

The Washington City Council met in a continued session on Monday, August 26, 2013 at 5:30 pm in the City Council Chambers at the Municipal Building. Present were: Archie Jennings, Mayor; Bobby Roberson, Mayor Pro tem; Doug Mercer, Councilman; William Pitt, Councilman; Richard Brooks, Councilman; Brian Alligood, City Manager; Cynthia S. Bennett, City Clerk and Franz Holscher, City Attorney.

Councilman Moultrie was absent and excused from the meeting.

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

Mayor Jennings called the meeting to order and Mayor Pro tem Roberson delivered the invocation.

APPROVAL/AMENDMENTS TO AGENDA

Mayor Jennings added an update on the Coastal Warning Display Tower.

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

UPDATE: COASTAL WARNING DISPLAY TOWER

Ray Midgett of 108 Simmons Street updated Council on the Coastal Warning Display Tower project and recognized some of the organizations involved in this project. The tower has been erected and located next to the Estuarium and weather signal flags have been ordered. The flags will be displayed each day once they arrive.

Mr. Midgett thanked City Council, NC Estuarium, Jim Miller and family, Bill Sykes with Washington Harbor District Alliance, Little Washington Sailing School. Mr. Sykes and Little Washington Sailing School contributed the funds for the purchase of the weather signal flags. The flag pole was provided by West Marine & Carolina Yachting Center. Doug Wright – neighbor next door to where the tower had been located allowed trucks on his property. Hugh Sterling provided history of the tower and signal lights. John Rodman spearheaded the project and made sure things worked well. Also, he thanked Jeff Mosley and Mosley Construction.

Mayor Jennings thanked Mr. Midgett for his role in this project and a heartfelt thank you for the collective efforts of all involved. Mayor Jennings remarked that the tower is a great addition to the waterfront.

MEMO: RECOMMENDED MANAGEMENT STRUCTURE FOR WATERFRONT DOCKS

City Manager, Brian Alligood explained the memo presented to Council regarding recommended management structure for the waterfront docks.

(Begin memo) SUBJECT: Recommended Management Structure for Waterfront Docks

At the July 29, 2013 Committee of the Whole meeting, John Rodman, Community and Cultural Services Director, made a presentation on management options for the waterfront docks. After Mr. Rodman's presentation the City Council directed the City Manager to review the previously adopted waterfront docks business plan with City staff and provide a recommendation to the Council on a management plan. Based on that direction and after discussions with John Rodman; Parks and Recreation Department Manager Kristi Roberson; Recreation Advisory Committee Chairman Joe Taylor, and Harbor District Alliance Chairman Chris Furlough, the following recommendations are made:

1. Creation of a part-time Dockmaster position to manage staff, market the docks and oversee facility maintenance. The Dockmaster would report directly to Mr. Rodman.

2. Reduction of part-time dock attendants to 3 positions with 1 working year round, 1 working seasonally and 1 working peak months.
3. Creation of a 5 member Waterfront Docks Committee to advise and make recommendations to the Dockmaster and Mr. Rodman. Members of the Committee would include 3 at-large members selected by Council based on their boating experience and 2 members of the Harbor District Alliance Maritime Committee.
4. Delineation of areas of responsibility for the Dockmaster to include the docks and waterfront area with the Festival Park area remaining under the supervision of the Parks and Recreation Manager.
5. Separation of financial responsibilities from the existing Parks and Recreation budget to a new Waterfront Docks budget. No new funding would be needed and the budget would remain in the General Fund.

It is my belief that this proposed management structure will reduce costs, focus attention on the unique recreation/business aspects of the docks by taking advantage of Mr. Rodman's experience as a boater, allow continued oversight of Council by committee appointments, and help the waterfront dock area flourish as on one of the "door steps" to the City while continuing to preserve its rich maritime history. (end memo)

Mr. Alligood noted that currently there are 5 part-time and 2 temporary staff at the waterfront docks and numbers will be reduced by 3. Councilman Mercer questioned the following:

Recommendation #4 – Councilman Mercer: Define docks and waterfront area: response from Mr. Alligood - it will be from the promenade to the water area, boardwalk, and area including trash cans etc. but the parking lot area will remain with Public Works. Staff recommendation was not to make this change until actually the bathroom facilities were completed. Festival Park would remain under the Recreation Department. Councilman Mercer confirmed that basically from the sidewalk on the Southside of Stewart Parkway to the water including the piers and then the boardwalk and Mr. Alligood responded 'yes'. Councilman Mercer questioned who would be responsible for the remainder of the area that is currently considered dock and waterfront (north of Stewart Parkway) and Mr. Alligood responded Public Works. Councilman Mercer inquired who will handle all the paperwork that is normally handled by the administrative staff and Mr. Alligood stated it would be handled by the supervisor for the dock attendants.

Councilman Mercer questioned recommendation # 3 – and Mr. Alligood said this is the recommendation now. Also under recommendation # 3 Councilman Mercer questioned membership of the Committee - the 2 members of the Harbor District Alliance Maritime Committee. Councilman Mercer suggested all appointments to be made by City Council with Washington Harbor District Alliance making recommendations to Council and these recommendations will be considered with all others presented to Council. Mr. Alligood noted staff could make that change. Councilman Mercer said with reduction of work on the current administrative staff now a major function of this group, the workload will be taken away and inquired what will they (staff) be doing from now on? Mr. Alligood noted there are plenty of other things they will have the opportunity to do with Recreation programs and managing what they have now. Mr. Alligood understood that this was an additional work load that had been added onto the Recreation Department. Councilman Mercer - we have been able to accommodate the work load of the docks for at least 10+ years and now we are taking away all the recreational maintenance activities at the complex and given it to the Public Works Department. Now we are going to take away the docks; yet we will retain the same staff that we had in the past years. Mr. Alligood reiterated that this will allow focus on the recreational piece and there is not a need at this time to reduce Recreation staff but we can look at it during the budget process.

Councilman Mercer addressed a conversation he heard that was not included in the paperwork "you are not planning on implementing this until you get the Harbor Masters building built. Mr. Alligood explained this was a conversation that he and Mr. Rodman had that would allow them to put together a job description and do a little work to make the transition. As we go into the winter months there is a reduction in staff a new hire would be made later during the year but it would all coincide with bringing everyone together when the facility opens. Councilman Mercer stated if the bid package would be going out next week with bids being due

back in later this month, it would be early October before Council award the bid and then construction scheduled 9-12 months. This is saying we will not implement any changes until the middle of next year at the earliest and Mr. Alligood agreed 'yes' this was our conversation. Councilman Mercer noted he was going to recommend that if Council was going to make some changes that we try it for a period of six months and this would carry us into the budget making process for next year. If we are going to be into the middle of next year or into the first part of the next fiscal year before you implement this program it will give Council the opportunity to discuss this project without his recommendation (Mr. Alligood stated this was their conversation).

Mayor Pro tem Roberson suggested he would like to move the budget process up (start in January) because we wait too late and are always cramped right at the end. Mayor Pro tem Roberson requested having a cost estimate on the facility in the proposed budget based on what is anticipated in the revenue/expenses for the facility.

Councilman Pitt agreed that a trial period is something we need to go to since this is something new and there needs to be a way we can go back to the original system if this doesn't work. Councilman Pitt reminded Council to be aware that the face of Council could change dramatically between now and the time this project starts.

Mayor Jennings recommended launching the change in the spring and this way we can work up during the winter months and actually be ready for boating season when it comes through. There is a lot of work to be done leading up to an unveiling and this will give us three months of actuals to base the next budget on. We want to launch a positive development around the waterfront and noted he is thankful this restructuring will go through Mr. Rodman.

By consensus, Council agreed to the recommendation as presented and directed staff to proceed accordingly.

Mayor Jennings thanked Fred Watkins for his letter and Mr. Watkins suggested implementation to begin in the fall or winter that he wouldn't wait until spring. Mayor Jennings voiced we have faces in place already and shared in all fairness, he would agree with Mr. Watkins on a normal time line. There will be another staffing event in November with the elections and decks need to be cleared because new faces will be making the appointments.

MEMO: JACK'S CREEK

City Manager, Brian Alligood reviewed the memo regarding Jack's Creek and mentioned when the project was completed we created a large retention basin in that area.

(Begin memo) SUBJECT: Jack's Creek

At the August 12, 2013 Council meeting, the subject of the possible removal of the stormwater pump station at Jack's Creek was mentioned under the assumption that water in the creek would then rise and lower with the tide. This would indeed allow the water in the creek to rise and fall along with the tide in the river. However, this would significantly reduce the storage capacity in the event of heavy rain events. With the current infrastructure in place, there is anywhere from 2' to 4' difference in the elevation of the water on either side of Park Drive on a daily basis. During a wind driven high tide, the difference is even greater. If water were allowed to "come and go" in the creek as in the river, the water level in the creek would be 2-4' higher on any given day thus eliminating a huge amount of storage capacity in the event of a heavy rain event. For all practical purposes, Jack's Creek upstream of Park Drive is a retention pond. Decreasing the storage capacity of creek would be like keeping retention ponds filled with water all the time. During the quick, heavy downpours that we are susceptible to almost daily, this could very easily mean the difference between water in surrounding streets and during long periods of heavy rain it could easily lead to structures being flooded.

We have currently been keeping water levels in the creek extremely low because of the daily forecast of rain. This pulls duckweed, which looks like a green film across the creek, into the creek from the ditches that feed into Jack's Creek. We have been working recently with the company that helps us control the duckweed in the creek to help combat the issue that this rainy period has brought on. The herbicide that they spray to help curb the duckweed works best when

the water is not moving. Due to the very wet late spring/early summer we have had, the herbicide has not been as effective as it could be under optimum conditions. Again though, we are working with our contractor to address this issue on a weekly basis at this time. (end memo)

Mayor Pro tem Roberson inquired how many engineering reports have we received on Jack' Creek and Mr. Lewis responded two that he is aware of. Mayor Pro tem Roberson requested Mr. Lewis provide a two page summary of the report.

Councilman Mercer commented that the Manager is correct and it is more like a retention pond. The pumps we have don't have the capacity to get the water out. Duckweed is a major problem and he had suggested the introduction of vegetative eating fish (tilapia) and Mr. Lewis did pursue it. Mr. Lewis discussed some of the issues going on at Jack's Creek. Mr. Alligood said we have had conversation concerning tilapia and they would have to be sterile - Mr. Lewis voiced the State is concerned if you have events and the gates opens up and the tilapia go out into the river stating they will eat anything they come in contact with. Mayor Jennings voiced we do not want to do anything to damage the environment in the river at large but Jack's Creek looks awful.

Councilman Brooks suggested we need to clean the pond (dredge) out again or lower the pumps. Mr. Lewis recommended flattening out the slopes would be more beneficial but you would be looking at (\$100,000). Councilman Mercer pointed out there is very little opportunity to do slope back work.

Mayor Jennings requested an update at the next Committee of the Whole on Iron Creek. Councilman Mercer requested a ratio of rainfall to water level rising in the retention pond - Mr. Lewis will provide this information at the next Committee of the Whole meeting.

ADOPT: BUDGET ORDINANCE AMENDMENT – SOLAR PROJECT 3 (\$210,000)

City Manager, Brian Alligood explained this item came after the August 12, 2013 agenda but following directive from Council he did not want to add items at the last minute and held off presenting this one until the Committee of the Whole meeting.

The funds are needed for required electric system upgrades in order to connect a large scale photovoltaic (PV) generating facility to the City's electric system. All of the expenditures for this project will be reimbursed by the requesting entity. This project is located at 1680 NC Hwy 92 East. This will be the third PV generating facility to be connected to the City's electric system.

The three projects are NC Hwy 92 East (1680), Whitepost 1, Whitepost 2 (Millfield), and Warren Field Airport.

Councilman Mercer inquired if we have an interconnect agreement and Mr. Alligood said 'yes'. Councilman Mercer "who signed it and when" (when did Council review and approve them)? Mr. Alligood voiced it was his understanding they were approved administratively. Councilman Mercer expressed his concern with this procedure and voiced we are entering into an agreement that's locking the City in to spending \$200,000-\$400,000 and even though we are recouping the total cost it's a binding agreement. Once we put the equipment in place we are responsible for it. How many projects does an agreement cover – Mr. Alligood provided this info? What is the City's requirement in term of megawatts on a daily basis – Mr. Hardt answered no greater than 40 Meg. Councilman Mercer requested Council reviewing the interconnect agreement. Mr. Alligood noted they will be glad to get that information to Council. Councilman Mercer asked if the solar project impacted the peak demand we have during our summer month and Mr. Hardt said 'no'. Councilman Mercer pursued this concern.

Councilman Mercer requested holding off on the budget ordinance amendment until Council have an opportunity to review the interconnect agreement.

By motion of Councilman Pitt, seconded by Councilman Brooks, Council adopted a budget ordinance amendment in the amount of \$210,000 for the electric fund. Motion carried 3-1 with Councilman Mercer opposing.

AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF
WASHINGTON, N.C. FOR THE FISCAL YEAR 2013-2014

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

Section 1. That the Estimated Revenues in the Electric Fund be increased in the amount of \$210,000 in the account Solar Project 3, account number 35-90-3500-3660.

Section 2. That the following account numbers in the Electric Director portion of the Electric Fund appropriations budget be increased by the amounts indicated:

35-90-7220-0460	Solar Project 3	\$210,000
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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 26th day of August, 2013.

s/Cynthia S. Bennett, CMC
City Clerk

s/N. Archie Jennings, III
Mayor

Recess

DISCUSSION: HURRICANE PREPAREDNESS

City Manager, Brian Allgood explained that Council had received the Hurricane Preparedness plan. Chief Rose is here to answer any questions Council should have regarding this program.

Councilman Pitt entertained this question to make sure these things are still in place: Fire/Police cease operation when wind speeds are sustained at 50 mph – Chief Rose ‘yes’.

Mayor Pro tem Roberson questioned how we coordinate with the County operations and Chief Rose explained this procedure. Also, he noted typically a City of Washington staff liaison person is at the County Emergency Operation Center (EOC).

DISCUSSION: WASHINGTON HOUSING AUTHORITY (CDBG UPDATES)
CDBG Grant 09-C-2050 (Washington Housing Inc.)

City Manager, Brian Allgood reviewed bullet points of the Washington Housing Authority CDBG update on Grant 09-C-2050:

- John Rodman and I met with Marc Recko, CEO Washington Housing Authority – 8/22/13
- \$227,700 CDBG grant awarded for construction and occupancy of 13 LMI houses
- Legally binding agreement and promissory note with WHI, also City holds deed of trust on lots
- \$176,036.33 of grant spent to date (all remaining grant funds, \$51,663.67, frozen at this time)
- 8 lots purchased in Northgate Subdivision
- At this time DCA closing out grant and requesting recapture (3-year recapture)
- 1 construction loan closing on 8/29/13 (potential to meet performance)
- 1 construction closing within 2 weeks (potential to meet performance)
- If all 5 houses counted as meeting guidelines the City’s exposure is \$108,330.05 (8/13 of \$176.036.33)
- 5 remaining lots available for construction or recapture (need \$21,666 each to cover exposure)
- Mr. Recko believes that if the 8 month extension is granted all 5 lots can be built out and qualified (10 of 13)
- Recent advertising campaign by WHA has received over 200 inquiries per Mr. Recko

- 3 remaining houses will need to be developed and qualified if held to 13 of 13 (could be 3 WHA owned lots on 7th Street or the purchase of 3 additional lots in Northgate)
- Spoke with Vanessa Blanchard of DCA today and she said to submit request to include the 2 lots closing under construction loans
- Mr. Recko would like opportunity to meet with DCA to discuss project history and recent developments in order to secure 8 month extension

Mayor Pro tem Roberson requested the Manager represent the City of Washington and not the Housing Authority Director at the DCA meeting. Mayor Jennings reiterated that if anyone goes to Raleigh, the Manager will accompany them – Mr. Alligood ‘yes’.

Council had requested a Housing Authority Financial review audit. Mr. Alligood noted that the City Attorney is reviewing this audit.

ADJOURN – UNTIL MONDAY, SEPTEMBER 9, 2013 AT 5:30 PM IN THE COUNCIL CHAMBERS AT THE MUNICIPAL BUILDING

By motion of Councilman Pitt, seconded by Councilman Brooks, Council adjourned the meeting until Monday, September 9, 2013 at 5:30 pm in the Council Chambers at the Municipal Building.

Cynthia S. Bennett, CMC
City Clerk