - TAC REF: GUARANTEED ENERGY SAVINGS & PROPOSAL

Robert Williams and Barry Wilhelm with TAC presented a proposal to Council regarding a Detailed Energy Audit Agreement. Mr. Williams explained that TAC has been working with Allen Lewis, Public Works Director and Keith Hardt, Electric Utilities

Director for the last eight months. The goal is to save money by saving energy in the City's buildings. This is an energy efficient building improvement program. The selected buildings are: City Hall, Aquatic Center, Fire Station #1, Peterson Building, Recreation Center, Civic Center, Brown Library and Communications Center. Some potential energy conservation measures are: lighting retrofit, solar pool heating, new mechanical equipment, new building controls, ventilation upgrades and water conservation measures. This is a facility improvement program and is financed over a period of time. The savings are created by energy conservation measures and the savings are guaranteed by TAC. The detailed energy audit consists of: a detailed final scope of work; provides final project cost and guaranteed energy savings amounts; further explorations of conservation measures including solar; selection of final energy conservation measures; and completed financing plan (third party and/or grant application).

Jim Smith, City Manager explained the City advertised a Request for Proposals on Wednesday, October 8, 2008. A mandatory pre-proposal meeting was held October 15, 2008 with responses due by November 24, 2008. Three firms attended the pre-proposal meeting. Two firms, TAC of Raleigh, NC and Johnson Controls of Raleigh, NC responded with complete proposal to the City's advertisement.

TAC's proposal included a firm profile, the project team, references, a need analysis, an outline of training to be provided to City employees, a description of how the project would be managed, a financial benefits projection, code compliance requirements, standards of facility comfort, warranty information, financing source, guarantee documents, standards of service, a performance monitor guarantee, a statement regarding prior projects non-performance, and a description of TAC's relationship to ElectricCities. It also included six appendices.

Johnson Controls' proposal included a profile of their firm, description of the project team, references, a needs analysis, site survey data, a preliminary scope of work, a description of training to be provided to the City's employees, an outline in project management, an estimate of financial benefits and cash flow, code compliance requirements, standards of facility comfort, warranty information, financing source, guarantee documents, standards of service, and a statement regarding performance guaranteed monitoring. Their submission contained four appendices.

The City's Electric Utilities Director, Public Works Director, Parks and Recreation Director, and Water Resources Superintendent and I met with representatives of TAC and Johnson Controls on two occasions for formal presentations. In addition, both firms inspected City facilities accompanied by various City representatives in order to develop a proposed program of guaranteed energy savings. Subsequently, the Department Heads and Superintendents met to formulate a recommendation regarding a qualified provider from among the two proposals. In considering which qualified provider would be determined to best meet the needs of the City, staff considered the quality of the products proposed, the estimated amounts of energy savings, the general reputation and performance capabilities of the qualified providers, conformity with the specifications and conditions set forth in the request for proposals, and the times specified in the proposals for performance of the contract. The prices offered for the detailed energy audit were not specified in the responses nor was the proposed cost of construction, financing, maintenance, and training, in as much as these factors will be determined after the qualified provider which best meets the need of the City is established. Based upon the statutory criteria and upon the recommendation of Electric Director, Keith Hardt, who is a qualified electrical engineer, the firm TAC of Raleigh, NC was selected.

Subsequent to the selection of TAC, the City negotiated a Detailed Energy Audit Agreement with the company. The Audit Agreement provides that TAC will analyze eight (8) buildings belonging to the City for appropriate energy conservation measures, determine the financial cost and benefits of the energy conservation measures, project a price for turn-key installation of the proposed energy conservation measures, and

guarantee that the measures will save sufficient energy to defray their cost of installation within a ten (10) year period. TAC will perform the energy audit of 105,223 gross square feet at a cost of \$18,940. The City will not be required to pay this amount, however, unless TAC demonstrates a projected annual energy savings of at least \$30,000 each year over a ten (10) year period and the City, nonetheless, fails to enter a Guaranteed Energy Savings Contract within sixty (60) days of its receipt of the audit.

After the audit is conducted and if TAC finds, demonstrates, and guarantees that the proposed energy conservation improvements will be self-funding over a ten (10) year period, a Guaranteed Energy Savings Contract with the City in accordance with NCGS § 143-64.17B will be proposed for adoption.

Mr. Smith explained that the City Attorney needs to clarify a couple of items in the agreement and will discuss this with Mr. Williams. This request will come back before Council at the May meeting.

Council convened for a break at 5:55pm and reconvened at 6:00pm

PATRICIA MANSFIELD – BLACKBEARD ADVENTURE ALLIANCE, INC.

Pat Mansfield, Chip Ide and Bill Zachman presented a presentation of a sailing replica of Black Beard's sloop "Adventure". Ms. Mansfield explained that Washington works as a "triangle", connecting Bath, Beaufort & Ocracoke. The BlackBeard Adventure Alliance (BAA) is a nonprofit maritime educational organization. Its goal is to build a sailing replica of Black Beard's sloop *Adventure* – a maritime heritage project. The vessel will function as a living history/interactive museum, and bring to life North Carolina's seafaring past. The plan consists of building a sailing replica of the *Adventure* on Washington's Waterfront; its berth will be near the NC Estuarium. This will become a centerpiece for an economic development tourism initiative on the Pamlico Region. The financial summary consists of: Construction (\$3,716,000) Development (\$1,500,000) for a total of \$5,216,000.

Ms. Mansfield explained they would like to use the area next to the Maola building to build the boat. They would not start building until the money was in hand. Chip Ide stated they are aiming for next Spring to begin construction and will need the property beginning at the first of next year to be able to start preparations. Bill Zachman said they are trying to create a theme that could be exploited throughout the twenty coastal counties to raise the \$2 million, by having a membership drive similar to the Committee of 100. Mayor Pro tem Mercer explained that the City needs to know how much time this piece of property will be tied up for this project. Ms. Mansfield explained this will be built on site and that will be part of the tourist pull and an educational opportunity to be able to see it being built from beginning to end. The next step will be to present this to the Historic Preservation Commission and she plans to do this in May. She also explained that they will update Council periodically on the fundraising progress.

Construction & Site: A team of craftsmen including shipwright, carpenters, spar maker, rigger, ship-smith, skilled in traditional ship building methods, will be assembled from within and outside the State. Public volunteers will be welcomed to participate in the building process. Construction will take approximately one year, and occur in public view on Washington's waterfront. Interpretive guidelines, demonstrations of processes and tool usage will be presented on a weekly basis. Progress will be updated on the web site: [www. BLACKBEARDsloopADVENTURE.org](http://www.BLACKBEARDsloopADVENTURE.org). A mini-cam will provide weekly links to area TV stations as well as provide content for a DVD documentary on the process. They plan to share a schedule of activities of building the sloop with the Washington Tourism Authority, cultural organizations, merchants, restaurateurs, and hospitality owners. Cooperative efforts can create exciting opportunities for educational programming, entertainment, shopping and hospitality in a festive atmosphere to be enjoyed by area residents and tourists.

Ms. Mansfield will update the Council periodically on the progress of this project.

AUTHORIZE - LIFTING THE NO WAKE ZONE FOR WAKEBOARDING/SKI SHOW

Austin Smithwick, Park Boat Company and Chamber Board of Directors member stated he has been contacted by the INT League. They are a nationally organized amateur ski, wake, and kneeboard competition group. The NC chapter of INT is headed by Tim Richardson and will be responsible for the event. They have all the needed liability insurances in place for the event. They conduct multiple events annually including events at Lake Gaston, Lake Norman and events in the Triangle and Wilmington areas. INT is a family based organization that promotes water sports in NC. Planners expect we will have about 50 riders and 200 attendees to watch the event. It is suggested that a majority of the riding take place in front of the "greenspace" area, due to good viewing and minimal disruption to docked boats. The event will run from 9am to 5pm but will ultimately be determined by the number of participants. The event would begin at the trestle and run in front of the Chamber. The special events application has been filed with Parks and Recreation and the application calls for Council to lift the no wake zone for the day of the competition on June 20th (alternate date is August 8th). Council suggested Parks and Recreation notify boat owners located at the City docks of this upcoming event in case they want to move their boats.

By motion of Councilman Jennings, seconded by Councilman Woolard, Council authorized the lifting of the no wake zone from the trestle to the Chamber for a sanctioned wakeboarding event that will attract at least 200 people to downtown Washington on June 20, 2009 (alternate date is August 8th).

COMMENTS FROM THE PUBLIC

No comments from the public at this time.

ECONOMIC DEVELOPMENT COMMISSION

Councilman Jennings stated they are moving forward and working on some green initiatives such as wind energy. Mayor Pro tem Mercer explained they had an abbreviated meeting this morning and discussed the PCS permit as well as Impressions and Brownfield permits.

TOURISM DEVELOPMENT AUTHORITY

Mayor Jennette updated Council on the NC Cycle event that was held last weekend. There was over 1000 cyclist and she received several comments on how nice our City is and some noted they plan to retire here. Councilman Jennings stated he talked to one merchant and they stated they had the best single sales day they had ever had, so much so they didn't know if they could open the next day as they sold everything they had.

Mayor Jennette stated David Gossett will be here next month to do a presentation on "dock dogs" as part of the Wildlife show. They will be here requesting additional funding from the City on this and plan to hold this program at Kugler field.

Mayor Jennette stated the TDA is working on their budget and will be requesting an additional \$35,000 to keep the Civic Center open. Councilman Mercer recommended funding this and giving them another year to get back on their feet. Councilman Jennings suggested having this full discussion at the budget workshops. We currently provide funding for repairs of the Civic Center as well.

HUMAN RELATIONS COUNCIL

Mayor Jennette noted the Human Relations Council met last month and Edward Smith with North Carolina Fair Housing Commission presented a workshop on Fair Housing issues. They are planning to do another workshop regarding Fair Housing for renters and realtors.

DOWNTOWN WASHINGTON ON THE WATERFRONT

Beth Bryd stated there is nothing to report at this time.

CITIZENS FOR REVITALIZATION

Chris Furlough came forward and stated they are working on finding urban design teams as well as working on the organizational part of the committee with the stakeholders. Councilman Jennings suggested that as a matter of record, Council needs to get a list of what this group has accomplished thus far. He suggested putting this on the May agenda and adopting a copy of their report presented last month.

WARREN FIELD AIRPORT

Jim Smith, City Manager stated they did not get a responsible bid in March for the fueling project. They are holding a pre-bid on May 5th and it looks like we have two bidders for this project. Councilman Jennings noted the final Wright Flight took place a couple of weeks ago and was a great experience for all.

HAVEN'S GARDEN REPORT

Phil Mobley, Parks and Recreation Director explained they are having a pre-conference tomorrow morning regarding the bridge. There is a \$2000 fee for putting the CAMA permit on the "fast track". Councilman Jennings suggested we keep an open dialogue with the Wildlife Commission. Mr. Mobley explained we still can't apply for grants until we have plans and cost in place.

HARBOR MANAGEMENT REPORT

Mayor Pro tem Mercer noted they only meet once a quarter and will meet again in June and he will update then.

AUTHORIZE- MAYOR TO REQUEST GRANT ASSISTANCE AND ADOPT A RESOLUTION REQUESTING GRANT ASSISTANCE FROM THE NC DEPARTMENT OF COMMERCE INDUSTRIAL DEVELOPMENT FUND – UTILITY ACCOUNT FOR THE EXTENSION OF A SEWER LINE TO SERVE LOT NUMBER 14A IN THE INDUSTRIAL PARK

Kevin Richards explained this grant request will allow for the extension of the City's sewer system to serve the remaining portion of the Industrial Park. This project will consist of the extension of approximately 1,400 linear foot of 10" gravity sewer line and appurtenances. It will tie into the existing gravity sewer along the northern end of Page Road and turn and run parallel to the proposed cul-de-sac off Cherry Run Road that will serve the last portion of undeveloped land in the Industrial Park. This grant request is for \$484,000 and requires no matching funds and requires no minimum job requirements.

By motion of Councilman Davis, seconded by Councilman Woolard, Council authorized the Mayor to request grant assistance and adopt a resolution requesting grant assistance from the NC Department of Commerce Industrial Development Fund – Utility Account to extend a gravity sewer line to serve lot number 14A in the Industrial Park.

RESOLUTION

City of Washington Industrial Development Fund-Utility Wastewater Improvements-Industrial Park

BE IT RESOLVED, that a grant from the Department of Commerce through the City of Washington be made to assist the industrial park sewer project.

BE IT FURTHER RESOLVED, that the City of Washington will administer this grant in accordance with the rules and regulations of the Department of Commerce.

BE IT FURTHER RESOLVED, that the City will administer this grant through the City Finance Office.

BE IT FURTHER RESOLVED, that the grant will be monitored quarterly to assure compliance with this proposal and the Department of Commerce regulations.

BE IT FURTHER RESOLVED, that the amount of the grant application will be \$484,000.

Adopted this the 27th day of April, 2009.

s/Cynthia S. Bennett, City Clerk

s/Judy M. Jennette, Mayor

FINANCIAL REPORTS

Chief Financial Officer, Matt Rauschenbach presented the financial reports to Council. Mayor Pro tem Mercer requested a more updated report on the financials as what we presently get is 30 days behind. Mr. Rauschenbach stated he will try to get that time limit down to two weeks.

Projection vs. Budget - 4/27/09

General Fund

(\$246,000) Net Loss

1. Sales tax in Other Taxes & Licenses off 10% or \$284,000.
2. Building permits in Permits & Fees up \$35,000
3. Salaries & fringes \$121,000 better than budget (Unfilled Finance Dept. positions)
4. Transfer In from Electric Fund reduced \$420,000 to offset delay in rate increase

Water Fund

(\$67,000) Net Loss

1. Revenue down \$27,000
2. Budget loss of \$40,000 without full Fund Balance Appropriation

Sewer Fund

(\$86,000) Net Loss

1. Revenue down \$180,000
2. Other Operating cost \$58,000 better than budget
3. Installment Note Capital Outlay \$10,000 better than budget

Storm Water Fund

\$4,000 Net Income

Electric Fund

(\$39,000) Net Loss

1. Loss would have been \$458,000 without \$420,000 Transfer Out to General Fund reduction.

Airport Fund

\$23,000 Net Income

1. Grant Revenue vs. Grant Expenses \$16,000 better than budget

Solid Waste Fund

\$64,000 Net Income

1. Revenue \$44,000 better than budget

Total

(\$347,000) Net Loss

APPOINTMENTS -WASHINGTON TOURISM DEVELOPMENT AUTHORITY

Mayor Jennette noted she has spoken with Lynn Lewis and David Gossett with the Tourism Development Authority regarding the three applications that were received for this appointment. They both agreed to recommend Piyush Bhagat, owner of Comfort Inn. The Tourism Study recommends that someone from the hotel industry be represented on that board.

By motion of Councilman Woolard, seconded by Mayor Pro tem Mercer, Council appointed Piyush Bhagat to the Washington Tourism Development Authority to fill the un-expired term of Jim Poteet, term to expire June 2010.

DISCUSSION – FUNDING OPPORTUNITIES PROVIDED BY THE ECONOMIC STIMULUS BILL - BIANCA GENTILE

Bianca Gentile has been working with the City over the last two months as the part-time stimulus coordinator. She presented a report to Council explaining the stimulus package that was adopted by President Obama on February 17, 2009 in the amount of \$787 billion. There are three ways to obtain stimulus funding: Direct formula allocation, Competitive grant opportunity and Work with State/Local Agencies. She is also looking at funding for expanding Brown Library, although she has not found any direct stimulus funding for that. She just submitted the first application to the Department of Justice for the Police Department for Project Next Step to hire a drug/crime scene investigator for enhancing evidence gathering as well as implementing an automated license recognition system in patrol cars. Ms. Gentile stated she feels we have a good chance at receiving funding for a majority of these items.

Chief Mick Reed stated this grant is replacing a grant position that we lost just a couple of months ago with another grant position. Councilman Davis inquired to the Jack's Creek Greenway project being part of this package. Ms. Gentile stated that she is looking at that project as well for funding. Council discussed the need for pursuing funding for a high speed ferry. Ms. Gentile stated the concept of Regionalism/Regional Activity is strongly being pushed.

APPROVE – PREFERRED ALTERNATES FOR BIDDING PROCESS FOR THE MAIN AND RESPESS PUMP STATION PROJECT

Adam Waters, Public Works Department presented a preferred alternate for the project which will provide cost savings and improve reliability and efficiency of operations at this pump station. The alternate is to be considered in addition to the base bid for the bidding process. The City applied for stimulus funding for replacing the Main and Respepp Pump station, we have not heard anything regarding the bid awards, if we don't receive funding on the first round, then the application will remain for the second round.

Mr. Waters explained Submersible Pumps, Section 11316: The City of Washington's Public Works Department (PWD) has been attempting to standardize their submersible pumps which operate at the water and wastewater treatment facilities, as well as outlying pump stations. Prior to the requirement established in G.S. 133-3, the PWD's efforts to standardize on submersible pumps installed at these facilities have been targeted toward pumps manufactured by the Flygt Corporation. Based upon the operation and maintenance history of the various pump brands currently in operation around the PWD, the Flygt pumps appear to be the most reliable and the least expensive to operate and maintain. Standardizing on a reliable, low O&M cost pump brand will reduce overall operational costs by lowering capital costs of spare parts for multiple brand pumps. Additionally, O&M costs will be lowered through reduced training for staff, as staff will be familiar with and trained for a single pump brand.

By motion of Councilman Jennings, seconded by Councilman Woolard, Council approved the preferred alternate for the bidding process for the Main and Respepp pump station project.

MEMO – PIGGYBACK OF COMBINATION SEWER JET/VAC TRUCK

Jim Smith, City Manager explained the purpose of this memorandum is to inform City Council of intent to purchase a Combination Sewer Jet/Vac Truck from Public Works Equipment and Supply Inc. through a piggyback of the Grand Strand Water and Sewer Authority per statute G.S. 143-129(g). Piggybacking exception (G.S. 143-129(g)) was approved by the 1997 General Assembly to allow municipalities to purchase apparatus, supplies, materials or equipment without having to bid if another municipality, county, or federal agency has bid the same equipment in the past 12 months. As you may recall, the purchase of this piece of equipment was approved in the FY 08/09 budget at a cost of \$235,000. Half of the cost was to be with fund balance

(32-90-8200-7400) and the other half was to be financed for 59 months (32-90-8200-7401).

Vendor	Cost Per Unit	Delivery
Public Works Equipment and Supply, Inc.	\$ 234,248.00	120 days
		Grand Total \$234,248.00

MEMO – PIGGYBACK OF FRONT LOADER REFUSE TRUCK

Jim Smith, City Manager explained the purpose of this memorandum is to inform City Council of intent to purchase a front loader refuse truck from Volvo and GMC Truck Center of Carolina through a piggyback of Dare County per statute G.S. 143-129(g) and trade in vehicle #489.

Vendor	Cost Per Unit	Delivery	Less Trade-In
Volvo & GMC Truck Center	\$209,561.02	180 days	\$2000.00
			Grand Total \$207,561.02

**MEMO - CONTRACTS FOR WATER AND WASTEWATER TREATMENT
CHEMICAL**

Adam Waters, Public Works Department explained the purpose of this memorandum is to inform City Council of contract commitments for water and wastewater treatment chemical requirements for the City from July 1, 2009 through June 30, 2010. Contracts awarded as follows:

Vendor	Cost Per Unit	Estimated Total
(A) Amerochem		
Potassium Permanganate	\$2.88/lb.	\$60,480.00
Hydroflossilicic Acid	\$0.477/lb.	\$16,695.00
Anhydrous Ammonia	\$0.72/lb.	\$ 6,840.00
Sulfur Dioxide	\$0.875/lb.	\$ 8,312.50
Sodium Bisulfate	\$2.30/gal.	\$ 9,890.00
(B) Cargill Salt		
Sodium Chloride	\$93.00/ton	\$148,800.00
(C) Jones Chemical		
Liquid Chlorine-Ton Cylinders	\$700.00/ton	\$21,700.00
(D)GEO Chemical		
Liquid Aluminum Sulfate	\$399.50/ton	\$38,352.00
(E) Sterling Water		
Sodium Hexametaphosphate	\$1.41/lb.	\$19,740.00
	TOTAL	\$330,809.50

MEMO – CONTRACTS FOR PETROLEUM PRODUCTS

The purpose of this request is to inform Council of contract commitments for petroleum product requirements for the City from July 1, 2009 through June 30, 2010. Price fluctuations will be governed by the bid margin above or below the OPIS Average Rack price for the commodity on the bid day April 2, 2009 at Selma, NC. The City will pay the Average Rack price for the commodity on the day of delivery plus or minus the margin bid on April 12, 2009.

	Cost per Unit	Estimated Usage
Potter Oil & Tire		
Gasoline 89 Octane (Tankwagon)	\$1.5380/gal	\$ 769.00
Diesel 40 Cetane (Transport)	\$1.4386/gal	\$115,088.00
Seeco-Eastern		
Hydraulic Oil (Bulk)	\$4.44/gal	\$ 13,320.00
Pitt Country Mart		
Gasoline 89 Octane (Transport)	\$1.4301/gal	\$286,020.00
Diesel 40 Cetane (Tankwagon)	\$1.5250/gal	\$195,962.50
Motor Oil (Bulk)	\$6. 54/gal	\$ 9,810.00

Clark Oil Company

Kerosene 1-K Grade (Tankwagon)	\$1.6305/gal.	\$ 1,630.50
	TOTAL	\$ 622,600.00

APPROVE AND AUTHORIZE – RECREATION DIRECTOR TO EXECUTE WATERFRONT DOCKING AGREEMENT FOR THE BELLE OF WASHINGTON

Mayor Jennette explained that the Council has reviewed this document on numerous occasions. By motion of Councilman Jennings, seconded by Councilman Davis, Council approves and authorizes the Director of Parks and Recreation or his designee to execute the Waterfront Docking Agreement for the Belle of Washington and to discuss the site improvements at another time.

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APPROVE – RECOMMENDED CONCEPT “C” HAVENS GARDENS

Mayor Jennette explained that Council has reviewed these concepts on several occasions along with the Recreation Advisory Committee. A public meeting was held by the Recreation Advisory Committee on March 16, 2009 and they determined Concept “C” to be the most preferred.

By motion of Councilman Jennings, seconded by Councilman Davis, Council approved the recommendation of the Washington Recreation Advisory Committee and City Staff to develop a plan of Concept “C” for Havens Gardens Park.

APPROVE & AUTHORIZE – CHIEF OF POLICE TO ENTER INTO CONTRACT WITH EMBARQ FOR WIRELESS 911 UPGRADE

Jim Smith, City Manager explained this gives us access to receive wireless 911 calls. Chief Mick Reed noted that on March 9, 2009 the City Council approved the Chief of Police to apply for grant funds through the North Carolina 911 Board. These grant funds are designed to replace or upgrade E-911 equipment and services.

By signing a contract with Embarq to upgrade to Phase I & II Wireless compliant, surcharge E911 funds will be paid directly to the City for technology needed to receive wireless 911 calls. This upgrade is necessary for us to become Phase II compliant. Grant funding is available (50%) for necessary upgrading and funds for Phase II compliance are already appropriated (approx. \$11,000). Execution of a contract with Embarq will accomplish all the above, without the necessity of an interlocal agreement with the County. Finally, upgrading will guarantee future E911 surcharge funds, which allows both the ability to receive 911 calls and dispatch assets.

Mayor Pro tem Mercer reviewed the combination of the City and County 911 service in FY09-10. He explained there have been several meetings with the County regarding providing them the \$48,000 for a console and the possible \$40,000 for another telecommunicator. Mr. Smith explained that the County could only take our wireless 911 calls then transfer them to the City to be dispatched. He stated the County advised they would not be able to do this in July 2009. Chief Reed said the County made it very clear they can't take over dispatching our wireless 911 calls, but they can receive them and then transfer them to the City to dispatch. If we give them authority to receive the call we are giving the County the 911 surcharge funds from the State just to receive the calls and then they forward that call to the City for dispatch. The other option would be once we sign the contract, which immediately makes the City eligible to recoup the funds they have been holding since January 2008 this would allow us to upgrade the equipment that we use to dispatch. This gives us a six month window to upgrade our system and gives us PSAP status which makes us eligible for grants to replace the equipment that we are going to have to replace anyway. This does not preclude the discussion of a future consolidated dispatch center. Council discussed the topic further. Chief Reed explained that if we sign the contract with Embarq then we are

PSAP Phase II compliant because we were already at one point a PSAP. Phase II compliance allows us to take land line call, cell phone calls and VOIP calls.

Councilman Jennings asked if we could become a PSAP by signing the contract with Embarq. If this cost \$11,000 would that be a reasonable step to take. If it were, we could make the motion that the \$11,000 be allocated only if this makes us PSAP eligible.

Mayor pro tem Mercer made a motion for the City manager to contact the County Manager advising them that we want to use a one year trial period of them accepting the 911 call and routing the calls to the City for continued monitoring. Motion died for lack of a second.

Mr. Smith stated as described to them by the Sheriff if we did this we would have to pay for the upgrade of the Counties equipment, their additional dispatcher, we would also have to pay for our existing personnel and we would not get the grant money. Mr. Smith stated that if we sign the contract to become a PSAP we will receive the 911 surcharge funds. Chief Reed explained that even if we turn over the incoming 911 call responsibility we still have to have the equipment to dispatch our calls. This equipment will have to be upgraded no matter what we do, if we become PSAP compliant we can apply for grant funds (by May 10, 2009) to upgrade this equipment.

By motion of Councilman Jennings, seconded by Councilman Woolard, Council agreed to allocate the \$11,000 with the provision that this money makes us a PSAP, Phase II compliant and eligible for further funding from the 911 Board. Voting in favor of the motion: Councilman Davis, Councilman Jennings, Councilman Brooks, Councilman Woolard. Voting against the motion: Mayor Pro tem Mercer.

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**AWARD– DEMOLITION CONTRACT FOR CDBG-CR PROGRAM
(6TH & 7TH STREETS)**

Bobby Roberson, Director of Planning and Development explained the City has been awarded a Community Development Block Grant from the Division of Community Assistance to improve housing and infrastructure along a portion of 6th and 7th Streets. Demolition contract awards are made by Council based on an adopted contract award policy on at the inception of the FY07 CDBG-CR project. A bid opening was held on April 2, 2009. Chris Hilbert noted he has spoken with Mr. William Holiday and explained the project further to him and advised him he doesn't have to participate in the project. Mr. Hilbert explained that if Mr. Holiday doesn't participate in the project or if Archives and History denies it being taken down due to historical significance, then the house will not be demolished.

By motion of Councilman Davis, seconded by Councilman Woolard, Council awarded the demolition contract to the low bidder Mitchell St. Clair in the amount of \$38,400, as provided on the April 2, 2009 tabulation bid form for the City of Washington CDBG- Community Revitalization Project.

**ADOPT – RESOLUTION OF JUST COMPENSATION FOR THE ACQUISITION OF
PROPERTY IN THE CDBG-COMMUNITY REVITALIZATION PROJECT**

Bobby Roberson said the City of Washington has been awarded a Community Development Block Grant from the Division of Community Assistance to improve housing and infrastructure along a portion of 6th and 7th Streets. A number of units need to be acquired and demolished to remove the slum and blight conditions in the project area in accordance to this Federally Designated Project Area.

By motion of Councilman Woolard, seconded by Councilman Brooks, Council adopted the Resolution of Just Compensation for the acquisition of property in the City of Washington's CDBG-Community Revitalization Project.

**RESOLUTION ESTABLISHING JUST COMPENSATION FOR SELECTED REAL
 PROPERTY IN CITY OF WASHINGTON CDBG COMMUNITY
 REVITALIZATION PROGRAM**

WHEREAS, it has been certified by Tom Howard & Associated Appraisers as the city's contract appraiser for the CDBG program that all properties listed below have been appraised in accordance with NC state law, Uniform Standards for Professional Appraisal Practice (USPAP) guidelines, and CDBG program guidelines; and

WHEREAS, the city has copies of said appraisal reports in its possession that have been reviewed and found to be accurate and reliable.

THEREFORE BE IT RESOLVED, that Just Compensation is hereby established by the City of Washington City Council for the following parcels:

Adopted this the 27th day of April, 2009.

Owner Name	Parcel Identification Number (PIN) of Parcel to be Acquired	Street Address	Established Value
EKP,LLC	01-022534	107 W 7 th Street, Washington	\$20,000
William Holiday	01-000664	129 W 7 th Street, Washington	\$33,630
Jasper Kirkman	01-009643	411 W 6 th Street, Washington	\$18,525
William Pearson Heirs	01-019026	410 W 6 th Street, Washington	\$8,000
Francis Tyler	01-016036	406 W 6 th Street, Washington	\$22,000
Sam Blount	01-018676	600 Van Norden Street, Washington	\$29,752

s/Cynthia S. Bennett, City Clerk

s/Judy M. Jennette, Mayor

**APPROVE 1ST READING – PIEDMONT NATURAL GAS FRANCHISE RENEWAL
 ORDINANCE (REQUIRES 2 READINGS AND 2 VOTES)**

A motion was made by Councilman Woolard, seconded by Councilman Davis to approve the first reading of the ordinance. No vote taken. After discussion regarding the ordinance agreement the motion was withdrawn.

Franz Holscher , City Attorney explained his discussions with Piedmont Natural Gas and read his e-mail correspondence with Mr. Monaghan. “Mr. Monaghan, I write as a follow up to your email to our office on February 17th, in which you confirmed Piedmonts acceptance of the franchise ordinance, and Councils March 9th meeting, during which it considered the same. Council did not vote on the ordinance. Instead, Council directed me to request that Piedmont consider two additional revisions.

First, the Council desires to reduce the term of the franchise to ten years. Second, the Council desires to establish a set amount that it can expect to receive annually as a result of allowing Piedmont to exercise this franchise. I have taken the liberty of averaging the excise tax paid to the City of Washington for piped natural gas for the quarters ending on March 31, 2007 through ending on September 30, 2008 - \$13,342.71 or \$53,370.84 on an annualized basis. The Council therefore proposes that, if the excise tax revenue is ever less than \$53,370.84 for any one calendar year, Piedmont will pay the difference to the City as a franchise fee. Please provide me with Piedmonts response as soon as possible so that I can get this back on Councils agenda in time for its 4/27 meeting.”

Mr. Monaghan's response:

"Confirming the substance of our telephone conversation last week, Piedmont Natural Gas Company cannot agree to the excise tax provisions your City Council is proposing because it goes beyond what is provided for in the North Carolina General Statutes in that regard.

On the matter of term, we would be disappointed if the City elects to go with only a ten-year franchise renewal. The average term of Piedmont's nine most recent franchises or renewals in our Eastern North Carolina region has been about 27 years, and none of those franchises has a ten-year or shorter term. Please keep us posted with your Council's thoughts on these two items."

By motion of Councilman Jennings, seconded by Councilman Davis, Council agreed to approve the renewal of the proposed Piedmont Natural Gas Franchise Agreement on the first reading without Section 2.05.

ADOPT – BUDGET ORDINANCE AMENDMENT IN THE GENERAL FUND TO APPROPRIATE FUNDS FOR ARCHITECTURAL AND ENGINEERING SERVICES FOR NEW POLICE STATION AND TRANSFER RESIDUAL FUNDS FROM THE FIRE STATION CAPITAL PROJECT FUND TO PUBLIC SAFETY CAPITAL RESERVE FUND (\$375,893)

Mayor Pro tem Mercer reviewed the budget ordinance and suggested that the ordinance be clarified showing what line item was decreased. By motion of Councilman Davis, seconded by Councilman Jennings, Council adopted the budget ordinance amendment in the amount of \$375,893 to appropriate additional funds for the architectural and engineering services for the new police station as well as transfer the residual funds left over from the existing appropriation for the construction of Fire Station # 2 (Fire Station Capital Project Fund) be decreased by \$375,893 and increase the Capital Outlay, Police Department portion of the General Fund by \$225,000 as well as increase Transfer to Public Safety Capital Reserve, Miscellaneous Non-Departmental portion of the General Fund in the amount of \$150,893.

AN ORDINANCE TO AMEND THE GRANT 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 the Estimated Revenues in the General Fund be increased in the amount of \$375,893 in the account Residual Equity Transfer – Fire Station, account number 10-00-3990-6300.

Section 2. That account number 10-10-4310-7400, Capital Outlay, Police Department portion of the General Fund appropriations budget be increased in the amount of \$225,000 to provide additional funds for architectural, design, and engineering services for the new Police Station.

Section 3. That account number 10-00-4400-1500, Transfer to Public Safety Capital Reserve, Miscellaneous Non-Departmental portion of the General Fund appropriations budget be increased in the amount of \$150,893 to provide for transfer of funds into the capital reserve fund.

Section 4. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 5. This ordinance shall become effective upon its adoption.

Adopted this the 27th day of April, 2009.

s/Cynthia S. Bennett, City Clerk

s/Judy M. Jennette, Mayor

ACKNOWLEDGEMENT - REALLOCATION OF FUNDING – GENERAL FUND FOR PURCHASE, INSTALLATION, SUPPORT AND TRAINING OF A LASERFICHE SYSTEM FOR STORING CITY RECORDS (\$24,400)

Mayor Pro tem Mercer voiced concern that this was a capital budget item and was approved mid-budget year and didn't recall it being discussed. Mr. Smith stated this topic was being worked on before the prior City Clerk retired and when Cynthia Bennett took over as City Clerk she continued to pursue this topic. Matt Rauschenbach explained this is not a capital item as they start at \$25,000 and is not considered a capital item. Mr. Smith stated there was remaining monies left over from the roof repair at Brown Library and that money was moved to cover this expense to help digitize and store the records in the Clerk's office.

By motion of Councilman Woolard, seconded by Councilman Davis, Council acknowledged the reallocation of funding between the following divisions in the General Fund: decrease Capital Outlay in the Brown Library Division by \$24,400 and increase Capital Outlay in the City Manager Division by \$24,400 for the purchase, installation, support and training of a laser fiche system to store records in the City Clerk's office. Voting in favor of the motion: Councilman Woolard, Councilman Davis, Councilman Brooks and Councilman Jennings. Voting against the motion: Mayor Pro tem Mercer.

MEMO –FAÇADE IMPROVEMENT GRANT 2008-2009

Bobby Roberson updated the Council regarding the 2008-2009 Façade Improvement Grant Program. The estimated cost of improvements is \$173,943; requested grant money is \$28,363; available grant money is \$19,542 and grant money awarded is \$19,533.

MEMO - SURVEY OF OLD CITY HALL – 126 NORTH MARKET STREET

Bobby Roberson updated the Council concerning the conveyance of the Old City Hall Building from the County to the City. The Planning Department solicited four informal bids from local surveyors for a boundary survey of the proposed parcel. The survey of the property will also include an access/maintenance easement on the north side of the property. The survey project was awarded to Waters Surveying, Inc. for \$375.00.

BUDGET ORDINANCE AMENDMENT FOR THE PROPOSED DOG PARK (\$1,000)

Mayor Pro tem Mercer asked for an explanation of the budget ordinance. Philip Mobley explained the fencing was purchased at an excellent price for 1000ft. of fence and 60 post for \$600. This money was raised by the group and routed through the City for tax benefits, as was done with the skate park. Mr. Mobley explained the money is for fencing not planning and design. Mayor Jennette explained they are looking at a new location at 4th and Brown Street. The Veteran's commented to the Mayor this was a much better location. Councilman Brooks voiced concern over who would maintain this dog park. Mayor Jennette stated the group has agreed to take care of the upkeep.

By motion of Councilman Woolard, seconded by Councilman Davis, Council adopted a budget ordinance amendment for the proposed Dog Park in the amount of \$1,000. Voting for the motion: Councilman Woolard, Councilman Davis, Councilman Jennings, Councilman Brooks. Opposed: Mayor Pro tem Mercer.

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 General Fund be increased in the amount of \$1,000 in the account Contributions – Dog Park, account number 10-40-3611-8406.

Section 2. That account number 10-40-6130-7302, Dog Park Improvements, Park Grounds & Maintenance portion of the General Fund appropriations budget be increased in the amount of \$1,000 to provide funds for purchase of fencing.

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 27th day of April, 2009.

s/Cynthia S. Bennett, City Clerk

s/Judy M. Jennette, Mayor

INTRODUCTION OF FY09-10 BUDGET

Matt Rauschenbach presented the FY09-10 budget books to Council for their review.

CLOSED SESSION – UNDER G.S. 143-318.11(A)(5) POTENTIAL ACQUISITION OF REAL PROPERTY: PROPERTY LOCATED ON SPRINGS ROAD & OWNED BY MS. ANNIE MAYO FOR PARK USE; PROPERTY OWNED BY BEAUFORT COUNTY SCHOOLS AND LOCATED ON HARVEY STREET; G.S. 143-318.11 (A)(6) PERSONNEL; G.S. 143-318.11(A)(3), AND G.S. 143-318.11 (A)(1) DISCLOSURE OF CONFIDENTIAL INFORMATION, G.S. 143-318.10(E) THE PUBLIC RECORDS ACT

By motion of Councilman Woolard, seconded by Councilman Jennings, Council agreed to go into closed session under G.S. 143-318.11(a)(5) Potential Acquisition of Real Property: Property located on Springs Road & owned by Ms. Annie Mayo for park use; Property owned by Beaufort County Schools and located on Harvey Street; G.S. 143-318.11 (a)(6) Personnel; G.S. 143-318.11(a)(3), and G.S. 143-318.11 (a)(1) disclosure of confidential information, G.S. 143-318.10(e) the public records act.

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

DISCUSSION - TRANSFER OF AIRPORT LEASE

Mr. Smith stated he had received a request from Public Relations Transportation LLC (Reggie Fountain) to transfer the remainder of a lease he presently has on a 200' x 200' hanger at the airport to Mr. Craig Goess. Discussion occurred regarding the original terms of the lease. Franz Holscher, City Attorney will review the terms of the original lease and update Council.

ADJOURN

By motion of Councilman Jennings, seconded by Councilman Woolard, Council unanimously adjourned the meeting at 10:15 pm, until Monday May 4, 2009 at 4:30 p.m. in the Council Chambers at the Municipal Building.

Cynthia S. Bennett
City Clerk