

The Washington City Council met in a continued session on Monday, September 27, 2010 at 5:30pm in the City Council Chambers at the Municipal Building. Present were: Archie Jennings, Mayor; Bobby Roberson, Mayor Pro tem; Doug Mercer, Councilman; Rev. Edward Moultrie, Councilman; William Pitt, Councilman; Gil Davis, Councilman; James C. Smith, City Manager; and Cynthia Bennett, City Clerk.

Also present were: Matt Rauschenbach, Chief Financial Officer, Robbie Rose, Fire Chief; Allen Lewis, Public Works Director; John Rodman, Planning Director; Mick Reed, Police Chief; Gloria Moore, Library Director; Lynn Lewis, Tourism Director; and Mike Voss, of the Washington Daily News.

Mayor Jennings called the meeting to order and Councilman Pitt delivered the invocation.

APPROVAL/AMENDMENTS TO AGENDA

City Manager, James C. Smith requested adding ElectriCities Board Appointment/Nominations.

Mayor Jennings requested adding Closed Session – under § NCGS 143-318.11(a)(6) Personnel.

By motion of Councilman Mercer, seconded by Councilman Pitt, Council approved the agenda as amended.

Mayor Pro tem Roberson requested adding the following to the October agenda:

1. Library Operational Hours
2. Parking lot at the Municipal Building

DISCUSSION – ENERGY MANAGEMENT IMPLEMENTATION PLAN

Electric Director, Keith Hardt updated Council on the documents placed before them or emailed to them concerning the Energy Management Implementation Plan. He reviewed the recommendation by the Advisory Board which is currently being worked on. As there was not a quorum at the majority of the meetings, Mr. Hardt pointed out that these are just recommendations. Mr. Hardt noted that these documents may be important for meetings with any Civic group or can be used one on one individually (as a point of discussion only). The Advisory Board is waiting for direction from Council.

Mayor Jennings inquired if there was anything Council wanted to address in the overall Energy Plan provided by the Advisory Board.

1. Mayor Pro tem Roberson - include individuals with low to moderate income for the weatherization programs.
2. Mayor Jennings advised Council to let Keith Hardt or Jim Smith know if they make a presentation. This will give a list of organizations who has been touched and who hasn't.
3. David Carraway - place this information on Cable 9.

Chief Financial Officer, Matt Rauschenbach discussed the Management Communication Plan that the City will approach and requested Council look at the backup material. ElectriCities has several programs that they have helped market for other Eastern agencies with varying levels of success. ElectriCities has offered to help develop flyers and other media presentations to promote the benefit of the Energy Management Plan. Mr. Rauschenbach noted the short term or immediate benefit to the customer will be credits to their bill.

Utilization of the media:

- Local Government access cable TV
- Web Site
- Face book page
- Video loop in the Lobby (story board)
- Explain program
- Pamphlets in City Hall Lobby (on the counter & discuss with customers when they come in for any service)
- Automated phone calls
- Separate mailing (may be expensive)
- Newspaper

Mr. Rauschenbach mentioned the Residential Energy Efficiency Intern Grant that had been recently awarded had three goals. The third goal that's included in Council documentation is to review the program and develop a recommended approach.

Councilman Davis inquired about the acceptance of bids for installation of switches. Mr. Hardt stated he had sent out RFP's to establish cost and interest. Councilman Davis inquired as to how quickly this would take to implement and Mr. Hardt stated it was up to Council. The bids will be received by mid October. Mayor Jennings requested to advertise when we hit a milestone.

Mr. Hardt stated a licensed electrician is an issue if the City of Washington does the work. This responsibility cannot be contracted away and will require a licensed electrician to be on staff. Guidance and direction from City Council will be needed at that time. Mayor Jennings asked Mr. Hardt to clarify when a licensed electrician would be needed. Mr. Hardt explained that you would need an electrical contractor's license in hand to be able to do the installs. Councilman Davis inquired if there are any employees close to having the license and Mr. Hardt said 'no'. Mayor Jennings noted that Mr. Hardt stated we couldn't contract that responsibility but could we hire someone that in addition to that employment had their own business. Mayor Jennings recommended this as being the most suitable arrangement. Mayor Jennings asked how to go about hiring someone in this type of arrangement. Mr. Smith advised a dialogue had already begun with Mr. Rauschenbach and Ms. Hodges to put together a job description. Also, Mr. Hardt noted there was a job description already in place as someone had held a similar position before.

Mayor Pro tem Roberson asked if we could sub-contract this to an electrical firm vs. placing a full time employee on staff. Mr. Hardt advised Council that the pre bid meeting will take place next Monday and bid opening the following Monday (the night of the City Council meeting) and if is any interest, he will bring this information before the Council since he will not have it before the Agenda meeting or email it to them whichever works best.

City Council directed Staff to place on the October agenda for action.

PRESENTATION – BECKY VEAZEY – MAPS GROUP

Human Resource Director, Susan Hodges introduced Ms. Becky Veazey with the Maps group. Ms. Hodges stated there are several positions where job duties have changed due to reorganization. Ms. Hodges noted she was updating classifications and to make sure employees are being paid correctly in the salary schedule. Changes have occurred in the following departments:

- Fire
- New Planning Position (properly classified as Community Development Planner)

- Building/Codes Enforcement (minimum housing inspection)
- Water Resources (retirement of an individual and the department reorganized)

Ms. Veazey reviewed her background and stated for the last twenty one years she had been traveling the State and working with Local Governments. She works with the City of Washington as a sub-contractor through the North Carolina League of Municipalities. Hand outs were distributed to Council of the study and new assignments and classes of grade status. Ms. Veazey discussed the study and classification/pay recommendations. Ms. Veazey noted the principles being implemented when a classification and pay study is performed is "equal pay for equal work".

Classification side:

1. What are the duties of a job and how those duties compare to duties in other jobs?
2. Looking for classification and job description are accurate and reflect accurate education experience, knowledge, skills, abilities and certification.

Pay side:

1. Labor market and what other places pay for the same type of work.
2. Internal equity with the other jobs within the City.

Mayor Pro tem Roberson inquired if Ms. Veazey would explain Internal Equity. Ms. Veazey directed Councils attention to page 12 of the study and explained using different examples. Councilman Mercer mentioned that page 12 only shows about three communities our size and shouldn't there be more comparison to the towns in the City of Washington category rather than a town of 50,000 - 60,000. Ms. Veazey explained that when a market is selected for analysis, the local geographical market is the most important area to look at. It reflects two things – 1: Most intensive competitors and 2: Reflection of cost of living in the area. Councilman Mercer pointed out that Tarboro was not included in the study. Ms. Veazey explained that Tarboro is in the process of a study now because their current salary is way below market and will be implementing their new recommendation in January. Tarboro was included in the study of 1998 and 2004 but felt it would be inaccurate data to use at this time.

Ms. Veazey reviewed pages 5 & 8 and her recommendations for all positions in the aforementioned departments. Ms. Veazey stated she would like to leave this information with Council and come back at a later date for action. Also, she noted it has been six years since the last full classification and pay study had been conducted. Generally it is recommended that studies be conducted every five years. Lastly, she advised that the City had requested for them to look at the ranges, the difference between the hiring rate and the maximum of each salary range. Currently the range for Washington is 48%. Recommendation was not made in 2004 to implement this change. She is recommending adjusting the range from 48% to 50% to what they found to be the rule of thumb around the State. This change in market should be reflected in the ranges for Washington as well and will facilitate the proposed change in the City's department head travel bonus program.

Mayor Pro tem Roberson suggested when you look at payroll classification plan an important thing to consider would be looking at the per capita income that is in each county. Ms. Veazey explained that is not part of the standard methodology. Ms. Veazey elaborated by stating when you go into the market you are buying a set of skills. Councilman Roberson asked for an explanation on the minimum classified pay range. Ms. Hodges explained the process from hiring rate to minimum rate. Ms. Hodges also explained the progression for receiving a salary increase.

Mayor Jennings inquired if there was a total cost. Ms. Hodges stated that was not included. Ms. Hodges provided the cost impact as follows:

- Fire - \$2700
- Waters Resources – 5% already budgeted due to retirement

Mayor Jennings directed Ms. Hodges to have these numbers available on the recommendations that is before Council now at the October 11th meeting. Councilman Mercer inquired as to the assignment of classification stating “draft”, what does it includes? The only change is the fact of moving some from one classification to another. Ms. Hodges stated the draft includes expanding the ranges to 50% subject to Council approval. Hiring rates did not change but added 2% at the very top of the range. Hiring rate X 1.5 becomes the max. Councilman Roberson requested more information concerning the market value.

PRESENTATION – PRESERVATION NC
DISCUSSION – STATUS OF CURRENT GRANTS (2010 DEPARTMENTAL AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) AND NON-ARRA FUNDING OPPORTUNITIES)

Chief Financial Officer, Matt Rauschenbach introduced Ms. Claudia Devine of Preservation NC. Staff met with Ms. Devine who covers twenty seven counties and discussions were held concerning the property the City end of owning through rehabilitation.

Ms. Devine presented an overview of Preservation North Carolina’s work in Northeastern North Carolina. Preservation North Carolina was founded in 1939 and is the only private nonprofit statewide historic preservation organization. They are known worldwide for its award-winning Endangered Properties Program. Its mission is to protect and promote buildings, landscapes and sites important to the diverse heritage of North Carolina. Preservation NC has saved more than 600 endangered historic properties, generating an estimated \$200,000,000 in private investment.

Programs include:

- Endangered Properties Program
- Stewardship Properties
- Educational and Technical Assistance
- Advocacy
- Resource Development

Acquiring Legal Interest in Property:

- Donations
- Options to purchase (the most common)
- Purchase

Once interest is received, the property is marketed thru magazines and website at www.PreservationNC.org. Two agreements involved in the process 1: Rehabilitation and 2: Protective Covenants. Once the sale is closed, Preservation NC conveys the title to the property owner (buyer from Preservation NC) Preservation NC buy it from the seller and sell it to their buyer. Any funds that come in above the marketing fee goes back to replenish Preservation NC fund.

Council recess at 6:50 pm and reconvened at 7:00 pm.

By motion of Councilman Pitt, seconded by Councilman Rev. Moultrie, Council agreed to extend the meeting until 8 pm.

DISCUSSION – STATUS OF CURRENT GRANTS (2010 DEPARTMENTAL AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) AND NON-ARRA FUNDING OPPORTNITIES)

Special Projects, Bianca Gentile briefly summarized the current open grants. Ms. Gentile stated the State Energy Intern Grant had been awarded for \$30,000. Clearance was received late Friday afternoon to begin the project proposed. Mayor Pro tem Roberson questioned the contract stating the original contract was entirely different front the second one. Ms. Gentile agreed citing the State did not one to mix the State Energy Program Funds with the Internship Program and the Weatherization money comes from a different pot of money. Student interns will be in place by October 11, 2010 if possible.

Councilman Mercer expressed concerns on the benefit cost analysis involving the Police Facility. Ms. Gentile stated on Friday afternoon they realized the numbers plug into the benefit cost analysis to validate the price of the building represented the 2008 tax card and haven't been able to get a new benefit cost analysis that the State will validate. Ms. Gentile stated she anticipates an increase in funds due to 2009 tax revaluation for the building value (without the multiplier from \$359,000 to \$661,000 including 2009 tax card). Once the land value has been included it will total over \$701,000. This project will need to be submitted as a first step because the City will participate as a sub-grantee with the State of North Carolina. The entire grant which represents all the municipalities will present a Federal Grant application.

Grant Program	Project Summary	Department	Applied/Deadline	Amount	Match	Other	Status
DEPARTMENT: PARKS AND RECREATION, Philip Mobley							
NC Recreational Trails Program	"Build 3000" walkway along Jack's Creek	Parks and Recreation	Yes	\$100,000 (awarded 2009-Nov. 2011)	\$25,000	25% match. Funds have been allocated through admin/cash	\$100,000 awarded. Waiting to clarify trail route.
US Fish and Wildlife: Boating Infrastructure Grant Program (BIG-P), 2008	Construct 12 Transient Slips along Waterfront	Parks and Recreation	Yes	\$200,000 (awarded 2007-Jan. 2011- may request extension)	\$25,300	Match allocated: \$25,300 cash match and \$104,676 in-kind match	\$200,000 awarded. Project in Process, Environmental Assessment is in State clearinghouse and will begin major CAMA permitting process 3-6months to renew.
The North Carolina Parks and Recreation Trust Fund (PARTF)	Develop Festival Park	Parks and Recreation	Yes	\$590,250	\$295,250	\$295,125 or 50% match (three years to match money and can use grants)	\$295,250 awarded Design phase for the picnic shelter and stage area has begun.
US Fish and Wildlife: Boating Infrastructure Grant Program (BIG-P), 2010	East and west end bathrooms	Parks and Recreation/Planning	Yes	\$50,000 (east end = \$36K, West end = \$14K)	25% or \$12,500	Match obtained through non-federal dollars	\$50,000 awarded. Award documentation forthcoming. Planning and Parks and Recreation Department of working together.
DEPARTMENT: PLANNING AND COMMUNITY DEVELOPMENT, John Rodman							
Div. of Coastal Management – Public Beach & Coastal Access Grant	Waterfront Dockmaster and Public Restroom Facilities for Stewart Parkway	Planning and Community Dev' mt	Informally invited to submit final application	\$325,000	\$32,500	Final Application , November, 2010	\$3 million available for 20 coastal counties - \$200,000 average grant award. 10% match of grant award with 5% of that amount available as in-kind

Federal Emergency Management Agency : NC Division of Emergency Management	Repetitive Losses- Elevates/demo structures suffering from repetitive environmental damage	Planning and Community Dev'mt	August, 2009* Notification : Nov., 2010	\$293,755	None or \$ 0	Partnered w/ Washington Park and HCP Several projects within our jurisdiction may be included in the FY11 cycle for funding.	\$293,755: Total project budget. Partnered with County (HCP managing) to submit joint application. NC Emergency Management reports FEMA funds are on hold until further notice. FY10 and FY11 may be bundled into one award.
Community Development Block Grant (CDBG) : Housing development	Washington Housing, Inc. will partner with City to construct 13-15 homes for LMI families	Planning and Community Dev'mt	Yes, submitted October, 2009	\$250,000 (22,700 admin)	None	Submitting this grant was a requirement of Capacity Building grant	\$227,000 awarded. Competitive grant environment. Release of funds expected by Nov. 2011
Community Development Block Grant (CDBG) : Capacity Building grant	Washington Housing, INC will develop capacity to manage housing development projects	Planning and Community Dev'mt	Y; Active Project	\$75,000 (10% admin)	None	Partnered with Washington Housing, Inc.	\$75,000 awarded. Close out public hearing expected November/December, 2010.
Grant Program	Project Summary	Department	Applied/Deadline	Amount	Match	Other	Status
Community Development Block Grant (CDBG) : Community Revitalization	6 th and 7 th Street Revitalization Deliverables: -Water, sewer, housing rehab or demo to 13 units	Planning and Community Dev'mt	Y;Active Project	\$850,000	\$0	Holland consulting planners managing project	Close out documentation submitted to DCA.
Community Development Block Grant (CDBG) : Housing Development	Keyesville Road deliverables: -Acquisition of parcels -Sewer/ water installation -Four homes	Planning and Community Dev'mt	Y: Action project	\$250,000	\$60,000	Holland consulting planners managing project	Expended: \$130,000 (acquisition, engineering, legal and administrative fees) An Environmental Review will be completed for the second parcel.
Main Street Energy Fund	Energy retrofits for public and private buildings/street lighting or solar trash compactors.	Planning and Community Dev'mt	January 31, 2010	\$71,538.29 (request, total project budget = \$143,076.58	50% (City will offer in-kind administration	50/50 grant (match supplied by building owners)	\$71,538.29 Submitted. Award notification expected 10.31.10 Building owners participating: Moss House, Edward Jones, Carolina Wind and Yacht, Turnage Theater, Mason and Jones, Century 21
State Energy Office: Student Internship	Two competitive internships proposed. Partnered with ECUs Political Science Sociology Depts.	Planning and Community Dev'mt	Submitted March 17, 2010 Awarded 8.17.10	\$30,000	In kind match		\$30,000 awarded. Project approach had to be revisited. Interns are expected to be in place by 10.1.10 (see supporting documents)
DEPARTMENT: FIRE, Chief Robert Rose							
FEMA 2009 Fire Act Grant	Replacement of 22 complete sets of turn-out-gear	Fire Department	Yes	\$50,930	\$2,546		\$50,930 awarded. Award number has been posted on online application
Grant Program	Project Summary	Department	Applied/Deadline	Amount	Match	Other	Status
DEPARTMENT: POLICE, Chief G. M. Reed							
NC Gov Crime Commission	2 year drug market / gang reduction called Project Next	Police Department	Awarded 07/01/2008	\$ 284,212	\$71,053		\$ 284,212 awarded. Grant is active and in final year

Bureau of Justice: Rural Law Enforcement	2-year gang/crime investigator, plus license plate recognition technology f	Police	Yes: award notification September 30	\$191,408	None	*Award reflects actual amount.	\$191,308 awarded; all ARRA reports current.
Bureau of Justice: Local Solicitation	Hire Law Enforcement Development Planner	Police	Yes: award notification July 31	\$40,234	None	Direct appropriation	\$40,234 awarded; all ARRA reports current.
Bureau of Justice: Edward Byrne Memorial Justice Assistance grant	To purchase police equipment, including light weight duty gear and special event uniforms.	Police	Yes	\$12,852	\$0		\$12,852, awarded. Items to satisfy the grant's special conditions (evidence of public hearing) have been submitted and should be lifted by November, 2010.
USDA Rural Development: community facilities	Construction of New Police facility	Police	October, 2009	Project estimated @ \$3.0 loan	None	Loan package submitted	\$3.0M Loan awarded submitted to USDA on 10.17.09, awarded loan and grant March, 2010 Grant: \$100K awarded/decline
Grant Program	Project Summary	Department	Applied/Deadline	Amount	Match	Other	Status

Grant Program	Project Summary	Department	Applied/Deadline	Amount	Match	Other	Status
DEPARTMENT: LIBRARY, Gloria Moor							
State Library of North Carolina – Library Services/Technology Act	Library program enhancements	Library	LOI: 11.17.10	\$20,000-\$25,000	25% or a max of \$6,250	Submission : 2.18.2011	Matching funds may be provided with assistance from the friends of brown library.
DEPARTMENT: Public Works, Allen Lewis							
DPPEA	Roll-out cart recycling grant	Public Works	Grant submitted	\$100,000			\$100,000 awarded Contract awarded to roll-cart supplier on 09-13-10. Expected delivery by 12-31-10.
State Energy Office: Energy Efficiency in Government Buildings, R2	Energy efficiency upgrades in 7 municipal buildings See attached project summary	Public Works	Submitted 8.10.10	\$ 259,979	\$ 28,800	Match breakdown: \$23,000, Impressions \$5,800 in-kind admin	\$ 259,979 Award expected November, 2010. City Hall, Peterson Building, Civic Center, Communications Center, Brown Library, and the Impressions Building See attached project summary
Federal Emergency Management Agency : NC Division of Emergency Management	Repetitive Loss: Old Health Department	Public Works	August, 2009 Letter of Interest submitted (May, 09)	\$184,000 (covers acquisition and demo costs)	None	Budget reflects use of 2010 property values and actual demo estimates	\$184,000 requested. City must match 25% of project total with in kind or cash matches. NC Emergency Management reports FEMA funds are on hold until further notice. FY10 and FY11 may be bundled into one award.
NC Emergency Management; FEMA	Police Station Acquisition See attached project summary	Police/ Public Works	State submission 9.27.10	\$671,490	None		\$671,490 Federal grant due November See attached benefit cost analysis

**UPDATE – KEYSVILLE ROAD PROJECT
PRESENTATION – TOURISM DEVELOPMENT AUTHORITY MARKETING
UPDATE**

City Manager, James C. Smith, updated Council on the status of Keysville Road affordable housing project. This update concerns a 2005 CDBG grant.

(begin memo)The City of Washington in cooperation with the nonprofit Metropolitan Housing CDC received a \$250,000 FY 2005 – 2006 Community Development Block Grant to assist in the construction of affordable single-family housing units. The project was intended for a parcel of land off Keysville Road. The initial site intended to be purchased for the project was found to be in an estate with multiple heirs. The project was subsequently relocated to an adjacent site. The City purchased the land and easements for the extension of utilities using \$130,000 of the original \$250,000 grant. Due to the change in location and the necessity of acquiring additional easements the project has experienced significant delays.

On Thursday City representatives and our project consultant, Holland Consulting, met with Metropolitan housing to discuss the steps necessary to move the project forward. The State Department of Community Assistance (DCA) has noted that an environmental assessment was not completed on the new site. This step will be necessary in order for the project to move forward. Holland Consultants has agreed to perform the environmental assessment at no cost to the City.

It has become apparent that additional grant monies will be necessary in order to complete the project which now requires redesign and additional utility extension. Once the environmental assessment on the new site is completed DCA has indicated its willingness to assist Metropolitan Housing and the City with the necessary funds to move the project forward. (end memo)

Councilman Mercer expressed several concerns. He inquired if a commitment can be made having the project off the table by the end of October. Mr. Smith shared discussions have been addressed of going to Raleigh and he can't promise having approval from (DCA) for additional funds by October. Mayor Pro tem Roberson suggested a two-fold problem the City is having 1: the original site change causing an environmental impact statement for the first site and the State provided a release of funds. The City Attorney (Fred Holscher) did a property search and discovered it wasn't exactly the right tract. This is when the City had to look at alternate #2 and alternate #2 did not have any water and sewer. State changed the administrator at the end of the third year. The new administrator did not agree with the original plan administrator and stated she needed a check mark by the environmental assessment. Mayor Pro tem Roberson stated that once did has been completed the State will work towards releasing the obligations that we have.

Mayor Jennings suggested placing a definitive time on this project and suggested if no action by November 8, 2010 then include this on the agenda. Planning Director, John Rodman updated Council on an email received from Vicky Miller, Assistant Director of Community Planning and Development, in which he shared they are in the process of drafting a letter of the findings for the City.

TOURISM DEVELOPMENT MARKETING UPDATE

Tourism Director, Lynn Lewis shared the marketing efforts of Tourism Development. The comprehensive plan for FY-2011 includes:

- On line and internet marketing
- Print
- Outdoor and Radio

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- Revamp & Redesign website - more users friendly (won a destination marketing award in June and presented by their peers)
 - Sponsorship and web banner on cruisers.net
 - Visit NC (free)
 - Face book
 - Monthly E newsletter
 - Southern Living (this year)
 - Our State Magazine
 - Partnership with Washington Harbor Alliance - promoting Washington as a place where people can come and stay when they are visiting Greenville
 - Billboards & partner billboards
 - North Carolina Weekend (UNC TV)
 - Research efforts (surveys)
 - Washington Ironman (October)

DISCUSSION – COMPREHENSIVE PLAN UPDATE

Planning Director, John Rodman reviewed the City's Comprehensive Plan. Mr. Rodman noted that the Comprehensive Plan is a statement by the community of where it is today, what it is today and where it wants to be in the future. The Comprehensive Plan answers three main questions for the City of Washington:

- Where are we?
 - The Current "Comprehensive Plan" was developed as an addendum to the City's 2006 CAMA Land Use Plan.
 - The Plan was adopted by City Council in 2008
- Where do we want to go?
 - The Comprehensive Plan serves as the basis for zoning and other land use controls
- How do we get there?
 - Preparing to plan – 3 to 6 months.
 - Making the plan – 6 months to 2 years.
 - Adopting the plan – up to 6 months.
 - Implementing the plan – up to 20 years
 - Updating the plan – every 5 years
 - Assembling the Steering Committee
 - ❖ Responsibility of the Planning Board?
 - ❖ Can be decided from among the stakeholder list.
 - ❖ Use the City Council to advise on members of Steering Committee

Mr. Rodman elaborated on the need for an updated Comprehensive Plan and that \$20,000 has been budgeted plus an additional \$10,000 that can be used. Consultants are unlikely to cost less than \$20,000 and it averages around \$40,000 depending on how conclusive you want the plan to be. The Planning Board recommends going to the RFP (Request for Proposals). Mr. Glenn Moore, Planning Administrator for the City of Washington will handle the Comprehensive Plan project and will have it ready to present on the October 11, 2010 meeting. Copies of the RFP have been provided Council for review and comments.

Mayor Jennings tasked Council to look over this during the next several weeks and the key will be acquiring the right consultant.

DISCUSSION – WATER SHORTAGE RESPONSE PLAN

Public Works Director, Allen Lewis presented a review of the Water Shortage Response Plan.

(begin memo) As noted at the September 13, 2010 Council meeting, the Public Works department has been working on a Water Shortage Response Plan for

some time now to meet the minimum requirements of NCGS 143-355.2(a) as well as NCAC 02E.0607. We have finally met all of these requirements and have received written approval of the plan as submitted to you for the September 13 meeting. Since that time, City Attorney Franz Holscher has made some recommended changes which are shown in red in the attached document. This plan would be implemented in the event of drought conditions in an effort to conserve water consumption. Again, as noted two weeks ago and as a point of reference, during the dry spell we had in this area a few years ago, we never came close to the triggers that would have required any mandatory consumption reductions outlined in the attached plan.

Also, I sent you an e-mail on September 15 in reference to this subject that you may want to review as well. (end memo)

Mayor Pro tem Roberson questioned who would be the enforcement agency? Will you receive a citation stating this is a warning? He feels that whatever the process, this would be helpful to the general public. Mayor Jennings asked Mr. Lewis to speak to how unlikely this plan will be required to implement. Mr. Lewis expounded on the certain triggers that would need to be met. Basically the water levels will need to get down to 20 feet of the pump at each of the eight wells. In order for the first trigger to be met, three of those wells will need to be at that point. Mr. Lewis reiterated that two or three years ago when we had a State drought, the City did not get close to that number. Councilman Mercer noted he also had some reservations about the enforcement.

City Attorney, Franz Holscher stated that his main concern was for this to be legal enforceable, that it would have to be reduced to an ordinance. Discussions have been reviewed as to whether the entire plan would go into the ordinance or the enforcement section and referencing a stand-alone document. Mr. Holscher stated he was willing to explore this and he feels the easiest would be to become a part of the code. Mayor Jennings inquired if it was a requirement of the plan that the City reduce it to an ordinance or make it part of the code and Mr. Holscher shared he had reviewed the enabling legislation and it doesn't speak to passing it as an ordinance but if you were to cite someone criminally for not participating in the plan, they can walk in the court and say it hasn't been ordained and it can't be enforced against me. Mr. Holscher mentioned problems he is having in other places in the code.

Mayor and City Council instructed staff to have this ready by November 8, 2010.

DISCUSSION – END OF YEAR PURCHASE ORDERS

Chief Financial Officer, Matt Rauschenbach updated Council on the end of year purchase orders and noted the schedule was included in the package Council received. Mr. Rauschenbach explained that the purchase orders that the City uses is more of a budgeting technique. Also, another implementation as a result of this process, when installment purchases and/or cash capital projects cross years, it becomes difficult to keep up with the various projects for a particular year. If they are all handle in the same account going forward we will end up with installment purchases (Mr. Rauschenbach shared an example). This year installment purchases will be tracked in a separate account. By doing so, when you come to the end of a capital calendar year you can determine whether those projects were depleted.

Mayor Pro tem Roberson questioned #7 – Coastal Science and Engineering contract and Mr. Rauschenbach stated the one for Coastal Science and Engineering firm can be canceled if it proves to be the wrong vendor. Councilman Mercer questioned projects #19 and #20 dealing with Substation Maintenance. Councilman Mercer stated it look as though a purchase order had been issued for \$190,000 to complete the project and he requested more details.

Mr. Rauschenbach stated the purchase order had not been issued, the requisition has been made and being held because it exceeds the threshold. This will go to Council for approval during the October meeting. Mr. Rauschenbach briefly explained #19 and #20 and will fully address these items at the next City Council meeting.

NOMINATIONS – ELECTRICIES JOINT BOARD OF DIRECTORS

Councilman Davis inquired as to when the last time someone represented the City on that board. Electric Director, Keith Hardt stated the last appointment was Mr. R. L. Willoughby in 2001.

Councilman Mercer noted that the two individuals that are currently serving and has been there for a year are both eligible for re-election this year. No other nominations were presented.

MEETING WITH THE ELECTRIC DEPARTMENT EMPLOYEES

Mayor Jennings mentioned the meeting with the Electric Department Employees has been scheduled for Wednesday, September 29, 2010, 3pm at T & D.

By motion of Councilman Davis, seconded by Mayor Pro tem Roberson, Council agreed to extend the meeting until 9 pm.

CLOSED SESSION – UNDER § NCGS 143-318.11(a)(6) PERSONNEL

By motion of Councilman Mercer, seconded by Councilman Pitt, Council agreed to go into closed session under NCGS 143-318.11(a)(6) at 8 pm.

By motion of Councilman Mercer, seconded by Councilman Pitt, Council agreed to come out of closed session at 8:55 pm.

**ADJOURN – UNTIL MONDAY, OCTOBER 11, 2010 AT 5:30 PM IN THE
COUNCIL CHAMBERS AT THE MUNICIPAL BUILDING**

By motion of Councilman Davis, seconded by Councilman Pitt, Council adjourned the meeting @ 9:00 pm until October 11, 2010 at 5:30 pm in the Council Chambers at the Municipal.

Cynthia S. Bennett
City Clerk