



City of
Washington
NORTH CAROLINA
Council Agenda
MAY 12, 2014
5:30 PM

Opening of Meeting

Nondenominational Invocation

Roll Call

Approval of minutes from April 7, April 14, April 21, April 24, and April 28, 2014
(page 4)

Approval/Amendments to Agenda

I. Consent Agenda:

- A. Declare Surplus/Authorize – Electronic Auction of Vehicle through GovDeals (Vehicle Numbers 130 ~ 2007 Crown Vic & 624 ~ 2004 Ford Explorer **(page 57)**)
- B. Adopt – Budget Ordinance Amendment for a memorial to fallen Officer Alex Thalmann (\$ 2,500) **(page 58)**
- C. Adopt – Budget Ordinance Amendment for Beaufort County Health Department donation (\$2,000) **(page 60)**
- D. Approve – Purchase Orders >\$20,000 **(page 64)**

II. Comments from the Public:

III. Public Hearing on Zoning: **6:00 PM**

- A. None –

IV. Public Hearing – Other:

- A. Accept/Adopt – Accept recommendation of the Planning Board and **Adopt** an ordinance to amend Chapter 40, Article XVI, Section 40-415, Special Provisions for Certain Signs, of the Code of Ordinances of the City of Washington **(page 69)**
- B. Accept/Adopt – Accept recommendation of the Planning Board and **Adopt** an ordinance to amend Chapter 40, Article X, Section 40-261 Provision for Flood Management, of the Code of Ordinances of the City of Washington **(page 73)**
- C. Public Hearing – Fiscal Year 2014-15 Budget **(no write-up)**



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- V. Scheduled Public Appearances:
- A. Leesa Jones – Washington Recognized by The National Park Service
- VI. Correspondence and Special Reports:
- A. Memo – Budget Transfer (**page 77**)
- B. Memo – NC Public Access Grant - Havens Gardens (**page 79**)
- C. Report – April Load Management (**page 85**)
- VII. Reports from Boards, Commissions and Committees:
- A. None
- VIII. Appointments:
- A. None –
- IX. Old Business:
- A. Approve – Lease and Management Agreement Renewal with Washington Tourism Authority (**page 86**)
- B. Authorize – the Mayor to enter into a two year contract with Washington Park to provide Fire, Rescue, and Emergency Medical Services (**page 101**)
- X. New Business:
- A. Discussion – Pronamics Peak Shaving Generator (**page 107**)
- B. Award/Approve – Award bid to build a new 3rd Street bathroom at the baseball field and repairs to JC Tayloe Dugouts and **Approve** corresponding purchase order to Lyon Custom Builders (\$57,930) (**page 108**)
- C. Adopt – Budget Ordinance for Fiscal Year 2014-2015, Set Ad valorem Tax Rate and User Fee Schedule (**page 110**)
- XI. Any Other Items From City Manager:
- A. None –
- XII. Any Other Business from the Mayor or Other Members of Council:
- A. Discussion – May Committee of the Whole meeting



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- XIII. Adjourn – Until Monday, _____, 2014 at 5:30 pm, in the Council Chambers.

The Washington City Council met in a special session on Monday, April 7, 2014 at 5:30 pm in the City Council Chambers at the Municipal Building. Present were: Mac Hodges, Mayor; Bobby Roberson, Mayor Pro tem; Doug Mercer, Councilman; William Pitt, Councilman; Richard Brooks, Councilman; Larry Beeman, Councilman; Brian M. Alligood, City Manager; Cynthia S. Bennett, City Clerk and Franz Holscher, City Attorney.

Also present were: Matt Rauschenbach, Administrative Services Director/C.F.O.; David Carraway, IT Department; Allen Lewis, Public Works Director; Lynn Wingate, Tourism Director and John Rodman, Community & Cultural Resources Director.

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

PRESENTATION: FY 2014-2015 BUDGET

Budget Message

City Manager, Brian Alligood presented the FY 2014-2015 Budget Message to Council.

(begin) This binder contains the City's recommended annual budget as required by North Carolina General Statute 159 and the *Local Government Budget and Fiscal Control Act*. Three general sections comprise the document. The first section is the continuation budget for all funds necessary to carry out the services authorized by the Washington City Council. This section contains financial information and narrative descriptions of the programs and services. The narrative portions of this section are created in an attempt to help explain the purpose and function of the different departments and programs in order to better educate the reader about City services. Financial summaries, as well as line item details, are also provided for the reader to review. The second section is a fee manual that describes the user fees that attempt to recover some or all of the costs of services from the direct beneficiaries of the services, rather than taxpayers. The third section contains information on 26 General Fund and 2 Electric Fund service expansions proposed by departments and outside agencies. These are "new and different" programs or activities that expand the current level of service to City of Washington citizens and taxpayers or requests from outside agencies for funding above the level provided to them by the City in the previous fiscal year. The budget is balanced and prepared in accordance with the policies and procedures outlined in the *Local Government Budget and Fiscal Control Act*.

Goals

This budget is a vision of what the City will strive toward in the coming year. The values communicated during the budget process and incorporated into the recommended budget are:

- Continue to rely on financial plans and systems in the preparation of the proposed budget;
- Conservatively estimate revenues and expenditures to avoid expectations of performance that are not realistic;
- Create an atmosphere where efforts to "spend down" during the fiscal year are discouraged;
- Present a budget that re-evaluates all expenditures in order to offset projected losses in revenues so that in light of the current economic conditions a tax increase is not needed

for general government operations, but allows for policy review and potential service reductions or expansions based on other policy directives.

- ❑ Provide an analysis of general government cost centers in order to more clearly demonstrate where general fund tax dollars are being spent and what services are provided.
- ❑ Reduce short-term financing for capital projects and instead use pay-as-you-go financing when appropriate.

The budget team prepared this document to meet these goals. In spite of the increasing costs of operations, the proposed FY 14-15 budget maintains all City programs and services at the current tax rate of \$0.50 per \$100 of valuation as directed by the City Council. This level tax rate is accomplished by decreasing expenditures and using transfers (payment-in-lieu-of-taxes and fund balance) to close the revenue/expenditure gap.

Overview of the Budget

The City's fiscal year begins on July 1st and ends on June 30th. The budget is divided into separate funds in order to account for revenue collected and services provided. The following is a list of the funds accounted for in this budget:

- General Fund – this fund is the “typical” governmental fund, where all taxes and some user fees and intergovernmental transfers are used to provide basic governmental services, such as police, fire, finance, planning, zoning, inspections, parks and recreation, library, street maintenance, and administration of all City services.
- Enterprise Funds – these funds are separate “self-sustaining” funds, commonly including all utility services and other functions where taxes are not generally used in its operations. Washington's enterprise funds include:
 - Water Fund
 - Sewer Fund
 - Electric Fund
 - Storm Water Management Fund
 - Airport Fund
 - Solid Waste Fund
 - Cemetery Fund
- Trust Funds – these funds are primarily received from interest proceeds from investments maintained by the City for specific purposes, such as Library and Cemetery operations.
- Special Revenue Funds – these funds are typically restricted in purpose and designation by City Council, and include such funds as capital reserve funds and a façade grant fund.
- Grant Funds – grant funds are restricted in their use and are typically used for ongoing projects. These projects are usually funded by grants from outside agencies and are for short-term operating expenditures.
- Capital Project Funds – these funds are similar to grant funds in that they are restricted for specific uses. They are usually for specific capital improvements projects and can span several fiscal years.

- Internal Service Funds – these funds are utilized by the City in managing services across the entire organization, such as the City’s self-insured workers’ compensation fund program.

General Fund

The recommended General Fund budget for FY 14-15 is **\$14,149,757**. This is \$907,657 or 6% less than the FY 13-14 amended budget. This is equal to 10.6 cents in current taxes and is comparable to spending levels in the originally adopted FY 10-11 budget.

Revenues

- ⇒ The recommended budget maintains the ad valorem tax rate of \$0.50 for each \$100 of assessed property valuation.
- ⇒ The proposed tax rate continues to include \$0.0198 designated for the Public Safety Capital Reserve Fund to service the debt for Fire Station #2.
- ⇒ Ad valorem taxes are projected to be 1% less than the prior year due to the “Tax and Tag” program implementation that added an additional four months of revenue in FY 13-14 that will return to a normal twelve month distribution in FY 14-15.
- ⇒ Other Taxes and Licenses are projected to be flat due to continued slow sales tax growth and reductions in local privilege license taxes adopted by Council last year.
- ⇒ Unrestricted Intergovernmental revenues are 25% higher than the prior year due to new payment-in-lieu-of-taxes (PILOT) assessed against the value of the water and sewer infrastructure. This payment of \$329,468 is consistent with the current PILOT assessed against the electric infrastructure and helps close the revenue/expenditure gap. The airport property tax grant is projected to be 30% less due to decreased hangar occupancy. The remaining revenues in this class are projected consistent with current year levels.
- ⇒ Restricted Intergovernmental revenues are projected to be 11% lower than current year due to the City not providing school resource officer services to the Beaufort County School System in FY 14-15. This change occurred due to school budget restraints and the need for the City to recover its costs for providing the service. The Beaufort County Sheriff’s Office will now provide these services to the School System.
- ⇒ Permits and Fees revenues are projected to increase by 33% due to increased demand for building permits and fire permit/inspection services.
- ⇒ Sales and Services revenues are projected to decrease by \$570,692 from last year with the overwhelming majority of it (\$569,466) coming from the loss of rent due to the sale of the City’s property at 234 Springs Road. \$176,731 of the rental loss is for supplemental rent used to pay the debt service on building improvements made by the City. This loan will be paid off by the buyer when the sale is completed. However this still leaves a \$392,736 loss in recurring revenue that must be filled.
- ⇒ Investment Earnings are projected to increase by \$9,590 due to laddered investments in one, two and three-year certificates of deposits on idle City funds.
- ⇒ Miscellaneous revenues are projected to increase by \$2,691 due to library memorials and contributions for senior center functions.

- ⇒ Transfers From revenues are recommended to remain flat. It was a desire of Council to again reduce the amount of the Electric Fund transfer this year, however due to the substantial recurring loss of revenue from the rental of the building at 234 Springs Road, this transfer is recommend to remain at the FY 13-14 level.
- ⇒ Administrative Charges are recommended to increase by \$82,020 due to allocating administrative charges to the Stormwater Fund and adjusting charges to funds based on this year's budget. The charge to the Stormwater Fund is new this year, but is done in order to show the true cost of this cost center. An offsetting transfer from the General Fund to the Stormwater Fund is required to balance the fund. Council will need to discuss a stormwater revenue policy change to correct this imbalance in future years.
- ⇒ The recommended budget appropriates \$391,783 in General Fund Balance or 2.8% of General Fund expenditures. This is a decrease of \$714,918 or 65% from the prior year. The majority of the appropriation, \$352,095, is for pay-as-you-go General Fund capital expenditures.
- ⇒ As of June 30, 2013 the unassigned/unreserved General Fund Balance was \$5,962,328. In FY 09-10 the Council adopted a resolution recognizing the need to maintain a \$2M unassigned/unreserved General Fund Balance for a natural disaster recovery in excess of a 16.7% or two-month operating reserve. This equals \$4,358,293 for FY 14-15.

Expenditures

- ⇒ Administrative Cost Centers – expenditures in these cost centers decreased overall by 8%. Larger decreases were seen in information services where capital expenditures for infrastructure were placed on hold pending a review of potential cloud-based services compared to site-based services and in the municipal building due to the completion of the chiller replacement project. A few of the smaller administrative areas were up slightly due to personnel costs. The billing and customer service areas were up slightly due to increased postage and credit card service fees.
- ⇒ Other Cost Centers – expenditures in these cost centers increased overall by 4%. The largest increase was in the miscellaneous area which included the new General Fund transfer to the Stormwater Fund to balance the fund. The largest decreases were seen in legal services and debt service. Council directed that legal services be decreased and this new level of funding provides approximately six months of billing time for legal needs. The debt service decrease was due to the pay off of the loan used to finance the building improvements at 234 Springs Road.
- ⇒ Public Safety Cost Centers – expenditures in these cost centers decreased slightly overall by 1%.
- ⇒ Public Works Cost Centers – expenditures in these cost centers decreased overall by 27% due mostly to the shift in stormwater expenditures to the Stormwater Fund. Previously these expenditures were absorbed by the General Fund and they are now shown in the cost center in which they apply. The largest increase of 13% was in equipment services due to the need to purchase a new vehicle lift for safety reasons.
- ⇒ Cultural and Leisure Cost Centers – expenditures decreased overall by 11% with generally an equal amount across each area. In general the decreases were due to capital projects that were completed in the prior year or deferred this year.

- ⇒ Outside Agencies – expenditures in this area decreased slightly due to moving the US Highway 17 Association funding to economic development. The funding for all outside agencies was held flat in the recommended budget with any requested increases being addressed as service expansions.

Enterprise Funds

The combined Enterprise Fund budgets for FY 14-15 are **\$45,823,743**. This is \$3,049,774 or 6% less than the FY 13-14 amended budget. All of the enterprise funds are balanced. A careful review of fee revenues should be considered by the Council in certain enterprise funds in order to reduce and eliminate General Fund transfer needs.

Water Fund

The Water Fund recommended budget is \$3,036,749, which is 24% less than the prior year and includes the following significant changes:

- ⇒ The Water Fund has no debt service. All bonds and installment notes are paid off
- ⇒ There is no transfer from the water service fund needed this year
- ⇒ Water sales and service revenues are anticipated to be flat from the prior year
- ⇒ No fund balance is appropriated this year as was in the prior year due to the EDA project
- ⇒ Expenditures include a payment-in-lieu-of-taxes (PILOT) to the General Fund in the amount of \$135,035 and a transfer to the water capital reserve in the amount of \$155,000
- ⇒ Capital expenditures in the amount of \$40,000 are recommended as PayGo and are detailed on the recommended capital sheet

Sewer Fund

The Sewer Fund recommended budget is \$3,187,016, which is 24% less than the prior year and includes the following significant changes:

- ⇒ Sewer bonds will be paid off in FY 14-15 leaving only the State Revolving Loan debt
- ⇒ Sewer sales and service revenues are anticipated to be flat from the prior year
- ⇒ \$147,619 in Sewer Fund balance is appropriated to balance the budget. This amount includes \$78,650 that was credited to Flanders Filters in the prior year and is significantly less than the amount appropriated last year due to the EDA project
- ⇒ Expenditures include a payment-in-lieu-of-taxes (PILOT) to the General Fund in the amount of \$194,433.
- ⇒ Capital expenditures in the amount of \$101,000 are recommended as PayGo and are detailed on the recommended capital sheet

Stormwater Management Fund

The Stormwater Management Fund recommended budget is \$1,078,110, which is 53% higher than the prior year and includes the following significant changes:

- ⇒ \$423,460 increase in operations due to the shifting of personnel/benefits costs and general fund administrative charges from the General Fund to the Stormwater Fund to more accurately show the cost of services related to the activities of this cost center
- ⇒ \$42,858 in Stormwater Fund balance is appropriated to help balance the budget
- ⇒ \$450,564 is transferred into the Stormwater Fund from the General Fund to help balance the budget. This again is to more accurately show the cost center activities

Electric Fund

The Electric Fund recommended budget is \$36,592,286, which is 3% less than the prior year and includes the following significant changes:

- ⇒ Sales and service are anticipated to be flat from the prior year

- ⇒ In excess of \$800,000 decrease in revenues due to prior year solar farm projects
- ⇒ No fund balance is appropriated
- ⇒ Transfer to the General Fund remains at \$470,000
- ⇒ One position (Engineering Technician) was eliminated
- ⇒ Adjustment was made to reduce wholesale power cost as a result of the legislative tax law change, however retail rates on the revenue side remain the same
- ⇒ \$196,000 in PayGo capital expenditures and \$1,375,000 in capital installment financing are detailed on the recommended capital sheet

Airport Fund

The Airport Fund recommended budget is \$309,218, which is 55% less than the prior year and includes the following significant changes:

- ⇒ Significant grant funds reductions for prior year projects
- ⇒ Additional airport grant funds for this year will be allocated when they are approved
- ⇒ Hangar and building maintenance funds have been increased
- ⇒ Grounds maintenance funds have been increased
- ⇒ \$81,263 transfer from the General Fund is required to balance the budget
- ⇒ Request for replacement courtesy vehicle was addressed in the prior year budget

Solid Waste Fund

The Solid Waste Fund recommended budget is \$1,295,824, which is 8% less than the prior year and includes the following significant changes:

- ⇒ Sales and services are anticipated to be flat from the prior year
- ⇒ \$41,324 in fund balance appropriation is recommended to balance the budget. This is however significantly less than the prior year.
- ⇒ Capital expenditures in the amount of \$60,000 are recommended as PayGo and are detailed on the recommended capital sheet

Cemetery Fund

The Cemetery Fund recommended budget is \$324,540, which is \$13,277 more than the prior year and includes the following significant changes:

- ⇒ Sales and services are anticipated to be flat from the prior year
- ⇒ \$165,040 transfer from the General Fund is required to balance the budget
- ⇒ Capital expenditures in the amount of \$30,000 are recommended as PayGo and are detailed on the recommended capital sheet

Summary

The City of Washington continues to face many challenges in the coming year. This recommended budget continues current operations and maintains the Ad Valorem tax rate at the prior year's level, in accordance with the Council's directive at the budget planning session, despite the increasing costs of providing these services. The local and state economies in FY 14-15 will be important factors in the performance of this budget.

This recommended budget does not meet all the expectations expressed by the City Council. It does not reduce the transfer from the Electric Fund and it finds an additional source of revenue in the form of a payment-in-lieu-of-taxes (PILOT) from the water and sewer funds in order to balance the budget without a tax increase. Readers of this budget may view this new PILOT as simply a way to "kick the can down the road" and not address the revenue/expenditure issue head on. I would disagree. There is a significant policy debate that must occur within the City Council as it considers the services it provides to the citizens of Washington and who ultimately pays for those services. This debate will and should take time.

It is not something that should be rushed. Over the next fiscal year all the services provided by the City should be carefully considered, including the level at which they are provided and even whether they should be provided at all. Careful consideration must then be given to determine the most fair and equitable way to generate revenues to pay for these services. It is as simple and as complicated as that. This whole process will not be easy, but it must be done. I believe this recommend budget provides some of the initial analysis that clearly defines the issue and can be used to start the debate. If this is not done and we find ourselves back here next year facing the same challenge, then we can rightfully be labeled as simply “kicking the can down the road.”

Putting together a budget is a tremendous effort. Chief Financial Officer Matt Rauschenbach and Assistant Finance Director Anita Radcliffe, as well as the entire Finance team, did an outstanding job in creating an informative and functional document that serves as a management tool and an outline from which to debate policy. Thank you for your many long hours of hard work.

Department managers did an outstanding job of analyzing and compiling budgets that met the expectations they were given. They deserve many thanks and tremendous admiration. The people working for City of Washington are truly special people who care about their community and take pride in providing efficient and effective services that make life better for others. I am grateful to have the privilege to work with them.

Respectfully submitted,
Brian M. Alligood, City Manager(end)

Mr. Alligood asked Councilmembers to prepare and submit questions to him regarding the budget. Budget workshops begin on April 21st at 5:30pm.

ADJOURN – UNTIL MONDAY, APRIL 14, 2014

By motion of Councilman Pitt, seconded by Councilman Brooks, Council adjourned the meeting at 6:15pm until Monday, April 14, 2014 at 5:30 p.m. in the Council Chambers at the Municipal Building.

(subject to approval of the City Council)

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

The Washington City Council met in a regular session on Monday, April 14, 2014 at 5:30 pm in the City Council Chambers at the Municipal Building. Present were: Mac Hodges, Mayor; Bobby Roberson, Mayor Pro tem; Doug Mercer, Councilman; William Pitt, Councilman; Richard Brooks, Councilman; Larry Beeman, Councilman; Brian M. Alligood, City Manager; Cynthia S. Bennett, City Clerk and Franz Holscher, City Attorney.

Also present were: Matt Rauschenbach, Administrative Services Director/C.F.O.; Allen Lewis, Public Works Director; Lynn Wingate, Tourism Director; Gloria Moore, Library Director; Susan Hodges, Human Resources Director; Keith Hardt, Electric Utilities Director; John Rodman, Community & Cultural Resources Director and Tony Black, Washington Daily News.

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

APPROVAL OF MINUTES:

By motion of Councilman Mercer, seconded by Councilman Brooks, Council approved the minutes of March 10, 17 & 24, 2014 as presented.

APPROVAL/AMENDMENTS TO AGENDA:

Mayor Hodges reviewed the requested amendments to the agenda:

- Add under Item X.A.B: Authorize the City Manager to sign confidentiality agreement with NCEMPA

- Add under Item XII.B. Hwy 17 Association

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

CONSENT AGENDA:

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

- A. Declare Surplus/Authorize – Electronic Auction of Vehicle through GovDeals (Vehicle Numbers 462 – Street Sweeper, 520 – John Deer Tractor, and 8002 – T & R Portable Bathroom)

- B. Accept/Adopt – NFL football camp grant on behalf of Terrance Copper and Adopt Budget Ordinance Amendment (\$2,500)
(copy attached)

- C. Adopt – Keyslanding Fee Budget Ordinance Amendment (\$22,863)
(copy attached)

- D. Adopt – Airport Fuel Budget Ordinance Amendment (\$47,000)
(copy attached)

COMMENTS FROM THE PUBLIC:

David Morgan of Conterra, spoke to Council in regard to the pole attachment agreement that is on the agenda. Conterra Ultra Broadband (Conterra) has recently been awarded a contract by the Beaufort County School Board to install overhead fiber optic cable between schools served by the City's electric system. Conterra has requested a pole attachment agreement with the City of Washington so as to fulfill their contract by the end of the current budget year. Discussion was held regarding the specifics of the agreement, including but not limited to, cost. Mr. Morgan explained that cost points can be distributed to Council prior to an agreement being signed. Conterra is providing the connections to the schools and will not be serving businesses, etc.

SCHEDULED PUBLIC APPEARANCES:**CATHERINE GLOVER – OUTDOOR RECEPTION REQUEST**

Catherine Glover explained that the Washington-Beaufort County Chamber of Commerce is requesting permission from the Washington City Council to host an outdoor reception in which beer and wine will be served at a ticketed event. Heavy hors d'oeuvres will be provided as well from a local caterer. The ticketed event will be outside in a tented, roped-off area at Festival Park. This reception will be prior to the North Carolina Symphony on Sunday, June 15th from 5:30pm to 7:00pm. The Emerald City Big Band will also be performing for free during this time under the gazebo. Tickets will be given in advance to symphony sponsors as a thank you. We will also be selling tickets to others in advance of the reception. The monies raised will be used to pay for the Symphony stage and other expenses needed to put on this free concert for the community. The total number of people at the reception should not exceed 175. Last year this event was held at the Estuarium because there was no pre entertainment. This year because the Emerald City Big Band is playing we would like to have the reception outside. This is how we cover our expenses as we partner to put on this event.

Mayor Hodges inquired the cost of the tickets and Mrs. Glover explained the cost last year was \$35.00 per ticket. The symphony stage costs approximately \$8,000. Rain date will be at Washington High School.

Councilman Beeman made a motion to approve the request. Councilman Mercer made a motion to continue the request until next month.

By motion of Councilman Beeman, seconded by Mayor Pro tem Roberson, Council approved the request by the Washington-Beaufort County Chamber of Commerce for an outdoor reception on June 15th from 5:30pm to 7:00pm at Festival Park. Motion carried 4-1 with Councilman Mercer opposing.

AL POWELL – UPDATES & APPRECIATION DAY – WARREN FIELD AIRPORT

First Responder Appreciation Day – Saturday, June 28th 11:00am – 4:00pm

Location: Warren Field Airport

Admission: Free

Organizers: Beaufort County Police Athletic League (PAL) & Warren Field Airport Advisory Committee (Gil Alligood, Chairman)

Goals:

- a) Demonstrate that the airport is a community resource
- b) Honor our “unsung” heroes: Law Enforcement, first responders, military
- c) Plan a fun event for the county to participate in
- d) Showcase Science and Technology schools in the area.

Planned Activities:

- a) Law enforcement static displays from different departments
- b) Fire Department static displays from different departments
- c) EMT static displays
- d) Vidant helicopter and ambulance display
- e) Classic car display (approximately 30 cars)
- f) Various types of civilian airplanes on display
- g) Military helicopters on display (pending approval)
- h) US Coast Guard boat display
- i) Hot Air Balloon (tethered rides)
- j) Food booths
- k) Games and rides for the kids
- l) Military airplane fly-by (pending approval)
- m) Sky diving demonstration
- n) Educational booths from local colleges/universities

Mr. Powell explained there are two key sponsors at this time: Potash and Lee Chevrolet. There is the possibility of having shuttle buses provided by area churches to transport citizens from inside the City limits who do not have transportation, but would like to attend the event.

Mr. Gil Alligood noted that activity at the airport has increased over the past year. Current events such as Wright Flight and the skydiving school have increased interest in the airport. The current planned event should offer more exposure for the airport which will hopefully increase revenue with increased hangar leases and fuel sales.

Councilman Beeman inquired about a possible conflict with a softball tournament at the complex. Mr. Powell explained that their event should not interfere with this event, if Saturday happens to be a rain date for the softball tournament.

PUBLIC HEARING ON ZONING: 6:00 PM

ACCEPT/ADOPT – RECOMMENDATION OF THE PLANNING BOARD AND ADOPT RESOLUTION TO CONSIDER ZONING FOR 6.95 ACRES OF VACANT PROPERTY LOCATED ON OLD BATH HWY (MONTESSORI SCHOOL PROPERTY)

Mayor Hodges opened the public hearing and John Rodman presented the request to Council. Mr. Rodman explained this piece of property is located outside of our extraterritorial zoning jurisdiction and therefore has no zoning classification assigned to it. The Planning Board has recommended that City Council adopt a resolution to approve the zoning of the Montessori School Property located at 2330 Old Bath Highway containing 6.95 acres to O & I (Office & Institutional). State Statute requires a consistency statement when a rezoning takes place, this property is located outside of the ETJ and the Comprehensive Plan does not cover this area. The

Planning Board thought this zoning jurisdiction would be consistent with the surrounding property.

There were no comments from the public at this time.

Councilman Mercer noted there was no one present from the Montessori School at any of the meetings regarding annexation or the proposed zoning. Do they want this zoning classification? Mr. Rodman explained this request is coming from the Planning Board in order to maintain consistency. Since the property as already been annexed, it is required to have a zoning classification assigned to it. Mr. Rodman explained that the Montessori was notified of all of the meetings. Mayor Pro tem Roberson noted the zoning classification is accurate.

There being no further comments, Mayor Hodges closed the public hearing.

By motion of Mayor Pro tem Roberson, seconded by Councilman Beeman, Council accepted the recommendation of the Planning Board and adopted the resolution to approve the zoning of the Montessori School property located at 2330 Old Bath Highway containing 6.95 acres to O & I (Office & Institutional).

(copy attached)

PUBLIC HEARING – OTHER: NONE

SCHEDULED PUBLIC APPEARANCES:
REVEREND DAVID MOORE – KEYSLANDING PAVING &
SECOND POSITION LIEN REQUEST

Rev. David Moore discussed the paving of Keysville Road. He continued by discussing the second position lien request for a construction loan that Metropolitan has to obtain, the City will need to take the second position on the lien and the bank will take the first position for the five lots he will be building on. Discussion was held regarding how the City will take the second position and/or release the five lots from the Deed of Trust.

Mayor Hodges said that banks normally want the first position on the lien. Councilman Mercer stated the City is the first position on the property. Franz Holscher, City Attorney explained the City would need to limit the subordination agreement to just the lots that are going to be financed for construction. The City would be giving up their first position and security for those lots, but would still maintain security for the remaining lots in the rest of the subdivision. Rev. Moore explained that all five houses have to be built before moving on to Phase II.

By motion of Councilman Brooks, seconded by Councilman Pitt, Council agreed for the City to accept a second position on the Keyslanding Project, through a subordination agreement(s), so the project can continue and houses can be built in a timely manner on a lot by lot basis as financing is obtained and authorized the City Manager or appropriate City representative to execute the subordination(s).

Discussion was held regarding funding for paving (possibly Powell Bill Funding). Mayor Pro tem Roberson suggested that the City furnish a letter to the lending institution that states the City will be responsible for the street improvements (paving) once the five houses are

in place. Rev. Moore guaranteed Council that the houses would be built and once three houses had been built, he could apply for Phase II which would include paving. Mr. Alligood noted if the City paved the streets now we would not be reimbursed with the CDBG funds for Phase II.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson Council agreed to finance the paving of the streets in Keyslanding, subject to the fact that if a second grant has not been approved prior to July 1, 2016 the streets will be paved after July 1, 2016.

CORRESPONDENCE AND SPECIAL REPORTS:
MEMO – GENERAL FUND BUDGET TRANSFER

The Budget Officer transferred the following funding between departments of the General Fund: \$2,500 from Outside Agencies to the Fire Department to replace a failed HVAC compressor at Station 1; \$7,500 from Outside Agencies to the Recreation Administration and Senior Center departments for maintenance and repair to the Peterson Building; \$2,236 from Recreation Administration to the Planning department of the General Fund to reverse the budget transfer done in March for the Havens Garden Phase I master plan.

From:10-40-6170-9106	WHDA	2500
To:10-10-4340-1500	Building Maintenance	2500
From:10-40-6170-9106	WHDA	7500
To: 10-40-6120-1500	Building Maintenance	2750
To: 10-40-6123-1500	Building Maintenance	4750
From: 10-40-6120-0400	Professional Services	2236
To: 10-10-4910-0400	Professional Services	2236

REPORT – FEBRUARY AND MARCH LOAD MANAGEMENT

Councilman Mercer inquired if the number of switches installed includes the replacement switches and Mr. Hardt answered “yes”.

Project Start Date : October 2010

	February 2014	Project to Date
Total Load Management Device Installations	69	2,590
Total Accounts Added with Load Management	41	1,877
Appliance Control Installations		
Air Conditioner / Heat Pump	54	1,945
Auxiliary Heat Strip	18	998
Electric Furnace	4	270
Water Heater	31	1,575
Total Encumbrances to Date		
Load Management Devices		\$ 130,600
Contractor Installations		\$ 265,000
Total Project Encumbrances		\$ 395,600
Total Expenses to Date		
Load Management Device Purchases		\$ 130,600
Contractor Installation Expenses	\$ 5,885	\$ 268,090
Total Project Expenses		\$ 388,630
Average Cost per Load Management Device Installed	\$	150
Average Installed Cost per Controlled Appliance	\$	82

Load Management Devices Remaining in Stock 910

Project Start Date : October 2010

	March 2014	Project to Date
Total Load Management Device Installations	49	2,639
Total Accounts Added with Load Management	31	1,908
Appliance Control Installations		
Air Conditioner / Heat Pump	39	1,984
Auxiliary Heat Strip	20	1,018
Electric Furnace	2	272
Water Heater	22	1,547
Total Encumbrances to Date		
Load Management Devices		\$ 130,600
Contractor Installations		\$ 265,000
Total Project Encumbrances		\$ 395,600
Total Expenses to Date		
Load Management Device Purchases		\$ 130,600
Contractor Installation Expenses	\$ 4,420	\$ 262,450
Total Project Expenses		\$ 393,050
Average Cost per Load Management Device Installed	\$	148.94
Average Installed Cost per Controlled Appliance	\$	81.53

Load Management Devices Remaining in Stock 862

REPORTS FROM BOARDS, COMMISSIONS AND COMMITTEES:
HUMAN RELATIONS COUNCIL (report approved as submitted)

APPOINTMENTS: NONE

OLD BUSINESS:

ADOPT – ORDINANCE TO AMEND CHAPTER 18, SECTION 77 – STOP INTERSECTIONS AND CHAPTER 18, SECTION 78 – YIELD INTERSECTIONS

City Manager, Brian Alligood summarized the request for Council, noting that at the March 10, 2014 Council meeting, Mr. Earl Thompson of 201 West 16th Street, spoke to Council about reducing the speed limit along Respass Street between 15th Street and Oak Drive. He also spoke about replacing the yield sign with a stop sign at the intersection of Respass Street and Oak Drive. The attached ordinance will allow for the yield sign to be changed to a stop sign. Additionally, staff noticed that the intersection of Oak Drive and Stewart's Drive, when approaching from the south side along Stewart's Drive, also has a yield sign instead of a stop sign. Subsequently staff felt that it would be appropriate to change this yield sign to a stop sign at this time as well. The ordinance amendment accomplishes this as well. Mr. Alligood noted this is one of the first steps to help remedy the traffic congestion in this area.

By motion of Councilman Mercer, seconded by Councilman Beeman, Council adopted an ordinance to amend Chapter 18, Section 77 and Chapter 18, Section 78 in reference to the intersections of Oak Drive at Respass Street and at Stewart's Drive, as outlined in the ordinance, with an effective date of April 15, 2014.

**AN ORDINANCE TO AMEND CHAPTER 18,
SECTION 77: STOP INTERSECTIONS AND CHAPTER 18,
SECTION 78: YIELD INTERSECTIONS
OF THE WASHINGTON CITY CODE**

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

Section 1. That Chapter 18 Section 18-78 – Yield intersections, be amended to remove the following:

- Sec. 18-78. Yield intersections.
 - Oak Drive, from Respass Street (south side).
 - Oak Drive, from Stewart's Drive (south side).

Section 2. That Chapter 18 Section 18-77 – Stop intersections, be amended to add the following:

- Sec. 18-77. Stop intersections.
 - Oak Drive, from Respass Street.
 - Oak Drive, from Stewart's Drive (south side).

Section 3. All ordinances in conflict with this ordinance are hereby repealed.

Section 4. This ordinance shall become effective April 15, 2014.

This the 14th day of April, 2014.

ATTEST:

s/ Cynthia S. Bennett
City Clerk

s/Mac Hodges
Mayor

**ADOPT – ORDINANCE TO AMEND CHAPTER 18, SECTION 102(C) –
NONHIGHWAY STREETS**

Mr. Alligood explained that at the March 10, 2014 Council meeting, Mr. Earl Thompson of 201 West 16th Street, spoke to Council about reducing the speed limit along Respass Street between 15th Street and Oak Drive and replacing the yield sign with a stop sign at the intersection of Respass Street and Oak Drive. The attached ordinance will reduce the speed limit along Respass Street between 15th Street and Oak Drive to 25 MPH, which is the second step to reducing traffic concerns in this area. The third step involves NCDOT and they are working on a project to install an additional turning lane on in-bound Market Street that would allow left turns, straight through and right turn only, to move traffic through this intersection.

Councilman Mercer appreciated the fact that Council took the necessary 30 days to investigate Mr. Thompson’s concerns. This time allowed staff to facilitate some solutions to this problem. He continued by suggesting that staff research purchasing portable “speed humps”.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council adopted an Ordinance to amend Chapter 18, Section 102 (c) in referenced to the speed limit along Respass Street, as outlined in the attached ordinance, with an effective date of April 15, 2014.

**AN ORDINANCE TO AMEND CHAPTER 18,
SECTION 102: NONHIGHWAY STREETS
OF THE WASHINGTON CITY CODE**

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

Section 1. That Chapter 18 Section 18-102(c) – Nonhighway streets, be amended to add the following:

Sec. 18-102(c).

Respass Street, from Fifteenth Street to Oak Drive.

Section 2. All ordinances in conflict with this ordinance are hereby repealed.

Section 3. This ordinance shall become effective April 15, 2014.

This the 14th day of April, 2014.

ATTEST:

s/ Cynthia S. Bennett
City Clerk

s/Mac Hodges
Mayor

**APPROVE/AUTHORIZE/ADOPT – OLD CITY HALL RECONVEYANCE AND
AUTHORIZE CITY MANAGER OR HIS DESIGNEE TO EXECUTE ANY
DOCUMENTS THAT ARE NECESSARY IN CONJUNCTION WITH THE RELATED
CLOSING AND ADOPT A BUDGET ORDINANCE AMENDMENT**

Cedar Grove Plantation, LLC was unsuccessful in obtaining acceptable financing for the Old City Hall restoration project and the property is being reconveyed to the City in accordance with the preservation agreement. This action was previously scheduled for consideration at the February 10, 2014 regular meeting, however a request was made to table the matter for 60 days

pending a due diligence review by a group of investors seeking to acquire Cedar Grove Plantation, LLC and complete the project. The investors, after completing their due diligence, have advised the City that they do not wish to proceed with the acquisition.

Councilman Mercer inquired why the amount changed from \$25,000 to \$25,091? Mr. Alligood explained the additional \$91.00 is the standard real estate transaction expenses that the buyer is required to pay at closing. Mr. Holscher explained that the settlement statement is subject to change for taxes and the deed has been slightly revised to meet the title insurance company’s requirements (changes were distributed to Council). Mr. Alligood explained the only change in the deed was “all of its members as well as managers” initially the deed stated “its member managers”.

By motion of Mayor Pro tem Roberson, seconded by Councilman Beeman, Council approved and authorized the reconveyance of Old City Hall from Cedar Grove Plantation, LLC to the City, including but not limited to accepting the attached deed, approving the attached Cancellation and Withdrawal, authorizing the City Manager or his designee to execute any documents that are necessary in conjunction with the related closing and adopting a Budget Ordinance Amendment to appropriate funds for said transaction.

**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 General Fund Miscellaneous Department appropriations budget be increased in the following account and amount for the reconveyance of Old City Hall:

10-00-4400-7100	Acquisition	\$ 25,091
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Section 2. That the General Fund revenue budget be increased in the following fund accounts and amount:

10-00-3991-9910	Fund Balance Appropriated	\$ 25,091
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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 14th day of April, 2014.

ATTEST:
s/ Cynthia S. Bennett
City Clerk

s/Mac Hodges
Mayor

NEW BUSINESS:**ADOPT – RESOLUTION AUTHORIZING THE MAYOR TO APPLY FOR A TECHNICAL ASSISTANCE GRANT**

Brian Alligood, City Manager, summarized the request by stating on March 4, 2014, the NC Department of Environment and Natural Resources, Division of Water Infrastructure, announced that they would be taking applications for state grant funding for wastewater and drinking water projects. The legislature appropriated \$3.5 million in funds for the current fiscal year and the State Water Infrastructure Authority (SWIA) has approved the use of these funds for two specific types of grants - Technical Assistance Grants (TAG) and High Unit Cost Grants (HUCG). We intend to use a TAG to perform a sanitary sewer evaluation survey to identify areas of potential inflow and infiltration (III). The data collected will allow us to better identify the worst areas of III and may potentially be used for other grant applications in the future as supporting documentation. The amount of the study proposed is estimated to be \$35,000 and does not require any match.

By motion of Councilman Pitt, seconded by Councilman Brooks, Council adopted the resolution authorizing the Mayor to execute and file an application on behalf of the City for a Technical Assistance Grant with the NC Department of Environment and Natural Resources, Division of Water Infrastructure.

RESOLUTION BY GOVERNING BODY OF APPLICANT

WHEREAS, the Federal Clean Water Act Amendments of 1987 and the North Carolina the Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of construction of wastewater collection system projects, and

WHEREAS, the City of Washington has need for and intends to conduct a wastewater collection system rehabilitation planning project described as Sanitary Sewer Evaluation Survey - Phase I, and

WHEREAS, the City of Washington intends to request state grant assistance for the project,

NOW THEREFORE BE IT RESOLVED, by the City Council of the City of Washington that: the City of Washington, the Applicant, will arrange financing for all remaining costs of the project, if approved for a State grant award and that;

the Applicant will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the system and the repayment of all principal and interest on the debt and that;

Mac Hodges, Mayor, the Authorized Official, and successors so titled, is hereby authorized to execute and file an application on behalf of the Applicant with the State of North Carolina for a grant to aid in the project described above and that;

the Authorized Official, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such

application or the project: to make the assurances as contained above; and to execute such other documents as may be required in connection with the application and that;

the Applicant has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

Adopted this the 14th day of April, 2014 in the City of Washington, North Carolina.

ATTEST:

s/ Cynthia S. Bennett
City Clerk

s/Mac Hodges
Mayor

ADOPT/AUTHORIZE – GRANT PROJECT ORDINANCE AND A BUDGET ORDINANCE AMENDMENT AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE WORK AUTHORIZATION FOR PROFESSIONAL SERVICES AGREEMENT (AIRPORT LIGHTING REHABILITATION PROJECT

City Manager, Brian Alligood noted that the City was awarded a grant from the NC Department of Transportation Division of Aviation in the amount of \$325,000 for a lighting rehabilitation project. The grant requires a \$36,111 local match and the associated budget ordinance reflects 90/10 match for the grant.

By motion of Councilman Mercer, seconded by Councilman Beeman, Council adopted a Grant Project Ordinance and a Budget Ordinance Amendment and authorized the City Manager to execute the Work Authorization for Professional Services agreement for the Airport Lighting Rehabilitation Project.

AN ORDINANCE TO AMEND THE BUDGET ORDINANCE AND CAPITAL PROJECT 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 account number 10-00-3991-9910, Fund Balance Appropriated, General Fund revenue appropriations budget be increased in the amount of \$36,111 to provide funds for transfer to the Airport Rehabilitation Capital Project Grant Fund.

Section 2. That account number 10-00-4400-3700, Transfer to Airport Fund, Miscellaneous Non-departmental portion of the General Fund appropriations budget be increased in the amount of \$36,111 to provide the local grant match for airport rehabilitation projects.

Section 3. That the following appropriation account numbers be increased in the amounts shown in the Airport Rehabilitation Capital Project Grant Fund to account for grant funded rehabilitation projects at the airport:

71-90-4530-0400	Professional Services	\$ 40,936
71-90-4530-4500	Airport Rehabilitation	<u>320,175</u>
		\$361,111

Section 4. That the following revenue account numbers in the Airport Rehabilitation Capital Project Grant Fund be increased in the amounts shown:

71-90-3490-0001	State Aid 36244.51.10.1	\$ 36,842
71-90-3490-0002	State Aid	288,158
71-90-3397-0000	Transfer from GF	<u>36,111</u>
		\$361,111

Section 5. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 6. This ordinance shall become effective upon its adoption.

Adopted this the 14th day of April, 2014.

ATTEST:

s/ Cynthia S. Bennett
City Clerk

s/Mac Hodges
Mayor

AUTHORIZE – ELECTRIC DIRECTOR TO EXECUTE POLE ATTACHMENT AGREEMENT

(Summary provided by Keith Hardt, Electric Utilities Director and City Manager, Brian Alligood.) The City of Washington currently has pole attachment agreements with three CATV/Telephone providers within the electric service territory. These agreements are very dated and are in need of updating. It is recommended that we update our pole attachment agreement based on a request for new attachments and on recent rulings in the case *Town of Landis vs. Time Warner Communications*. David Barnes, staff attorney with ElectriCities of North Carolina with the assistance from the ElectriCities Operation Standards Team has developed a draft pole attachment agreement for ElectriCities members’ use. Mr. Barnes has been very involved with the Town of Landis case, has drafted this agreement based on the findings of the case and recommends that members execute these agreements where applicable. Mr. Barnes is currently reviewing this final draft of the document, but does feel that it contains the proper language to protect the City.

Conterra Ultra Broadband (Conterra) has recently been awarded a contract to install overhead fiber optic cable between Beaufort County Schools that are served by the City's electric system. Conterra has requested a pole attachment agreement with the City of Washington so as to fulfill their contract by the end of the current budget year.

The current City of Washington pole attachment fees charged are listed in the agenda packet. It is proposed that these fees be changed as listed. These fees are based on the American Public Power Association model and are in line with what many other North Carolina electric cities charge for attachments. My survey has pole attachments from North Carolina cities ranging from \$16 per attachment to \$21 per pole foot attachment. The companies that utilize our facilities for attachment may argue that these fees are excessive and not in line with the FCC guidelines, but we are not required to follow the FCC guidelines. In addition, the proposed fees are based on the actual cost to provide the attachment to the requestor.

The draft agreement was forwarded to Council a week ago with the Manager's weekly update. Councilman Mercer noted that the document is too long and needs to be modified. The relative fee schedule was also discussed. It was suggested that if Conterra needs an agreement within the next 90 days, then we could write a letter granting them permission to attach to our poles, noting they are subject to the current fee schedule. Once ElectriCities finalizes the agreement, we can then use their agreement and set the fees based on what Council decides on during the budget discussions.

Mayor Pro tem Roberson said we need to do whatever we need to do to assist the schools in order to allow them to receive the grant funds. We can worry about the pole agreement at a later time.

By motion of Mayor Pro tem Roberson, seconded by Councilman Beeman, Council agreed to allow Conterra to attach to our utility poles, based on our existing fee structure, without a pole agreement, only until such time that we are able to put a pole agreement together that is approved by Council. The agreement would come back into effect January 1st of the next year. Any other costs associated with the replacement of poles will be the responsibility of Conterra.

Mayor Pro tem Roberson asked David Morgan with Conterra, to send a sample agreement to the City Manager.

Councilman Mercer suggested that the fee structure be referred to the Washington Electric Utilities Advisory Board and have them forward a recommendation to Council. Councilman Beeman requested a copy of the current and proposed fee structure, staff will forward both versions to Council.

**ADOPT/AWARD – ORDINANCE TO CONDEMN AS UNSAFE THE
STRUCTURE LOCATED AT 759 CAROLINA AVENUE AND AWARD THE
DEMOLITION CONTRACT (\$4,500)**

(summary) The governing body of the City may adopt and enforce ordinances relating to residential buildings or structures that fail to meet minimum standards of maintenance, sanitation, and safety. The minimum standards address conditions that are dangerous and injurious to public health, safety and welfare and identify circumstances under which a public necessity exists for the repair, closing or demolition of such buildings or structures. If after a notice and hearing the Code Official determines that the property has not been properly maintained and failed to meet minimum standards an order is issued to require the owner to demolish and remove the building or structure.

By motion of Councilman Pitt, seconded by Councilman Beeman, Council adopted the ordinance condemning the structure located at 759 Carolina Avenue as unsafe and demolish and remove the structure.

By motion of Councilman Pitt, seconded by Councilman Brooks, Council awarded the demolition contract to the lowest responsible bidder, St. Clair Trucking in the amount of four thousand five hundred dollars (\$4,500).

Bids Submitted:

<i>St. Clair Trucking, Inc.</i>	<i>\$4500</i>
<i>T J's Marine Construction</i>	<i>\$5800</i>
<i>Steve T. Williams</i>	<i>\$5900</i>

**If the structure is removed or demolished by the City, the City shall sell the usable materials of the building. The amounts incurred by the City in connection with the demolition shall be a lien against the real property upon which the cost was incurred.*

PREVIOUS LEGISLATIVE ACTION

<i>Complaint: 12/11/13</i>	<i>Order to Demolish: 1/6/14, 3/10/14</i>
<i>Notice of Hearing: 12/20/13</i>	<i>Time expired: 3/21/14</i>
<i>Hearing: 12/30/13</i>	<i>Notice of Council hearing: 4/4/14</i>

AN ORDINANCE FINDING THAT THE BUILDING DESCRIBED HEREIN IN THE CITY OF WASHINGTON IS CONDEMNED AS UNSAFE AND DIRECTING THAT IT BE DEMOLISHED

WHEREAS, the City Council of the City of Washington finds that the structure having an address of 759 Carolina Avenue, Washington, North Carolina and being owned by the heirs of Pearlie Howell Little, Jr., Lawrence Little, Augustine Little, and Janet Cosby is condemned as, among other things, unsafe pursuant to North Carolina General Statute § 160A-426 and that all applicable statutory provisions have been complied with as a condition of the adoption of this Ordinance.

WHEREAS, the structure located on said property should be demolished and removed as directed by the Senior Building Official for, among other things, the reasons stated by the Senior Building Official in his January 6, 2014 and/or March 10, 2014 Order to Remedy Defective Condition and Findings of Fact that was served on the property owner(s).

WHEREAS, the owner(s) of the structure have been given a reasonable opportunity to bring the structure into compliance with the applicable standards of the City Code as well as State statute in accordance with North Carolina General Statute § 160A-426 as well as pursuant to the Orders issued by the Senior Building Official in said Notice of Decision.

WHEREAS, said owner(s) have failed to comply with said Orders.

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Washington as follows.

Section 1. The Senior Building Official is hereby authorized and directed to proceed to demolish and remove the above described structure located at 759 Carolina Avenue in accordance with applicable provisions of the City Code and North Carolina General Statute § 160A-426 *et seq.*

Section 2. The cost of the demolition and removal of the structure shall constitute a lien against the real property upon which the cost was incurred as provided in North Carolina General Statute § 160A-432.

Section 3. This Ordinance shall be recorded in the Office of the Register of Deeds of Beaufort County, North Carolina.

This Ordinance shall become effective on this date of adoption April 14, 2014.

ATTEST:

s/ Cynthia S. Bennett
City Clerk

s/Mac Hodges
Mayor

ADOPT – CAPITAL PROJECT ORDINANCE AND ADOPT A BUDGET ORDINANCE AMENDMENT FOR THE WAYFINDING CAPITAL PROJECT

John Rodman, Community & Cultural Resources Director explained that \$75,000 was budgeted for the way finding project in FY 2013-2014. Staff has completed the preliminary work for the project and is prepared to move forward with the design phase. The project will be completed in FY 2014-2015. Upon review of several other recent projects of similar scope staff believes an additional appropriation of \$75,000 will be needed to deliver a satisfactory product. Funds budgeted for economic development and planning professional services can be utilized to supplement the project and avoid appropriation of fund balance. Mr. Rodman explained the presentation and the documentation serves as a means to update Council on the progress of the project, he is not requesting any action from Council tonight. Discussion was held regarding the design and number of gateway signs, primary destination sign, secondary destination signs, ID signs and parking signs.

Prior Activity:

Project Steering Committee stakeholders invited to participate in Phase 1 of the Wayfinding project. A total of 6 meetings have been held that consisted of getting started, developing goals and objectives, naming attractions and destinations, selecting preferred routes and gateways, gathering data on existing inventory and conditions, and analyzing that data.

Projected Activity for next Month:

Completion of the Phase 1 Report for Council. Drafting an RFP for the Design Development Phase of the Project which will consist of design criteria and specifications. It will also include an Implementation Plan for signage construction.

City Manager, Brian Alligood explained that we are asking to move money from our professional services account to create this budget ordinance.

By motion of Mayor Pro tem Roberson, seconded by Councilman Beeman, Council adopted a Capital Project Ordinance and adopted a Budget Ordinance Amendment for the way finding project.

**A CAPITAL PROJECT ORDINANCE FOR THE WAY FINDING PROJECT
 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, that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The project authorized is for the design and implementation of the way finding signage project budgeted and funded by a transfer from the General Fund.

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

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

69-90-8000-0401	Design	\$ 50,000
69-90-8000-4500	Installation	<u>100,000</u>
	Total	\$150,000

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

69-60-3352-0000	Transfer from General Fund	\$150,000
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Section 5. The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient detailed accounting records to satisfy the requirements of the financing agreement.

Section 6. Funds may be advanced from the General Fund for the purpose of making payments that are due.

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 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 capital project in every budget submission made to the City Council.

Section 9. Copies of this capital 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 14th day of April, 2014.

ATTEST:

s/ Cynthia S. Bennett
City Clerk

s/Mac Hodges
Mayor

**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 General Fund appropriations budget be increased or decreased in the following fund accounts and amount:

10-10-4910-7400	Capital Outlay	\$(75,000)
10-00-4650-0400	Professional Services	(5,000)
10-00-4650-4500	ED Projects	(60,000)
10-10-4910-0400	Professional Services	(10,000)
10-00-4400-6200	Transfer to Capital Project Fund	<u>150,000</u>
	Total	0

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

Section 3. This ordinance shall become effective upon its adoption.

Adopted this the 14th day of April, 2014.

ATTEST:

s/ Cynthia S. Bennett
City Clerk

s/Mac Hodges
Mayor

ADOPT – EMPLOYEE CEMETERY LOT PURCHASE PROGRAM

Mr. Alligood explained that at the direction of Council, staff has developed a program that offers the opportunity for City employees to purchase cemetery lots along with associated perpetual care fees through payroll deductions over a twelve month period. Deed will transfer at the end of the twelve month period.

Example:

\$625 1 lot + \$200 Perpetual care fee/lot = \$825 Total

\$34.38 After-tax payroll deduction (24/year)

By motion of Mayor Pro tem Roberson, seconded by Councilman Beeman, Council adopted a City employee cemetery lot purchase program effective July 1, 2014.

AUTHORIZE – CITY MANAGER TO RENEW BCBS HEALTH INSURANCE CONTRACT RENEWAL FOR FY 2014-15

Mr. Alligood summarized by stating beginning with fiscal year 2014-2015, employee payroll deductions for dependent coverage and voluntary insurance premiums will be taken over 24 payroll deduction periods instead of the current practice of 26 payroll deduction periods. It is anticipated that this change will result in more efficient billing reconciliation especially for mid-year changes. With the 6% reduction in health insurance premiums, this change can be implemented at this time with minimum impact on employees' take home pay. We are also recommending a change in coverage effective dates for new hire employees and terminating employees as follows:

New Hire

Current Policy: Coverage under City insurance begins on the first calendar day following 30 days of employment, i.e. on the 31st day of employment.

Proposed Policy: Coverage under City insurance begins on the first of the month following 30 days of employment.

Terminating Employee

Current Policy: Coverage ends on the actual last day of employment.

Proposed Policy: Coverage ends on the last day of the month in which the employee separates service.

These changes will coordinate well with the transition to 24 insurance premium payroll deductions; will eliminate prorated billing; and will coordinate with traditional effective dates for individual or other group policies. We have verified that this change will not affect the premium renewal rates.

By motion of Councilman Beeman, seconded by Councilman Brooks, Council authorized the City Manager to renew the City of Washington's contract with BCBS of NC for group Health Insurance for fiscal year 2014-15 including a change in the effective date of coverage for group insurance benefits for new City employees to the first of the month following 30 days of employment and for terminated employees to the end of the contract month following employment termination effective July 1, 2014.

APPROVE – PERSONNEL POLICY REVISION ARTICLE VII. EMPLOYEE BENEFITS

Mr. Alligood continued by explaining that the current City of Washington Personnel Policy provides that full-time employees will be covered under group insurance benefits including Medical, Dental, Life, and Vision insurance after a thirty (30) day waiting period. Under the City's current contracts, the prescribed waiting period for insurance coverage is exactly 30 days, with coverage beginning on the 31st day. Beginning with contract renewals effective July 1, 2014, however, the first date of insurance coverage will be the first of the month following 30 days of employment. Therefore, it is recommended that the Personnel Policy is revised to reflect the specific waiting period for coverage. Note: This action is contingent upon approval of Council Action for Health Insurance Contract Renewal.

By motion of Councilman Mercer, seconded by Councilman Beeman, Council agreed that the City of Washington Personnel Policy, Article VII. Employee Benefits, Section 1. Insurance Benefits be revised to reflect that group benefits will be provided for full-time employees beginning the first of the month following 30 days of employment effective July 1, 2014.

APPROVE – RESOLUTION ENDORSING NCEMPA ASSET SALE NEGOTIATIONS

Brian Alligood, City Manager explained that the City of Washington is a member of North Carolina Eastern Municipal Power Agency (NCEMPA). On February 3, 2014, NCEMPA announced that it was negotiating with Duke Energy Progress to sell its generation assets. The Electricities Board of Directors and NCEMPA Board of Commissioners had previously directed management to negotiate with them. The process is expected to last 12-24 months. It will require regulatory approval, possibly legislative approval and will need the agreement of all 32 members of NCEMPA. The objective of the sale is more competitive rates for customers while preserving the same reliability received today. The negotiations are covered under a confidentiality agreement between the parties and cannot be discussed in detail; however the City Council has been briefed on the matter in closed session by NCEMPA staff. The

negotiations only affect the generating assets. The local distribution system is not part of the discussions. All NCEMPA members have been asked to consider approving the attached resolution of support.

By motion of Councilman Pitt, seconded by Councilman Brooks, Council approved a resolution endorsing the negotiation of definitive agreements for the sale of certain generating assets owned by the North Carolina Eastern Municipal Power Agency to Duke Energy Progress, Inc. and for power supply.

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF WAHSINGTON
ENDORING THE NEGOTIATION OF DEFINITIVE AGREEMENTS
FOR THE SALE OF CERTAIN GENERATING ASSETS OWNED BY NORTH
CAROLINA EASTERN MUNICIPAL POWER AGENCY TO DUKE ENERGY
PROGRESS, INC. AND FOR POWER SUPPLY**

WHEREAS, the City of Washington (the “Municipality”) and North Carolina Eastern Municipal Power Agency (“Power Agency”) heretofore have entered into an Initial Project Power Sales Agreement, as amended, and a Supplemental Power Sales Agreement, as amended, pursuant to which, among other things, the Municipality purchases from Power Agency and Power Agency sells to the Municipality all of the Municipality’s All Requirements Bulk Power Supply, as such term is defined in the Supplemental Power Sales Agreement; and

WHEREAS, a portion of the All Requirements Bulk Power Supply sold by Power Agency to the Municipality and purchased by the Municipality from Power Agency is derived from the Power Agency’s undivided ownership interest in the following electric generating units jointly owned by Power Agency with Duke Energy Progress, Inc. (“DEP”): Brunswick Units Nos. 1 and 2, Harris Unit No. 1, Mayo Unit No. 1 and Roxboro Unit No. 4 (collectively, the “Joint Units”); and

WHEREAS, City Council of the Municipality (the “Governing Body”) has been advised by representatives of Power Agency that Power Agency has been authorized by its Board of Directors and by the Board of Commissioners of the Power Agency to negotiate with DEP on an exclusive basis definitive agreements pursuant to which (i) Power Agency would sell and DEP would purchase all of Power Agency’s ownership interests in the Joint Units, and (ii) Power Agency and DEP would enter into a full requirements power purchase agreement pursuant to which DEP would sell and Power Agency would purchase all of the power and energy required by Power Agency to provided full requirements power supply services to the City of Washington and to all other members of Power Agency (the “Proposed Transaction”); and

WHEREAS, representatives of Power Agency also have advised the Governing Body that if the Proposed Transaction is consummated the proceeds to be derived from the sale of the Joint Units, when combined with other funds available to Power Agency, may not be sufficient to pay or provide for the payment of the principal of and premium, if any, and interest on all revenue bonds heretofore issued by Power Agency to finance the acquisition of the Joint Units; and

WHEREAS, representatives of Power Agency confidentially presented to the Governing Body the confidential results of the preliminary financial analyses of the Proposed Transaction

undertaken by and at the request of Power Agency to determine the projected effect of the Proposed Transaction on Power Agency and its participants; and

WHEREAS, the Governing Body, having taken into consideration the confidential information concerning the Proposed Transaction presented to the Governing Body by representatives of Power Agency.

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Washington:

1. The Governing Body has given due consideration to the confidential information concerning the Proposed Transaction presented by representatives of Power Agency at this meeting and hereby finds and determines that it is in the best interests of the Municipality for representatives of Power Agency to negotiate a definitive agreement with DEP concerning the Proposed Transaction.
2. The Governing Body hereby endorses the action of the Board of Directors and Board of Commissioners of Power Agency authorizing representatives of Power Agency to negotiate a definitive agreement with DEP concerning the Proposed Transaction.
3. The Governing Body hereby directs the Clerk to cause to be furnished to Power Agency, if requested, a certified copy of this resolution.
4. This resolution shall become effective upon its adoption.

ADOPTED this 14th day of April, 2014.

ATTEST:

s/ Cynthia S. Bennett
City Clerk

s/Mac Hodges
Mayor

AUTHORIZE CITY MANAGER TO SIGN CONFIDENTIALITY AGREEMENT

By motion of Councilman Mercer, seconded by Councilman Beeman, Council authorized the City Manager to sign a confidentiality agreement which will allow Doug Mercer, Keith Hardt and Brian Alligood access to the data room – (ElectriCities).

ANY OTHER ITEMS FROM CITY MANAGER: NONE

ANY OTHER BUSINESS FROM THE MAYOR OR OTHER MEMBERS OF COUNCIL
DISCUSSION – PUBLIC COMMENTS RULES

Councilman Mercer discussed the need for an approved policy for responding to public comments. This will allow Council and staff time to review the topic/request and make a reasonable and educated decision.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council approved a policy where they will take no action on a request presented during a regular or called meeting, unless the item is included in the scheduled Old or New Business section of the approved agenda. Items presented during Scheduled Public Appearances or during the Public

Comment portion of the agenda, will not be acted upon until the next regularly scheduled meeting of the Council, unless a super majority (four members) of the Council approve an action at the time of the presentation.

DISCUSSION – HIGHWAY 17 ASSOCIATION CHALLENGE

Councilman Mercer reminded members that the City is a member of the Highway 17 Association and we pay annual dues. We have been a member since its inception. There are a couple of counties that have reduced their contributions. Last year, as well as this year, their staff has taken 10% salary cuts. The Association has indicated that if their financial picture doesn't improve, they will not be able to continue operations next year. Recognizing that need, the Beaufort County Commissioners authorized the County Manager to issue a \$5,000 challenge. The challenge means that Beaufort County would contribute an additional \$5,000 to the Association, if the Association could match the \$5,000 with donations from other members. Councilman Mercer suggested an additional contribution of \$250 or \$500.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council appropriated an additional \$500 to the Highway 17 Association, subject to their completion of the \$5,000 match issued by Beaufort County.

CLOSED SESSION – UNDER NCGS § 143-318.11 (A)(3) ATTORNEY CLIENT PRIVILEGE, AND (A)(1) CONFIDENTIAL INFORMATION UNDER CHAPTERS 132 (PUBLIC RECORDS) AND 159B (CONFIDENTIALITY OF CONTRACT DISCUSSIONS) OF THE NORTH CAROLINA GENERAL STATUTES.

By motion of Councilman Pitt, seconded by Councilman Brooks, Council entered into closed session under NCGS §143-318.11 (A)(3) Attorney Client Privilege, And (A)(1) Confidential Information Under Chapters 132 (Public Records) And 159b (Confidentiality Of Contract Discussions) Of The North Carolina General Statutes at 7:25pm

By motion of Councilman Beeman, seconded by Councilman Brooks, Council agreed to come out of closed session at 8:25pm

ADJOURN – UNTIL MONDAY, APRIL 21, 2014

By motion of Councilman Beeman, seconded by Councilman Brooks, Council adjourned the meeting at 8:35pm until Monday, April 21, 2014 at 5:30 p.m. in the Council Chambers at the Municipal Building.

(subject to approval of the City Council)

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

The Washington City Council met in a special session on Monday, April 21, 2014 at 5:30 pm in the City Council Chambers at the Municipal Building. Present were: Bobby Roberson, Mayor Pro tem; Doug Mercer, Councilman; William Pitt, Councilman; Richard Brooks, Councilman; Larry Beeman, Councilman; Brian M. Alligood, City Manager; and Cynthia S. Bennett, City Clerk. Mayor Hodges was absent and excused from the meeting.

Also present were: Matt Rauschenbach, Administrative Services Director/C.F.O.; Allen Lewis, Public Works Director; John Rodman, Community & Cultural Resources Director; Stacy Drakeford, Police and Fire Services Director; Keith Hardt, Electric Utilities Director; Robbie Rose, Fire Chief; Gloria Moore, Library Director; Susan Hodges, Human Resources Director; David Carraway, IT Department; and Tony Black with the Washington Daily News.

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

BUDGET WORKSHOP DISCUSSIONS: GENERAL FUND REVENUE & EXPENDITURES

Mayor Pro tem Roberson asked Mr. Alligood to explain how we will be going through the budget process. Mr. Alligood reviewed the process he would like to use, but expressed he would be glad to handle the process as directed by City Council. Mr. Alligood began by reviewing the following:

- 6% less than last years' amended budget
- Payment in lieu of taxes(PILOT) (Water-Sewer Fund) to fill gap from idX
- General Fund Revenue Summary Ad valorem Property tax 1% decrease
- Stormwater operations and personnel now shown under Enterprise Fund
- School Resource Officers (SRO) no longer to be provided by City's Police Department will be provided by Sheriff's Department
- 33% increase in permits
- Formula for Administrative Charges (Garage)
- Fund Balance appropriations for one time funding
- Vehicle Replacement Fund next year in General Fund and Enterprise Funds
- PO's carried forward ~ setup as Capital Project Funds
- 13% increase garage expenses due to replacement of vehicle lift
- Overall \$907,657 less (6%)
- Full time and part time employees discussed
- Review fees beginning July 1st
- Replace doors & dehumidifier at pool
- PILOT should be shown in all Enterprise Funds, if not breaking even need to raise rates
- Swim meet fees at Aquatics Center – (staff will provide answer on 4/22)
- NCDOT utility relocation charges (Hwy 17) (staff will provide answer on 4/22)
- Perpetual care fees (staff will provide answer on 4/22)

GENERAL FUND 2015

	Proposed 2015	Budget 2014	G/(L)	%
Revenue:				
Advalorem taxes	4,309,823	4,341,324	(31,501)	-1% Tax & tag
Sales, Business, & Occup Tax	2,397,088	2,398,890	(1,802)	0%
Utility franchise & sales tax	1,328,000	1,276,395	51,605	4%
Other taxes	131,847	138,998	(7,151)	-5% Vehicle, Beer & wine, BC airport tax
PILOT	494,502	162,838	331,664	204%
Miscellaneous	88,861	79,040	9,821	12%
Rent	32,256	601,722	(569,466)	-95% 234 Springs Rd.
234 Springs Rd. proceeds	0	0	0	
OS agency	31,000	29,000	2,000	7%
Financing proceeds		0	0	
Admin charges:			0	
Other	187,456	185,654	1,802	1% TDA/Civic Center personnel
Enterprise funds	2,282,153	2,202,635	79,518	4% Storm water 2015 144,841
Transfers:			0	
Public safety debt service	166,970	166,985	(15)	0%
Economic development	153,500	156,000	(2,500)	-2%
Powell Bill	112,495	112,495	0	0%
BHM Library	7,800		7,800	
Enterprise funds	470,000	470,000	0	0%
Police	45,250	110,526	(65,276)	-59% School resource officer
Fire/EMS	995,128	983,762	11,366	1%
Planning/Inspection	90,690	63,510	27,180	43%
Public works	190,700	188,395	2,305	1%
Recreation	210,755	248,330	(37,575)	-15% Rental fee, slip rental, aquatic membership
Library	31,700	34,214	(2,514)	-7% Library fines
Fund balance appropriated	<u>391,783</u>	<u>1,106,701</u>	<u>(714,918)</u>	<u>-65%</u>
Total	14,149,757	15,057,414	(907,657)	-6%
Expenditure:				
City Council	56,075	62,676	(6,601)	-11% Election expense
Mayor Office	12,885	13,800	(915)	-7%
City Manager	318,939	307,694	11,245	4%
TDA Director	107,555	105,952	1,603	2%
Human Resources	299,560	296,764	2,796	1%
Finance Director	525,565	526,674	(1,109)	0%
Purchasing/whse.	137,167	135,633	1,534	1%
Information Services	258,820	403,098	(144,278)	-36% Capital
Billing Department	165,512	154,823	10,689	7% Postage
Customer Service	622,084	598,658	23,426	4% Marketing & CC fees
Legal Services	145,000	268,458	(123,458)	-46%
Municipal Building	166,046	263,903	(97,857)	-37% Chiller
Miscellaneous	1,326,927	963,857	363,070	38% Misc exp \$25,000
Economic Development	153,500	156,000	(2,500)	-2%
Contingency	0	0	0	
Police Department	2,940,814	2,942,710	(1,896)	0%
E-911 Communications	395,481	399,483	(4,002)	-1%
Fire Department	750,219	748,332	1,887	0%
EMS	1,558,839	1,612,914	(54,075)	-3%
Code Enforcement/Inspections	293,467	311,334	(15,867)	-5%
Planning/Zoning	352,701	402,769	(50,068)	-12% Wayfinding
Garage	128,971	114,512	14,459	13%
Street Maintenance	454,317	484,532	(30,215)	-6%
Powell Bill	314,663	395,292	(80,629)	-20% Fund balance availability
Street Lighting	128,500	126,240	2,260	2%
Public Works Director	76,007	70,018	5,989	9%
Stormwater	0	323,446	(323,446)	-100% Admin charges added
Brown Library	433,404	444,766	(11,362)	-3%
Recreation Administration	164,984	181,741	(16,757)	-9%
Events & Facilities	168,988	190,260	(21,272)	-11%
Senior Programs	202,331	250,798	(48,467)	-19% Deck
Waterfront Docks	127,400	120,301	7,099	6%
Civic Center	162,401	152,427	9,974	7%
Aquatic Center	308,199	350,003	(41,804)	-12%
Parks & Grounds Maintenance	527,014	621,441	(94,427)	-15% Capital
Outside Agencies	103,095	125,780	(22,685)	-18% BHM Library 7,800, Vet. Park (5,975)
Debt Service	<u>260,327</u>	<u>430,325</u>	<u>(169,998)</u>	<u>-40% Springs Rd. improvements</u>
Total	14,149,757	15,057,414	(907,657)	-6%
Net Revenue	0	0	0	

ADJOURN

By motion of Councilman Beeman, seconded by Councilman Brooks, Council adjourned the meeting at 7:25pm until Tuesday, April 22, 2014 at 5:30 p.m. in the Council Chambers at the Municipal Building.

(subject to approval of the City Council)

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

**CITY COUNCIL MINUTES
WASHINGTON, NORTH CAROLINA**

April 22, 2014

The Washington City Council met in a special session on Tuesday, April 22, 2014 at 5:30 pm in the City Council Chambers at the Municipal Building. Present were: Mac Hodges, Mayor; Bobby Roberson, Mayor Pro tem; Doug Mercer, Councilman; William Pitt, Councilman; Richard Brooks, Councilman; Larry Beeman, Councilman; Brian M. Alligood, City Manager; and Cynthia S. Bennett, City Clerk.

Also present were: Matt Rauschenbach, Administrative Services Director/C.F.O.; Anita Radcliffe, Assistant Finance Director; Allen Lewis, Public Works Director; John Rodman, Community & Cultural Resources Director; Stacy Drakeford, Police and Fire Services Director; Robbie Rose, Fire Chief; Gloria Moore, Library Director; Susan Hodges, Human Resources Director; David Carraway, IT Department; and Tony Black with the Washington Daily News.

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

BUDGET WORKSHOP DISCUSSIONS:

City Manager, Brian Alligood provided the following clarification on questions presented by Council on 4-21-14:

- Perpetual care fees for cemetery ~ \$200 per lot (if you buy additional lots you have to pay additional perpetual care). Mr. Alligood noted that the language will be changed in the fee manual.
- Swim meet fees at Aquatics Center ~ pay for meets, not for practice and pool is open during practice time.
- NCDOT utility relocation charges (Hwy 17) ~ this is addressed under NCGS Chapter 136, anything above a population of 5500 you have to pay relocations charges.

BUDGET WORKSHOP DISCUSSIONS: SERVICE EXPANSIONS & OUTSIDE AGENCIES

FUND REVENUE			City Manager Recommends	Board Approves
Amount Available fro Service Expansions (Revenues over Expenditures)			\$0	\$0
Amount Requested from Fund Balance			\$0	\$0
Total			\$0	\$0
Total Available for Service Expansions			\$0	\$0

Note: 3 penny on the tax rate = 5,88,572

Page #	Department	Title	Dept. Mgrs Priority	Estimated Initial Cost	Estimated Annual Revenue Offset	Estimated Initial Net Cost	Estimated Annual Recurring Cost	Board Member's Priority	Comments
	All Funds	.5% COLA		\$31,457	\$0	\$31,457	\$31,457		Amnt. shown here is GF portion only
	All Funds	1% COLA		\$62,913	\$0	\$62,913	\$62,913		Amnt. shown here is GF portion only
	All Funds	1.5% COLA		\$94,370	\$0	\$94,370	\$94,370		Amnt. shown here is GF portion only
	All Funds	Health Saving Account Contribution		\$56,756	\$0	\$56,756	\$56,756		Amnt. shown here is GF portion
	Human Resources	Applicant Software		\$5,000	\$0	\$5,000	\$0		
	Human Resources	Wellness Program		\$14,000	\$0	\$14,000	\$14,000		Revenue offset if employees are charged fees
	Planning/Development	Unified Development Ordinance		\$50,000	\$0	\$50,000	\$0		
	Economic Development	Washington Harbor District Alliance		\$500	\$0	\$500	\$500		Amounts represent request for funding above FY 13/14 levels
	Fire/Rescue/EMS	Unit 1 Paramedic EMS Service (6 months)		\$38,996	(\$22,000)	\$36,996	\$67,993		One time revenue offset of \$22,000 is Vidant grant
	Fire/Rescue/EMS	Unit 2 Paramedic EMS Service (1 year)		\$43,000	(\$28,000)	\$15,000	\$15,000		One time revenue offset of \$28,000 is Vidant grant
	Rec Events & Facilities	Summer Programs		\$7,000	(\$2,900)	\$4,500	\$4,500		
	Waterfront Docks	WFR		\$30,000	\$0	\$30,000	\$2,000		
	Aquatic Center	Water Aerobics Instructor		\$5,806	(\$7,020)	(\$1,414)	(\$1,414)		Adding program would generate annual revenue
	Aquatic Center	Swim Lessons		\$2,304	(\$7,200)	(\$4,896)	(\$4,896)		Adding program would generate annual revenue

REQUESTS									
Page #	Department	Title	Dept. Mgrs. Priority	Estimated Initial Cost	Estimated Annual Revenue Offset	Estimated Initial Net Cost	Estimated Annual Recurring Cost	Board Member's Priority	Comments
	Aquatic Center	Additional Programs		\$1,000	(\$5,040)	(\$4,040)	(\$4,040)		Adding program would generate annual revenue
	Outside Agencies	Arts Council		\$34,000	\$0	\$34,000	\$34,000		Amount requested over current year funding level.
	Outside Agencies	Boys & Girls Club		\$4,000	\$0	\$4,000	\$4,000		Amount requested over current year funding level.
	Outside Agencies	Zion Shelter		\$500	\$0	\$500	\$500		Amount requested over current year funding level.
	Outside Agencies	Wright Flight		\$1,500	\$0	\$1,500	\$1,500		Amount requested over current year funding level.
	Outside Agencies	Blind Center		\$2,250	\$0	\$2,250	\$2,250		Amount requested over current year funding level.
	Outside Agencies	Kiwanis Club (parade)		\$1,300	\$0	\$1,300	\$1,300		Amount requested over current year funding level.
	Outside Agencies	Veteran's Park		\$5,000	\$0	\$5,000	\$5,000		Amount requested over current year funding level.
	Outside Agencies	Eagle's Wings		\$4,000	\$0	\$4,000	\$4,000		Amount requested over current year funding level.
	Outside Agencies	Human Relations Council		\$100	\$0	\$100	\$100		Amount requested over current year funding level.
	Outside Agencies	Cornerstone Family Worship Center		\$1,039	\$0	\$1,039	\$1,039		Amount requested over current year funding level.
	Outside Agencies	NC Estuarium		\$70,000	\$0	\$70,000	\$70,000		Amount requested over current year funding level.
Total of all General Fund Service Expansion Request (1% COLA is in total; .5% and 1.5% are excluded from total)				\$460,764	(\$71,760)	\$389,004	\$337,001		

City Manager, Brian Allgood explained if these expansions are funded, Council will need to find additional revenue to fund them.

Mayor Hodges called on Human Resource Director, Susan Hodges to explain the budget Service Expansions for Human Resources. Ms. Hodges explained the need to keep up with COLA and reviewed the Consumer Price Index. She continued by stating the last COLA for employees was July 2013 at 3% and the prior COLA was July 2008.

Councilman Mercer commented referencing payroll increases, CPI/COLA & adjusting pay-scale. Mr. Allgood explained merit increases salary, while COLA adjusts the entire salary range. Councilman Mercer voiced to annually adjust salary range each year consistent with CPI – not necessarily a raise in salary but movement in range. Councilman Beeman and Mayor Pro tem Roberson disagree noting this is only advantageous to new hires.

Ms. Hodges reviewed the Health Savings Account:

- \$1500 deductible (single)
- \$975 contribution to HSA the first year
- \$600 contribution the last few years

Ms. Hodges requested funds in order to increase HSA contribution which would be based on wellness outcome/incentive funding (employee can earn up to \$400 extra based on wellness). Ms. Hodges addressed estimated cost for additional HSA funds. She stated we could partner with Vidant and have a nurse practitioner 2 days per month to see employees and prescribe medicine. Also, Ms. Hodges requested funds for job applicant tracking software.

Community & Cultural Resources Director, John Rodman reviewed his funding request from the Planning Department. Mr. Rodman noted consolidation of all regulations hasn't been updated since 1995 inclusive of zoning, subdivision, flood, etc. Mr. Glenn Moore checked with local municipalities to see how much it would cost and was quoted \$50,000. Councilman Mercer voiced his concern over the possibility of a boiler plate document.

Mr. Rodman stated the Planning Board can manage the project and agreed the Planning Board can handle rewriting the document but would need help with graphics.

Fire Chief, Robbie Rose reviewed his funding request. Mr. Rose voiced the need of expanding to paramedic level. Chief Rose stated with a population of roughly 10,000 residents, Washington Fire/EMS receives the highest call volume in the area. Washington EMS receives approximately 2400 calls a year. Currently, the City runs two EMS ambulances with at least two people on the trucks, but one of the EMT's would have to be a certified paramedic. There are three levels of EMT care in North Carolina; Washington would like to go to EMT-Paramedic, which would be the highest level of care. City Manager, Brian Alligood applied for a \$22,000 grant from Vidant, which would help offset the costs from the City of just under \$59,000.

Council tabled this request.

Community & Cultural Resources Director, John Rodman reviewed his funding request from Park and Recreation Department. This request included WiFi– cable for the lighthouse restrooms and the entire waterfront. David Carraway, IT Department stated there would be seven (7) access points from the lighthouse restrooms to the Chamber of Commerce. Councilman Pitt voiced that Wi-Fi would increase economic development.

Mr. Rodman reviewed the funding request for the Aquatic Center and stated that Dalace Inman would be leaving in July. Revenue exceeds cost of the water aerobics program by \$1,414. If we add a Water Aerobics Instructor to the program it would generate additional annual revenue. Swim lessons revenue exceeds cost of \$4,896. Revenue exceeds cost by \$4,040 for additional programs. Mr. Rodman praised Ms. Inman and her innovative ideas.

OUTSIDE AGENCY REQUEST

Arts Council Executive Director, Joey Toler explained the amount of funding requested over previous years funding. Mr. Toler expressed that the Arts Council has partnered with City of Washington for a long time. Mr. Toler discussed a 3 year funding plan with Council. Mr. Alligood stated the Arts Council is currently in the budget at a funding level of \$13,000.

- Boys & Girls Club – no one attended.
- Zion Shelter – no one attended.

Lydie Jennings and Tom Saccio represented Wright Flight and explained the amount of funding requested. Ms. Jennings voiced they want to stand on their own feet without funding from the City. They would like to request 3 more years of funding at last year's amount and they won't ask for funds after those 3 years. \$3,500 was funded last year and they are requesting an additional \$1,500. Councilman Mercer suggested the \$1,500 be in fuel contribution instead of cash.

Ms. Jennings shared the next fly day has been scheduled for Saturday, May 3, 2014.

Mr. Thornton Gorham explained the additional funding request for the Blind Center.

Mr. Thorton Gorham suggested that Hiram Lodge on Respass & 5th Street is operating with the ditch caving in; cement cracked, and requested the City of Washington to pipe the ditch. Also, Beebe Park committee requests a meeting with Mr. Rodman.

Mr. James Johnson reviewed the funding request for the Kiwanis Club Christmas parade.

Ms. Judy Jennette explained the funding request for Veteran’s Park. Ms. Jennette stated the funding would help purchase a 20’x 4½’ brick sign. Veteran’s Park would be written on the front and Freedom is not free will be on the back of the sign. Letters are black cast aluminum and this is with the assumption the City of Washington builds the concrete platform. Price quote as follows:

Materials	\$ 2,200
Labor	\$ 2,200
Plus cost for letters and plaque	
Total cost approximately	\$10,000

Mr. Alligood noted there is current funding of \$5,976 in this year’s budget He inquired if they are asking for an additional \$5,000 in addition to the County’s \$5,000 contribution. Ms. Jennette said \$5,000 including the \$5,976.

Ms. Jennette voiced Beaufort County Community College is looking at an electronic sign with a price of \$80,000 and would like to request the City of Washington to participate.

Ms. Judy Jennette explained the funding request for Eagle’s Wings. Ms. Jennette explained the additional funds would allow addition funds for Debbie Adams to provide more food for babies/infants 0-5 years of age.

- Human Relations Council withdrew their additional funding request of \$100.
- WHDA withdrew their additional funding request of \$500.

Ms. Shirley Roberson representing the Cornerstone Family Worship Center explained their funding request. Last year the City contributed \$15,000 and this year they are requesting \$16,309. The additional request is for FICA tax match and fuel.

Ms. Jackie Peoples Woolard explained the funding request for NC Estuarium. Ms. Woolard noted the Estuarium has been in business since 1998 and this is the first time since 1999 they have requested funding from the City. This request is due to the loss of State Funding. Ms. Woolard mentioned an article written in the Charlotte Observer that stated the Estuarium has approximately 15,000 annual visitors.

Mr. Loretta Ebison explained the funding request from Higher Heights Human Services. Ms. Ebison explained this is a Residential Maternity Home. Donations for operating funds and seed money for grant funds is \$6500. There is no paid staff – all volunteers and they currently operate out of Highland Drive House. They serve approximately 40-50 girls a year starting at PS Jones Middle School. They do not duplicate services from DSS and their age limit cuts off when they graduate high school.

Recess at 7:40 pm

Councilman Mercer said for several years we were going to cut funding to all outside agencies and he feels we should cut funding with the exception of the Zion Shelter. Councilman Brook expressed we should treat them all the same and Mayor Hodges voiced the NC Estuarium may close without proper funding. Councilman Pitt agreed with reducing funding to agencies and we need to teach them how to raise funds, did we offer them the “warning light” that funding would be reduced? Mr. Alligood noted this was explained in the preliminary letter sent to the outside agencies.

Mayor Pro tem Roberson requested the statutory legislation that allows Council to provide funding for Outside Agencies (non-profits). Mr. Alligood explained that statute to Council.

By motion of Mayor Pro tem Roberson, seconded by Councilman Beeman, Council agreed to keep Arts Council and Boys & Girls Club at current funding level.

By motion of Mayor Pro tem Roberson, seconded by Councilman Beeman, Council agreed to fund the Zion Shelter \$8,500 – by a vote of 4-1 with Councilman Mercer opposing.

By motion of Mayor Pro tem Roberson, seconded by Councilman Beeman, Council agreed to keep Wright Flight at current funding level.

By motion of Mayor Pro tem Roberson, seconded by Councilman Beeman, Council agreed **not** to fund Wildlife Guild.

By motion of Mayor Pro tem Roberson, seconded by Councilman Beeman, Council agreed to keep the Blind Center at current funding level.

By motion of Mayor Pro tem Roberson, seconded by Councilman Beeman, Council agreed to fund the Kiwanis Club (Christmas parade) \$1,500.

- Veteran’s Park funding request placed on hold

By motion of Mayor Pro tem Roberson, seconded by Councilman Beeman, Council agreed to Eagle’s Wings funding request of \$4,000.

By motion of Councilman Pitt, seconded by Mayor Pro tem Roberson, Council agreed to keep Humans Relations Council at current funding level.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council agreed to fund Purpose of God Annex \$20,000.

By motion of Councilman Mercer, seconded by Councilman Brooks, Council agreed **not** to fund Dock Dogs - by a vote of 4-1 with Councilman Pitt opposing.

By motion of Councilman Beeman, seconded by Mayor Pro tem Roberson, Council agreed to keep Red Cross at the current funding level.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council agreed to fund Cornerstone Worship Center in the amount of \$10,000.

New outside agency request – NC Estuarium

By motion of Mayor Pro tem Roberson, seconded by Councilman Brooks, Council agreed to fund NC Estuarium the amount of \$20,000 – by a vote of 3-2 with Councilman Pitt and Mercer opposing.

Need \$3,955 more from fund balance for others to cover expenses.

Councilman Mercer requested reducing WHDA funding from \$66,000 to \$50,000. Mayor Pro tem Roberson requested reducing WHDA funding from \$66,000 to \$62,000.

By motion of Mayor Pro tem Roberson, seconded by Councilman Brooks, Council agreed to fund WHDA \$62,000 – by a vote of 3-2 with Councilman Beeman and Mercer opposing.

BUDGET WORKSHOP DISCUSSIONS: EXPANSION BUDGET

Mayor Pro tem Roberson suggested if the employees do not receive a COLA this year then he would like Council to consider \$500 bonus to all employees on their anniversary date or at Christmas.

Councilman Brooks requested 1% COLA for all employees – proposal died for lack of second.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council approved \$250 Christmas bonus for full time employees with at least 6 months as of November 1st – by a vote of 3-2 with Councilman Brooks and Pitt opposing.

- Health Savings Account – tabled until we can find money to pay for it.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council agreed **not** to fund the request from Human Resources - Applicant Software.

- Wellness Program – tabled

By motion of Councilman Mercer, seconded by Councilman Brooks, Council agreed **not** to fund the request from Community & Cultural Resources – Unified Development Ordinance but to have the Planning Board rewrite the document.

- Unit 1 Paramedic EMS Service – tabled
- Unit 2 Paramedic EMS Service – Council requested Chief Rose to present the proposed revenue.
- Summer Programs – tabled
 - Water Aerobics Instructor – tabled
 - Swim Lessons – tabled
 - Additional Programs – tabled

By motion of Councilman Mercer, seconded by Councilman Brooks, Council agreed to strike Wi-Fi until future years, motion carried 4 -1 with Councilman Pitt opposing.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council agreed not to fund Higher Heights Pregnancy Program, motion carried 4 -1 with Councilman Pitt opposing. Councilman Mercer voiced that Cornerstone Family Worship Center is a youth pregnancy program.

Council approved \$57,000 in funding for outside agencies.

Council explained there will still be a need of \$182,000 (1st year paramedic included). Councilman Mercer expressed it is Council's responsibility to find the \$182,000. Councilman Brooks suggested the Manager and staff find the funds required. Councilman Mercer stated no transfers from Electric Fund and if we can't find it be man enough to say we raise taxes – he is willing to do that.

Mayor Hodges inquired if we could move NC Estuarium to Economic Development funding.

Mr. Alligood noted he asked staff to do job same as last year with the same funding – cutting dollars makes department inefficient, we may need to eliminate programs. Councilman Mercer suggested closing the Library 3 days a week, close pool 3 days a week and in recreation programs – reduce participation or change fees. Mayor Pro tem Roberson requested focus on Parks & Recreation outside/inside (City/County). What would outside rates need to be to generate revenue to cover shortfall? This is the largest gap we need to cover.

ADJOURN

By motion of Councilman Pitt, seconded by Councilman Beeman, Council adjourned the meeting at 9:20pm until Wednesday, April 23, 2014 at 5:30 p.m. in the Council Chambers at the Municipal Building.

(subject to approval of the City Council)

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

The Washington City Council met in a special session on Wednesday, April 23, 2014 at 5:30 pm in the City Council Chambers at the Municipal Building. Present were: Mac Hodges, Mayor; Bobby Roberson, Mayor Pro tem; Doug Mercer, Councilman; William Pitt, Councilman; Richard Brooks, Councilman; Larry Beeman, Councilman; Brian M. Alligood, City Manager; and Cynthia S. Bennett, City Clerk.

Also present were: Matt Rauschenbach, Administrative Services Director/C.F.O.; Anita Radcliffe, Assistant Finance Director; Allen Lewis, Public Works Director; Stacy Drakeford, Police and Fire Services Director; Keith Hardt, Electric Utilities Director; Robbie Rose, Fire Chief; David Carraway, IT Department; and Tony Black with the Washington Daily News.

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

BUDGET WORKSHOP DISCUSSIONS: ENTERPRISE FUNDS

Mayor Hodges said the purpose of tonight's budget session is to go over Enterprise Funds. City Manager, Brian Alligood answered the question received from Council Members regarding appropriating funding to outside agencies/non-profits. Mr. Alligood addressed the General Fund question from last night and the budget adjustments. After review, Mr. Alligood stated we will be approximately \$22,000 short after adjustments. Also, they reviewed, explained and answered questions from Council members regarding the spreadsheet and the areas in the Enterprise Fund. Mr. Alligood stated in balancing the General Fund it will leave \$34,385 in the Health Savings Account noting we will still have an incentive program but just not at the higher funding level. Ms. Radcliffe stated the allocation would be about \$750 instead of \$900. Mayor Pro tem Roberson requested the bottom line on the Aquatic & Fitness Center (how much money we are currently receiving out of the operation). Also, he requested more information on the aerobics instructor, swimming lessons, and the Aquatic Center additional programs. Mr. Alligood called Council's attention to the appropriate pages in the budget book and stated it will show the revenue that was generated as well as expenditures. Mr. Alligood stated we are subsidizing the facilities at roughly \$750,000 (senior program \$180,000, Waterfront Docks \$100,000 and the Aquatic Center \$250,000). Overall we have projected we are subsidizing the Recreation Department with General Fund dollars by approximately \$1.2 million. Mayor Pro tem Roberson explained he is all for the programs as long as the programs can break even.

Mr. Alligood encouraged Council to take a look at the fee structures and policies over the next several months. Committee members should include:

- Brian Alligood
- Matt Rauschenbach
- Anita Radcliffe
- Specific department head (for that area)
- Two (2) Council members and the Mayor as he does not make up the quorum.

Once the Committee reviews a particular section, it can be presented to the entire Council during the Committee of the Whole for review and potential recommendation. Councilman Brooks agreed we will need 9 months to review fees properly and Councilman Beeman concurred. Changes would be implemented whenever they came about in FY 15/16. Mayor Pro tem Roberson stated we can't

continue at the level it is going. He continued by praising the Finance Department for their efforts with refinancing our debt.

Mr. Alligood inquired if Council was comfortable with adjustments to General Fund side and Council members said ‘yes’.

Administrative Services Director/C.F.O., Matt Rauschenbach suggested you could increase sales tax to \$50,000 to put funds back into the Health Savings Account at full level. Directive given by Council was to leave sales tax as is.

Mr. Alligood reviewed a blog from the North Carolina School of Government regarding what you can and can’t spend money for. Mr. Alligood felt we don’t have any concerns regarding all the outside agencies we are funding. Mayor Pro tem Roberson directed Council’s attention to the last page in the last sentence “satisfying a public purpose cause does not automatically authorize its expenditures”.

SUMMARY OF ENTERPRISE FUND EXPENDITURES

			PAGE NUMBER	FY 12/13 ACTUAL	FY 13/14 ORIGINAL BUDGET	FY 13/14 AMENDED BUDGET	FY 14/15 RECOMMENDED BUDGET	% CHANGE FY 13/14 VERSUS FY 14/15
Water	30-90-6020	Debt Service		\$ 258,797	\$ 73,692	\$ 73,693	\$ -	-100%
Water	30-90-6610	Miscellaneous		306,614	646,530	1,352,663	905,143	-33%
Water	30-90-7220	Administration		103,858	111,693	111,693	107,738	-4%
Water	30-90-7250	Meter Services		484,863	267,092	267,327	258,079	-5%
Water	30-90-8100	Treatment		1,115,093	1,427,837	1,476,381	1,398,515	-5%
Water	30-90-8140	Maintenance		211,769	327,026	337,878	278,025	-16%
Water	30-90-8180	Construction		323,543	303,796	382,410	127,290	-67%
Water	30-90-9990	Contingency		-	-	-	21,939	-
		Total Water Fund		\$ 3,016,339	\$ 3,157,067	\$ 4,001,445	\$ 3,036,749	-24%
Sewer	32-90-4020	Debt Service		559,758	455,637	455,651	390,871	-53%
Sewer	32-90-6610	Miscellaneous		455,632	374,621	1,309,737	724,268	-46%
Sewer	32-90-7220	Administration		103,761	110,639	110,699	105,406	-5%
Sewer	32-90-8200	Maintenance		207,035	243,456	292,111	245,535	-16%
Sewer	32-90-8210	Construction		244,733	211,530	293,413	212,716	-28%
Sewer	32-90-8220	Treatment		1,083,576	1,181,556	1,254,624	1,208,014	-3%
Sewer	32-90-8230	Lift Stations		371,050	291,182	303,162	340,086	-13%
Sewer	32-90-9990	Contingency		-	36,553	36,853	-	-100%
		Total Sewer Fund		\$ 3,085,568	\$ 3,220,548	\$ 4,210,210	\$ 3,187,016	-24%
Storm Water	34-90-4020	Debt Service		560,587	540,137	540,137	517,035	-4%
Storm Water	34-90-5710	Operations		132,194	84,814	130,465	533,925	-
Storm Water	34-90-5712	Resilient Control		1,842	6,100	7,109	7,109	0%
Storm Water	34-90-9990	Contingency		-	26,205	26,205	-	-100%
		Total Storm Water Fund		\$ 694,623	\$ 657,278	\$ 703,927	\$ 1,078,110	53%
Electric	35-90-4020	Debt Service		620,536	617,835	372,910	413,735	-28%
Electric	35-90-6610	Miscellaneous		2,510,667	2,137,186	2,137,186	2,171,717	2%
Electric	35-90-7220	Administration		594,148	309,312	1,209,313	313,211	-74%
Electric	35-90-7250	Utility Communication		240,239	254,600	265,808	221,426	-5%
Electric	35-90-7250	Meter Services		391,822	317,903	317,903	587,381	13%
Electric	35-90-8320	Purchase Power		23,693,889	23,160,620	28,160,620	27,385,868	-3%
Electric	35-90-8370	Substations		1,123,443	843,910	939,986	1,136,385	25%
Electric	35-90-8375	Load Management		137,690	226,473	230,110	208,389	-17%
Electric	35-90-8380	Line Maintenance		1,315,331	1,363,856	1,367,856	1,407,227	3%
Electric	35-90-8390	Line Construction		1,291,792	1,812,372	2,136,682	2,632,947	23%
Electric	35-90-9990	Contingency		-	-	-	36,592,286	-3%
		Total Electric Fund		\$ 37,022,009	\$ 36,261,274	\$ 37,558,568	\$ 36,592,286	-3%
Airport	37-90-4050	Airport Operations		1,347,605	281,675	601,524	309,213	-53%
Solid Waste	38-90-4020	Debt Service		94,987	47,662	47,662	23,936	-30%
Solid Waste	38-90-4710	Miscellaneous		1,160,508	1,398,918	1,358,918	1,267,405	-7%
Solid Waste	38-90-9990	Contingency		-	-	-	4,482	-
		Total Solid Waste Fund		\$ 1,255,595	\$ 1,406,580	\$ 1,406,580	\$ 1,295,824	-8%
Cemetery	59-90-4020	Debt Service		1,841	9,363	7,363	6,752	-8%
Cemetery	59-90-4740	Operations		309,698	296,813	300,920	317,788	6%
Cemetery	59-90-9990	Contingency		-	3,580	2,980	-	-100%
		Total Cemetery Fund		\$ 311,539	\$ 309,756	\$ 311,263	\$ 324,540	4%
		Total Enterprise Funds		\$ 46,733,279	\$ 45,274,176	\$ 48,875,517	\$ 49,823,743	-6%

Water Fund Review:

Mr. Alligood stated good news on the water side is that we have no debt service, the debt has been paid off on the water system.

Councilman Mercer inquired about the AMR meters and asked if this will finish everything with the exception of the largest meters and Mr. Alligood responded ‘yes’.

Mr. Alligood addressed the possibility of cell tower at Jack’s Creek. This tower would replace our tower because we can’t add to much more on our existing tower.

<u>Water Fund</u>	<u>2015 Proposed</u>	<u>2014 Budget</u>	<u>G (L)</u>	<u>%</u>
Revenues:				
Sales & Service	\$ 3,010,360	\$ 2,986,800	\$ 23,560	1%
Rent, Miscellaneous, Interest & Other	26,389	58,437	(32,048)	-53%
Transfer from Capital Reserve	-	100,000	(100,000)	
Fund Balance Appropriated	-	856,208	(856,208)	EDA Projects
Total Revenues	\$ 3,036,749	\$ 4,001,445	\$ (964,696)	
Expenses:				
Debt Service	\$ -	\$ 73,093	\$ (73,093)	
Operations	2,819,790	2,958,219	(138,429)	-5%
Cash Capital Purchase	40,000	264,000	(224,000)	-85%
Transfer to Water Capital Reserve	155,000	-	155,000	
Transfer to CPF	-	706,133	(706,133)	EDA Projects
Contingency	21,959	-	21,959	
Total Expenses	\$ 3,036,749	\$ 4,001,445	\$ (964,696)	
<u>Water Fund Highlights</u>				
Fund is balanced				
No fund balance is appropriated (available FB is \$1,069,756)				
Fund has no debt service (bonds and installment notes are all paid off)				
\$40,000 of cash capital purchases to replace 2 vehicles				
Transfer of \$155,000 is being made to the capital reserve fund.				
Contingency of \$21,959 is available for emergency expenses				

Sewer Review:

Mr. Alligood noted there is a 2% decrease and stated the sewer credit from Flanders Filters is approximately \$72,000 (meter out of balance and they will receive credit for 2 ½ years).

Mr. Alligood state the Debt service is down and the sewer bonds will be paid off in FY 14-15 which will leave only the State Revolving Loan debt.

Councilman Mercer expressed his concern and suggested we need an audible alarm in the control room for hydrogen sulfide. Mr. Lewis stated they will check into a permanent type of alarm system. Councilman Beeman inquired if they have the personal readers and Mr. Lewis stated the employees carry a hand held reader. Mr. Alligood stated we recognize it is an issue and we are working on it.

<u>Sewer Fund</u>	2015 Proposed	2014 Budget	0 (\$)	%
Revenues:				
Sales & Service	\$ 3,025,000	\$ 3,085,000	\$ (60,000)	-2%
Rent, Miscellaneous, Interest & Other	14,397	15,548	(1,151)	-7%
Transfer from Capital Reserve		120,000	(120,000)	
Fund Balance Appropriated	147,519	989,662	(842,043)	-85% EDA Projects
Total Revenues	\$ 3,187,016	\$ 4,210,210	\$ (1,023,194)	
Expenses:				
Debt Service	\$ 350,871	\$ 455,651	\$ (104,780)	-23%
Operations	2,735,145	2,898,268	(163,123)	-6%
Cash Capital Purchase	101,000	115,464	(14,464)	-13%
Transfer to Sewer Capital Reserve		703,974	(703,974)	EDA Projects
Transfer to CPF		36,853	(36,853)	-100%
Contingency				
Total Expenses	\$ 3,187,016	\$ 4,210,210	\$ (1,023,194)	

Sewer Fund Highlights
 Fund is balanced
 Fund balance appropriated (\$147,519) in the amount of Flander's credit adjustment (available FB is \$1,260,985;
 Sewer bonds will be paid off in FY 14/15 leaving only state revolving loan debt
 \$101,000 cash capital for 1 vehicle replacement, control panel work, & tractor equip. replacement
 Transfer of 0 is being made to the capital reserve fund
 Contingency of \$0 is available for emergency expenses

Stormwater Fund Review:

Councilman Mercer stated he prefers operations maintained in the General Fund for Stormwater Fund. Mr. Allgood stated there was a drainage division set up before and if Council prefers, we can set it up this way again. Staff will provide a schedule for Council to review on Thursday showing other capital projects. Mayor Pro tem Roberson voiced that CDBG funds are focused on in infrastructure as opposed to housing. There is a push to make some funds available for infrastructure improvement for storm drainage and we need to be in a position to match those dollars.

<u>Storm Water Fund</u>	2015 Proposed	2014 Budget	0 (\$)	%
Revenues:				
Sales & Service	\$ 500,500	\$ 500,500	\$	0%
Rent, Miscellaneous, Interest & Other	84,188	91,538	(7,350)	-8%
Transfer from General Fund	450,564	-	450,564	
Fund Balance Appropriated	42,858	111,889	(69,031)	-62% Debt Service
Total Revenues	\$ 1,078,110	\$ 703,927	\$ 374,183	
Expenses:				
Debt Service	\$ 517,085	\$ 540,157	\$ (23,072)	-4%
Operations	561,025	197,565	423,460	308% Moved Salaries & Benefits
Cash Capital Purchase				
Contingency		26,205	(26,205)	
Total Expenses	\$ 1,078,110	\$ 703,927	\$ 374,183	

Storm Water Fund Highlights
 Fund balance in the amount of \$42,858 is appropriated to service debt (available FB is \$347,342)
 GF portion of salaries/benefits and adm. charges have been moved to Storm Water with a transfer from the GF for same amt. (\$450,564)

Electric Fund Review:

Council provided the following directives to staff:

- Recommended Capital project discussion – late fee penalties (5%) added on the 16th day, reconnect fees added on 33rd day
- July 1st – sales tax from 3% to 7% (run large block ad in paper) State changed the sales tax and not the City.

- New addition to the utility bill in which the section on due date and penalty date is highlighted
- Discussion – consider prepaid meters/bills

Recess at 6:50 pm

Councilman Mercer requested installment purchase numbers used for Highway 32 rebuild – Douglas Crossroads to Slatestone. Electric Utilities Director, Keith Hardt noted there are different parts to Highway 32 (different parts of the system). Mr. Alligood suggested providing Council with the project maps. Councilman Mercer suggested delaying the Grimesland Bridge project and Highway 32 for 1 year ~ Mr. Hardt explained these projects could be pushed out one year. Councilman Brooks was in agreement but asked if staff needed to do the rebuild in this budget.

Councilman Mercer requested an estimate of total cost of projects. Mr. Hardt stated Grimesland Bridge project should come out but not Highway 32 due to more engineering needed. Council was requested to review page 398 it will show Grimesland project at \$200,000.

Council discussed the tree trimming crews. Councilman Mercer suggested cutting one crew and Mr. Alligood explained bringing one crew in-house. Councilman Mercer opposed to adding more personnel. Councilman Pitt suggested leaving the crews in the budget. Councilman Beeman voiced keeping a contract crew (explaining this would not be adding more personnel). Mayor Pro tem Roberson stated he was for contracting as well. Following discussion, Council decided to leave as is and discuss during the 9 month fee/policy review period.

Council Mercer requested more information on the truck vehicle replacement of 2005 Chevy to F350 diesel. Mr. Hardt explained these crews are carrying very heavy equipment plus we need to consider mileage ~ going back and forth to different job sites. By consensus, Council was in agreement to leave truck replacement (F350 diesel) as requested by staff.

Electric Fund	2013 Proposed	2014 Budget	\$ (k)	%
Revenues:				
Sales & Service	\$ 35,093,286	\$ 34,981,431	\$ 111,855	0%
Rent, Miscellaneous, Interest & Other	124,000	947,425	(823,425)	-87% Solar Projects
Installment Financing Proceeds	1,375,000		1,375,000	
Fund Balance Appropriated		1,629,712	(1,629,712)	
Total Revenues	\$ 36,592,286	\$ 37,558,568	\$ (966,282)	
Expenses:				
Debt Service	\$ 413,735	\$ 372,910	\$ (159,175)	-28%
Operations	7,217,683	7,568,209	(450,526)	-6% Solar Projects
Power Purchase	27,389,858	28,160,520	(770,752)	-3% Sales Tax
Cash Capital Purchase	196,000	921,288	(725,288)	-79%
Installment Capital Purchases	1,375,000	235,647	1,139,353	484%
Contingency				
Total Expenses	\$ 36,892,256	\$ 37,588,568	\$ (966,282)	

Electric Fund (F350) Exits

Fund is balanced

No fund balance is appropriated (available FB is \$1,774,377)

Transfer to GF remains at \$470,000

One position (Engineering Technician) was eliminated

Adjustment was made to reduce wholesale power cost in the amount of \$846,598 as a result of the tax change; however, retail rates on the revenue side remain the same

\$136,000 cash capital for meters, handhelds, reclosers, security system, air compressor & LM switches

\$1,375,000 installment borrowing for major system improvements/rebuilds, 1 line truck, 1 pickup truck

No contingency is available

Multi-Software (SCADA):

Mr. Hardt explained the system and a brief discussion followed. Mayor Pro tem Roberson requested addressing the GIS system during the 9 month review and Mr. Alligood voiced we are addressing the GIS system in a project with the County. Council moved to the Airport review.

Airport Review:

Possible Sun Energy Ground Lease:
Jet – Helicopter

Mayor Pro tem Roberson voiced the need for a full time airplane repair person. Mr. Alligood stated the Airport Advisory Board is working very diligently on that.

<u>Airport Fund</u>	<u>2015 Proposed</u>	<u>2014 Budget</u>	<u>\$ (\$)</u>	<u>%</u>
Revenues:				
Sales & Service	\$ 150,000	\$ 130,000	\$ 20,000	15%
Rent, Miscellaneous, Interest & Other	77,955	61,300	16,655	27%
Grant Revenue	-	291,344	(291,344)	
Transfer from General Fund	81,263	-	81,263	
Fund Balance Appropriated	-	198,880	(198,880)	
Total Revenues	\$ 309,218	\$ 681,524	\$ (372,306)	
Expenses:				
Debt Service	\$ -	\$ -	\$ -	
Operations	309,218	342,057	(32,839)	-10%
Grant Expenses	-	323,715	(323,715)	
Cash Capital Purchase	-	15,752	(15,752)	-100%
Contingency	-	-	-	
Total Expenses	\$ 309,218	\$ 681,524	\$ (372,306)	

Airport Fund Highlights

Subsidy transfer from GF in the amount of \$81,263 is needed to balance the fund
No fund balance is appropriated (available FB is \$0)
No contingency is available

Solid Waste Review:

Leaf machines purchased at same time – both failing and they are 13 years old.

Councilman Mercer asked if staff had the opportunity to run a payment in lieu of taxes program on those and Mr. Alligood advised North Carolina General Statutes (referring to another blog) states we can't do this in solid waste services. The City can charge administrative charge and all revenue has to go to the Enterprise Fund. We have the same issue with Stormwater and Airport under grant restrictions.

Councilman Mercer inquired what about cemetery and Mr. Alligood said he will check into it and advise Council of his findings because the cemetery was not addressed in the blog discussions.

<u>Solid Waste Fund</u>	2015 Proposed	2014 Budget	G (L)	%
Revenues:				
Sales & Service	\$ 1,253,500	\$ 1,236,500	\$ 17,000	1%
Rent, Miscellaneous, Interest & Other	1,000	800	200	25%
Fund Balance Appropriated	41,324	168,280	(127,956)	-76%
Total Revenues	\$ 1,295,824	\$ 1,405,580	\$ (110,756)	
			\$ -	
Expenses:				
Debt Service	23,936	47,662	(23,726)	-50%
Operations	1,207,406	1,226,918	(19,512)	-2%
Cash Capital Purchase	60,000	132,000	(72,000)	-55%
Contingency	4,482	-	4,482	
Total Expenses	\$ 1,295,824	\$ 1,406,580	\$ (110,756)	

Solid Waste Fund Highlights

Fund balance appropriated in the amount of \$41,324 is needed to cover capital expenditures (available FB is \$253,904)
 \$60,000 cash capital for 2 leaf machines
 Contingency of \$4,482 is available for emergency expenses

Cemetery Review:

Pre-engineered metal building at cemetery. Flat headstones required in future sections of the cemetery.

Councilman Mercer expressed there was no need to go over his questions.

<u>Cemetery Fund</u>	2015 Proposed	2014 Budget	G (L)	%
Revenues:				
Sales & Service	\$ 157,500	\$ 157,500	\$ -	0%
Rent, Miscellaneous, Interest & Other	2,000	1,350	650	48%
Transfer from General Fund	165,040	148,905	16,134	11%
Fund Balance Appropriated		3,507	(3,507)	
Total Revenues	\$ 324,540	\$ 311,263	\$ 13,277	
Expenses:				
Debt Service	\$ 6,752	\$ 7,363	\$ (611)	-8%
Operations	287,788	265,920	21,868	8%
Cash Capital Purchase	30,000	35,000	(5,000)	-14%
Contingency		2,980	(2,980)	
Total Expenses	\$ 324,540	\$ 311,263	\$ 13,277	

Cemetery Fund Highlights
 Subsidy transfer from GF in the amount of \$165,040 is needed to balance the fund
 No fund balance is appropriated (available FB is \$99,594)
 \$30,000 of cash capital purchases is to replace 2 equipment shelters
 No contingency is available

Veteran’s Park Sign:

Mr. Allgood advised staff would revise and provide summaries for Thursday’s meeting.

ADJOURN

By motion of Councilman Beeman, seconded by Councilman Brooks, Council adjourned the meeting at 8:05pm until Thursday, April 24, 2014 at 5:30 p.m. in the Council Chambers at the Municipal Building.

(subject to approval of the City Council)

s/Cynthia S. Bennett, CMC
 City Clerk

**CITY COUNCIL MINUTES
WASHINGTON, NORTH CAROLINA**

April 24, 2014

The Washington City Council met in a special session on Thursday, April 24, 2014 at 5:30 pm in the City Council Chambers at the Municipal Building. Present were: Mac Hodges, Mayor; Bobby Roberson, Mayor Pro tem; Doug Mercer, Councilman; William Pitt, Councilman; Richard Brooks, Councilman; Larry Beeman, Councilman; Brian M. Alligood, City Manager; and Cynthia S. Bennett, City Clerk.

Also present were: Matt Rauschenbach, Administrative Services Director/C.F.O.; Anita Radcliffe, Assistant Finance Director; Allen Lewis, Public Works Director; Stacy Drakeford, Police and Fire Services Director; John Rodman, Community & Cultural Resources Director; Keith Hardt, Electric Utilities Director; Gloria Moore, Library Director; Robbie Rose, Fire Chief; David Carraway, IT Department; and Tony Black with the Washington Daily News.

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

BUDGET WORKSHOP DISCUSSIONS: ANSWERS & UPDATES:

City Manager, Brian Alligood explained the cost needed for the Veteran's Park sign with a spreadsheet being provided to Council addressing questions. Total cost \$10,200 and there is \$10,376 available in the account the City has been holding. We did not take into account the fallen soldier memorial (statue itself) which was purchased by the City and placed at Veteran's Park which was not included in the revenue side. Ms. Radcliffe spoke with Ms. Jennette and Ms. Jennette suggested if the City of Washington would pour the concrete base for the sign, then they would not need any additional funds. Community & Cultural Resources Director, John Rodman stated they will need a sign permit and the fees are \$1.25 per square foot for both sides = \$225.00 (sign is 20 foot long and 4 ½ feet high = 180 square feet). Council directed staff to find \$225 in the budget to pay for the sign permit.

Veterans Park Fund Balance Available

FY 08-09 Beginning Bal (City Contribution)	\$	500
FY 08-09 Adjustment		3,865
FY 09-10 Adjustment		(3,749)
FY 10-11 Adjustment		423
FY 11-12 Adjustment		4,936
FY 12-13 Adjustment		-
Fund Balance @ 4/22/14	\$	5,976
Contribution from City for Fallen Soldier Statue (see June 30, 2008 minutes)		4,400 ¹
Total funds available	\$	10,376

FY 08-09 Adjustment:

Moving Wall donations	\$	5,103
Veterans Park donations		5,216
Expenses charged to maintenance		(1,032)
Expenses charged to miscellaneous		(5,422)
Adjustment	\$	3,865

FY 09-10 Adjustment

Moving Wall donations	\$	6,635
Veteran's Park donations		443
Expenses (charged to maintenance acct)		(2,020)
Expenses (charged to moving wall acct)		(8,807)
Adjustment	\$	(3,749)

Summary (Park & Moving Wall)

City Contributions		7,850
County Contributions		7,000
Other Contributions /Donations		13,673
Subtotal All Revenues		28,523
Moving Wall Expenses		(8,807)
Veterans Park Expenses		(9,340)
Subtotal Expenses		(18,147)
Total funds available		10,376

FY 10-11 Adjustment:

Moving Wall donations	\$	-
Veterans Park donations		1,125
Expenses charged to maintenance		(702)
Expenses (charged to moving wall acct)		-
Adjustment	\$	423

FY 11-12 Adjustment:

Moving Wall donations	\$	-
Veterans Park donations		5,100
Expenses charged to maintenance		(164)
Expenses (charged to moving wall acct)		-
Adjustment	\$	4,936

¹ City voted on June 30, 2008 to purchase the Fallen Soldier Monument at an estimated cost of \$4,400. (see attached).

Veterans Sign Cost Breakdown (per Judy Jennette on 4-24-14)

Concrete Base	0	(City crews)
Base of Sign	5,000	
Lettering	3,550	(includes fabrication & installation of letters)
Plaque for key donors	1,200	
Electrical wiring & Flood Lights	500	
Estimated Cost	<u>\$ 10,250</u>	

Mr. Alligood provided the answer to the question last night regarding the Airport Tax Base. Mr. Alligood noted the agreement was made in 2010 and the County tax was at .60¢ and the baseline was at 8128. The agreement does not speak to any reevaluation or adjustments. Councilman Mercer inquired if there was a limit and Mr. Alligood stated ‘yes’ \$100,000 is the max. Mr. Alligood explained the tax base agreement noting that once there is an excess of \$100,000 then you will have to renegotiate.

Airport Tax Base

Tax Year	2010	2011	2012	2013	2014
Airport tax base	1,354,635	3,710,000	3,590,250	2,901,000	
County tax rate	0.60	0.50	0.53	0.53	
Tax levy		18,550.00	19,028.33	15,375.30	
Baseline tax	8,128	(8,128)	(8,128)	(8,128)	
Airport grant		10,422.00	10,900.33	7,247.30	

Mr. Alligood voiced he did not get a return call for the School of Government on the Cemeteries – Enterprise Fund transfers.

Administrative Services Director/C.F.O., Matt Rauschenbach reviewed the calculation he prepared on Stormwater Fees. He addressed the revenue available for Debt Service/Capital. Total expenses budgeted for this year is approximately \$700,000 and explained how he arrived at the adjusted expense for the current fiscal year. Mr. Rauschenbach voiced that we are generating at least \$400,000 worth of revenue to service debt or capital improvement for the Stormwater Fund.

Mr. Rauschenbach explained when we first entered into the Recovery Zone Bond Project the first section (original projection) shows what our debt service is per year on the recovery zone Economic Development Bonds. Mr. Rauschenbach stated the debt will be paid off in 2026 but we are generating enough revenue to service that debt. Mayor Pro tem Roberson suggested he don’t feel any Enterprise Fund set up should remain stagnant – he feels at least every five year it need to be increase at least once. Mr. Rauschenbach stated if we bumped it up about 20% it would generate approximately \$100,000.

RZEDB Storm Water Debt Service

Revenue Available for Debt Service/Capital:

	2014	2015
Total Revenue	703,927	1,078,110
Interest rebate RZEDB	(90,038)	(82,688)
Trans. from General Fund	-	(450,564)
Fund Balance Appr.	(111,889)	(42,858)
Adj. Revenue	502,000	502,000
Total Expenses	(703,927)	(1,078,110)
Debt service	540,157	517,085
Contingency	26,205	23,815
PO Carryforward	46,651	-
Salaries & related	-	466,064
Adj. expenses	(90,914)	(71,146)
Net revenue	411,086	430,854

	Original Projection			Resources			Fund Balance	Revised Fund Balance	
	Debt Service		Total	Fund Balance	Net Revenue				Total
	RZEDB	Existing			Fund	Net			
							535,000		
2011	234,042	25,155	259,197	(140,803)	400,000	259,197	675,803		
2012	461,346	21,227	482,573	82,573	400,000	482,573	593,231		
2013	452,363	12,875	465,238	65,238	400,000	465,238	527,993	653,995	
2014	443,379	7,494	450,873	50,873	400,000	450,873	477,120	603,122	
2015	434,396	-	434,396	34,396	400,000	434,396	442,724	568,726	
2016	425,413	-	425,413	25,413	400,000	425,413	417,312	543,314	
2017	416,429	-	416,429	16,429	400,000	416,429	400,882	526,884	
2018	407,446	-	407,446	7,446	400,000	407,446	393,437	519,439	
2019	398,463	-	398,463	(1,538)	400,000	398,463	394,974	520,976	
2020	389,479	-	389,479	(10,521)	400,000	389,479	405,495	531,497	
2021	380,496	-	380,496	(19,504)	400,000	380,496	424,999	551,001	
2022	371,513	-	371,513	(28,488)	400,000	371,513	453,487	579,489	
2023	362,529	-	362,529	(37,471)	400,000	362,529	490,957	618,959	
2024	353,546	-	353,546	(46,454)	400,000	353,546	537,412	663,414	
2025	344,563	-	344,563	(55,438)	400,000	344,563	582,848	718,851	
2026	168,913	-	168,913	(231,088)	400,000	168,913	823,937	940,939	
	6,044,313	66,751	6,111,064	(288,937)	6,400,000	6,111,064			

Mr. Alligood explained the 911 service expenditures and noted currently in this year budget; we allocate \$40,000 to the County under the agreement previously made. Mr. Alligood voiced all 911 calls go to the County and if it is a Washington call they transfer it back to us. Councilman Pitt explained we are not a secondary PSAP. Councilman Brooks inquired how long would this continue with the County and Mr. Alligood expressed the need to have this conversation with the County.

Mr. Alligood reviewed the advantage of having the secondary PSAP “in house”. Councilman Mercer and Councilman Brooks commented and discussion followed. Mr. Alligood noted there has been some changes at the State level because at one time they would not fund secondary PSAP but we are back now where you can apply & receive funds as a secondary PSAP. There is an opportunity to receive some of that revenue stream back if you are going to be receiving those calls. Also, there is no new money at the State but the State would take the primary receiver monies and carve out the amount of calls received by the secondary PSAP, we have been discussing this internally. Councilman Pitt advised that the secondary PSAP will be discussed on the 14th in Raleigh. Following discussion Mr. Alligood voiced this concern should become part of the 9 month fee/policy discussion.

Mr. Alligood said everything has been balanced back out with the exception of \$225 needed for Veteran’s Park. Mr. Alligood explained the continuation budget changes reduction under General Fund:

- \$2,045 – Wildlife Guild
- \$4,000 – Purpose of God
- \$5,000 – Dock dogs
- \$5,000 – Cornerstone Family Worship Center
- \$4,000 – WHDA

New funded outside agency - NC Estuarium funded \$20,000

Expansion budget items:

- \$250 – Christmas bonus
- \$56,750 – in General Fund (total)
- \$HSA contribution
- \$14,000 – Wellness program
- EMS Paramedic Unit ~ 1st Unit \$44,000
- Summer programs show as revenue generating

Mr. Alligood reviewed all other areas of monies displayed in the expansion budget and monies pulled out. Mr. Alligood sought direction from Council on any other areas that need to be addressed before the budget ready to produce a final recommended budget for public hearing. Councilman Brooks requested to start all outside agencies over again each year at \$0 with them making a funding request before City Council each budget year ~ all members of Council were in agreement. Mr. Alligood reiterated we will schedule the public hearing in May advertising the budget and could adopt the budget in June or either following the public hearing at Council direction.

FY 2014-2015 Budget Adjustments

4/24/2014

	General Fund	Water Fund	Sewer Fund	Storm Water Fund	Electric Fund	Airport Fund	Sanitation Fund	Cemetery Fund	Total
Continuation Budget Changes:									
10-40-8170-9109 East Carolina Wildlife Guild	(2,045)								
10-40-8170-9136 Purpose of God	(4,000)								
10-40-8170-9150 Dock Dogs	(6,000)								
10-40-8170-9165 Cornerstone Worship Center	(5,000)								
10-40-8170-XXXX NC Estuarium	20,000								
10-00-4650-4630 WHDA	(4,000)								
Total	(45)								

Expansion Budget Additions:										
Salary	\$250 Christmas bonus	34,000	3,875	3,875	1,500	8,750	250	3,250	1,250	66,750
Insurance	HSA Contribution (\$230)	34,385	3,880	4,118	1,567	9,379	262	3,203	1,007	67,798
Insurance	Wellness Program	8,388	968	986	370	2,159	62	802	308	14,000
EMS expense	Paramedic EMS- Unit 1	43,998								43,998
Rec exp/revenue	Summer Programs	4,500								4,500
Rec exp/revenue	Water Aerobics Instructor	(1,414)								(1,414)
Rec exp/revenue	Swim Lessons	(4,896)								(4,896)
Rec exp/revenue	Aquatic Center- additional programs	(4,040)								(4,040)
Total		114,919	8,720	8,948	3,437	20,287	364	7,264	2,568	166,684

Total Budget Gap	114,874	8,720	8,948	3,437	20,287	364	7,264	2,568	166,649
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Adjustments to Balance Budget:										
10-10-3434-3303	EMS Paramedic service revenue	(4,464)								(4,464)
10-40-8120-1500	Peterson building maintenance	(10,500)								(10,500)
38-90-7250/8380-1600	Warehouse parking lot					(50,000)				(50,000)
10-40-8125-1500	Civic Center building maintenance	(15,000)								(15,000)
Retirement	Retirement contribution	(3,116)	(743)	(676)	(228)	(1,981)	(31)	(625)	(167)	(7,455)
10-40-8126-1500	Doors for aquatic ctr. Dehumidifier	(7,000)								(7,000)
10-00-3106-1115	Ad Valorem Tax	(49,785)								(49,785)
10-00-3231-1107	Sales Tax- article 36	(10,000)								(10,000)
10-00-3232-1104	Sales Tax- article 40	(3,000)								(3,000)
10-00-3234-1106	Sales Tax- article 44	(12,000)								(12,000)
35-90-8390-7401	Grinneland Rd. Feeder					(200,000)				(200,000)
35-90-3820-8100	Installment Note Proceeds					200,000				200,000
35-90-4020-8300	Debt Service- principal					(18,251)				(18,251)
35-90-4020-8301	Debt Service- Interest					(3,849)				(3,849)
30-90-3790-5300	Late penalties sewer charges			(4,273)						(4,273)
30-90-3831-0000	Interest earned			(4,000)						(4,000)
34-90-3571-5100	Storm water fees				(3,209)					(3,209)
37-90-3453-0001	Hanger rental						(533)			(533)
38-90-3471-4100	Residential garbage services						(2,247)			(2,247)
39-90-3471-4100	Grave openings							(2,408)		(2,408)
	Contingency								(41,335)	(41,335)
Total		(114,874)	(8,720)	(8,948)	(3,437)	(20,287)	(364)	(7,264)	(2,568)	(166,649)

Balance needed	0	(0)	0	0	0	(0)	0	(0)	0
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2015 Net Revenue1G

Councilman Mercer expressed concern with the Civic Center. It does not seem to be making any progress toward breaking even, the last couple of years it has gone in the opposite direction and is costing more to operate. We need to include this in the 9 month discussion. Mr. Alligood advised that Mr. Rauschenbach had run some numbers and explained the conversation they had with the Civic Center regarding the contract and reduction of funding each year. The Civic Center is proposing to go with a one year contract instead of a five year contract and agreed to the first \$5,000 reduction in funding.

Council members commended the City Manager and staff of the budget presentation this year, especially the finance department and the new budget format.

Mayor Pro tem Roberson requested to look at the PARTF grant regarding the Aquatics Center. The fee/policy review will start with Parks and Recreation. Councilman Mercer voiced boards need to get involved with the formed committees and review fees. Mr. Alligood stated the committee should be comprised of two members from Council and the Mayor is always invited to attend because he does not count as a quorum. Mr. Alligood asked for direction regarding what member of Council to place on these committees (should it be the liaison and a member of Council)? Councilman Beeman requested to be placed on the Parks and Recreation Committee along with Councilman Brooks as the liaison representative. Councilman Mercer suggested that Council needs to figure out if we can stay in the Recreation/Library business (noting programs), the County needs to help or we get out with cost. Councilman Brooks requested to talk to County Commissioners referencing partnering with programs because we need a different approach since we aren't getting anywhere and Councilman Pitt said neither or they (the County). Mr. Alligood suggested from the City's perspective we need to make sure we have a path forward from the staff level before we place the elected boards together. Mayor Pro tem Roberson said it is obvious we have an issue because we were the only organization inside the County that didn't receive Recreation funds.

Council directed Mr. Alligood and staff to have the budget ordinance amendment ready for adoption following the public hearing on May 12th. Mayor Hodges discussed the Committee of the Whole meeting scheduled for May 26, 2014 and Council requested to make this decision at May 12th meeting.

ADJOURN

By motion of Councilman Beeman, seconded by Councilman Brooks, Council adjourned the meeting at 8:05pm until Monday, April 28, 2014 at 5:30 p.m. in the Council Chambers at the Municipal Building.

(subject to approval of the City Council)

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

**CITY COUNCIL MINUTES
WASHINGTON, NORTH CAROLINA**

April 28, 2014

The Washington City Council met in a continued session on Monday, April 28, 2014 at 5:30 pm in the City Council Chambers at the Municipal Building. Present were: Bobby Roberson, Mayor Pro tem; Doug Mercer, Councilman; William Pitt, Councilman; Richard Brooks, Councilman; Larry Beeman, Councilman; Brian M. Alligood, City Manager; Cynthia S. Bennett, City Clerk and Franz Holscher, City Attorney.

Mayor Mac Hodges arrived at 5:35pm.

Also present were: Matt Rauschenbach, Administrative Services Director/C.F.O.; Allen Lewis, Public Works Director; Keith Hardt, Electric Utilities Director; John Rodman, Community/Cultural Resources Director; Susan Hodges, Human Resources Director; Gloria Moore, Library Director; Lynn Wingate, Tourism Director; David Carraway, IT Department and Tony Black, Washington Daily News.

Mayor Pro tem Roberson called the meeting to order. Councilman Pitt delivered the invocation.

APPROVAL/AMENDMENTS TO AGENDA:

City Manager, Brian Alligood requested adding:

1. Update – Electric Utilities Director, Keith Hardt – Tornado Damage

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

DISCUSSION: GRANT UPDATES

City Manager, Brian Alligood summarized the Grant Executive Summary report. Council did not have any comments.

Mayor Pro tem Roberson requested a status report on Old City Hall Rehab. Mr. Alligood noted the Old City Hall project closed Friday and is back in the possession of the City. Council agreed to proceed with the upset bid process.

Grants

4/21/2014

Grant Executive Summary
as of 3/31/2014

Active	Fund	Grant Description	Dates			Financials				Deliverable			Compliance Reporting Status	Notes
			Award	Expiration	Completion	Revenue		Expense		Metric	Total	Achieved		
30	CDBG Affordable Housing	04/09/10	10/31/14	10/31/14	227,700	185,719	227,700	185,719	LMI homes	10	5	5	03/31/14	Applicant promotion & qualification, extension date confirmed
51	Blue Goose	03/01/13	03/01/15	02/01/15	350,000	313,224	350,000	323,224	Jobs (608/LMI)	16	16	0		Job creation targets met, facility renovations continue
52	Comprehensive Bicycle Plan	05/26/11	12/31/13	06/30/14	35,000	30,480	35,000	31,738				0		DOT reviewing 2nd draft, distribute for Council review in May
55	IdK/Impressions NC One Grant	09/30/13	09/30/16		300,000	-	300,000	-	Jobs/investment	143		143	01/31/14	Properly closing by 4/17/14.
57	CDBG for Job Creation	07/06/12	01/15/15	07/06/14	200,000	159,781	200,000	189,427	Jobs(7 new/1 ret.)	8	6	2		Most equip. procured, admin. ED activity will continue through fall
61	Pedestrian Plan Grant	05/29/13	09/30/13	12/31/14	10,000	10,000	10,000	-				0		Steering committee work beginning, project complete by 6/30/14
65	Econ. Development- Spirinite	01/07/12	01/07/15	01/07/15	90,000	90,384	90,000	67,500	Jobs	90	75	14		84% of job target met and 75% reimbursed
66	Airport Terminal Grant	04/04/13	07/01/15	03/31/15	1,255,902	400,028	1,255,902	178,680				0		Construction begun
67	Facade Grant Program	07/01/13	06/30/14	06/30/14	20,080	20,115	20,080	18,099				0		Progressing on schedule
68	Old City Hall Rehab	04/10/12	02/23/15		200,000	-	200,000	-				0		Re-conveyance Council Action 4/10/14
76	EDA Water Projects	09/11/13	03/11/17	02/28/17	1,428,262	-	1,428,262	16,772				0		Eng. bid awarded, topo surveys begun, award const. Dec 2014
77	EDA Sewer Grants	09/11/13	03/11/17	02/28/17	1,423,894	-	1,423,894	63,886				0		Eng. bid awarded, topo surveys begun, award const. Dec 2014
78	Light House RR & Boater Facility	01/17/12	01/17/15	06/30/14	344,397	94,397	344,397	13,175				0		Construction begun, on schedule to complete June 2014
	CDBG Keyville Rd.	2005	6/4/2013	06/30/15	320,000	320,000	320,000	320,000				0	03/31/14	Add'l investment approved to complete 3 homes by 6/30/14

DISCUSSION: PROJECT UPDATES

City Manager, Brian Alligood summarized the Capital Project Status FY 2013/214 report. Mr. Alligood voiced this is where we stand with projects underway during this fiscal year.

Councilman Mercer commented regarding the high school feed line project was to be bid and awarded on a contract basis. Mr. Hardt explained the overhead portion, with the exception of approximately two spans of wires, was all reconfiguring of that area. It was not feasible for contract crews to do this work because they don't know how the feeders are routed but the underground was sent out for bid on Thursday.

Mayor Pro tem Roberson requested an update on the White Post/Slatestone Feeder (\$100,000). Utilities Director, Keith Hardt voiced it was discussed during the budget session and was taken out.

Capital Project Status FY 2013/2014

4/23/2014

Fund/Department	Account	Description	Budget \$	Spent	Open PO	Balance	Status	Notes
General Fund:								
IT	10-00-4132-7400	Virtualization Migration	30,000	0	0	30,000	On Hold - to create plan for future	
		PEG Channel Equipment	75,000	0	0	75,000	On Hold - to create plan for future	
		SSG Cisco Smartnet	9,148	0	0	9,148	Recurring cost of support	1
		Westinghouse Electric	2,066	4,964	0	(2,898)	Hardware associated with fiber	1
		SSG Fiber- Peterson Bldg.	8,340	1,192	0	7,148	Complete	1
		Fiber Project	24,112	24,275	0	(163)	Phase I complete	2
		Total IT	148,666	30,431	0	118,235		
		Actual	148,667	30,431	0	118,236		
				0				
Municipal Building	10-00-4260-7400	City Hall Chiller	87,270	87,270	0	0	Complete	
		Actual	87,270	87,270	0	0		
Police	10-10-4310-7400	Police vehicles	68,700	19,845	48,749	105	Complete	
		Controlled substance vehicle	20,000	469		19,531		
		Vehicle equipment	4,395	4,431	0	(36)	Complete	2
		Total Police	93,095	24,745	48,749	19,601		
		Actual	93,095	24,745	48,749	19,601		
Fire	10-10-4340-7400	Fire Utility Vehicle	27,500	27,904	0	(404)	Complete	
		Actual	27,500	27,904	0	(404)		
Inspections	10-10-4350-7400	Inspections vehicle	19,996	19,995	0	1	Complete	
		Actual	19,996	19,995	0	1		
Planning	10-10-4910-7400	Way Finding	75,000	0	0	75,000	Capital project ordinance April Council	
		Actual	75,000	0	0	75,000		
Street Maintenance	10-20-4510-7400	Air Compressor	25,000	20,428	0	4,572	Complete	
		Actual	25,000	20,428	0	4,572		
Library	10-40-6110-7400	Library lighting	25,100	24,981	0	119	Complete	
		Actual	25,100	24,981	0	119		
Recreation Admin.	10-40-6120-7400	Peterson Building Roof	38,420	38,420	0	0	Complete	
		Peterson Building HVAC	10,000	9,970	0	30	Complete	
		Total Recreation Admin.	48,420	48,390	0	30		
		Actual	48,420	48,390	0	30		
Senior Center	10-40-6123-7400	Sr. Center Entrance & Ramp	34,000	33,800	0	200	Complete	
		Actual	34,000	33,800	0	200		
Civic Center	10-40-6125-7400	Concrete drive	1,300	1,233	0	67	Complete	
		Actual	1,300	1,233	0	67		
Aquatic Center	10-40-6126-7400	Phase 1 Dectron Unit Replace	16,200	16,200	0	0	Complete	
		Actual	16,200	16,200	0	0		

Project Summary

Capital Project Status FY 2013/2014

4/23/2014

Fund/Department	Account	Description	Budget \$	Spent	Open PO	Balance	Status	Notes
Rec. Maintenance	10-00-0150-7400	Boardwalk Replacement	76,177	76,177	0	0	Complete	
		Todd Maxwell Restrooms	62,823	0	0	62,823	Out for bid April, May Council	
		Total Rec. Maintenance	89,000	26,177	0	62,823		
		Actual	89,000	26,177	0	62,823		
Total General Fund Actual			690,547	961,554	48,749	280,244		
Total General Fund Actual			690,548	961,554	48,749	280,245		
Water:								
Water Meter Bvc.	30-90-7250-7000	AMR Meters	100,000	66,134	23,142	10,724	2nd round of meters on order, complete 6/30/14	
Water Meter Bvc.	30-90-7250-7400	AMR Meters	235	0	235	0	Completion by 6/30/14	
Water Treatment	30-90-8100-7400	Maint. & Repair of Camaras &	25,000	21,276	0	3,724	Complete	
Water Maintenance	30-90-8140-7400	Replace Truck #614	80,000	94	59,755	151	Complete	
Water Construction	30-90-8180-7400	6' Summit Ave. WL	179,000	0	14,000	165,000	Design in process, complete project October 1	
Total Water Fund Actual			864,235	87,504	97,132	179,599		
Total Water Fund Actual			864,235	87,504	97,132	179,599		
Sewer:								
Wastewater Treatment	32-90-4220-7400	Liquid Feed Constr. Admin.	4,464	2,495	0	1,969	Complete	
Wastewater Treatment	32-90-4220-7400	Replace Reham Sludge Pump	71,000	70,916	0	84	Complete	
LIR Stations	32-90-4230-7400	Generator for Fountain Pump	90,000	26,550	22,086	41,364	Project under construction, complete by 6/30/14	
Total Sewer Fund Actual			115,464	49,961	22,086	43,417		
Total Sewer Fund Actual			115,464	49,961	22,086	43,417		
Electric:								
Electric Meter Service	35-90-7150-7400	Meters	50,000	22,362	750	27,088	In Progress	
		AMR Mobile Collector	20,000	20,000	0	0	Completed	
		Total Electric Meter Svc.	70,000	42,362	750	27,088		
		Actual	70,000	42,362	750	27,088		
Substation Maint.	35-90-8370-7400	Highland 17kV Reviser	40,000	41,670	0	11,670	Completed	
		Highland Dr. Breaker Replace	40,000	32,795	3,547	3,658	Completed	
		RTAC (White Post substation)	6,000	6,040	0	(40)	Completed	
		Distribution reclosers	20,000	14,955	0	5,045	In Progress	
		Capacitors	8,000	5,446	0	2,554	Completed	
		Replace Truck #651	25,000	23,896	0	1,104	Completed	
		Total Substation	129,000	114,742	3,547	16,711		
		Actual	129,000	114,742	3,547	16,711		
Load Management	35-90-8375-7400	Load Management switches	66,000	65,693	0	307	Completed	
		Actual	66,000	65,693	0	307		
Power Line Construction	35-90-8390-7400	2nd St./5th St Rebuild Engine	100,000	20,904	4,747	74,349	In Progress, completed by 6/30/14	
	35-90-8390-7400	High School Feeder relocation	180,000	22,712	0	157,288	OH complete, UG to be bid out	
	35-90-8390-7400	Grimesland Feeder Engineering	90,000	0	50,000	40,000	In Progress, completed by 6/30/14	
	35-90-8390-7400	HC 32 Feeder Engineering	50,000	0	30,000	20,000	In Progress, completed by 6/30/14	

Capital Project Status FY 2013/2014

4/23/2014

Fund/Department	Account	Description	Budget \$	Spent	Open PO	Balance	Status	Notes
	35-90-8390-7400	White Post/Slatestone Feede	100,000	0	0	100,000	Delayed until FY 2014-15	
	35-90-8390-7400	Equipment Shelter	42,000	46,500	0	(4,500)	Completed	
	35-90-8390-7400	Row Bushog	12,000	10,591	0	1,409	Completed	
	35-90-8390-7400	Trencher Trailer	8,000	7,055	0	945	Completed	
	35-90-8390-7400	Rope Pulling Machine	25,708	24,368	0	1,340	Completed	2
	35-90-8390-7400	Vehicle #651	44,580	45,174	0	(594)	On Order	2
Power Line Construction	35-90-8390-7401	Bucket Truck #616	235,547	235,541	0	6	Completed	2
		Total Power Line Construct	887,835	412,845	84,747	390,243		
		Actual	887,835	412,845	84,747	390,243		
Total Electric Fund Actual			1,152,835	635,442	89,044	428,349		
Total Electric Fund Actual			1,152,835	635,442	89,044	428,349		
Airport:								
Warren Field Airport	37-90-4530-7400	John Deere Rotary Mower	15,752	15,751	0	1	Complete	
		Total Solid Waste	15,752	15,751	0	1		
		Actual	15,752	15,751	0	1		
Solid Waste:								
Solid Waste Collection	38-90-4710-7400	Replace Truck #438	132,000	0	124,965	7,035	On order	
		Total Solid Waste	132,000	0	124,965	7,035		
		Actual	132,000	0	124,965	7,035		
Cemetery:								
Cemetery Fund	39-90-4740-7400	Kubota Tractor	35,000	35,000	0	0	Complete	
		Total Cemetery	35,000	35,000	0	0		
		Actual	35,000	35,000	0	0		
Grand Total			2,505,833	1,185,213	381,977	938,643		
Grand Total			2,505,834	1,185,213	381,977	938,645		

- Notes:
 1 PO carryforward
 2 Project carryforward

UPDATE: TORNADO DAMAGE

Electric Utilities Director, Keith Hardt provided an update on the Tornado that damaged the City's electric system. Mr. Hardt explained the damage in the following areas:

- Washington Park
- North Shores
- River Road (Pamlico Village area)
- Ashbury Church Road
- Neck Road
- Black Road
- Wells Avenue (out by the water plant across from the Community College)
- Douglas Crossroads area (Douglas Crossroads up to a ¼ to ½ mile up NC 32 toward Five points)
- Everything east of Forest Hills caused outages

Mr. Hardt stated we had approximately 4500 customers out of power at the max of the damage. We performed a lot of debris removal which facilitated being able to get in at 6:00 am on Saturday morning. At 6:00 am we had our force account labor and Greenville Utilities sent 24 personnel with 14 pieces of equipment. Also, later that morning we received help from the City of Kinston, Town of Tarboro, and T & D Technologies. Mr. Hardt stated the time line was around 6:00am and by 10:30pm we had everything restored with the exception of North Shores, Austin Point and Mimosa Shores. We had to build approximately one quarter mile of power line in the North Shores area in about a day because of the small area. We had no reported injuries or near misses.

ADJOURN

By motion of Councilman Mercer, seconded by Councilman Brooks, Council adjourned the meeting at 5:45pm until Monday, May 12, 2014 at 5:30 p.m. in the Council Chambers at the Municipal Building.

(subject to approval of the City Council)

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



REQUEST FOR CITY COUNCIL ACTION

To: Mayor Hodges & Members of the City Council
From: Michael Whaley, Purchasing Agent
Date: April 25, 2014
Subject: Declare Surplus/Authorize Electronic Auction of Vehicle through GovDeals
Applicant Presentation: N/A
Staff Presentation: N/A

RECOMMENDATION:

I move that City Council declare surplus and authorize the sale of the following vehicle through electronic auction using GovDeals.

BACKGROUND AND FINDINGS:

The purpose of this Council Action is to declare surplus the following vehicle and authorize the sale of this vehicle through electronic auction using GovDeals.

<u>Vehicle Number</u>	<u>Make/Model</u>	<u>Serial Number</u>	<u>Odometer Reading</u>
130	2007 Crown Vic	2FAFP71W77X130666	95,232
624	2004 Ford Explorer	1FMZU72K14ZA86435	205,301

PREVIOUS LEGISLATIVE ACTION

FISCAL IMPACT

Currently Budgeted (Account _____) Requires additional appropriation
 No Fiscal Impact

SUPPORTING DOCUMENTS

City Attorney Review: _____ Date By: _____ (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review: Conc Concur _____ Recommend Denial _____ No Recommendation

5/16/14 Date May 12, 2014
Page 57 of 121



REQUEST FOR CITY COUNCIL ACTION

To: Mayor Hodges & Members of the City Council
From: Stacy Drakeford, Public Safety Director
Date: May 12, 2014
Subject: Officer Alex Thalmann Memorial
Applicant Presentation: N/A
Staff Presentation: Stacy Drakeford

RECOMMENDATION:

I move that City Council adopt a budget ordinance amendment for a memorial to fallen Officer Alex Thalmann in the amount \$2,500.

BACKGROUND AND FINDINGS:

Contributions have been forth coming to erect a memorial swing in remembrance of Officer Alex Thalmann.

PREVIOUS LEGISLATIVE ACTION

FISCAL IMPACT

Currently Budgeted (Account _____) Requires additional appropriation
 No Fiscal Impact

SUPPORTING DOCUMENTS

Budget Ordinance Amendment

City Attorney Review: _____ Date By: _____ (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review: lwd Concur _____ Recommend Denial _____ No Recommendation
5/6/14 Date

**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 General Fund be increased in the amount of \$2,500 in the account Contributions- Police, account number 10-10-3431-8401, contributions to fund a memorial swing for Officer Thalmann.

Section 2. That account number 10-10-4340-1500, Maintenance/Repair Building portion of the Police department of the General Fund appropriations budget be increased in the amount of \$2,500.

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 12th day of May, 2014.

MAYOR

ATTEST:

CITY CLERK

**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 General Fund be increased in the amount of \$2,000 in the account Beaufort County Contribution Recreation, account number 10-40-3612-8401, to provide funds for increased physical activity to address healthier outcomes for the citizens of Beaufort County.

Section 2. That account number 10-40-6121-7000, Non-capitalized Purchases portion of the Recreation Events & Facilities department of the General Fund appropriations budget be increased in the amount of \$2,000.

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 12th day of May, 2014.

MAYOR

ATTEST:

CITY CLERK



1436 HIGHLAND DRIVE
WASHINGTON NC 27889

BEAUFORT COUNTY HEALTH DEPARTMENT

TELEPHONE: 252.946.1902
FAX: 252.946.8430

EMAIL: BCHealth@bchd.net
www.bchd.net

15 April 2014

CONTRACT AGREEMENT

This agreement between the Beaufort County Health Department, hereinafter referred to as BCHD and the City of Washington Parks and Recreation Division is entered into for the purpose of providing opportunities for physical activity.

Whereas both the BCHD and City of Washington Parks and Recreation Division mutually agree that the purpose is to address healthier outcomes for the citizens of Beaufort County.

Whereas both the BCHD and City of Washington Parks and Recreation Division mutually agree that increased physical activity is necessary towards the goal decreased obesity and increased health.

NOW, THEREFORE, in consideration of the premises and the following mutual covenants and conditions and any sums to be paid, the BCHD and City of Washington Parks and Recreation Division agree as follows:

The BCHD agrees:

1. To provide funds of \$2,000.00 to City of Washington Parks and Recreation Division for the purpose of supporting:
 - Any program and or activity that will increase physical activity.
 - The purchase of equipment that supports increases in physical activity.

Furthermore, City of Washington Parks and Recreation Division agrees:

1. To utilize funds approved by BCHD only for the purposes stated within this contract.
2. To document all expenditures related to this funding as a show of good faith and stewardship of the finances.
3. To maintain for a period of three years records such as receipts, invoices and other proof of purchases documenting use of the funds.



BEAUFORT COUNTY HEALTH DEPARTMENT

1436 HIGHLAND DRIVE
WASHINGTON NC 27889

TELEPHONE: 252.946.1902
FAX: 252.946.8430

EMAIL: BCHealth@bchd.net
www.bchd.net

This agreement is subject to the laws and regulations of the state of North Carolina.

Signed:

ERIK M. ALUGOOD

[Handwritten Signature]
{Signature}

James Madison
BCHD Director

[Handwritten Signature]
{Signature}

This instrument has been pre-audited in the manner required by the Local Government Budget and Fiscal Control Act.

[Handwritten Signature]
Assistant County Manager/Finance Officer

Date 4/3/14



REQUEST FOR CITY COUNCIL ACTION

To: Mayor Hodges & Members of the City Council
From: Matt Rauschenbach, Administrative Services Director/C.F.O.
Date: May 12, 2014
Subject: Purchase Orders > \$20,000 Approval
Applicant Presentation: N/A
Staff Presentation: Matt Rauschenbach

RECOMMENDATION:

I move that City Council approve the attached purchase requisitions.

BACKGROUND AND FINDINGS:

Requisition #14160, \$43,340, to Concrete Conservation, Inc. to rehab the manholes in basin 11 with 13th and Bridge St. basin, account 32-90-8210-4500. Sole source material/distributor.

Requisition #14242, \$40,000, to Concrete Conservation, Inc. to rehab the manhole lining in basin 12, account 32-90-8200-4500. Sole source material/distributor.

Requisition #14244, \$50,000, to Concrete Conservation, Inc. to rehab the manhole lining in basin 17 and 11, account 32-90-8210-4500. Sole source material/distributor.

Requisition #14275, \$43,941.50, to Westinghouse Electric Supply, Inc. for High School Feeder project, account 35-90-8390-7400.

PREVIOUS LEGISLATIVE ACTION

2013-2014 adopted budget and amended budget.

FISCAL IMPACT

Currently Budgeted (Account _____) Requires additional appropriation
 No Fiscal Impact

SUPPORTING DOCUMENTS

Requisitions

City Attorney Review: _____ Date By: _____ (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review: *Concur* _____ Recommend Denial _____ No Recommendation

5/12/14 Date May 12, 2014
Page 64 of 121

Requisition Form

City Of Washington
P.O BOX 1988
WASHINGTON, NC 27889

Requisition #: 14160
PO #: Not Assigned
User Name: Frankie Buck

Date: 04/08/2014

Approved By:
Approved Code: Awaiting Final Approval
Total Amount: \$43,340.00

CONCRETE CONSERVATION, INC.
PO BOX 24354
JACKSONVILLE, FL 32210

Ship To:
CITY OF WASHINGTON WAREHOUSE (PW)
203 GRIMES ROAD
WASHINGTON, NC 27889

Vendor Instructions: NOTIFY MIKE MITCHELL PRIOR TO STARTING WORK

Quantity	Description	Job Number	Unit Price	Extended
220	REHAB. MANHOLES IN BASIN 11- W13TH & BRIDGE BASIN		\$197.00	\$43,340.00
Sub Total				\$43,340.00
Total Tax				\$0.00
Total				\$43,340.00

Account Number	Account Description	Amount
32-90-8210-4500	CONTRACT SERVICES SEWER REHAB	\$43,340.00
Total		\$43,340.00

Approval List

Dept Level Approval: _____
Department Head: _____
PO Level Approval: _____
Purchase Order Prep: _____

Requisition Form

City Of Washington
P.O BOX 1988
WASHINGTON, NC 27889

Requisition #:14242
PO #: Not Assigned
User Name: Frankie Buck

Date: 04/29/2014

Approved By:
Approved Code: Awaiting Final Approval
Total Amount: \$40,000.00

CONCRETE CONSERVATION, INC.
PO BOX 24354
JACKSONVILLE, FL 32210

Ship To:
CITY OF WASHINGTON WAREHOUSE (PW)
203 GRIMES ROAD
WASHINGTON, NC 27889

Vendor Instructions:DO NOT MAIL PER FRANKIE BUCK

Quantity	Description	Job Number	Unit Price	Extended
1	ADDITIONAL MANHOLE LINING BASIN 12		\$40,000.00	\$40,000.00
			Sub Total	\$40,000.00
			Total Tax	\$0.00
			Total	\$40,000.00

Account Number	Account Description	Amount
32-90-8200-4500	CONTRACT SERVICES	\$40,000.00
		Total
		\$40,000.00

Approval List

Dept Level Approval:	_____
Department Head:	_____
PO Level Approval:	_____
Purchase Order Prep:	_____

Requisition Form

City Of Washington

P.O BOX 1988

WASHINGTON, NC 27889

Requisition #:14244

PO #: Not Assigned

User Name: Frankie Buck

Date: 04/29/2014

Approved By:

Approved Code: Awaiting Final Approval

Total Amount: \$50,000.00

Ship To:

CITY OF WASHINGTON WAREHOUSE (FW)

203 GRIMES ROAD

WASHINGTON, NC 27889

CONCRETE CONSERVATION, INC.

PO BOX 24354

JACKSONVILLE, FL 32210

Vendor Instructions:DO NOT MAIL

Quantity	Description	Job Number	Unit Price	Extended
1	MANHOLE LINING BASIN 17 AND BASIN 11		\$50,000.00	\$50,000.00
Sub Total				\$50,000.00
Total Tax				\$0.00
Total				\$50,000.00

Account Number	Account Description	Amount
32-90-8210-4500	CONTRACT SERVICES SEWER REHAB	\$50,000.00
Total		\$50,000.00

Approval List

Dept Level Approval: _____

Department Head: _____

PO Level Approval: _____

Purchase Order Prep: _____

Requisition Form

City Of Washington
P.O BOX 1988
WASHINGTON, NC 27889

Requisition #:14275
PO #: Not Assigned
User Name: Ed Pruden

Date: 05/01/2014
Approved By:
Approved Code: Awaiting Final Approval
Total Amount: \$43,941.50

WESTINGHOUSE ELECTRIC SUPPLY
3025 STONYBROOK DRIVE
RALEIGH, NC 27604

Ship To:
CITY OF WASHINGTON WAREHOUSE (ELEC.
203 GRIMES ROAD
WASHINGTON, NC 27889

Vendor Instructions: ELECTRIC DEPT, ED PRUDEN 252-975-9365
FOREST HILLS HIGH SCHOOL FEEDER EXIT PROJECT
PER QUOTE DATED 4/30/2014

Quantity	Description	Job Number	Unit Price	Extended
6400	1/C 750 KCMIL (61W) CPR FILLED AL 0.220" EPR, 133% INSULATION. LEVEL, 105C INSULATION DIAMETER: MIN:1.43" MAX: 1.52"; 24X12 AWG CU CN WIRES 0.080" LLDPE JACKET, 3-RES 15KV RATE, EMPOWRFILL, STRANDFILL INDUSTRY SPEC: AEIC CS8-07, AND ICEA S-94-649 Cut to length: 1,600' reels		\$6.75	\$43,200.00
10	3M # 7655-S-4-40172, CABLE TERMINATION KITS		\$74.15	\$741.50
			Sub Total	\$43,941.50
			Total Tax	\$0.00
			Total	\$43,941.50

Account Number	Account Description	Amount	
35-90-8390-7400	CAPITAL OUTLAY	\$43,941.50	
		Total	\$43,941.50

Approval List

Dept Level Approval: _____
Department Head: _____
PO Level Approval: _____
Purchase Order Prep: _____



REQUEST FOR CITY COUNCIL ACTION

To: Mayor Hodges & Members of the City Council
From: John Rodman, Community & Cultural Services
Date: May 1, 2014
Subject: Public Hearing: Adopt an ordinance to amend Chapter 40, Section 40-415, Special Provisions for Certain Signs, of the Code of Ordinances of the City of Washington.
Applicant Presentation: John Rodman, Community & Cultural Services
Staff Presentation: Glen Moore, Planning & Development

RECOMMENDATION:

I move that the City Council accept the recommendation of the Planning Board and adopt the ordinance to amend Chapter 40, Article XVI, Signs, Section 40-415, Special Provisions for Certain Signs, (j) of the Washington City Code.

BACKGROUND AND FINDINGS:

A request has been made by the Planning and Development Department for a text amendment to Section 40-415, Signs of the City of Washington Zoning Ordinance. The proposed amendment is an addition to the existing sign ordinance to address use of Electronically Illuminated Signs/Screens.

After the public hearing if Council desires to proceed with the text amendment, the attached ordinance needs to be adopted.

PREVIOUS LEGISLATIVE ACTION

Planning Board – Recommendation – April 2014

FISCAL IMPACT

___ Currently Budgeted (Account _____) ___ Requires additional appropriation
X No Fiscal Impact

SUPPORTING DOCUMENTS

Ordinance

City Attorney Review: _____ Date By: _____ (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review: 5/6/14 Date Concur hwt Recommend Denial ___ No Recommendation _____



**This Main ID Sign is Internally Illuminated, Has Matching colors and details to match the facility design.
Sign Display Includes - Main ID Sign Cabinet , 4'0" x 8'2" Full Color (Adaptive Display) EMC's & 3 smaller tenant panels
and is a doublesided unit. Aluminum Structure & Decorative Cladding, Columns & Base - Steel Support Structure & Engineered Footings
Overall Height 180" Width 110" Thickness 24" - \$ 43,655.00**

**Ordinance to Amend Chapter 40, Zoning, Article XVI, Signs, Section 40-415.
Special Provisions for Certain Signs**

WHEREAS, NCGS 160A-385 authorizes local governments to amend ordinances regulating land use within their jurisdiction; and

WHEREAS, the amendment set out below is made in accordance with NCGS 160A-364; and

WHEREAS, the amendment set out below is intended to promote the public health, safety, and welfare by amending the City Code to define and regulate electronically illuminated signs and to add prescribed conditions for such uses.

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

Section 1. That **Chapter 40. Article XVI. Signs, Section 40-415 Special Provisions for Certain Signs** shall be amended to include the following addition:

Section 40-415. Special Provisions for Certain Signs

- (j) *Electronically Illuminated Signs. Signs that contain a fixed, non-flashing message screen are permitted provided that screen changes occur no more than once every hour. In addition, no more than fifty (50) percent of the maximum allowable sign area of any free-standing or wall sign may be designated as an electronic illuminated sign/screen, up to a maximum sign area of fifty (50) square feet. Brightness of said signs/screens shall not be at an intensity that would impair the vision, day or night, of oncoming traffic. All such signs shall be reviewed and approved by the zoning administrator prior to installation consistent with the requirements of this article.*

Section 2. This Ordinance shall become effective upon its adoption.

Section 3. All Ordinances or parts in conflict herein are repealed.

Adopted this 12th day of May, 2014.

J. MacDonald Hodges, Mayor

ATTEST:

Cynthia S. Bennett, City Clerk

**Notice of Public Hearing
Washington City Council**

NOTICE IS HEREBY given that the City Council of the City of Washington will conduct public hearings on the 12th day of May, 2014 at 6:00 p.m., in the City Council Chambers, on the second floor of the municipal building, located at 102 East 2nd Street. The purpose of the public hearings are to: (1) amend Chapter 40, Article X, Section 40-161, Provisions for Flood Management by the updating the Flood Damage Prevention Ordinance to reflect changes in the FIRM maps for Special Flood Hazard Areas; and (2) amend Chapter 40, Article XVI, Section 40-415, Special Provisions for Certain Signs by adding an amendment to the existing sign ordinance to address the use of Electronically Illuminated Signs/Screens. The public is welcome to attend the public hearings and present evidence either in support of or in opposition to the changes in the Washington City Code. Members of the public with disabilities planning to attend the meeting should call 975-9383 to verify building accessibility. Prior to the meeting, questions may be directed to the Planning Office by calling 975-9384 Monday through Friday 8:00 am to 5:00 pm



REQUEST FOR CITY COUNCIL ACTION

To: Mayor Hodges & Members of the City Council
From: John Rodman, Community & Cultural Services
Date: May 1, 2014
Subject: Public Hearing: Adopt an ordinance to amend Chapter 40, Section 40-261, Provisions for Flood Management, of the Code of Ordinances of the City of Washington.
Applicant Presentation: John Rodman, Community & Cultural Services
Staff Presentation: Glen Moore, Planning & Development

RECOMMENDATION:

I move that the City Council accept the recommendation of the Planning Board and adopt the ordinance to amend Chapter 40, Article X, Flood Damage Prevention, Section 40-261, Provisions for flood management, (b) of the Washington City Code.

BACKGROUND AND FINDINGS:

New flood hazard data associated with the updates for Pitt County's flood map maintenance process will become "Effective" on July 7, 2014; at least one of the updated FIRM panels includes changes in the Special Flood Hazard Area (SFHA) to the City of Washington. Because these updated panels have data that will be changing in our jurisdiction, we will need to amend our Flood Damage Prevention ordinance (FDPO) to reflect this new data. After the public hearing if Council desires to proceed with the text amendment, the attached ordinance needs to be adopted.

PREVIOUS LEGISLATIVE ACTION

Planning Board – Recommendation – April 2014

FISCAL IMPACT

Currently Budgeted (Account _____) Requires additional appropriation
 No Fiscal Impact

SUPPORTING DOCUMENTS

Amendment Request Application
Ordinance

City Attorney Review: _____ Date By: _____ (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review: 5/6/14 Date Concur LRD Recommend Denial _____ No
 Recommendation _____
 May 12, 2014
 Page 73 of 121



City of Washington

DEPARTMENT OF PLANNING AND DEVELOPMENT REQUEST FOR AN AMENDMENT TO THE ZONING ORDINANCE

Date April 16, 2014 Fee N/A

TO THE CITY OF WASHINGTON PLANNING BOARD AND CITY COUNCIL

I, Planning & Development hereby request that Section 40-261 (b)

Of the Zoning Ordinance be amended as follows:

See Attached

Reason for Request:

New flood hazard data has been determined for Pitt County that will
affect flood maps in the City of Washington's jurisdiction. The Flood
Ordinance will need to be changed to reflect this data.

I certify that all the information presented by me in this application is accurate to the best of my knowledge, information, and belief.



Signature of Applicant

Witness

An Ordinance to Amend Chapter 40, Zoning, Article X. Flood Damage Prevention
Section 40-261 (b), of the Washington City Code

WHEREAS, NCGS 160A-385 authorizes local governments to amend ordinances regulating land use within their jurisdiction; and

WHEREAS, the amendment set out below is made in accordance with NCGS 160A-364; and

WHEREAS, the amendment set out below is intended to promote the public health, safety, and welfare by amending the City Code to amend the Flood Damage Prevention Ordinance and to reflect new data for its use.

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

Section 1. That **Chapter 40. Article X, Section 40-261, Provisions for Flood Management, (b)**, be amended as follows:

Sec. 40-261. Provisions for flood management.

~~(b) *Basis for establishing the special flood hazard areas.* The special flood hazard areas are those identified by the Federal Emergency Management Agency (FEMA) or produced under the Cooperating Technical State (CTS) agreement between the state and FEMA in its Flood Hazard Boundary Map (FHBM) or Flood Insurance Study (FIS) and its accompanying flood maps such as the Flood Insurance Rate Map (FIRM) and/or the Flood Boundary Floodway Map (FBFM), for the city dated May 15, 2003, which with accompanying supporting data, and any revision thereto, including letters of map amendment or revision, are adopted by reference and declared to be a part of this article. The special flood hazard areas also include those defined through standard engineering analysis for private developments or by governmental agencies, but which have not yet been incorporated in the FIRM. This includes, but is not limited to, detailed flood data:~~

(b) *Basis for establishing the special flood hazard areas.* The Special Flood Hazard Areas are those identified under the Cooperating Technical State (CTS) agreement between the State of North Carolina and FEMA in its FIS dated July 7, 2014 for Beaufort County and associated DFIRM panels, including any digital data developed as part of the Flood Insurance Study, which are adopted by reference and declared a part of

this ordinance. Future revisions to the FIS and DFIRM panels that do not change flood hazard data within the jurisdictional authority of the City of Washington are also adopted by reference and declared a part of this ordinance. This includes, but is not limited to, detailed flood data:

Section 2. This Ordinance shall become effective upon its adoption.

Section 3. All Ordinances or parts in conflict herein are repealed.

Adopted this ____ 12th ____ day of ____ May _____, 2014__.

J. MacDonald Hodges, Mayor

ATTEST:

Cynthia S. Bennett, City Clerk

Mayor
Mac Hodges

City Manager
Brian M. Alligood



Washington City Council

Richard Brooks
Doug Mercer
Larry Beeman
William Pitt
Bobby Roberson

To: Mayor Hodges & Members of the City Council
From: Matt Rauschenbach, C.F.O.
Date: May 12, 2014
Subject: Budget Transfer

The Budget Officer transferred the following funding between departments of the Electric Fund: \$1,600 from Substation Maintenance to the Meter Services department for the repair of truck #659.

NC GS 159-15 states that this shall be reported to the Council at its next regular meeting and be entered in the minutes. Transfer request is attached

Request for Transfer of Funds

Date: 4/30/2014

TO: City Manager or Finance Director
 FROM: Ed Pruden
 SUBJECT: REQUEST FOR TRANSFER OF FUNDS

I hereby request the transfer of funds as set forth below from one account to another, all within the same appropriation fund account, as permitted and authorized by the General Statutes of North Carolina.

	Department	Account Number	Object Classification	Amount
FROM:	35-90	8370	1700	1,600.00
TO:	35-90	7250	1700	1,600.00

For the purpose of: Repairs to truck # 659


 Supervisor


 Department Head

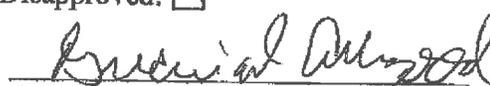
ACTION OF CITY MANAGER OR FINANCE DIRECTOR

Approved:

Disapproved:

* Request for Transfer of Funds from Department to Department require City Manager's approval.

** Request for Intradepartmental Transfer of Funds require Finance Director approval.


 City Manager or Finance Director

4/2/14
 Date

MEMORANDUM

Date: May 5, 2014

To: Mayor and City Council

From: John Rodman, Community and Cultural Services

RE: NC Public Access Grant – Havens Gardens

The Parks and Recreation Advisory Committee have determined that the improvements to Havens Gardens be listed as a high priority on their project list. As part of the improvements the Advisory Committee, on a unanimous vote, recommended that a Pedestrian Walkway be added under the Park Drive/Hwy 32 Bridge from Havens Gardens to the City boat launch. This project has been listed as part of the City's Capital Improvement Plan.

The pedestrian walkway would offer a safer route for youth and families traversing Park Drive. The project is also listed as part of the current Comprehensive Recreation Master Plan as a linkage between the two parcels of property.

The NC Division of Coastal Management has issued an invitation to local governments in the 20-county coastal area that grant funding is available for Public Beach and Coastal Waterfront Access Projects for the upcoming 2014-2015 fiscal year. The Pedestrian Walkway would qualify as an eligible project. This memo is to inform you that the Advisory Committee will begin to gather information on the possibility and the feasibility of constructing the pedestrian walkway at Havens Gardens. If the information gathering session proves to be positive the Committee would like to submit a pre-application in hopes of receiving financial assistance the Division of Coastal Management. As a Tier 1 County, any grant funding approved would require a ten (10) percent match by the City. Attached for your review is a copy of the invitation letter from the Division of Coastal Management, a site plan of the proposed project, and a very preliminary budget as determined by Rivers and Associates. If you have any questions please don't hesitate to let me know.



North Carolina Department of Environment and Natural Resources

Pat McCrory
Governor

John E. Skvarla, III
Secretary

**Invitation to Submit Pre-application Access Grant Proposals
Public Beach and Coastal Waterfront Access Funds 2014-15 Cycle**

TO: Local Officials in the Coastal Area

**FROM: Mike Lopazanski, Policy & Planning Section Chief
Division of Coastal Management**

DATE: April 1, 2014

We are pleased to notify local governments in the 20-county coastal area that the Division of Coastal Management (DCM) has grant funding available for Public Beach and Coastal Waterfront Access projects for the upcoming 2014-2015 fiscal year. Local governments are invited to apply for funding for projects that are anticipated to begin after December 2014 and to be completed in eighteen (18) months.

Local governments interested in applying for financial assistance must complete and submit **two (2) printed copies** of the enclosed Pre-application form with attachments. Your local DCM District Planner must receive pre-applications on or before 5:00 pm on **Friday, May 30, 2014**.

Process: The application process has three (3) steps: the Pre-application, invitation to submit a Final Application, and grant contract approval.

DCM will review the pre-applications and select a number of proposals for further consideration based on available funding. Local governments that submitted applications in previous years but were not selected for funding must re-apply for consideration during this grant cycle. Only pre-applications titled 2014-15 will be accepted as the application packet and application forms are adjusted annually.

Local governments whose proposals are selected will be notified by **Friday, June 20, 2014** to submit a Final Application with more detailed project information. A final application form will be provided with the notification. Prior to submitting a Final Application, the local government shall hold a public meeting or hearing to discuss its proposal and consider comments prior to its decision to submit a Final Application for state funds. Final Applications are anticipated to be due on or before 5:00 pm on **Monday, September 15, 2014**.

400 Commerce Ave., Morehead City, NC 28557
Phone: 252-808-2808 \ FAX: 252-247-3330 Internet: www.nccoastalmanagement.net
An Equal Opportunity \ Affirmative Action Employer - Made in part by recycled paper

Local governments are encouraged to include their local contribution in their FY 2014-2015 budget. All final applicants will be notified in October whether their project has been selected for funding.

Match: Local government matching contributions for acquisition must be at least 15% of the total project cost. For Tier 1 counties and their municipalities, the match for acquisition is at least 10%. Grants for improvements to existing sites must be at least 25% however, for Tier 1 counties and their municipalities; the match is 10%.¹ At least half of the local contribution must be cash match; the remainder may be in-kind match. Guidelines for determining allowable cash and non-cash in-kind match contributions are enclosed.

Overview: The primary objective of the public access grant program is to provide pedestrian access to public beaches and public trust waters in the 20 coastal counties. Grant funds may be used for land acquisition (including "unbuildable" lots) and site improvement projects that are consistent with the state guidelines for public access in the coastal area (15A NCAC 7M .0300)². Any facility constructed with these grant funds must meet state and federal guidelines for handicap accessibility.

Examples of eligible projects include the following:

- ◆ Land acquisition - purchase of land for future public access facilities.
- ◆ Land easement acquisition - purchase of easements for public access.
- ◆ Parking areas; restrooms; and other facilities.
- ◆ Urban waterfront access sites - improved public access to deteriorating or under-utilized urban waterfronts through reconstruction or rehabilitation.
- ◆ Reconstruction or relocation of existing damaged public access facilities. Primarily for sites not originally funded by this program or for improvements to any sites at least fifteen (15) years (15) old.
- ◆ Handicap facilities - Local governments are encouraged to submit proposals designed to enhance handicap accessibility at existing facilities.
- ◆ Boat Launch facilities- boat launch and ramp facilities, whether motorized or not, may be part of a project provided pedestrian access is still a major component of the project.

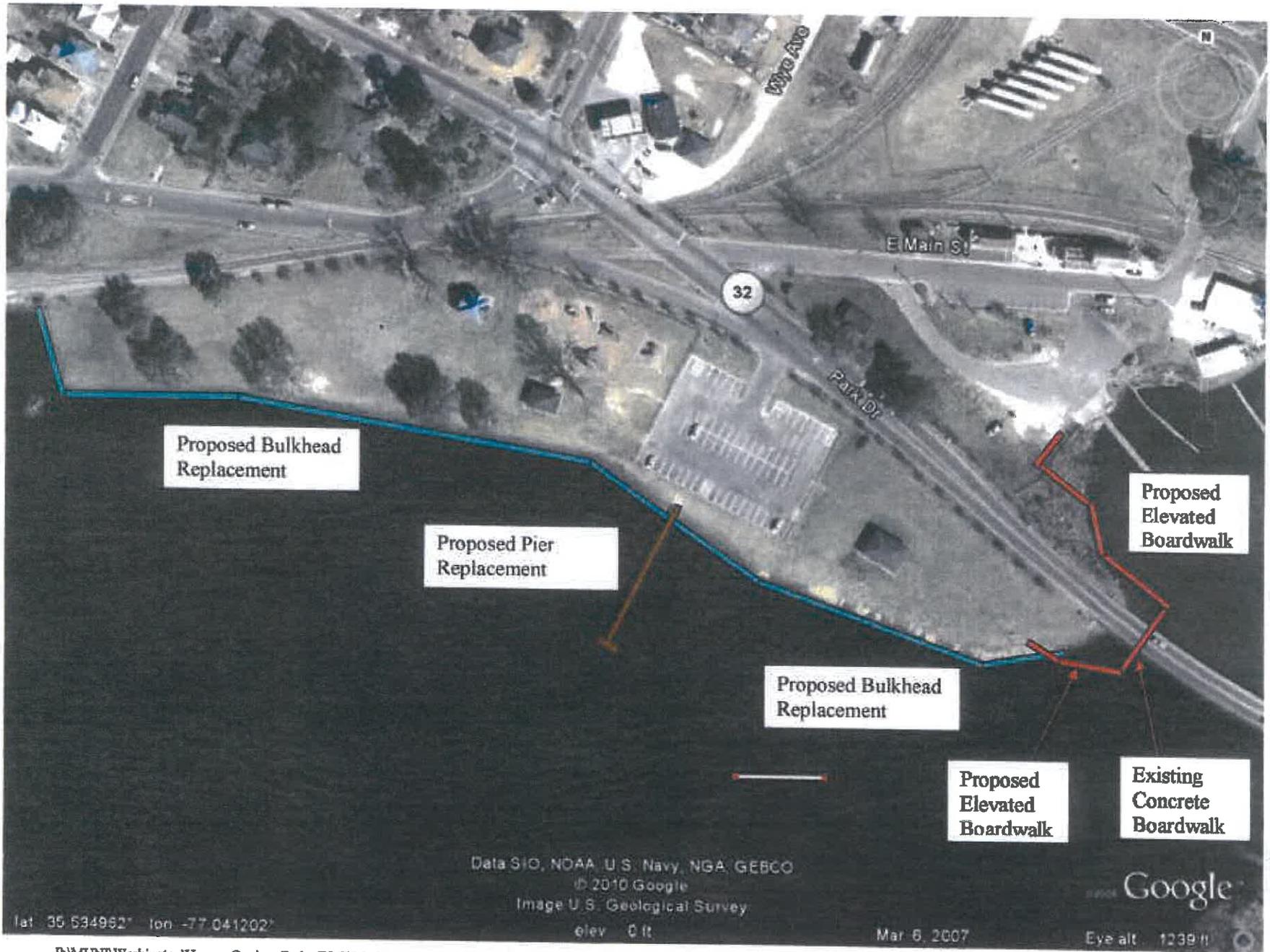
A Pre-application Packet is enclosed. The packet includes:

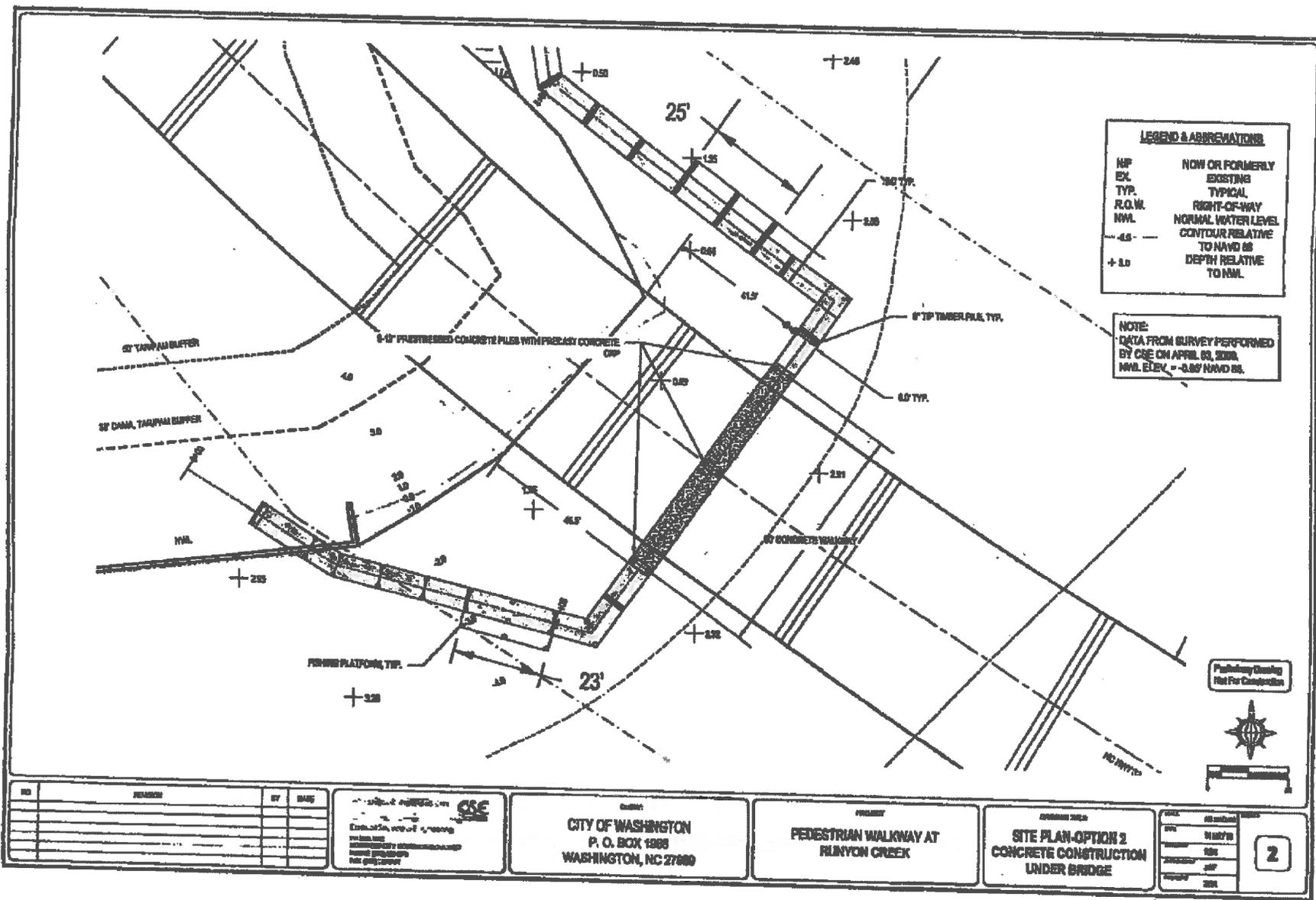
- a. Notice of the Availability of Funds
- b. Guidelines for Local Match Contributions
- c. Other Application Guidance
- d. Pre-Application Form

DCM hopes you will consider utilizing funding through this grant program to help make a positive and lasting contribution to your community's public access efforts. Your local DCM District Planner looks forward to receiving your pre-application and assisting you in this process. If you have any questions, please contact your local DCM District Planner listed in the enclosed "Local Contacts and Resources".

¹ The NC Department of Commerce 2014 Article 3J County Tier Designations.

² See <http://www.nccoastalmanagement.net/Rules/Text/t15a-07m.0300.pdf>.





LEGEND & ABBREVIATIONS

HP NOW OR FORMERLY
 EX EXISTING
 TYP. TYPICAL
 R.O.W. RIGHT-OF-WAY
 NWL NORMAL WATER LEVEL
 -4.5' CONTOUR RELATIVE
 TO NAVD 83
 +1.0 DEPTH RELATIVE
 TO NWL

NOTE:
 DATA FROM SURVEY PERFORMED
 BY CSE ON APRIL 03, 2008.
 NWL ELEV. = -0.85' NAVD 83.

Preliminary Drawing
 Not For Construction



NO.	REVISION	BY	DATE

CSE
 CONSULTING ENGINEERS
 1000 S. W. 10th St.
 Fort Lauderdale, FL 33315
 PHONE: 954.333.3333
 FAX: 954.333.3333

CITY OF WASHINGTON
 P. O. BOX 1888
 WASHINGTON, NC 27688

PROJECT
 PEDESTRIAN WALKWAY AT
 RIMYON CREEK

APPROVAL SHEET
 SITE PLAN-OPTION 2
 CONCRETE CONSTRUCTION
 UNDER BRIDGE

DATE	04/03/08
BY	JDF
CHECKED	JDF
DATE	04/03/08

2

PEDESTRIAN WALKWAY AT RUNYONS CREEK
HAVENS GARDENS

Preliminary Probable Cost

<u>Item</u>	<u>Description</u>	<u>Probable Cost</u>
410 LF	6' Wide Elevated Boardwalk	\$112, 750
3 EA.	Fishing Access Bump-out	30,000
100 LF	Wooden Bulkhead Replacement	20,000
<u>Admin.</u>	<u>Engineering, Permitting, Contingency</u>	<u>37,250</u>
Total	Project Cost	\$200,000

Load Management Device Installation Report

Project Start Date : October 2010

	April 2014	Project to Date
Total Load Management Device Installations	104	2,743
Total Accounts Added with Load Management	61	1,969
Appliance Control Installations		
Air Conditioner / Heat Pump	69	2,053
Auxiliary Heat Strip	28	1,046
Electric Furnace	4	276
Water Heater	50	1,597
Total Encumbrances to Date		
Load Management Devices		\$ 130,600
Contractor Installations		\$ 280,000
Total Project Encumbrances		\$ 410,600
Total Expenses to Date		
Load Management Device Purchases		\$ 130,600
Contractor Installation Expenses	\$ 8,320	\$ 270,770
Total Project Expenses		\$ 401,370
Average Cost per Load Management Device Installed		\$ 146.33
Average Installed Cost per Controlled Appliance		\$ 80.73

Load Management Devices Remaining in Stock 757



REQUEST FOR CITY COUNCIL ACTION

To: Mayor Hodges & Members of the City Council
From: Brian M. Alligood, City Manager
Date: May 12, 2014
Subject: TDA Civic Center Lease and Management Agreement Renewal
Applicant Presentation: N/A
Staff Presentation: Brian M. Alligood

RECOMMENDATION:

I move that City Council approve the attached "Lease and Management Agreement" between the Washington Tourism Development Authority (WTDA) and the City for lease and management of the Civic Center during the 2014-2015 fiscal year.

BACKGROUND AND FINDINGS:

The City of Washington currently has an agreement with the WTDA to lease and manage the Civic Center. That agreement expires on June 30, 2014. Attached is a proposed renewal of the lease and management agreement. The material aspects of the new agreement are the same as the previous agreement with the exception of the term, which is now one year; the City allocation amount, which has been reduced by \$5,000.00 to \$45,000.00; and the use of the facilities, which now includes the space previously occupied by the Beaufort County Arts Council. The WTDA Board has reviewed and approved the new agreement.

PREVIOUS LEGISLATIVE ACTION

FISCAL IMPACT

Currently Budgeted (Account _____) Requires additional appropriation
 No Fiscal Impact

SUPPORTING DOCUMENTS

FY 14-15 WTDA Lease and Management Agreement

City Attorney Review: _____ Date By: _____ (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review: Concur _____ Recommend Denial _____ No Recommendation
5/12/14 Date

**NORTH CAROLINA
BEAUFORT COUNTY**

THIS LEASE AND MANAGEMENT AGREEMENT (“Lease”) is made and entered into as of the 1st day of July, 2014 by and between the **CITY OF WASHINGTON**, a body politic and corporate, existing under the laws of the State of North Carolina (“City”), and the **CITY OF WASHINGTON TOURISM DEVELOPMENT AUTHORITY**, a Public Authority under the Local Government Budget & Fiscal Control Act (“TDA”), (collectively may be referred to as the “Parties”).

W I T N E S S E T H

WHEREAS, the TDA was organized and established under the authority of North Carolina House Bill 592, Chapter 158, as ratified in the 1991 Session of the General Assembly of North Carolina, as later amended, and the City Charter and Code.

WHEREAS, the TDA operates subject to the provisions contained in the bill above referred to, as amended, the City Charter as well as City Code, and pursuant to by-laws adopted by the TDA for the operation of the TDA and the transaction of its business.

WHEREAS, the TDA’s purpose is to promote travel and tourism – to advertise or market an area or activity, publish and distribute pamphlets and other materials, conduct market research, and engage in similar promotional activities that attract tourists or business travelers to the area.

WHEREAS, the TDA has the authority to spend money that, in the judgment of the TDA, is designed to increase the use of lodging facilities, meeting facilities, or convention facilities in the City or to attract tourists or business travelers to the City.

WHEREAS, the TDA is authorized to contract with appropriate organizations or agencies to assist it in carrying out the above purposes.

WHEREAS, for the last eight (8) years the Parties have been party to Lease and Management Agreements, the most recent of which expires on June 30, 2014.

WHEREAS, the Parties have agreed to enter into this Lease whereby the City will continue to lease to the TDA the Washington Civic Center (“Civic Center”) as described in Exhibit A attached hereto in accordance with the terms and provisions of this Lease and the TDA will continue to manage the Civic Center.

NOW THEREFORE, in consideration of the rents hereinafter agreed to be paid, the mutual covenants and agreements hereinafter recited and for the benefit of the public and the citizens of the City and Beaufort County generally, the receipt and legal sufficiency of which consideration is hereby acknowledged, the City does hereby lease and demise unto the TDA and the TDA does hereby lease and take as tenant from the City those certain premises (hereinafter called the “Premises”) within the City and more particularly

described in Exhibit A attached hereto. Except as specifically provided for herein, the City reserves unto itself and the public generally the right to use the parking areas and driveways adjoining the Civic Center building as a means of ingress, egress and access to the adjoining property of the City on which the Peterson Building is located. Notwithstanding the foregoing, the TDA shall have the right to reserve the parking spots located to the North of the Peterson Building for specific periods of time as may be necessary in conjunction with specific Civic Center events after appropriate consultation and notice to any parties potentially affected thereby, including the City.

The TDA has carefully inspected the Premises and acknowledges that the same is in satisfactory condition for its use. Except as may be specifically provided for hereinafter and for those certain improvements that may be specifically addressed hereinafter, the City shall have no obligation to make any improvements to the Premises whatsoever and the TDA agrees to accept the same in its present condition, "as is."

TO HAVE AND TO HOLD said Premises unto the TDA upon the following terms and conditions.

1. **TERM.** The term of this Lease shall be for a period of one (1) year and will begin as of the 1st day of July, 2014 and shall end at 12:00 o'clock midnight on the 30th day of June, 2015, subject to the provisions herein.
 - a. **EXTENSION.** The TDA shall give notice at least six (6) months prior to the expiration hereof if it desires to continue this Lease. If the TDA gives the City notice of its desire to extend this Lease, the Parties shall renegotiate the same in good faith.
2. **RENT.** As consideration for the leasehold interest granted herein for this term, the TDA agrees to be responsible for all management and operations of the Civic Center, including supervision of all Civic Center staff as hereinafter defined.
3. **ALLOCATION BY THE CITY.** The City agrees to allocate \$45,000.00 as part of this lease to assist in the operation of the Civic Center and, to that end, agrees to pay the TDA the sum of \$3,750.00 per month on or before the 10th of each month beginning as of the 10th day of July, 2014. During the City's budget process, TDA may make specific requests to address maintenance items other than those described in Section 13. Within its recognized budget constraints, the City will use its best efforts to provide funding to address such maintenance items.
4. **TERMINATION.** The TDA has the absolute right to terminate this Lease by providing the City six (6) months written notice prior to the end of this Lease (on or before December 31, 2014).
5. **CIVIC CENTER STAFF.** The employment of the TDA Director and Civic Center staff, including the specifics of all relevant employment terms and

relationships, shall be governed by an Interlocal Agreement entered into between the Parties, which Interlocal Agreement is, or shall be, incorporated herein by reference as if fully set forth.

6. **PAMLICO-TAR RIVER FOUNDATION LEASE.** The present lease between the City and the Pamlico-Tar River Foundation shall remain a direct lease between that entity and the TDA shall have no responsibility for the operation, maintenance, or liability associated with those premises so leased or any activities conducted thereon. The City may continue such lease as well as renew the same for so long as the City desires. However, in the event the lease between the City and the Pamlico-Tar River Foundation is terminated and not renewed, then, in that event, the TDA shall have the right of first refusal to include such space within the property leased hereunder.

7. **DEFAULT.**
 - a. The occurrence of one or more of the following events (hereinafter called "Events of Default") shall constitute a default by the TDA:
 - i. Failure to perform any provision of this Lease if the failure to perform is not cured within ten (10) days after written notice thereof has been given to the TDA and
 - ii. Dissolution of the TDA.
 - b. The occurrence of one or more of the following events of default shall constitute a default by the City:
 - i. Failure to perform any provision of this Lease if the failure to perform is not cured within ten (10) days after written notice thereof has been given to the City.

8. **REMEDIES UPON DEFAULT.**
 - a. The City shall have the absolute right upon default by the TDA to enter the Premises without notice to vacate (any such right to which is hereby waived by the TDA) and re-let them, changing any and all locks on the Premises, all without being liable for forcible entry, trespass, or other tort.
 - b. The TDA shall have the absolute right upon default by the City to vacate the Premises, return all keys to the City and have no further obligation to manage and operate the Civic Center.
 - c. In the event either party shall exercise the above described remedies upon default, the TDA shall promptly deliver any and all of the TDA records, including bookings, necessary for the City to continue the management and operation of the Civic Center.

9. **WAIVER.** No course of dealing or any delay on the part of either party in exercising any rights it may have under this Lease shall operate as a waiver of any of its rights hereunder nor shall any waiver of any prior default operate as a waiver of any subsequent default or defaults and no express waiver shall affect any condition, covenant, rule or regulation other than the one specified in such waiver and that one only for the time and in the manner specifically stated.

10. **USE OF PREMISES.** The TDA shall use the Premises to further the purposes of the TDA as stated in its by-laws and for such purposes as may be associated with civic centers, comparable to similar communities and regional activities. The TDA shall be responsible for the entire management of said facility and shall have the right to establish reasonable regulations and policies, including any and all rates applicable to rent the same and for activities taking place within the same. The TDA shall be responsible for promoting said facility pursuant to an updated, written One (1) Year Plan, which One (1) Year Plan will be submitted to the City on or before June 15, 2014. Upon receipt of said One (1) Year Plan by the City, it shall be attached hereto as Exhibit B and incorporated herein by reference.
11. **DISCRIMINATION.** The TDA, in its use, improvement, or operation of the Premises and facilities of the Civic Center, shall not, on the grounds of race, color, sex, or national origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by law and shall otherwise use the Premises in compliance with all other requirements imposed by or pursuant to Title VI of the Civil Rights Act of 1964 and as said regulations may be amended.
12. **OWNERSHIP OF CONTENTS.** On July 1, 2006, the City conveyed the contents then located in the Civic Center to the TDA and presented the TDA with a Bill of Sale for the same. The Parties acknowledge that ownership of the contents located in the Civic Center at the expiration of the initial term, earlier termination, or expiration of any subsequent term shall revert to and/or become the property of the City without compensation therefor and as further consideration for this Lease. In this regard, the TDA shall present a Bill of Sale for the same to the City at such time.
13. **MAINTENANCE.** The City shall be responsible during the term of this Lease for major structural maintenance of the Civic Center structure and building including decking, flooring, roofing, HVAC, plumbing and electrical systems. The TDA shall be responsible for all other maintenance whatsoever in connection with said facility. Notwithstanding the foregoing, in the event a maintenance or repair issue or need arises, the TDA may contact the City Manager's office at the City concerning said issue or need and, if the City is capable of assisting the TDA in addressing the issue or need with minimal cost or manpower, in its sole discretion, the City will provide such assistance to the extent such assistance does not produce a major disruption in the City's normal operations as well as responsibilities and so long as such assistance is practicable. Nothing herein shall be construed to limit the TDA's maintenance obligation(s) as described herein. The City shall maintain the landscaping and parking areas in connection with its routine maintenance of the Peterson Building.
14. **ASSIGNMENT AND SUBLETTING.** The TDA shall not assign this Lease or sublet the Premises without the prior written consent of the City.

15. **UTILITIES AND OTHER SERVICES.** The TDA was made responsible for and paid any and all charges (\$2,448.87) for utilities incurred on the Premises during the month before the inception of the initial Lease term (June of 2006). The TDA has since been reimbursed for said payment by the City through a credit. Therefore, the TDA shall be responsible for and pay any and all charges for utilities as may be incurred on the Premises during the term of this Lease. The TDA shall not use or permit in the Premises any electrical device which, in the opinion of the electrical provider, will overload the building's electrical circuits.

16. **ALTERATIONS.** Other than routine improvements, repair and maintenance necessary to address ordinary, daily wear and tear, the TDA shall make no alterations, additions or improvements to the Premises without the prior written consent of the City. All alterations, additions and improvements made by, for or at the direction of the TDA shall become the property of the City and shall remain upon and be surrendered with the Premises as a part thereof at the expiration or earlier termination of this Lease without compensation therefor and as further consideration for this Lease. The TDA shall promptly pay and discharge any and all licenses, imposts, liens or other charges arising out of or in connection with the performance of any act required of or permitted the TDA hereunder and shall keep the Premises free and clear from any and all such liens or charges.

Upon receiving the prior written consent of the TDA, the City shall have the right, but not the obligation, to make alterations, additions, or improvements to the Premises and the same shall, when made, be the property of the City and shall remain upon and be surrendered with the Premises as a part thereof at the expiration or earlier termination of this Lease.

17. **CITY'S RIGHT OF ENTRY.** The City Manager or his designee shall have the right to enter and to grant licenses to others to enter the Premises for such lengths of time as the City shall deem reasonable a) to inspect the Premises; b) to exhibit the Premises to prospective tenants or purchasers of the Premises; c) after reasonable notice to the TDA, to make alterations, additions, improvements and repairs to the Premises or to the building and to store necessary materials, tools and equipment for such alterations or repairs; d) after reasonable notice to the TDA, for any purpose which the City shall deem necessary for the operation and maintenance of the Premises, including building, and the general welfare and comfort of its tenants; e) after reasonable notice to the TDA, for the purpose of removing from the Premises any placards, signs, fixtures, alterations or additions not permitted by this Lease or applicable regulation; and f) after reasonable notice to the TDA, to abate any condition which constitutes a violation of any covenant or condition of this Lease.

18. **USAGE BY AND RATE FOR THE CITY.** The TDA agrees to allow any appropriate individual, group, or entity of the City to use the Premises as long as the same is not already reserved. Any such use by the City or its affiliates shall be

consistent with the policies and procedures established by the TDA. The TDA agrees, as part of its rate structure, to provide a special rate for use by any appropriate individual, group, or entity of the City, which special rate shall not exceed 33% of the then current, full rate charged to other users of the Premises.

19. **INDEMNIFICATION OF THE CITY.** The TDA agrees to indemnify and defend the City and to save harmless the City, and the tenants, licensees, invitees, agents, servants and employees of the City against and from any and all claims by or on behalf of any person, firm or corporation arising by reason of injury to person or property occurring on the Premises or in the building occasioned in whole or in part by any act or omission on the part of the TDA or any employee, representative, agent, assignee or subtenant of the TDA, including any individuals who are actually City employees but who regularly perform functions for or duties assigned by the TDA such as the TDA Director and TDA staff or by reason of any unlawful use of the Premises or by reason of any breach, violation or non-performance of any covenant in this Lease on the part of the TDA to be observed or performed, and also by reason of any matter or thing growing out of the occupancy or use of the Premises by the TDA or any one holding under the TDA. The TDA agrees to pay the City promptly for all damage to the Premises or the building, which is not covered by insurance, and for all damage to tenants or occupants caused by the TDA's misuse or neglect of the Premises or the building or of its or their apparatus and appurtenances and the TDA agrees in any event to reimburse and compensate the City as additional rent within five (5) days of rendition of any statement to the TDA by the City for expenditures made by the City or for fines sustained or incurred by the City due to non-performance or non-compliance with or breach of or failure to observe any term, covenant or condition of this Lease upon the TDA's part to be kept, observed, performed or complied with.

The City shall not be liable to the TDA for any damage by or from any act or negligence of any co-tenant or other occupant of the building or by any owner or occupant of adjoining or contiguous property. Neither the City nor its agents shall be liable to the TDA or to any person, firm or corporation claiming through or under the TDA for any injury or damage to persons or property resulting from fire, explosion, falling plaster, steam, glass, electricity, water, rain or snow or leaks from any part of the building or from the pipes, appliances or plumbing works or from the roof, street or subsurface or from any other place or by dampness or by any other cause of whatever nature, unless caused by or due to proven acts of negligence of the City. The City shall not be liable to the TDA or to any person, firm or corporation claiming through or under the TDA for any latent defect in the Premises or in the building.

20. **INDEMNIFICATION OF THE TDA.** The City agrees to indemnify and defend the TDA and to save harmless the TDA, including all tenants, licensees, invitees, agents, servants, and employees of the TDA against and from any and all claims by or on behalf of any person, firm or corporation arising by reason of the City's

negligent failure to adequately perform major structural maintenance of the Civic Center structure and building, including decking, roofing, flooring, HVAC, plumbing, and electrical systems. The indemnification provisions of this Section 20 shall not apply to any condition unless and until the TDA provides the City written notice that major structural maintenance is required for the Civic Center structure and building, including decking, roofing, flooring, HVAC, plumbing, and electrical systems.

21. **INSURANCE AND INSURANCE RATES.** Throughout the term of this Lease, City shall carry fire and extended coverage insurance insuring its interest in the building and the Premises, such insurance to be written by insurance companies and in amounts satisfactory to the City. Throughout the term of this Lease, the TDA shall carry fire and extended coverage insurance insuring its interest, if any, in improvements to or in the Premises, its contents, and its interest in its furniture, equipment, supplies or other property. Throughout the term of this Lease, the TDA shall carry public liability insurance insuring against all liability of the TDA and its authorized representatives including any liability whatsoever caused by any accident or other occurrence causing bodily injury or property damage to any person or property and arising out of and in connection with the TDA's use or occupancy of the Premises, such insurance to be written by insurance companies and in amounts satisfactory to the City. The TDA hereby waives any claim, right of action, or subrogation which it may have against the City for any loss or damage covered by such insurance.

The TDA shall not do or cause to be done or permit on the Premises anything deemed extra hazardous and the TDA shall not use the Premises or the building in any manner which will cause an increase in the premium rate for any insurance in effect on the Premises, building, or part thereof. If, because of anything done, caused to be done, permitted or omitted by the TDA or its agents, servants or employees, the premium rate for any kind of insurance in effect on the Premises shall be raised, the TDA shall pay the City on demand the amount of any such increase in premium. If the City demands that the TDA remedy the condition which caused any such increase in an insurance premium rate, the TDA shall remedy such condition within five (5) days after receipt of such demand.

22. **FIRE OR OTHER CASUALTY.** In the event that before or during the term of this Lease, the Premises or the building shall be damaged by fire or other casualty which renders the building, the Premises or any part of the building or the Premises untenable, the City within twenty (20) days of such fire or casualty or of receipt of written notice from the TDA of such damage (whichever shall last occur) shall have the right to either 1) serve written notice upon the TDA of the City's intent to repair said damage or 2) if said damage renders so much of the Premises untenable [in excess of fifty percent (50%) of the value of the premises] that repair would not be feasible, or if said damage shall have been occasioned by the act or omission of the TDA, its servants, agents, members or employees, serve written notice upon the TDA that this Lease is terminated,

provided, however, that the City shall not so terminate this Lease unless such repairs cannot be made within a period of sixty (60) days or unless at the time such notice is given there remains less than one hundred eighty (180) days during the unexpired current term of this Lease. If the City shall elect to repair such damage, such repairs shall be commenced within fifteen (15) days of notice to the TDA of such election and such repairs shall be completed within one hundred eighty (180) days of notice to the TDA of such election.

The other provision of this Section 22 notwithstanding, the City shall have no obligation to replace or repair any property in the building or on the Premises belonging to the TDA or to anyone claiming through or under the TDA nor shall the City have any obligation hereunder to replace or repair any property on the Premises which the City shall have the right to require the TDA to remove from the Premises or any alteration, addition or improvement made to the Premises by, for or at the direction of the TDA.

23. **QUIET ENJOYMENT.** The City agrees that the TDA on paying the rent and performing all the terms and conditions of this Lease shall quietly have, hold and enjoy the Premises for the term aforesaid.

24. **NOTICES.** If to the TDA as follows:

Washington Tourism Development Authority
P.O. Box 1765
Washington, NC 27889

With copy to:

William P. Mayo, Jr.
Mayo & Mayo
102 W. 2nd St.
Washington, NC 27889

As to the City:

Attn: City Manager
City of Washington
P.O. Box 1988
Washington, NC 27889

With copy to:

Franz F. Holscher
Rodman, Holscher, Francisco & Peck, P.A.
P. O. Box 1747
Washington, NC 27889

25. **INTEGRATION AND BINDING EFFECT.** The entire agreement, intent and understanding between the City and the TDA is contained in the provisions of this Lease and any stipulations, representations, promises or agreements, written or oral, made prior to or contemporaneously with this Lease shall have no legal or equitable effect or consequence unless reduced to writing herein. This Lease shall be governed by and construed pursuant to the laws of the State of North Carolina.
26. **COMPLIANCE BY THE TDA WITH GOVERNMENTAL REGULATIONS.** The TDA shall comply with all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions and requirements and agreements with all governments, departments, commissions, boards, courts, authorities, agencies, officials, officers and other parties foreseen and unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to the Premises or any part thereof, or any of the adjoining property, or any use or condition of the Premises or any part thereof. The TDA shall comply with any and all local, State, Federal or other rules and regulations as well as all applicable environmental rules and regulations. In the performance of any acts required of or permitted by the TDA under any provision of this Lease, the TDA shall obey and comply with all lawful requirements, rules, regulations, and ordinances of all legally constituted authorities, existing at any time during the continuance of such performance in any way affecting the Premises or the use of the Premises by the TDA, including but not limited to all wetland regulations, CAMA regulations, or other governmental setbacks. Such compliance shall include compliance by the TDA with requirements of the Occupational Safety and Health Act, and all amendments thereto, as the same applies to the TDA's use of the Premises.

(Signatures On Following Page)

IN WITNESS WHEREOF, the TDA has caused this Lease to be signed by its Chairperson and the City has caused this Lease to be signed by its Mayor by authority duly given as of the day and year first written above.

PRE-AUDIT CERTIFICATE
CITY OF WASHINGTON

This Agreement has been pre-audited pursuant to N.C.G.S. § 159-28 in the manner required by the Local Government Budget and Fiscal Control Act.

Matt Rauschenbach, Chief Financial Officer
City of Washington

PRE-AUDIT CERTIFICATE
WASHINGTON TOURISM DEVELOPMENT AUTHORITY

This Agreement has been pre-audited pursuant to N.C.G.S. § 159-28 in the manner required by the Local Government Budget and Fiscal Control Act.

Fred Watkins, III
Treasurer

ATTEST:

CITY OF WASHINGTON

By: _____ (SEAL)
Cynthia S. Bennett, City Clerk

By: _____ (SEAL)
Mac Hodges, Mayor

**WASHINGTON TOURISM
DEVELOPMENT AUTHORITY**

By: _____ (SEAL)
Jackie Woolard, Chairperson

**NORTH CAROLINA
BEAUFORT COUNTY**

The undersigned, a Notary Public of the County and State aforesaid, hereby certifies that JACKIE WOOLARD personally appeared before me this day, and being duly sworn by me, acknowledged that she is Chairperson of the WASHINGTON TOURISM DEVELOPMENT AUTHORITY, and that by authority duly given and as the act of the Board the foregoing instrument was signed by her.

Witness my hand and notary seal this _____ day of _____ 2011.

Notary Public
My Commission expires: _____

**NORTH CAROLINA
BEAUFORT COUNTY**

I, _____, a Notary Public of the State and County aforesaid, certify that CYNTHIA S. BENNETT personally appeared before me this day and acknowledged that she is City Clerk of the CITY OF WASHINGTON, a North Carolina municipal corporation, and by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by MAC HODGES, its Mayor, sealed with its corporate seal and attested by herself as its City Clerk.

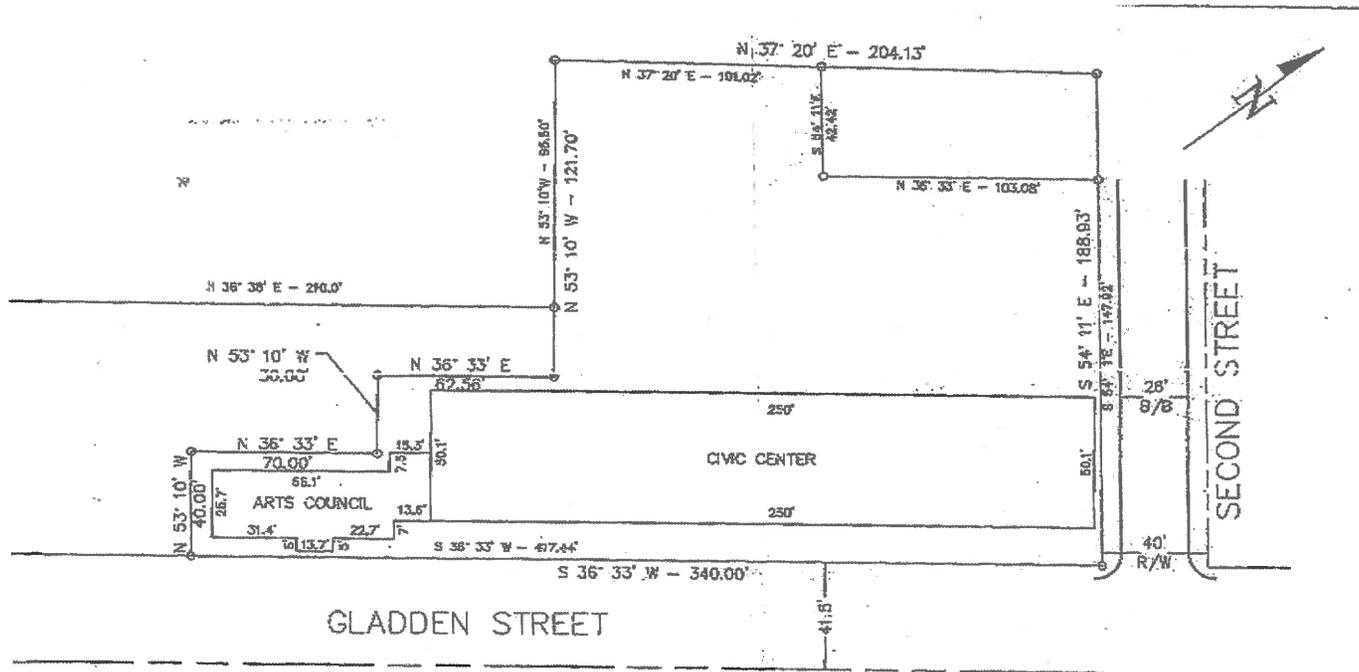
Witness my hand and notary seal this _____ day of _____ 2011.

Notary Public
My Commission expires: _____

EXHIBIT "A"

BEGINNING at the intersection of the right-of-way lines in the southwest quadrant of the intersection of Gladden Street and West Second Street; thence from said beginning point so located, along the west side of the right-of-way of Gladden Street, South 36° 33' West 340 feet; thence leaving the sideline of Gladden Street and running North 53° 10' West 40 feet; thence North 36° 33' East 70 feet; thence North 53° 10' West 30 feet; thence North 36° 33' East 62.56 feet; thence North 53° 10' West 121.70 feet; thence North 37° 20' East 204.13 feet to the sideline of Second Street; thence with Second Street South 54° 11' East 188.93 feet to the point of beginning as shown on the attached map prepared by the Public Works Department of the City of Washington.

SAVING AND EXCEPTING, HOWEVER, that portion of the above described property which houses the Pamlico-Tar River Foundation. Said portion of the premises generally housing this organization would be the second floor in that portion shown on the attached map as "Arts Council".



CIVIC CENTER SITE PLAN	
SCALE 1"=50'	CITY WASHINGTON
DATE 7/17/06	COUNTY BEAUFORT
CITY OF WASHINGTON PUBLIC WORKS DEPARTMENT 102 E. 2ND ST., WASHINGTON, N.C. 27889	

Exhibit B
One (1) Year Plan



REQUEST FOR CITY COUNCIL ACTION

To: Mayor Hodges & Members of the City Council
From: Matt Rauschenbach, Administrative Services Director/C.F.O.
Date: May 12, 2014
Subject: Washington Park Fire, Rescue, and Emergency Medical Services Contract

Applicant Presentation:
Staff Presentation: Matt Rauschenbach

RECOMMENDATION:

I move that City Council authorize the Mayor to enter into a two year contract with Washington Park to provide fire, rescue, and emergency medical services.

BACKGROUND AND FINDINGS:

The current contract expires June 30, 2014. The annual payment was based on the total tax base value of Washington Park multiplied by the current fire tax rate for the Bunyan Volunteer Fire District and the emergency medical services tax rate for the Broad Creek Tax District. The contract renewal is based on 110% of the same calculation and includes a cumulative 2% increase/year in subsequent years. The basis of contract renewal has been reviewed with representatives of the Washington Park Town Board.

PREVIOUS LEGISLATIVE ACTION

FISCAL IMPACT

Currently Budgeted Requires additional appropriation No Fiscal Impact

SUPPORTING DOCUMENTS

Contract
 Fire/EMS Net Cost Schedule

City Attorney Review: _____ Date By: _____ (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review: for Concur _____ Recommend Denial _____ No Recommendation
5/12/14 Date

**NORTH CAROLINA
BEAUFORT COUNTY**

THIS CONTRACT is made and entered into effective as of the 1st day of July, 2014, by and between the **TOWN OF WASHINGTON PARK**, a municipal corporation organized under the laws of the State of North Carolina (hereinafter referred to as “**TOWN**”), and the **CITY OF WASHINGTON**, a municipal corporation organized under the laws of the State of North Carolina (hereinafter referred to as “**CITY**”).

WITNESSETH:

WHEREAS, North Carolina General Statute § 160A-11, 160A-461, 160A-274, 160A-277 and 153A-250 authorize municipalities to contract for fire protection, rescue and emergency medical services, including ambulance services (hereinafter collectively referred to as “emergency services”).

WHEREAS, the **TOWN** has negotiated with the **CITY** to obtain emergency services for the **TOWN** under the terms and conditions contained herein.

NOW THEREFORE, pursuant to said relevant statutory authority, and for and in consideration of the mutual covenants and agreements hereinafter contained and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, the parties hereto do hereby covenant and agree as follows.

A. **SERVICES.** The **CITY** agrees to provide emergency services to the extent of the certifications of the responding crew(s) within the corporate limits of the **TOWN**. Upon receipt of a request for emergency services in the aforementioned area, the **CITY** shall dispatch the appropriate primary resources, if available. The dispatched primary resources shall render said emergency services to the limit of their certifications and, in the event further medical treatment is required, transport those patients requiring further medical treatment via an EMS or other vehicle to the nearest hospital. If the appropriate primary resources are unavailable, the **CITY** shall follow the mutual aid protocol then in effect.

B. **EMS FEES.** There shall be an EMS fee for each person who is provided emergency medical services and/or transported by an EMS vehicle. Said fees shall be subject to change and approval by the Washington City Council. Said fees shall be billed and collected by the **CITY** through its standard medical billing procedure. All funds collected by the **CITY** for services rendered shall be retained by the **CITY**.

C. **INITIAL TERM.** The initial term of this Contract shall be for two (2) years, beginning on the 1st day of July, 2014 and ending on the 30th day of June, 2016 unless sooner terminated as provided for herein.

1. **AUTOMATIC RENEWAL.** This Contract shall renew automatically on the same terms and conditions as stated herein, for successive one (1) year terms, unless either party gives written notice of intent not to renew at least ninety (90) days before the expiration of the initial term or any successive one (1) year term.

D. **PAYMENT FOR EMERGENCY SERVICES.** The **TOWN** shall pay to the **CITY** **\$37,231.38** for the first year of this Contract (July 1, 2014 through June 30, 2015). This amount is the product of the total tax base value for the **TOWN** (as defined herein) multiplied by 110% of the sum of the current fire tax rate for the Bunyan Volunteer Fire District and the current emergency medical services tax rate for the Broad Creek Tax District. The total tax base value for the **TOWN** is the amount provided to the **CITY** by the Beaufort County Tax Office; is all inclusive of the value of all real, personal, vehicle/auto, and public services companies, the latter value being an amount provided to the Beaufort County Tax Office by the North Carolina Department of Revenue; and is **\$52,885,489** as of March 1, 2014. Similarly, the fire tax rate and emergency medical services tax rate referred to above are the rates (amounts) provided to the **CITY** by the Beaufort County Tax Office and are **\$.0290/\$100** and **\$.0350/\$100**, respectively, as of March 1, 2014. The above formula, along with said amounts and rates as then provided by the Beaufort County Tax Office each year, shall be utilized by the **CITY** to calculate the amount the **TOWN** shall pay to the **CITY**. In addition to the amount calculated by said formula, a **2% cumulative increase** shall be added to the amount for each successive year of this contract, including any extensions, in order to compensate for the annual increased cost of operations needed to provide this service. The contract calculation shall be made by the **CITY** and the **CITY** shall notify the **TOWN** of the amount due hereunder by June 30th of each year. Said payments shall be made no later than October 31st of each fiscal year in which this Contract remains in effect. In the event it becomes impractical to use said formula, for instance if either tax rate should no longer exist, the parties hereto shall meet and negotiate in good faith to reach an agreement as to the amount that shall be due from the **TOWN** to the **CITY** hereunder.

E. **CANCELLATION.** Either party may cancel this Contract with a ninety (90) day written, cancellation notice signed by the Mayor of the **CITY** or **TOWN** desiring cancellation and delivered to the Mayor of the other. In the event either party cancels this Contract effective on a date other than a Contract anniversary date (July 1), the payment for emergency services required hereunder for that particular year 1) if not already paid, shall be pro-rated and paid by the **TOWN** to the **CITY** on the date the cancellation is effective, or 2) if already paid, shall be pro-rated and the **CITY** shall reimburse the **TOWN** accordingly on the date cancellation is effective.

F. **EFFECT.** Upon acceptance and execution of this Contract by both parties, all previous emergency services contracts between the **CITY** and the **TOWN** for said areas shall be null and void.

IN WITNESS WHEREOF, after due authority given, the **TOWN** has caused this Contract to be signed in its name by its Mayor, and attested by its Clerk, and the **CITY** has caused this Contract to be signed in its name by its Mayor, and attested by its Clerk.

PRE-AUDIT CERTIFICATE

This contract has been pre-audited per North Carolina General Statute 159-28 in the manner required by the Local Government Budget and Fiscal Control Act.

Dennie Dale, Finance Director
Town of Washington Park

ATTEST:

TOWN OF WASHINGTON PARK

Dennie Dale, Clerk

Thomas Richter, Mayor

COUNTY OF BEAUFORT
STATE OF NORTH CAROLINA

I, _____, a Notary Public of the State and County aforesaid, certify that DENNIE DALE personally appeared before me this day and acknowledged that she is the Clerk of the **TOWN OF WASHINGTON PARK**, a North Carolina municipal corporation, and by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by THOMAS RICHTER, its Mayor, sealed with its corporate seal and attested by herself as its Clerk.

WITNESS my hand and official seal, this the ____ day of _____, 2014.

NOTARY PUBLIC

My Commission expires: _____.

PRE-AUDIT CERTIFICATE

This contract has been pre-audited per North Carolina General Statute 159-28 in the manner required by the Local Government Budget and Fiscal Control Act.

Matt Rauschenbach, Chief Financial Officer
City of Washington

ATTEST:

CITY OF WASHINGTON

Cynthia S. Bennett, City Clerk

Jay MacDonald Hodges Mayor

COUNTY OF BEAUFORT
STATE OF NORTH CAROLINA

I, _____, a Notary Public of the State and County aforesaid, certify that CYNTHIA S. BENNETT personally appeared before me this day and acknowledged that she is the City Clerk of the

CITY OF WASHINGTON, a North Carolina municipal corporation, and by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by JAY MACDONALD HODGES, its Mayor, sealed with its corporate seal and attested by herself as its City Clerk.

WITNESS my hand and official seal, this the _____ day of _____, 2014.

NOTARY PUBLIC

My Commission expires: _____.

FY 2014-15 City of Washington Fire/EMS Cost

4/29/2014

Fire & EMS Net Cost	Total	Without O/S Revenue			Washington Park Fire/EMS
		Total	Fire	EMS	
Revenue:					
State Reimb. For Medicaid EMS	230,000	230,000		230,000	
Beaufort County EMS	137,048				
Washington Park Fire/EMS	36,880				
Fire/Inspection Fees	600	600	600		
Fire Permit Fees	4,000	4,000	4,000		
Fire Contracts	1,600	1,600	1,600		
Rescue Squad Charges	<u>585,000</u>	<u>585,000</u>	<u>0</u>	<u>585,000</u>	
Total	995,128	821,200	6,200	815,000	
Expenditures:					
Fire	788,622	788,622	788,622		
EMS	<u>1,687,406</u>	<u>1,687,406</u>	<u>0</u>	<u>1,687,406</u>	
Total	2,476,028	2,476,028	788,622	1,687,406	
Net Cost	(1,480,900)	(1,654,828)	(782,422)	(872,406)	
Residents	9,740	9,740			451
Net cost/resident- current contract	152	170	80	90	75
Net Cost:					
Current contract rate	1,480,900	1,654,828	782,422	872,406	33,847
At City resident rate					<u>76,625</u>
Difference					42,778

Contract Renewal:

Washington Park Recap

	Annual \$	Change	\$/Resident	% of Full Cost
2013/2014	33,846.71		75	44%
2014/2015	37,231.38	3,384.67	83	49%
2015/2016	37,976.01	744.63	84	50%
2016/2017	38,735.53	759.52	86	51%
2017/2018	39,510.24	774.71	88	52%

Mayor
Mac Hodges

City Manager
Brian M. Alligood



Washington City Council

Larry Beeman
Richard Brooks
Doug Mercer
William Pitt
Bobby Roberson

MEMORANDUM

To: Brian Alligood, City Manager
From: Keith Hardt, P.E., Electric Utilities Director
Ref: Discussion Item for 12 May 2014 Council Agenda
Date: 5 May 2014

Please include on the City Council 12 May 2014 Regular Meeting Agenda for discussion.

Brian Alligood, Bob Heuts and I met with Kevin Boyd of Pronamics on 30 April 2014 to discuss a number of issues regarding power supply to the facility. One discussion item was the ability of Pronamics to participate in the City's generation load management program.

The City has installed, owned, and operated diesel generators on industrial and large commercial customer properties for use in our peak shaving activities. For the ability to operate these generators on customer properties a monthly credit is offered to the customer if their electrical load is reduced during our billing demand period.

Although the City is limited in the amount of total general peak shaving generation installed, the Pronamics project will not affect our generation limit due to additional NCEMPA generation allocation for economic development.

The estimated cost for a peak shaving generator at Pronamics is \$250,000. Based on the estimated generation size and our current rate schedule the credit to Pronamics will be approximately \$10,000 annually. The net savings to the city (including customer credits, fuel and O&M) before debt service will be approximately \$35,000. The debt service on the installed cost is approximately \$53,000 per year for five years. The difference in the annual savings and debt service expense can be recovered with the NCEMPA Economic Development rider and potential job creation grants.



REQUEST FOR CITY COUNCIL ACTION

To: Mayor Hodges & Members of the City Council
From: Mike Whaley
Date: May 2, 2014
Subject: 3rd Street Baseball Bathroom and repairs to JC Tayloe Dugouts
Applicant Presentation: N/A
Staff Presentation: Matt Rauschenbach

RECOMMENDATION:

I move that City Council award the bid to build a new 3rd Street bathroom at the baseball field on 3rd Street with a concession room, repair JC Tayloe Dugouts, and approve corresponding purchase order to Lyon Custom Builders.

BACKGROUND AND FINDINGS:

<u>Vendor</u>	<u>Cost</u>	<u>Delivery</u>
Lions Custom Builders	\$57,930.00	75 Working Days from Start

PREVIOUS LEGISLATIVE ACTION

FISCAL IMPACT

Currently Budgeted (Account 10-40-6130-7400) Requires additional appropriation
 No Fiscal Impact

SUPPORTING DOCUMENTS

Bid Tab Sheet

City Attorney Review: _____ Date By: _____ (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review: Concur _____ Recommend Denial _____ No Recommendation

5/6/14 Date
 May 12, 2014
 Page 108 of 121

BID TABULATION

Bid for: 3rd Street Bathroom
Date: May 2, 2014

=====

<u>Item</u>	<u>Description</u>	<u>Horton Contractors</u>	<u>Turning Point</u>	<u>Lyons Custom Builders</u>	<u>Mosley Construction</u>
1	3rd Street Bathroom	\$49,200.00	\$65,671.04	\$38,000.00	\$55,979.00
2	Optional Concession Room	\$15,100.00	\$16,902.76	\$12,530.00	\$11,431.00
3	Option 3 Dug Outs	\$6,800.00	\$11,607.00	\$7,400.00	\$6,410.00
	Total	\$71,100.00	\$94,180.80	\$57,930.00	\$73,820.00

Recommendation: Lyons Custom Builders to do entire job.

Signed: Michael Whaley



REQUEST FOR CITY COUNCIL ACTION

To: Mayor Hodges & Members of the City Council
From: Matt Rauschenbach, C.F.O./Administrative Services Director
Date: May 12, 2014
Subject: Adopt Budget Ordinance for Fiscal Year 2014-2015, Set Ad Valorem Tax Rate and User Fee Schedule
Applicant Presentation: N/A
Staff Presentation: Matt Rauschenbach

RECOMMENDATION:

I move that City Council adopt the Budget Ordinance for Fiscal Year 2014-2015, set the 2014 Advalorem Tax rate at \$0.50 per \$100.00 value with \$.01929 designated for the Public Safety Capital Reserve, and set the user fee schedule included in the appendix of the budget.

BACKGROUND AND FINDINGS:

Attached is the Budget Ordinance for Fiscal Year 2014-2015, totaling \$59,758,023. This ordinance appropriates the following amounts in the funds listed for operational expenses during the fiscal year:

General Fund	\$14,128,504
Water Fund	3,036,749
Sewer Fund	3,195,289
Storm Water Management Fund	630,755
Electric Fund	36,392,286
Airport Fund	309,751
Solid Waste Fund	1,298,071
Cemetery Fund	326,948
Library Trust Fund	700
Cemetery Trust Fund	2,000
Public Safety Capital Reserve Fund	166,970
Economic Development Capital Reserve Fund	156,000
Water Capital Reserve Fund	0
Sewer Capital Reserve Fund	0
Facade Fund	20,000
Internal Service Fund	<u>94,000</u>
Grand Total	\$59,758,023

PREVIOUS LEGISLATIVE ACTION

FISCAL IMPACT

Currently Budgeted (Account _____) Requires additional appropriation
 No Fiscal Impact

SUPPORTING DOCUMENTS

Annual budget
Budget Ordinance

City Attorney Review: _____ Date By: _____ (if applicable)
Finance Dept Review: _____ Date By: _____ (if applicable)
City Manager Review: Conc Concur _____ Recommend Denial _____ No Recommendation
5/6/14 Date

CITY OF WASHINGTON, NORTH CAROLINA
BUDGET ORDINANCE FOR FISCAL YEAR 2014-2015

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

Section 1. The following amounts are hereby appropriated for the operation of the City of Washington government and its activities for the fiscal year beginning July 1, 2014, and ending June 30, 2015, according to the following schedules:

Schedule A. General Fund

General Government	
City Council	56,075
Mayor	12,885
City Manager	320,506
TDA Director	107,993
Human Resources	309,709
Finance	528,087
Purchasing	138,131
Information Systems	259,519
Billing	166,381
Customer Services	626,093
Planning/Zoning	354,582
Code Enforcement	296,869
Legal	145,000
Economic Development	149,500
Miscellaneous	876,363
Debt Service	260,327
Contingency	0
Public Safety	
Police	2,961,864
E-911 Communication	398,415
Fire	766,227
Emergency Medical Services	1,612,933
Public Works	
Administration	77,297
Municipal Building	166,842
Equipment Services	129,691
Street Maintenance	460,298
Powell Bill	316,047
Street Lighting	128,500
Storm Water Improvements	308,712
Parks & Grounds Maintenance	530,360

Cultural and Leisure	
Brown Library	435,551
Recreation Administration	155,451
Recreation Events & Facilities	176,075
Senior Programs	203,305
Waterfront Docks	127,400
Civic Center	147,867
Aquatic Center	310,599
Agency Contributions	<u>107,050</u>
Total General Fund Appropriations	\$14,128,504

Schedule B. Water Fund

Debt Services	0
Miscellaneous	906,099
Administration	109,075
Water Meter Services	259,558
Water Treatment	1,345,284
Water Distribution Maintenance	278,993
Water Distribution Construction	127,750
Contingency	<u>9,990</u>
Total Water Fund Appropriations	3,036,749

Schedule C. Sewer Fund

Debt Service	350,871
Miscellaneous	725,324
Administration	106,741
Wastewater Collection Maintenance	247,275
Wastewater Collection Construction	213,698
Wastewater Treatment	1,208,363
Wastewater Stations	340,563
Contingency	<u>2,454</u>
Total Sewer Fund Appropriations	3,195,289

Schedule D. Storm Water Management Fund

Debt Service	517,085
Operations	103,361

Nutrient Control	7,100
Contingency	<u>3,209</u>
Total Storm Water Management Fund Appropriations	630,755

Schedule E. Electric Fund

Debt Service	391,635
Miscellaneous	2,173,876
Administration	314,814
Utility Communications	283,295
Electric Meter Services	565,255
Purchase Power	27,389,868
Substation Maintenance	1,188,038
Load Management	208,902
Power Line Maintenance	1,387,423
Power Line Construction	2,438,143
Contingency	<u>51,037</u>
Total Electric Fund Appropriations	36,392,286

Schedule F. Airport Fund

Operational Expenses	309,751
Contingency	<u>0</u>
Total Airport Fund Appropriations	309,751

Schedule G. Solid Waste Fund

Debt Service	23,936
Solid Waste Operations	1,274,135
Contingency	<u>0</u>
Total Solid Waste Fund Appropriations	1,298,071

Schedule H. Cemetery Fund

Debt Service	6,752
Operational Expenses	320,196
Contingency	<u>0</u>
Total Cemetery Fund Appropriations	326,948

Schedule I. Library Trust Fund

Administration Charges to General Fund for Library Operations	<u>700</u>
Total Library Trust Fund Appropriations	700

Schedule J. Cemetery Trust Fund

Administration Charges to Cemetery Fund for Operations	<u>2,000</u>
Total Cemetery Trust Fund Appropriations	2,000

Schedule K. Public Safety Capital Reserve Fund

Transfer to General Fund	<u>166,970</u>
Total Public Safety Capital Reserve Fund Appropriations	166,970

Schedule L. Economic Development/Capital Reserve Fund

Transfer to General Fund	153,500
Contingency	<u>2,500</u>
Total Economic Development/Capital Reserve Fund Appropriations	156,000

Schedule M. Water Capital Reserve Fund

Transfer to Water Fund	<u>0</u>
Total Water Capital Reserve Fund Appropriations	0

Schedule N. Sewer Capital Reserve Fund

Transfer to Sewer Fund	<u>0</u>
Total Sewer Capital Reserve Fund Appropriations	0

Schedule O. Facade Fund

Economic Development-Facade Grant	<u>20,000</u>
Total Facade Fund Appropriations	20,000

Schedule P. Internal Service Fund

Worker's Compensation Claim Payments	<u>94,000</u>
Total Internal Service Fund Appropriations	94,000

Total Appropriations for all Funds \$59,758,023

Section 2. It is estimated that the following revenue will be available during the year beginning July 1, 2014, and ending June 30, 2015, to meet the foregoing appropriations according to the following schedule:

Schedule A. General Fund

Ad Valorem Taxes	4,359,618
Other Taxes & Licenses	2,506,319
Unrestricted Intergovernmental Revenue	1,894,749
Restricted Intergovernmental Revenue	672,658
Permits & Fees	90,170
Sales and Services	909,175
Investment Earnings	40,000
Miscellaneous	35,161
Transfers From	902,965
Administrative Charges	2,325,906
Long Term Debt Issued	0
Fund Balance Appropriated	<u>391,783</u>
Total General Fund Revenues	14,128,504

Schedule B. Water Fund

Water Charges	80,360
Sales and Services	2,930,000
Interest Earnings	8,000
Miscellaneous	1,000

Installment Note Proceeds	0
Rents	17,389
Transfer from Water Capital Reserve	0
Fund Balance Appropriated	0
Total Water Fund Revenues	<u>3,036,749</u>

Schedule C. Sewer Fund

Wastewater Charges	29,273
Sales and Services	3,000,000
Interest Earnings	10,000
Assessments	8,397
Loan Proceeds	0
Fund Balance Appropriated	147,619
Total Sewer Fund Revenues	<u>3,195,289</u>

Schedule D. Storm Water Management Fund

Interest Earnings	1,500
Storm Water Charges	495,209
Interest Rebates (RZEDB)	82,688
Other Fees	8,500
Fund Balance Appropriated	42,858
Total Storm Water Management Fund Revenues	<u>630,755</u>

Schedule E. Electric Fund

Electric Charges	34,461,978
Sales and Services	499,600
Interest Earnings	22,000
Miscellaneous	73,000
Installment Note Proceeds	1,175,000
Administration Charges From Other Funds:	
Water	107,060
Sewer	<u>53,648</u>
Total Electric Fund Revenues	<u>36,392,286</u>

Schedule F. Airport Fund

Rentals	60,533
Sales & Services	167,555

Interest	400
Grants	0
Transfer from General Fund:	
General Fund	81,263
Fund Balance Appropriated	<u>0</u>
Total Airport Fund Revenues	309,751

Schedule G. Solid Waste Fund

Interest Earnings	1,000
Solid Waste Tax	5,500
Fees	1,250,247
Fund Balance Appropriated	<u>41,324</u>
Total Solid Waste Fund Revenues	1,298,071

Schedule H. Cemetery Fund

Interest Earnings	0
Sales & Services	159,908
Transfer from G/F	165,040
Adm. Charges from Cemetery Trust	<u>2,000</u>
Total Cemetery Fund Revenues	326,948

Schedule I. Library Trust Fund

Interest Earnings	<u>700</u>
Total Library Trust Fund Revenues	700

Schedule J. Cemetery Trust Fund

Interest Earnings	<u>2,000</u>
Total Cemetery Trust Fund Revenues	2,000

Schedule K. Public Safety Capital Reserve Fund

Transfer From General Fund	166,970
Fund Balance Appropriated	<u>0</u>
Total Public Safety Capital Reserve Fund Revenues	166,970

Schedule L. Economic Development /Capital Reserve Fund

Payments From Other Funds	<u>156,000</u>
Total Economic Development/Capital Reserve Fund Revenues	156,000

Schedule M. Water Capital Reserve Fund

Impact Fees	0
Interest Earnings	0
Fund Balance Appropriated	<u>0</u>
Total Water Capital Reserve Fund Revenues	0

Schedule N. Sewer Capital Reserve Fund

Impact Fees	0
Interest Earnings	0
Fund Balance Appropriated	<u>0</u>
Total Sewer Capital Reserve Fund Revenues	0

Schedule O. Façade Fund

Transfer from G/F	<u>20,000</u>
Total Façade Fund Revenues	20,000

Schedule P. Internal Service Fund

Payments from Funds	44,000
Fund Balance Appropriated	<u>50,000</u>
Total Internal Service Fund Revenues	94,000

Total Estimated Revenues for all Funds

\$59,758,023

Section 3. There is hereby levied the following rate of tax on each one hundred dollars (\$100.00) valuation of estimated taxable property listed for taxes as of January 1, 2014, for the purpose of raising the revenues from property taxes, as set forth in the foregoing estimates, and in order to finance the foregoing appropriations:

General Fund

Total Rate per \$100 of

Valuation of Taxable Property .50

Such rate of tax is based on an estimated total assessed valuation of property tax for the purpose of taxation of \$865,681,702 with an estimated rate of collections of ninety-three percent (94.21%).

Section 4. Some estimates of revenue other than the property tax exceed the amount actually realized in cash from each source in the preceding fiscal year, but the facts warrant the expectations that in each case the estimated amount will actually be realized in cash during the budget year.

Section 5. Appropriations are authorized by department totals. The Finance Officer is authorized to reallocate departmental appropriations among various line item objects of expenditures and revenues as necessary during the budget year. The City Manager is authorized to reallocate appropriations among the various departmental totals of expenditures within the General Fund, Water Fund, Sewer Fund, Electric Fund, Storm Water Management Fund, Airport Fund, Solid Waste Fund, and Cemetery Fund as allowed by North Carolina General Statute 159-15. Any such transfers between departments shall be reported to the City Council at its next regular meeting following the transfer and shall be entered into the official minutes of the City of Washington.

Section 6. Copies of this ordinance shall be filed with the Finance Director of the City of Washington, to be kept on file by him for his direction in the disbursement of City funds.

Section 7. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 8. This ordinance shall become effective July 1, 2014.

Adopted this the 12th day of May, 2014.

MAYOR

ATTEST:

CITY CLERK