



City of  
**Washington**  
NORTH CAROLINA  
Council Agenda  
DECEMBER 14, 2015  
5:30 PM

Opening of Meeting

Nondenominational Invocation

Roll Call

Approval of minutes from November 23, 2015 (**page 3**)

Recognition: Dare Wiley –Certification

Recognition: Washington High School Soccer Team

Approval/Amendments to Agenda:

I. Consent Agenda:

A. Adopt – Budget Ordinance Amendment for the FY 2015-2016 Mid-East Commission Area Agency on Aging Grant (**page 19**)

B. Accept - the Revised FY 2014-2015 Annual Grant from Mid-East Commission Area Agency on Aging (**page 21**)

II. Comments from the Public:

III. Public Hearing 6:00PM– Zoning: None

IV. Public Hearing 6:00PM - Other: None

V. Scheduled Public Appearances: None

VI. Correspondence and Special Reports:

A. Memo – Budget Transfer – General Fund (**page 29**)

VII. Reports from Boards, Commissions and Committees: None

VIII. Old Business:

A. Accept/Approve - plans by Cunningham Recreation for the Havens Gardens “Play Together” Grant Project (**page 31**)

  
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- B. Authorize – Mayor to execute the Rural Economic Development Grant Agreement, Legally Binding Commitment and associated legal documents for the Rural Infrastructure Grant: Hotel Project – New Age Properties Group, LLC and Adopt a Grant Project Ordinance **(page 39)**
- C. Authorize/Adopt – Staff to accept a change order from Etheridge Roofing for the 7<sup>th</sup> Street Gym roof replacement project, and Adopt a Budget Ordinance Amendment **(page 73)**
- D. Approve – Purchase and Purchase Order of AMR water meters from Miller Supply Co., Inc. **(page 81)**
- E. Authorize – City Manager to sign agreement with Willie Allen D/B/A Outback Outfitters & Guide Service to reduce deer population at Washington-Warren Airport **(page 83)**
- F. Declare – Election results official and seats to be vacant

RECESS

- IX. New Business:
  - A. Administration of Oaths – Senior Resident Superior Court Judge for the Second Judicial District - Wayland Sermons
  - B. Nomination of Mayor Pro tem
  - C. Adopt - FY2016-2017 Budget Schedule **(page 93)**
- X. Appointments:
  - A. Appointment – of Council Liaisons/Representatives for Boards, Commissions and Committees **(page 95)**
- XI. Any other items from City Manager: None
- XII. Any other business from the Mayor or other Members of Council: None
- XIII. Closed Session: Under NCGS § 143-318.11 (a)(6) Personnel; (a)(3) Attorney/Client Privilege, 143-318.11(a)(1) Disclosure of Confidential Information, and 143-318.10(E) the Public Records Act
- XIV. Adjourn – Until Monday, January 11, 2016 at 5:30 pm, in the Council Chambers

The Washington City Council met in a regular session on Monday, November 23, 2015 at 5:30pm in the City Council Chambers at the Municipal Building. Present were: Mac Hodges, Mayor; Doug Mercer, Mayor Pro tem; William Pitt, Councilman; Richard Brooks, Councilman; Larry Beeman, Councilman; Bobby Roberson, Interim City Manager; Cynthia S. Bennett, City Clerk and Franz Holscher, City Attorney.

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

**APPROVAL OF MINUTES:**

By motion of Mayor Pro tem Mercer, seconded by Councilman Brooks, Council approved the minutes of November 9, 2015 as presented.

**RECOGNITION:**

Patrol Officer Chad Spinner, Washington Police Department was recognized as Law Enforcement Officer of the Year. Officer Chad Spinner received the Large Department award by the Beaufort County Police Activities League for employees who have gone above and beyond the call of duty as officers of the law or first responders.



Katie Lake was recognized as Volunteer/President of the Friends of Brown Library and was awarded the Frannie Ashburn Volunteer of the Year Award for the Northeast Region. This award is presented to one person in each of the five areas of the state by State Friends of Public Libraries. Ms. Lake has spent many hours on the annual book sale which provides funding sources for various improvements to Brown Library.



**APPROVAL/AMENDMENTS TO AGENDA:**

Mayor Hodges reviewed the requested amendments to the agenda:

- Add under Scheduled Public Appearances: John Fleming – Beaufort County EMS
- Remove Old Business Item A: Discussion – Gerrymandering and Redistricting

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

**CONSENT AGENDA:**

By motion of Councilman Pitt, seconded by Councilman Beeman, Council approved the Consent Agenda as presented.

- A. **Accept** – Annual Grant from Mid-East Commission Area Agency on Aging  
 \* The Grace Martin Harwell Senior Center has been awarded the annual grant to support and promote senior health and general Senior Center operations in the amount of \$32,209.00 with a \$6,103.00 cash match. The estimated grant revenue, appropriations, as well as the cash and in kind matches were budgeted in the FY 15-16 original budget. These estimated numbers now need to be adjusted to the funds actually awarded.
- B. **Approve** – the use of Talbert and Bright for Future Airport Engineering and Planning Services

**COMMENTS FROM THE PUBLIC:**

Rebecca Clark & Scott Campbell spoke to Council regarding the Wayfinding Plan that began over three years ago. They asked Council to allow the Planning Department to proceed with the project and to approve the signage as it was previously presented and for Council to release the funds that were already approved for the Wayfinding Plan. They explained that the Wayfinding Plan is critical for visitors and potential residents in order to allow them to feel welcome in our downtown area.

Howard Tanner – 209 Inda Way, asked when the area around the Chamber of Commerce would be cleaned up. Mayor Hodges explained that the Chamber is winding up their project and that area should be cleaned up soon. Mr. Tanner also asked Council not to pursue the project involving the former Hotel Louise property.

**SCHEDULED PUBLIC APPEARANCES:**

John Flemming, Director of Beaufort County's EMS program, updated Council regarding EMS/Paramedic services. He noted there could be times when paramedics respond to areas usually covered by other EMS providers. Mr. Fleming stated, "Our goal is to provide a paramedic-level unit to any citizen inside of Beaufort County in a reasonable amount of time. We're moving forward with that process. On Jan. 18, we plan to go live with a full paramedic-level ambulance in the Bath Township. We plan to go live with two quick-response vehicles with paramedic-level services, one on the south side of the river in the Blounts Creek area and one on the north side of the river to service Pantego and the Pinetown area to provide paramedic services. This is the first step in the process."

Funding provided by Vidant Health is being used to provide paramedic service in areas of Beaufort County that do not have it. Those areas comprise about a quarter of Beaufort County. Mr. Fleming explained, "Our future is we're going to provide paramedic-level service, like you have here in the City of Washington, to every resident, whether a resident of the city or the county, that requires a paramedic at any time."

Mayor Pro tem Mercer asked Mr. Flemming if the county's EMS program would continue to rely on volunteers to provide transport for patients first treated by paramedics who answer EMS calls with quick-response vehicles, which are not fully equipped as EMS ambulances. Mr. Fleming answered, "Yes, sir. Our volunteer system is still a strong, integral part of this EMS system. So, either a volunteer truck or the next closest (paid-crew) truck to that paramedic QRV will provide that transport." Earlier this month, the Beaufort County Board of Commissioners approved 16 new hires that should ensure all county residents have access to paramedic-level service.

Mr. Fleming also discussed the plans for emergency medical dispatch and the tentative “go live date” of January 5, 2016.

**CORRESPONDENCE AND SPECIAL REPORTS:  
DISCUSSION - GRANT UPDATES (approved as presented)**

Grant Executive Summary  
as of 10/31/2015

Active Fund	Grant Description	Dates			Financials				Deliverable			Notes	
		Award	Expiration	Completion	Budget	Actual	Budget	Actual	Metric	Total	Achieved		Est.
50	CDBG Affordable Housing	04/09/10	10/31/14	09/30/15	227,700	185,719	227,700	185,719	LMI homes	10	7	3	Close grant Nov. 9, \$55,716 drawback paid, WHA reimbursing City
51	Trillium Health Play Together	09/18/15	06/30/16		225,000	-	225,000	-					Design being developed, public input session Nov. 23
53	Downtown Development				85,500	13,000	85,500	38,876					Options to purchase executed, phase II complete, DR presentation 11/23
55	idX/Impressions NC One Grant	09/30/13	09/30/16		300,000	-	300,000	-	Jobs/Investment	160	0	160	Jobs created but not since award date
59	idX Building Reuse	12/18/14	12/18/16		512,500	4,000	512,500	2,500	Jobs/Investment	50		50	Construction not begun, request extension. Job creation in progress.
61	Pedestrian Plan Grant	05/20/13	09/30/15	12/31/14	10,000	10,000	10,000	-					Committee formed and meeting monthly
66	Airport Terminal Grant	04/04/13	07/01/15	03/31/15	1,254,488	1,251,211	1,254,488	1,224,416					Final expenditure being disbursed
67	Facade Grant Program	07/01/15	06/30/16		26,000	-	20,000	-					Two pending, 3 reimbursed (2 from prior year)
69	Way Finding			04/01/15	150,000	150,495	150,000	20,813					Phase 1 signage contract on hold until February 2016
71	Airport Lighting Rehab				460,121	84,815	460,121	254,365					Construction begun, complete by Nov 30th
72	Municipal Pier Access Grant	07/01/14	11/30/15		135,000	15,000	135,000	31,500					Construction begun, complete by Nov 30th
74	Sewer I&I rehab/CWSRF	06/03/15			2,000,000	-	2,000,000	12,120					Preliminary engineering underway
76	EDA Water Projects	09/11/13	08/11/17	02/28/17	1,428,262	706,133	1,428,262	768,732					Expected completion end of December
77	EDA Sewer Grants	09/11/13	08/11/17	02/28/17	1,423,894	703,874	1,423,894	482,563					Expected completion end of December
	CDBG Keyville Rd.	2005	6/4/2013	06/30/15	320,000	320,000	320,000	320,000					Lot 2 LMI qualifies, closing conducted 9/10/15
10	Historic Preservation Grant	07/01/14	08/21/15		15,000	-	15,000	15,000					Draft National Register nomination completed, file for reimbursement

Applications/Awards	Pre-App	Selected	Final App	Grant	Match	Total	Notes
Recreation Trails Program	7/14/15			19,500	6,500	26,000	Partnered with Sound Rivers
Project Hotel- New Age Properties				100,000	106,400	206,400	Awarded Aug. 21, writing on grant agreement, developer pays match

Councilman Pitt asked for an update on the Trillium Grant. Kristi Roberson explained that a public input meeting was held on Saturday (11-21-15) regarding park upgrades. A final design should be ready by the end of December.

**DISCUSSION – PROJECT UPDATES (approved as presented)**

Fund/Department	Account	Description	Budget \$	Spent	Open PO	Balance	Status	Notes
<b>General Fund:</b>								
Finance	10-00-4130-7400	Financial Software	50,000	0	0	50,000	Evaluating vendors, software demos	
Purchasing	10-00-4131-7400	Parking lot 1/3	75,000	0	27,888	2,112	Bid awarded, begin construction November	
		Lighting	32,530	0	0	32,530	Go out for bid	
IT	10-00-4132-7400	Network switches	12,306	6,537	5,259	510	In progress	
Police	86-60-4990-4310	Vehicles 4136,142,160,2164	142,000	0	105,110	36,590	On order	
Fire	10-10-4841-7400	Defibrillator	30,000	0	28,304	1,696	On order	
	86-60-4990-4340	Fire Engine 1	450,000	0	0	450,000	Go out for bid	
	86-60-4990-4341	EMS Truck 1	150,000	149,049	0	951	Complete	
Code Enforcement	86-60-4990-4350	Vehicle #121	20,000	0	22,508	(2,508)	On order, budget transfer to repl fund	
Powell Bill	10-20-4511-4500	Street Paving	61,639	4,925	2,752	53,962		
Street Maintenance	86-60-4990-4516	Dump truck #455	75,000	0	64,706	10,294	On order	
Rec. Administration	10-40-6123-7400	Bobby Andrews Roof	54,000	0	47,575	6,425	Work to begin November	
Senior Center	10-40-6123-7400	HVAC	6,500	0	0	6,500	Bld in November	
Rec. Maintenance	10-40-6180-7400	Greenthopper mower	11,000	11,000	0	0	Complete	
		Ballfield rake	13,000	12,983	0	17	Complete	
<b>Total General Fund</b>			<b>1,132,975</b>	<b>184,494</b>	<b>298,402</b>	<b>649,079</b>		
<b>Water:</b>								
Miscellaneous	30-90-6610-7400	Network switches	12,306	6,537	5,259	510	In progress	
	30-90-6610-7400	GIS 1/2	17,100	0	0	17,100	Planning for project begun	
	30-90-6610-7400	Utility billing software	18,182	0	0	18,182	Evaluating vendors	
Treatment	90-90-8100-7400	Vehicle #550	28,000	0	27,963	37	On order	
Maintenance	30-90-8140-7400	Vehicle #418	24,000	0	23,614	386	On order	
<b>Total Water Fund</b>			<b>94,588</b>	<b>6,537</b>	<b>56,836</b>	<b>31,215</b>		
<b>Sewer:</b>								
Miscellaneous	32-90-6610-7400	Network switches	12,306	6,537	5,259	510	In progress	
	32-90-6610-7400	GIS 1/2	12,100	0	0	12,100	Planning for project begun	
	32-90-6610-7400	Utility billing software	18,182	0	0	18,182	Evaluating vendors	
Treatment	32-90-8220-7400	Vehicle #551	27,000	6,256	19,994	751	Received in November	
	32-90-8220-7400	Video surveillance system	25,000	0	0	25,000	In place February 2016	
LIR Stations	32-90-8230-7400	Springs Rd panel A	20,000	0	0	20,000	In place February 2016	
	32-90-8230-7400	Springs Rd panel B	20,000	0	0	20,000	In place February 2016	
<b>Total Sewer Fund</b>			<b>134,588</b>	<b>12,793</b>	<b>25,252</b>	<b>86,543</b>		

Fund/Department	Account	Description	Budget \$	Spent	Open PO	Balance	Status	Notes
<b>Storm Water:</b>								
	34-90-5710-7400	Drainage improvements	150,000	60	0	149,940	Engineering contract awarded	
	58-90-5710-4500	RZEDB-drainage improvemen	148,185	0	0	148,185	Engineering contract awarded	
		<b>Total Storm Water Fund</b>	<b>298,185</b>	<b>60</b>	<b>0</b>	<b>298,125</b>		
<b>Electric:</b>								
Electric Director	35-90-6610-7400	Network switches	12,306	6,537	5,259	510	In progress	
	35-90-6610-7400	Utility billing software	63,636	0	0	63,636	Evaluating vendors	
Electric Meter Service	35-90-7250-1500	Parking lot 1/3	25,000		22,888	2,112	Bld awarded, begin construction November	
	35-90-7250-7400	Meters	50,000				Not ordered yet	
		2015 PO's	19,855				Complete	
		Vehicle #655	25,000				Complete	
		<b>Total Electric Meter Svc.</b>	<b>119,855</b>	<b>41,360</b>	<b>22,888</b>	<b>55,607</b>		
Substation Maint.	35-90-8370-7400	Distribution reclosers	20,000				Partial order placed	
		Capacitors	8,000				Partial order placed	
		Statestone subst./recloser	20,000				Order in November	
		Forest Hills substation	42,760				On order, delivery due December 21	
	35-90-8370-7401	Main sub B3 breaker	50,000				On order, delivery due December 7	
		<b>Total Substation</b>	<b>140,760</b>	<b>23,713</b>	<b>67,297</b>	<b>49,750</b>		
Power Line Maintenance	35-90-8380-1500	Parking lot 1/3	25,000	0	22,888	2,112	Bld awarded, begin construction November	
Power Line Construction	35-90-8390-7400	Vehicle UTV	15,000				On order	
		2015 PO's	260,045				Line truck #617 \$235k	
	35-90-8390-7401	Grimesland Rd. Feeder	310,000				Engineering work begun	
		Vehicle #614	35,000				Received in November	
		Excavator #610	60,000				Complete	
		Vehicle #608	72,500				Order in November	
		<b>Total Power Line Construct</b>	<b>752,545</b>	<b>109,068</b>	<b>307,512</b>	<b>335,965</b>		
		<b>Total Electric Fund</b>	<b>1,114,182</b>	<b>189,678</b>	<b>425,844</b>	<b>507,580</b>		
Cemetery Fund	99-90-4740-7400	Vehicle #610	20,000	0	18,762	1,238	On order	
		Zoro turn mower	6,800	6,500	0	300	Complete	
		<b>Total Cemetery</b>	<b>26,800</b>	<b>6,500</b>	<b>18,762</b>	<b>1,538</b>		
<b>Grand Total</b>		<b>Grand Total</b>	<b>2,801,238</b>	<b>391,062</b>	<b>826,096</b>	<b>1,584,080</b>		

**REPORTS FROM BOARDS, COMMISSIONS AND COMMITTEES:**  
***HUMAN RELATIONS COUNCIL – (accepted as presented)***

**MISSION STATEMENT**

- To promote social and economic equality in the community, working with Local Government and other resources
- To appreciate the cultural and ethnic diversity of the citizens of Washington and Beaufort County
- To encourage citizens to live and work together in harmony and mutual respect

**INTRODUCTION OF NEWLY ELECTED MEMBERS:**

*Tammie Lawrence, Glenwood Horton, Patrick (Pat) Griffin*

**SCHEDULED PUBLIC APPEARANCES:** None

**OLD BUSINESS:**

*Discussion – Planning stages of Ed Peed ceremony – 3<sup>rd</sup> Saturday in February (2-20-2016):* Chairman St. Clair advised this is one of HRC's largest functions and it will be discussed thoroughly at the January 12, 2016 meeting. Councilman Pitt has requested inviting Greenville Public Safety Pipes and Drums to attend next year's event. Board members were tasked with ideas that would make the event better every year.

*Discussion – December 8, 2015 HRC meeting:* Due to lack of action items, by consensus, the Board agreed to cancel the December 8, 2015 meeting.

**NEW BUSINESS:** None

OTHER BUSINESS:

*FYI – All FYI items and reminders were discussed inclusive of the September 10, 2015 report submitted to City Council, financial report, and updated board members contact information.*

OPEN DISCUSSION:

*Updates provided by Kimberly Grimes, Police and Fire Services regarding the project “I Live Alone”. Ms. Grimes voiced the Police and Fire Services are accepting nonperishable items to be presented to clients as a display of love during the Holidays. Also, shopping with a safety officer will be held in December (tentative date scheduled for the 3<sup>rd</sup> Monday in December) and Terrance Copper will be supporting the event again this year.*

*Lt. Chrismon voiced the Police Department is still walking the community and meeting the citizens to help foster relationships. Crime prevention is ongoing and advised the Board to please talk to citizens about scamming and to be careful how you give out personal information. Community Watch program is ongoing and should we know of anyone interested in setting up a Community Watch program in their neighborhood the contact person is Ms. Grimes and she can be reached at 252-943-1715.*

**APPOINTMENTS:****HISTORIC PRESERVATION COMMISSION:**

By motion of Councilman Beeman, seconded by Councilman Brooks, Council appointed William Kenner to the Historic Preservation Commission, to fill the un-expired term of Stacey Thalmann, term to expire June 30, 2016.

**RECREATION ADVISORY COMMITTEE:**

By motion of Councilman Brooks, seconded by Councilman Beeman, Council appointed Neal Dixon to the Recreation Advisory Committee, to fill an un-expired vacant (outside) term. The term will expire June 30, 2017.

**OLD BUSINESS:****DISCUSSION – GERRYMANDERING AND REDISTRICTING (COUNCILMAN PITT)**  
(item removed from agenda per Councilman Pitt)**APPROVE – BUDGET ORDINANCE AMENDMENT TO FUND THE EMPLOYEE WELLNESS CLINIC FOR 6 MONTHS**

*(Background) The City of Washington spends almost \$1.3 million annually on medical expenses for its employees, dependents and retirees. In October 2014, to encourage a greater employee focus on health, the Council authorized the City to partner with Vidant a local health care provider to set up a free, drop-in wellness clinic at Fire Station 2, four (4) hours every other week. Utilization at the Wellness Clinic from October 2014 to June 2015 was approximately 32%. The low utilization was attributed to non-consistent weekly hours.*

*The City Council recognized the importance of good overall health to an effective, productive organization and decided on July 1, 2015 instead of offering to open the clinic every other week that the City would increase the hours to four (4) hours every week. The clinic was also relocated to City Hall for easy access for employees, which allowed for greater productivity, less time away from work for appointments, improved morale and an overall healthier workforce both physically, emotionally and mentally.*

*Utilization has increased 18% in the first 3 months of the increased hours. Vidant believes that the utilization increase is attributed to offering consistent weekly hours and identifying other services that can be offered. For example, the City is required to provide physicals and screenings in the course of an individual's employment. These services have been added to the clinic, making the clinic a one-stop shop. The Fire Department utilized the clinic this year for their annual physicals for 14 of 33 employees that received physicals. In the past, the Fire Department personnel would be away from work approximately 2-3 hours to complete their physicals in Greenville at a cost of approximately \$180.00 per physical. Vidant charged \$30.00 per physical and reduced time away from work from 3 hours to 30 minutes per employee. This resulted in a savings of approximately \$2,500 (physical costs and labor hours).*

*Feedback from employees who have used the clinic has been overwhelmingly positive and the City believes the clinic more than pays for itself. The wellness clinic is only one attribute to a comprehensive "Wellness Program" being offered to reduce medical costs to the employees and the city. Containing these costs through the clinic enables the City to devote resources to services that benefit the community while at the same time improving the overall physical and mental wellbeing of its own organization. (end)*

Mayor Pro tem Mercer noted that the Human Resources budget has approximately \$20,000 in it at the present time that is not encumbered. Why are we advancing from Fund Balance when there is adequate funds in the HR account to cover the expenses? Matt Rauschenbach explained that the funds in the HR budget was to cover six months of weekly clinics. The remaining funds in the HR budget are for other projects that have either already been spent or planned to be spent (biometrics screenings, health fair, health coaching, flu shots, etc.)

Mayor Pro tem Mercer said he doesn't want to advance money if there is money already in that account – when funds are low then come back and ask for more money. He continued by stating the program is doing a good job – his only question was about funding.

Stacey Christini explained that she received invoices today for the biometric screenings which cost over \$9,000 and we are currently waiting on invoices for flu shots.

By motion of Mayor Pro tem Mercer, seconded by Councilman Beeman, Council approved a budget ordinance amendment to fund the "Employee Wellness Clinic" for 6 months at the cost of \$12,480.00.

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE  
OF THE CITY OF WASHINGTON, N.C.  
FOR THE FISCAL YEAR 2015-2016**

**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 \$12,480 in the account Fund Balance Appropriated, account number 10-00-3991-9910.

Section 2. That account number 10-00-4125-4500, Wellness Program, Human Resources Department portion of the General Fund appropriations budget be increased in the amount of \$12,480 to provide funds for the weekly Vidant employee health clinic for the period of January through June 2016.

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 23<sup>rd</sup> day of November, 2015.

ATTEST:

s/Cynthia S. Bennett  
City Clerk

s/Jay MacDonald Hodges  
Mayor

**AUTHORIZE/ADOPT – RECREATION MANAGER TO ENTER AGREEMENT WITH ENGINEERING SOURCE OF NC, P.A. FOR PROFESSIONAL ENGINEERING SERVICES FOR REPLACEMENT OF HVAC EQUIPMENT AT THE MOORE AQUATIC & FITNESS CENTER AND ADOPT BUDGET ORDINGANCE AMENDMENT**

*(Background) The scope of services for this project includes providing Mechanical and Electrical design services for drawings and specifications for the replacement of the HVAC equipment at the Moore Aquatic and Fitness Center. The documents will be used to obtain bids for the replacement of the existing pool HVAC and Dehumidification unit.*

*The scope of services will include:*

*Biddable Permit Plans - \$4000.00*

*Submittal Review - \$300.00*

*Development of CAD floor plans - \$750.00*

*Submit an HVAC System Compliance Statement - \$1,850.00*

*\*Post Design Changes & Construction Administration will be charged by the hour. (end)*

Mayor Pro tem Mercer stated there is approximately \$12,000 in the HVAC maintenance/repair line item for the Moore Aquatic and Fitness Center. Why are funds being requested when there is still money left in the budget? Why is \$1850 set aside for a compliance statement that can't be completed until we decide what we plan to do with the HVAC system? Bobby Roberson explained that the proposal included the cost for the compliance statement. Councilman Pitt noted that if the funds aren't used, they will go back into Fund Balance.

By motion of Mayor Pro tem Mercer, seconded by Councilman Beeman, Council authorized the Recreation Manager to enter agreement with Engineering Source of NC, P.A. for Professional Engineering Services to replace the HVAC equipment at the Moore Aquatic & Fitness Center and approved the Budget Ordinance Amendment in an amount not to exceed \$5100 (reduced by \$1800 - excluded compliance statement).

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF WASHINGTON, N.C. FOR THE FISCAL YEAR 2015-2016**

**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 \$5,100 in the account Fund Balance Appropriated, account number 10-00-3991-9910.

Section 2. That account number 10-40-6126-0400, Professional Services, Aquatic Center Department portion of the General Fund appropriations budget be increased in the amount of \$5,100 to

provide professional engineering services for the replacement of the HVAC and dehumidification systems at the Aquatic Center.

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 23rd day of November, 2015.

ATTEST:

s/Cynthia S. Bennett  
City Clerk

s/Jay MacDonald Hodges  
Mayor

**APPROVE – THE PURCHASE AND PURCHASE ORDER FOR A 2015 PIERCE FIRE ENGINE FROM ATLANTIC EMERGENCY SOLUTIONS**

*(Background) Based on discrepancies of the actual year model of the of the previous fire engine approved for purchase by Council during the September 28, 2015 meeting, and inconsideration that this was inconsistent with the information originally provided to Council for consideration; we terminated that purchase transaction. Moving forward, we sent requests to seven vendors for bid proposals for in stock/demo units, and were also contacted by one additional vendor. After receiving proposals from the vendors and considering which options best meet our immediate needs, we are requesting the approval to purchase an in stock Pierce fire engine from Atlantic Emergency Solutions. This purchase will be through a piggyback in accordance with statute G.S. 143-129(g). The primary justification for this choice is that it’s design and specifications best meet the immediate needs of the department for a front line fire engine. (end)*

Mayor Pro tem Mercer discussed the discrepancies with the previously approved fire engine and said the information from C.W. Williams Co. was incorrect. Robbie Rose explained that the manufacturer made the error, not the dealership (C.W. Williams Co.). When the manufacturer sent the truck to the dealership our staff went over to make the inspection, that’s when we discovered the discrepancies in the title and the actual born-on date of the truck. It was inconsistent with the information previously presented to Council. The Pierce fire engine best meets the immediate needs of the department for a front-line fire engine, according to Rose.

By motion of Councilman Pitt, seconded by Councilman Brooks, Council approved the purchase and purchase order in the amount of \$448,995 for a 2015 Pierce Fire Engine from Atlantic Emergency Solutions.

**AUTHORIZE/APPROVE/ADOPT – STAFF TO ACCEPT A CHANGE ORDER TO B.E. SINGLETON & SONS FOR THE PARKING LOT PAVING CONTRACT, APPROVE THE CORRESPONDING PURCHASE ORDER, AND ADOPT A BUDGET ORDINANCE AMENDMENT**

*(Background) The aggregate base (gravel) underneath the existing parking lot is inadequate/nonexistent and was outside the scope of the paving project. This change order provides for adequate base material for the asphalt to be paved on. The slope of the new parking lot has been designed to realize savings from excluding storm drains to reduce the impact of this additional work. The change order is \$21,585.25 and requires an additional appropriation of \$15,250.25.(end)*

Original contract \$ 68,665.00  
 Change order 21,585.25  
 Total 90,250.25

Budget 75,000.00  
 Appropriation needed 15,250.25

Mayor Pro tem Mercer commented regarding cost of spreading and compacting old rock vs. new rock. Councilman Brooks stated that it appears the cost difference is due to some of the rock already being onsite, while the new rock has to be purchased, delivered and spread as they go. Frankie Buck explained 57 stone was used to backfill a trench where conduit was installed. The remaining stone that was purchased was stored on onsite. ABC stone is used under asphalt paving for the parking lot. Matt Rauschenbach explained that the difference in cost includes the purchase, delivery and spreading of the new stone.

11/13/2015 15:09  
 15077 City of Washington Warehouse ABC  
 \*\*\* Charlie

BidItem	Description	BID TOTALS				
		Status - Rnd	Quantity	Units	Unit Price	Bid Total
5	Storm Drain System	U	-2.000	EA	5,000.00	-10,000.00
10	Strip to Stockpile Exist. ABC	U	500.000	TN	4.30	2,150.00
20	Unclassified Excavation	U	420.000	CY	8.10	3,402.00
30	Place and Compact Existing ABC	U	500.000	TN	2.90	1,450.00
40	Place and Compact ABC	U	985.000	TN	24.45	24,083.25
50	57 Stone Delivered	U	2.000	LDS	500.00	1,000.00

Bid Total → \$22,085.25

Frankie took one load of 57 stone

←500.00

New TOTAL

\$21,585.25

By motion of Councilman Pitt, seconded by Councilman Beeman, Council authorized staff to accept the change order to BE Singleton & Sons for the warehouse parking lot project, approved the corresponding purchase order and adopted a Budget Ordinance Amendment.

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE  
 OF THE CITY OF WASHINGTON, N.C.  
 FOR THE FISCAL YEAR 2015-2016**

**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 \$5,084 in the account Fund Balance Appropriated, account number 10-00-3991-9910.

Section 2. That account number 10-00-4131-7400, Equipment Purchases, Warehouse Department portion of the General Fund appropriations budget be increased in the amount of \$5,084 for the parking lot project change order.

Section 3. That the following account numbers in the Meter Services, Power Line Maintenance, and Contingency departments of the Electric Fund appropriations budget be increased or decreased in the amounts indicated for the parking lot project change order:

35-90-7250-1500	Maint/repair building	\$ 5,084
35-90-8380-1500	Maint/repair building	5,083
35-90-9990-9900	Contingency	<u>(10,167)</u>
		0

Section 4. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 5. This ordinance shall become effective upon its adoption.

Adopted this the 23<sup>rd</sup> day of November, 2015.

**ATTEST:**

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

**s/Jay MacDonald Hodges**  
**Mayor**

**PUBLIC HEARING – ZONING: 6:00PM NONE**

**PUBLIC HEARING: OTHER:**

**ACCEPT/APPROVE – ACCEPT RECOMMENDATION OF THE HISTORIC PRESERVATION COMMISSION AND APPROVE AN AMENDMENT TO THE HISTORIC PRESERVATION DESIGN GUIDELINES – FENCES AND WALLS**

Mayor Hodges opened the public hearing. John Rodman explained that several months ago the Historic Preservation Commission met and appointed a sub-committee to consider the use of fences and walls in the historic district. The sub-committee met numerous times and drafted revised guidelines on fences and walls. In September 2015 a workshop was held with the Historic Commission to discuss and finalize the amended guidelines. A recommendation was made by the Historic Preservation Commission, at their November meeting to present the amended guidelines to City Council.

Councilman Pitt inquired when this portion of the guidelines were last reviewed. Mr. Rodman noted the guidelines were reviewed in 2009 and prior to that they were reviewed in 2003-2004.

Mayor Hodges called for comments from the public.

Dee Congleton – 210 Water Street, stated that the fence committee came up with several recommendations. One of the items the committee suggested would be a sheet showing different styles of fences. The applicant could select a style of fence from the sheet when going before the Historic Preservation Commission. Ms. Congleton noted that while true that stockade fences were used in prior years, the reasoning was for screening outhouses and maintaining livestock, this need no longer exists. The committee wants to make the area around one’s home more desirable. There are very few new regulations in the proposal – only 3 changes that were approved by the HPC. Ms. Congleton noted as the Chairwoman of the former fence committee, she would like the recommended changes to be approved by City Council.

Shirley Stone – 513 East 2<sup>nd</sup> Street explained that she owns three properties in the historic district. Many meetings were held by the fence committee and she’s asking that the revised guidelines be approved.

Jerry Creech – 527 W. 2<sup>nd</sup> Street, spoke in favor of the recommended changes and asked Council to approve the guidelines.

Pat Lewis – 409 East 2<sup>nd</sup> Street explained that she is in the process of trying to get a 6' privacy fence in the rear yard of her property. She noted that Beaufort, Wilmington and Edenton do allow 6" privacy fences in the rear yard of interior lots.

Don Stroud – 127 E. 2<sup>nd</sup> Street– President of Washington Area Historic Foundation commented that WAHF is asking for Council to adopt and support the new guidelines as proposed. The new proposed guidelines do not prohibit rear yard privacy fences.

David Carraway – 110 North Academy Street stated that on September 6, 2015 the fence committee presented the revised guidelines to the Historic Preservation Commission. Several members of the fence committee spoke to the need of the changes. There were also several members that questioned the need for the changes and spoke regarding the adverse effects the changes would have on property owners. Near the end of the September 6<sup>th</sup> HPC meeting, the Planning staff presented information received from the Department of Cultural Resources. The letter and PowerPoint presentation from John Wood and Scott Power (State Historic Preservation Office/Dept. of Cultural Resources) were presented to Council. Mr. Carraway asked Council to not take action tonight, but to allow themselves time to review and digest the information presented by the State Historic Preservation Office. He further asked the Council to direct the Historic Preservation Commission to focus on the condition of houses with the district and use the guidelines currently in place in order to enhance the beauty and charm of Washington's Historic District.

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

Mayor Pro tem Mercer stated that he has attended several HPC workshops where they discussed fences. He can't approve the proposed language as it is presented. He disagrees with several of the proposed changes. Such as: "The applicant shall also be present at the HPC meeting so they will be available for questioning by the Commission, neighbors, or members of the audience." The applicant comes to the HPC and should respond to questions from the HPC members, not their neighbors or members of the audience. "Fences must be painted or stained white", we shouldn't be telling property owners what color they should paint their fence. "Large dumpsters shall be surrounded on ALL sides by commercial grade vinyl or wood fencing, dark in color, and shall be no taller than 3" above the dumpsters." This will create a tremendous imposition on city staff when emptying the commercial trash receptacles because this suggested change will make the driver have to get out of the trash truck and open the gate in order to access the dumpster. "Areas south of Main Street, which have water views and vistas from the historic district from the water, shall not be allowed to block a view by constructing a privacy fence that exceeds four feet in height in the side or rear yard." Mayor Pro tem Mercer explained that as a property owner you are not guaranteed a view of the river when you purchase a home in the historic district.

Councilman Pitt stated that he has also attended several of the HPC meetings. When we begin over controlling we need to take a step back. This needs to go back to Historic Preservation Commission for additional review.

Councilman Brooks commented that some of language handicaps homeowners that are trying to improve their property, we need a better solution.

Councilman Beeman agreed with the comments made by other members of Council and had questions regarding the masonry requirement for retaining walls that are visible from a public right-of-way. The guidelines need to be sent back to the Historic Preservation Commission for further review.

By motion of Mayor Pro tem Mercer, seconded by Councilman Brooks, Council agreed to send the recommended amendments regarding the Historic Guidelines (Fences) back to the Historic Preservation Commission for further review.

**ADOPT – BUDGET ORDINANCE AMENDMENT FOR THE COMPLETION OF THE NC 32 RECONDUCTORING PROJECT**

Keith Hardt, Electric Utilities Director explained this item was budgeted in last year’s budget and the request is to bring the funds forward to complete project. The budget ordinance is for the completion of the NC 32 reconductoring project.

The construction estimate breakdown is as follows:

<u>Section 3</u>		<u>Section 4</u>	<u>Section 5</u>
Poles	\$29,500	\$34,000	\$31,000
Hardware	\$43,000	\$45,000	\$45,000
Conductor	\$33,000	\$35,000	\$32,000
Total	\$105,500	\$114,500	\$108,000

Mayor Pro tem Mercer commented that the request is to provide funds for purchase of materials—this is not in line with what we agreed to in October. We agreed to release the funds when purchase orders were presented for labor, not materials.

Keith Hardt explained that the package presented to Council in October was labor for the 5<sup>th</sup> Street & 2<sup>nd</sup> Street projects and the materials request was for the Hwy 32 project (City forces will be providing labor for the Hwy 32 project). The request is based on FY14-15 budget that had money set aside for materials for the Hwy 32 project.

Keith Hardt explained that the materials will be under \$20,000 as they only buy material for one mile of the project at the time due to storage capacity.

Councilman Pitt asked if this budget request will complete the project and inquired about the project completion deadline. Mr. Hardt answered that this will complete the project and the labor should be finished by the end of July 2016.

A motion was made by Mayor Pro tem Mercer to table this request until further review of the project and bring the funds forward when purchase orders are submitted. Motion dies for lack of second.

Councilman Brooks asked how long tabling the request delay the project. Mr. Hardt explained the project would be put on hold until Council approves Fund Balance appropriation.

By motion of Councilman Brooks, seconded by Councilman Beeman, Council approved the budget ordinance amendment for the NC 32 reconductoring project. Motion carried 3-1 with Councilman Mercer opposing.

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE  
OF THE CITY OF WASHINGTON, N.C.  
FOR THE FISCAL YEAR 2015-2016**

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

Section 1. That the following accounts of the Electric Fund revenue budget be increased or decreased by the respective amounts indicated for projects budgeted but not completed in 2014-2015:

35-90-3991-9910                      Fund Balance Appropriated                      \$ 330,000

Section 2. That the following accounts of the Electric Fund appropriations budget be increased or decreased by the respective amounts indicated for projects budgeted but not completed in 2014-2015:

35-90-8390-7400                      Capital Outlay    330,000

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 23<sup>rd</sup> day of November, 2015.

**ATTEST:**

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

**s/Jay MacDonald Hodges**  
**Mayor**

**AUTHORIZE – THE MAYOR TO EXECUTE AN ADMINISTRATIVE SERVICES  
AGREEMENT WITH THE MID-EAST COMMISSION TO CLOSE-OUT THE CDBG-HD 09-  
C-2050 NORTHGATE PROJECT**

*(Background) The Mid-East Commission has been engaged to close out the CDBG- HD 09-C-2050 Northgate Project. The public hearing for the grant closeout was held November 9<sup>th</sup>. (end)*

By motion of Councilman Pitt, seconded by Councilman Brooks, Council authorized the Mayor to execute an administrative services agreement with the Mid-East Commission to close out the CDBG-HD 09-C-2050 Northgate Project.

**AGREEMENT BETWEEN CITY OF WASHINGTON AND MID-EAST COMMISSION  
FOR ADMINISTRATIVE SERVICES  
NC CDBG-HD GRANT for “Northgate Project”**

THIS AGREEMENT, made the 23<sup>rd</sup> day of November, 2015, by and between the City of Washington, herein after referred to as CITY, and the Mid-East Commission, herein after referred to as the MEC.

WHEREAS, the CITY has received grant funding from the North Carolina CDBG for the “Northgate Project”;

WHEREAS, the CITY has need of administrative assistance to assist the CITY with closeout of the grant;

NOW, THEREFORE, the CITY and the MEC in consideration of mutual covenants hereinafter set forth, agree as follows:

**SECTION A**

The proposed administrative services shall include but not be limited to the following activities:

- Prepare and Submit Closeout Documentation

**SECTION B**

The MEC agrees to furnish personnel, equipment, and materials necessary to accomplish project administrative activities as needed and requested by the CITY.

**SECTION C**

The CITY shall furnish the consultant a copy of all project related documents.

**SECTION D**

The CITY shall compensate the MEC for administrative services a lump sum total of \$2,500. Payment shall be made upon presentation of an invoice by the MEC to the CITY.

IN WITNESS THEREOF they have executed this agreement.

**City of Washington**

s/Jay MacDonald Hodges, Mayor

**Mid-East Commission**

s/Bryant Buck, Executive Director

**NEW BUSINESS:**

**ADOPT/AUTHORIZE – BUDGET ORDINANCE AMENDMENT AND APPROVE THE ACCOMPANYING PURCHASE ORDER TO POWER SECURE, INC. FOR NESHAP TESTING AND EPA FILING**

*(Background) Our engineer made staff aware that we were due to file NESHAP air quality testing on five (5) of our peak shaving generators in January 2016, five (5) units in May 2016 and one (1) unit in October 2016. The accompanying purchase order covers the testing and EPA filing for all eleven (11) units. Staff recommends that all eleven (11) be completed as one project. If the unit due in October is not tested in this project the cost for that one unit will increase due to travel and expenses of the engineer. This will cover all 11 units under title 4 requirement. Other units are different sizes and don't fall under this monitoring system. (end)*

Councilman Beeman inquired if this would cover testing and EAP filing for all of our generators and Keith Hardt explained this only covers the eleven units that fall under the title 4 requirement. Mr. Hardt explained the smaller units do not require this type of monitoring.

By motion of Councilman Beeman, seconded by Councilman Brooks, Council adopted a budget ordinance amendment and approved the accompanying purchase order to Power Secure, Inc. in the amount of \$49,500.00 for engineering services related to NESHAP testing and EPA filing.

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF WASHINGTON, N.C. FOR THE FISCAL YEAR 2015-2016**

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

Section 1. That the following account numbers in the Load Management department of the Electric Fund appropriations budget be increased or decreased in the amounts indicated to provide funding for required NESHAP compliance tests of generators:

35-90-8375-4500	Contract Services	\$ 49,500
35-90-9990-9900	Contingency	<u>(49,500)</u>
		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 23rd day of November, 2015.

**ATTEST:**

s/Cynthia S. Bennett  
City Clerk

s/Jay MacDonald Hodges  
Mayor

**AUTHORIZE – REMOVAL OF THE TREE ADJACENT TO THE WASHINGTON BEAUFORT COUNTY CHAMBER OF COMMERCE**

*(Background) The Washington Beaufort County Chamber of Commerce has been making improvements to their property and the landscaper called to their attention the tree adjacent to their building, on the West side of their structure, is under stress and needs to be removed. The retaining wall is beginning to deteriorate and pieces are falling within the parking lot. Moreover, in the past several months, while outside crews have been working within this area limbs from the tree have fallen. The tree is located on city property and needs to be removed due to safety reasons. Once the existing tree is removed a replacement will be planted and the new tree recommended for the site is a Natchez Crepe Myrtle. The request will be forwarded to the Washington Historic Preservation Commission in order to remove the tree adjacent to their building. In addition, the City Council is to appropriate \$2,370.00 for the work described in the attached proposal #403.(end)*

By motion of Mayor Pro tem Mercer, seconded by Councilman Beeman, Council authorized the Washington Beaufort County Chamber of Commerce to complete a Certificate of Appropriateness on behalf of the City in order to remove the tree adjacent to their building.

Slade Landscaping, Inc.  
380 Mill Creek Lane  
Bath, NC 27808

**Estimate**

Date	Estimate #
11/11/2015	403

Description	Qty	Cost	Total
#1 Remove Wall 2 hrs @ \$25.00	2	50.00	250.00
#2 Remove damaged oak & stump Remove damaged oak & stump Equipment Labor 1.5 hrs @ \$75.00 General Labor 1.5 hrs @ \$35.00	1.5 1.5	1,050.00 52.50	1,050.00 112.50 52.50
#3 Slope & End area behind wall Tractor Labor 1.5 hrs @ \$75.00 General Labor 1.5 hrs @ \$35.00 Curb/pole not installed 70 yards @ \$3.30	1.5 1.5 90	75.00 52.50 297.00	112.50 52.50 281.55
#4 Install Tree Natchez Crepe Myrtle Sales Tax		375.00 0.00	375.00 0.00
<b>Total</b>			<b>83,179.00</b>

Name / Address
City of Washington

**APPROVE – PURCHASE ORDER TO ISLAND AUTOMATION P.C. TO REPLACE THE LIFT STATION PUMP CONTROL PANELS**

*(Background) Currently \$40,000 is budgeted for this project. Four invitations to bid were solicited and Island Automation was the only responsive bidder.(end)*

Mayor Pro tem Mercer inquired if the stated amount is for a “turnkey” job and Allen Lewis, Public Works Director stated that it was.

By motion of Councilman Pitt, seconded by Councilman Beeman, Council approved a \$39,985.63 purchase order to Island Automation P.C. to replace the pump control panels for lift stations A & B at Springs Road.

**ANY OTHER BUSINESS FROM CITY MANAGER: NONE**

**ANY OTHER BUSINESS FROM THE MAYOR OR OTHER MEMBERS OF COUNCIL:  
NONE**

**CLOSED SESSION: UNDER NCGS§143-318.11(a)(6) PERSONNEL, (a)(3) ATTORNEY/CLIENT PRIVILEGE, 143-318.11(a)(1) DISCLOSURE OF CONFIDENTIAL INFORMATION, AND 143-318.10(E) THE PUBLIC RECORDS ACT**

By motion of Councilman Pitt, seconded by Councilman Brooks, Council agreed to enter into closed session under NCGS § 143-318.11(a)(6) Personnel, (a)(3) Attorney/Client Privilege (a)(1) Disclosure of Confidential Records and 143-318.10 (e) the Public Records Act at 6:40PM

Mayor Pro tem Mercer asked for Council’s concurrence to allow Councilmember – elect Virginia Finnerty to join the closed session discussions. All were in favor.

By motion of Mayor Pro tem Mercer, seconded by Councilman Beeman, Council agreed to come out of closed session at 8:45pm.

**APPOINT BOBBY E. ROBERSON – CITY MANAGER**

By motion of Mayor Pro tem Mercer, seconded by Councilman Beeman, Council appointed Bobby E. Roberson as City Manager, effective January 1, 2016 and authorized the Mayor and the City Attorney to work out the details of the employment agreement for the Council’s approval.

**AUTHORIZE NEGOTIAION OF DUE DILIGENCE PERIOD**

By motion of Councilman Beeman, seconded by Councilman Brooks, Council authorized the Interim City Manager to negotiate and enter an amendment to the Belk Building contract in order to move the due diligence periods back.

**ADJOURN:**

By motion of Councilman Pitt, seconded by Councilman Brooks, Council adjourned the meeting at 8:50pm until Monday, December 14, 2015 at 5:30 pm, in the Council Chambers.

**(subject to approval of City Council)**

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



# REQUEST FOR CITY COUNCIL ACTION

**To:** Mayor Hodges & Members of the City Council  
**From:** Matt Rauschenbach, Administrative Services Director/C.F.O.  
**Date:** December 14, 2015  
**Subject:** Mid-East Aging Grant Budget Ordinance Amendment  
**Applicant Presentation:** N/A  
**Staff Presentation:** Matt Rauschenbach

**RECOMMENDATION:**

I move that City Council adopt a budget ordinance amendment for the Mid-East Aging Grant.

**BACKGROUND AND FINDINGS:**

The Mid-East Aging grant was accepted by Council during the November 23<sup>rd</sup> Council meeting and a budget ordinance amendment is necessary to adjust the budget accordingly.

**PREVIOUS LEGISLATIVE ACTION**

Grant acceptance November 23, 2015

**FISCAL IMPACT**

Currently Budgeted (Account \_\_\_\_\_)  Requires additional appropriation  
 No Fiscal Impact

**SUPPORTING DOCUMENTS**

Budget Ordinance Amendment

City Manager Review: MR Concur \_\_\_\_\_ Recommend Denial \_\_\_\_\_ No Recommendation  
12/8 Date

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE  
OF THE CITY OF WASHINGTON, N.C.  
FOR THE FISCAL YEAR 2015-2016**

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

Section 1. That the Estimated Revenues in the General Fund be decreased in the amount of \$471 in the account Mideast Grant - Recreation, account number 10-40-3621-3300.

Section 2. That the Estimated Revenues in the General Fund be increased in the amount of \$4,230 in the account Fund Balance Appropriated, account number 10-00-3991-9910.

Section 3. That the following account numbers be increased or decreased in the amounts indicated:

10-40-6123-0301	Part-time Salaries – Mid-East	\$ 449
10-40-6123-4504	Mid-East Grant – Ctr. Operations	1,370
10-40-6123-4501	Mid-East Grant – General Purpose HP	(4,000)
10-40-6123-4505	Mid-East Grant – Health Promotion/Disease Prevention	4,072
10-40-6123-4500	Mid-East Grant Match	<u>1,868</u>
		\$ 3,759

Section 4. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 5. This ordinance shall become effective upon its adoption.

Adopted this the 14<sup>th</sup> day of December, 2015.

\_\_\_\_\_  
**MAYOR**

**ATTEST:**

\_\_\_\_\_  
**CITY CLERK**



# REQUEST FOR CITY COUNCIL ACTION

**To:** Mayor Hodges & Members of the City Council  
**From:** Kristi Roberson, Parks & Recreation Manager  
**Date:** December 14, 2015  
**Subject:** Accept the revised 2014-2015 annual grant from Mid-East Commission Area Agency on Aging  
**Applicant Presentation:** N/A  
**Staff Presentation:** NA

**RECOMMENDATION:**

I move that the City Council accept the revised 2014-2015 grant from the Mid-East Commission Area Agency on Aging in the amount of \$32,635.00.

**BACKGROUND AND FINDINGS:**

The Grace Martin Harwell Senior Center was awarded the annual grant to support and promote senior health and general Senior Center operations for the 2014-2015 budget year. A revised contract was sent in the amount of \$32,635.00 with a \$6,221.00 cash match.

**PREVIOUS LEGISLATIVE ACTION**

**FISCAL IMPACT**

Currently Budgeted (Account \_\_\_\_\_)  Requires additional appropriation  
 No Fiscal Impact

**SUPPORTING DOCUMENTS**

Grant Agreement/Contract

July 1, 2014 through June 30, 2015

**Agreement for the Provision of County-Based Non-Unit Aging Services**

This Agreement, entered into as of this 1<sup>st</sup> day of July 2014, by and between the City of Washington Grace Martin Harwell Senior Center (hereinafter referred to as the "provider") and the Mid-East Commission Area Agency on Aging (hereinafter referred to as the "MEC").

Witnesseth That:

WHEREAS, the MEC and the provider agree to the terms and conditions for provision of aging services in connection with activities financed in part by Older Americans Act grant funds, provided to the MEC from the United States Department of Health and Human Services through the North Carolina Division of Aging and Adult Services (DAAS) and state appropriations made available to the MEC through the North Carolina Division of Aging and Adult Services, as set forth in a) this document, b) the Division of Aging and Adult Services Service Standards Manual, Volumes I through IV, and, c) the Division of Aging and Adult Services Community Service Providers Monitoring Guidelines.

NOW THEREFORE, in consideration of these premises, and mutual covenants and agreements hereinafter contained, the parties hereto agree as follows:

1. Availability of Funds. The terms set forth in this Agreement for payment are contingent upon the receipt of funding by the MEC.
2. Grant Administration. The grant administrator for MEC shall be Timothy Baynes, Executive Director. The grant administrator for the provider shall be Carolyn Everett, Recreation Program Specialist. It is understood and agreed that the grant administrator for the provider shall represent the provider in the performance of this Agreement. The provider shall notify the MEC in writing if the administrator changes during the grant period. Specific responsibilities of the grant administrator for the provider are provided in paragraph six (6) of this Agreement.
3. Scope of Services: The provider shall do, perform, and carry out in a satisfactory and proper manner, as determined by the MEC, the agreements and assurances required in the request for proposal.

<u>Services</u>	<u>Federal/State Dollars</u>	<u>Local Match</u>
General Purpose (176)	\$11,680	\$3,893
Senior Center Operations (170)	\$17,009	\$1,890
Health Promotion/Disease Prevention (220)	\$ 3,946	\$ 438

The provider shall submit an annual report to the MEC no later than July 14, 2015. Services authorized through this agreement shall be undertaken and pursued in such sequence as to assure their expeditious completion. All services required hereunder shall be completed by June 30, 2015. No state funds can be dispersed after the close of the fiscal year. Projected June expenditures must be reported with May services reported in June.

4. Assignability and Contracting. The provider shall not assign all or any portion of its interest in this Agreement. Any purchase of services with grant funding shall be carried out in accordance with the procurement and contracting policy of the provider or, where applicable, the MEC, which does not conflict with procurement and contracting requirements contained in 45 CFR 92.36. Federal funds shall not be awarded to any subrecipients who have been suspended or debarred by the Federal government. In addition, Federal funds may not be used to purchase goods or services from a vendor that has been suspended or debarred from Federal grant programs.
  
5. Compensation and Payments to the Provider. The provider shall be compensated for the work and services actually performed under this Agreement by payments to be made by the MEC. Total reimbursement to the provider under this Agreement may not exceed the grand total of available funding.
  - (a) Reimbursement of Service Costs. Reimbursements of service costs are carried out as provided in Section 3 of the N.C. Division of Aging and Adult Services Home and Community Care Block Grant Procedures Manual for Community Service Providers, revised February 17, 1997.
  
6. Reallocation of Funds and Budget Revisions. Any reallocation of funding between providers shall be voluntary on the part of the provider and shall be effective only for the period of the Agreement. The reallocation of funds between providers will not affect the allocation of future funding to the provider. If during the performance period of the Agreement, the MEC determines that a portion of the funds will not be expended; the grant administrator for the provider shall be notified in writing by the MEC and given the opportunity to make funds available for reallocation to other providers in the Planning and Service Area or elsewhere in the state.

Providers may request budget revisions during the period of the agreement, with final budget revisions due to the MEC no later than May 1, 2015.

Unless community services providers have been given the capacity to enter data into the Aging Resources Management System (ARMS), Area Agencies on Aging are responsible for entering amended service data into the Division of Aging Management Information System, as specified in the N.C. Division of Aging Home and Community Care Block Grant Procedures Manual for Community Service Providers, revised February 17, 1997.

7. **Monitoring.** This Agreement will be monitored to assure that services are being provided in compliance with the N.C. Division of Aging Service Standards Manual, dated July 1, 1992, and the N.C. Division of Aging Home and Community Care Block Grant Procedures Manual for Community Service Providers, revised February 17, 1997. Further, compliance with updated monitoring requirements, as specified in Office of Management and Budget (OMB) Circular A-133 and NC General Statute 143-6, shall be carried out. Monitoring shall also include compliance with conflict of interest requirements. Monitoring requirements are discussed in DOA Administrative Letter No. 03-14 (11/5/03). Private non-profit service providers will be monitored to ensure compliance with conflict of interest policies, as stated in DOA Administrative Letter No. 03-14.

The monitoring of services provided under this Agreement shall be carried out by the MEC in accordance with its Assessment Plan and/or by the DAAS regional Adult Program Representatives in accordance with the parameters of the interagency agreement established between the Division of Aging and the Division of Social Services, as provided in DOA Administrative Letter No. 98-13.

Providers will receive a written report of monitoring findings in accordance with procedures established in Section 308 of the AAA Policies and Procedures Manual (July, 1994) and DOA Administrative Letter No. 98-13. Any areas of non-compliance will be addressed in a written corrective action plan with the provider.

8. **Disputes and Appeals.** Any dispute concerning a question of fact arising under this Agreement shall be identified to the designated grant administrator for the MEC. In accordance with Lead Regional Organization (LRO) policy, a written decision shall be promptly furnished to the designated grants administrator for the provider.

The decision of the LRO is final unless within twenty (20) days of receipt of such decision the provider furnishes a written request for appeal to the Director of the North Carolina Division of Aging and Adult Services, with a copy sent to the MEC. The request for appeal shall state the exact nature of the complaint. The Division of Aging and Adult Services will inform the provider of its appeal procedures and will inform the MEC that an appeal has been filed. Procedures thereafter will be determined by the appeals process of the Division of Aging and Adult Services. The state agency address is as follows:

Director  
North Carolina Division of Aging and Adult Services  
2101 Mail Service Center  
693 Palmer Drive  
Raleigh, North Carolina 27699-2101

9. **Termination for Cause.** If through any cause, the provider shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or the provider has or shall violate any of the covenants, agreements, representations or stipulations of this Agreement, the MEC

shall have the right to terminate this Agreement by giving the provider written notice of such termination to the provider and specifying the effective date thereof. The date of notice shall be at least five (5) working days before MEC effective date of such termination. In such event, all documents and other materials collected or produced under this Agreement shall at the option of the MEC, become its property. The provider shall be entitled to receive just and equitable compensation for any work satisfactorily performed under this Agreement.

10. Audit. The Community Service Provider agrees to have an annual independent audit in accordance with North Carolina General Statutes, North Carolina Local Government Commission requirements, Division of Aging and Adult Services Program Audit Guide for Aging Services and Federal Office of Budget and Management (OMB) Circular A-133.

Community service providers must provide a copy of their year end financial statements, and any required audit, to the MEC on Aging. Community service providers, as specified in paragraph one (1) are subject to audit and fiscal reporting requirements as stated in NC General Statute 143-6 and OMB Circular a-133, where applicable. Home and Community Care Block Grant providers are not required to submit Activities and Accomplishments Reports. For-profit corporations are not subject to the requirements of OMB Circular A-133, but are subject to NC General Statute 143-6 and Yellow Book audit requirements, where applicable. Federal funds may not be used to pay for a Single or Yellow Book audit unless it is a federal requirement. State funds will not be used to pay for a Single or Yellow Book audit if the provider receives less than \$500,000 in state funds. The Department of Health and Human Services will provide confirmation of federal and state expenditures at the close of the state fiscal year. Information on audit and fiscal reporting requirements can be found at <http://www.ncgrants.gov>.

The following provides a summary of reporting requirements under NCGS 143-6 and OMB Circular A-133 based upon funding received and expended during the service provider's fiscal year.

11. Audit/Assessment Resolutions and Disallowed Cost. It is further understood that the community service providers are responsible to the MEC for clarifying any audit exceptions that may arise from any MEC assessment, county or community service provider single or financial audit, or audits conducted by the State or Federal Governments. In the event that the MEC or the Department of Health and Human Services disallows any expenditure made by the community service provider for any reason, the Community Service Provider shall promptly repay such funds to the MEC once any final appeal is exhausted in accordance with paragraph nine (9). The only exceptions are if the MEC is designated as a community service provider through the County Funding Plan or, if as a part of a procurement process, the MEC on Aging enters into a contractual agreement for service provision with a provider which is in addition to the required County Funding Plan formats. In these exceptions, the MEC is responsible for any disallowed costs. The County or MEC can recoup any required payback from the community service provider in the event that payback is due to a community service provider's failure to meet OMB Circular A-122 requirements, requirements of A-110,

requirements of 45CFR, Part 1321, and 45CFR, Part 92, or state eligibility requirements as specified in policy.

12. Indemnity. The provider agrees to indemnify and save harmless the MEC, its agents, and employees from and against any and all loss, cost, damages, expenses, and liability arising out of performance under this Agreement to the extent of errors or omissions of the provider.
13. Equal Employment Opportunity and Americans With Disabilities Act Compliance. The provider shall comply with all federal and state laws relating to equal employment opportunity and accommodation for disability.
14. Data to be Furnished to the Provider. All information which is existing, readily available to the MEC without cost and reasonably necessary, as determined by the MEC's staff, for the performance of this Agreement by the provider shall be furnished to the provider without charge by the MEC. The MEC, its agents and employees, shall fully cooperate with the provider in the performance of the provider's duties under this Agreement.
15. Rights in Documents, Materials and Data Produced. The provider agrees that at the discretion of the MEC, all reports and other data prepared by or for it under the terms of this Agreement shall be delivered to, become and remain the property of the MEC upon termination or completion of the work. Both the MEC and the provider shall have the right to use same without restriction or limitation and without compensation to the other. For the purposes of this Agreement, "data" includes writings, sound recordings, or other graphic representations, and works of similar nature. No reports or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of the provider.
16. Interest of the Provider. The provider covenants that neither the provider nor its agents or employees presently has an interest, nor shall acquire an interest, direct or indirect, which conflicts in any manner or degree with the performance of its service hereunder, or which would prevent, or tend to prevent, the satisfactory performance of the service hereunder in an impartial and unbiased manner.
17. Interest of Members of the MEC, Lead Regional Organization, and Others. No officer, member or employee of the MEC or Lead Regional Organization, and no public official of any local government which is affected in any way by the Project, who exercises any function or responsibilities in the review or approval of the Project or any component part thereof, shall participate in any decisions relating to this Agreement which affects his personal interest or the interest of any corporation, partnership or association in which he is, directly or indirectly, interested; nor shall any such persons have any interest, direct or indirect, in this Agreement or the proceeds arising therefrom.

18. **Officials not to Benefit.** No member of or delegate to the Congress of the United States of America, resident Commissioner or employee of the United States Government, shall be entitled to any share or part of this Agreement or any benefits to arise here from.
19. **Prohibition Against Use of Funds to Influence Legislation.** No part of any funds under this Agreement shall be used to pay the salary or expenses of any employee or agent acting on behalf of the provider to engage in any activity designed to influence legislation or appropriations pending before Congress.
20. **Applicable Law.** This Agreement is executed and is to be performed in the State of North Carolina, and all questions of interpretation and construction shall be construed by the laws of such State.
21. **Disaster Assistance:** In the event that elderly individuals are endangered by the occurrence of a tornado, fire, flood, severe temperature extremes, or other disaster related situation, the provider shall cooperate with requests for assistance from the MEC.
22. **Attendance at MEC Meetings:** The provider shall attend any committee; special meeting; or staff development training being held by the MEC to include the Regional Advisory Committee.

In witness whereof, the MEC and the provider have executed this Agreement as of the day first written above.

CITY OF WASHINGTON GRACE MARTIN HARWELL SENIOR CENTER

Attest:

\_\_\_\_\_ By: \_\_\_\_\_

Date: \_\_\_\_\_ Title: \_\_\_\_\_

Date: \_\_\_\_\_

MEC

Attest:

Annette Eubanks

Annette Eubanks  
Area Agency on Aging Director

By: N. Bryant Buck

N. Bryant Buck  
Executive Director

Date: 10-30-15

Date: 10-30-15

Provision for payment of the monies to fall due under this Agreement within the current fiscal year have been made by appropriation duly authorized as required by the Local Government Budget and Fiscal Control Act.

BY: Janet E. Dodge, FR  
Janet Dodge, Finance Officer

DATE: 10/30/15

**Mayor**  
Mac Hodges

**Interim City Manager**  
Bobby Roberson



**Washington City Council**  
Richard Brooks  
Doug Mercer  
Larry Beeman  
William Pitt

---

**To: Mayor Hodges & Members of the City Council**  
**From: Matt Rauschenbach, C.F.O.**  
**Date: December 14, 2015**  
**Subject: Budget Transfer- General Fund**

The Budget Officer transferred \$5,000 of funds between the Economic Development And Miscellaneous departments of the General Fund appropriations budget to provide funds for the Local Match for the Rural Infrastructure EIP Hotel Project- New Age Properties.

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: 12/8/2015

TO: City Manager or Finance Director

FROM: Matt Rauschenbach

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:	10-00-4650	4500	ED Projects	\$5,000
TO:	10-00-4400	9201	Transfer to grant funds	\$5,000

For the purpose of: Provide local City match for Rural Infrastructure EIP Hotel Project-New Age Properties. Journal entry match funds from 10-00-4400-9201 to 54-60-3352-0000 after budget transfer is entered.

Supervisor	 Department Head
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### 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



# REQUEST FOR CITY COUNCIL ACTION

**To:** Mayor Hodges & Members of the City Council  
**From:** Kristi Roberson, Parks & Recreation Manager  
**Date:** December 14, 2015  
**Subject:** Havens Gardens "Play Together" Grant Project  
**Applicant Presentation:** N/A  
**Staff Presentation:** NA

### RECOMMENDATION:

I move the City Council accept and approve the plans by Cunningham Recreation for the Havens Gardens "Play Together" Grant Project.

### BACKGROUND AND FINDINGS:

The Recreation Advisory Committee has reviewed and approved the concept presented by Cunningham Recreation. A Public Meeting was held on November 21, 2015. Of those in attendance, the information gathered has been implemented into this concept.

### PREVIOUS LEGISLATIVE ACTION

The Trillium Grant has been accepted.

### FISCAL IMPACT

Currently Budgeted (Account \_\_\_\_\_)  Requires additional appropriation  
 No Fiscal Impact

### SUPPORTING DOCUMENTS

Budget, Site Model, Rendering.



Liberty Swing  
(Not Shown)



Expression Swing



ADA Crow's Nest

Crab Steppers  
(Not Shown)



Custom Sign



Roller Slide



Merry Musical



Water  
Sound Panel



Aluminum Fencing



Merry-Go-All

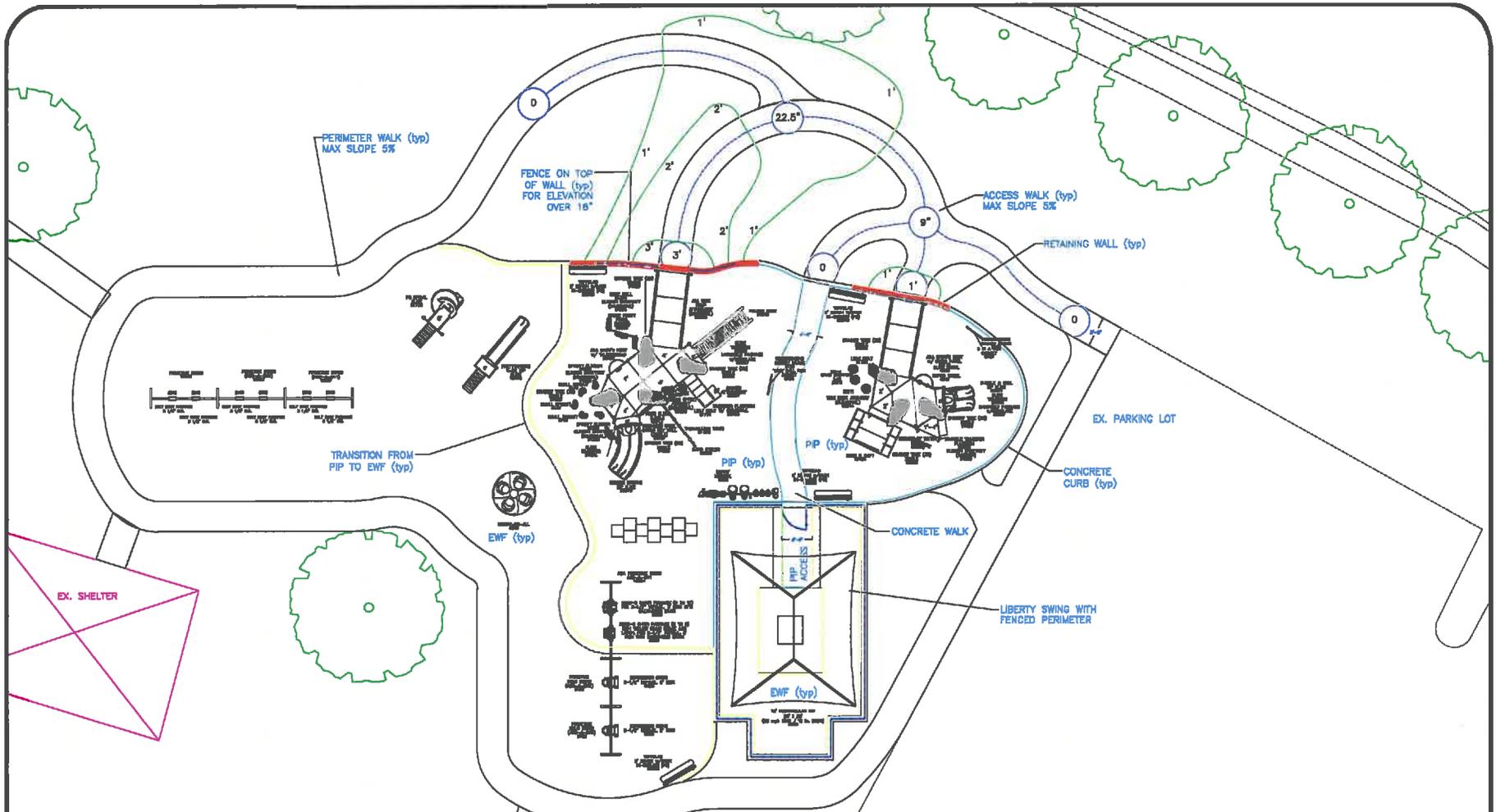


Alternate View



# Havens Gardens Washington, NC





150 PlayCore Drive SE  
Fort Payne, AL 35967  
www.gametime.com



Washington Parks and Recreation  
Havens Gardens  
Washington, NC  
Representative  
Cunningham Recreation

This play equipment is recommended for children ages 2-5 or 5-12

Minimum Area Required:  
See Above  
Scale: NTS  
This drawing can be scaled only when in an 11" x 17" format

**IMPORTANT:** Soft resilient surfacing should be placed in the use zones of all equipment, as specified for each type of equipment, and at depths to meet the critical fall heights as specified by the U.S. consumer Product Safety Commission, ASTM standard F 1487 and Canadian Standard CAN/CSA-Z-614

Drawn By:  
LS  
Date:  
11/24/2015  
Drawing Name:  
Washington ParkSite Plan\_revs





GameTime c/o Cunningham Recreation  
 PO Box 240981  
 Charlotte, NC 28224  
 800.438.2780  
 704.525.7356 FAX

QUOTE  
 #107528

12/07/2015

**Havens Garden - Revision #3**

Washington Parks & Recreation  
 Attn: Kristi Roberson  
 310 West Main Street  
 Suite #200  
 Washington, NC 27889  
 Phone: 252-975-9367 Ext. 224  
 Fax: 252-946-8433

Project #: P79657  
 Ship To Zip: 27889

Quantity	Part #	Description	Unit Price	Amount
1	RDU	GameTime - Powerscape Modular Unit (per attached drawings) - *5-12 Year Olds Unit	\$30,760.50	\$30,760.50
1	CUSTOM	GameTime - Custom Entrance Way to 5-12 Unit	\$12,648.00	\$12,648.00
1	RDU	GameTime - Powerscape Modular Unit (Per attached drawings) - *2-5 Year Olds Unit	\$21,204.50	\$21,204.50
3	CUSTOM	PlayWorx GFRC - Custom GFRC Crab Steppers	\$1,200.00	\$3,600.00
1	RDU	GameTime - Freestanding Gadget Panels	\$2,438.00	\$2,438.00
1	6223	GameTime - Merry Musical	\$2,825.25	\$2,825.25
1	5055	GameTime - Merry-Go-All	\$3,504.00	\$3,504.00
4	28009	GameTime - 6' P/S Bench W/Back Inground	\$505.00	\$2,020.00
2	5128	GameTime - Expression Swing 3 1/2" x 8'	\$995.00	\$1,990.00
2	5152	GameTime - PT Solo Add-A-Bay 3 1/2" x 8'	\$603.00	\$1,206.00
1	12584	GameTime - ADA Primetime Swing AAB, 3 1/2" Od	\$640.00	\$640.00
1	8552	GameTime - 3 1/2" Zero-G Chair (5-12)-Galv Chain	\$412.00	\$412.00
1	8555	GameTime - 3 1/2" Zero-G Chair (2-5)-Galv Chain	\$399.00	\$399.00
1	18826	GameTime - PrimeTime Swing 3 1/2" x 8'	\$1,035.00	\$1,035.00
2	18827	GameTime - PrimeTime Swing Add a Bay 3 1/2" x 8'	\$640.00	\$1,280.00
6	8910	GameTime - Belt Seat 3 1/2"Od(8910)	\$210.00	\$1,260.00
1	INSTALL	MISC - Installation of Above Equipment - <i>*Includes installation of Liberty Swing and removal and reinstallation of (2) existing freestanding slides</i>	\$36,550.00	\$36,550.00
3150	PIP	GT-Impax - Poured-In-Place Surfacing, 50% Color-50% Black Mix, 2.5" Thick	\$10.65	\$33,547.50
3150	INSTALL	MISC - Provide & Install 4" Compacted Crushed Stone - <i>*For under PIP area</i>	\$2.00	\$6,300.00



GameTime c/o Cunningham Recreation  
 PO Box 240981  
 Charlotte, NC 28224  
 800.438.2780  
 704.525.7356 FAX

QUOTE  
 #107528

12/07/2015

**Havens Garden - Revision #3**

Quantity	Part #	Description	Unit Price	Amount
4400	EWf	GT-Impax - Engineered Wood Fiber @ 12" Compacted Depth	\$1.10	\$4,840.00
1	INSTALL	MISC - Installation of Above EWf	\$2,690.00	\$2,690.00
9550	INSTALL	MISC - Excavation of Area	\$1.00	\$9,550.00
375	INSTALL	MISC - Provide & Install Concrete Curb	\$25.00	\$9,375.00
3490	INSTALL	MISC - Provide & Install Concrete Sidewalks	\$6.50	\$22,685.00
1	INSTALL	MISC - Sitework: Includes Necessary Dirtwork and Drainage	\$19,950.00	\$19,950.00
1	INSTALL	MISC - Provide & Install 53 LF of Retaining Wall	\$5,900.00	\$5,900.00
165	INSTALL	MISC - Provide & Install 4' High Aluminum Fence - <i>140 LF Around Liberty Swing 25 LF on Top of Retaining Wall</i>	\$33.50	\$5,527.50
1	3008	GT-Shade - 20 X 25 Hip 12"HI 90/10	\$4,954.00	\$4,954.00
1	INSTALL	MISC - Installation of Above Shade	\$3,900.00	\$3,900.00
1	INSP	Playground Guardian - Quarterly 3rd Party Inspections for 2 Years - <b>*Free of Charge</b>		
1	5036	GameTime - Custom Fiberglass Sign 2S	\$2,028.00	\$2,028.00
2	81684	GameTime - Telescope Upright Attachment	\$408.60	\$817.20

\*Customer is responsible for providing all landscaping (as shown in top view and renderings).

SubTotal: \$255,836.45  
 Freight: \$8,218.97  
**Total Amount: \$264,055.42**



GameTime c/o Cunningham Recreation  
 PO Box 240981  
 Charlotte, NC 28224  
 800.438.2780  
 704.525.7356 FAX

QUOTE  
 #107528

12/07/2015

**Havens Garden - Revision #3**

**Pricing:** Prices are firm for 30 days unless otherwise noted. Above costs assume one shipment and one installation unless otherwise noted. Taxes will be shown as a separate line item if included. Any applicable taxes not shown will be applied to the final invoice.

**Lead Time/Shipments:** Standard orders shipped 4 weeks after receipt of order and acceptance of your purchase order, color selections, approved submittals, (if required) unless otherwise noted. Custom equipment and shades may require a longer lead time. Surfacing lead time is approximately 2 weeks after scheduling request. It is the responsibility of the owner to offload and inventory equipment, unless other arrangements have been made. Missing or damaged equipment must be reported within 60 days of acceptance of delivery. Equipment may be sent in multiple shipments based on point of origin.

**Payment Terms:** Payment in full, Net 30 days subject to approval by Credit Manager. Pre-payment may be required for orders equaling less than \$5,000. A signed P.O. made out to Gametime C/O Cunningham Associates, Inc. or this signed quotation is required for all orders unless otherwise noted. A 1.5% per month finance charge will be imposed on all past due accounts. Equipment shall be invoiced separately from other services and shall be payable in advance of those services and project completion. Checks should be made payable to Game Time unless otherwise directed.

**Returns:** Returns are available on shipments delivered within the last 60 days and only if the product is in merchantable condition, has never been installed, and has never been stored in an area of little or no protection. A 25% restocking fee will be applied to all goods. Customer will be charged freight for both the outbound and inbound shipment. Any credit will be based on the condition of the item upon its return. Uprights cannot be returned.

*Acceptance of this proposal indicates your agreement to the terms and condition stated herein.*

**Wish to pay by credit card? Please complete the following information:**

\_\_\_\_\_ Mastercard    \_\_\_\_\_ Visa    \_\_\_\_\_ AMEX

Credit Card Number: \_\_\_\_\_ Exp Date: \_\_\_\_\_

CSC, Card Security Code: \_\_\_\_\_

Name as it appears on card: \_\_\_\_\_

Amount to be charged to card: \_\_\_\_\_

Email or Fax credit card receipt to: \_\_\_\_\_

**Site should be clear, level and allow for unrestricted access of trucks and machinery. Customer is responsible for providing a secure location to off-load and store the equipment during the installation process. The customer is responsible for theft or damage of the equipment from the time the equipment is off-loaded until the installation of the equipment is complete, unless other arrangements are made and noted on the quotation. Price includes ONLY what is stated in this quotation. If additional site work or equipment is needed then the price is subject to change. Customer shall be responsible for unknown conditions such as buried utilities (public & private), tree stumps, rock, or any concealed materials or conditions that may result in additional labor or materials cost. Customer will be billed hourly or per job for any additional costs.**

**Acceptance of quotation:**

Accepted By (printed): \_\_\_\_\_ Date: \_\_\_\_\_

Title: \_\_\_\_\_ P.O. No: \_\_\_\_\_

Telephone: \_\_\_\_\_ Fax: \_\_\_\_\_

Purchase Amount: **\$264,055.42**

SALES TAX EXEMPTION CERTIFICATE #: \_\_\_\_\_

(PLEASE PROVIDE A COPY OF CERTIFICATE)

\_\_\_\_\_  
 Salesman Signature

\_\_\_\_\_  
 Customer Signature



GameTime c/o Cunningham Recreation  
PO Box 240981  
Charlotte, NC 28224  
800.438.2780  
704.525.7356 FAX

QUOTE  
#107528

12/07/2015

### Havens Garden - Revision #3

**ORDER INFORMATION:**

Bill to: \_\_\_\_\_ Ship to: \_\_\_\_\_  
Contact: \_\_\_\_\_ Contact: \_\_\_\_\_  
Address: \_\_\_\_\_ Address: \_\_\_\_\_  
Address: \_\_\_\_\_ Address: \_\_\_\_\_  
City, State, Zip: \_\_\_\_\_ City, State, Zip: \_\_\_\_\_  
Tel: \_\_\_\_\_ Fax: \_\_\_\_\_ Tel: \_\_\_\_\_ Fax: \_\_\_\_\_



# REQUEST FOR CITY COUNCIL ACTION

**To:** Mayor Hodges & Members of the City Council  
**From:** Matt Rauschenbach, Administrative Services Director  
**Date:** December 14, 2015  
**Subject:** Rural Infrastructure Grant: Hotel Project- New Age Properties  
**Applicant Presentation:** N/A  
**Staff Presentation:** N/A

**RECOMMENDATION:**

I move that City Council authorize the Mayor to execute the Grant Agreement, Legally Binding Commitment, and any other legal documents necessary to consummate the Economic Infrastructure Program Grant to provide publicly owned water and sewer infrastructure for the new hotel being developed on 15<sup>th</sup> Street and adopt a Grant Project Ordinance.

**BACKGROUND AND FINDINGS:**

The City received notice in August that the grant to provide water and sewer infrastructure for an 87 room hotel being developed on 15<sup>th</sup> Street was being awarded. The infrastructure project cost budget is \$206,400 with \$100,000 of the funding being provided through the grant, \$101,400 from the developer, New Age Properties, and a \$5,000 Local Match that the developer will reimburse.

The new job creation requirement for the grant is 20 that are to be maintained for 6 consecutive months.

The Mid-East Commission has been engaged to administer the grant.

**PREVIOUS LEGISLATIVE ACTION**

Grant application, Mid-East agreement, deed of easement ratification

**FISCAL IMPACT**

\_\_\_ Currently Budgeted  X  Requires additional appropriation \_\_\_ No Fiscal Impact

**SUPPORTING DOCUMENTS**

- Grant Agreements
- Legally Binding Commitment
- Grant Project Ordinance

**GRANT PROJECT ORDINANCE FOR THE RURAL INFRASTRUCTURE EIP  
GRANT #2016-011-3212-2538 HOTEL PROJECT- NEW AGE PROPERTIES  
CITY OF WASHINGTON, N.C.  
FOR THE FISCAL YEAR 2015-2016**

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

Section 1. The project authorized is to provide funds for the design and construction of water and sewer infrastructure improvements for the New Age Properties Hotel Project.

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

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

54-60-4930-4500	Construction	\$ 149,800
54-60-4930-0405	Engineering Design	24,500
54-60-4930-0401	Construction admin./observation	9,500
54-60-4930-0400	Legal	7,600
54-60-4930-9900	Contingency	<u>15,000</u>
	Total	\$ 206,400

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

54-60-3470-0000	Rural Infrastructure Grant	\$ 100,000
54-60-3480-0000	Developer	101,400
54-60-3352-0000	Local City Match	<u>5,000</u>
	Total	\$ 206,400

Section 5. The Finance Officer is hereby directed to maintain within the Grant Project Fund sufficient detailed accounting records to satisfy the requirements of the Rural Economic Development EIP grant agreements.

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

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

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

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

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

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

Adopted this the 14th day of December, 2015.

ATTEST:

\_\_\_\_\_  
CITY CLERK

\_\_\_\_\_  
MAYOR



**North Carolina  
Department of Commerce**

Pat McCrory, Governor  
John E. Skvarla III, Secretary

Dr. Patricia Mitchell, CEcD  
Assistant Secretary  
Rural Economic Development Division

December, 2 2015

The Honorable Jay MacDonald Hodges  
City of Washington  
PO Box 2226  
Washington, NC 27889-2226

Re: Contract Agreement for Grant Number 2016-011-3212-2538; Your Signature and Reply is Requested  
Project Title: "Hotel Project - New Age Properties Group, LLC"

Dear Mayor Hodges:

Enclosed for your review and signature are two complete sets of contract documents required to finalize the economic infrastructure grant award from the North Carolina Rural Infrastructure Authority ("Rural Authority"). Below is a description of the documents attached along with an explanation of the signatures required for the Grant Agreement and its Exhibits E and F.

**Grant Agreement:** This document outlines the terms and conditions of the grant ("Grant") from the Rural Authority to the City of Washington (the "Governmental Unit"). The highest elected official of the Governmental Unit shall execute the two originals of this document and return one of them to my attention at the address below.

Christopher Cannady  
Information Reporting Manager and Contracts Administration  
Rural Economic Development Division  
4346 Mail Service Center  
Raleigh, NC 27699-4346

The Grant Agreement includes Exhibits A through F, which are listed and explained below. Please carefully review the specific conditions outlined in the Grant Agreement as well as its Exhibits.

- **Exhibit A – Scope of Project.** This document outlines the scope of the economic infrastructure project ("Project") that is the subject of the Grant from the Rural Authority to the Governmental Unit.
- **Exhibit B – Payment Schedule.** This document explains the process to request reimbursement of Grant funds.
- **Exhibit C – Reporting Schedule.** This document addresses the required Project reports to Commerce.
- **Exhibit D – Closeout Schedule/Job Requirements.** The Grant Agreement and the Project require those companies ("Businesses") performing the Project to maintain certain pre-existing jobs, if required, and to create and maintain certain new jobs. Exhibit D describes the process for reporting the creation and maintenance of such jobs.

***Thrive NC***

Rural Economic Development Division • 301 North Wilmington Street • 4346 Mail Service Center • Raleigh, North Carolina 27699-4346  
Tel: (919) 733-4151  
[www.nccommerce.com](http://www.nccommerce.com)

December 14, 2015  
Page 42 of 95

- **Exhibit E – Legally Binding Commitment (“LBC”).** The LBC outlines the terms and conditions of the relationship between the Governmental Unit and any Business. The Governmental Unit shall ensure that its highest elected official and a duly authorized representative of any Business execute two originals of the LBC in its exact form and shall return one such original to my attention with the executed original of the Grant Agreement.
- **Exhibit F – Waiver of Confidentiality (“Waiver”).** For each Business, the Waiver contains a limited waiver of confidentiality regarding employment information reported to Commerce’s Division of Employment Security. The Governmental Unit shall ensure that an authorized representative of each Business executes a Waiver and shall return the original of such Waiver to my attention with the one executed original of the Grant Agreement. The Governmental Unit shall also ensure that any additional Business which later becomes involved in the Project executes a Waiver upon its involvement, the original of which the Governmental Unit shall promptly forward to Commerce.

Enclosed is a financial request/reporting form to be used when requesting funds and reporting expenditures. This form may be found on our website: <http://www.nccommerce.com/rd/rural-grants-programs> within the Forms section or by contacting Mandy Tetzlaff at [amanda.tetzlaff@nccommerce.com](mailto:amanda.tetzlaff@nccommerce.com).

Please note the acceptance clause outlined in Paragraph 23 of the Grant Agreement, which states that the Grant may be withdrawn if the above documents are not returned to me within thirty (30) days of your receipt of these materials.

If you have any questions regarding the enclosed documents, please contact me at the number below.

Sincerely,



Christopher Philip Cannady  
Information Reporting Manager & Contracts Administration

Enclosure

The North Carolina Department of Commerce (“Commerce”), an agency of the State of North Carolina (“State”), enters into this Rural Economic Development Grant Agreement (“Grant Agreement”) with the City of Washington (the “Governmental Unit” and, together with Commerce, the “Parties”).

WHEREAS, the North Carolina General Assembly (“General Assembly”) has determined that it is the policy of the State to stimulate economic activity and to create new jobs for citizens of the State by affording grants or loans to local governmental units to construct critical water and wastewater facilities or to provide other infrastructure needs, subject to the applicable requirements of N.C.G.S. §§143B-472.127 and .128; and

WHEREAS, under N.C.G.S. §143B-472.128, the General Assembly created the North Carolina Rural Infrastructure Authority (“Rural Authority”) to review applications for and, where appropriate, authorize such economic infrastructure grants or loans, and, under N.C.G.S. §§143B-472.126 and .127, the General Assembly authorized Commerce to administer such grants or loans; and

WHEREAS, pursuant to N.C.G.S. §§143B-472.127 and .128, and based on the terms, conditions and representations in this Grant Agreement’s Exhibit A (Scope of Project), Exhibit B (Payment Schedule), Exhibit C (Reporting Schedule), Exhibit D (Closeout Schedule/Job Requirements), Exhibit E (Legally Binding Commitment (“LBC”)) and Exhibit F (Waiver of Confidentiality (“Waiver”)), the Rural Authority has approved a grant (the “Grant”) to the Governmental Unit; and

WHEREAS, the Governmental Unit has contracted with New Age Properties Group, LLC (“Business”), which has specifically agreed in the LBC that the Grant will provide significant, direct economic benefit to the Business and allow the Business to create new jobs, which will result in direct economic benefit to the Governmental Unit; and

WHEREAS, the Rural Authority awarded the Grant: (1) based on the application filed by the Governmental Unit and any subsequent materials supporting the application that have been approved of by Commerce in writing, all of which are incorporated by reference herein; (2) based on Commerce’s Rural Economic Infrastructure Program guidelines and other grant requirements and guidelines, all of which are incorporated herein and may be amended, modified or supplemented and applied accordingly to this Grant Agreement by Commerce in its sole discretion; (3) for constructing the critical public water and wastewater facilities or providing the other public infrastructure needs summarized in Exhibit A (the “Project”); and (4) for the Business to create and retain certain new jobs (“New Jobs”) and, if required, maintain a baseline number (“Baseline Number”) of pre-existing jobs.

NOW, THEREFORE, in consideration of the mutual promises and such other valuable consideration as set out herein, the Parties mutually agree to the following terms and conditions:

1. Scope of Program/Agreements to be Executed.

- (a) As conditions of the Grant Agreement:
  - i. The highest elected official of the Governmental Unit shall execute two originals of this Grant Agreement in its exact form (unless Commerce approves of a change to its terms in writing) and shall return one of them to Commerce;
  - ii. The Governmental Unit shall ensure that its highest elected official and a duly authorized representative of any Business execute two originals of the LBC attached as Exhibit E in its exact form (unless Commerce approves of a change to its terms in writing) and shall return one such original to Commerce with the executed original of the Grant Agreement; and
  - iii. The Governmental Unit shall ensure that an authorized representative of each Business executes a Waiver, attached as Exhibit F, and shall return the original of any such Waiver to Commerce with the executed original of the Grant Agreement. The Governmental Unit shall also ensure that any additional Business which becomes involved in the Project after the Grant Agreement is finalized executes a Waiver upon its involvement, the original of which the Governmental Unit shall promptly forward to Commerce.
- (b) The Governmental Unit shall provide Commerce with any information obtained pursuant to the LBC and allow Commerce to execute any rights of the Governmental Unit under the LBC, including the Governmental Unit's rights of access, review or monitoring and Commerce's rights as a third-party beneficiary thereunder.
- (c) The Governmental Unit shall exercise all of its rights and duties under the LBC in a prudent and timely manner to ensure the use of the Grant funds for the intended purposes and objectives and to preserve the rights of Commerce in this Grant Agreement and the LBC.
- (d) The LBC specifies how many New Jobs the Business must create and maintain and, if required, the Baseline Number of jobs the Business must maintain. Further, if the Business fails to create or maintain such jobs, the LBC specifies the amount the Business must pay to the Governmental Unit for return to Commerce or else pay directly to Commerce, upon request and as directed. If such jobs are not created or maintained, then the Governmental Unit shall return to Commerce any Grant funds it has not already disbursed, make a timely demand for payment from the Business under the LBC, and, if such payment is not forthcoming, initiate and fully litigate legal proceedings against the Business to recover such payment.
- (e) Without limitation, failure by the Governmental Unit to timely demand such payment from and, if required, initiate and fully litigate such legal proceedings against the Business may affect the future consideration of the Governmental Unit for grant programs administered by Commerce. Further, and without limitation, if the Governmental Unit fails to timely initiate legal proceedings against the Business for such payment under the LBC, and Commerce elects to do so instead, the Governmental Unit is responsible and agrees to reimburse Commerce for all litigation costs and reasonable attorneys' fees that Commerce incurs in pursuing payment from the Business.

2. Changes in the Project or Other Conditions.

- (a). A "Project Change" is any material alteration, addition, deletion or expansion of the Project, including (without limitation) material changes to construction or other infrastructure improvement, the required number of New Jobs, the Baseline Number of jobs, any cessation of business by any Business and any filing of bankruptcy by the Governmental Unit or any Business. Prior to implementing a proposed Project Change, the Governmental Unit shall submit it to Commerce for review. The failure of the Governmental Unit to do so will subject it to the penalties and remedies set forth in Paragraph 14(b) of this Grant Agreement, unless Commerce (in its sole discretion) expressly waives this requirement of pre-implementation review in writing. In any event, there shall be no Project Changes unless expressly approved of by Commerce in its sole discretion in a separate, written agreement stating, if applicable, the costs and schedule for completing the Project Change.
- (b). Additionally, the Governmental Unit shall immediately notify Commerce of any change in conditions or local law, or any other event, which may significantly affect its ability to oversee, administer or perform this Grant Agreement, the LBC or the Project. In its sole discretion, Commerce may deem such a change in conditions, local law or other event to constitute a Project Change.

3. Term of Grant Agreement. The effective period of this Grant Agreement shall commence on 8/20/2015 ("Effective Date") and shall terminate on 8/20/2017 unless terminated on an earlier date under the terms of this Grant Agreement (either one of which dates shall constitute the "Termination Date") or unless extended for an express term in writing by Commerce.

4. Funding and Administrative Expenses.

- (a). The Rural Authority grants to the Governmental Unit an amount not to exceed \$100,000.00 for expenditures directly relating to the Project. If Commerce determines that the actual costs of the Project are less than the Grant amount, Commerce, in its sole discretion, may reduce the amount of the Grant accordingly. If the Governmental Unit determines that the actual costs of the Project are less than the Grant amount, it shall report so to Commerce and return any surplus Grant funds it has received to Commerce.
- (b). The Governmental Unit hereby represents and warrants that all Grant funds shall be utilized exclusively for the purpose of the Project and consistent with all applicable laws, rules, regulations and requirements, and that the Governmental Unit shall not make or approve of any improper expenditure of Grant funds.
- (c). Without limitation and as determined by Commerce in its sole discretion, eligible expenditures incurred after the date of the Grant award may include any costs required for the actual construction activities of the Project.
- (d). Where there is a cost overrun of a Project, Commerce must agree in writing to participate in the overrun as a condition of the Governmental Unit's continuing eligibility for the Grant. Commerce has the sole discretion to determine what constitutes a cost overrun, when Commerce will participate in an overrun and whether

the effects of a cost overrun on eligible expenditures will be retroactive or prospective. If Commerce agrees in writing to participate in an overrun, eligible expenditures are limited to those under Paragraph 4(c) above. Where there is no cost overrun of a Project, eligible expenditures may include:

- i. Expenses and fees for a third-party Grant administrator of the Governmental Unit up to a combined total for the entire Project of five percent (5%) of the Grant amount or \$25,000, whichever is less. The Governmental Unit shall separately account for, itemize and support such third-party Grant administrator expenses and fees, including by timely submitting or ensuring its Grant administrator timely submits any reports to Commerce required under Exhibits C and D. If the Governmental Unit fails to separately account for, itemize and support such third-party Grant administrator expenses and fees, including by failing to timely submit or ensure its Grant administrator timely submits any such reports, Commerce, in its sole discretion, may disallow the eligibility of such expenses and fees for Grant funding, in whole or in part.
  - ii. Non-construction costs such as engineering design, permitting, land surveying costs, easement preparation and legal costs; and
  - iii. Construction administration and/or inspection costs, which are limited to a total of ten percent (10%) of the total Project costs.
- (e). Without limitation and as determined by Commerce in its sole discretion, the following expenditures are not eligible for Grant funding and should not be submitted to Commerce for reimbursement or credited by the Governmental Unit toward its Cash Match requirement under Paragraph 4(f) below:
- i. Any costs incurred prior to the date of the Grant award;
  - ii. Any costs incurred for privately owned infrastructure improvements;
  - iii. Any costs arising from or related in any manner to any project that has received funds from a grant under the North Carolina Rural Economic Development Public-Owner or Private-Owner Building Reuse Program; and
  - iv. Land acquisition costs or fees related to land acquisition with the exception of costs or fees incurred in acquiring public easements for the Project's infrastructure improvements.
- (f). As a condition of receiving the Grant, the Governmental Unit must contribute a cash match ("Cash Match") equivalent to at least 5% of the Grant amount. The Cash Match shall come from local resources and may not be derived from other State or federal grant funds, including, without limitation, from the funds of any grant under the North Carolina Rural Economic Development Public-Owner or Private-Owner Building Reuse Program. Expenditures that Commerce, in its sole discretion, determines are not eligible for Grant funding (including without limitation those specified in Paragraph 4(e) above) may not be counted toward the Cash Match. All Cash Match funds shall be expended on costs eligible for Grant funding prior to the expenditure of Grant funds.

5. Independent Status of the Governmental Unit.

- (a). The Governmental Unit is an entity independent from the Rural Authority and Commerce. The Grant Agreement, the LBC, the Project and any actions taken pursuant to them shall not be deemed to create a partnership or joint venture between or among Commerce, the Rural Authority, the Governmental Unit or any third party (including, without limitation, any Business). Nor shall the Grant Agreement, the LBC or the Project be construed to make the Governmental Unit (including its employees, agents, members or officials) or any third party (including, without limitation, any Business) employees, agents, members or officials of Commerce or the Rural Authority. Neither the Governmental Unit nor any third party (including, without limitation, any Business) shall have the ability to bind Commerce or the Rural Authority to any agreement for payment of goods or services or represent to any person that they have such ability.
- (b). The Governmental Unit shall be responsible for payment of all of its expenses, including rent, office expenses and all forms of compensation to employees. The Governmental Unit shall provide worker's compensation insurance to the extent required for its operations and shall accept full responsibility for payments of unemployment tax or compensation, social security, income taxes, and any other charges, taxes or payroll deductions required by law in connection with its operations, for itself and its employees who are performing work pursuant to this Grant Agreement. All expenses incurred by the Governmental Unit are its sole responsibility, and neither Commerce nor the Rural Authority shall be liable for the payment of any obligations incurred in the performance of the Project.

6. Method of Payment. Commerce shall pay the Grant funds to the Governmental Unit in accordance with the Payment Schedule attached hereto as Exhibit B after receipt of written requests for payment from the Governmental Unit certifying that the conditions for such payment under this Grant Agreement have been met and that the Governmental Unit is entitled to receive the amount so requested and any other documentation that may be required by Commerce.

7. Obligation of Funds. The Governmental Unit shall not obligate Grant funds prior to the Effective Date or subsequent to the Termination Date of this Grant Agreement. All obligations outstanding as of the Termination Date shall be liquidated within thirty days after the Termination Date.

8. Project Records.

- (a). The Governmental Unit shall maintain full, accurate and verifiable financial records, supporting documents and all other pertinent data for the Project in such a manner as to clearly identify and document the expenditure of the State funds provided under this Grant Agreement separate from accounts for other awards, monetary contributions or other revenue sources for this Project.
- (b). The Governmental Unit shall retain all financial records, supporting documents and all other pertinent records related to the Grant Agreement, the Project and the LBC for a period of five (5) years from the Termination Date. In the event such records

are audited, all such records shall be retained beyond the five-year period until the audit is concluded and any and all audit findings have been resolved.

9. Monitoring, Reports and Auditing.

- (a). The Governmental Unit agrees to ensure compliance and provide its assistance with such monitoring and auditing requirements as the State may request, including following the Termination Date of this Grant Agreement. Additionally, the Governmental Unit shall regularly monitor all performance under Grant-supported activities, as well as the activities of the Business under the LBC, to ensure that time schedules are being met, New Jobs are being created and maintained, the Baseline Number of jobs is being maintained (if required) and other performance goals are being achieved.
- (b). The Governmental Unit shall furnish Commerce detailed written progress reports according to the time periods specified in Exhibit C or as otherwise requested by Commerce. Such reports should describe the progress made by the Governmental Unit and any Business toward achieving the purpose(s) of the Project and/or the LBC, including specifically the goals of New Job creation and maintenance. Such descriptions should include the successes and problems encountered during the reporting period. Failure to submit a required report by the scheduled submission date will result in the withholding of any forthcoming payment until Commerce is in receipt of the delinquent report and the report meets with Commerce's approval, in Commerce's sole discretion.
- (c). The Governmental Unit acknowledges and agrees that, with regard to the Grant funds, it will be subject to the audit and reporting requirements prescribed by N.C.G.S §159-34, Local Government Finance Act - Annual Independent Audit; rules and regulations. Such audit and reporting requirements may vary depending upon the amount and source of Grant funding received by the Governmental Unit and are subject to change from time to time. Upon completion, the Governmental Unit shall forward to Commerce one copy of any audited financial statements and accompanying reports generated covering the period between the Effective Date and Termination Date of this Grant Agreement.
- (d). Within thirty (30) days after the Termination Date, the Governmental Unit shall submit a final report to Commerce describing the activities and accomplishments of the Project. The final report shall include a review of performance and activities over the entire Project period. In the final report, the Governmental Unit should describe the Project and the LBC, how they were implemented, to what degree their established objectives were met and the difficulties encountered, what they changed and their cost.
- (e). The Governmental Unit grants the State and any of its related agencies, commissions or departments (including, without limitation, Commerce, the North Carolina State Auditor and the North Carolina Office of State Budget and Management) and any of their authorized representatives, at all reasonable times and as often as necessary (including after the Termination Date), access to and the right to inspect, copy, monitor, and examine all of the books, papers, records and other documents relating to the Grant Agreement, the LBC or the Project. Likewise, the Governmental Unit shall ensure that any Business provides the same access. In addition, the

Governmental Unit agrees to comply at any time, including after the Termination Date, with any requests by the State (including, without limitation, the Rural Authority or Commerce) for other financial and organizational materials to permit the State to comply with its fiscal monitoring responsibilities or to evaluate the short- and long-range impact of its programs.

10. Termination; Availability of Funds.

- (a). If the Governmental Unit fails to fulfill in a timely and proper manner its obligations or violates any of the covenants or stipulations under this Agreement, or if any Business fails to fulfill in a timely and proper manner its obligations or violates any of its covenants or stipulations under the LBC, the Governmental Unit agrees that Commerce has the right to terminate this Grant Agreement and/or the LBC by giving, as applicable, the Governmental Unit or the Governmental Unit and the Business written notice specifying the Termination Date of either agreement, which Commerce may determine in its sole discretion. Upon such termination, Commerce shall have no responsibility to make additional Grant payments. Upon such termination, the Governmental Unit shall not expend any Grant funds without Commerce's express written authorization and shall return all unspent Grant funds to Commerce upon demand.
- (b). The obligations of the Rural Authority and/or Commerce to pay any amounts under this Grant Agreement are contingent upon the availability and continuation of funds for such purpose. If funds for the Grant become unavailable, the Governmental Unit agrees that Commerce has the right to terminate this Grant Agreement and/or the LBC by giving written notice specifying the Termination Date of either agreement, which Commerce shall determine in its sole discretion. Upon such termination, the State shall have no responsibility to make additional Grant payments. Further, upon such termination, the Governmental Unit shall not expend any Grant funds without Commerce's express written authorization and shall return all unspent Grant funds to Commerce upon demand.

11. Liabilities and Loss. The Governmental Unit hereby agrees to release, indemnify and hold harmless the State (including, without limitation, the Rural Authority and Commerce), and their respective members, officers, directors, employees, agents and attorneys (together, the "Indemnified Parties"), from any claims of third parties (including, without limitation, any Business) arising out of any act or omission of the Governmental Unit or any third party (including, without limitation, any Business) in connection with the performance of this Grant Agreement, the LBC or the Project, and for all losses arising from their implementation. Without limiting the foregoing, the Governmental Unit hereby releases the Indemnified Parties from, and agrees that such Indemnified Parties are not liable for, and agrees to indemnify and hold harmless the Indemnified Parties against, any and all liability or loss, cost or expense, including, without limitation, reasonable attorneys' fees, fines, penalties and civil judgments, resulting from or arising out of or in connection with or pertaining to, any loss or damage to property or any injury to or death of any person occurring in connection with the Project, or resulting from any defect in the fixtures, machinery, equipment or other property used in connection with the Project or arising out

of, pertaining to, or having any connection with, the Project or the financing thereof (whether arising out of acts, omissions, or negligence of the Governmental Unit or of any third party (including, without limitation, any Business), or of any of their agents, contractors, servants, employees, licensees, lessees, or assignees), including any claims and losses accruing to or resulting from any and all subcontractors, material men, laborers and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the Project.

12. Governmental Unit Representations and Warranties. The Governmental Unit hereby represents and warrants that:
- (a). The execution and delivery of this Grant Agreement have been duly authorized by all necessary Governmental Unit action and are not in contravention of law or in contravention of the provisions of any indenture agreement or undertaking to which the Governmental Unit is a party or by which it is bound.
  - (b). There is no action, suit proceeding, or investigation at law or in equity or before any court, public board or body pending, or to the knowledge of the Governmental Unit, threatened against or affecting it or any Business that could or might adversely affect the Project or any of the transactions contemplated by this Grant Agreement or the LBC, the validity or enforceability of this Grant Agreement or the LBC, or the abilities of the Governmental Unit or any Business to discharge their obligations under this Grant Agreement or the LBC. If it is subsequently found that an action, suit, proceeding, or investigation did or could threaten or affect the development of the Project, Commerce may require repayment from the Governmental Unit of an amount of Grant funds to be determined in Commerce's sole discretion but not to exceed the amount of Grant funds the Governmental Unit has already received under this Grant Agreement, and this Grant Agreement may be terminated by Commerce effective upon notice.
  - (c). No consent or approval is necessary from any governmental authority as a condition to the execution and delivery of this Grant Agreement by the Governmental Unit or the performance of any of its obligations hereunder, or all such requisite governmental consents or approvals have been obtained. The Governmental Unit shall provide Commerce with evidence of the existence of any such necessary consents or approvals at the time of the execution of this Grant Agreement.
  - (d). Upon the Governmental Unit's reasonable inquiry of (including the receipt and review of written documentation from) each Business, every Business is solvent, is financially capable of performing its LBC and Project responsibilities (including, without limitation for the Business, creating and maintaining the New Jobs and, if required, maintaining the Baseline Number of jobs), is a going concern, is duly authorized to do business under North Carolina law, and no Business is delinquent on any federal, state or local taxes, licenses or fees. If it is subsequently found that a Business was not solvent, was not financially capable of performing its LBC or Project responsibilities, was delinquent on its federal, state or local taxes, licenses or fees or, if applicable, was not a going concern or was not duly authorized to do business under North Carolina law, Commerce may require repayment from the Governmental Unit of an amount of Grant funds to be determined in Commerce's

sole discretion but not to exceed the amount of Grant funds the Governmental Unit has already received under this Grant Agreement, and this Grant Agreement may be terminated by Commerce effective upon notice

13. Cessation/Termination, Bankruptcy, Dissolution or Insolvency.

- (a). Under the LBC, the Business agrees at all times to preserve its legal existence, except that it may merge or consolidate with or into, or sell all or substantially all of its assets to, any entity that expressly undertakes, assumes for itself and agrees in writing to be bound by all of the obligations and undertakings of the Business contained in the LBC, subject to the prior written consent of Commerce as set forth in Paragraph 17(d) if such action constitutes an assignment of the Business' obligations under the LBC. If the Business so merges, consolidates or sells its assets without such an undertaking being provided, it agrees under the LBC to make that payment due under the LBC to the Governmental Unit or Commerce, upon request and as directed. Further, a merger, consolidation or sale without such an undertaking shall constitute a material default under the LBC, and the Governmental Unit or Commerce may terminate the LBC upon written notice to the Business and hold the Business liable for any such payment provided for under the LBC.
- (b). Other than as provided for in Paragraph 13(a) above, if any Business ceases to do business or becomes the subject of any bankruptcy, dissolution or insolvency proceeding prior to the Termination Date, it shall be the sole responsibility of the Governmental Unit to (i) immediately notify Commerce and (ii) pursue any claim for payment owed under the LBC to the Governmental Unit or the State by the Business, including in any legal proceeding, to obtain the maximum payment allowed by law. To the extent the Governmental Unit fails to pursue such payment from the Business in such a proceeding and obtain the maximum payment allowed by law, the Governmental Unit shall be liable to Commerce for all amounts that should have been awarded to the Governmental Unit in the proceeding if it had taken the necessary action (notwithstanding whether such amounts would have actually been paid by the Business). Alternatively, without limitation, if the Governmental Unit fails to pursue payment under the LBC in such a proceeding and Commerce elects to do so instead, the Governmental Unit is responsible and agrees to reimburse Commerce for all legal costs and reasonable attorneys' fees that Commerce incurs in pursuing such payment from the Business.
- (c). If the Governmental Unit fails to provide Commerce notice of any Business ceasing to do business or becoming the subject of any bankruptcy, dissolution or insolvency proceeding prior to the Termination Date, it shall constitute a material default under this Grant Agreement. If there is such a cessation or such a proceeding, Commerce may terminate the Grant Agreement upon written notice to the Governmental Unit. If there is such a cessation or such a proceeding, the Governmental Unit agrees that Commerce has the right to terminate this Grant Agreement and/or the LBC by giving, as applicable, the Governmental Unit or the Governmental Unit and the Business written notice specifying the Termination Date, which Commerce may determine in its sole discretion. Upon such termination, the Governmental Unit shall not expend

any Grant funds without Commerce's express written authorization and shall return all unspent Grant funds to Commerce upon demand.

14. Additional Repayment Requirements and Remedies.

- (a). The repayment requirements and remedies addressed in this Paragraph 14 are in addition to those repayment requirements and other remedies set forth elsewhere in this Grant Agreement, including the requirements to repay unspent Grant funds. No remedy conferred or reserved by or to the State is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy provided for in this Grant Agreement, or now or hereinafter existing at law, in equity, or by statute, and any such right or power may be exercised from time to time and as often as may be deemed expedient.
- (b). If there is a breach of any of the requirements, covenants or agreements in this Grant Agreement or the LBC, or if there are any representations or warranties which are untrue as to a material fact in this Grant Agreement, the LBC or in relation to the LBC or the Project (including the performance thereof), the Governmental Unit agrees that Commerce has the sole discretion to require repayment from the Governmental Unit of an amount of Grant funds to be determined in Commerce's sole discretion but not to exceed the amount of Grant funds the Governmental Unit has already received under this Grant Agreement. Such requirements, covenants or agreements include but are not limited to Paragraphs 1, 2(a), 4, 10(a), 12 and 13 of this Grant Agreement and include but are not limited to the creation and retention of the New Jobs and the retention of the Baseline Number of jobs under the LBC.

15. No Waiver by the State. Failure of the State (including, without limitation, the Rural Authority and Commerce) at any time to require performance of any term or provision of this Grant Agreement or the LBC shall in no manner affect the rights of the State at a later date to enforce the same or to enforce any future compliance with or performance of any of the terms or provisions hereof. No waiver of the State of any condition or the breach of any term, provision or representation contained in this Grant Agreement or the LBC, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of that or any other term, provision or representation.

16. Waiver of Objections to Timeliness of Legal Action. The Governmental Unit knowingly waives any objections it has or may have to timeliness of any legal action (including any administrative petition or civil action) by the State (including, without limitation, the Rural Authority or Commerce) to enforce its rights under this Grant Agreement. This waiver includes any objections the Governmental Unit may possess based on the statutes of limitations or repose and the doctrines of estoppel or laches.

17. Special Provisions and Conditions.

- (a). Non-discrimination. The Governmental Unit agrees not to discriminate by reason of age, race, religion, color, sex, national origin or disability related to the activities of this Grant Agreement.
  - (b). Conflict of Interest. The Governmental Unit shall forward to Commerce along with the executed copies of this Grant Agreement a copy of its policy and any ordinance or resolution it has adopted addressing conflicts of interest that may arise involving the members of the Governmental Unit's governing body and/or any of its employees or officers involved in the Grant, the LBC or the Project. Such policy, ordinance or resolution shall address situations in which any of these individuals may directly or indirectly benefit, other than through receipt of their normal compensation in their capacities as the Governmental Unit's employees, officers or members of its governing body, from the Grant, the LBC or Project, and shall include actions to be taken by the Governmental Unit or the individual, or both, to avoid conflicts of interest and the appearance of impropriety. Additionally, the Governmental Unit certifies that, as of the date it executes this Grant Agreement, no such individuals have such a conflict of interest or will directly or indirectly benefit, except in the capacities described above, from the Grant, LBC or Project. Throughout the duration of this Grant Agreement, the LBC and the Project, the Governmental Unit has the duty to promptly inform Commerce of any such conflict of interest or direct or indirect benefit of which it becomes aware.
  - (c). Compliance with Laws. The Governmental Unit shall at all times observe and comply with all laws, regulations, codes, rules, ordinances and other requirements (together, "Laws") of the state, federal and local governments which may in any manner affect the performance of the Grant Agreement, the LBC or the Project.
  - (d). Non-Assignability. The Governmental Unit shall not assign or transfer any interest in the Grant Agreement without the prior written consent of Commerce; provided, however, that claims for money due to the Governmental Unit from Commerce under this Agreement may be assigned to any commercial bank or other financial institution without such approval.
  - (e). Personnel. The Governmental Unit represents that it has, or will secure at its own expense, all personnel required to monitor, carry out and perform the scope of services of this Grant Agreement. Such employees shall not be employees of Commerce. Such personnel shall be fully qualified and shall be authorized under state and local law to perform such services.
18. Notice. All notices required or permitted to be delivered hereunder and all communications in respect hereof shall be in writing and shall be deemed given when personally delivered or when deposited in the United States mails, certified, return receipt requested, first class, postage prepaid and addressed as follows:

If to the Rural Authority or Commerce: Attn: **George Collier**  
North Carolina Department of Commerce  
Rural Economic Development Division  
301 North Wilmington Street  
4346 Mail Service Center  
Raleigh, North Carolina 27699-4346

If to the Governmental Unit: Attn: **The Honorable Jay MacDonald Hodges**  
Mayor, City of Washington  
PO Box 2226  
102 East 2nd Street  
Washington, NC 27889-2226

or addressed to such other address or to the attention of such other individual as Commerce or the Governmental Unit shall have specified in a notice delivered pursuant to this subsection.

19. **Entire Agreement.** This Grant Agreement supersedes all prior agreements between or among the Rural Authority and/or Commerce and the Governmental Unit with regard to the Project and expresses their entire understanding with respect to the transactions contemplated herein, and shall not be amended, modified or altered except pursuant to a writing signed by both Commerce and the Governmental Unit.
20. **Execution.** This Grant Agreement may be executed in one or more counterparts, each of which, when executed, shall be deemed an original, and such counterparts, together, shall constitute one and the same Grant Agreement which shall be sufficiently evidenced by one of such original counterparts.
21. **Construction, Jurisdiction and Venue.** This Grant Agreement shall be construed and governed by the laws of the State of North Carolina. The Governmental Unit agrees and submits, solely for matters concerning this Grant Agreement, to the exclusive jurisdiction of the courts of North Carolina and agrees, solely for such purposes, that the only venue for any legal proceedings shall be Wake County, North Carolina. The place of this Grant Agreement, and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract, tort, or otherwise, relating to its validity, construction, interpretation, and enforcement, shall be determined.
22. **Severability.** Each provision of this Grant Agreement is intended to be severable and, if any provision of this Agreement is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect or impair any other provision of this Grant Agreement, but this Grant Agreement shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

23. Acceptance. If the Governmental Unit agrees to the Grant conditions as stated, please return the executed documents specified in Paragraph 1(a). This Grant may be withdrawn if Commerce has not received such documents within thirty (30) days from the date of the cover letter from Commerce to the Governmental accompanying this Grant Agreement and its Exhibits.

IN WITNESSETH WHEREOF, the parties hereto have executed this Grant Agreement as of the date first above written.

**City of Washington**

Signature: \_\_\_\_\_ [SEAL]

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

**North Carolina Department of Commerce**

Signature: Patricia Mitchell [SEAL]

Printed Name: Dr. Patricia Mitchell, CECD

Title: Assistant Secretary, Rural Development Division

Date: 11-30-15

City of Washington  
Hotel Project - New Age Properties Group, LLC

**RURAL GRANTS/PROGRAMS SECTION**  
**Economic Infrastructure Program**

The City of Washington will carry out the terms of this contract as follows:

**General Project Description and Justification:**

The City of Washington has a poverty rate of 21% and is located in Beaufort County, an economically distressed Tier One (1) county. The City is in need of assistance to provide publicly owned water and sewer infrastructure in order to locate a new hotel. This project will allow New Age Properties Group, LLC to open an approximately 53,000 square foot hotel with four (4) floors and 87 rooms on approximately four (4) acres of land.

This business will serve a bigger economic development benefit for this property by serving as an anchor tenant. This will have an additional fifteen (15) parcels marketed towards commercial, retail, and light manufacturing businesses. The proposed sewer improvements include the extension of approximately 510 linear feet of eight-inch (8") sewer line, three (3) manholes, and necessary appurtenances. The proposed water improvements include the extension of 495 linear feet of eight-inch (8") water line and necessary appurtenances. The property for the hotel is currently not served with public infrastructure.

Per Section 7 of this Contract Agreement:

“Obligation of Funds: Funds provided by the NC Department of Commerce may not be obligated by the GRANTEE prior to the effective date or subsequent to the termination date of this Agreement.”

**Project Cost and Funding:**

		Local	Private	Rural Grants/Programs		Total
1.	Construction	5,000.00	44,800.00	\$100,000.00	\$	149,800.00
2.	Contingency		15,000.00		\$	15,000.00
3.	Engineering Design		24,500.00		\$	24,500.00
4.	Const. Admin./Obs.		9,500.00		\$	9,500.00
5.	Legal Costs		7,600.00		\$	7,600.00
	<b>Total</b>	<b>5,000.00</b>	<b>101,400.00</b>	<b>100,000.00</b>	<b>\$</b>	<b>206,400.00</b>

**Project Reporting:**

The City will adhere to the conditions and regulations outlined in this Grant Agreement and file reports on the dates set forth in Exhibit C of this contract.

**EXHIBIT B**  
**Payment Schedule**

2016-011-3212-2538

The NC Department of Commerce shall make payable to the **City of Washington** a sum of **\$100,000.00** as follows:

- The NC Department of Commerce will disburse up to 100 percent of grant funds upon submission of satisfactory evidence that 100 percent of local and private funds have been expended. Documentation in the form of approved invoices that support expenses must accompany the Financial Request Reporting form, as well as cleared checks showing payment of the local match.

In order to draw down funds, the grantee must show evidence that all other project funds have been spent. Examples of such evidence include an invoice stamped paid and a check number or a receipt from a vendor.

**Please include evidence of expenditure with your financial request.**

Request for payment must be submitted within thirty (30) days after the end of the contract period.

All payments will be made subject to the availability of Economic Infrastructure funds.

**EXHIBIT C  
Reporting Schedule**

2016-011-3212-2538

In accordance with the contractual agreement between the City of Washington and the N.C. Department of Commerce, progress, final, and audit reports should be submitted according to the following guidelines:

**Progress and Final Reports:**

Progress reports should be submitted to the Rural Development Division. Refer to the reporting schedule below.

Submit a Final Report to the Rural Development Division when all aspects of the project are complete, including job creation and the 6-month verification period.

<b>Due Date</b>	<b>Report Due</b>	<b>Reporting Period</b>
01/15/16	Progress Report	08/20/15 - 12/31/15
07/15/16	Progress Report	01/01/16 - 06/30/16
01/15/17	Progress Report	07/01/16 - 12/31/16
07/15/17	Progress Report	01/01/17 - 06/30/17
09/30/17	Final Report	07/01/17 - 08/20/17

Progress/Final Reporting forms can be found under the Grant Applications and Reporting Forms link the N.C. Department of Commerce website at <http://www.nccommerce.com/rd/rural-grants-programs>.

**Audit Reports:**

<b>Due Date</b>	<b>Report Due</b>	<b>Reporting Period</b>
03/31/2017	Audit Report	FYE 6/30/2016
03/31/2018	Audit Report	FYE 6/30/2017
03/31/2019	Audit Report	FYE 06/30/2018

**Failure to submit progress and audit reports as required:**

1. Will result in non-payment of pay requests,
2. Can result in the immediate termination of the grant,
3. Can result in the demand for immediate repayment of any funds paid by the N.C. Department of Commerce, and
4. Will negatively impact a grantee's ability to get Economic Infrastructure grants in the future.

## EXHIBIT D

### Job Verification and Closeout Requirements

2016-011-3212-2538

The project business can be released from their job creation commitment in the Economic Infrastructure Program once the required number of full-time jobs have been created and maintained for at least six consecutive months. The jobs created must be full-time (at least 35 hours per week), pay at least minimum wage, and the number of created jobs must be above the baseline employment level reported in the application. The baseline employment and new jobs created must be maintained concurrently during the same six-month period.

#### Rural DropBox

We have developed a secure server and website (“Rural DropBox”) dedicated to the Economic Infrastructure Program. The secure server and website will allow you to submit the employment information without any redactions and will allow your NC Department of Commerce program manager to accurately verify the employees and their wages through the NC Department of Commerce’s Division of Employment Security.

A permanent username and password has been assigned to this project and must be used to upload the job verification documents. The username and password for this project is as follows:

Username: 2016-011-3212-2538

Password: PbkL8315\*

Please follow the directions in order to access the Rural DropBox. All job verification documents must be uploaded via our secure website:

1. Go to [www.nccommerce.com/rdg](http://www.nccommerce.com/rdg)
1. Enter your username and password (provided above)
2. You will now be taken to the upload page (read directions and instructions thoroughly)
3. Enter a valid email address
4. Click the *Browse* button
5. Select the document you want to upload and *double click* or *highlight document and select open*;
6. Click “Upload File”

These submissions will be date and time stamped and you will be alerted via email after you have successfully submitted your materials. It also important to note that your username is the contract number assigned to this project and must be entered exactly as provided in this exhibit.

#### Job Verification

Grantees should submit the following as evidence of job creation and maintenance:

1. **Job Certification Form**—the grantee and the participating business is required to complete this form that attests to the creation of the number of jobs full-time jobs committed to receive the grant. The form must be signed by the authorized representatives of the participating business and the local government grantee.
2. **NCUI 101 Forms**—the company should submit copies of each company’s *Employer’s Quarterly Tax and Wage Report* (NCUI 101 form) that have been submitted to the Division of Employment Security as evidence of the creation of the required number of full-time jobs. The forms must

**EXHIBIT D****Job Verification and Closeout Requirements**

2016-011-3212-2538

include the appropriate number of quarters to show that the company maintained the required employment level for six-consecutive months. The employment level reported must meet or exceed the baseline number of employees reported at the time of the application plus the number of new, full-time jobs committed for the grant. The jobs created and the baseline must be maintained concurrently during the same six-month period. If the NCUI 101 forms include employees from other locations in North Carolina, the names of the employees working in the project building (Building Reuse) or site that is utilizing the infrastructure improvements (EIP) should be highlighted. If the NCUI 101 forms include both full and part-time employees an "f" should be written next to the name of each full-time employee and a "p" should be written next to the name of each part-time employee. To be considered full-time, the employee must work at least 35 hours per week and be paid at least minimum wage. Part-time, Full-Time Equivalents (FTE) positions, or contract and consulting jobs will not be considered to meet the terms of the grant. All employee social security numbers must be redacted from the NCUI 101 forms; however, wage data may not be redacted.

**Economic Infrastructure Program Release of Job Creation Commitment and Closeout Requirements**

The Rural Grants/Programs section will notify the grantee that the project business has been released from their job creation commitment after review and approval of the Job Certification Form and NCUI 101 forms. The grant can be closed once all progress reports, the final report, job certification form, NCUI 101 forms, and photos are received and approved by the Rural Grants/Programs Section.

**The City of Washington** (the “Governmental Unit”) enters into this Rural Economic Development Legally Binding Commitment (the “LBC”) with **NEW AGE PROPERTIES, LLC** (the “Business” and, together with the Governmental Unit, the “Parties”).

WHEREAS, pursuant to N.C.G.S. §§143B-472.127 and .128, the North Carolina Rural Infrastructure Authority (the “Rural Authority”) of the State of North Carolina (“State”) has awarded a grant (the “Grant”) to the Governmental Unit, and the North Carolina Department of Commerce (“Commerce”), an agency of the State, will administer the Grant; and

WHEREAS, the Grant is memorialized in an agreement (the “Grant Agreement”) between Commerce and the Governmental Unit, and the Grant Agreement includes Exhibit A (Scope of Project), Exhibit B (Payment Schedule), Exhibit C (Reporting Schedule), Exhibit D (Closeout Schedule/Job Requirements), Exhibit E (this LBC) and Exhibit F (Waiver of Confidentiality (“Waiver”)); and

WHEREAS, the Business specifically agrees that the Grant will provide significant, direct economic benefit to the Business and allow the Business to create new jobs, which will result in direct economic benefit to the Governmental Unit; and

WHEREAS, the Rural Authority awarded the Grant: (1) based on the application filed by the Governmental Unit and any subsequent materials supporting the application that have been approved of by Commerce in writing, all of which are incorporated by reference herein; (2) based on Commerce’s Rural Economic Infrastructure Program Guidelines and other grant requirements and guidelines, all of which are incorporated herein and may be amended, modified or supplemented and applied accordingly to this Grant Agreement by Commerce in its sole discretion; (3) for constructing the critical public water and wastewater facilities or providing the other public infrastructure needs summarized in Exhibit A (the “Project”); and (4) for the Business to create and retain certain new jobs (“New Jobs”) and, if necessary, maintain a baseline number (“Baseline Number”) of pre-existing jobs.

WHEREAS, the Governmental Unit and the Business are required to enter into this LBC as conditions for the Governmental Unit to receive the Grant and for the Business to receive the economic benefit of the improved public infrastructure resulting from the Project;

NOW, THEREFORE, in consideration of the mutual promises and such other valuable consideration set out herein, the Parties mutually agree to the following terms and conditions:

1. **Agreements to be Executed.** As conditions of the Grant Agreement and this LBC:
  - (a). The highest elected official of the Governmental Unit and a duly authorized representative of the Business shall execute three originals of the LBC in its exact form (unless Commerce approves of a change to its terms in writing), and the Governmental Unit shall return one such original to Commerce;
  - (b). The Business shall execute a Waiver, Exhibit E to the Grant Agreement, and the Governmental Unit shall forward the original of any such Waiver to Commerce.

2. **Third-Party Beneficiary.** The Parties agree that the State (including, without limitation, Commerce and the Rural Authority) is an intended third-party beneficiary of this LBC and may, at its option, enforce the terms of this LBC or appear as a party in any litigation concerning the LBC.
  
3. **New Job Creation, Maintenance of New Jobs and Baseline Number of Jobs and Verification.**
  - (a). **New Job Creation and Maintenance of New Jobs and Baseline Number of Jobs.** A “New Job” shall mean a full-time job (consisting of at least 35 hours per week of employment for an individual who is an employee (as opposed to an independent contractor) of the Business, is eligible for all benefits generally available for other full-time employees of the Business and for whom the Business files an IRS W-2 form and withholds applicable federal, State and local income and payroll taxes) which is with the Business, is located in North Carolina, has a wage at least equal to the minimum wage, is created and maintained by the Business at the specific location set forth in Exhibit A and within the jurisdiction of the Governmental Unit and is over and above the 0 full-time jobs in North Carolina (“Baseline Number”) that the Business reported having at the time of the application for the Project. In return for the benefit of the improved public infrastructure resulting from the Project, the Business shall be required to create and maintain in existence for six (6) consecutive months 20 New Jobs prior to the Termination Date, unless this term is extended pursuant to Paragraph 5. If the Business reported having a Baseline Number of jobs at the time of the application for the Project, then, separate and apart from these New Jobs, the Business shall be required to maintain in existence its Baseline Number of jobs for as long as it takes the Business to create and maintain its required number of New Jobs.
  - (b). **Verification.** When the New Jobs required by Paragraph 3(a) have been created and maintained for six (6) consecutive months, the Business shall notify the Governmental Unit so that it and/or Commerce can verify the creation and maintenance of the New Jobs, as well as the maintenance of the Baseline Number of jobs (if required) and the satisfaction of all other conditions and terms of this LBC and the Project. The Business shall provide to the Governmental Unit and Commerce, or their respective designees, full and complete access to all records of the Business necessary to verify the number and types of jobs created and maintained, the wages paid to employees and all other conditions and terms of this LBC and the Project. Failure of any Business to provide such access upon request shall constitute a material default by the Business under the terms of this LBC and, in the sole discretion of the Governmental Unit and/or Commerce, may subject the Business to payment in an amount calculated under Paragraph 13 below.
  
4. **Changes in the Project or Other Conditions.**
  - (a). A “Project Change” is any material alteration, addition, deletion or expansion of the Project, including (without limitation) material changes to construction or rehabilitation, the terms or conditions of the LBC, the required number of New Jobs, the Baseline Number of jobs, the preliminary engineering report, any cessation of business by the Business and any filing of bankruptcy by the Business. There shall be

- no Project Changes unless expressly approved of by Commerce and the Governmental Unit in a separate, written agreement stating, if applicable, the costs and schedule for completing the Project Change.
- (b). Additionally, the Business shall immediately notify the Governmental Unit of any change in conditions or local law, or any other event, which may significantly affect its ability to perform the LBC. In their sole discretion, the Governmental Unit or Commerce may deem such a change in conditions, local law or other event to constitute a Project Change.
5. Term of LBC. The effective period of this LBC shall commence on 8/20/2015 (“Effective Date”) and shall terminate on 8/20/2017 unless terminated on an earlier date under the terms of this LBC (either one of which dates shall constitute the “Termination Date”) or unless extended for an express term in writing by the Governmental Unit.
6. Independent Status of the State, the Governmental Unit, the Business and Any Third Parties.
- (a). The State (including, without limitation, the Rural Authority and Commerce) and the Governmental Unit are independent entities from one another and from the Business and any third party. The Grant Agreement, the LBC, the Project, the creation and maintenance of New Jobs, the maintenance of the Baseline Number of jobs (if required) and any actions taken pursuant to them shall not be deemed to create a partnership or joint venture between the State and the Governmental Unit or between or among either of them and the Business or any third party. Nor shall the Grant Agreement, the LBC, the Project, the creation and maintenance of New Jobs or the maintenance of the Baseline Number of jobs (if required) be construed to make any employees, agents or members of the Business or any third party into employees, agents, members or officials of the Governmental Unit or the State or to make employees, agents, members or officials of the Governmental Unit into employees, agents, members or officials of the State. Neither the Business nor any third party shall have the ability to bind the Governmental Unit or the State to any agreement for payment of goods or services or represent to any person that they have such ability. Nor shall the Governmental Unit have the ability to bind the State to any agreement for payment of goods or services or represent to any person that it has such ability.
- (b). The Business and any third party shall be responsible for payment of all their expenses, including rent, office expenses and all forms of compensation to their employees. The Business and any third parties shall provide worker's compensation insurance to the extent required for their operations and shall accept full responsibility for payments of unemployment tax or compensation, social security, income taxes, and any other charges, taxes or payroll deductions required by law in connection with their operations, for themselves and their employees who are performing work pursuant to this LBC or the Project. All expenses incurred by the Business or any third party are their sole responsibilities, and neither the Governmental Unit nor the State (including, without limitation, Commerce and the Rural Authority) shall be liable for the payment of any obligations incurred in the performance of the Project or the LBC.

7. **Records.** The Business shall retain all financial records, supporting documents and all other pertinent records related to the Grant Agreement, the Project, this LBC, the New Jobs and the Baseline Number of jobs (if required) for a period of five (5) years from the Termination Date. In the event such records are audited, all such records shall be retained beyond the five-year period until the audit is concluded and any and all audit findings have been resolved.
8. **Monitoring, Reports and Auditing.** The Business agrees to generate such reports regarding the Project, the LBC, the New Jobs and the Baseline Number of jobs (if required) as may be requested by the Governmental Unit or the State (including, without limitation, the Rural Authority or Commerce) in such form as they may request, including after the Termination Date. The Business further grants the Governmental Unit or the State (including any of its agencies, commissions or departments such as Commerce, the North Carolina State Auditor and the North Carolina Office of State Budget and Management) and any of their authorized representatives, at all reasonable times and as often as necessary (including after the Termination Date), access to and the right to inspect, copy, monitor and examine all of the books, papers, records and other documents relating to the Grant Agreement, the Project, the LBC, the New Jobs or the Baseline Number of jobs (if required). In addition, the Business agrees to comply at any time, including after the Termination Date, with any requests by the State (including, without limitation, the Rural Authority or Commerce) for other financial and organizational materials to permit the State to comply with its fiscal monitoring responsibilities or to evaluate the short- and long-range impact of its programs.
9. **Termination; Availability of Funds.**
  - (a). If the Business fails to fulfill in a timely and proper manner any applicable LBC or Project obligations or requirements applicable to it in the LBC, or if the Business violates any of its covenants or stipulations under the LBC, the Business agrees that the Governmental Unit or Commerce has the right to terminate the LBC by giving the Business written notice specifying the Termination Date, which shall be determined by the Governmental Unit or Commerce in their sole discretion. Upon such termination, the Business shall pay the amount calculated under Paragraph 13(b) to the Governmental Unit or Commerce, upon request, as directed and without regard to whether the effective period in Paragraph 5 has yet to expire.
  - (b). If the Business fails to fulfill in a timely and proper manner the obligations or requirements applicable to it in the LBC, or if the Business violates any of its covenants or stipulations under the LBC, the Business agrees that Commerce has the right to terminate its Grant Agreement with the Governmental Unit and/or terminate this LBC by giving, as applicable, the Governmental Unit or the Governmental Unit and the Business written notice specifying the Termination Date, which Commerce may determine in its sole discretion. Upon such termination, the Business shall pay the amount calculated under Paragraph 13(b) to the Governmental Unit or Commerce, upon request, as directed and without regard to whether the effective period in Paragraph 5 has yet to expire.
  - (c). The obligations of the Rural Authority and/or Commerce to pay any Grant funds to the Governmental Unit are contingent upon the availability and continuation of Grant funds for such purpose. If Grant funds become unavailable, the Business agrees that either Commerce or the Governmental Unit has the right to terminate this LBC by

giving written notice specifying the Termination Date, which either the Governmental Unit or Commerce may determine in their sole discretion.

10. **Liabilities and Loss.** The Business hereby agrees to release, indemnify and hold harmless the Governmental Unit and the State (including the Rural Authority and Commerce), and their respective members, officers, directors, employees, agents and attorneys (hereinafter collectively referred to as "Indemnified Parties"), from any claims of third parties arising out of any act or omission of the Business or any third party in connection with the performance of this LBC or the Project, and for all losses arising from implementation of this LBC or the Project. Without limiting the foregoing, the Business hereby releases the Indemnified Parties from, and agrees that such Indemnified Parties are not liable for, and agrees to indemnify and hold harmless the Indemnified Parties against any and all liability or loss, cost or expense, including, without limitation, reasonable attorneys' fees, fines, penalties and civil judgments, resulting from or arising out of or in connection with or pertaining to, any loss or damage to property or any injury to or death of any person occurring in connection with the Project, or resulting from any defect in the fixtures, machinery, equipment or other property used in connection with the Project or arising out of, pertaining to, or having any connection with, the Project or the financing thereof (whether or not arising out of acts, omissions or negligence of the Business or of any third party, or of any of their agents, contractors, servants, employees, licensees, lessees, or assignees), including any claims and losses accruing to or resulting from any and all subcontractors, material men, laborers and any other person, firm or corporation furnishing or supplying work, services, materials or supplies in connection with the Project.
11. **Business Representations and Warranties.** The Business hereby represents and warrants that:
  - (a). The Business is a going concern, is duly authorized to do business under North Carolina law, is not delinquent on any federal, state or local taxes, licenses or fees, is solvent and is financially capable of performing its responsibilities under the LBC (including maintaining the Baseline Number of jobs (if required) and creating and retaining the New Jobs). The Business shall have provided written documentation of such to the Governmental Unit prior to executing this LBC.
  - (b). This LBC has been entered into and executed on behalf of the Business by an individual with full actual and apparent authority to bind the Business to the terms hereto, and the execution and delivery of this LBC have been duly authorized by all necessary action, and are not in contravention of law nor in contravention of any certificate of authority, bylaws or other applicable organizational documents of the Business, nor are they in contravention of the provisions of any indenture, agreement or undertaking to which the Business is a party or by which it is bound.
  - (c). There is no action, suit, proceeding or investigation at law or in equity before any court, public board or body pending, or, to the Business' knowledge, threatened against or affecting the Business, that could or might adversely affect the Project, the creation or maintenance of the New Jobs, the maintenance of the Baseline Number of jobs (if required), any of the transactions contemplated by this LBC, the validity or enforceability of this LBC or the Business' ability to discharge its obligations under this LBC.
  - (d). No consent or approval is necessary from any governmental authority as a condition

to the execution and delivery of this LBC by the Business or the performance of any of its obligations hereunder, or else all such requisite governmental consents or approvals have been obtained. The Business shall provide the Governmental Unit or Commerce with evidence of the existence of any such necessary consents or approvals at the time of the execution of this LBC.

12. Cessation/Termination, Bankruptcy, Dissolution or Insolvency.

- (a). The Business shall at all times preserve its legal existence, except that it may merge or consolidate with or into or sell all or substantially all of its assets to any entity that expressly undertakes, assumes for itself and agrees in writing to be bound by all of the obligations and undertakings of the Business contained in this LBC, subject to the approval of the Governmental Unit and Commerce as set forth in Paragraph 16(c) if such action constitutes an assignment of the Business' obligations under this LBC. If the Business so merges, consolidates or sells its assets without such an undertaking being provided, the Business shall pay the amount calculated under Paragraph 13(b) to the Governmental Unit or Commerce, upon request, as directed and without regard to whether the effective period in Paragraph 5 has yet to expire. Further, a merger, consolidation or sale without such an undertaking shall constitute a material default under the LBC, and the Governmental Unit or Commerce may terminate the LBC upon written notice to the Business and hold the Business liable for any such payment.
- (b). Other than as provided for in Paragraph 12(a), if the Business ceases to do business or becomes the subject of any bankruptcy, dissolution or insolvency proceeding prior to the Termination Date, the Business shall give the Governmental Unit immediate notice of the event, and shall pay the amount calculated under Paragraph 13(b) to the Governmental Unit or Commerce, upon request, as directed and without regard to whether the effective period in Paragraph 5 has yet to expire, but only if to make such payment is permissible under applicable bankruptcy, dissolution or insolvency law.
- (c). If the Business fails to provide the Governmental Unit notice of the Business ceasing to do business or becoming the subject of any bankruptcy, dissolution or insolvency proceeding prior to the Termination Date, it shall constitute a material default under this LBC. If there is such a cessation or such a proceeding, the Governmental Unit or Commerce may terminate the LBC upon written notice to the Business. Upon such termination, the Business shall pay the amount calculated under Paragraph 13(b) to the Governmental Unit or Commerce, upon request, as directed and without regard to whether the effective period in Paragraph 5 has yet to expire, but only if to make such payment is permissible under applicable bankruptcy, dissolution or insolvency law.

13. Additional Payment Requirements and Remedies.

- (a). The payment requirements and remedies addressed in this Paragraph 13 are in addition to those repayment requirements and other remedies set forth elsewhere in this LBC, including the requirements to repay unspent Grant funds. No remedy conferred or reserved by or to the State or the Governmental Unit is intended to be exclusive of any other available remedy or remedies, but each and every such remedy shall be cumulative and shall be in addition to every other remedy provided for in this

LBC, or now or hereinafter existing at law, in equity, or by statute, and any such right or power may be exercised from time to time and as often as may be deemed expedient.

- (b). The Business acknowledges and agrees that: its receipt of the substantial benefit of the improved public infrastructure resulting from the Project is predicated upon the creation and maintenance of the New Jobs and, if required, the maintenance of the Baseline Number of jobs; the Business' failure to create and/or maintain such New Jobs or maintain this Baseline Number of jobs will constitute a material default of this LBC; and that the amounts of payments for which the Business may become liable under Paragraphs 13(b)i and 13(b)ii below reasonably and accurately represent the value of the benefit the Business has received from the improved public infrastructure resulting from the Project.
- i. If the Business fails to create and maintain such New Jobs, then the Business shall pay to the Governmental Unit or Commerce, as directed, an amount equal to the product of (i) **\$5,000.00** (the amount of Grant funds divided by the number of New Jobs required to be created in Paragraph 3(a) and (ii) the number of New Jobs required to be created in Paragraph 3(a), minus the number of New Jobs actually created, above the Baseline Number of jobs reported, that have been in existence for six (6) consecutive months.
  - ii. Additionally, in the event that the Business fails to maintain its Baseline Number of jobs as required under Paragraph 3(a), the Business shall lose credit for any qualifying New Jobs under this LBC by the same number of jobs that the Baseline Number of jobs is short. For example, if the Baseline Number of jobs falls short by three (3) jobs as of the date the Business has created and maintained all required New Jobs, the number of New Jobs deemed created and maintained shall be reduced by three (3). The amount the Business must pay shall then be calculated in accordance with Paragraph 13(b)i.
  - iii. Either Commerce or the Governmental Unit shall notify the Business in writing of the amount to be paid and direct the Business whether to pay such amount to the Governmental Unit for return to Commerce or repay the amount directly to Commerce. All such amounts shall be due immediately upon demand by the Governmental Unit or Commerce. If not paid within thirty (30) days following demand, the unpaid amount due hereunder shall bear interest at the rate of 10% per annum after demand until paid. Upon default in such payment, the Governmental Unit or Commerce may employ an attorney to enforce their respective rights and remedies, and the Business hereby agrees to pay the legal costs and reasonable attorneys' fees of the Governmental Unit and Commerce plus all other reasonable expenses incurred by such party in exercising any of its rights and remedies upon such defaults.

14. No Waiver by Governmental Unit or the State. Failure of the Governmental Unit or the State (including, without limitation, the Rural Authority and Commerce) at any time to require performance of any term or provision of this LBC shall in no manner affect the rights of the Governmental Unit or the State at a later date to enforce the same or to enforce

any future compliance with or performance of any of the terms or provisions hereof. No waiver of the Governmental Unit or the State of any condition or the breach of any term, provision or representation contained in this LBC, whether by conduct or otherwise, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such condition or of the breach of that or any other term, provision or representation.

15. Waiver of Objections to Timeliness of Legal Action. The Business knowingly waives any objections it has or may have to timeliness of any legal action (including any administrative petition or civil action) by the Governmental Unit or the State (including Commerce) to enforce their rights under this LBC. This waiver includes any objections the Business may possess based on the statutes of limitations or repose and the doctrines of estoppel or laches.
16. Special Provisions and Conditions.
  - (a). Nondiscrimination. The Business agrees that it will not discriminate by reason of age, race, religion, color, sex, national origin or disability related to the activities of this LBC or the Project.
  - (b). Compliance with Laws. The Business shall at all times observe and comply with all laws, regulations, codes, rules, ordinances and other requirements (together, "Laws") of the state, federal and local governments which may in any manner affect the performance of the LBC or the Project.
  - (c). Non-Assignability. The Business shall not assign or transfer any interest in the LBC without the prior written consent of the Governmental Unit and Commerce; provided however, that claims for money due to the Business from the Governmental Unit under this LBC may be assigned to any commercial bank or other financial institution without such approval.
  - (d). Personnel. The Business represents that it has or will secure at its own expense all personnel required to monitor, carry out and perform the scope of services of this LBC and the Project. Such employees shall not be employees of the State (including, without limitation, the Rural Authority or Commerce) or the Governmental Unit. Such personnel shall be fully qualified and shall be authorized under state and local law to perform such services.

17. **Notice.** All notices required or permitted hereunder and all communications in respect hereof shall be in writing and shall be deemed given when personally delivered or when deposited in the United States Mail, certified, return receipt requested, postage prepaid, and addressed as follows:

If to the Governmental Unit:

Attn: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

To the Owner:

Attn: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

18. **Entire Agreement.** This LBC supersedes all prior agreements between the Governmental Unit and the Business with regard to the Grant Agreement, the LBC and the Project and expresses their entire understanding with respect to the transactions contemplated herein, and shall not be amended, modified or altered except pursuant to a writing signed by both Parties.
19. **Execution.** This LBC may be executed in one or more counterparts, each of which, when executed, shall be deemed an original, and all such counterparts, together, shall constitute one and the same LBC which shall be sufficiently evidenced by one of such original counterparts.
20. **Construction, Jurisdiction and Venue.** This LBC shall be construed and governed by the laws of the State of North Carolina. The Parties agree and submit, solely for matters concerning this Grant Agreement, to the exclusive jurisdiction of the courts of North Carolina and agree, solely for such purposes, that the only venue for any legal proceedings shall be Wake County, North Carolina. The place of this LBC, and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract, tort, or otherwise, relating to its validity, construction, interpretation, and enforcement, shall be determined.

21. **Severability.** Each provision of this LBC is intended to be severable and, if any provision of this LBC is held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality or unenforceability shall not affect or impair any other provision of this LBC, but this LBC shall be construed as if such invalid, illegal or unenforceable provision had not been contained herein.

IN WITNESS WHEREOF, the parties hereto have executed this LBC as of the date first above written.

**Governmental Unit Name:** City of Washington

**Signature:** \_\_\_\_\_ [SEAL]

**Printed Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**Business Name:** NEW AGE PROPERTIES, LLC

**Signature:** \_\_\_\_\_ [SEAL]

**Printed Name:** \_\_\_\_\_

**Title:** \_\_\_\_\_

**EXHIBIT F**  
**Limited Waiver of Confidentiality**  
**Unemployment Tax and Wage Records**

2016-011-3212-2538

Name of Taxpayer NEW AGE PROPERTIES GROUP, LLC

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ Phone: \_\_\_\_\_

NC Unemployment Insurance Acct #: \_\_\_\_\_ Fed Tax ID #: \_\_\_\_\_

I hereby waive any right to confidentiality, as found in N.C.G.S. 96-4 or otherwise, for the limited purpose of authorizing disclosure of certain information contained in the quarterly unemployment insurance tax records of the above-named taxpayer (hereinafter, "Company") filed with the Division of Employment Security ("DES") of the North Carolina Department of Commerce to the City of Washington ("Governmental Unit") and to the employees of the Rural Economic Division of the North Carolina Department of Commerce ("Rural Division") and members of the North Carolina Rural Infrastructure Authority ("Rural Authority") for the limited purpose of evaluating the issuance of and, in the event of such issuance, administering and ensuring compliance with, a grant and loan pursuant to N.C.G.S. 143B-472.127 and .128.

I recognize that DES is authorized to provide this information to the public officials of the Governmental Unit, the Rural Division and the Rural Authority in the performance of their public duties and that the verification of employment information for the purpose of administering the grant and loan at issue is within the scope of the public duties of the Governmental Unit, the Rural Division and the Rural Authority. I hereby authorize DES to disclose information contained in the Company's quarterly unemployment insurance tax records (the NCUI-101 or successor form) to the Governmental Unit, the Rural Division and/or the Authority for these purposes.

I recognize that unemployment insurance tax information provided in the aggregate to DES and disclosed to the Governmental Unit, the Rural Division and/or the Authority, and the Company's aggregated tax and wage information provided to or otherwise in possession of the Governmental Unit, the Rural Division and/or the Authority, may be treated as public information. This waiver is not intended to release the Governmental Unit, the Rural Division and/or the Authority from any obligation they may have under North Carolina law to maintain the confidentiality of any and all information which could reveal or permit someone to ascertain the identity of any individual employee or that employee's line item unemployment insurance tax or other tax or wage information.

\_\_\_\_\_  
Signature Chief Financial Officer or Other Authorized Company Official

\_\_\_\_\_  
Print Name , \_\_\_\_\_ Title

\_\_\_\_\_  
Date



# REQUEST FOR CITY COUNCIL ACTION

**To:** Mayor Hodges & Members of the City Council  
**From:** Matt Rauschenbach, Administrative Services Director/C.F.O.  
**Date:** December 14, 2015  
**Subject:** 7<sup>th</sup> Street Gym Roof Contract Change Order  
**Applicant Presentation:** N/A  
**Staff Presentation:** N/A

### RECOMMENDATION:

I move that City Council authorize staff to accept a change order from Etheridge Roofing for the 7<sup>th</sup> Street Gym roof replacement project and adopt a Budget Ordinance Amendment.

### BACKGROUND AND FINDINGS:

While the roof of the 7<sup>th</sup> Street Gym was being replaced several conditions that were outside of the scope of the awarded contract surfaced that required immediate attention. These areas were the metal decking, wood nailers, and gutters. When the old roof was removed significant damage and deterioration of the metal decking became evident and required replacement of 1,500 square feet. Due to the built up nature of several layers of the previous roof the wood nailer perimeter had to be replaced to eliminate a substantial rim around the perimeter of the roof that prohibited adequate drainage off the roof given its basically flat design. The gutters required removal during the process and it was cost effective to replace with new seamless gutters. The attached pictures demonstrate these issues.

Original contract	\$ 47,575.19
Change order	<u>16,888.96</u>
Total	64,464.15

Budget	54,000.00
Appropriation needed	10,464.15

### PREVIOUS LEGISLATIVE ACTION

Bid award October 19, 2015

### FISCAL IMPACT

Currently Budgeted (Account \_\_\_\_\_)  Requires additional appropriation  
 No Fiscal Impact

### SUPPORTING DOCUMENTS

- Original Contract, Change Order
- Budget Ordinance Amendment
- Pictures

City Manager Review: 12/8 Concur  Denial  No Recommendation   
 December 14, 2015  
 Page 73 of 95  
 Date

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE  
OF THE CITY OF WASHINGTON, N.C.  
FOR THE FISCAL YEAR 2015-2016**

**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 \$10,465 in the account Fund Balance Appropriated, account number 10-00-3991-9910.

Section 2. That account number 10-40-6121-7400, Capital Outlay, Events & Facilities Department portion of the General Fund appropriations budget be increased in the amount of \$10,465 to provide funds for the change order on the 7<sup>th</sup> Street gym roof replacement project.

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

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

Adopted this the 14<sup>th</sup> day of December, 2015.

\_\_\_\_\_  
**MAYOR**

**ATTEST:**

\_\_\_\_\_  
**CITY CLERK**



1211 Tarboro St. SW  
 Wilson, NC 27893  
 Ph. (252) 291-5200  
 Fax (866) 461-5684  
[www.etheridgeroofing.com](http://www.etheridgeroofing.com)

## Contractor Agreement

Date
August 31, 2015

Proposal Submitted To:	Customer Phone & E-mail
City of Washington Mike Whaley 203 Grimes Rd. Washington, NC	mwhaley@washingtonnc.gov
	Phone# 252-975-9308

**RE: Bobby Andrews Recreation Center - Gymnasium Re-Roof (231 E. 7<sup>th</sup> Street)**

We propose to furnish all labor, material, equipment, insurance and sales tax necessary to perform the following:

***Option 1: Complete Tear Off***

1. Provide gymnasium floor protection from any falling debris that may accrue with 6-mil poly sheet.
2. Remove all existing built up roof system and components down to the existing metal deck.
3. Thoroughly inspect metal decking for damage or deterioration and replace at an additional cost of \$8.25 per square foot. (Not in Price) Initial Here \_\_\_\_\_.
4. Thoroughly inspect all wood nailers for any damage or deterioration and replace at an additional price of \$4.25 per liner foot. (Not in Price) Initial Here \_\_\_\_\_.
5. Prepare existing metal decking for the installation of new .045-Mil Carlisle TPO roof system.
6. Provide spotter inside gym to help and prevent any fasteners from penetrating the existing electrical conduit system. (Note: Etheridge Roofing will take all precautions in this matter, but the city of Washington will need to have an electrician to ok system at their expense.) Initial Here \_\_\_\_\_.
7. Mechanically attach 1" polyisocyanurate (ISO) insulation board over metal decking.
8. Supply and install new 1/8" tapered insulation system over 1" base layer to properly divert water to gutter system around the perimeter.
9. Insulation board is to be attached with corrosion resistance screw type fasteners and 3" plates to properly secure insulation board.
10. Mechanically attach new .045-Mil Carlisle TPO membrane over the insulation board with 2-3/8" seam plates 12" on center in the field and 6" on center on perimeter for the proper wind calculations in Washington, NC.
11. Membrane seams are to be a minimum of 5 1/2" overlap with a minimum of 1 1/2" hot air weld to seam membrane together.
12. Membrane to be terminated at the base of all penetrations for proper membrane securement as required by manufacturer.
13. Flash and seal all curbs, pitch pockets and all pipe penetrations with Carlisle prefabricated membrane flashing.
14. Fabricate and install new 24 gauge TPO perimeter metal drip edge around the perimeter.
15. Hot air weld new membrane to newly installed TPO metal drip edge to properly seal perimeter.
16. Install NP-1 urethane sealant at all required points.
17. Remove all related debris daily.
18. Rework grounds back to their existing state after completion of roof replacement.

**\* Etheridge Roofing, Inc. will provide a signed a 15-Year Manufacturer's No Dollar Limit (NDL) Warranty on new roof system.**

		Taxes not included	Initials.
Option 1	Total price for complete roof system	\$47,575.19	

Payment to be made as follows: 35% Due upon material Delivery. Remainder as job progresses within 30 days of request. All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from the above specifications involving extra costs will be executed only upon written orders, and will become and extra charge over and above the estimate. All agreements contingent upon delays beyond our control. This proposal does not include any asbestos removal unless specifically included. All accounts past due will be charged 1.5-% interest per month until paid.

Note: This proposal may be withdrawn by Etheridge Roofing, Inc. if not accepted within thirty (30) days

Authorized Signature: *Barry W. Byrd*  
Barry W. Byrd

This contract may be cancelled by customer with three (3) working days following acceptance date. The Contractor and Purchaser agree that any controversy or claim arising out of or relating to this contract, or breach thereof, shall be settled by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the Arbitrator may be entered in any court having jurisdiction thereof.

**Acceptance of Proposal:** Prices, specifications, and conditions are accepted as set forth.

Date: \_\_\_\_\_ Signature: \_\_\_\_\_





1211 Tarboro St. SW  
 Wilson, NC 27893  
 Ph. (252) 291-5200  
 Fax (866) 461-5684  
[www.etheridgeroofing.com](http://www.etheridgeroofing.com)

## Contractor Agreement

Date
December 4, 2015

Proposal Submitted To:	Customer Phone & E-mail
City of Washington Mike Whaley 203 Grimes Rd. Washington, NC	mwhaley@washingtonnc.gov
	Phone# 252-975-9308

**RE: Bobby Andrews Recreation Center - Gymnasium Re-Roof (231 E. 7<sup>th</sup> Street)**

We propose to furnish all labor, material, equipment, insurance as necessary to perform the following:

**Option 1: Metal Deck Replacement**

1. Thoroughly inspect metal decking for damage or deterioration and replace at an additional cost of \$8.25 per square foot.
2. There was 1500 square feet of metal decking that was replaced do to deterioration.

**Option 2: Wood Nailer Replacement.**

1. Thoroughly inspect all wood nailers for any damage or deterioration and replace at an additional price of \$4.25 per liner foot.
2. Remove wood nailer and install new top wood nailer to allow for proper drainage at the perimeter.

**Option 3: Gutter.**

1. Supply and install new 6" K-Style seamless gutters around the entire perimeter of the gymnasium roof system and tie back into the existing down spouts.
2. Gutter system is to have expansion joints every 50' on the long sides and every 40' on the short side to prevent warpage.
3. Gutter system is to be installed behind metal edging of new roof system and be secured 18" on center.

Option	Description	Price	Initials.
Option 1	Metal decking replacement. (Only 1500 square feet.)	\$12,128.96	
Option 2	Wood nailer replacement.	\$1,960.00	
Option 3	Gutter system replacement	\$2,800.00	
	<b>Total cost of change order.</b>	<b>\$16,888.96</b>	

Payment to be made as follows: 35% Due upon material Delivery. Remainder as job progresses within 30 days of request. All material is guaranteed to be as specified. All work to be completed in a workmanlike manner according to standard practices. Any alteration or deviation from the above specifications involving extra costs will be executed only upon written orders, and will become an extra charge over and above the estimate. All agreements contingent upon delays beyond our control. This proposal does not include any asbestos removal unless specifically included. All accounts past due will be charged 1.5-% interest per month until paid.

Note: This proposal may be withdrawn by Etheridge Roofing, Inc. if not accepted within thirty (30) days

Authorized Signature:

*Barry W. Byrd*

Barry W. Byrd

This contract may be cancelled by customer with three (3) working days following acceptance date. The Contractor and Purchaser agree that any controversy or claim arising out of or relating to this contract, or breach thereof, shall be settled by arbitration in accordance with the Construction Industry Arbitration Rules of the American Arbitration Association and judgment upon the award rendered by the Arbitrator may be entered in any court having jurisdiction thereof.

**Acceptance of Proposal:** Prices, specifications, and conditions are accepted as set forth.

Date: \_\_\_\_\_ Signature: \_\_\_\_\_









# REQUEST FOR CITY COUNCIL ACTION

**To:** Mayor Hodges & Members of the City Council  
**From:** Matt Rauschenbach, Administrative Services Director/C.F.O.  
**Date:** December 14, 2015  
**Subject:** Approve AMR Meter Purchase  
**Applicant Presentation:** N/A  
**Staff Presentation:** Matt Rauschenbach

**RECOMMENDATION:**

I move that City Council approve the \$96,430 purchase of AMR water meters from Miller Supply Co., Inc.

**BACKGROUND AND FINDINGS:**

Continuation of budgeted replacement of larger water meters with AMR meters consistent with the type and supplier of previous installations.

**PREVIOUS LEGISLATIVE ACTION**

FY 2015/2016 Budget

**FISCAL IMPACT**

Currently Budgeted (Account \_\_\_\_\_)  Requires additional appropriation  
 No Fiscal Impact

**SUPPORTING DOCUMENTS**

Purchase Order

City Manager Review: PRC Concur \_\_\_\_\_ Recommend Denial \_\_\_\_\_ No Recommendation  
12/8 Date



# Purchase Order

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

PO Number: 54329  
Issued to: 1059  
MILLER SUPPLY CO., INC.  
PO BOX 1745  
LAURINBURG, NC 28353

Issued: 12/3/2015  
Required: 12/3/2015  
Ship to: CITY OF WASHINGTON CITY HALL (PW)  
102 EAST SECOND ST.  
WASHINGTON, NC 27889

FOB: None Terms: Net 30

Special Instructions SHIP TO ATTENTION: BILL WYNNE SR.

Inventory #	Item Description	Quantity	UOM	Unit Price	Extended
	1 1/2" Q4 Cubic FT. Watermeter w/ENC Output 100W & In-line Connector	16.0	EA	\$2,016.00	\$32,256.00
	1 1/2" Flange Kit ( Gasket/Bolts/Nuts)	32.0	EA	\$7.00	\$224.00
	2" Q4 Cubic Ft Meter w/ENC Output 100W ERT & In-line Connector	25.0	EA	\$2,313.00	\$57,825.00
	2"X7" Tapped Spool Piece w/plug	25.0	EA	\$224.00	\$5,600.00
	2" Flange Kit ( Gasket/Bolt/Nuts only)	75.0	EA	\$7.00	\$525.00

Sub Total	\$96,430.00
Total Tax	\$0.00
Shipping	\$0.00
<b>Total</b>	<b>\$96,430.00</b>

Account Number	Account Description	Amount
30-90-7250-7000	NONCAPITALIZED PURCHASES	\$96,430.00

**Total** \$96,430.00

Finance Officer

Purchasing Agent

THIS INSTRUMENT HAS BEEN PREAUDITED IN THE MANNER REQUIRED BY THE LOCAL GOVERNMENT BUDGET AND FISCAL CONTROL ACT. THIS DOCUMENT IS GOVERNED BY THE DECISIONS OF THE BOARD OF COMMISSIONERS, CHAPTER 25 UNIFORM COMMERCIAL CODE ARTICLE 9 SALES.

December 18, 2015  
Page 82 of 95

Received By: \_\_\_\_\_

Date Received: \_\_\_\_\_



# REQUEST FOR CITY COUNCIL ACTION

**To:** Mayor Hodges & Members of the City Council  
**From:** Frankie Buck, Public Works Director  
**Date:** December 1, 2015  
**Subject:** Washington-Warren Airport Deer Intrusion Control  
**Applicant Presentation:** N/A  
**Staff Presentation:** Frankie Buck

**RECOMMENDATION:**

Authorize the City Manager to sign agreement with Willie Allen D/B/A Outback Outfitter & Guide Service; to reduce deer population at Washington-Warren Airport.

**BACKGROUND AND FINDINGS:**

On September 21, 2009 the City Council authorized the advertisement of request for proposals (RFP'S) for a licensed and insured Outfitter to manage the hunting rights on City property adjacent to Washington-Warren Airport. The only response to this request came from Mr. Willie Allen D/B/A Outback Outfitter & Guide Service. This provided management of the deer population at the airport through the 2014 hunting season. Advertisement for 2016 hunting season was requested twice the only response to the re-advertisement came from Willie Allen D/B/A Outback Outfitter & Guide Service. This will continue the current level of service through the 2020 hunting season.

**PREVIOUS LEGISLATIVE ACTION**

**FISCAL IMPACT**

Small additional income to the City of Washington  
 Currently Budgeted (Account \_\_\_\_\_)  Requires additional appropriation  
 No Fiscal Impact

**SUPPORTING DOCUMENTS**

Copy of Agreement

City Manager Review: 140 Concur \_\_\_\_\_ Recommend Denial \_\_\_\_\_ No Recommendation  
12/8 Date

**STATE OF NORTH CAROLINA  
BEAUFORT COUNTY**

**AGREEMENT TO MAINTAIN DEER POPULATION AT WASHINGTON-WARREN  
AIRPORT**

**THIS AGREEMENT** (hereinafter referred to as "Agreement") is made and entered into as of the \_\_\_ day of December, 2015, by and between the **CITY OF WASHINGTON**, a municipal corporation of the State of North Carolina, (hereinafter referred to as "City") and **WILLIE ALLEN D/B/A OUTBACK OUTFITTERS & GUIDE SERVICE**, an unincorporated entity, (hereinafter referred to as "Contractor").

**WITNESSETH**

**WHEREAS**, the City is the owner of the Washington-Warren Airport ("Airport") and desires to contract with Contractor in order to maintain the Airport deer population at an acceptable and safe level in a controlled, prudent, and safe fashion; and

**WHEREAS**, Contractor desires to contract with the City to assist the City in maintaining said deer population by organizing, supervising and administering state permitted deer hunts ("Hunts") at the Airport.

**NOW, THEREFORE**, in consideration of \$1.00 and other good and valuable consideration, the receipt and legal sufficiency of which is hereby acknowledged, and in consideration of the mutual covenants contained herein as well as valuable consideration paid and to be paid, the City and Contractor agree as follows.

1. **GRANT OF LICENSE**. The City hereby grants Contractor and Contractor hereby accepts from City, subject to all of the terms and conditions hereof, an exclusive License to make specific improvements upon and to have the right of ingress, egress and regress over and upon designated parts of the Airport for itself, its clients, customers, patrons, contractors and other related invitees all in an effort to maintain said deer population by organizing, supervising, and administering Hunts at the Airport at various times during the 2016, 2017, 2018, 2019 and 2020 deer hunting as well as urban archery seasons sanctioned by the Wildlife Resources Commission.
2. **PERSONAL LICENSE ONLY**. It is agreed between the parties that this License is personal to the Contractor and shall not inure to the successors or assigns of Contractor.
3. **CONTRACTOR HAS NO INTEREST OR ESTATE**. Contractor agrees that it does not possess and shall not claim at any time any interest or estate of any kind or extent whatsoever by virtue of this License or Contractor's exercise or use hereunder of the same and the City conveys no interest in the Airport property to Contractor by this Agreement.

4. **MAINTENANCE OF IMPROVEMENTS.** The improvements shall be maintained by Contractor, at its sole cost and expense, in a condition that is pleasing and acceptable to the City. Any repairs or other changes not specifically authorized hereunder shall require prior consent from the City's Airport Operations Technician or other City personnel designated by the City Manager ("Airport Operator"). Upon termination of this Agreement, Contractor shall remove all improvements permitted hereunder and return the property to its original condition unless otherwise authorized by the City.
5. **TERM.** The term of this Agreement shall commence on the date hereinabove and terminate on the last day of the 2020 deer hunting or urban archery season sanctioned by the Wildlife Resources Commission.
6. **COMPENSATION.** The fee for said License shall be in the amount of \$500.00 per year for the years of 2016 through 2020 and shall be paid annually to the City on or before the first day of each deer hunting season contemplated herein.
7. **DUTIES.** During the term of this Agreement and in connection with the performance of its services hereunder, Contractor shall do the following.
  - a. Limit said Hunts to bow-hunting.
  - b. Post the perimeter of the property with approved North Carolina Wildlife Resources Commission signage.
  - c. Erect up to ten (10) deer stands, the location of which must be approved in advance by the Airport Operator and may be required to be relocated or removed by the Airport Operator at any time.
  - d. Clear adjacent areas of underbrush.
  - e. Remove all trash before and after use of the Airport property such that the property will be in the same condition as before any such use.
  - f. Maintain the interior roads used for accessing the hunting areas.
  - g. Administer all such Hunts in accordance with all pertinent Federal, State, and local laws, rules and regulations, including all applicable rules and regulations of any regulatory agency or commission.
  - h. Require each and every participant in the Hunts to execute a waiver, release, and indemnification agreement, copies of which are attached hereto as Exhibits A and B, respectively, and are incorporated herein by reference as if fully set forth.
  - i. Coordinate Hunts through periodic contact (at least once annually) with the Airport Operator.
  - j. Contractor expressly acknowledges that the City has entered a Ground Lease and Easement Agreement ("Lease") with Washington Airport Solar, LLC ("WAS") to allow WAS to construct, maintain and operate a solar photovoltaic electric generating facility ("Facility") on the Airport. Said Lease prohibits the City from granting or conveying any easement or other interest that would interfere with or otherwise disturb WAS's use of said Facility in any way. Licensee shall perform all of its services and activities authorized hereunder, including the making of improvements, locating as well as relocating deer stands, and hunting, in areas

outside the area constituting the Facility and in a manner that will not interfere with or otherwise disturb said Facility or WAS's use of the same in any way.

8. **INSURANCE**. Contractor shall, throughout the term of this Agreement and any renewal thereof, at its own expense, keep and maintain in full force and effect the following insurance coverages.
- a. Statutory Workers' Compensation Insurance in amounts required by law and, unless exempted by applicable law, Employer's Liability Insurance at a minimum of \$500,000.00 for bodily injury by accident each employee and \$500,000.00 for bodily injury by disease each employee, with a policy limit of \$500,000.00 bodily injury by disease.
  - b. Commercial General Liability Insurance, including contractual liability, personal and bodily injury, property damage, advertising injury, premises, and operations coverage at a minimum of \$1,000,000.00 per occurrence and \$1,000,000.00 aggregate.

The Commercial General Liability Insurance policy shall list the City as additional insured. Each such policy shall provide that it is not subject to cancellation, reduction in coverage, or material change in terms thereof except after thirty (30) days notice to the City. Contractor shall deliver to the City certificates of insurance for all insurance policies required hereunder. Contractor shall, within a reasonable time prior to the expiration of any such policy, furnish the City with certificates of insurance evidencing renewal thereof. The City may, in its sole discretion, require Contractor to expand the form and/or increase the amounts of all such insurance.

9. **WAIVER OF SUBROGATION**. Contractor releases and relieves the City and waives Contractor's entire rights of recovery against the City for loss or damage arising out of or incident to any of the perils insured against under this Agreement as well as any of the perils insured against by any fire and/or extended coverage endorsement insurance policy Contractor might own, whether loss or damage is due to the negligence of the City or its agents, employees, and/or invitees. Contractor shall give notice to its insurance carriers that this waiver of subrogation is contained in this Agreement and cause the carriers to accept this waiver of subrogation, to the extent permissible by applicable law.
10. **INDEMNIFICATION**. As further consideration for this Agreement, which consideration is acknowledged to be sufficient and legally binding, Contractor does hereby unconditionally release, hold harmless, and will indemnify, acquit and forever discharge the City of Washington, its respective present and former employees and elected officials, in both their individual and official capacities, agents, representatives, attorneys, insurers, successors, and assigns, and each of them, respectively, of and from all and any manner of action or actions, cause and causes of actions, claims, demands, costs, expenses, attorney's fees, and consequential, general, special, and punitive damages or liabilities, known or unknown, on account of, or in any way related to or growing out of this Agreement, said Hunts or the use of Airport property in direct or indirect conjunction with said Hunts.



the City. Nothing contained in this Agreement shall create or be construed as creating a partnership, joint venture, or employee relationship between the City and the Contractor.

15. **COMPLIANCE WITH LAWS AND ORDINANCES.** Contractor shall comply with all Federal, State and local laws, ordinances and regulations that in any way pertain to this Agreement or the services rendered hereunder.
16. **ASSIGNMENT.** Contractor may not assign or subcontract this Agreement without prior written consent of the City.
17. **ENTIRE AGREEMENT.** The parties agree that the covenants and the conditions set forth herein constitute the entire and complete agreement between the parties and that all prior negotiations and conditions have been superseded by this Agreement. Any amendments to this Agreement shall be in writing and signed by each of the parties hereto.

Notwithstanding anything herein to the contrary, this Agreement shall be interpreted and, if necessary, amended, to insure and preserve its compliance with any applicable Federal obligation. If Operator refuses to effectuate any amendment that may be required to insure and preserve its compliance with any applicable Federal obligation, such refusal shall constitute an event of default and this Agreement may be terminated as a result thereof upon notice from the City to Contractor.

18. **ILLEGAL PROVISIONS, GOVERNING LAW.** If any provision of this Agreement shall be declared illegal, void, or unenforceable, the other provisions shall not be affected, but shall remain in full force and effect. This Agreement shall be governed by and construed in accordance with the laws of the State of North Carolina.
19. **NO WAIVER.** No waiver of any condition, covenant or restriction of this Agreement by either party shall be deemed to imply or constitute a further waiver of the same or any other condition, covenant or restriction of this Agreement.
20. **CAPTIONS.** The captions of the various paragraphs of this Agreement are for convenience only, are not a part of this Agreement, and do not in any way limit or amplify the terms and provisions of this Agreement.

**IN WITNESS WHEREOF**, the City has caused this Agreement to be executed in its name by its City Manager, attested by its City Clerk, and its corporate seal to be hereunto affixed, all by proper corporate authority duly given and Contractor has caused this Agreement to be executed in his name as set forth below. This Agreement has been executed in duplicate originals, one of which is being retained by each of the parties, all as of the date first above written.

**Pre-Audit Certificate**

This instrument has been preaudited in the manner required by The Local Government Budget and Fiscal Control Act.

\_\_\_\_\_  
Matt Rauschenbach, Chief Finance Officer  
City of Washington, North Carolina

**CITY OF WASHINGTON**

(corporate seal)

BY: \_\_\_\_\_(Seal)  
Bobby Roberson, Interim City Manager

ATTEST:

\_\_\_\_\_  
Cynthia S. Bennett, City Clerk

**WILLIE ALLEN D/B/A OUTBACK  
OUTFITTERS & GUIDE SERVICE**

BY: \_\_\_\_\_(Seal)  
Willie Allen, Owner/Operator

STATE OF NORTH CAROLINA  
COUNTY OF BEAUFORT

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 Bobby Roberson, its Interim City Manager, sealed with its corporate seal and attested by herself as its City Clerk.

WITNESS my hand and official seal, this the \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission expires: \_\_\_\_\_.

NORTH CAROLINA  
BEAUFORT COUNTY

I, \_\_\_\_\_, a Notary Public of the County and State aforesaid, certify that **WILLIE ALLEN** personally appeared before me this day and acknowledged that he is the Owner/Operator of **WILLIE ALLEN D/B/A OUTBACK OUTFITTERS & GUIDE SERVICE**, an unincorporated entity, and that by authority duly given and as an act of said entity, the foregoing instrument was signed in its name by him as its Owner/Operator.

Witness my hand and official stamp or seal, this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
NOTARY PUBLIC

My Commission expires: \_\_\_\_\_.

**EXHIBIT A**  
**WAIVER, RELEASE AND INDEMNIFICATION AGREEMENT**

1. I recognize and am aware that my permission to be on these premises for the purpose of hunting will not be exclusive, but will be shared with others and is inherently dangerous and could result in physical and/or mental injury, including death, and I undertake and assume all responsibility and dangers associated with hunting on the premises and agree to be responsible for all my actions;
2. I am in proper physical condition, am properly licensed and have sufficient knowledge, skill and training to be on these premises and/or to hunt on these premises; and
3. I agree to abide by all rules and regulations established for the premises, to comply with all applicable laws of the State of North Carolina and with all applicable conservation methods, to follow the directions and requirements of the North Carolina Wildlife Resources Commission and game wardens, and to conduct myself in a safe and prudent manner.

In consideration of being allowed to be on these premises for the purpose of hunting during the designated season and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, I do, for myself, my heirs, executors, personal agents, personal representatives, administrators, successors and assigns, hereby unconditionally waive, release, hold harmless, and will indemnify, acquit and forever discharge the City of Washington; Outback Outfitters & Guide Service; Willie Allen; and their respective present and former employees and elected officials, in both their individual and official capacities, agents, personal representatives, attorneys, insurers, servants, family members, heirs, successors, and assigns, and each of them, respectively, of, from and for all and any manner of action or actions, cause and causes of action, claims, demands, costs, loss of services, expenses, attorney's fees, compensation and all consequential, compensatory, general, special, and/or punitive damages or liabilities, known or unknown, which may result directly or indirectly or in any way be related to or growing out of my coming to, being on, or departing these premises and/or hunting on these premises, including on account of any and all injuries, illnesses and other damages, including death.

This Waiver, Release, and Indemnification Agreement has been read by me, and I understand its contents and it shall be binding on me, my heirs, executors, personal agents, personal representatives, administrators, successors and assigns.

**PLEASE PRINT**

NAME \_\_\_\_\_  
ADDRESS \_\_\_\_\_  
PHONE # \_\_\_\_\_  
E-MAIL \_\_\_\_\_

SIGNATURE \_\_\_\_\_ DATE \_\_\_\_\_

**EXHIBIT B**  
**WAIVER, RELEASE, AND INDEMNIFICATION AGREEMENT FOR MINOR**

In consideration for the below minor being permitted by Outback Outfitters & Guide Service to participate in the activities by hunting which include, without limitation, the use of its services, animals and equipment, the receipt and legal sufficiency of which are hereby acknowledged, I agree to the following waiver, release, and indemnification.

The undersigned parent, guardian, or custodian of the below minor, for himself/herself and on behalf of said minor, hereby joins in the foregoing Waiver, Release and Indemnification Agreement and do, for myself, my heirs, executors, personal agents, personal representatives, administrators, successors and assigns, hereby unconditionally waive, release, hold harmless, and will indemnify, acquit and forever discharge the City of Washington; Outback Outfitters & Guide Service; Willie Allen; and their respective present and former employees and elected officials, in both their individual and official capacities, agents, personal representatives, attorneys, insurers, servants, family members, heirs, successors, and assigns, and each of them, respectively, of, from and for all and any manner of action or actions, cause and causes of action, claims, demands, costs, loss of services, expenses, attorney's fees, compensation and all consequential, compensatory, general, special, and/or punitive damages or liabilities, known or unknown, which may result directly or indirectly or in any way be related to or growing out of the below minor's coming to, being on, or departing these premises and/or hunting on these premises, including on account of any and all injuries, illnesses and other damages, including death.

The foregoing waiver, release, hold harmless, indemnification, and discharge shall include any and all negligence made or brought by the below minor or by anyone on behalf of said minor as a result of said minor's participation in the activities hereinabove described. In addition, I, for myself and on behalf of said minor, further agree not to sue any of the aforementioned parties as a result of any injury, paralysis, or death that said minor suffers in connection with the minor's participation in the activities hereinabove described.

This Waiver, Release, and Indemnification Agreement for Minor has been read by me, and I understand its contents and it shall be binding on me, my heirs, executors, personal agents, personal representatives, administrators, successors and assigns.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Parent, Guardian or Custodian of Minor

\_\_\_\_\_  
Print Name of Minor

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Witness



# REQUEST FOR CITY COUNCIL ACTION

**To:** Mayor Hodges & Members of the City Council  
**From:** Matt Rauschenbach, Administrative Services Director/C.F.O.  
**Date:** December 14, 2015  
**Subject:** Adopt 2016/2017 Budget Schedule  
**Applicant Presentation:** N/A  
**Staff Presentation:** Matt Rauschenbach

**RECOMMENDATION:**

I move that City Council adopt the 2016/2017 Budget Preparation and Adoption Schedule.

**BACKGROUND AND FINDINGS:**

The attached budget schedule outlines the Council budget strategic planning, budget preparation, review, and adoption schedule.

**PREVIOUS LEGISLATIVE ACTION**

**FISCAL IMPACT**

Currently Budgeted (Account \_\_\_\_\_)  Requires additional appropriation  
 No Fiscal Impact

**SUPPORTING DOCUMENTS**

2016/2017 Budget Schedule

City Manager Review: MR Concur \_\_\_\_\_ Recommend Denial \_\_\_\_\_ No Recommendation  
12/8 Date

**Budget Schedule 2016-2017**

<b>Scheduled Week Of</b>	<b>Status</b>	<b>Budget Task</b>
11/30/15		CIP template distributed to Management Team
01/04/16		Budget Packets Distributed to Management Team
01/04/16		Outside Agency Budget Requests Distributed
01/11/16		CIP worksheets due back to Finance
01/11/16		CIP review with Manager
01/25/16		Revenue Estimate- Finance
01/25/16		Budget Planning session with Council
01/25/16		Outside Agency Budget Requests Submitted
02/08/16		Outside Agency Presentation to Council
02/15/16		Continuation Budgets submitted to Finance
02/15/16		Expansion Budgets submitted to Finance
02/22/16		CIP review with Council
03/07/16		Budget Compiled by Finance
03/07/16	Schedule 3/9-11	Budget Review with Manager- General Fund
03/14/16		Budget Review with Manager- Electric Fund
03/14/16		Budget Review with Manager- Public Works
04/11/16		Manager's Recommended Budget Presented to Council
04/11/16		Budget Available for Public Viewing at City Clerk's Office, Library, and Web Site
04/18/16		Council Budget Questions/Clarification to City Manager
04/25/16	Scheduled entire week	Council Budget Workshops
04/25/16		Advertise Public Hearing for Budget
05/09/16		Public Hearing- Budget
05/23/16		Budget Adopted
05/23/16		Budget Posted to Web Site



# REQUEST FOR CITY COUNCIL ACTION

**To:** Mayor Hodges & Members of the City Council  
**From:** Cynthia S. Bennett, City Clerk  
**Date:** December 14, 2015  
**Subject:** Appointments of Council Liaisons/Representatives  
**Applicant Presentation:** N/A  
**Staff Presentation:** N/A

**RECOMMENDATION:**

I move that the City Council appoint liaisons/representatives to the various Boards and Commissions

**BACKGROUND AND FINDINGS:**

**COUNCIL LIAISONS and/or APPOINTMENTS for  
BOARDS AND COMMISSIONS  
Effective June 2015**

Planning Board	Richard Brooks
Board of Adjustment	Richard Brooks
Historic Preservation	Larry Beeman
Library Board	William Pitt
Housing Authority	Mac Hodges
Recreation Commission	Richard Brooks
Tourism Development Authority	Mac Hodges *
Washington Harbor District Alliance	Mac Hodges *
Human Relations Council	William Pitt
Electric Utilities Advisory Commission	William Pitt
Airport Advisory Committee	Doug Mercer
Waterfront Docks Advisory Committee	Mac Hodges
Animal Control Board	Doug Mercer

\*Indicates Voting Seat

**Organizations with Council representative serving on board**

Economic Development Advisory Board	Doug Mercer
NCEMPA	Doug Mercer
Mid-East Commission	Doug Mercer
Hwy 17 Association	Doug Mercer (Larry Beeman -alternate)
Partnership for the Sounds	Mac Hodges
Mayor's Association	Mac Hodges
Chamber of Commerce	Mac Hodges

**PREVIOUS LEGISLATIVE ACTION**

**FISCAL IMPACT**

Currently Budgeted (Account \_\_\_\_\_)  Requires additional appropriation  No Fiscal Impact

**SUPPORTING DOCUMENTS**