

The Washington City Council met in a regular session on Monday, December 10, 2012 at 5:30pm in the City Council Chambers at the Municipal Building. Present were: Archie Jennings, Mayor; Doug Mercer, Councilman; Ed Moultrie, Councilman; William Pitt, Councilman; Richard Brooks, Councilman; Bobby Roberson, Mayor Pro tem; Josh Kay, City Manager; Cynthia Bennett, City Clerk and Franz Holscher, City Attorney.

Also present were: Matt Rauschenbach, Administrative Services Director/C.F.O.; Robbie Rose, Fire Chief; Allen Lewis, Public Works Director; Gloria Moore, Library Director; John Rodman, Community and Cultural Services Director; Stacy Drakeford, Interim Fire and Police Services Director; Susan Hodges, Human Resources Director; Keith Hardt, Electric Director; Lynn Lewis, Tourism Director; David Carraway, IT; Kristi Roberson, Parks and Recreation Manager and Mike Voss, Washington Daily News.

Mayor Jennings called the meeting to order and Councilman Moultrie delivered the invocation. Mayor Jennings acknowledged the positive comments he has received regarding the Christmas decorations at City Hall and in the downtown area.

APPROVAL OF MINUTES FROM NOVEMBER 5 & 19, 2012

Councilman Mercer requested the addition of the following line to page 3 of the November 19, 2012 minutes regarding the transfer from the Electric Fund, "Council established a target of \$700,000 for the 2013-2014 budget".

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council approved the minutes of November 5, 2012 as presented and November 19, 2012 as amended.

APPROVAL/AMENDMENTS TO AGENDA

Mayor Jennings added a purchase order for land application of residual sludge in the amount of \$85,000 under the Consent Agenda as Item E.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council approved the agenda as amended.

PRESENTATIONS: RETIREMENT AND MEMORIAL RESOLUTIONS



Josh Kay, City Manager; Susan Hodges, Human Resources Director; Archie Jennings, Mayor; Gary Johnson, Washington Fire (Retired); Robbie Rose, Fire Chief; Homer Wallace, Parks and Recreation (Retired); Philip Mobley, Parks and Recreation (Retired); Sandy Blizzard, Washington Police Department (Retired); Matthew Bailey, Police Department (Retired); Stacy Drakeford, Police and Fire Services Director. Not Pictured: Mick Reed, Police Department (Retired); Rachel Rucienski, Police Department (Retired); Dianna Toler, Human Resources (Retired); Floyd Wainwright, Public Works (Retired)

Memorial Resolutions were presented to the families of James Gilgo, former Police Chief; Larry Jones, former Maintenance Worker and Elizabeth "Betsy" Robbins, former Personnel Officer, Accounting Clerk and Tax Office Assistant.

CONSENT AGENDA

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

- A. Declare Surplus/Authorize – Fire Department Equipment Truck Vehicle #235 And Authorize The Sale Of This Vehicle Through Electronic Auction Using GovDeals
- B. Approve/Authorize – 2013 Departmental Roster And Authorize The Mayor And The Fire Chief To Sign The Annual Certification Of Firefighters
- C. Accept/Adopt – Grant From Mid-East Commission Area Agency On Aging And Adopt Budget Ordinance Amendment For Grant (\$498.00)

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2012-2013**

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

Section 1. That the Estimated Revenues in the General Fund be increased in the amount \$498 in the account Mid East Grant-Recreation, account number 10-40-3621-3300.

Section 2. That account number 10-40-6123.4501, Mid-East Commission Grants, Senior Programs portion of the General Fund appropriations budget be increased in the amount of \$498 to provide funds for Health Promotions & Disease Prevention.

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

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

Adopted this the 10th day of December, 2012

Attest:

s/Cynthia S. Bennett, CMC
City Clerk

s/N. Archie Jennings, III
Mayor

- D. Adopt – Grant Project Amendment For The CDBG-Program Fund Amendment And Adopt Budget Ordinance Amendment (Keys Landing Subdivision) (\$11,000)

**AN ORDINANCE TO AMEND THE GRANT PROJECT ORDINANCE FOR THE CDBG-
PROGRAM INCOME FUND
CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2012-2013**

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

Section 1. That the Estimated Revenue in the following accounts in the CDBG- Program Income Fund be increased by the following amount:

60-60-3991-9910	Fund Balance Appropriated	\$ 11,000
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Section 2. That the following accounts in the CDBG- Program Income Fund appropriations budget be increased to provide funds for lot clearing at the Keys Landing subdivision by the following amount:

60-60-4930-4500	Contractor Payments	\$ 11,000
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Section 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

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

Adopted this the 10th day of December, 2012.

Attest:

s/Cynthia S. Bennett, CMC
City Clerk

s/N. Archie Jennings, III
Mayor

AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2012-2013

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

Section 1. That the Estimated Revenues in the General Fund be decreased in the amount of \$11,000 in the account Fund Balance Appropriated, account number 10-00-3991-9910.

Section 2. That account number 10-00-4400-1501, Maint/Repair Grounds, Miscellaneous portion of the General Fund appropriations budget be decreased in the amount of \$11,000 to reflect portion of lot clearing in the Keys Landing subdivision being funded by CDBG Program Income.

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

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

Adopted this the 10th day of December, 2012.

Attest:

s/Cynthia S. Bennett, CMC
City Clerk

s/N. Archie Jennings, III
Mayor

E. Approve – Purchase Order to EMA Resources for land application of residual sludge (\$85,000)

COMMENTS FROM THE PUBLIC: None

PUBLIC HEARING ON ZONING: None

PUBLIC HEARING – OTHER: None

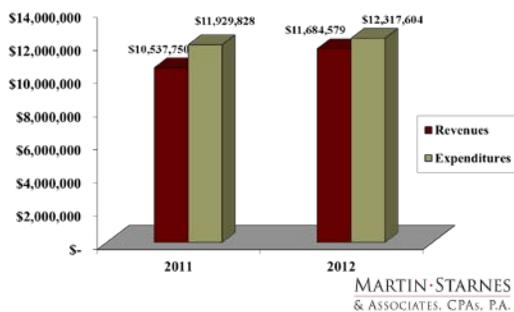
MR. HARLEN MACKENDRICK – ZION SHELTER

Mr. Harlen Mackendrick stated that the Zion Shelter has been operational for 28 years. Their original funding request from the City was \$10,500 but with budget restrictions the Zion Shelter was only funded \$6,000. Mr. Mackendrick stressed that additional funding was needed to maintain operations at the Shelter and that he would be attending the Beaufort County Commissioner’s meeting to request financial assistance. Council discussed possible options to assist the shelter. Council requested the City Manager meet with Mr. Mackendrick to determine the funding amount the shelter needs through the end of June 30, 2013. If needed, Mr. Mackendrick will come back on January 14th for the next City Council meeting.

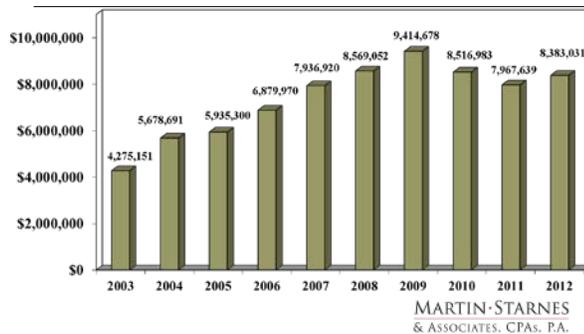
MARTIN – STARNES & ASSOCIATES, CPA’S, P.A. – AUDIT

Crystal Waddell, Martin – Starnes & Associates, CPA’s, P.A. presented the audit results to Council. Council discussed revenues versus expenditures as well as debt service. Councilman Mercer complimented Ms. Waddell on an error free audit.

General Fund Revenue and Expenses
(before Transfers)



Fund Balance – General Fund

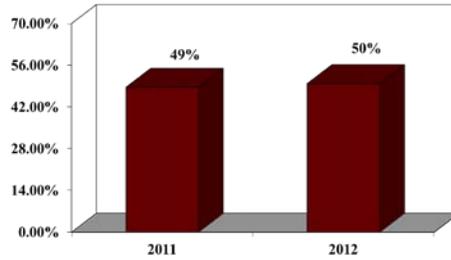


Fund Balance Position-General Fund

□ Total Fund Balance	\$ 8,383,031
Non spendable	- 85,930
Stabilization by State Statute	<u>- 2,154,972</u>
□ Available Fund Balance	\$ 6,142,129
□ Available Fund Balance 2011	\$ 5,800,992
□ Increase in Available FB	\$ 341,137

MARTIN·STARNES
& ASSOCIATES, CPAs, P.A.

Available Fund Balance as a Percent of Expenditures – General Fund

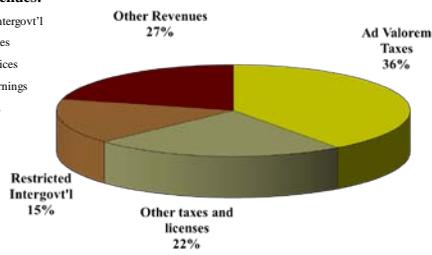


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& ASSOCIATES, CPAs, P.A.

Top 3 Revenues: General Fund

Other Revenues:

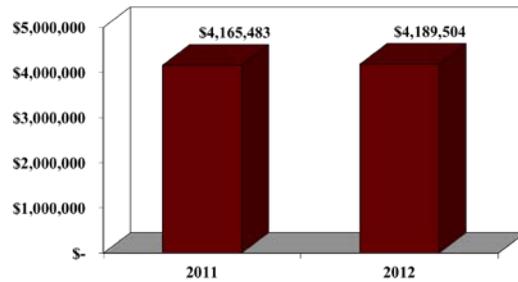
- Unrestricted intergov'tl
- Permits and fees
- Sales and services
- Investment earnings
- Miscellaneous



Top 3 comprise \$8,546,428 (73%) of revenues

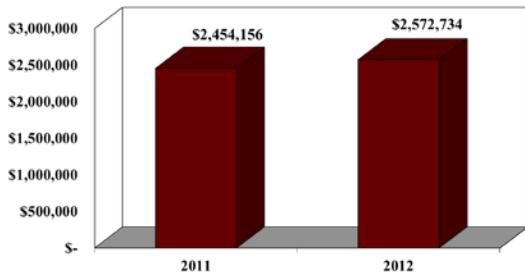
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Ad Valorem Taxes



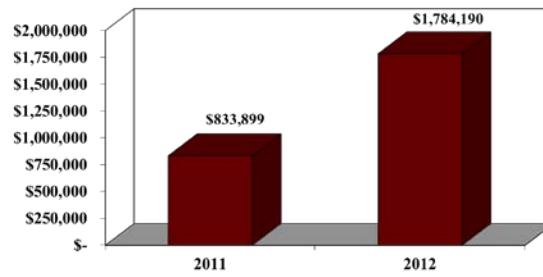
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Other Taxes and Licenses



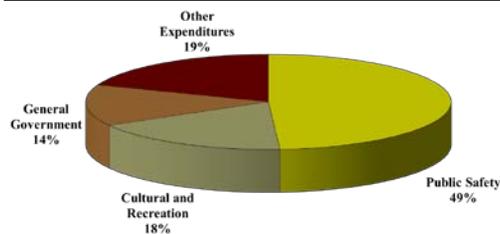
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Restricted Intergovernmental



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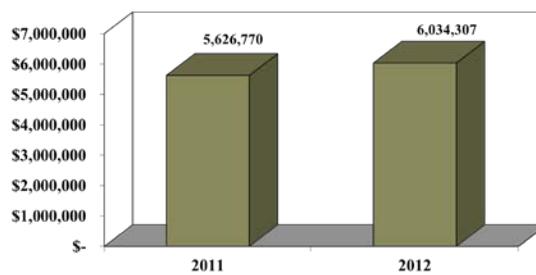
Top 3 Expenditures: General Fund



Top 3 Comprise 81% of Total Expenditures
Expenditures Total \$12,317,604

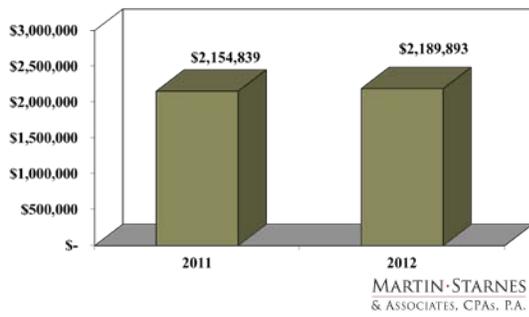
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Public Safety

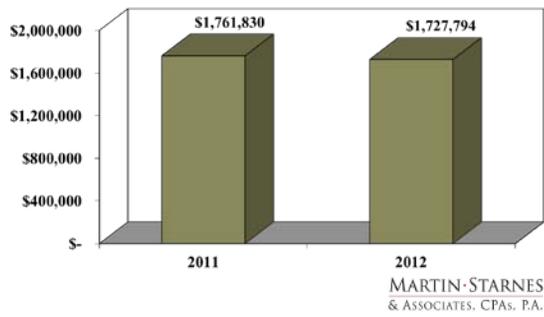


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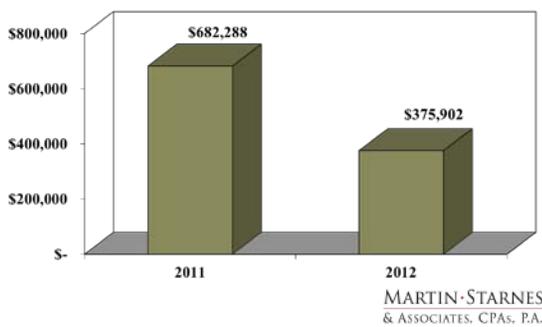
Cultural and Recreation



General Government



Debt Service

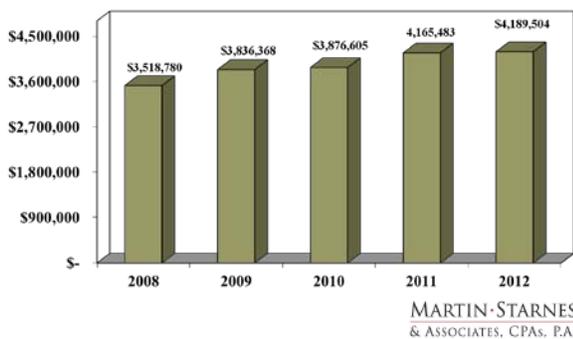


Other Governmental Funds

- ✓ Total Revenues 2012 \$ 761,894
- ✓ Total Expenditures 2012 1,662,074
- ✓ Other Financing Sources 914,581
- ✓ Net Change in Fund Balance 14,401
- ✓ Ending Fund Balance 1,615,331

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& ASSOCIATES, CPAs, P.A.

Property Tax Trend for Collections in the Fiscal Year of the Levy



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Enterprise Funds
Operating Income (Loss)
Modified Accrual

	Water	Sewer	Electric	Stormwater Utility	Non Major
Income/loss	526,194	286,121	58,962	(33,963)	(264,248)
Transfers out	(198,019)	(193,479)	(1,099,743)	-	-
Income/loss before incoming transfers	328,175	92,642	(1,040,781)	(33,963)	(264,248)
Debt issued	-	-	-	-	-
Transfers In	30,000	86,000	-	-	239,487
Total Income(Loss)	358,175	178,642	(1,040,781)	(33,963)	(24,761)

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Enterprise Funds
Available Resources for Future Obligations
June 30, 2012

	Water	Sewer	Electric	Stormwater Utility	Nonmajor
Unrestricted Cash and Investments	\$ 1,633,741	\$ 2,130,680	\$ 5,185,729	\$ 548,135	\$ 753,492
Accounts Receivable/Due from	649,034	575,045	4,724,608	94,896	209,118
Available resources	2,282,775	2,705,725	9,910,337	643,031	962,610
Current Liabilities	395,253	672,701	4,261,655	749,317	148,207
Total Available for non-current obligations	\$ 1,887,522	\$ 2,033,024	\$ 5,648,682	\$ (106,286)	\$ 814,403
Annual Operating Expenses					
Cash Basis	\$ 2,612,127	\$ 2,820,095	\$ 36,712,756	\$ 641,488	\$ 2,153,946
2012 Available resources as a % of expenditures	72%	72%	15%	-17%	38%
2011 Available resources as a % of expenditures	62%	63%	15%	10%	37%
Total General Fund fund balance as a % of General Fund expenditures is 68%					

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**MR. ROGER WALDEN OF CLARION & ASSOCIATES –
DRAFT COMPREHENSIVE PLAN**

John Rodman, Community & Cultural Services explained the purpose of a Comprehensive Plan is to anticipate growth and to guide this growth in a manner that will provide a community with a balance of land uses that promote economic growth while retaining a superior quality of life component. A Comprehensive Plan is a guide for all future activities by City Government The Comprehensive Plan is the central statement of public policy of the City, and contains the City's goals, objectives, and operating policies for land use and development. The plan, through its goals, becomes a framework for guiding responsible growth and action by the City.

One of the major goals for the Planning Board and the Planning & Development Department is to update the current plan into a "true" comprehensive plan. In November 2010, the Council authorized Planning & Development to proceed with a competitive process to secure a qualified firm to assist with the preparation of a Comprehensive Plan for the City of Washington. In 2011 the Comprehensive Plan Update project was awarded to Clarion and Associates in the amount \$30,000. Clarion and Associates worked through the Planning Board to receive public input for the project and establish goals and objectives for the plan. A draft copy of the Comprehensive Plan is being presented to the Council for your review and discussion. Mr. Roger Walden of Clarion and Associates is here to present the plan and answer any questions or concerns. A public hearing will be required in order to adopt/approve the Comprehensive Plan.

Roger Walden of Clarion and Associates explained the process of preparing the Comprehensive Plan as well as the structure of the plan. This 2022 Comprehensive Plan has been prepared for the City of Washington to articulate a vision for the community's future, and establish a road map for how to achieve that future. This Plan is an update of the community's last adopted Comprehensive Plan, adopted by the Washington City Council in 2006. Washington's Comprehensive Plan is a strategic document that compiles information, community dialogue, and preferred public policy choices for the City. This plan provides policy guidance on a variety of complementary community issues, including coordinating growth and infrastructure, highlighting economic development pursuits, and protecting environmental resources. The plan is organized around five key themes:

- Downtown and the Waterfront
- Economic Development;
- Community Appearance;
- Historic Preservation; and
- Tourism and Eco-tourism.

This updated Comprehensive Plan provides a policy framework, establishing the context for decision-making on projects and helping the community set priorities for action. This Plan suggests priorities for attention and action. The plan both sets forth the long-term vision, and serves as a resource for day-to-day decision-making.

This Comprehensive Plan is organized as follows:

- Section I summarizes the Comprehensive Plan and the City's vision for its future.
- Section II describes the area and existing conditions in the City.
- Section III refreshes the City's Land Use Map.
- Section IV pulls together an action plan, with suggested priorities.

Existing Conditions:

Washington is a vibrant community made up of distinctive neighborhoods and business districts. The geography of this city revolves around downtown and the waterfront, supported by a network of corridors that serve both transportation and economic needs.

A: Regional Setting

B: Current Conditions

1. Demographics
2. Housing
3. Economy
4. Community Facilities/Services
5. Natural Systems
6. Land Suitability
7. Current Land Use

C: Current Plans, Policies, Regulations

D: Key Issues and Trends

Land Use Policy Framework:

Washington's Land Use Plan translates the vision, goals, and policies into a desired future pattern of land uses. It establishes the City's vision and expectation for how land will develop and be used. A set of land use categories is defined, and every parcel of land within the City carries a Land Use Designation.

- A: Vision
- B: Guiding Principles
- C: Goals/Objectives
- D: Future Land Use Map

Action Plan:

Given Washington's vision for its future, and the description/analysis of current conditions and strategic objectives, the path to that future begins to come into focus. This Part V includes a specific Action Plan with priorities.

- A: What Needs to be Done
- B: Priority Designations
- C: Plan Monitoring and Updating

Councilman Mercer commented that the actions items and discussions are centered around the Central Business District and not the entire City. There was no discussion regarding development regulations around the 15th Street corridor, around the interchange 5th Street/Hwy 17 area. He further noted that there should be discussion in the document regarding infrastructure improvements to promote residential growth. The document is a good start, but additional areas of concern need more attention other than the Central Business District.

Mr. Walden explained that he agreed with Councilman Mercer that the focus needs to be extended beyond the waterfront/downtown/Central Business District. The economic development opportunities are city wide. There is a parallel effort going on now with the Comprehensive Transportation Plan.

CORRESPONDENCE AND SPECIAL REPORTS: MEMO – NORTHGATE SUBDIVISION

(begin) MEMO from John Rodman, Community & Cultural Services and Franz Holscher, City Attorney
Re: Northgate Subdivision Infrastructure Project I-I, CHAF-00-D-133

In 2002 and as a result of Hurricane Floyd, the City of Washington (City), in conjunction with Northgate Development, LLC (Northgate), was awarded a grant in the amount of \$1,620,000 under the Crisis Housing Assistance Program from the North Carolina Department of Crime Control and Public Safety through the North Carolina Redevelopment Center. The grant funds were used to construct water, sewer, street and drainage infrastructure improvements for vacant lots in Northgate Subdivision.

Of the 162 projected lots, the developer originally was required by the grant to convey 81 lots with homes constructed thereon to Hurricane Floyd victims. The requirements of the grant have been modified over time by the granting agency to require, among other things, conveyances to low to moderate income (LMI) households, instead of Hurricane Floyd victims, as the benchmark for grant compliance. Furthermore, the number of lots required to be sold to LMI households has been decreased by the granting agency from 81 to 32 lots. By letter dated August 8, 2012, the granting agency confirmed that there have been 28 qualifying conveyances to LMI households, leaving 4 additional sales to LMI households being required to achieve grant compliance.

The build-out date for the Northgate project and the expiration date for the grant originally was October of 2007. The granting agency granted a first extension of that deadline to December 31, 2009. The granting agency granted a second extension of that deadline to December 31, 2010. The granting agency granted a third extension of that deadline to December 31, 2011. In December of 2011, the City Attorney's office, on behalf of the City and Northgate, requested, among other things, a fourth extension of the deadline. The State granted a fourth extension through December 31, 2012 contingent upon the City and Northgate reaching an acceptable agreement regarding compliance with the grant and a source for recapture of grant funds if the grant requirements are not met.

Initially, a \$250,000 Letter of Credit from Northgate had been established with the City as the beneficiary as a source for recapture of grant funds (measured at \$10,000/lot) to cover any lots that were not sold to LMI households up to 32 (there were 7 qualifying conveyances at that time). As part of the

agreement for the second extension of the grant deadline, a replacement \$140,000 Letter of Credit was established in order to provide a source for the recapture of grant funds (there were 18 qualifying conveyances at that time). As part of the agreement for the third extension of the grant deadline, a replacement \$100,000 Letter of Credit was established in order to provide a source for the recapture of grant funds (there 22 qualifying conveyances at time). As of agreement for the fourth extension of grant deadline, a \$70,000 of Credit order a source for of On 13, accepted City's if it 31st 2013. 31st "31, 2012, for WHI's Section not guarantee it extend the build-out beyond current December 31, 2012."

Therefore, we are asking the City to authorize the City Attorney's office to request another extension of the build-out deadline contingent upon 1) all agreements between the City, Northgate, and the State remaining in effect through the term of the extension and 2) Northgate obtaining and providing the City with a replacement Letter of Credit in the minimum amount of \$40,000 with an expiration date no earlier than 3 months after the date of any new deadline established by a new extension. We are also asking City Council to reaffirm that, if an extension is not granted and if the State requires the City to recapture grant funds, the City Attorney and/or the City Manager are authorized to effectuate the City's authority under the current Letter of Credit in accordance with its terms; more specifically, to present the bank with a draft to draw down sufficient funds from the current Letter of Credit to satisfy any amount of grant funding that the State requires the City to recapture. (end memo)

Josh Kay, City Manager explained the grant expires on December 31, 2012 and the memo contemplates the idea of asking for an extension of the grant. Currently, four homes need to be constructed to fulfill the grant. Documentation for one of the homes was turned in last week and Mr. Briley is awaiting the qualifying status, if the home qualified, then only three additional homes would need to be constructed to complete the build-out of the grant. The Letter of Credit will expire on March 31, 2013.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council directed the City Manager/Attorney to contact Mr. Briley and discuss with him that Council is willing to entertain one more grant extension, subject to Mr. Briley paying the appropriate attorney fees for preparing the extension request; an extension of the Letter of Credit will be afforded if the grant extension is successful.

REPORTS FROM BOARDS, COMMISSIONS AND COMMITTEES:

HUMAN RELATIONS COUNCIL

Appoint Sub-Committee For Ed Peed's Commemoration -The following Board members volunteered to be on the sub-committee in honor of Edward Peed's Commemoration: Florence Lodge, Allen Hughes, Betty Moore (citizen) and Councilman Pitt. Chairman O'Pharrow distributed the photos depicting the sign that will be used to display the Ed Peed's event at Station One. Chief Rose forwarded a picture of the marker at the Estuarium for the Board to consider as a project. Chief Rose would follow-up with Kristi Roberson or a representative from the Estuarium to get a price quote on the marker. It was discussed that the head stone for Ed Peed at Beebe Park was a shared project expense between the Fire Department and the Human Relations Council. Vice-chair Cherry reviewed the Board decision last year to purchase a permanent banner for this event.

By motion of Vice-chair Cherry, seconded by Board member Hughes, the Board agreed to invest in a permanent banner to be placed over Main Street in advance of Ed Peed's day to be held annually on the 3rd Saturday in February at 11:00 am.

Discussion: Ruth's House - Board member St. Clair informed the Board that a house for Ruth's House has been purchased and expecting to opened the first of the year (2013).

Discussion: December 11th Meeting - By consensus, the Board agreed having a short meeting and Christmas dinner. Board member St. Clair offered the building at their ranch to house the event (located at 120 Hodges Road). It was recommended the women bring a covered dish and men contribute a monetary donation to cover remaining items. The menu, time, and invitations will follow via email along with the December agenda.

FYI Items Addressed At This Time - inclusive of October report submitted to City Council, financial report, copy of letter extending invitation to organization in Beaufort County and public notification. (approved as submitted)

FINANCIAL REPORTS (EMAILED AS AVAILABLE)

No concerns were expressed at this time.

APPOINTMENTS: NONE

ADOPT – RECREATIONAL SPORT PROGRAM AGREEMENT

Mr. Kay explained that on August 29, 2012 City staff, Mayor Jennings, and the City attorney met with the Adult and Youth League Representatives to discuss and receive feedback from them regarding the current Youth Sport Agreement. The feedback provided was integrated into the Youth Sport Agreement and revised to fit the needs of both youth and adult programs. Thus, we have created the Recreational Sport Program Agreement. The revisions were sent out to those who attended the meeting for their approval. The new revisions were presented to the Washington Recreation Advisory Committee during the August and September meeting. A final copy was emailed and mailed to all RAC members for their final approval. There were no objections to the changes. The mission of the City of Washington Parks and Recreation Department is to provide unlimited access and affordable recreation for all citizens and to create a Priority of Use List for all those organizations that follow the same mission.

Mayor Pro tem Roberson inquired about the Item L “lighting policy”, City Attorney Franz Holscher explained that should read “lightening policy”. Kristi Roberson, Parks and Recreation Manager reviewed the changes from the previous agreement to the current agreement. One of the changes was the inclusion of the Lightening Policy. The mission statement and fees changed. Mr. Kay noted the addition of the adult leagues to this agreement as well. Discussion was held regarding responsibility for turning the lights on/off at the Susie Gray Sports Complex and Kugler Field.

Councilman Mercer questioned Item H regarding operations of concession. It was suggested that the wording reflect that the operator of concessions has to meet with all State/Federal Health Dept. Code/Guidelines. Item L should refer to Lightening Policy not Lighting Policy. Suggestion of Exhibit B:3 add “participant” to line 3. Council members discussed potential changes for wording regarding potential suspension of a Sport Program official, coach or team mom/dad or participant in relation to a charge of a criminal offense.

Council by consensus agreed to add the word “participant” as suggested by Councilman Mercer under Exhibit B:3.

Council by consensus agreed to leave the wording as written regarding “to confirm such charge and, if confirmed, should consider whether suspension of such person from their position until such time as the charge is resolved without a conviction is warranted.”

By motion of Councilman Moultrie, seconded by Councilman Brooks, Council adopted the Recreational Sport Program Agreement between youth and adult sports leagues and the City of Washington with the inclusion of the language change under Exhibit B:3(participant) and the addition of the Lightening and Concession Stand Policies. Motion carried 4-1 with Councilman Mercer opposing.

APPROVE/AWARD – TENTATIVELY AWARD CONTRACT FOR DRAINAGE REHABILITATION AT WARREN FIELD AND APPROVE WORK AUTHORIZATION AND APPROVE CORRESPONDING PURCHASE ORDERS (\$320,058.90)

Mr. Kay referenced a letter and bid tabulation sheet from John Massey, P.E., of Talbert and Bright, our airport engineers as well as a letter from the Division of Aviation.
(begin letter)

Dear Mayor Jennings:

On behalf of Governor Beverly Eaves Perdue, Transportation Secretary Eugene A. Conti, Jr., and the NC Board of Transportation, please be advised that state funds have been allocated under the State Aid to Airports Program for Warren Field for State Fiscal Year (FY) 2011-12.

The specific work elements and funding approved is as shown below.

Project #	Description	State Funds	Local Funds
36244.51.8.1	Airfield Drainage Repairs	\$345,000	\$38,333

The NCDOT-Division of Aviation appreciates your commitment and contribution to our state aviation system. With aviation partners like you, North Carolina will continue to be First in Flight....

Sincerely,
Richard J. Walls, P.E.
Director of Aviation (end)

It was noted we received bids from three (3) companies for this work. Tri-State Utilities was the low bidder. The bids have been reviewed by the NCDOT Division of Aviation, and have met their approval. This work will include repairs to all storm drain pipes under the primary runway, 5-23, as well as the taxiways "B" and "C". There will also be repairs to a short section of storm drain pipe near the tie-down area and grates will be replaced on some catch basins.

In addition, we are also are looking for the approval of a purchase order for the construction phase services for this work. Talbert and Bright, our airport engineers, have submitted a proposal for a work authorization in the amount of \$29,300 for this work. As with the work above, funds from the grant noted in the December 13, 2011 letter from Richard, J. Walls, Director of Aviation for the North Carolina Department of Transportation, will be utilized for this work. The work scope and fee have been reviewed and approved by the NC Division of Aviation.

By motion of Councilman Mercer, seconded by Councilman Brooks, Council awarded the contract for drainage rehabilitation at Warren Field Airport to Tri-State Utilities, approved work authorization and approved the corresponding purchase orders subject to approval of the NC Division of Aviation.

ACCEPT/AUTHORIZE/ADOPT – ACCEPT GRANT AWARD AND AUTHORIZE CITY MANAGER TO SIGN CONTRACT GRANT AGREEMENT AND ADOPT GRANT PROJECT ORDINANCE AND BUDGET ORDINANCE AMENDMENT – LIGHTHOUSE RESTROOMS AND DOCKMASTER STATION (300,000)

Mr. Kay reviewed the history of the project noting that City Council approved submission of the grant in 2010; Received Award Letter in 2011; Received Grant Agreement in 2012. The NC Department of Environment and Natural Resources has awarded funds in the amount of \$200,000 for the Public Beach and Coastal Waterfront Access Program to help construct the Lighthouse Restrooms and Dockmaster Station located on Stewart Parkway. Additional funds have been awarded through the BIG grant.

By motion of Councilman Pitt, seconded by Mayor Pro tem Roberson, Council accepted the grant award from the NC Department of Environment and Natural Resources, adopted the grant project ordinance in the amount of \$300,000, adopted the budget ordinance amendment, and authorized the City Manager to sign the Grant Agreement.

**GRANT PROJECT ORDINANCE FOR WATERFRONT RESTROOM
GRANT AWARD
CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2012-2013**

BE IT ORDAINED by the City Council of the City of Washington, North Carolina, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project ordinance is hereby adopted:

Section 1. The project authorized is to provide funds for the design and construction of a restroom facility on the waterfront.

Section 2. The officers of this unit are hereby directed to proceed with the project within the terms of the grant agreements and documents.

Section 3. The following amounts are appropriated for the project:

78-40-6124-0401	Planning & Design	\$ 40,000
78-40-6124-4500	Construction	245,000
78-40-6124-9990	Contingency	<u>15,000</u>
	Total	\$300,000

Section 4. The following revenue is anticipated to be available to complete this project:

78-40-3460-3000	PARTF Grant Funds	\$ 50,000
78-40-3470-0000	Public Access Grant Funds	200,000
78-40-3352-0000	City Contribution- Trans. Gen. Fund	<u>50,000</u>
	Total	\$300,000

Section 5. The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient detailed accounting records to satisfy the requirements of the Public Access and PARTF grant agreements.

Section 6. Funds may be advanced from the General Fund for the purpose of making payments that are due. Reimbursement requests should be made to the granting agency in an orderly and timely manner.

Section 7. The Finance Director is directed to report, on a monthly basis, the financial status of each project element in Section 3 and on the total grant revenues received or claimed.

Section 8. The Budget Officer is directed to include a detail analysis of past and future costs and revenues on this grant project in every budget submission made to the City Council.

Section 9. Copies of this grant project ordinance shall be furnished to the City Clerk, Budget Officer, and Finance Director for direction in carrying out this project.

Section 10. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 11. This ordinance shall become effective upon its adoption.

Adopted this the 10th day of December, 2012.

Attest:

**s/Cynthia S. Bennett, CMC
City Clerk**

**s/N. Archie Jennings, III
Mayor**

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2012-2013**

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

Section 1. That the Estimated Revenues in the General Fund be increased in the amount of \$50,000 in the account Fund Balance Appropriated, account number 10-00-3991-9910.

Section 2. That account number 10-00-4400-6200, Transfer to Capital Projects, Miscellaneous portion of the General Fund appropriations budget be increased in the amount of \$50,000 to provide funds for the waterfront restroom grant project.

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

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

Adopted this the 10th day of December, 2012.

Attest:

**s/Cynthia S. Bennett, CMC
City Clerk**

**s/N. Archie Jennings, III
Mayor**

**DISCUSSION – ECONOMIC DEVELOPMENT ADVISORY BOARD BY-LAWS
AND APPOINTMENTS**

City Manager Josh Kay explained the Economic Development Advisory Board By-Laws have been approved by the Beaufort County Board of Commissioners. With the rewriting of the By-Laws, the Board of Commissioners will request a nominee for appointment from each of the incorporated

municipalities; one Board Member from each of the incorporated municipalities in Beaufort County. Councilman Mercer suggested that a nominee be submitted to the County prior to their January meeting.

Mayor Jennings asked Councilman Mercer if he was willing to serve on that advisory board being he had been on the By-Law rewriting committee.

By motion of Councilman Moultrie, seconded by Councilman Brooks, Council approved Councilman Mercer as the nominee for the City of Washington for the Economic Development Advisory Board.

CANCELLATION – OF DECEMBER COMMITTEE OF THE WHOLE MEETING

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council cancelled the December Committee of the Whole scheduled on December 24, 2012.

ANY OTHER BUSINESS FROM THE MAYOR OR OTHER MEMBERS OF COUNCIL - None

**CLOSED SESSION – UNDER § NCGS 143-318.11(A)(3) ATTORNEY CLIENT PRIVILEGE –
INCLUDING CITY OF WASHINGTON VS. ANNE & HARRY MEREDITH,
ET AL (08-CVS-105)**

By motion of Councilman Pitt, seconded by Councilman Moultrie, Council entered into closed session at 7:12pm under NCGS 143-318.11(a)(3) Attorney/Client Privilege including City of Washington vs. Anne & Harry Meredith, et al (08-CVS-105).

By motion of Councilman Brooks, seconded by Councilman Moultrie, Council agreed to come out of closed session at 8:35 pm.

ADJOURN

By motion of Councilman Moultrie, seconded by Councilman Brooks, Council adjourned the meeting at 8:40pm until January 14, 2013 at 5:30pm in the Council Chambers at the Municipal Building.

**Cynthia S. Bennett, CMC
City Clerk**