



City of
Washington
NORTH CAROLINA
Council Agenda
MARCH 14, 2016
5:30 PM

Opening of Meeting

Nondenominational Invocation

Roll Call

Approval of minutes from February 22, 2016 **(page 3)**

Approval/Amendments to Agenda

Presentation: Commissioner of Labor, Cherie Berry – SHARP Award

- Electric Department
- Public Works - Water Resources Division

I. Consent Agenda:

- A. Approve –Audit Contract for fiscal year 2015-2016 **(page 16)**
- B. Declare Surplus/Authorize – Electronic Auction of Vehicles through GovDeals **(page 26)**
- C. Authorize –Recreation Director to apply for Public Beach & Coastal Waterfront Access Funds 2016-2017 Grant - Havens Gardens Fishing Pier **(page 27)**
- D. Approve – Purchase Order >\$20,000 **(page 28)**

II. Comments from the Public:

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

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

V. Scheduled Public Appearances:

- A. Mickey Cochran – Request for no parking – Southside of E. 10th Street between Nicholson & Telfair

VI. Correspondence and Special Reports:

- A. Memo – Budget Transfer – General Fund **(page 30)**
- B. Memo – Municipal Pier and “Crab Park” Fees **(page 32)**
- C. Discussion - Project Updates **(page 33)**



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- D. Discussion - Grant Updates (**page 35**)

- VII. Reports from Boards, Commissions and Committees:
 - A. Human Relations Council (**page 36**)

- VIII. Appointments:
 - A. Washington Housing Authority (**page 37**)

- IX. Old Business:
 - A. Adopt – Financial & Utility Billing Software Capital Project Ordinance (**page 39**)

 - B. Approve – Request from Beaufort County Community College for waterline extension (**page 42**)

- X. New Business: None

- XI. Any other items from City Manager:
 - A. Discussion – Local Regional Planning Organization (RPO) priorities

- XII. Any other business from the Mayor or other Members of Council:
 - A. Discussion – Mayor Pro tem Finnerty - Retreat

- XIII. Closed Session: Under NCGS § 143-318.11(A)(3) Attorney/Client Privilege; (A)(1) Disclosure of Confidential Information; 159B-38 Confidentiality of Contract Discussions; 143-318.10(E) Public Records Act

- XIV. Adjourn – Until Monday, March 28, 2016 at 5:30 pm, in the Council Chambers

The Washington City Council met in a regular session on Monday, February 22, 2016 at 5:30pm in the City Council Chambers at the Municipal Building. Present were: Mac Hodges, Mayor; Virginia Finnerty, Mayor Pro tem; Doug Mercer, Councilmember; William Pitt, Councilmember; Richard Brooks, Councilmember; and Larry Beeman, Councilmember. Also present: Bobby Roberson, City Manager; Cynthia S. Bennett, City Clerk and Franz Holscher, City Attorney.

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

APPROVAL OF MINUTES:

By motion of Councilmember Mercer, seconded by Councilmember Beeman, Council approved the minutes of February 8, 2016 as presented.

RECOGNITION: WASHINGTON HIGH SCHOOL ~ 2016 SWIM TEAM 1A/2A MEN'S SWIMMING & DIVING STATE CHAMPIONS



**MAYOR HODGES &
SPENCER PAKE POSE
FOR A PHOTO WITH
KEVIN ANDREWS
100 YARD BACK
STROKE
STATE CHAMPION
2016**



**WASHINGTON HIGH
SCHOOL
PAM PACK SWIM TEAM
1A/2A MEN'S
SWIMMING & DIVING
STATE CHAMPIONS
2016**

APPROVAL/AMENDMENTS TO AGENDA

Mayor Hodges reviewed the requested amendments to the agenda:

- **Add:** Under Other Business from City Manager: Item F: Procedure for requesting funding from Beaufort County

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

CONSENT AGENDA:

By motion of Councilmember Pitt, seconded by Councilmember Brooks, Council approved the consent agenda as presented.

- A. Adopt – Budget Ordinance Amendment – Susiegray McConnell Complex Parking Improvements
(copy attached)
- B. Approve – Engineering Design purchase order – New Age Properties Hotel Project (Water & Sewer) **(copy attached)**
- C. Declare Surplus/Authorize – Electronic Auction of Vehicles through GovDeals

COMMENTS FROM THE PUBLIC:

Carl Crozier, Rob Mayo, Susan Howard and Spencer Pake spoke to Council in support of the City maintaining the operation of the pool at the sports complex. They also voiced praise and support for the Washington Swim Team and congratulated them on their recent state title. This was the first time in over 30 years that Washington has won a swimming championship. Additional comments included the following: The ability to have a local facility for the team to practice in has been a great benefit. Every time the team hosts a swim meet, up to 100 people come to Washington and most of them eat at local restaurants. There are many economic spin-offs that go along with the local swimming facility. Comments regarding the need to increase advertisement for the pool were also discussed.

PUBLIC HEARING 6:00PM– ZONING: NONE

PUBLIC HEARING 6:00PM - OTHER: NONE

SCHEDULED PUBLIC APPEARANCES: NONE

CORRESPONDENCE AND SPECIAL REPORTS:

MEMO – BUDGET TRANSFER – GENERAL FUND – (accepted as presented)

The Budget Officer transferred \$3,780 of funds between the City Manager and the Human Resources departments of the General Fund appropriations budget to provide funds for the HR Director to complete the Public Administration program at the School of Government.

NCGS 159-15 states that this shall be reported to the Council at its next regular meeting and be entered in the minutes.

From: 10-00-4120-0200	Salaries	\$3,780
To: 10-00-4125-1400	Employee Development	\$3,780

REPORTS FROM BOARDS, COMMISSIONS AND COMMITTEES: NONE

APPOINTMENTS:**APPOINTMENT – BOARD OF ADJUSTMENT**

By motion of Councilmember Brooks, seconded by Councilmember Beeman, Council appointed Rev. Paula (McCullough) Nelson to the Board of Adjustment to fill the unexpired term of Susan Murrell, term to expire June 30, 2017.

APPOINTMENT – ELECTRIC UTILITIES ADVISORY BOARD

By motion of Councilmember Beeman, seconded by Councilmember Brooks, Council appointed Nick McKinley to the Electric Utilities Advisory Board to fill a vacant inside position, term to expire June 30, 2019.

OLD BUSINESS:**ADOPT – EDA GRANT PROJECT ORDINANCE AMENDMENT**

BACKGROUND AND FINDINGS: On January 12, 2015, the City Council awarded a contract for the EDA Water & Sewer Improvements Project to Hatchell Concrete. The contract time expired December 23, 2015. Rivers and Associates are incurring additional cost due to the project extending beyond the completion date. The engineer's estimate for completing the project closeout and inspection is \$23,000 for the water portion and \$37,000 for the sewer portion of the project. These funds will be moved from project contingency to the appropriate line item in the EDA Project. The contractor will be subject to liquidated damages, and the project will remain within the allowed budget.

Councilmember Mercer asked why there are charges for engineering fees. Public Works Director, Frankie Buck responded by noting this charge is basically inspection and contract administration, not necessarily design and engineering. Mr. Buck said the project will come in under budget and should close out by the end of March. The contractor is accruing an \$1100 per day penalty – total penalty as of today is \$67,100 as the project is 3 ½ months past due. Once they achieve “substantial completion” the \$1100 per day penalty is reduced to \$800 per day. There are still quite a few punch list items to be completed. Councilmember Beeman inquired if the delay is a lack of planning on their part? Mr. Buck noted in his opinion, the delay is due to a lack of planning and lack of staffing on their part. The project allotted 270 days to complete and the notice to proceed was issued on 2-23-15.

By motion of Councilmember Pitt, seconded by Councilmember Brooks, Council adopted a grant project ordinance amendment in the EDA Grant Projects for additional engineering cost associated with inspection and administration fees and approve corresponding Purchase Order.

(copy attached)

DISCUSSION – STROUD APPEAL UPDATE

Franz Holscher, City Attorney provided the following update to City Council regarding the Stroud appeal.

- I. Case Specific Update
 - A. The City issued a building permit for 121 East 2nd Street on October 9, 2015. The City reissued the building permit on October 19, 2015 in order to replace the general

contractor. As part of the building permit process, the City determined that a multifamily development use was appropriate under the City Code.

- B. On October 22, 2015, Don Stroud, who owns the adjoining property, filed a Petition and Motion for Stay ("Petition"). In the Petition, Mr. Stroud generally challenged the issuance of the building permit and asked the Board of Adjustment ("Board") to stay, or halt, any work by the property owner in furtherance of the building permit.
- C. The City asked me whether a stay should be imposed. After some research and confirming my opinion with the School of Government, I provided the City with my opinion that a stay was not appropriate under these particular circumstances and no stay was imposed.
- D. The next Board meeting was scheduled for November 12, 2015; however, this matter was not heard during that meeting because Mr. Stroud had previously informed the City that he would be out of the country from November 4th through November 16th and the City had previously informed Mr. Stroud that no hearing would be scheduled during that time. In addition to Mr. Stroud's absence, the City did not anticipate it could compile a record on appeal and serve it as required by state statute before November 12th.
- E. The Board did not hold its regular meeting in December due to the lack of a quorum and its chairman being unavailable.
- F. The Board rescheduled its January 14th meeting for January 28th due to scheduling conflicts for Board members. A record on appeal was compiled and service of the record on appeal as well as notices of hearing were attempted.
- G. The City hired Jim Hopf to represent the Board in this matter.
- H. For a variety of reasons but primarily because the City was unable to serve the property owner with a notice of hearing through no fault of the City, the attorneys agreed this matter could not be heard on January 28th. As it turned out, the Board did not have a quorum that night and, therefore, there was no meeting anyway.
- I. Mr. Stroud filed an Amended Petition on February 8, 2016. In my opinion the Amended Petition replaces the original Petition in its entirety. In his Amended Petition, Mr. Stroud requests the Board to 1) over-rule the building permit, 2) direct the City to deny the application for the building permit, and 3) direct the City to issue a stop-work order. Based upon my understanding of previous communications with Mr. Stroud, I do not believe he is asking the City to consider issuing a stop-work order at this time, but, instead, to issue a stop-work order if the Board over-rules the building permit.

- J. In my opinion, the sole issue for this Amended Petition, or appeal, is whether the zoning administrative official's decision to allow a multifamily dwelling use for the property located at 121 East 2nd Street was appropriate.
- K. The Board's next meeting was scheduled for February 11th. Mr. Stroud previously informed the City that he was unavailable and out of the country from February 10th through February 28th and the entire month of May. The Board did not meet on February 11th because it did not have a quorum. The Board rescheduled the February 11th meeting for February 23rd (tomorrow night).
- L. Due to the Amended Petition as well as Mr. Stroud's unavailability, Mr. Stroud, Mr. Hopf, and I agreed that this matter should appear on the Board's February 23rd meeting agenda as an informational item only. We also agreed upon a statement that will be read to the Board. The statement suggests that this matter be continued until a special meeting of the Board on March 31st or such time as the Board decides to schedule it, in the Board's discretion.
- M. We agreed to suggest March 31st as sort of an accommodating compromise because, among other things, 1) we felt this matter should be scheduled for a special meeting and be the only item on the agenda because Mr. Stroud estimated the hearing would take at least three hours, 2) we have some duty to Mr. Stroud to have this matter heard with a "reasonable" time, and 3) when we agreed upon suggesting March 31st, we were under the impression that the property owner planned to return to the area in April.
- N. I later spoke personally with the property owner who is on the west coast. Among other things, he informed me that he would not return to this area until the last week of April and he requested that the matter be scheduled for hearing that week.
- O. I have suggested to John that he inform the Board tomorrow night of the property owner's request for a hearing during the fourth week of April, Mr. Stroud's unavailability through February 28th, and Mr. Stroud's unavailability during the month of May.
- P. Currently, the only parties to this appeal are Mr. Stroud and the City. The property owner has not taken the necessary action to make himself a formal party to this proceeding. Nevertheless, he still must be served with a notice of hearing and, it is my opinion, that he has the right to be present at the hearing if he chooses to make himself available. However, it is also my opinion that he does not have the right to dictate when that hearing will be scheduled. I also believe that it will likely take two meetings of the Board to properly enter a decision. For these and the other reasons discussed before, it seems nearly impossible to fulfill our duties and accommodate everyone.
- Q. Due to the Amended Petition, a new record on appeal must be compiled and properly served along with new notices of hearing. I have already met with John regarding the

new record on appeal. In the meantime, a settlement proposal and counterproposal have been communicated between the three parties involved.

II. Other

- A. The City Code provisions in Chapter 40, Article XI regarding multifamily development need to be revisited for clarification. The Planning Board is already working on this.
- B. The City Code provisions regarding appeals to the Board of Adjustment, including Sections 40-510 and 40-511, need to be revised to conform with the current state statute.
- C. The Board of Adjustment rules of procedure, primarily voting, need to be revised to conform with state statute.

NEW BUSINESS:
DISCUSSION – CIP REVIEW (2016-2017 FOCUS)

General Fund
CIP 2017-2021

Fund	Department	Project Name	Rank	2016-17	2017-18	2018-19	2019-20	2020-21	Total	Description
General	Police	Patrol Vehicles	1	111,000					111,000	Replacement of Vehicles #145,147,158
		Air Conditioners	2	33,000					33,000	Replacement of AC unit in building
		Patrol Vehicles	1		143,000				143,000	Replacement of Vehicles
		Patrol Vehicles	1			148,000			148,000	Replacement of Vehicles
		Patrol Vehicles	1				152,000		152,000	Replacement of Vehicles
		Patrol Vehicles	1					160,000	160,000	Replacement of Vehicles
		Total		144,000	143,000	148,000	152,000	160,000	747,000	
Fire/EMS	Fire/EMS	Fire Engine # 3	1	500,000					500,000	Replacement for 1988 Fire Engine #236
		Fire Engine # 2	4		500,000				500,000	Replacement for 1996 Fire Engine #233
		Ambulance	5		150,000				150,000	Replacement for 2008 EMS unit #430
		Ambulance	7			150,000			150,000	Replacement for 2011 Ambulance # 432
		Utility Vehicle / Pick Up	3	35,000					35,000	Replacement for 2005 Pickup Truck # 238
		SCBA Air Packs & Cylinders	9	75,000	75,000	75,000	75,000		300,000	Replacement for 20 2008 SCBA & air cylinders
		Cardiac Defibrillator # 3	2	30,000					30,000	Replacement for 2006 Cardiac Defibrillator # 3
		Cardiac Defibrillator # 2	6		30,000				30,000	Replacement for 2007 Cardiac Defibrillator # 2
		Cardiac Defibrillator # 1	8			30,000			30,000	Replacement for 2007 Cardiac Defibrillator # 1
		Cardiac Defibrillator # 112	10				30,000		30,000	Replacement for 2011 Cardiac Defibrillator # 112
		Cardiac Defibrillator # 212	11				30,000		30,000	Replacement for 2011 Cardiac Defibrillator # 212
		Total		640,000	755,000	255,000	135,000	0	1,785,000	
Planning	Planning	Way finding							0	Complete way finding project
		Streetscape Improvements		225,000	225,000	50,000	50,000	20,000	570,000	Streetscape work
		Maritime/Farmer's Market Improvements		40,000	200,000				240,000	Continue waterfront improvements
		Caboose Improvements		50,000	50,000				100,000	Caboose rehab
		Promenade Improvements		30,000			30,000		60,000	Promenade improvements
		Wi-Fi- Waterfront Area			20,000				20,000	Wi-Fi on the waterfront
		Total		345,000	495,000	50,000	80,000	20,000	990,000	
IT	IT	City Hall virtual thin clients	2	48,000	10,000	10,000			68,000	Conversion of desktop to virtual PC's
		Storage Area Network (2x)	1	35,000				35,000	70,000	complete in-house DR redundancies
		Tropos Wifi Mesh Router	2	25,000	25,000	25,000			75,000	enable moving inventory access to network within city limits / Replacing Canopy Wifi Network
		PEG Channel Equipment Upgrades	1	50,000					50,000	These funds are restricted funds
		Network Core Switch	5			30,000			30,000	enhance speed to users via city owned fiber
		Replacement of Virtual Servers	6		25,000	25,000	25,000	25,000	100,000	equipment replacement due to age
		Wireless Access Points (network)	2	10,000	10,000	10,000			30,000	wifi in city own bldg for public / private network access
		upgrade to 10G network	3	30,000	25,000	25,000			80,000	ea module is approx \$2.5K
		Web Page redesign	4	25,000	30,000				55,000	find new vendor/main site & mobile & create utilities site
				Total		223,000	125,000	125,000	25,000	60,000
Finance	Finance	Financial software		100,000					100,000	Additional modules and implementation
		Utility software							0	
		Total		100,000	0	0	0	0	100,000	

Fire/EMS – Councilmember Mercer questioned the replacement of fire engine #3. He suggested moving the request for replacing engine #3 up to FY17-18 and engine #2 to FY18-19.

Fire Chief Robbie Rose explained his reasoning for this request. If we order this fire truck now, we would never pay for it until the following budget year even though we have to encumber money in the FY16-17 budget year as the process takes a year. If we don't order a fire engine in the FY16-17, it will be two years before we get the replacement truck.

Councilmember Brooks inquired if there was any additional equipment that the Fire Dept. will need to get in the next two years. Mr. Rose noted that what they will need is listed on the CIP. Councilmember Brooks noted it is important to keep equipment up to date. If we need the new fire engine we need to go ahead and budget for it. Councilmember Beeman inquired if the fire engine needs to be replaced? Robbie Rose explained the fire engine falls in the window of time for replacement. We got behind on the replacement schedule, this is why it's bottlenecked now. Mr. Rose said that staff can go ahead and do the engineering and prepare the specifications for the fire engine. Matt Rauschenbach explained that all general fund vehicles will come out of the vehicle replacement fund.

Planning – Councilmember Mercer asked why we are paying for the caboose rehab. Mr. Roberson explained the request is actually for the area where the caboose is located, not the caboose itself. Mr. Roberson also noted that the promenade improvements consists of painting the blue railings. It was suggested that all of the railings be painted at one time instead of spanning it out over two fiscal years. The caboose area along with the area near Sloan Insurance and the old dock master location will be improved and the project will be renamed to remove confusion.

WI-FI on waterfront – Councilmember Pitt inquired about Wi-Fi on the waterfront. David Carraway explained that we are looking at adding Wi-Fi at the Dock masters office. This will enhance the Wi-Fi footprint if Council desires – this project is in the CIP for FY17-18.

IT – Councilmember Pitt asked about the upgrades for PEG channel. Mr. Carraway explained that the current PEG channel equipment is seven years old. He his hopeful to eventually broadcast live. We are upgrading four of the six servers to current standards. These are restricted funds through cable franchise fees.

Finance –Financial software project cost is \$250,000 for all modules. Councilmember Mercer said to make sure there is a work order system in the modules or he will vote against it. This software is a replacement for Logics.

General Fund
CIP 2017-2021

Fund	Department	Project Name	Rank	2016-17	2017-18	2018-19	2019-20	2020-21	Total	Description
	Warehouse	Roof				75,000			75,000	Replace roof
	Warehouse	Total		0	0	75,000	0	0	75,000	
	Municipal Bldg.	Rehab maintenance		35,000	35,000	35,000	35,000	35,000	175,000	
	Library	Expand parking lot					25,000		25,000	
	Library	Replace carpet& furniture				30,000			30,000	
	Library	Total		0	30,000	0	25,000	0	55,000	
	Recreation B&G	Havens Gardens:								
		Bunyon Creek Walkway Phase I	1				110,000		110,000	Phase I walkway under Hwy 32 bridge. RAC priority. Connect Bridge side of park to concrete under Hwy 32 bridge.
		Bunyon Creek Walkway Phase II	5					80,000	80,000	Phase II - Connect concrete under Hwy 32 bridge to Boat Ramp Side
		Replace Bulkhead Phase 1	2		87,500				87,500	Phase 1 of 3 - 500' (Highway 32 bridge to fishing pier)
		Replace Bulkhead Phase 2	6			90,000			90,000	Phase 2 of 3 - 500'
		Replace Bulkhead Phase 3	7				90,000		90,000	Phase 2 of 3 - 400'
		Replace Fishing Pier	3					80,000	80,000	
		Splash Park	4			150,000			150,000	
		PS Jones Memorial Park - Restrooms	1	80,000					80,000	Kate B Reynolds Charitable Trust Grant & Joint Use Agreement with BC Schools. City's contribution to the park.
		McConnell Sports Complex:							0	
		Soccer Restrooms & Concession Stand	1	80,000					80,000	Replace existing restroom and concession stand on the soccer side with a facility that can accommodate the volume of people attending
		Sidewalk Project	2	112,000					112,000	Per Council request - sidewalk improvements
		Relocate Soccer Complex	3		75,000				75,000	Acquire land (25 acres at \$3,000 / acre)
		Soccer Complex - Phase 1	4			500,000			500,000	Site work, irrigation lines, lights (3 fields), walkways, and parking lot.
		Soccer Complex - Phase 2	5				80,000		80,000	Restrooms and concession.
		Expand Base/Soft Fields	6				175,000		175,000	Expansion of 3 additional baseball and softball fields; including fencing and lighting.
		Bug House Park:								
		Parking lot	1	46,000					46,000	Paving Bug House Parking Lot
		Playground	2	38,500					38,500	Replace 20+ year equipment with a bug themed playground equipment.
		7th St Playground Replacement	1		37,000				37,000	Replace 20+ year old play equipment
		Jacks Creek Greenway Phase II	1					80,000	80,000	Build Phase II of the Jack's Creek Greenway (boardwalk) along Jack's Creek from Bonner Street to connect to Havens Gardens.
		Vehicle replacement						0	0	#501 Ford F-150 2009 - Replace 2021
		Vehicle replacement						25,000	25,000	#504 Ford 3/4 Tn Pickup 2008 - Replace 2020

Recreation Buildings & Grounds – Kate B. Reynolds grant – PS Jones Memorial Park. Mr. Roberson will summarize the responsibilities of the City under the Kate B. Reynolds grant at the next Council meeting.

Councilmember Mercer requested additional justification for paving the parking lot at Bug House Park. Mr. Roberson will provide this information to Council. Councilmember Beeman asked if we were going to pave the parking lot prior to the usage study results for the tennis courts and Mr. Roberson said we do not have the usage results yet. Mayor Hodges inquired about the playground equipment that was removed from Havens Gardens and if it could be used at another location. Mr. Roberson thinks some of the equipment taken down at Havens Gardens could be used at Bug House Park or other locations, he said staff advised him this morning that this could be a potential liability.

Other Recreation – Mr. Roberson commented about replacing the Dectron unit at the pool and noted he feels \$40,000 is an underestimate for installing the unit. The Dectron unit alone is \$300,000 plus the installation of the unit. Councilmember Beeman asked for additional information regarding this project. Mayor Hodges inquired if the unit can be installed at another location.

Councilmember Mercer commented that vehicle #802 has only 88,000 miles, can't we let it run for another year or two? Councilmember Pitt inquired what dollar amount goes back into the vehicle replacement fund in FY16-17. Mr. Rauschenbach noted approximately \$500,000

while \$1.2 million was invested last year, this year \$387k, but we had to withdraw \$450k for the new fire engine. There should be a minimum balance in the vehicle replacement fund.

Public Works
CIP 2017-2021

Fund	Department	Project Name	Rank	2016-17	2017-18	2018-19	2019-20	2020-21	Total	Description
10-00-4260	Mun. Bldg.	HVAC/Blower System	1	55,000					55,000	Service HVAC Blower System & Install Filtration System
	Mun. Bldg.	Total		55,000					55,000	
10-20-4510	Street	Holloman St Bulkhead-East Side	1	50,000					50,000	Holloman St Bulkhead-East Side
10-20-4510		Vehicle replacement	4				140,000		140,000	1995 Tandem Dumptruck #465
10-20-4511		Vehicle replacement	3			275,000			275,000	2012 Street Sweeper #462
10-20-4510		New equipment	1		130,000				130,000	120 hp Tractor for mowing R/Ws and airport
10-20-4510		Vehicle replacement	2		35,000				35,000	2008 3/4 Ton Tk. #452
	Street	Total		50,000	165,000	275,000	140,000		630,000	
34-90-5710	Stormwater	Equipment replacement	1		115,000				115,000	2004 Backhoe #460
34-90-5710		Drainage improvements	2	200,000					200,000	Ditch work and pipe repairs in various locations
34-90-5710		Replace CMP along Simmons St.	3		1,200,000				1,200,000	Replace degraded CMP under Simmons Street
34-90-5710		Upstream imp. Jacks Creek basin	4			5,500,000			5,500,000	Phase 2 of Stormwater improvements Jacks Cr Basin
34-90-5710		Trash removal Jacks Creek	5				1,800,000		1,800,000	Automatic bar screens Jacks Creek pump station
	Stormwater	Total		200,000	1,315,000	5,500,000	1,800,000		8,815,000	
38-90-4710	Sanitation	Vehicle replacement	1	150,000					150,000	2006 Rear Loading Garbage Tk # 482
38-90-4710		Vehicle replacement	2		260,000				260,000	1999 Front Loading Garbage Tk #484
38-90-4710		Vehicle replacement	3					85,000	85,000	2001 Flatbed Leaf Tk #481
38-90-4710		Vehicle replacement	4				260,000		260,000	2004 Front Loading Garbage Tk #487
	Sanitation	Total		150,000	260,000		260,000	85,000	755,000	
30-90-8180	Water	Waterline US 264E	1	50,000					50,000	Connect Runyon Hills to City water main
30-90-8180		Waterline Replacement	2		250,000				250,000	Loop water line in Spring Rd. mobile home park
30-90-8140		Replace City owned BFP	3	30,000					30,000	Replace aging backflow prevention devices per state regs
30-90-8180		Waterline Replacement	4		100,000				100,000	Loop water line in Springdale mobile home park
30-90-8100		Replace Tractor	5		45,000				45,000	Replace Ford Tractor (553)
30-90-8180		Waterline Replacement	6		160,000				160,000	Replace 2' galvanized waterline on Tarboro St.
30-90-8100		Replace backwash pump	7		60,000				60,000	This is the original pump installed in 1993. No backups.
30-90-8140		Sandblast & Repaint Hydrants & flow test	8		80,000				80,000	Sandblast approx. 700 hydrants
30-90-8100		Replace filter feed pumps 1.3	9			75,000			75,000	
30-90-8140		Vehicle replacement	10				40,000		40,000	Replace 2010 3/4 tn Service truck (410)
30-90-8100		Well upfit (1.2,5&6)	11				521,500		521,500	Increase capacity to 1,000 gpm at 4 locations
30-90-8100		In-plant SCADA	12				200,000		200,000	
30-90-8100		Additional wells (4)	13					3,300,000	3,300,000	Add 4 new raw water wells as demand increases
	Water	Total		80,000	695,000	75,000	761,500	3,300,000	4,911,500	
32-90-8210	Sewer	Collection System Rehab.	1	100,000	100,000	100,000	100,000	100,000	500,000	Replace, line and repair sewer lines
32-90-8210		M.H. Rehab.	2	100,000	100,000	100,000	100,000	100,000	500,000	Line MHS to prevent I&T
32-90-8210		Replace 5' M.H. STHR, RESPESS	3	280,000					280,000	Replace of Rehab M.H. HPS Gas Damage
32-90-8220		Vehicle replacement	7	320,000					320,000	Replace 2009 sewer vac truck - cleans sewer daily
32-90-8230		Spare Pump for 5th & Respass	8	85,000					85,000	Pumps are aging and have multiple rebuilds on them.
32-90-8220		Spare recirculation pump	9		40,000				40,000	currently have only one pump when its out treatment quality is affected.
32-90-8220		Convert to fine screens	10		300,000				300,000	convert from barscreens to fine screens
32-90-8230		Upfit Cherry Run Lift Station	11		50,000				50,000	Upgrade pumps, motors and controls
32-90-8230		Parallel force main Cherry Run	12		150,000				150,000	Additional parallel force main - based on demand

Public Works – Councilmember Mercer asked how much did the Holloman Street bulkhead replacement cost this current budget year. Frankie Buck noted that \$50,000 was budgeted and we spent approximately \$45,000.

Sanitation – Councilmember Mercer inquired about the replacement of the 2006 garbage truck and asked why are replacing a 10 year old truck, don't we replace them every 15-20 years. Frankie Buck explained that the garbage trucks are replaced every 10 years.

Sewer – Councilmember Mercer inquired about the replacement of the sewer truck which is only 7 years old. Mr. Buck explained there is nothing wrong with this truck, but it has a lot of hours on it. The request is included because the CIP is part of the Wastewater Collection plan and we have to show that we're requesting this item. When we first asked for this truck it took us at least 5+ years to get it. Councilmember Mercer asked if we have to push back the purchase of this truck one year would that be ok and Mr. Buck said one year would be fine. Councilmember Pitt asked how many days a week does this vehicle work and Mr. Buck noted four, eight hour days a week and it is cleaned and serviced every Friday. Councilmember Brooks said that is a great piece of equipment and asked is there anyway the exhaust can be put at the top? Mr. Buck explained that maybe next time we order one we can spec it to where it exhaust out top.

General Fund
CIP 2017-2021

Fund	Department	Project Name	Rank	2016-17	2017-18	2018-19	2019-20	2020-21	Total	Description
		Vehicle replacement					25,000		25,000	#505 Dodge Ram 2500 2005 - Replace 2019
		Vehicle replacement				25,000			25,000	#506 Ford 3/4 Ton Pickup 2004 - Replace 2018
		Vehicle replacement							0	#507 Ford F 350 Dump Bed 2015 - Replace 2027
		Vehicle replacement							0	#508 Ford F-150 4 x 4 2014 - Replace 2026
		Equipment Replacement						35,000	35,000	#8014 John Deere Tractor 2002 - Replace 2020
		Maintenance Shop	1	45,000					45,000	Relocate Maint. Shop to McConnell Complex. 30'x80'. Remove items from Airport Hangars
	Recreation B&G	Total		401,500	199,500	765,000	480,000	300,000	2,146,000	
									0	
	Recreation Other	Bobby Andrews Rec- gym floor	1	55,500					55,500	Current gym floor has exceeded life expectancy
									0	
		Aquatic Center:							0	
		Dehumidifier Replacement	1	300,000					300,000	Replace dehumidification equipment and add Evacuator System.
		Roof Repair	2	40,000					40,000	Replace roof at Aquatic Center.
		Interior Painting	3		35,000				35,000	Repaint interior of facility after dehumidification system is replaced.
		Splash Park	4			150,000			150,000	Splash park beside A/F Center
									0	
		Vehicle 802	1	22,000					22,000	Replace 2001 van at Sr. Center
	Recreation Other	Total		417,500	35,000	150,000	0	0	602,500	
	Grand Total			2,306,000	1,817,500	1,603,000	932,000	575,000	7,233,500	

Public Works
CIP 2017-2021

Fund	Department	Project Name	Rank	2016-17	2017-18	2018-19	2019-20	2020-21	Total	Description
32-90-8230		5th & Respass H2S gas control	13		50,000				50,000	H2S gas has caused significant damage to controls and wetwell.
32-90-8220		Paint entire plant	14			150,000			150,000	Routine upkeep
32-90-8230		Iron Creek pump & Control replacement	15			30,000			30,000	Upgrade old pumps and controls
32-90-8210		Mini-Excavator	16			45,000			45,000	Compact machine will allow work in tighter locations and disturb less area.
32-90-8230		Upfit 7th & Harvey Lift Station	17			75,000			75,000	Upgrade pumps, motors and controls
32-90-8230		4th pump at 5th & Respass	18			250,000			250,000	Additional pump - based on demand
32-90-8220		Convert aeration basin to BNR	19			500,000			500,000	Convert from chemical to biological nutrient reduction
32-90-8230		Force main from 5th & Respass	20			1,000,000			1,000,000	Additional parallel force main - based on demand
32-90-8230		Portable pump station replacement	21				100,000		100,000	Replace existing (1995 model) portable pump station
32-90-8230		Upfit 4th & Hudnell Lift Station	22				75,000		75,000	Upgrade pumps, motors and controls
32-90-8220		Upfit in plant SCADA	23				500,000		500,000	Better control, operation and oversite of plant.
32-90-8220		Convert oxidation ditch 1 to BNR	24					1,500,000	1,500,000	Convert from chemical to biological nutrient reduction
	Sewer	Total		885,000	790,000	2,250,000	875,000	1,700,000	6,500,000	
	Public Works	Grand Total		1,420,000	3,225,000	8,100,000	3,836,500	5,085,000	21,666,500	

21,666,500

Electric Fund
CIP 2017-2021

2/1

Fund	Department	Project Name	Rank	2016-17	2017-18	2018-19	2019-20	2020-21	Total
		Vehicle #680 - SUV				35			35
		Vehicle #681 - Ford F250 W/Service Body					40		40
		Vehicle #651 - 1/2 Ton Pickup						25	25
	T&D Vehicles	Vehicle #609 - 2 Ton Truck				65			65
		Vehicle #601 - 2 Ton Truck - Construction Body (upgrade)		55					55
		Vehicle #615 - 2 Ton Truck - Construction Body					55		55
	T&D Equipment	Vehicle #602 - Line Truck					260		260
		Vehicle #603 - Line Truck			260				260
		Vehicle #606 - Under ground knuckle boom				220			220
		Vehicle #607 - Bucket Truck				260			260
		Vehicle #618 - Bucket Truck					260		260
		Vehicle #682 - Bucket Truck		260					260
		Vehicle #612 - Tractor			100				100
		Vehicle #623 - Tractor				55			55
		Wire Tensioner & Puller		200					200
		Total		1,874	5,242	4,945	7,510	135	19,706

19,706

Electric Fund
CIP 2017-2021

\$ are thousand									
Fund	Department	Project Name	Rank	2016-17	2017-18	2018-19	2019-20	2020-21	Total
Electric	Distribution	Grimesland Road Feeder Rebuild <i>(in progress)</i>	D1	310	310				620
		River Road Feeder Rebuild					100		100
		Midway Feeder Rebuild				50	350		400
		Free Union Feeder Rebuild				25	110		135
		15th Street Feeder Rebuild <i>(Bonner to Washington)</i>					120		120
		Downtown Feeder Rebuild					250		250
		Cherry Road Feeder Rebuild	D2	65	650				715
		Avenue Road feeder Rebuild		50	500				550
	Transmission	Highland Drive 34 kV Feeder Rebuild	T2	50	700				750
		Forest Hills 34 kV Feeder Rebuild				50	700		750
		White Post to Slatestone 34kV Tie	T1	100	600	600			1,300
		White Post to Slatestone 12kV Tie			100	400	400		900
	Substation	New Main Substation 34 kV Feeder			400				400
		Substation 34 kV Breaker Replacement				50			50
		Main B4 Breaker Replacement	S1	50					50
		Wharton Substation Breaker Replacement	S1	50					50
		Substation Reclosers	S2	50	50	50	50		200
		Substation 34 kV Regulators			100				100
	Future Substation Construction &	Industrial Park Substation				200	1,800		2,000
		Industrial Park Substation 34 kV Feeder				75	250		325
		Slatestone Substation Upgrade	F1		200	1,800			2,000
		Main Substation 11.5 kV Upgrade				200	1,600		1,800
	Miscellaneous	Load Management Switches	M1	150	150	150	150		600
		Electric Meter Test Board Replacement			100				100
		Peak Shaving Generator Overhaul/Replacement			600		600		1,200
		Dept of Energy Reg'd Street/Area Light Replacement				150	150		300
		Downtown Electrical Improvements	M3	300	300	300	300		1,200
		GIS Electric System Mapping Updates	M2	184	97	15	15	15	326
	Administration Vehicles	Vehicle #624 - SUV						35	35
		Vehicle #622 - SUV						35	35
	Meter Shop Vehicles	Vehicle #620 - 1/4 Ton Pickup					30		30
		Vehicle #652 - Ford F250 4X4 W/Service Body					40		40
		Vehicle #653 - 1/4 Ton Pickup				25			25
		Vehicle #656 - 1/4 Ton Pickup				25			25
		Vehicle #658 - Jeep Liberty 4X4						25	25
		Vehicle #659 - 1/4 Ton Pickup				25			25
	Substation / LM Vehicles	Vehicle #657 - 1/2 Ton Pickup			25				25

Electric - Jeff Clark, Interim Electric Director reviewed the CIP request for the Electric Department. Staff will do engineering in-house to save money for the Cherry Road feeder project and will use the \$65k to build lines. Staff will do engineering in-house for Avenue Road and use the \$50k to build lines. Highland Drive we will be replacing poles and this will be done in-house and again will save us a tremendous amount of money. Discussion was held regarding the NCGS requirements for bidding projects and setting up capital project funds. Truck #606 is described incorrectly in the vehicle replacement plan.

**ANY OTHER ITEMS FROM CITY MANAGER:
DISCUSSION – OUTSIDE AGENCY FUNDING**

The City Manager would like Council to move toward March 14th for determining how to fund outside agencies. Information packets will be forwarded to Council this week inclusive of funding for the past two years. Councilmember Beeman will be unable to attend on March 14th and asked to move this item to March 28th. Councilmember Mercer explained that the City has memberships in many organizations – including Hwy 17 and he would like funding for the Hwy 17 Association to be placed under Misc. Dues and Subscriptions, similar to funding for the North Carolina League of Municipalities, Chamber of Commerce, Committee of 100, etc. Councilmember Pitt reminded members that over the past two years funding has been reduced 10%.

DISCUSSION – BCCC REQUEST (WATERLINE-FIRE HYDRANT)

The City Manager explained that Beaufort County Community College has built a training firehouse and they are asking the City of Washington to extend the waterline to the new

firehouse. Mr. Roberson will request a BCCC representative to attend the March 14th Council meeting in order to formally present their request. Council requested the projected cost and revenue for this project.

DISCUSSION – NEW AGE PROPERTIES – EASEMENT

Bobby Roberson reviewed the easement at New Age Properties and said it would be difficult for the City to accept this street. The street is too narrow under our guidelines and will be considered a private road.

DISCUSSION – ETJ

Bobby Roberson requested that the Planning Board review the current ETJ and the possibility of reducing the limits, most particular in the Whichard’s Beach area. The current ETJ is 1 ½ miles, we do not have to reduce the ETJ boundary the same amount in all areas.

DISCUSSION – INDUSTRIAL PARK

The City Manager explained his desire to close the file on the ownership issue with the Industrial Park with Beaufort County. The City Attorney provided a brief history of the ownership noting in 2001 the City and County purchased 124 acres for \$1.1 million. There was an inter-local agreement at that time. The City owns 45%, while Beaufort County owns 55%. The City has fulfilled all of our payment obligations. Councilmember Mercer stated that the City needs to get out of owning part of the Industrial Park and Beaufort County can pay us \$630K back and they can become 100% owners. Council members noted that discussions need to be held with Beaufort County regarding them being 100% owners.

DISCUSSION – FUNDING REQUEST OF CITY TO BEAUFORT COUNTY

The City Manager stated that in order for the City to be considered for any funding from the County, we need to complete an outside agency funding form. Staff is requesting permission to file the funding request on behalf of City.

1. Pool
2. Library
3. Senior center
4. Recreation

Council recommended that if we have 60/40 split with County residents vs. City residents using our facilities, then we should ask for a 60% portion of the budget for each. Council authorized staff to proceed with the funding request forms.

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

CLOSED SESSION: UNDER NCGS § 143-318.11 (A)(6) PERSONNEL; 143-318.11 (A)(3) ATTORNEY/CLIENT PRIVILEGE and 143-318.11 (A)(1) DISCLOSURE OF CONFIDENTIAL INFORMATION PURSUANT TO NCGS 159B-38

By motion of Councilmember Pitt, seconded by Councilmember Brooks, Council entered into closed session under NCGS § 143-318.11 (A)(6) Personnel; 143-318.11 (A)(3)

Attorney/Client Privilege and 143-318.11(A)(1) Disclosure Of Confidential Information Pursuant To NCGS 159B-38 at 7:30pm.

By motion of Councilmember Brooks, seconded by Councilmember Pitt, Council agreed to come out of closed session at 8:45pm.

ADJOURN

By motion of Councilmember Pitt, seconded by Councilmember Beeman, Council adjourned the meeting at 8:45pm until March 14, 2016 at 5:30pm 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: March 14, 2016
Subject: Approve Audit Contract for fiscal year 2015-2016
Applicant Presentation: N/A
Staff Presentation: Matt Rauschenbach

RECOMMENDATION:

I move that City Council approve the audit contract for fiscal year 2015-2016 to Martin Starnes and Associates, CPA, PA located in Hickory, NC at a cost of \$34,000 and authorize the Mayor to execute.

BACKGROUND AND FINDINGS:

Council accepted a three year audit services agreement at the February 8, 2016 Council Meeting. This audit contract is for the first of three years of the agreement.

PREVIOUS LEGISLATIVE ACTION

Audit Services Agreement Extension- February 8, 2016

FISCAL IMPACT

 Currently Budgeted Requires additional appropriation X No Fiscal Impact in FY 15/16 budget; will be paid out of FY 16/17 budget.

SUPPORTING DOCUMENTS

Audit Contract

City Manager Review: MR Concur Recommend Denial No Recommendation

3/8 Date

CONTRACT TO AUDIT ACCOUNTS

Of City of Washington, NC
Primary Governmental Unit

N/A

Discretely Presented Component Unit (DPCU) if applicable

On this 19th day of February, 2016,

Auditor: Martin Starnes & Associates, CPAs, P.A. Auditor Mailing Address:

730 13th Avenue Drive SE, Hickory, NC 28602

Hereinafter referred to as The Auditor

and City Council (Governing Board(s)) of City of Washington, NC

(Primary Government)

and N/A : hereinafter referred to as the Governmental Unit(s), agree as follows:
(Discretely Presented Component Unit)

- 1. The Auditor shall audit all statements and disclosures required by generally accepted accounting principles (GAAP) and additional required legal statements and disclosures of all funds and/or divisions of the Governmental Unit (s) for the period beginning July 1, 2015, and ending June 30, 2016. The non-major combining, and individual fund statements and schedules shall be subjected to the auditing procedures applied in the audit of the basic financial statements and an opinion will be rendered in relation to (as applicable) the governmental activities, the business-type activities, the aggregate DPCUs, each major governmental and enterprise fund, and the aggregate remaining fund information (non-major government and enterprise funds, the internal service fund type, and the fiduciary fund types).
2. At a minimum, the Auditor shall conduct his/her audit and render his/her report in accordance with generally accepted auditing standards. The Auditor shall perform the audit in accordance with Government Auditing Standards if required by the State Single Audit Implementation Act, as codified in G.S. 159-34. If required by OMB Circular A-133 Audits of States, Local Governments, and Non-Profit Organizations and the State Single Audit Implementation Act, the Auditor shall perform a Single Audit. This audit and all associated workpapers may be subject to review by Federal and State agencies in accordance with Federal and State laws, including the staffs of the Office of State Auditor (OSA) and the Local Government Commission (LGC). If the audit and/or workpapers are found in this review to be substandard, the results of the review may be forwarded to the North Carolina State Board of CPA Examiners (NC CPA Board).

County and Multi-County Health Departments: The Office of State Auditor will designate certain programs that have eligibility requirements to be considered major programs in accordance with OMB Circular A-133 for the State of North Carolina. The LGC will notify the auditor and the County and Multi-Health Department of these programs. A County or a Multi-County Health Department may be selected to audit any of these programs as major.

- 3. If an entity is determined to be a component of another government as defined by the group audit standards - the entity's auditor will make a good faith effort to comply in a timely manner with the requests of the group auditor in accordance with AU-6 §600.41 - §600.42.
4. This contract contemplates an unqualified opinion being rendered. The audit shall include such tests of the accounting records and such other auditing procedures as are considered by the Auditor to be necessary in the circumstances. Any limitations or restrictions in scope which would lead to a qualification should be fully explained in an attachment to this contract.
5. If this audit engagement is subject to the standards for audit as defined in Government Auditing Standards, 2011 revisions, issued by the Comptroller General of the United States, then by accepting this engagement, the Auditor warrants that he has met the requirements for a peer review and continuing education as specified in Government

Governmental Unit

N/A

Discretely Presented Component Units (DPCU) if applicable

Auditing Standards. The Auditor agrees to provide a copy of their most recent peer review report regardless of the date of the prior peer review report to the Governmental Unit and the Secretary of the LGC prior to the execution of the audit contract (See Item 22). **If the audit firm received a peer review rating other than pass**, the Auditor shall not contract with the Governmental Unit without first contacting the Secretary of the LGC for a peer review analysis that may result in additional contractual requirements.

If the audit engagement is not subject to Government Accounting Standards or if financial statements are not prepared in accordance with GAAP and fail to include all disclosures required by GAAP, the Auditor shall provide an explanation as to why in an attachment.

6. It is agreed that time is of the essence in this contract. All audits are to be performed and the report of audit submitted to the State and Local Government Finance Division (SLGFD) within four months of fiscal year end. Audit report is due on: October 31, 2016. If it becomes necessary to amend this due date or the audit fee, an amended contract along with a written explanation of the delay must be submitted to the secretary of the LGC for approval.
7. It is agreed that generally accepted auditing standards include a review of the Governmental Unit's systems of internal control and accounting as same relate to accountability of funds and adherence to budget and law requirements applicable thereto; that the Auditor will make a written report, which may or may not be a part of the written report of audit, to the Governing Board setting forth his findings, together with his recommendations for improvement. That written report must include all matters defined as "significant deficiencies and material weaknesses" in AU-C 265 of the *AICPA Professional Standards (Clarified)*. The Auditor shall file a copy of that report with the Secretary of the LGC.
8. All local government and public authority contracts for audit or audit-related work require the approval of the Secretary of the LGC. This includes annual or special audits, agreed upon procedures related to internal controls, bookkeeping or other assistance necessary to prepare the Governmental Unit's records for audit, financial statement preparation, any finance-related investigations, or any other audit-related work in the State of North Carolina. **Invoices for services rendered under these contracts shall not be paid by the Governmental Unit until the invoice has been approved by the Secretary of the LGC.** (This also includes any progress billings.) [G.S. 159-34 and 115C-447] All invoices for Audit work must be submitted by email in PDF format to the Secretary of the LGC for approval. The invoices must be sent via upload through the current portal address: <http://nctreasurer.slgfd.leapfile.net> Subject line should read "Invoice – [Unit Name]. The PDF invoice marked 'approved' with approval date will be returned by email to the Auditor to present to the Governmental Unit for payment. Approval is not required on contracts and invoices for system improvements and similar services of a non-auditing nature.
9. In consideration of the satisfactory performance of the provisions of this contract, the Primary Governmental Unit shall pay to the Auditor, upon approval by the Secretary of the LGC, the fee, which includes any cost the Auditor may incur from work paper or peer reviews or any other quality assurance program required by third parties (Federal and State grantor and oversight agencies or other organizations) as required under the Federal and State Single Audit Acts. (Note: **Fees listed on signature pages.**)
10. If the Governmental Unit has outstanding revenue bonds, the Auditor shall include documentation either in the notes to the audited financial statements or as a separate report submitted to the SLGFD along with the audit report, a calculation demonstrating compliance with the revenue bond rate covenant. Additionally, the Auditor should be aware that any other bond compliance statements or additional reports required in the authorizing bond documents need to be submitted to the SLGFD simultaneously with the Governmental Unit's audited financial statements unless otherwise specified in the bond documents.

Governmental Unit

N/A

Discretely Presented Component Units (DPCU) if applicable

11. After completing the audit, the Auditor shall submit to the Governing Board a written report of audit. This report shall include, but not be limited to, the following information: (a) Management's Discussion and Analysis, (b) the financial statements and notes of the Governmental Unit and all of its component units prepared in accordance with GAAP, (c) supplementary information requested by the client or required for full disclosure under the law, and (d) the Auditor's opinion on the material presented. The Auditor shall furnish the required number of copies of the report of audit to the Governing Board as soon as practical after the close of the accounting period.
12. If the audit firm is required by the NC CPA Board or the Secretary of the LGC to have a pre-issuance review of their audit work, there must be a statement added to the engagement letter specifying the pre-issuance review including a statement that the Governmental Unit will not be billed for the pre-issuance review. The pre-issuance review must be performed **prior** to the completed audit being submitted to the LGC. The pre-issuance report must accompany the audit report upon submission to the LGC.
13. The Auditor shall electronically submit the report of audit to the LGC as a text-based PDF file when (or prior to) submitting the invoice for services rendered. The report of audit, as filed with the Secretary of the LGC, becomes a matter of public record for inspection, review and copy in the offices of the SLGFD by any interested parties. Any subsequent revisions to these reports must be sent to the Secretary of the LGC. These audited financial statements, excluding the Auditors' opinion, may be used in the preparation of official statements for debt offerings, by municipal bond rating services to fulfill secondary market disclosure requirements of the Securities and Exchange Commission and other lawful purposes of the Governmental Unit without subsequent consent of the Auditor. If it is determined by the LGC that corrections need to be made to the Governmental Unit's financial statements, they should be provided within three days of notification unless another time frame is agreed to by the LGC.

If the OSA designates certain programs to be audited as major programs, as discussed in item #2, agreed-upon procedures report, a turnaround document and a representation letter addressed to the OSA shall be submitted to the LGC.

The LGC's process for submitting contracts, audit reports and invoices is subject to change. Auditors should use the submission process in effect at the time of submission. The most current instructions will be found on our website: <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>

14. Should circumstances disclosed by the audit call for a more detailed investigation by the Auditor than necessary under ordinary circumstances, the Auditor shall inform the Governing Board in writing of the need for such additional investigation and the additional compensation required therefore. Upon approval by the Secretary of the LGC, this contract may be varied or changed to include the increased time and/or compensation as may be agreed upon by the Governing Board and the Auditor
15. If an approved contract needs to be varied or changed for any reason, the change must be made in writing, on the Amended LGC-205 contract form and pre-audited if the change includes a change in audit fee. This amended contract needs to be completed in full, including a written explanation of the change, signed and dated by all original parties to the contract, and then must be submitted through the audit contract portal to the Secretary of the LGC for approval. The portal address to upload your amended contract is <http://nctreasurer.slgfd.leapfile.net>. No change shall be effective unless approved by the Secretary of the LGC, the Governing Board, and the Auditor.
16. Whenever the Auditor uses an engagement letter with the Governmental Unit, Item #17 is to be completed by referencing the engagement letter and attaching a copy of the engagement letter to the contract to incorporate the engagement letter into the contract. In case of conflict between the terms of the engagement letter and the terms of

Governmental Unit

N/A

Discretely Presented Component Units (DPCU) if applicable

this contract, the terms of this contract will control. Engagement letter terms are deemed to be void unless the conflicting terms of this contract are specifically deleted in Item #22 of this contract. Engagement letters containing indemnification clauses will not be approved by the LGC.

17. Special provisions should be limited. Please list any special provisions in an attachment.

See attached engagement letter.

18. A separate contract should not be made for each division to be audited or report to be submitted. If a DPCU is subject to the audit requirements detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not to be issued and the DPCU is included in the primary government audit, the DPCU must be named along with the parent government on this audit contract. Signatures from the DPCU Board chairman and finance officer also must be included on this contract.
19. The contract must be executed, pre-audited, physically signed by all parties including Governmental Unit and Auditor signatures and submitted in PDF format to the Secretary of the LGC. The current portal address to upload your contractual documents is <http://nctreasurer.slgfd.leapfile.net> Electronic signatures are not accepted at this time. Included with this contract are instructions to submit contracts and invoices for approval as of October 2015. These instructions are subject to change. Please check the NC Treasurer's web site at www.nctreasurer.com for the most recent instructions.
20. The contract is not valid until it is approved by the LGC Secretary. The staff of the LGC shall notify the Governmental Unit and Auditor of contract approval by email. **The audit should not be started before the contract is approved.**
21. There are no other agreements between the parties hereto and no other agreements relative hereto that shall be enforceable unless entered into in accordance with the procedure set out herein and approved by the Secretary of the LGC.
22. **E-Verify.** Auditor **shall comply** with the requirements of NCGS Chapter 64 Article 2. Further, if Auditor utilizes any subcontractor(s), Auditor **shall require** such subcontractor(s) to comply with the requirements of NCGS Chapter 64, Article 2.
23. All of the above paragraphs are understood and shall apply to this contract, except the following numbered paragraphs shall be deleted: (See Item 16 for clarification).

SIGNATURE PAGES FOLLOW

Contract to Audit Accounts (cont.)

City of Washington, NC

Governmental Unit

N/A

Discretely Presented Component Units (DPCU) if applicable

City of Washington, NC

- FEES

Year-end bookkeeping assistance – [For audits subject to Government Auditing Standards, this is limited to bookkeeping services permitted by revised Independence Standards]

Audit \$28,700

Preparation of the annual financial Statements \$5,300

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.

The 75% cap for interim invoice approval for this audit contract is \$ 25,500

** NA if there is to be no interim billing

Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.

Audit Firm Signature:

Martin Starnes & Associates, CPAs, P.A.

Name of Audit Firm

By Amber Y. McGhinnis, Senior Audit Manager

Authorized Audit firm representative name: Type or print

Signature of authorized audit firm representative

Date February 19, 2016

amcghinnis@martinstarnes.com

Email Address of Audit Firm

Governmental Unit Signatures:

City of Washington, NC

Name of Primary Government

By Mac Hodges, Mayor

Mayor / Chairperson: Type or print name and title

Signature of Mayor/Chairperson of governing board

Date

By N/A

Chair of Audit Committee - Type or print name

N/A

**

Signature of Audit Committee Chairperson

Date N/A

** If Governmental Unit has no audit committee, mark this section "N/A"

City of Washington, NC

PRE-AUDIT CERTIFICATE: Required by G.S. 159-28

(a)

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act. Additionally, the following date is the date this audit contract was approved by the governing body.

By Matt Rauschenbach, Chief Financial Officer

Primary Governmental Unit Finance Officer:

Type or print name

Primary Government Finance Officer Signature

Date

(Pre-audit Certificate must be dated.)

mrauschenbach@washingtontnc.gov

Email Address of Finance Officer

Date Primary Government Governing Body Approved Audit Contract - G.S. 159-34(a)

Contract to Audit Accounts (cont.) City of Washington, NC
Governmental Unit
N/A
Discretely Presented Component Units (DPCU) if applicable

**** This page to only be completed by Discretely Presented Component Units ****

N/A FEEES
Year-end bookkeeping assistance – [For audits subject to Government Auditing Standards, this is limited to bookkeeping services permitted by revised Independence Standards] _____

Audit N/A

Preparation of the annual financial Statements N/A

Prior to submission of the completed audited financial report, applicable compliance reports and amended contract (if required) the Auditor may submit invoices for approval for services rendered, not to exceed 75% of the total of the stated fees above. If the current contracted fee is not fixed in total, invoices for services rendered may be approved for up to 75% of the prior year audit fee.

The 75% cap for interim invoice approval for this audit contract is \$ N/A

**** NA if there is to be no interim billing**

Communication regarding audit contract requests for modification or official approvals will be sent to the email addresses provided in the spaces below.

DPCU Governmental Unit Signatures:

N/A
Name of Discretely Presented Component Unit

By N/A
DPCU Board Chairperson: Type or print name and title

Signature of Chairperson of DPCU governing board

Date N/A

By N/A
Chair of Audit Committee - Type or print name

N/A **
Signature of Audit Committee Chairperson

Date N/A

**** If Governmental Unit has no audit committee, mark this section "N/A"**

N/A

PRE-AUDIT CERTIFICATE: Required by G.S. 159-28

(a)
This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act or by the School Budget and Fiscal Control Act. Additionally, the following date is the date this audit contract was approved by the governing body.

By N/A

DPCU Finance Officer:
Type or print name

N/A
DPCU Finance Officer Signature

Date N/A
(Pre-audit Certificate must be dated.)

N/A
Email Address of Finance Officer

Date DPCU Governing Body Approved Audit Contract - G.S. 159-34(a)

N/A

Governmental Unit

N/A

Discretely Presented Component Units (DPCU) if applicable

Steps to Completing the Audit Contract

1. Complete the Header Information – NEW: If a DPCU is subject to the audit requirements as detailed in the Local Government Budget and Fiscal Control Act and a separate audit report is issued, a separate audit contract is required. If a separate report is not issued for the DPCU and is to be included in the Primary Government's audit, the DPCU must be named with the parent government on this Audit contract. The Board chairman of the DPCU also must sign the Audit contract.
2. Item No. 1 – Complete the period covered by the audit
3. Item No. 6 – Fill in the audit due date. For Governmental Unit (s), the contract due date can be no later than 4 months after the end of the fiscal year, even though amended contracts may not be required until a later date.
4. Item No. 8 – If the process for invoice approval instructions changed, the Auditor should make sure he and his administrative staff are familiar with the current process. Instructions for each process can be found at the following link. <https://www.nctreasurer.com/sl原因/Pages/Audit-Forms-and-Resources.aspx>
5. Item No. 9 – NEW: Please note that the fee section has been moved to the signature pages, Pages 5 & 6.
6. Item No. 16 – If there is a reference to an engagement letter or other document (ex: Addendum), has the engagement letter or other document been acknowledged by the Governmental Unit and attached to the contract submitted to the SLGFD?
 - a. Do the terms and fees specified in the engagement letter agree with the Audit contract? *"In case of conflict between the terms of the engagement letter and the terms of this contract, the terms of this contract will control."*
 - b. Does the engagement letter contain an indemnification clause? **The audit contract will not be approved if there is an indemnification clause – refer to LGC Memo # 986.**
7. Complete the fee section for BOTH the Primary Government and the DPCU (if applicable) on the signature pages, please note:
 - The cap on interim payments is 75% of the current audit fee for services rendered if the contracted fee amount is a fixed amount. If any part of the fee is variable, interim payments are limited to 75% of the prior year's total audit fee. If the contract fee is partially variable, we will compare the authorized interim payment on the contract to 75% of last year's actual approved total audit fee amount according to our records. There is a report of audit fees paid by each governmental unit on our web site: <https://www.nctreasurer.com/sl原因/Pages/Non-Audit-Services-and-Audit-Fees.aspx> - Auditors and Audit Fees.
Please call or email Steven Holmberg of our office at 919-807-2394 steven.holmberg@nctreasurer.com if you have any questions about the fees on this list.
 - For variable fees for services, are the hourly rates or other rates clearly stated in detail? If issued separately in an addendum, has the separate page been acknowledged in writing by the Governmental Unit?

Governmental Unit

N/A

Discretely Presented Component Units (DPCU) if applicable

- For fees for services that are a combination of fixed and variable fees, are the services to be provided for the fixed portion of the fee clearly stated? Are the hourly rates or other rates clearly stated for the variable portion of the fee? (Note: See previous bullet point regarding variable fees.)
 - If there is to be no interim billing, please indicate N/A instead of leaving the line blank.
8. Signature Area – There are now 2 Signature Pages: one for the Primary Government and one for the DPCU. Send the page(s) that are applicable to your Unit of Government. Make sure all signatures have been obtained, and properly dated. The contract must be approved by Governing Boards pursuant to G.S. 159-34(a). NEW - If this contract includes auditing a DPCU that is a Public Authority under the Local Government Budget and Fiscal Control Act it must be named in this Audit contract and the Board chairperson of the DPCU must also sign the Audit contract in the area indicated. If the DPCU has a separate Audit, a separate Audit contract is required for the DPCU.
 9. Please place the date the Unit's Governing Board and the DPCU's governing Board (if applicable) approved the audit contract in the space provided.
 - a. Please make sure that you provide email addresses for the audit firm and finance officer as these will be used to communicate official approval of the contract.
 - b. Has the pre-audit certificate for the Primary Government (and the DPCU if applicable) been signed and dated by the appropriate party?
 - c. Has the name and title of the Mayor or Chairperson of the Unit's Governing Board and the DPCU's Chairperson (if applicable) been typed or printed on the contract and has he/she signed in the correct area directly under the Auditor's signature?
 10. If the Auditor is performing an audit under the yellow book or single audit rules, has year-end bookkeeping assistance been limited to those areas permitted under the revised GAO Independence Standards? Although not required, we encourage Governmental Units and Auditors to disclose the nature of these services in the contract or an engagement letter. Fees for these services should be shown in the space indicated on the applicable signature page(s) of the contract.
 11. Has the most recently issued peer review report for the audit firm been included with the contract? This is required if the audit firm has received a new peer review report that has not yet been forwarded to us. The audit firm is only required to send the most current Peer Review report to us once – not multiple times.
 12. After all the signatures have been obtained and the contract is complete, please convert the contract and all other supporting documentation to be submitted for approval into a PDF file. Peer Review Reports should be submitted in a separate PDF file. These documents should be submitted using the most current submission process which can be obtained at the NC Treasurer's web site – <https://www.nctreasurer.com/slg/Pages/Audit-Forms-and-Resources.aspx>.
 13. NEW: If an audit is unable to be completed by the due date, an Amended Contract should be completed and signed by the unit and auditor, using the new "Amended LGC-205" form (Rev. 2015). The written explanation for the delay is now included on the contract itself to complete, and must be signed by the original parties to the contract.



SYSTEM REVIEW REPORT

To the Partners of Martin Starnes & Associates, CPAs, P.A.
and the Peer Review Committee of the North Carolina Association
of Certified Public Accountants

We have reviewed the system of quality control for the accounting and auditing practice of Martin Starnes & Associates, CPAs, P.A. (the firm) in effect for the year ended December 31, 2014. Our peer review was conducted in accordance with the Standards for Performing and Reporting on Peer Reviews established by the Peer Review Board of the American Institute of Certified Public Accountants. As a part of our peer review, we considered reviews by regulatory entities, if applicable, in determining the nature and extent of our procedures. The firm is responsible for designing a system of quality control and complying with it to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Our responsibility is to express an opinion on the design of the system of quality control and the firm's compliance therewith based on our review. The nature, objectives, scope, limitations of, and the procedures performed in a System Review are described in the standards at www.aicpa.org/prsummary.

As required by the standards, engagements selected for review included engagements performed under *Government Auditing Standards* and audits of employee benefit plans.

In our opinion, the system of quality control for the accounting and auditing practice of Martin Starnes & Associates, CPAs, P.A. in effect for the year ended December 31, 2014, has been suitably designed and complied with to provide the firm with reasonable assurance of performing and reporting in conformity with applicable professional standards in all material respects. Firms can receive a rating of *pass*, *pass with deficiency(ies)* or *fail*. Martin Starnes & Associates, CPAs, P.A. has received a peer review rating of *pass*.

Koonce, Wooten & Haywood, LLP

Koonce, Wooten & Haywood, LLP

May 21, 2015

Raleigh
4060 Barrett Drive
Post Office Box 17806
Raleigh, North Carolina 27619
919 782 9265
919 783 8937 FAX

Durham
3511 Shannon Road
Suite 100
Durham, North Carolina 27707
919 351 4800
919 481 2600 FAX

Pittsboro
10 Sanford Road
Post Office Box 1399
Pittsboro, North Carolina 27312
919 542 6000
919 542 5764 FAX



REQUEST FOR CITY COUNCIL ACTION

To: Mayor Hodges & Members of the City Council
From: Mike Whaley, Purchasing Agent
Date: March 2, 2016
Subject: Declare Surplus/Authorize Electronic Auction of Vehicles through GovDeals
Applicant Presentation: N/A
Staff Presentation: N/A

RECOMMENDATION:

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

BACKGROUND AND FINDINGS:

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

<u>Vehicle #</u>	<u>Make/Model</u>	<u>Department</u>	<u>Serial Number</u>	<u>Odometer Reading</u>
510	1999 Ford Ranger	Cemetery	1FTYR10V3XUA98289	77,617
455	2001 Chev. Dump Truck	Public Works	1GBJ6H1C01J509290	75,733

PREVIOUS LEGISLATIVE ACTION:

FISCAL IMPACT:

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

SUPPORTING DOCUMENTS:

City Manager Review: PAW Concur _____ Recommend Denial _____ No Recommendation
3/8 Date



REQUEST FOR CITY COUNCIL ACTION

To: Mayor Hodges & Members of the City Council
From: Kristi Roberson, Parks & Recreation Director
Date: March 14, 2016
Subject: Public Beach & Coastal Waterfront Access Funds 2016-2017 Grant – Havens Gardens Fishing Pier
Applicant Presentation: N/A
Staff Presentation: N/A

RECOMMENDATION:

I move that City Council authorize the Recreation Director to apply for the Pre-application phase of the Public Beach & Coastal Waterfront Access Funds Grant in the amount of \$93,000.00 for the Havens Gardens Fishing Pier. The grant requires a 10% match.

BACKGROUND AND FINDINGS:

The Recreation Advisory Committee chose to pursue funding for the Havens Gardens Pier during their February 2016 meeting. The new pier would include cut outs for handicap accessible fishing and would match the marine slats of the Municipal Pier. The Pier is in the Capital Improvement Plan, however that price does not reflect handicap accessible fishing cut outs.

PREVIOUS LEGISLATIVE ACTION

FISCAL IMPACT

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

SUPPORTING DOCUMENTS

City Manager Review: / / Concur ___ Recommend Denial ___ No Recommendation
 3/8 Date



REQUEST FOR CITY COUNCIL ACTION

To: Mayor Hodges & Members of the City Council
From: Matt Rauschenbach, Administrative Services Director/C.F.O.
Date: March 14, 2015
Subject: Approval of PO's > \$20,000
Applicant Presentation: N/A
Staff Presentation: Matt Rauschenbach

RECOMMENDATION:

I move that City Council approve the \$21,206.67 purchase order to Duke's Root Control Inc. for sewer I&I work.

BACKGROUND AND FINDINGS:

Project is for root control treatment in 8,171 linear feet of sanitary sewer and is budgeted.

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: MR Concur _____ Recommend Denial _____ No Recommendation
3/9 Date



Purchase Order

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

PO Number: 54697

Issued to: 12850

DUKE'S ROOT CONTROL INC.
1020 HIAWATHA BLVD. WEST
SYRACUSE, NY 13204-1311

Issued: 3/8/2016

Required: 3/8/2016

Ship to: CITY OF WASHINGTON CITY HALL (PW)
102 EAST SECOND ST.
WASHINGTON, NC 27889

FOB: None

Terms: Net 30

Special Instructions Contact Mike Mitchell Prior to starting work.

Inventory #	Item Description	Quantity	UOM	Unit Price	Extended
	ROOT CONTROL TREATMENT FOR 8171 LF. OF SANITARY SEWER	1.0	EA	\$21,206.67	\$21,206.67

Sub Total	\$21,206.67
Total Tax	\$0.00
Shipping	\$0.00
Total	\$21,206.67

Account Number	Account Description	Amount
32-90-8210-4500	CONTRACT SERVICES SEWER REHAB	\$21,206.67

Total \$21,206.67

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 PROVISIONS OF NCGS, CHAPTER 25 UNIFORM COMMERCIAL CODE ARTICLE 2A SALES.

Received By: _____

Date Received: _____

Mayor
Mac Hodges

City Manager
Bobby Roberson



Washington City Council
Virginia Finnerty
Richard Brooks
Doug Mercer
Larry Beeman
William Pitt

To: Mayor Hodges & Members of the City Council
From: Matt Rauschenbach, C.F.O.
Date: March 14, 2016
Subject: Budget Transfer General Fund

The Budget Officer transferred \$50,000 of funds between the Finance and Miscellaneous departments of the General Fund appropriations budget to establish a Capital Project Fund for the financial and utility billing software project.

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

RRK
3/8

Request for Transfer of Funds

Date: 3/2/2016

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:	10-00-4130	7400	Capital Outlay	50,000
TO:	10-00-4400	6200	Trans to CPF	50,000

For the purpose of: Transfer funds to Financial/Utility Billing Software Capital Project Fund.

Supervisor


Department Head

ACTION OF CITY MANAGER OR FINANCE DIRECTOR

Approved:

Disapproved:

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



City Manager or Finance Director
3/16/16

TO: Mayor and City Council
 FROM: Kristi Roberson, Parks & Recreation
 DATE: March 14, 2016
 RE: Municipal Pier and "Crab Park" Fees

During the February 15, 2016 Recreation Advisory Committee Meeting, staff proposed fees for the Municipal Pier and "Crab Park." The fees are consistent with other facility fees already established through the Outdoor Special Events Policy. The Recreation Advisory Committee unanimously voted to recommend the proposed fees to City Council. The fees are listed below.

Municipal Pier -Proposed Fee Structure

<u>Resident</u>	<u>4 Hrs</u>	<u>Day</u>	<u>Non-Resident</u>	<u>4 Hrs</u>	<u>Day</u>
Shelter	\$80	\$120	Shelter	\$160	\$240
Electric	\$25	\$25		\$25	\$25
Event Deposit	Fee Schedule already in place per Special Events Policy				

Suggestions for Guidelines

- No Boats
- No Fishing
- Sign- No feeding animals
- "gate" for entrance for reserved events
- 100 Maximum people on pier
- Must leave Isle on pier walkway
- Same guidelines for decorating as Festival Park Shelters
- Same guidelines for use of park (grassy) already in place

"Crab Park" - Proposed Fee Structure

<u>Resident</u>	<u>4 Hrs</u>	<u>Day</u>	<u>Non-Resident</u>	<u>4 Hrs</u>	<u>Day</u>
Park	\$50	\$75	Park	\$100	\$150
Electric	\$25	\$25		\$25	\$25
Event Deposit	Fee Schedule already in place per Special Events Policy				

Suggestions for Guidelines

- No Open flames
- No Cooking
- No Driving on Grass
- Tents are required to be "sand bagged" in this area

RCR
3/8

Fund/Department	Account	Description	Budget \$	Spent	Open PO	Balance	Status	Notes
General Fund:								
Finance	10-00-4130-7400	Financial Software	50,000	0	0	50,000	Project on hold, set up capital project fund	
Purchasing	10-00-4131-7400	Parking lot 1/3	30,084	0	30,084	0	Construction complete, punch list	
		Lighting	32,530	19,987	1,412	11,131	In progress	
IT	10-00-4132-7400	Network switches	12,306	11,833	113	360	In progress	
Police	86-60-4930-4310	Vehicles #136,142,160,&164	142,000	32,079	100,859	9,062	Two received, balance on order	
Fire	10-10-4341-7400	Defibrillator	30,000	28,304	0	1,696	Complete	
	86-60-4930-4340	Fire Engine 1	450,000	450,842	0	(842)	Complete	
	86-60-4930-4341	EMS truck 1	150,000	153,491	0	(3,491)	Complete- sales tax	
Code Enforcement	86-60-4930-4350	Vehicle #121	20,000	23,189		(3,189)	Complete, budget transfer to repl. fund	
Powell Bill	10-20-4511-4500	Street Paving	61,639	5,211	2,467	53,961		
Street Maintenance	86-60-4930-4510	Dump truck #455	75,000	65,752	795	8,453	Complete	
Rec. Administration	10-40-6121-7400	Bobby Andrews Roof	64,465	64,464	0	1	Complete	
Senior Center	10-40-6123-7400	HVAC	5,900	5,894	0	6	Complete	
Rec. Maintenance	10-40-6130-7400	Grasshopper mower	11,000	11,000	0	0	Complete	
		Ballfield rake	13,000	12,983	0	17	Complete	
Total General Fund			1,147,924	885,029	135,730	127,165		
Water:								
Miscellaneous	30-90-6610-7400	Network switches	12,306	11,683	113	510	In progress	
	30-90-6610-7400	GIS 1/2	12,100	1,250	10,850	0	In progress	
	30-90-6610-7400	Utility billing software	18,182	0	0	18,182	Project on hold, set up capital project fund	
Treatment	30-90-8100-7400	Vehicle #550	28,000	28,848	0	(848)	Complete	
Maintenance	30-90-8140-7400	Vehicle #416	24,000	0	23,614	386	Received	
Total Water Fund			94,588	41,781	34,577	18,230		
Sewer:								
Miscellaneous	32-90-6610-7400	Network switches	12,306	11,683	113	510	In progress	
	32-90-6610-7400	GIS 1/2	12,100	1,250	10,850	0	In progress	
	32-90-6610-7400	Utility billing software	18,182	0	0	18,182	Project on hold, set up capital project fund	
Treatment	32-90-8220-7400	Vehicle #551	27,000	26,249	0	751	Complete	
Lift Stations	32-90-8220-7400	Video surveillance system	25,000	11,599	1,650	11,751	Complete mid March	
	32-90-8230-7400	Springs Rd panel A & B	40,000	0	39,986	14	On order, in place March 2016	
				0	0	0		
Total Sewer Fund			134,588	50,781	52,599	31,208		

Fund/Department	Account	Description	Budget \$	Spent	Open PO	Balance	Status	Notes
Storm Water:								
	34-90-5710-7400	Drainage improvements	150,000	17,002	36,358	96,640	Design phase complete	
	58-90-5710-4500	RZEDB-drainage improvemen	148,185	0	0	148,185		
		Total Storm Water Fund	298,185	17,002	36,358	244,825		
Electric:								
Electric Director	35-90-6610-7400	Network switches	12,306	11,683	113	510	In progress	
	35-90-6610-7400	Utility billing software	63,636	0	0	63,636	Project on hold, set up capital project fund	
Electric Meter Service	35-90-7250-1500	Parking lot 1/3	30,084		30,083	1	Construction complete, punch list	
	35-90-7250-7400	Meters	50,000				On order	
		2015 PO's	19,855				Complete	
		Vehicle #655	25,000				Complete	
		Total Electric Meter Svc.	124,939	42,391	76,492	6,056		
Substation Maint.	35-90-8370-7400	Distribution reclosers	20,000				Complete, awaiting delivery	
		Capacitors	8,000				Complete	
		Slatestone subst./recloser	20,000				On order, delivery expected 03/2016	
		Forest Hills substation	42,760				Complete	
		Main sub circuit exits	262,456				Contract executed	
		Main sub B3 breaker	50,000				Expected completion 3/22/16	
		Total Substation	403,216	99,945	290,629	12,642		
Power Line Maintenance	35-90-8380-1500	Parking lot 1/3	30,083	0	30,083	0	Construction complete, punch list	
Power Line Construction	35-90-8390-7400	Vehicle UTV	15,000				Complete	
		2015 PO's	260,045				Complete	
		NC 32 Reconductoring	330,000				Material ordered, in progress	
		Grimesland Rd. Feeder	310,000				Engineering complete	
		Vehicle #614	35,000				Complete	
		Excavator #610	60,000				Complete	
		2nd/5th St. circuit rebuild	322,788				Contract executed, start March 1	
		Vehicle #608	72,500				On order	
		Total Power Line Constructi	1,405,333	372,127	497,471	535,735		
		Total Electric Fund	2,039,513	526,146	894,788	618,579		
Cemetery Fund	39-90-4740-7400	Vehicle #510	20,000	18,762	0	1,238	Complete	
		Zero turn mower	6,800	6,500	0	300	Complete	
		Total Cemetery	26,800	25,262	0	1,538		
Grand Total		Grand Total	3,741,598	1,546,001	1,154,052	1,041,545		

Grant Executive Summary

as of 2/15/2016

Active	Fund	Grant Description	Dates			Financials				Deliverable				Notes
			Award	Expiration	Completion	Revenue		Expense		Metric	Total	Achieved	Bal.	
						Budget	Actual	Budget	Actual					
51	Trillium Health Play Together	09/18/15	06/30/16		284,156	3,600	284,156	-					Playground equipment on order	
53	Downtown Development				85,500	33,000	85,500	42,876					No more work planned	
54	Hotel Project NAP, Rural EIP	08/20/15	08/20/17		206,400	111,400	206,400	128	Jobs/investment	20	0	20	Engineer selected, developer contribution paid	
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	39	11	1 year construction extension requested, job creation in progress.	
61	Pedestrian Plan Grant	05/20/13	09/30/13	12/31/14	10,000	10,000	10,000	-					Priority listand plan to be presented to RAC in April, Council in May	
66	Airport Terminal Grant	04/04/13	07/01/15	03/31/15	1,254,488	1,255,675	1,254,488	1,225,610					Final expenditure being disbursed	
67	Façade Grant Program	07/01/15	06/30/16	06/30/16	26,000	20,010	26,000	5,660					Two pending, 3 reimbursed (2 from prior year)	
69	Way Finding			04/01/15	150,000	150,623	150,000	20,913					Phase 1 signange contract on hold	
71	Airport Lighting Rehab				460,121	274,941	460,121	433,088					Construction complete	
72	Municipal Pier Access Grant	07/01/14	11/30/15		135,000	15,000	135,000	135,000					Construction complete, reimbursement request submitted.	
74	Sewer I&I rehab/CWSRF	06/03/15			2,000,000	-	2,000,000	98,519					Preliminary engineering underway, Phase 1 complete	
76	EDA Water Projects	09/11/13	03/11/17	02/28/17	1,428,262	1,057,084	1,428,262	1,021,056					Expected completion April 1st	
77	EDA Sewer Grants	09/11/13	03/11/17	02/28/17	1,423,894	1,208,477	1,423,894	1,099,235					Expected completion April 1st	
	CDBG Keysville Rd.	2005	6/4/2013	06/30/16	320,000	320,000	320,000	320,000					Lot 2 LMI qualifies, closing conducted 9/10/15	

Applications/Awards

	Pre-App	Selected	Final App	Grant	Match	Total	
Recreation Trails Program	7/14/15			19,500	6,500	26,000	Partnered with Sound Rivers
FEMA- Radios	1/12/16			52,381	2,619	55,000	
NC GCC- Communication System	1/12/16			25,000	0	25,000	Police internal communication system



HUMAN RELATIONS COUNCIL

Human Relations Council (HRC) report for the month of February
Monday, March 14, 2016 City Council Meeting

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

SCHEDULED PUBLIC APPEARANCES: None

OLD BUSINESS:

Discussion – Ed Peed Commemoration: Chair St. Clair reviewed the program and menu regarding the Ed Peed event. Board members were in agreement with both the program and menu.

Vice-chair Wright addressed length of time allotted for the speaker. It was suggested to keep the time frame limited to 15 minutes due to all planned activities. Cash donated to this event amounted to \$275 with Zaxby's donating numerous food items, and Acre Station donated five (5) lbs. of chicken salad. .

NEW BUSINESS: None

OTHER BUSINESS:

FYI – All FYI items and reminders were discussed inclusive of the January 12, 2016 report submitted to City Council and financial report.

OPEN DISCUSSION:

Councilman Pitt encouraged Board members to seek other activities to be presented during the course of the year and cited examples.

Fair Housing will be discussed during the March 8, 2016 meeting plans are to host this event for April.



REQUEST FOR CITY COUNCIL ACTION

To: Mayor Hodges & Members of the City Council
From: Cynthia S. Bennett, City Clerk
Date: March 14, 2016
Subject: Appointment to Washington Housing Authority
Applicant Presentation: N/A
Staff Presentation: N/A

RECOMMENDATION:
(Mayor Hodges)

As Mayor, I hereby appoint _____ to the Washington Housing Authority to fill the un-expired term of Wanda Harvey, term to expire June 30, 2017.

BACKGROUND AND FINDINGS:

Pursuant to state law, the Mayor makes appointments to the Washington Housing Authority.

PREVIOUS LEGISLATIVE ACTION

FISCAL IMPACT

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

SUPPORTING DOCUMENTS

Application

Requested Board Housing Board

CANDIDATES REQUEST FOR APPOINTMENT TO BOARDS, COMMISSIONS, AND/OR AUTHORITY OF THE CITY OF WASHINGTON

NAME Rudolph (AKA) Rudy Burns

ADDRESS 1214 North Respass street

PHONE ^{Home} ~~(WORK)~~ 252 833-4593 (HOME)

E-MAIL ADDRESS rudyburns@gmail.com

DO YOU LIVE WITHIN THE CORPORATE LIMITS OF WASHINGTON? YES NO

HOW LONG HAVE YOU BEEN A RESIDENT OF BEAUFORT COUNTY? 7 YEARS

YEARS OF EDUCATION 14 yrs

HAVE YOU SERVED ON A BOARD/COMMISSION OF THE CITY? YES NO

IF YES, PLEASE INDICATE Electric Advisory Board

DO YOU ANTICIPATE A CONFLICT OF INTEREST BY SERVING AS A MEMBER OF A BOARD/COMMISSION? NO IF YES, EXPLAIN _____

STATE REASONS WHY YOU FEEL QUALIFIED FOR THIS APPOINTMENT (s) (OPTIONAL): Use back of sheet if additional space is needed.

I'm on several board in town. I enjoy helping the community the best I can.

NOTE: This information will be used by the City Council in making appointments to Boards and Commissions AND, in the event you are appointed, it may be used as a news release to identify you to the community.

3-6-16
Date

Rudolph B. Burns
Signature

NOTE: Application will remain on file for six (6) months. Expiration Date: _____



REQUEST FOR CITY COUNCIL ACTION

To: Mayor Hodges & Members of the City Council
From: Matt Rauschenbach, Administrative Services Director/C.F.O.
Date: March 14, 2016
Subject: Adopt Financial & Utility Billing Software Capital Project Ordinance
Applicant Presentation: N/A
Staff Presentation: Matt Rauschenbach

RECOMMENDATION:

I move that City Council adopt a Capital Project Ordinance for the financial and utility billing software replacement project.

BACKGROUND AND FINDINGS:

\$150,000 is budgeted in the current fiscal year to replace the City’s financial and utility billing software systems. The project is funded by the General, Water, Sewer, and Electric Funds. Transitions in personnel, available resources, and other priorities necessitate the deferral of this project to a future year. Budgeted funds for the project will be transferred to the Capital Project Fund.

PREVIOUS LEGISLATIVE ACTION

FY 2015-2016 Adopted and Amended Budget

FISCAL IMPACT

Currently Budgeted Requires additional appropriation No Fiscal Impact

SUPPORTING DOCUMENTS

Capital Project Ordinance

City Manager Review: *MR* Concur Recommend Denial No Recommendation
3/8 Date

**A CAPITAL PROJECT ORDINANCE FOR
FINANCIAL & UTILITY BILLING SOFTWARE
CITY OF WASHINGTON, N.C.
FOR 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 capital project is hereby established:

Section 1. The project authorized is for the purchase, conversion, and implementation of financial and utility billing software to replace existing platforms.

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

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

65-60-4130-7400	Software	\$150,000
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Section 4. The following revenue is anticipated to be available to complete this project:

65-60-3980-1000	Transfer from General Fund	\$50,000
65-60-3980-3000	Transfer from Water Fund	18,182
65-60-3980-3200	Transfer from Sewer Fund	18,182
65-60-3980-3500	Transfer from Electric Fund	<u>63,636</u>
	Total	\$150,000

Section 5. The Finance Director is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of the developer agreements.

Section 6. Funds may be advanced by the General Fund for the purpose of making payments as due.

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

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

Section 9. Copies of this capital project ordinance shall be furnished to the City Clerk, and to the Budget Officer, and to the 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.

This the 14th day of March, 2016.

Mayor

Attest:

City Clerk



REQUEST FOR CITY COUNCIL ACTION

To: Mayor Hodges & Members of the City Council
From: Bobby E. Roberson, City Manager
Date: 3/8/16
Subject: Approve - Request from Beaufort County Community College to fund Waterline Extension
Applicant Presentation: Dr. Barbara Tansey, President, Beaufort County Community College
Staff Presentation: Bobby E. Roberson, City Manager

RECOMMENDATION:

Motion A. I move that the City Council of the City of Washington approve the proposal from Beaufort County Community College to extend the water line in the amount of \$55,730 and request the City Manager bring back a budget amendment for the appropriation.

Motion B. I move that the City Council of the City of Washington approve one half of the amount for the waterline extension for Beaufort County Community College provided the Beaufort County Commissioners fund the other half of the expenditure.

Motion C. I move that the City Council of the City of Washington Not approve the expenditure for the waterline extension to Beaufort county Community College.

BACKGROUND AND FINDINGS:

Beaufort County Community College has constructed a “Live Burn Training Center” on their campus and are requesting that the City of Washington assist in the 10 inch water line extension to the new building.

PREVIOUS LEGISLATIVE ACTION

FISCAL IMPACT

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

SUPPORTING DOCUMENTS:

Map

City Manager Review: 1500 Concur _____ Recommend Denial _____ No Recommendation
3/8 Date



MATERIALS KEYING LEGEND

LEGEND

- 1 - BUILDING #1 RENOVATION
- 2 - BUILDING #2 RENOVATION
- 3 - BUILDING #3 ADDITION & RENOVATION
- 4 - BUILDING #4 ADDITIONS AND RENOVATIONS
- 5 - BUILDING #5 RENOVATION
- 6 - EXISTING MAINTENANCE BUILDING ADDITION
- 7 - EXISTING AG. BUILDING
- 8 - BUILDING #8 ADDITIONS AND RENOVATIONS
- 9 - EXISTING STUDENT SERVICES & CLASSROOM BUILDING RENOVATION
- 10 - EXISTING BLET BUILDING RENOVATION
- 10A - NEW BLET ANNEX
- 11 - EXISTING PUBLIC SERVICE BUILDING
- 12 - NEW ALLIED HEALTH BUILDING
- 13 - NEW PUBLIC SAFETY FACILITY
- A - ADA MOBILITY IMPROVEMENTS
- B - BUILDING #12 PARKING ADDITION

EXISTING TOTAL # PARKING SPACES (990)
 PROPOSED TOTAL # PARKING SPACES (76)

GENERAL NOTES

KEY PLAN

NO.	REVISION	DATE

JKF ARCHITECTURE

BEAUFORT COUNTY COMMUNITY COLLEGE
 PUBLIC SAFETY TRAINING CENTER
 WASHINGTON, NC

PROPOSED OVERALL SITE PLAN

SCALE: 1"=100'
 DATE: 11-6-2015
 DRAWN BY: A.I.O.