

The Washington City Council met in a regular session on Monday, October 12, 2009 at 4:30 p.m. at the Grace Martin Harwell Senior Center Senior Center. Present were: Judy Jennette, Mayor; Doug Mercer, Mayor Pro tem; Richard Brooks, Councilman; Darwin Woolard, Councilman; Archie Jennings, Councilman; Gil Davis, Councilman; Jim Smith, City Manager; Reatha B. Johnson, Assistant City Clerk; and Franz Holscher, City Attorney.

Also present were: Matt Rauschenbach, Chief Financial Officer; Robbie Rose, Acting Fire Chief; Allen Lewis, Public Works Director; John Rodman, Acting Planning Director; Philip Mobley, Parks & Recreation Director; Mick Reed, Police Chief; Keith Hardt, Electric Director, Gloria Moore, Library Director; Lynn Lewis, Tourism Director; Ray Midgette, Information Technology Director, Susan Hodges, Human Resource Director; Mike Voss, of the Washington Daily News and Delma Blinson, of the Beaufort Observer.

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

### **APPROVAL/AMENDMENTS TO AGENDA**

Mayor Jennette requested to move the following items from New Business: Item V1. B. 4. and item V1. B. 1. to be placed under Scheduled Public Appearances as item II. B. and item II. C. Also, to pull item V1. A. 6. Adopt – Resolution that designates a reserve in the General Fund Balance to provide funds for disaster recovery (have on November agenda) and make item V1. A. 6. Discussion – Draft Bike/Pedestrian Ordinance, pull item V1. B. 2 under New Business and schedule on the November agenda, add item V1. A. 7. Approve – Hangar Ground Site Lease Agreement for Mr. Craig Goess and add item V1. A. 8. Approve – Electric Advisory Board Recommended Changes to the City's Utility Deposits, Extensions, and Non-payment Disconnect Ordinances and Policies. item V1. B. 5. will become item V1. B. 4 with the inclusion of a Resolution. Mayor Pro tem Mercer requested to add item X. B. Discussion of Water and Sewer Utility Rates and Councilman Davis requested to add item X. C. Discussion of Police Site Selection Committee and move Closed Session to item X.D.

By motion of Councilman Woolard, seconded by Councilman Jennings, Council approved the agenda, as amended.

### **APPROVAL OF MINUTES**

By motion of Mayor Pro tem Mercer, seconded by Councilman Woolard, Council unanimously approved the minutes of August 31, and September 21, 2009 as presented.

### **CONSENT AGENDA**

There were no consent items at this time.

### **MR. MAC HODGES – OUTDOOR BROADCAST FOOTBALL GAMES AND MOVIES AT FESTIVAL PARK**

Mr. Mac Hodges came forward with a proposal to install a 20' X 20' screen on the fence behind the Pirates Pub & Grill (the former Maola plant on Water Street) for the East Carolina gridiron match-up game to be held on 11-15-2009. This is a onetime event. The Daily News, Mr. Jeff Hunnings and Beaufort County Pirates Club are co-sponsors for the event. The organizers are trying to arrange for the ECU band to perform and the event will be open to the public. Mr. Hodges stated the event organizers will not be selling alcoholic beverages but expressed his concern of tailgating by ECU patronage. Mr. Hodges noted the Pirates Pub & Grill has an on-site and off-site permit for alcoholic beverages.

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By motion of Councilman Jennings, seconded by Councilman Woolard, Council authorized the Outdoor Broadcast of Football Games and Movies at Festival Park.

**MOVED FROM ITEM VI. B. 4. – ADOPT – ECONOMIC DEVELOPMENT RIDERS**

Mr. Hardt, Electric Director stated information for the adoption of the NCEMPA Economic Development Rate Rider Number 1 (PAR-1) and the Economic Development Rate Rider Number 1 (EDR-1) was included in the Council agenda packet. These riders will be used to provide economic incentives to current and new prospective industrial customers to install new electrical equipment load on the City's electric system. These riders will not be initiated by the City (on behalf of the customer) until the new electrical equipment is installed and operational. No credits will be provided if the customer does not install new electrical facilities.

The Economic Development Rate Rider (PAR-1) is a pass through credit rider from NCEMPA to the retail customer. There is a lower cost for energy to NCEMPA for the additional energy purchased above their minimum base amount. NCEMPA provides a rebate to those cities (and customers) that install new electrical facilities. The Economic Development Rider (EDR-1) utilizes the same concept of lower cost energy for additional units of energy purchased above our base minimum amount on a local level. NCEMPA will offer a gradually reducing credit for industrial customers that install new facilities.

A motion was made by Councilman Woolard, seconded by Councilman Jennings to adopt the NCEMPA Economic Development Rate Rider Number 1 (PAR-1) and the Economic Development Rate Rider Number 1 (EDR01). Voting for the motion: Councilman Woolard, Councilman Jennings, Councilman Brooks, and Councilman Davis; Against: Mayor Pro tem Mercer. Motion passed 4-1.

Mayor Pro tem Mercer expressed his concerns of being asked to act on something without a great deal of discussion.

**MOVED FROM ITEM VI. B. 1. – ALLOW – RE-INTERMENT OF MORE THAN ONE SET OF REMAINS PER BURIAL PLOT FOR FIRST UNITED METHODIST CHURCH IN OAKDALE CEMETERY**

Mr. Ward Sutton came forward with the request from First United Methodist Church to grant a variance to the City ordinance/code limiting one human remains to be placed in a single burial plot at the municipally owned Oakdale cemetery. Mr. Sutton brought an example of the pine box (16" long, 24" wide, and 12" tall) stating these were specifications under DOT. A standard grave space would hold approximately 6-7 boxes and a vault would hold 5 boxes. The church would like to do an information marker detailing all original information of the cemetery (the whole history of the cemetery).

By motion of Mayor Pro tem Mercer, seconded by Councilman Jennings, Council voted to allow re-interment of 6 remains per grave site at Oakdale cemetery.

**REQUEST**

September 30, 2009

Washington City Council  
Washington NC

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To Whom It May Concern:

On behalf of First United Methodist Church, Washington, NC, we respectfully request the Washington City Council to grant a variance to the city ordinance/code limiting one human remains to be placed in a single burial plot at your municipally owned Oakdale Cemetery.

This variance would allow First United Methodist Church Washington to relocate the unmarked remains from our church property to the twelve plots we have had since 1903 at Oakdale Cemetery and re-inter five or six per plot. We understand the practice of multiple re-interment of unmarked remains is an often used practice when moving old cemeteries. We ask for the expeditious decision on this matter so we can proceed with our church expansion project.

### **ECONOMIC DEVELOPMENT COMMISSION**

Councilman Jennings stated the last meeting was centered around status updates on Fountain Power Boat proceedings. Hopefully the company can be restructured and those jobs can come back to Beaufort County.

Mayor Pro tem Mercer added there was a lengthy discussion of a potential energy provider using wood chips. The County has funded a study that shows the availability of wood chips. They are currently looking at a site on the south side of the river near PCS and a site on the north side of the river near Terra Ceia.

### **TOURISM DEVELOPMENT AUTHORITY**

Mayor Jennette informed Council that Scott Sheppard plans to resign from the Tourism board and with the passing of Mr. Gary Tomasulo there will be two vacant positions. Also, the subcommittee has started meeting to determine a suitable site and location for a visitor's center along the by-pass.

### **HUMAN RELATIONS COUNCIL**

Mayor Jennette noted that the HRC plans to have Ms. Margaret Schmitt back for another presentation. She did an excellent presentation earlier in the year.

### **DOWNTOWN WASHINGTON ON THE WATERFRONT**

Ms. Beth Bryd, Administrative Support for DWOW informed Council that \$8,000 had been raised for the design work and DWOW earned about half of that amount.

### **CITIZENS FOR REVITALIZATION – PRESENTATION BY LANDESIGN**

Mr. Chris Furlough came forward to thank Council for enabling the Committee to continue to take the steps necessary for improved economic opportunities and the quality of life for our downtown. Mr. Furlough expounded on where the committee stood in the different steps: Step 1. Of the process has been concluded: Step 2. Council adopted recommendations of the Citizens for Revitalization and enabled the Citizens to engage a Professional Urban Design Team to assist in pursuing, by consensus, urban design of the three areas. The presentation tonight will bring conclusion to Step 2. The Committee requests Council adopt the conceptual vision and strategy for the renaissance of Washington's downtown waterfront district.....the "Harbor District" and also seek commitment from the City to pursue the implementation of the core elements of the Strategy.

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Mr. Furlough introduced Mr. Scott Lagueux of LandDesign. Mr. Lagueux presented the Washington Waterfront Visualization and Re-Investment Strategy which is the results of a four month effort.

## **PRESENTATION**

### **Project Overview**

- History + Character

### **Site Inventory + Analysis**

- Arrangement + Urban Form
- Parking Facilities
- Recreation + Views
- Marine Facilities
- Other Elements and Features

### **Elements of Great Waterfront Communities**

- Community and Public Access between Uses and the Water's Edge
- Fostering Strong Linkages
- Create Distinct Activity Centers + Districts
- Embrace a Diversity of Uses
- Let the Waterfront tell its Story
- Public Design Process = Alternatives
- Community Visioning Charrette

### **Public Design Process + Alternatives**

- Draft Visualization and Reinvestment Strategy Open House

### **The Washington Harbor District Realized**

- Project Vision

### **Strategy and Implementation Overview**

- Waterfront Building Façade and Access Improvements
- Compendium of Funding

Future project activities will be presented to the proper City Boards and Commissions as they are undertaken and with the detail required by the reviewing agencies.

By motion of Mayor Pro tem Mercer, seconded by Councilman Woolard, Council adopted the Visualization and Re-Investment Strategy presented by the Citizens for Revitalization.

By motion of Mayor Pro tem Mercer, seconded by Councilman Jennings, Council agreed to ask this committee to remain in place until June 1, 2010 at which time the Council will have the opportunity to discuss continuing the committee in its present make-up.

**(Copy of presentation in the City Clerk's and DWOW's office)**

**Council convened for a break at 5:45 and reconvened at 5:55 pm.**

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**WARREN FIELD AIRPORT**

Mr. Smith shared there is a new larger aircraft that is proposing to come to the airport. In addition, contractors signed the contract last week for a self serve fueling facility and also replacement of the balance of the fencing along Springs Road. The engineers have been authorized to move forward with the installation of the Precision Approach Path Indicator (PAPI's).

**HAVEN'S GARDEN REPORT**

Phil Mobley, Parks and Recreation Director informed Council that concrete piling are in the water, concrete caps are on the pilings and concrete decking is on site, so we are ahead of schedule.

**HARBOR MANAGEMENT REPORT**

Councilman Jennings deferred to Mayor Pro tem Mercer. Mayor Pro tem Mercer stated they had addressed several items that were a continuation of earlier meetings but didn't bring forth much new information. There are a number of things being looked at and they will be meeting again next month.

**SECOND PUBLIC HEARING – RECEIVE COMMENTS HOUSING DEVELOPMENT GRANT APPLICATION TO BE SUBMITTED TO THE DIVISION OF COMMUNITY ASSISTANCE FOR ASSISTANCE TO WASHINGTON HOUSING INC. (WASHINGTON HOUSING AUTHORITY) TO CONSTRUCT AFFORDABLE HOUSING (\$250,000)**

Mayor Pro tem Mercer asked for clarification of Ms. Gentile's title. Mr. Smith stated that her position has now been formalized and one of her primary activities will be working with the Police Department in locating funds. Ms. Gentile's title is Special Projects Coordinator.

Mayor Jennette opened the public hearing. Mr. Bobby Roberson came forward stating he was not here opposing the grant but was curious about what the administrative cost would be. Ms. Gentile stated it was 10%. Mr. Roberson questioned why it was not 18%.

There being no one further to speak, the public hearing was closed.

By motion of Councilman Woolard, seconded by Councilman Brooks, Council approved filling the pre-application requirement of holding a second hearing to receive comments per a Housing Development grant application which will be submitted to the Division of Community Assistance for \$250,000 in October, 2009. Washington Housing, Inc. is the nonprofit partner for the application.

Mayor Pro tem Mercer requested an opportunity to review the grant application before submission. Ms. Gentile will provide the application by the end of the week.

**ADOPT – ANNEXATION ORDINANCE TO EXTEND THE CITY OF WASHINGTON CORPORATE LIMITS FOR THE NON-CONTIGUOUS ANNEXATION OF THE KEYS LANDING PROPERTY**

Mr. John Rodman, Acting Planning Director informed Council that this was property the City purchased on Keysville Road and contained 9.89 acres. It is planned to have twelve lots. If the ordinance is adopted, at the end of December the property will be turned over to Metro Housing.

Mayor Jennette opened the public hearing. There being no one to speak, Mayor Jennette closed the public hearing.

By motion of Councilman Jennings, seconded by Councilman Brooks, Council adopted the annexation ordinance to extend the City of Washington corporate limits for the non-contiguous annexation of the Keys Landing property located on Keysville Road and containing 9.89 acres.

**AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF WASHINGTON, NORTH CAROLINA**

**WHEREAS**, the Washington City Council has adopted a resolution under G.S. 160A-58.7 stating its intent to annex the area described below; and

**WHEREAS**, a public hearing on the question of this annexation was held at the City Council Chambers at 6:00 p.m. on Monday, October 12, 2009, after due notice; and

**WHEREAS**, the Washington City Council finds that the proposed annexation meets the requirements of G.S. 160A-58.1(b), as follows;

- (1) The nearest point on the proposed satellite corporate limits is not more than three (3) miles from the primary corporate limits of the City of Washington.
- (2) No point on the satellite corporate limits is closer to the primary corporate limits of another municipality than to the primary limits of the City of Washington.
- (3) The area is so situated that the City of Washington will be able to provide the same services within the proposed satellite corporate limits that it provides within the primary corporate limits.
- (4) No subdivision, as defined in G.S. 160A-376, will be fragmented by this proposed annexation;
- (5) The area within the proposed satellite limits plus the area within all other satellite corporate limits may not exceed ten percent (10%) of the total land area within the primary corporate limits of the annexing municipality. ***This Standard does not apply to the City of Washington.***

**WHEREAS**, the City of Washington further finds that the annexation of the area is in the public interest;

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Washington, North Carolina that:

Section 1. By the virtue of the authority granted by G.S. 160A-58.7, the following described non-contiguous property owned by the City of Washington is hereby annexed and made part of the City of Washington as of December 31, 2009:

All that certain tract of parcel of land lying and being situated in the Washington Township, Beaufort County, North Carolina, bounded on the north by William F. Sheppard, Inc., on the east by Herring Run Canal, also known as Runyon's Creek Canal and the Margaret Jackson Weatherly property, on the south by the City of Washington, the property of Scott Ross, et al, the property of Floyd Ross and the property of Darnell Ross and wife Doretha Taylor Ross, on the west by N.C. Secondary Road 1506, also known as Keysville Road, containing 9.885 acres, more or less, and being described by metes and bounds as follows:

BEGINNING at a point in the eastern right-of-way line of N.C. Secondary Road 1506, also known as Keysville Road, said point being the southwest corner of the William F. Sheppard, Inc. property recorded in Deed book 1115, page 351, said point further being a common corner with the City of Washington, recorded

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in Deed book 1616, page 620, said point being located in a 13 inch Gum, thence from said POINT OF BEGINNING and running with the William F. Sheppard, Inc. line N 87° 10' 09" E 1059.73 to a point in Herring Run Canal, also known as Runyon's Creek Canal, the western line of the Margaret Jackson Weatherly, etal property, recorded in Deed book 1122, page 139, thence with the run of said canal as it meanders along the western line of the Weatherly property S 40° 27' 04" E 28.12 feet, thence S 31° 09' 57" E 103.70 feet, thence S 31° 46' 17" E 32.93 feet, thence S 24° 39' 50" E 128.61 feet, thence S 12° 51' 35" E 62.67 feet, thence S 06° 01' 15" E 37.16 feet, thence S 03° 40' 11" W 119.41 feet, thence S 15° 09' 06" W 55.09 feet, thence S 02° 23' 26" E 62.59 feet to a point in said line, a new corner, thence leaving said canal with a new line N 71° 53' 38" W 838.78 feet, thence N 71 ° 56' 25" W 437.90 feet to a point in the eastern right-of-way line of N.C. Secondary Road 1506, also known as Keysville Road, thence with the eastern right-of-way line of said road N 59° 39' 47" E 139.84 feet to the POINT OF BEGINNING, consisting of 9.885 acres more or less as shown on Rivers and Associates, Inc. drawing Z-2512, entitled "*Annexation Map for the City of Washington*" dated August 27, 2009, which by reference is made a part hereof.

Section 2. The Mayor of the City of Washington shall cause to be recorded in the office of the Register of Deeds of Beaufort County, and in the office of the Secretary of the State in Raleigh, North Carolina, an accurate map of the annexed property, together with a duly certified copy of this ordinance. Such a map shall also be delivered to the Beaufort County Board of Elections, as required by G.S. 163-288.1.

Adopted this 12<sup>th</sup> October, 2009.

s:/Judy Jennette  
**JUDY JENNETTE**  
**MAYOR**

ATTEST:

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

#### COMMENTS FROM THE PUBLIC

No one came forward to speak.

#### FINANCIAL REPORTS

Matt Rauschenbach, Chief Financial Officer, came forward to present the financial reports.

Mayor Pro tem Mercer requested the following:

1. Revenue sheet ending the month of September - in the Electric Fund we show the fund balance being appropriated at \$2.9 million, in the approved budget the fund balance that was to be appropriated was \$94,000. Last month we moved into that the purchase orders that were outstanding for the prior year and they totaled approximately \$2.0 million. Where does the extra \$400-500,000 come from?
2. On the Electric Revenue sheet we indicate having to pay DOT \$175,000?
3. On the Electric Fund Expenditure Sheet, the original budget calls for us to spend approximately \$560,000 on installment purchases. Last month, it was agreed to eliminate installment purchases and pay them out of fund balance, but we see where we spent over \$800,000. Mr. Rauschenbach

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provided the answer to this question by agreeing all this was brought forward from last year. Mayor Pro tem Mercer expressed his concerned that if that is the case then it is showing we spent a 130% of what we budgeted for last year and this year and if we are 30% over budget then we have problems. Mr. Rauschenbach said that was not the case all the purchases are covered and he is not sure why the figures show that.

4. The \$4600 spent at the Dog park – was all this covered by contributions? Mr. Rauschenbach stated yes.

Mayor Jennette suggested Mr. Rauschenbach provide all Council with the answers at the next meeting so everyone will be privy to the same information.

Mr. Rauschenbach requested if any Council members have any questions, to please ask them at least the morning of the meeting so he can research and provide the answer at the meeting.

Mr. Rauschenbach provided the following answers to several of the questions via email on Wednesday, October 14, 2009.

1. 2008-2009 Electric Fund Balance Appropriated of \$2,108,424- for prior year encumbrances, offset in other areas of expenses
2. 2008-2009 Electric Fund Installment Proceeds & Purchases- carried forward to 2009-2010, no impact in prior year, proceeds and purchases cancel out
3. Electric Fund DOT Revenue credit (\$175,510) in July- prior year accrual to recognize revenue that was reversed in current year
4. \$10,000,000 Electric Fund sales July to September annualize to \$40,000,000- this time frame historically represents 30.8% of annual sales not 25%

There was also a question as to why budget was still showing for installment proceeds & purchases since it was decided to pay for with cash. The budget has been adjusted for this.

### **APPOINTMENTS**

There were no appointments at this time.

### **UPDATE – SEWER SYSTEM EVALUATION SURVEY REPORT**

Mr. Allen Lewis, Public Works Director introduced Mr. Mark Garner and Mr. William Boyette, associates with Rivers and Associates, Inc. They presented an overview of the Sewer System Evaluation Survey Report findings.

Mr. Boyette came forward to give his presentation of the Runyon Creek Outfall Sanitary Sewer collection System: Sub-Basin 17 – Phase 1. Mr. Boyette stated the report looked at about 94,000 linear feet of gravity sewer mains in the Runyon Creek area. Nighttime infiltration was looked at and there were thirteen segments that were found to be above the 3,000 gallon per day per inch mile that the State of N C Department of Environmental Resource recommends. Collection of data with regard to infiltration/inflow (I/I) of the sanitary sewer piping system was conducted and a physical survey of the sewer collection system was made during nocturnal hours. The entire sanitary sewage system sub-basin was smoke tested to determine where obvious entry points exist that allows inflow (rainfall) direct entry into the system. Mr. Boyette suggested approximately 30% of the systems manholes within the Runyon Creek outfall area were inspected during the course of the study. The manhole inspection reports point to leaks, loose/broken/frames/tops, missing steps, deteriorating inverts/bottoms, etc. that were recommended for repair. Approximately 44% of the pipelines within the Runyon Creek outfall area were physically inspected during instantaneous flow monitoring. Of the pipelines inspected, the overall structural integrity appeared satisfactory.

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The survey recommends the City actively pursue corrective actions for identified deficiencies. The Phase II scope should consist of professional heavy preparatory cleaning and closed circuit television inspection of the infiltrating pipelines recommended for rehabilitation by lining. Phase II would cost approximately \$56,000. This phase is crucial to accurately identify the structural integrity of the pipeline and repairs that may be required prior to implementing the rehab liner. Mr. Smith asked about grants and Mr. Gardner stated now that the study has identified deficiencies, the City may be able to apply for a Rural Center Grant. The opportunity does present itself.

Councilman Jennings stated he did not see an overall summary. Mr. Boyette stated the summary overall is pretty good.

Councilman Jennings requested Public Works Department bring proposals back to Council in November to include both the I/I project Phase II, and a Sewer Service Area Study.

**(Copy of Survey Report in the Clerk's office)**

**ACCEPT – RECOMMENDATION TO PROCEED WITH SIGNAGE AND WAYFINDING IN 3 PHASES: HIGHWAY 17 BYPASS, INTERIOR CORRIDOR SIGNAGE, AND DOWNTOWN WAYFINDING**

Lynn Lewis, Tourism Director presented background on the recommendation to proceed with signage and wayfinding in a 3 phase process. They are Phase 1 -Highway 17 bypass, Phase 2 - Interior Corridor signage, and Phase 3 - Downtown Wayfinding.

Ms. Lewis distributed out a map displaying the area in question. The pink highlighted area is phase I, the orange highlighted is the downtown piece and everything else is the interior corridor. Ms. Lewis stated the business district in Washington is being missed.

Mayor Jennette asked if there was a price tag and Ms. Lewis stated they were working with the Chamber of Commerce and the cost would be service cost. There will be a meeting with citizens to discuss options for the service cost. Mayor Jennette asked how the businesses would be notified and Ms. Lewis stated they would be working with the Chamber of Commerce on this issue also.

By motion of Councilman Davis, seconded by Councilman Woolard, Council accepted the recommendation to proceed with signage and Wayfinding in 3 phases: Highway 17 Bypass, interior Corridor signage, and downtown Wayfinding.

**(Copy of map in folder)**

**DISCUSSION – FINANCING PERFORMANCE CONTRACTING THROUGH AMERICAN RECOVER AND REINVESTMENT ACT**

Ms. Bianca Gentile, Special Project Coordinator stated there was a meeting last Friday with Mr. Len Hoey, Director of the NC Department of Energy's Utility Savings Initiative to review the Performance Contract proposed by TAC/Schneider Electric.

Mr. Hoey recommended splitting the project into two phases: 1.) Performance Contract and 2.) Energy Management Project. Mr. Hoey spoke on updates for funding opportunities.

Mr. Smith recommended not engaging in this project at this time. He doesn't see anyway of making this project self supporting even with a \$100,000 grant. Council agreed with Mr. Smith recommendation. No action taken.

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**ADOPT – BUDGET ORDINANCE TO REALLOCATE THE WORKER'S  
COMPENSATION RESERVE FUND**

Mr. Rauschenbach, Chief Financial Officer shared that the Worker's Compensation Reserve Fund was done right before budget and was allocated based on claims. Now that there is has been some actual claims, we are able to do a better job in reallocation. There will be no budget impact, just moving around some money.

Councilman Jennings clarified the method used to allocate the Worker's Compensation Reserve Fund. Mr. Rauschenbach agreed that it was changed a bit and money was moved around based on job classification and jobs inside being less dangerous than the jobs outside.

Mayor Pro tem Mercer questioned page 39 which is a summary of all the manipulations of funds and Mr. Rauschenbach explained the calculations. Mayor Pro tem Mercer inquired about funds going to third party administrative expenses and Mr. Rauschenbach explained they are providers who manage worker's comp claims. Councilman Jennings asked if there was a way to insure ourselves catastrophically. Mr. Rauschenbach explained \$600,000 was per event.

By motion of Councilman Woolard, seconded by Mayor Pro tem Mercer Brooks, Council adopted a Budget Ordinance to reallocate the Worker's Compensation Reserve Fund.

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF  
WASHINGTON, N.C. FOR THE FISCAL YEAR 2009-2010**

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

Section 1. That account number 10-00-4400-5402, Worker's Compensation Insurance, Miscellaneous Non-Departmental portion of the General Fund appropriations budget be decreased in the amount of \$165,000 to provide funds for transfer to the capital reserve fund.

Section 2. That account number 10-00-9990-9900, Contingency portion of the General Fund appropriations budget be decreased in the amount of \$21,841 to provide funds for transfer to the capital reserve fund.

Section 3. That account number 10-00-4400-8500, Transfer to Worker's Comp Reserve Fund, Miscellaneous Non-Departmental portion of the General Fund appropriations budget be increased in the amount of \$324,035 to provide funds for transfer to the capital reserve fund.

Section 4. That the Estimated Revenues in the General Fund be increased in the amount of \$137,194 in the account Fund Balance Appropriated, account number 10-003991-9910.

Section 5. That account number 30-90-6610-5402, Worker's Compensation Insurance, Miscellaneous Non-Departmental portion of the Water Fund appropriations budget be decreased in the amount of \$69,192 to reduce funds transferred to the capital reserve fund.

Section 6. That account number 30-90-6610-8500, Transfer to Worker's Comp Capital Reserve, Miscellaneous Non-Departmental portion of the Water Fund appropriations budget be decreased in the amount of \$132,908 to reduce funds transferred to the capital reserve fund.

Section 7. That the Estimated Revenues in the Water Fund be decreased in the amount of \$145,509 in the account Fund Balance Appropriated, account number 30-903991-9910 and that account 30-90-9990-

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9900, Contingency, be increased \$56,591.

Section 8. That account number 32-90-6610-5402, Worker's Compensation Insurance, Miscellaneous Non-Departmental portion of the Sewer Fund appropriations budget be increased in the amount of \$3,279 to provide funds for third party administrative expenses.

Section 9. That account number 32-90-6610-8500, Transfer to Worker's Comp Capital Reserve, Miscellaneous Non-Departmental portion of the Sewer Fund appropriations budget be increased in the amount of \$8,156 to provide funds for transfer to the capital reserve fund.

Section 10. That the Estimated Revenues in the Sewer Fund be increased in the amount of \$11,435 in the account Fund Balance Appropriated, account number 32-903991-9910.

Section 11. That account number 34-90-5710-5400, Insurance & Bonds, Miscellaneous Non-Departmental portion of the Storm Water Fund appropriations budget be increased in the amount of \$3,500 to provide funds for third party administrative expenses.

Section 12. That account number 34-90-5710-8500, Transfer to Worker's Compensation Reserve, portion of the Storm Water Fund appropriations budget be increased in the amount of \$10,310 to provide funds for transfer to the capital reserve fund.

Section 13. That account number 34-90-9990-9900, Contingency, portion of the Storm Water Fund appropriations budget be decreased in the amount of \$13,810 to provide funds for administrative expenses and transfer.

Section 14. That account number 35-90-6610-5402, Worker's Compensation Insurance, Miscellaneous Non-Departmental portion of the Electric Fund appropriations budget be decreased in the amount of \$2,071 to provide funds for transfer to the capital reserve fund.

Section 15. That account number 35-90-6610-8500, Transfer to Worker's Comp Capital Reserve, Miscellaneous Non-Departmental portion of the Electric Fund appropriations budget be increased in the amount of \$26,825 to provide funds for transfer to the capital reserve fund.

Section 16. That the Estimated Revenues in the Electric Fund be increased in the amount of \$24,754 in the account Fund Balance Appropriated, account number 35-903991-9910.

Section 17. That account number 38-90-6610-8500, Transfer to Worker's Comp Capital Reserve portion of the Solid Waste Fund appropriations budget be increased in the amount of \$4,754 to provide funds for transfer to the capital reserve fund.

Section 18. That account number 38-90-6610-5400, Worker's Compensation Insurance portion of the Solid Waste Fund appropriations budget be decreased in the amount of \$21,000 to provide transfer to the capital reserve fund and contingency.

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Section 19. That account number 38-90-9990-9900, Contingency, be increased in the amount of \$16,246 to set aside excess funds in contingency.

Section 20. That account number 39-90-4740-8500, Transfer to Worker's Comp Capital Reserve, portion of the Cemetery Fund appropriations budget be increased in the amount of \$9,312 to provide funds for transfer to the capital reserve fund.

Section 21. That account number 39-90-9990-9900, Contingency, be decreased in the amount of \$4,961 to provide funds for transfer to the capital reserve fund.

Section 22. That account number 39-90-3980-1000, Transfer from General Fund, be increased in the amount of \$4,351 to provide funds for transfer to the capital reserve fund.

Section 23. That the Estimated Revenues in the General Fund be increased in the amount of \$4,341 in the account Fund Balance Appropriated, account number 10-003991-9910.

Section 24. That account number 10-00-4400-3900, Transfer to Cemetery Fund, Miscellaneous Non-Departmental portion of the General Fund budget be increased in the amount of \$4,341 to provide funds for transfer to the capital reserve fund.

Section 25. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 26. This ordinance shall become effective upon its adoption.

Adopted this the 12th day of October, 2009.

s:/Judy Jennette  
**JUDY JENNETTE**  
**MAYOR**

ATTEST:

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

**ADOPT – BUDGET ORDINANCE AMENDED ELECTRIC FUND BUDGET**

Mr. Rauschenbach distributed a handout entitled: Electric Fund Impact on City Customers and Property Taxes. Last month, Council approved a reduction in rate increase from 5.7% to 2.5%. The Electric Consultant was contacted to inquire what this would mean to the City and Mr. Rauschenbach has provided calculation as well. Also, Mr. Rauschenbach referred to page 42 that was distributed in the agenda packet and the recommendation of LGC (page 44 has the same information that LGC provided). Lastly, Mr. Rauschenbach went over the handout that was presented to Council trying to show the impact of city limits customers and the potential impact on property taxes. Mr. Rauschenbach asked Council to look at what had been going on in the Electric fund over time.

Mayor Pro tem Mercer suggested a scenario of how he arrived at different figures from what was shown on page 42 of the spreadsheet.

Councilman Jennings stated he agrees that these figures are cause for concern but suggested the answer to this problem is in the general fund.

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Councilman Jennings expounded that it is great to see the charges as they relate to what would be required in property taxes to run the same budget but we also charge administrative charges. Councilman Jennings requested the following information at the next council meeting:

1. Relative to other ElectriCities communities: What are our administrative charges from the Electric Fund?
2. Sales tax on electric use comes back to the City and it goes straight to the General Fund – is this common practice? It's not just the amount we charge/rate per customer its other fees. Councilman Jennings stated there is a ton of money going over from the Electric Fund over to the General Fund. We need to become more efficient.
3. Look at Capital cost – can we defer?
4. Truthful General Fund which may mean we will have to increase property taxes. Property taxes have been raised once in twenty years and we have had roughly by 25% (25 times) utility rate increases during the same time period.

**\*Note:** Mr. Rauschenbach stated they could do a study on all other government transfers in and out. Also, he will revisit transfers of costs from all funds/departments.

Mayor Pro tem Mercer reviewed the 2008-09 financial sheets for the end of June and shared his calculations for this period of time as well as for this year's budget.

James C. Smith, City Manager shared his recommendations regarding rate reduction.

#### **City Management's Recommendation Regarding Rate Reduction**

Enterprise funds like the Electric fund are supposed to be treated as a separate self supporting business.

Without any amendments the Electric Fund will have run a \$779,000 deficit at the end of last year and will run a \$95,000 deficit this year.

A 3% rate reduction will add about \$500,000 to this year's deficit increasing it to about \$595,000.

By motion of Councilman Davis, seconded by Councilman Brooks, Council adopted a Budget Ordinance reducing the Electric Fund Sale of electricity \$1,130,000, reducing N.C. Eastern Municipal Agency expense by \$631,000, and Electric Fund Balance Appropriated revenue be increased by \$499,000 to balance the Electric Fund Reserve budget. Voting for the motion: Councilman Woolard, Councilman Jennings, Councilman Brooks, and Councilman Davis; Against: Mayor Pro tem Mercer. Motion passed 4-1.

#### **AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF WASHINGTON, N.C. FOR THE FISCAL YEAR 2009-2010**

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

Section 1. That account number 35-90-3710-5100, Sale of Electricity portion of the Electric Fund appropriations budget be decreased in the amount of \$1,130,000 to reflect the rate decrease from 5.7% to 2.5% effective November 1, 2009.

Section 2. That account number 35-90-8320-4800, N.C. Eastern Municipal Agency portion of the Electric Fund appropriations budget be decreased in the amount of \$631,000 to reflect the latest forecast of purchased power cost.

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Section 3. That account number 35-90-3991-9910, Fund Balance Appropriated portion of the Electric Fund revenue budget be increased in the amount of \$499,000 to balance the Electric Fund amended budget

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 12<sup>th</sup> day of October, 2009.

s:/Judy Jennette  
**JUDY JENNETTE**  
**MAYOR**

ATTEST:

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

**Council convened for a break at 8:05 and reconvened at 8:15 pm.**

**PULLED AND MOVED TO NOVEMBER AGENDA - ADOPT – RESOLUTION THAT DESIGNATES A RESERVE IN THE GENERAL FUND BALANCE TO PROVIDE FUNDS FOR DISASTER RECOVERY**

**DISCUSSION – DRAFT BIKE/PEDESTRIAN ORDINANCE**

Council agreed this was a great draft and commended City Attorney, Franz Holscher. Mayor informed Council there was nothing to pass tonight. The ordinance is for general review and will need to go before the Planning Board, Parks and Rec., and the Recreation Advisory Board. Mr. Holscher requested the following from Council:

- Contact him concerning highlighted items and let him know your thoughts
- What the City wants the interplay to be between bikeways and sidewalks
- Consider describing the route that Mr. Henkel has proposed for design in the ordinance (to give it more meaning and substance)

Mayor Jennette noted she had mentioned to the City Attorney if they go with Mr. Henkel's enlarged route then the County would need to be involved at some level. She requested Council review the document and provide feedback Mr. Holscher.

**PULLED AND MOVED TO NOVEMBER AGENDA - APPEARANCE – MS. DENISE NEUABER WITH NC COALITION TO END HOMELESSNESS**

**APPROVE & AUTHORIZE – CITY MANAGER TO ENTER INTO A HANGAR GROUND SITE LEASE AGREEMENT WITH MR. CRAIG GOESS AT WARREN FIELD AIRPORT**

Jim Smith, City Manager stated they are trying to get into a standard lease format where only the space underneath the hangars is actually leased.

Franz Holscher, City Attorney emphasized he had given the agreement to Mr. Goess lawyer back on October 2, 2009. Mr. Goess has not been available for consultation. Therefore, he suggests giving the City Manager flexibility for further negotiation with this agreement, if there is action on it tonight. If the substance changes then Mr. Holscher would need to bring this back to Council and Mr. Smith agreed.

Councilman Jennings addressed the other reason for reducing the area of lease to the footprint of the hangar was to allow additional hangars between this hangar and the one adjacent to it, if the need arises. Mayor Pro tem Mercer expressed his concern about deferral of rent until July 1, 2010. Mr. Smith explained the reason. Councilman Jennings inquired if it was common for the entity receiving tax revenue, in the interest of economic development; forgive those taxes to free up dollars to pay rent. Mr. Smith stated in this case, they are going to rebate any increase in taxes that they are going to receive and the personal property taxes on this jet will exceed the amount paid for by all previous aircrafts at the Airport. Bottom line, the City will end up with more money.

By motion of Councilman Woolard, seconded by Councilman Jennings, Council approved the Hangar Ground Site Lease Agreement for Mr. Craig Goess and Authorized the City Manager to enter into said agreement unless there are some significant changes by his attorney. Voting for the motion: Councilman Woolard, Councilman Jennings, Councilman Brooks, and Councilman Davis; Against: Mayor Pro tem Mercer. Motion passed 4-1.

**(Copy in folder)**

**APPROVE – ELECTRIC ADVISORY BOARD RECOMMENDED CHANGES TO THE CITY’S UTILITY DEPOSITS, EXTENSIONS, AND NON-PAYMENT DISCONNECT ORDINANCES AND POLICIES**

Mayor Jennette expressed that an excellent job was performed on this work by all involved. She met with the Care/Charitable group last week and they thought that these were all excellent changes.

By motion of Councilman Woolard, seconded by Councilman Brooks, Council adopted the Electric Advisory Board’s six recommended changes to the City’s ordinances and policies as they relate to utility deposits, non-payment disconnects, and extensions. Councilman Woolard amended his motion to include recognizing the implementation of these changes November 5, (the first full billing cycle), seconded by Councilman Jennings.

Discussion: Mayor Pro tem Mercer expressed concern if the Attorney felt there would be a need for a public hearing since there would be changes to the City ordinance. Mr. Holscher was not sure if you would need a public hearing but you would have to reduce the actual specific changes in the ordinance through writing and adopt code revisions. Mr. Smith explained that this was a policy document and it would be followed-up with an ordinance change. Mr. Smith stated the changes would be implemented once the ordinance is done and Council set a date.

Councilman Jennings suggested the Advisory Board consider, on an ongoing basis, some sort of credit or flexibility based on how long someone has been at their residence. Councilman Brooks agreed.

**Current Deposit Policy**

Customer deposits are based on credit worthiness. When new customers apply for service their credit is checked with Online Utility Exchange to determine if a deposit should be charged. If a deposit is charged the amount of deposit is equal to 2/12 of the average annual utility bill at the service location. Our practice has been to cap the residential deposit amount at \$300 for electric. This lesser of 2/12 of the average annual utility bill or \$300 rule also applies to existing customers who do not have a deposit on their account, after they appear on the cut-off list three times or have unpaid returned checks or drafts.

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Deposits may be refunded at the customer's request after a fourteen month period if they have paid at least 12 of the 14 utility bills on time and have not been disconnected for non-payment.

**Recommended Changes to City of Washington's Customer Service Policies**

1. Refund deposit, as a credit to the account, after 6 months if customer has no cut-offs.
2. Increase number of extensions allowed from 2 per year to 4 per year.
3. Allow payment plans for deposits (\$100 per month for 2 or 3 months).
4. Require deposit on existing customer after 3<sup>rd</sup> cut-off in 3 years (currently we require a deposit at the time of the 3<sup>rd</sup> cut-off with no specified period of time).
5. Cap residential electric deposit amount to \$200 if the customer provides CSR with a social security number so debt can be turned over to NC Debt Set-off if needed.
6. Charge maximum \$300 deposit to all residential customers who refuse to give CSR their social security number regardless of their credit rating.

**AMEND – CHAPTER 8, LICENSES AND BUSINESS REGULATIONS,  
ARTICLE 1 OF THE CITY CODE REGARDING ALCOHOLIC BEVERAGE  
CONTROL**

Chief Reed explained this was a carry-over from what Council authorized at the last session. In order to provide complete and accurate recommendations concerning the suitability of a person or of a location for an ABC permit within the City of Washington, the SBI is very specific of who can authorize access of this information. Chief Reed explained for the State to grant this access, the City of Washington must amend its current City Code to authorize the Washington Police Department to obtain this information for this specified purpose.

By motion of Councilman Jennings, seconded by Councilman Woolard, Council amended Chapter 8, Licenses and Business Regulations, Article 1 of the City Code authorizing the Washington Police Department to seek State access to SBI/DCI criminal records information to be used in making arrest on the suitability of a person or of location for ABC Permit.

Discussion: Mayor Pro tem Mercer expressed concerned over the wording of Section 8-6. The Attorney was satisfied with the wording.

**AN ORDINANCE AMENDING CHAPTER 8, ARTICLE I OF THE CODE OF THE  
CITY OF WASHINGTON, NORTH CAROLINA AUTHORIZING THE  
WASHINGTON POLICE DEPARTMENT TO SEEK STATE ACCESS TO  
SBI/DCI CRIMINAL RECORD INFORMATION FOR USE IN MAKING  
RECOMMENDATIONS ON THE SUITABILITY OF A PERSON OR OF A  
LOCATION FOR AN ABC PERMIT**

**WHEREAS**, North Carolina General Statute § 18B-904(f) provides that the governing body of a city may designate an official of the city, by name or by position, to make recommendations to the North Carolina Alcoholic Beverage Control Commission on behalf of the city concerning the suitability of a person or of a location for an ABC permit when the proposed location is within the city;

**WHEREAS**, the Chief of Police and the Director of Planning and

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Development, by position, are designated as the officials authorized to make recommendations on behalf of the governing body, the City Council for the City of Washington, concerning the suitability of a person or of a location for an ABC permit within the City of Washington jurisdiction pursuant to North Carolina General Statute § 18B-904(f);

**WHEREAS**, in order to make said recommendations, the Washington Police Department desires State access to the SBI/DCI Criminal History Record Information to obtain criminal history information on all persons applying for ABC permits for proposed locations within the City of Washington;

**WHEREAS**, the Washington Police Department will obtain said criminal history information on each applicant based on identification information regarding the applicant contained in the notice of permit application received from the North Carolina Alcoholic Beverage Control Commission;

**WHEREAS**, if said criminal history information reveals that an applicant has been convicted of any felony, a misdemeanor involving drugs or alcohol, or any offense in violation of Article 26 of Chapter 14 of the North Carolina General Statutes, the Washington Police Department will file a written objection to the issuance of the permit; and

**WHEREAS**, the North Carolina Alcoholic Beverage Control Commission is the government agency responsible for the issuance of all ABC permits.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council for the City of Washington, North Carolina that Chapter 8, Article I of the Code of the City of Washington, North Carolina shall be amended as follows.

Section 1. That Chapter 8, Licenses and Business Regulations, Article I, In General, be amended by adding the following Section 8-6.

Sec. 8-6. Police Authority Regarding Criminal History Information for Applicants for ABC Permits.

The police department shall be authorized to seek state access to SBIIDCI Criminal History Record Information to obtain criminal history information on all persons applying for ABC permits for proposed locations within the City of Washington.

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

Section 3: Should any provision of this ordinance be declared invalid or unconstitutional by any court of any competent jurisdiction, such declaration shall not affect the validity of the ordinance as a whole or any part thereof which is not specifically declared to be invalid or unconstitutional.

**AUTHORIZE – CITY MANAGER TO ENTER INTO A SHORT-TERM RENTAL AGREEMENT WITH MARTIN COUNTY COMMUNITY ACTION AGENCY FOR OPERATION OF A WEATHERIZATION ASSISTANCE PROGRAM RESOURCE COORDINATOR’S OFFICE SPACE AND ADOPT RESOLUTION AUTHORIZING THE DISPOSITION (LEASE) OF CERTAIN REAL PROPERTY BY PRIVATE NEGOTIATION AND APPROVING THE LEASE OF SAID PROPERTY PURSUANT TO NORTH CAROLINA GENERAL STATUTE § 160A-279 AND 160A-267**

Ms. Bianca Gentile, Special Project Coordinator informed Council that the City of Washington partnered with Martin County Community Action Agency (MCCA) to distribute nearly \$800,000 in ARRA money for weatherizing low-income homes throughout Washington Electric’s service district. Under the

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“Stimulus Program,” eligibility thresholds were increased to include families with incomes up to 200% above federal poverty guidelines. Under the partnership, MCCA will hire a part-time project coordinator who will be housed at City Hall.

Mayor Jennette inquired as to the dollar amount agreed upon. Ms. Gentile stated \$350 per month (\$325 for rent and \$25 for utilities). Mayor Pro tem Mercer suggested if we have available space and partnering with MCCA then why would we not provide them the space free of charge. Mr. Smith stated they have a grant that will provide these services in different locations. A comparison was done with the private sector. Mayor Jennette explained this was a portion of the grant for administrative services and Ms. Gentile agreed stating they had received a \$13 million grant. Councilman Davis sees it as an opportunity to help them and also help the City. The available space is located in the old inspection office.

By motion of Councilman Woolard, seconded by Councilman Brooks, Council authorized the City Manager with approval as to form by the City Attorney to enter into a short-term rental agreement with Martin County Community Action Agency for operation of a Weatherization Assistance Program Office Space and approve the resolution as stated by the Attorney.

**RESOLUTION AUTHORIZING THE DISPOSITION (LEASE) OF CERTAIN  
REAL PROPERTY BY PRIVATE NEGOTIATION AND APPROVING THE  
LEASE OF SAID PROPERTY PURSUANT TO NORTH CAROLINA GENERAL  
STATUTE §160A-279 AND 160A-267**

**WHEREAS**, the City of Washington (hereinafter referred to as “City”) owns the Municipal Building located at 102 East Second Street (hereinafter referred to as “City Hall”);

**WHEREAS**, North Carolina General Statute § 160A-279 authorizes a city to convey an interest in real property by private negotiations to a non-profit corporation or private entity if the city is authorized by law to appropriate money to said non-profit corporation or private entity;

**WHEREAS**, North Carolina General Statute § 160A-20.1 authorizes a city to contract with and appropriate money to any entity to carry out any purpose that the city is authorized to carry out;

**WHEREAS**, Martin County Community Action, Inc. (hereinafter referred to as “MCCA”) is a non-profit corporation, to which the City is authorized to appropriate money and which actively engages in a purpose the City is authorized to carry out – low income family assistance programs, including but not limited to the Weatherization Assistance Program administered through North Carolina’s Department of Health and Human Services Office of Economic Opportunity and funded, in part, by the American Recovery and Reinvestment Act of 2009 (hereinafter referred to as “ARRA”);

**WHEREAS**, the City is partnering with MCCA to distribute nearly \$800,000.00 in ARRA money for weatherizing low income homes throughout the Washington Electric Utilities’ service district;

**WHEREAS**, in conjunction with said partnership, MCCA will hire a part-time project coordinator who will work in an office at City Hall to, among other things, accept applications, process eligibility requirements, and serve as a liaison;

**WHEREAS**, the City has negotiated with MCCA to rent said office from the City, which office will be utilized for said purposes in conjunction with said program; and

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**WHEREAS**, said office currently is surplus to the City and its City Council desires to lease the same.

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

1. The City Manager is authorized to negotiate and execute all documents necessary to lease said office to MCCA to be utilized solely for the purposes described hereinabove and in conjunction with the program described hereinabove.
2. The above office is hereby declared to be surplus to the needs of the City.
3. The City Manager is authorized to lease said office by private negotiation.
4. The City Clerk shall publish a notice summarizing the contents of this resolution in accordance with North Carolina General Statute § 160A-267.
5. The lease contemplated hereunder may be consummated not earlier than ten (10) days from the date of said publication.

Adopted this 12<sup>th</sup> day of October, 2009.

s:/Judy Jennette  
**JUDY JENNETTE**  
**MAYOR**

ATTEST:

s:/Cynthia Bennett  
**CYNTHIA BENNETT**  
**CITY CLERK**

**DISCUSSION – OLD HEALTH DEPARTMENT BUILDING INSURANCE**

Mayor Jennette informed Council that the ones involved with the building before had stated there was some insurance on the building that had not been paid for (approximately \$2300) and felt this was going to be covered in the purchase price.

By consensus, Council agreed not to pay the insurance. Franz Holscher, City Attorney agreed that he was uncomfortable with the City paying an entity obligation.

**ADDED ITEM – DISCUSSION OF WATER AND SEWER RATES**

Mayor Pro tem Mercer questioned the billing on water and sewer if you are not at home and don't use one drop of water, you will be billed for 250 cubic feet which is 1700 gallons. He would like to know what the impact would be if you get charged for what you are using. Mr. Smith and Mr. Lewis explained water and sewer are controlled by the Public Utilities Commission and the AWWA manual generally requires what is known as an availability fee (the fee covers postage, reading of meter, basically for someone to come in the house to turn the tap on). Mr. Smith agrees that the language could read another way in the ordinance. Mr. Lewis will check into the language and report back to Council next month. They will also provide the cost of a Rate Study.

**ADDED ITEM – DISCUSSION OF POLICE SITE SELECTION COMMITTEE**

Councilman Davis understood from the discussion last month that each council member would appoint someone to serve on the Police Site Selection Committee.

Mayor Jennette suggested each council member submit at least two individuals they would like to appoint to the committee and turn the names in by

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Friday, 10-16-09. Council agreed, by definition, the committee members should live within the City limits.

Councilman Davis nominated the following individuals:

- Mr. Bob Tyndall
- Mr. Mike Hicks
- Mr. Bruce Donald

**CLOSED SESSION – UNDER G.S.143-318.11(a)(6) PERSONNEL, G. S. 143-318.11(a)(3) ATTORNEY/CLIENT PRIVILEGE, G. S. 143-318.11(a)(4) ECONOMIC DEVELOPMENT AND G.S. 143-318.11(a)(5) POTENTIAL ACQUISITION OF REAL PROPERTY: PROPERTY LOCATED AT 507 WEST SECOND STREET, G.S. 143-318.11(a)(1) DISCLOSURE OF CONFIDENTIAL INFORMATION, AND 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 at 8:55 pm under G.S.143-318.11(a)(6) Personnel, G.S. 143-318.11(a)(3) Attorney/Client Privilege, G.S. 143-318.11(a)(4) Economic Development and G.S. 143-318.11(a)(5) Potential Acquisition of Real Property: Property located at 507 West Second Street, G.S. 143-318.11(a)(1) Disclosure of Confidential Information, and G.S. 143-318.10(e) the Public Records Act.

By motion of Councilman Davis, seconded by Councilman Brooks, Council agreed to come out of closed session at 9:30 pm.

**MOTION FOR TIMOTHY EVANS PROPERTY LOCATED AT 507 WEST SECOND STREET**

On motion of Councilman Davis, seconded by Mayor Pro tem Mercer, Council unanimously moved that the City, in lieu of litigation, accept lot 1 as generally shown on the survey by Waters Surveying, Inc. dated 11-3-09 entitled Survey for Timothy Evans; allow Mr. Evans to retain an easement for maintenance of a gas line (s); and allow Mr. Evans to retain lot 2 as shown on said survey with the understanding that lot 2 will be recombined with Mr. Evans' adjacent lot, all subject to any zoning approvals that may be required.

**ADJOURN**

By motion of Councilman Woolard, seconded by Councilman Brooks, Council unanimously adjourned the meeting at 9:30 pm, until Monday November, 9, 2009 at 4:30 p.m. in the Council Chambers at the Municipal Building.

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**Reatha B. Johnson**  
**Assistant City Clerk**