

The Washington City Council met in a regular session on Monday, November 14, 2011 at 5:30pm in the City Council Chambers at the Municipal Building. Present were: Archie Jennings, Mayor; Doug Mercer, Councilman; Ed Moultrie, Councilman; William Pitt, Councilman; Gil Davis, Councilman; Bobby Roberson, Mayor Pro tem; Josh Kay, City Manager; Cynthia Bennett, City Clerk and Franz Holscher, City Attorney.

Also present were: Anita Radcliffe, Assistant Financial Officer; Robbie Rose, Fire Chief; Allen Lewis, Public Works Director; John Rodman, Planning Director; Keith Hardt, Electric Director; Mick Reed, Police Chief; Philip Mobley, Parks and Recreation Director; Susan Hodges, Human Resources Director; Gloria Moore, Library Director; Lynn Lewis, Tourism Director; Mike Voss, of the Washington Daily News and Delma Blinson of the Beaufort Observer.

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

### **APPROVAL OF MINUTES**

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council approved the minutes of October 10 and November 1, 2011 as submitted.

### **APPROVAL/AMENDMENTS TO AGENDA**

Mayor Jennings suggested removing/adding from the Consent Agenda:

1. Remove: Consent Item A: Adopt – Budget Ordinance Amendment for Festival Park Capital
2. Combine the report from Mr. Alvin Powell with the presentation of “Transportation Career Day Certificates”.
3. Add: Item A under Other items from the City Manager – to include a discussion concerning meetings for November 28 and December 12, 2011.

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

### **PRESENTATIONS: “TRANSPORTATION CAREER DAY CERTIFICATES”**

Mayor Jennings with the assistance of Josh Kay, City Manager and Alvin Powell, Event Organizer, presented the “Transportation Career Day Certificates to the following organizations:

- US Coast Guard
- Beaufort County Schools
- City of Washington Fire/EMS Department
- City of Washington Police Department
- Beaufort County Sheriff’s Department
- NC Corporative Extension
- Elizabeth City State University – Aviation Science Program
- Beaufort County Community College – Fire Training Programs and Special Projects
- Tradewind Skysports

Mr. Powell reported that the “Transportation Career Day” was an outstanding success with an overflow support of the community and thanked the 7<sup>th</sup>, 8<sup>th</sup>, and 9<sup>th</sup> graders for their participation. Feedback from this event was well received.

### **CONSENT AGENDA**

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

- A. Removed from Agenda – Adopt – Budget Ordinance Amendment for Festival Park Capital Project
- B. Accept – Annual grants from Mid-East Commission Area Agency on Aging (\$6,665) & (\$33,205)

- C. Accept & Adopt – Accept recommendation of the Planning Board **and** Adopt resolution of intent to consider closing and abandoning a portion of East Main Street and right-of-way

**A RESOLUTION DECLARING THE INTENT OF THE CITY OF WASHINGTON TO  
CONSIDER CLOSING AND ABANDONING A PORTION OF EAST MAIN STREET AND  
RIGHT-OF-WAY**

**(RESOLUTION OF INTENT)**

**WHEREAS**, the City Council (Council) for the City of Washington, North Carolina (City) exercises general authority and control over all public streets, sidewalks, alleys, bridges, and other ways of public passage within its corporate limits pursuant to North Carolina General Statute § 160A-296 et seq.

**WHEREAS**, North Carolina General Statute § 160A-299 authorizes cities to close public streets and alleys and prescribes procedures for carrying out said authority.

**WHEREAS**, the City finds it to be advisable and in the public's best interest to conduct a public hearing for the purpose of giving consideration to the closing and abandoning of a portion of East Main Street and right-of-way, said portion consisting of all that area labeled "Abandoned Portion of East Main Street and Right-of-Way" as shown on that survey for the City of Washington by H.C. Harris, Jr. dated September 22, 2011 attached hereto and/or available for review in the office of the City Clerk and to which reference is herein made for a more complete and accurate description.

**NOW, THEREFORE BE IT RESOLVED** by the City Council of the City of Washington, North Carolina as follows.

- 1) Pursuant to North Carolina General Statute § 160A-299, a public hearing will be held at 6:00 pm on the 9<sup>th</sup> day of January, 2012 in the City Council Chambers, Room 214, of the Municipal Building to consider a resolution that would order the closing and abandoning of a portion of East Main Street, said portion being more particularly described as follows.

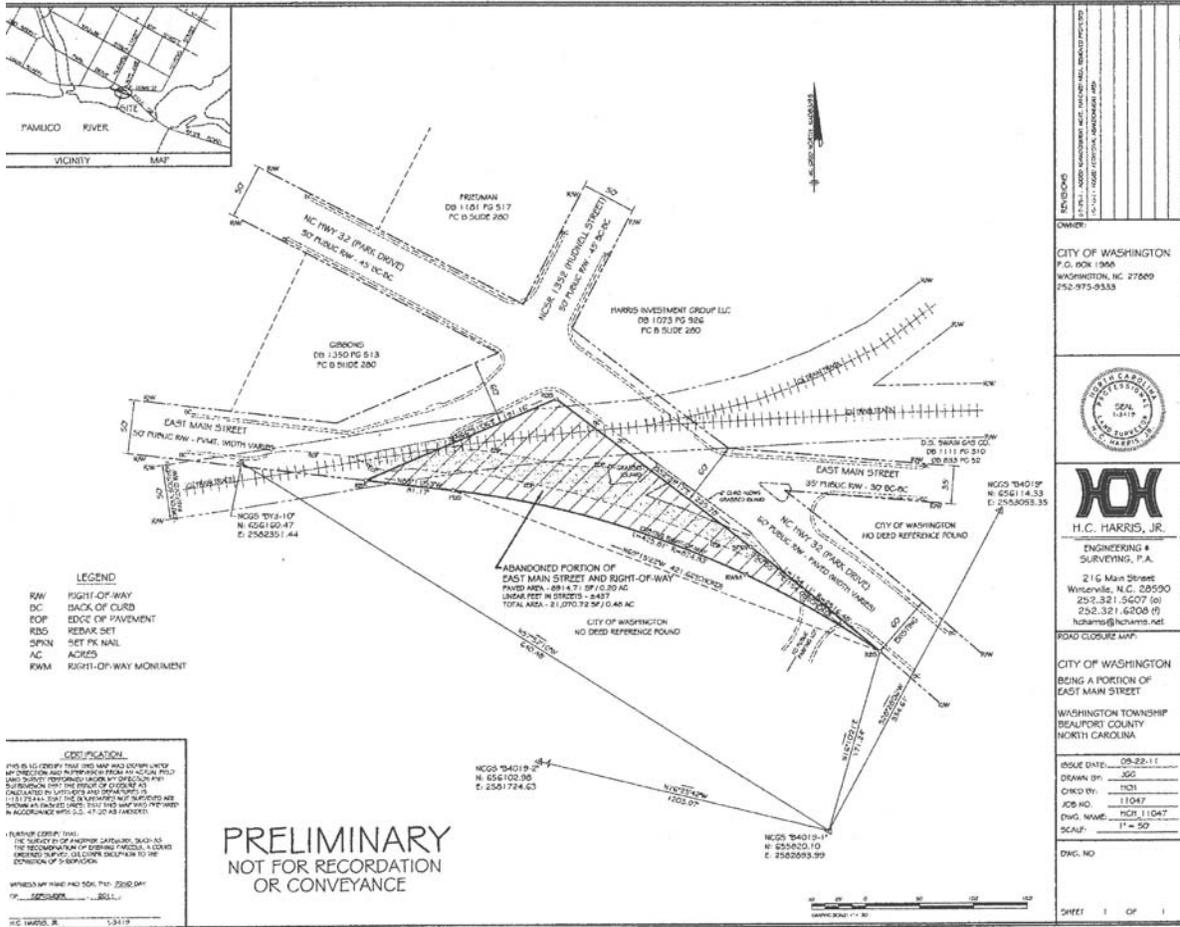
ALL of that area labeled "Abandoned Portion of East Main Street and Right-of-Way" as shown on that survey for the City of Washington by H.C. Harris, Jr. dated September 22, 2011 attached hereto and/or available for review in the office of the City Clerk and to which reference is herein made for a more complete and accurate description.

- 2) The City Clerk is hereby directed to publish this Resolution of Intent once a week for four successive weeks in the Washington Daily News, or other newspapers of general circulation in the area.
- 3) The City Clerk is further directed to transmit by registered or certified mail a copy of this Resolution of Intent to each property owner abutting upon that portion of said East Main Street and right-of-way under consideration to be closed and abandoned.
- 4) The City Clerk is further directed to prominently post this Resolution of Intent in at least two places along the portion of East Main Street and right-of-way that is under consideration to be closed and abandoned as notice of said public hearing and the consideration being given to close as well as abandon a portion of East Main Street and right-of-way.

This the 14<sup>th</sup> day of November 2011.

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

s/N. Archie Jennings, III  
Mayor



D. Adopt – Resolution directing City Clerk to investigate petition for non-contiguous annexation (Boddie-Noell property)

**RESOLUTION DIRECTING THE CLERK TO INVESTIGATE A PETITION RECEIVED UNDER G.S. 160A-31**

**WHEREAS**, a petition requesting annexation of an area described in said petition was received on November 14, 2011 by the Washington City Council; and

**WHEREAS**, G.S. 160A-31 provides that the sufficiency of the petition shall be investigated by the City Clerk before further annexation proceedings may take place; and

**WHEREAS**, the City Council of the City of Washington deems it advisable to proceed in response to this request for annexation;

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

The City Clerk is hereby directed to investigate the sufficiency of the above described petition and that certify as soon as possible to the City Council the result of here investigation.

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

s/N. Archie Jennings, III  
Mayor

Annexation #11-A-01  
Boddie-Noell Property

- E. Adopt – Resolution authorizing the Mayor to sign the NCDOT Municipal Agreement for Bridge Inspection

**AUTHORIZING RESOLUTION BY CITY COUNCIL OF THE CITY OF  
WASHINGTON, NORTH CAROLINA  
RESOLUTION AUTHORIZING THE MAYOR TO EXECUTE MUNICIPAL AGREEMENT**

The following resolution was introduced, and Mayor Pro tem Roberson moved that it be adopted. The motion was seconded by Council Member Moultrie and, upon being put to a vote, the resolution was carried,

**WHEREAS**, the City of Washington has requested the Department of Transportation to perform certain work under the federal-Aid Highway Bridge Replacement and Rehabilitation Program, said work to consist of the inspection and analysis of all public bridges on the Municipal Street System in the City of Washington; and

**WHEREAS**, the City of Washington proposes to enter into an agreement with the North Carolina Department of Transportation for said work wherein the Department of Transportation or a Consulting Engineering firm retained by the Department of Transportation will inspect and prepare the necessary reports for all public bridges on the Municipal Street System in accordance with the National Bridge Inspection Standards; and

**WHEREAS**, under the proposed agreement the Federal Highway Administration shall reimburse the Department of Transportation for eighty (80) percent of the cost of the work subject to compliance with all applicable federal policy and procedural rules and regulations; and

**WHEREAS**, under the proposed agreement the City of Washington shall reimburse the Department of Transportation for all cost of the work incurred by the Department of Transportation not paid by the Federal Highway Administration; and

**NOW THEREFORE, BE IT RESOLVED** that the agreement for the herein above referenced bridge inspection work is hereby formally approved by the City of Washington and the Mayor and Clerk of this Municipality are hereby empowered to sign and execute the required agreement between the City of Washington and the Department of Transportation.

This resolution was passed and adopted this 14th day of November 2011, in the City of Washington, North Carolina

**ATTEST:**

s/Cynthia S. Bennett  
City Clerk

s/N. Archie Jennings, III  
Mayor

- F. Declare Surplus/Authorize – Electronic auction of vehicles through GovDeals

Vehicle Number	Make/Model Description	Serial Number	Odometer Reading
#420	2001 Terex Backhoe/Front End Loader, Model 860B	18EM4396	4651 hrs

- G. Approve – Purchase Orders >\$20,000

- Requisition #1 0346, ITT Water & Wastewater, \$29,278, replace failed ABS flow booster. Account 32-90-8220-7400. \$24,000 budgeted, over budget amount due to damaged rail system, expect \$13,000 in insurance proceeds. Purchase order has been initiated due to oxidation ditches being down as a result of this issue.
- Requisition #10415, Air Care, \$20,970, HVAC work at Carolina Wind for Main St. Energy Grant, Account 66-60-4930-4500. Council approved the award of this contract in a prior session.

- Requisition #10407, Comverge Technologies, \$65,600, load management switches, Account 3 5-90-8375-7403.

**SCHEDULED PUBLIC APPEARANCES:**

**Mr. Jason Briley** presented an overview of Northgate Subdivision. Mr. Briley stated as of today the number of homes completed in Northgate is one hundred (100) and one under construction now to be completed. Homes sold are ninety-five (95) and the ones sold to low-moderate income are twenty-five (25). The twenty-five (25) homes have been confirmed by Ms. Donna Miller with the North Carolina Redevelopment Center. Also, in working with Washington Housing, Gina Amaxopulos has eight (8) lots she is working with in trying to find low-moderate income levels.

Councilman Mercer questioned the time constraint and the total number of homes needed. Mr. Briley stated the time constraint is December 31, 2011 and the number of homes is thirty-two (32) which would make him having seven (7) more homes to sell. Mayor Jennings inquired if any of the eight (8) Ms. Amaxopulos have would count toward the total and Mr. Briley responded 'yes'. Mayor Jennings asked if would get there by December 31 and Mr. Briley responded 'no-sir'. Mayor Jennings requested being proactive in notifying the State of the progress and to request an extension, if needed of the letter of credit. Mayor Pro tem Roberson expressed concerns with installing sidewalks and requested a meeting with the City Manager, staff and Mr. Briley to see where we are.

**Mr. Don Wilkinson** a member of the Washington Park Town Board requested the City of Washington join Washington Park in an effort to persuade Carolina Coastal Railway to repair or replace the CCR railroad crossing just west of Havens Gardens and near Runyon Creek bridge. The crossing is getting so bad that people slow down to creep over it or risk damage to their front-end alignment. Mr. Wilkinson read from a letter that Tom Richter, Mayor of Washington Park had forwarded to Mr. Virgil Holman, General Manager of Carolina Coastal Railway.

Mr. Wilkinson requested Council join Washington Park in an appropriate letter to address smoothing out that roadway. Mayor Jennings and Council agreed this crossing is in desperate need of repair.

Mr. Wilkinson noted as a concerned citizen he is opposed to closing the end of East Main Street.

**Mr. Carter Leary** discussed the issues at the intersection of Market & 15<sup>th</sup> Street and requested a turn light (turn right/turn left) to be placed there and also coming south on Market there should be a turn right lane arrow. Also, the timing of the lights at the intersection of 15<sup>th</sup> & Brown Street should be addressed along with the possible installation of a traffic light at Bonner & 15<sup>th</sup> Street.

Mr. Leary moved forward with his request for the Confederate Cemetery in which he was seeking permission to remove (from Oakdale Cemetery), clean, re-paint and return to Veterans Park two 6" Mortars. Mr. Leary voiced that the ownership in Oakdale is somewhat in question but would like permission to install 20-30 new tombstones given by the Veterans Administration. They would work with the city to place them in Oakdale Cemetery at the entrance by the cannonballs. Also, they would like to request to fly the stars and bars flag daily. On May 10<sup>th</sup> (Confederate Memorial Day) fly POW/MIA. Located in front of City Hall – USS Maine armament list of 10" guns should be moved to Veterans Park.

**COMMENTS FROM THE PUBLIC:**

**Mr. Howell Miller** voiced his concerns regarding an item under New Business: Item B - Stop Intersection in reference to the intersection of Lawson Road and Eden Drive and Lawson Road and Dimock Road. Mr. Miller requested Council support to pass the action item in order to slow traffic down on Lawson Road.

**Mr. Joe Taylor** presented an update on Festival Park. Mr. Taylor noted that Festival Park is 95% complete and the major pieces of the project have been completed. Things that need to be done:

- Landscaping
- Swings
- Benches
- Trash Receptacle
- Completion of the walkway at the very end

Mr. Taylor stated the Park is accomplishing what he hopes the City wanted it to do and that is to be a gathering place, enjoy the waterfront and have activities there. Councilman Mercer shared we owe Mr. Taylor and his committee a tremendous round of support and applause.

Mayor Jennings suggested looking into a time frame to officially dedicate and celebrate the completion of Festival Park and turn it over to the public.

**ACCEPT & ADOPT – ACCEPT RECOMMENDATION OF THE PLANNING BOARD AND ADOPT ORDINANCE TO AMEND CHAPTER 40, ARTICLE IV, SECTION 40-93, BY ADDING SHELTERS FOR THE VICTIMS OF DOMESTIC VIOLENCE AS A SPECIAL USE IN THE R-6S, R-9S, R-15S AND O&I ZONING DISTRICTS**

Mayor Jennings opened the public hearing. Chairman of the Planning Board, Dot Moate stated the Planning Board received this request for the text amendment to allow shelters for victims of domestic violence as a special use in the R-6S, R-9S, R-15S and the O&I Districts. Ms. Moate stated the placement of a domestic violence shelter will be compatible with surrounding areas. The Special Use permit would allow the adjoining property owners to be notified of the possibility of a domestic violence shelter and allow them time to express their opinions. The request was presented to the Planning Board on October 25, 2011 and the Board voted 3-1 to amend the ordinance.

There being no further public comments, the public hearing was closed.

Mayor Pro tem Roberson and Councilman Mercer expressed several concerns.

By motion of Councilman Moultrie, seconded by Councilman Pitt, Council accepted the recommendation of the Planning Board and approved the Ordinance to amend Chapter 40, Article VI, Section 40-93 (b) Table of Uses and Section 40-119 Index to Listed Uses of the City of Washington Zoning Ordinance in order to allow Shelters for the Victims of Domestic Violence as a Special Use in the R-6S, R-9S, R-15S and O&I Zoning Districts.

**An Ordinance to Amend Chapter 40, Zoning, Article IV,  
Section 40-93, of the Washington City Code**

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

**WHEREAS**, the amendment set out below is made in accordance with NCGS 160A-364; and  
**WHEREAS**, the amendment set out below is intended to promote the public health, safety, and welfare by amending the City Code to define and regulate Domestic Violence Shelters, and to add prescribed conditions for such uses.

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

Section 1. That **Chapter 40, Article II, Definitions, Section 40-25. Words and terms defined**, be amended by adding:

**Shelters for the Victims of Domestic Violence** An establishment operated by a governmental or non-profit organization intended to be used primarily for the temporary occupancy by victims of domestic violence or abuse.

Section 2. That **Chapter 40, Article VI, Section 40-93, Table of Uses**, be amended by adding that **Shelters for the Victims of Domestic Violence** will be permitted only by Special Use Permit issued by the City of Washington Board of Adjustment within the R-6S (Residential), R-9S (Residential, R-1 5S (Residential) and O&I (Office & Institutional) zoning districts.

Section 3. That **Chapter 40, Article VI, Section 40-119, Index to Listed Uses**, be amended by adding as follows:

(uu) Shelters for the Victims of Domestic Violence

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Section 4. That **Chapter 40. Article VI, Section 40-120**, Listed Uses, Specific Criteria, be amended by adding **Shelters for the Victims of Domestic Violence** as follows:

(uu) Shelters for the Victims of Domestic Violence

- (1) The minimum lot size shall be 15,000 square feet.
- (2) No facility shall be located within one-half mile (2,640 feet) of any existing domestic violence shelter or shelter for the homeless, as measured from the nearest property line of the lot on which the proposed facility is to be located to the nearest lot line of an existing domestic violence shelter or shelter for the homeless.
- (3) Maximum occupancy shall be in accordance with the North Carolina State Building Code or not more than one (1) person per each five hundred (500) square feet of total lot area, whichever is less.
- (4) Continuous on-site supervision must be maintained during all hours of operation.
- (5) The facility must be located within a building operated by a government agency or nonprofit organization.

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

Section 6. All Ordinances or parts in conflict herein are repealed.

Adopted this 14<sup>th</sup> day of November, 2011.

**ATTEST:**

s/Cynthia S. Bennett  
City Clerk

s/N. Archie Jennings, III  
Mayor

**ADOPT – ORDINANCE TO CONDEMN AS UNSAFE THE STURCTURE LOCATED AT 713 NORTHGATE DRIVE AND AWARD THE DEMOLITION CONTRACT**

Mayor Jennings opened the public hearing. Chairman of the Planning Board, Dot Moate stated the Planning Board received a request for the condemnation of a structure located at 713 Northgate Drive located in the Northgate Subdivision off Cherry Run Road. The Planning Board met on the 25<sup>th</sup> of October and below is the findings and conclusions:

- Currently the structure is listed on substandard housing for the City of Washington developed by the Planning Board.
- The Planning Board felt the condition of the structure warranted condemnation and removal of the structure.
- The Planning Board felt the current property owner had been given ample opportunity and time to make needed repairs to the structure with no response.

If after a notice and hearing the Code Official determines that the property has not been properly maintained and failed to meet minimum standards, an order is issued to require the owner to demolish and remove the building or structure.

On the findings and conclusions the Planning Board voted 7-0 to recommend to City Council that the ordinance for condemnation and removal be approved.

Councilman Mercer inquired who the notice was given to. Mr. Rodman stated the actual condemnation note was delivered to Ms. Francis Whitehurst, the owner of the doublewide. The owner of the property is listed as Northgate Homes LLC.

Ms. Whitehurst who owns the doublewide stated there is a dispute on ownership of property. Her son is in the process of tearing down the doublewide and removing it from the property.

There being no further public comments, the public hearing was closed.

Councilman Mercer inquired as to the period of the lien and Mr. Holscher stated in perpetuity.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council agreed to continue the request for 30 days to determine ownership and what/who to place the lien, while staff and the attorney review legalities.

**MEMO – LOAD MANAGEMENT DEVICE PURCHASE:**

(Begin memo): Included on the City Council agenda for the regular November 2011 meeting is a request to approve a purchase order for additional load management devices.

As of today our current available stock of LM devices is 500 units. The number of monthly installs varies from 60 to 90 devices; averaging 75 installs monthly. At the current installation rate we have a 6½ month supply. The current quote estimates a 14 week (3 ½ month) delivery time after receipt of the order. Additionally, two weeks will be needed after the receipt of the shipment to program and make the devices ready for installation.

The current LM device quote we have maintains the price per device from our last order; 1,000 units at \$65 per unit plus shipping. We can't confirm if our supplier will be able to honor this price after the first of the year due to forecasted increases in component costs as they have indicated that there may be a price increase January 2012. The current budgeted amount is \$70,000. (end memo)

**MEMO – LOAD MANAGEMENT DEVICE INSTALLATION REPORT:**

(Begin report):

Project Start Date: October 2010

	October 2011	Project to Date
Total Load Management Device Installations	77	975
Total Accounts Added with Load Management	61	746
<b>Appliances Control Installations</b>		
Air Conditioner / Heat Pump	59	787
Auxiliary Heat Strip	19	363
Electric Furnace	15	164
Water Heater	45	588
Load Management Device Expenses		\$ 66,550
Contractor Expenses		\$ 74,955
	Total	\$141,505

Load Management Devices Remaining in Stock 525 (end report)

**MEMO – POWELL BILL FUNDING:**

(Begin memo): This is in reference to the above subject and previous discussions regarding the same, as a result of the Brown Street Bridge Project.

Please find attached a copy of Powell Bill fund balance activity since June 30, 2011, as provided by our Finance Department. (end memo)

Powell Bill Fund Activity

82,801	<b>Fund Balance 6/30/11</b>
	<b>Powell Bill Allocation 2011/2012</b>
288,135	Power bill allocation
<u>(112,495)</u>	DOT Deduction for HWY 17 Utilities
175,640	Total Allocation
	<b>Transfers (Two years Hwy 17 Utilities)</b>
143,926	Transfer from Water Fund
<u>81,064</u>	Transfer from Sewer Fund
224,990	Total Transfers
483,431	<b>Total Funds Available</b>
	<b>Expenditures Budgeted 2011/2012</b>
235,818	Expenditures w/o Brown St. Bridge
<u>146,258</u>	Brown St. Bridge 20% City share
382,076	Total Expenditures
101,355	<b>Net Funds Available 6/30/12</b>

**REPORT – HUMAN RELATIONS COUNCIL:**

**Scheduled Public Appearances**

Ms. Corbett, PNS/DREAM Camp Coordinator presented a flyer for the Halloween & Spooktacular Decorating Contest – event to be held on October 28, 2011 from 5:30 pm-8:30 pm at Havens Gardens.

**Update – Multicultural Festival Event**

Board member Castro was absent and Chairman O’Pharrow distributed the Multicultural Festival Volunteers Spreadsheet. The Board will receive an overview at the December 13, 2011 meeting.

**Report – Visit with Mr. Juvencio Rocha Peralta**

Board member Barr requested placing this report on hold until former Chairwoman Roberson would be available to give an update.

**Reschedule – November 8, 2011 meeting**

Vice Chairwoman Cherry advised that the Immigration Action Roundtable has been scheduled for November 15, 2011. The Board agreed that 10-15 individuals should make up the Roundtable discussion and that it would be opened to the public.

**Report – Domestic Violence**

Board member Barr noted a meeting has been scheduled with Mr. Kelvin Johnson representing St. Peter’s Episcopal Church. There are a lot of unresolved issues which will take quite a bit of time to sort through. Board member Barr cited some of the unresolved issues and stated Ms. Roberson will update the Board at the December 13, 2011 meeting.

Chair O’Pharrow voiced keeping the HRC Board in the loop as we would hate to lose the tentative funding of approximately \$50,000-\$100,000 as mentioned by Board member Davis during the September meeting.

**Discuss – All reminders**

At the request of Chair O’Pharrow, Chief Reed provided an update on Gang Prevention Activities.

October 28, 2011

Mayor Archie Jennings, Members of City Council and Josh Kay, City Manager  
City of Washington  
102 East 2<sup>nd</sup> Street  
Washington, NC 27889

**LETTER OF ENDORSEMENT**

Mayor Jennings, Members of City Council and Mr. Kay;

The Washington Human Relations Council supports the development of a domestic violence shelter in the City of Washington within the recommended zoning district as defined by the Planning Board.

In a meeting held on January 18, 2011, Mr. Marc Recko, Executive Director of Washington Housing Authority introduced the topic of a domestic violence shelter and requested the support of the Human Relations Council. The Board agrees that a domestic violence shelter is needed in the City of Washington.

Mr. Recko advised the Human Relations Council that the proposed shelter would have the full support of the Housing Authority's accounting procedures, audits, etc.

Thank you for your consideration.

Sincerely;

William T. O'Pharrow  
Chairman of the Human Relations Council

Evelyne Roberson  
Former Chairwoman of the Human Relations Council

WTO/rbj

**REPORT – WASHINGTON TOURISM DEVELOPMENT AUTHORITY:**

- The City of Washington community branding project is proceeding with the collection of input from area residents. The report of information gathered during the September workshop is now available online from various sites. Partner groups are also sharing this report with their constituents. Eye Integrated will have a recommendation prepared for the November Committee of the Whole meeting.
- The WTDA Board of Directors adopted a strategic plan at its October meeting. The plan includes: civic center marketing, hospitality partner relations, funding, and organizational structure.
- Roof replacement on the Civic Center has been completed. With this work complete, the WTDA will now begin the process of relocating administrative offices. The bulk of the move will take place during the month of December.
- Round tables and white "wedding" chairs have been purchased for the Civic Center. This will provide additional revenue that has been lost almost every weekend the facility is rented. This will allow the Civic Center to offer more of a turn-key event for renters planning weddings and other special events. Seating for 150 people was purchased.
- The financial audit for the WTDA has been conducted by William Oden. Although, not in its final format Mr. Oden reports that it was a clean audit.
- Plans are moving forward to host Cycle NC in 2012. Event organizers visited and met with a local planning team that consists of IBX Outfitters, WTDA, and Parks & Recreation.
- Visits were made to all of the Washington hotels during the month of October.

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- A new organization chart with job descriptions is being developed for the WTDA. With the move to the civic center positions and needs are being reevaluated to develop a more streamlined and cost effective approach to facility management.
  - WTDA director participated in a regional tourism retreat with representatives from the other Northeast counties. Plans are being developed for co-op advertising, promotion of a historic church tour in the region, and tour group marketing.
  - The first smart phone app has been developed for the WTDA. Final tweaks are being made to the app that takes visitors on a walking tour of the historic district. Even without promotion, there have been more than 50 downloads. This is the direction that a lot of marketing efforts are taking since so many people no longer rely on hard-copy marketing materials. If this app is successful, we will likely develop some others. (end report)

**REPORT – FINANCIAL REPORTS:**

Councilman Mercer expressed concerns with the following:

- Electric Director's account - (\$49,000 expenditure for Highway 32 Bridge replacement)? Mr. Hardt explained this was highway 32 near Acre/Swamp Bridge not highway 32 at Blounts Creek - it is a different bridge.
- The 10-11 installment purchases with an unencumbered balance of \$9,800 and Mr. Hardt requested time to look at the expenditures.
- Concerns with Pacific Seacraft Center project and Mr. Rodman explained this is part of the grant awarded to Pacific Seacraft the award is based on the number of jobs that were provided. Pacific Seacraft requested and extension on the grant because of hiring and expansion. Ms. Radcliffe requested to review the purchase orders and Councilman Mercer will be given an explanation on Tuesday by email.

**APPOINTMENTS:**

No appointment to be made at this time.

Recess 6:25pm-6:30pm

**ADOPT – RESOLUTION TO DELEGATE SIGNATORY AUTHORITY RELATED TO TALENT ENHANCEMENT CAPACITY BUILDING GRANT (11-C-2260)**

City Manager, Josh Kay noted this resolution delegate's signatory related to Community Development Block Grant (CDBG) Talent Enhancement Capacity Building grant to the City Manager, Finance Director, Planning Director and Assistant Finance Director.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council adopted a resolution delegating signatory authority related to Community Development Block Grant (CDBG) Talent Enhancement Capacity Building grant, 11-C-2260.

**RESOLUTION  
TO DELEGATE SIGNATORY AUTHORITY RELATED TO  
COMMUNITY DEVELOPMENT BLOCK GRANT FUNDS**

**WHEREAS**, the City of Washington was recently awarded a Community Development Block Grant entitled Talent Enhancement Capacity Building Grant, 11-C-2260

**WHEREAS**, in order to receive Community Development Block Grant funds the City of Washington must comply with the NC Community Development Block Grant Administrative Rules, 4 NCAC 19L.

**WHEREAS**, compliance with North Carolina Administrative Code requires the City of Washington to authorize persons to sign forms, checks for disbursement and documents for the Community Development Block Grant Funds.

**WHEREAS**, such forms and documents include:

1. Requisitions for repayment of Community Development Block Grant Funds;
2. Checks for disbursement;
3. Release of Conditions and Completion activities (Equal Employment and Procurement Plan, Fair Housing Plan, Section 3 Plan, Section 504 Plan, Analysis of Impediments);
4. Quarterly Narrative Reports.

**NOW THEREFORE, BE IT RESOLVED BY THE GOVERNING BOARD THAT,**

Section 1. The City Manager, Assistant City Manager, Assistant Finance Director and Planning Director be authorized to execute the signatory requirements for requisitions for repayment, checks for disbursement, Release of Conditions and Completion activities, and Quarterly Narrative Reports related to CDBG 11-C-2260.

Section 2. This Resolution shall become effective upon November 14, 2011

Adopted this the 14<sup>th</sup> day of November, 2011.

**ATTEST:**

s/Cynthia S. Bennett  
City Clerk

s/N. Archie Jennings, III  
Mayor

**ADOPT & AUTHORIZE – COMPLIANCE DOCUMENTS ASSOCIATED WITH CDBG  
TALENT ENHANCEMENT CAPACITY BUILDING GRANT (11-C-2260) AND AUTHORIZE  
THE MAYOR TO EXECUTE THE CONTRACT BETWEEN EAST CAROLINA AND THE  
CITY OF WASHINGTON**

City Manager, Josh Kay explained this is a follow up to the previous item – adopting compliance documents associated with CDBG Talent Enhancement Capacity Building Grant (11-C-2260). Mr. Kay stated the documents attached included the grant agreement, the sponsor program agreement, the equal employment and procurement plan and the local economic benefit for low and very low-income persons.

By motion of Mayor Pro tem Roberson, seconded by Council Pitt, Council adopted the compliance documents associated with CDBG Talent Enhancement Capacity Building Grant (11-C-2260) and authorized the Mayor to execute contract between East Carolina University and the City of Washington.

**North Carolina Department of Commerce  
Rural Development Division  
Grant Agreement  
Talent Enhancement Capacity Building Grant**

Upon execution of this agreement, the North Carolina Department of Commerce (DOC) agrees to provide to the recipient Community Development Block Grant Assistance under Title I of the Housing and Community Development Act of 1974, (P.L. 93-383), as amended, authorized by the DOC funding approval, the North Carolina Community Development Block Grant administrative rules, applicable laws and all other requirements of DOC now or hereafter in effect. The grant agreement is effective on the date the grant agreement and funding approval are signed by the recipient. The grant agreement consists of the approved application, including the certifications, maps, schedules and other submissions in the application, any subsequent amendments to the approved application and funding approval and the following general terms and conditions:

1. Definitions. Except to the extent modified or supplemented by the agreement, any term defined in the North Carolina Community Development Block Grant Administrative Rules, 4 NCAC 19L, shall have the same meaning when used herein.
  - (a) Agreement means this grant agreement, as described above, and any amendments or supplements thereto.
  - (b) Recipient means the entity designated as a recipient for grant assistance in the grant agreement and funding approval.

- (c) Certifications mean the certifications submitted with the grant application pursuant to the requirements of Paragraph (e) of Rule .0407 of the North Carolina Community Development Block Grant Administrative Rules, 4 NCAC 19L.
  - (d) Assistance provided under this agreement means the grant funds provided under this agreement.
  - (e) Program means the community development program, project, or other activities, including the administration thereof, for which assistance is being provided under this agreement.
  - (f) The date for receiving the grant means the date of the ORDP Director's signature on the Grant Agreement and Funding Approval.
2. Obligations of the Recipient. The recipient shall perform the program as specified in the application approved by DOC. The recipient shall comply with the certification pursuant to Paragraph (e) of Rule .0407 of the North Carolina Community Development Grant Administrative Rules, 4 NCAC 19L. The recipient shall also comply with all other lawful requirements of DOC, all applicable requirements of the General Statutes of the State of North Carolina and any other applicable laws and Executive Orders currently or hereafter in force.
  3. Obligations of Recipient with Respect to Certain Third Party Relationships. DOC shall hold the recipient responsible for complying with the provisions of this agreement even when the recipient designates a third party or parties to undertake all or any part of the program. The recipient shall comply with all lawful requirements of DOC necessary to insure that the program is carried out in accordance with the recipient's certifications including the certification of assumption of environmental responsibilities under Rule .1004 of the North Carolina Community Development Block Grant Administrative Rules, 4 NCAC 19L. If the recipient contracts with or designates a third party to undertake all or part of the program in exchange for a grant or loan from the recipient to the third party of all, or a portion, of the recipient's grant funds, the recipient's contract with the third party must require the third party to comply with the procurement standards set forth in 4 N.C. Administrative Code 19L .0908.
  4. Conflict of Interest. None of the following or their immediate family members, during the tenure of the subject person or for one year thereafter, shall have any direct or indirect financial interest in any contract, subcontract or the proceeds thereof for work to be performed in connection with the program assisted under this agreement: employees or agents of the recipient who exercise any function or responsibility with respect to the program, and who exercise any function or responsibility with respect to the program, and officials of the recipient, including members of the governing body. The same prohibition shall be incorporated in all such contracts or subcontracts.
  5. Reimbursement to DOC for Improper Expenditures. The recipient will reimburse DOC for any amount of grant assistance improperly expended, either deliberately or non-deliberately. **A contract for administrative services should include a clause holding the administrator' organization responsible for reimbursement to the recipient for any improperly expended grant funds that had to be returned to DOC.**
  6. Access to Records. The recipient shall provide any duly authorized representative of DOC, the federal Department of Housing and Urban Development (HUD), and the Comptroller General at all reasonable times access to and the right to inspect, copy, monitor and examine all of the books, papers, records, and other documents relating to the grant for a period of five years following the completion of all close-out procedures.
  7. Project Savings. The recipient is obligated to contribute 100 percent of its pledged cash contribution (if required to contribute) to the RDD project even if the project experiences a savings after authorized activities are completed. Any project savings accrue to the RDD program.
  8. Expenditure of Non-RDD Funds. The recipient must ensure that non-RDD funds are expended along with RDD funds (if applicable), following the implementation schedule described in the approved application and modified by the Performance Contract, and shall report on non-RDD expenditures with each Annual Performance Report, consistent with Section.1100 PERFORMANCE of the program regulations (4NCAC 19L).
  9. Method of Payment. The Department of Commerce uses the Office of State Controller (OSC) to make RDD payments to units of local government. The Electronic Payment Form from OSC must be completed for funds to be electronically transferred. Arrangements must be made with the Finance Officer in Community Investment and Assistance if a recipient does not want to use the electronic funds transfer.

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10. Fair Housing. For each grant year that a Rural Development Division (RDD) grant is active, a recipient must describe the actions it will take in the areas of enforcement, education and removal of barriers and impediments to affirmatively further fair housing. Guidance for developing a Fair Housing Plan can be found in CIA Bulletin 93-4.
  11. Equal Employment and Procurement Opportunity. A recipient must describe the actions it will take annually while the grant is open in the areas of enforcement, education and removal of barriers and impediments that affirmatively further equal access in employment and procurement. This includes a description of steps to be taken in the areas of advertisement, compliance and complaint tracking.
  12. Local Economic Benefit (Section 3 Regulation). For each year that an RDD grant is active, a recipient must describe a strategy whereby opportunities in employment and procurement arising out of an RDD assisted project are identified and made available to low-income residents within the RDD assisted area to the greatest extent feasible. This strategy must include (1) identification of training and technical assistance resources to prepare low-income residents for employment and procurement opportunities, (2) attempts to reach the numerical targets for new hires set forth in the Section 3 regulation, which applies to recipients receiving \$200,000 or more in non-administrative line items expended for construction contracts of at least \$100,000 per contract, and (3) education of low-income residents within the RDD assisted area about the components and opportunities of the program.
  13. Section 504 and ADA. Recipients must complete the section 504 Survey and Transition Plan. This plan will not satisfy all the requirements of the Americans with Disabilities Act, but it will meet the minimum requirements for a RDD assisted project.
  14. Obligation of Recipient With Regard to Vacant Units. (if applicable) The recipient shall ensure that all vacant units being rehabilitated will be occupied by a low or moderate income family by the time close-out occurs.
  15. Utility Assessments or Fees: Assessments or fees to recover the RDD funded portion of a utility project may be charged to properties not owned and occupied by low and moderate income persons. Such Assessments are program income and, as such, must be used for eligible RDD activities that meet a CDBG national objective (if applicable)
  16. Schedules
    - (a) Schedule for Release of Conditions and Completion Activities. **The recipient must satisfy all Funding Approval Conditions to release RDD funds within 2 months from the date the Grant Agreement and Funding Approval were signed by the Assistant Secretary (December 3, 2011).** The recipient must draw down all RDD funds, expend all local non-RDD funds and complete all project activities in conformance with the activities implementation schedule in the application. **The recipient must obligate and expend all funds within 15 months from the date the Grant Agreement and Funding Approval are signed by Assistant Secretary (January 3, 2013). Any remaining funds will be de-obligated. All closeout documents must be submitted to RDD by April 3, 2013. There will be no extensions with this grant.** Consistent with Section .1104 of the program regulations (4NCAC 19L), based on review of the recipient's performance for conformance with the approved application and approved performance schedules, the Secretary of Commerce may withdraw the grant, except for funds already expended.
    - (b) Schedule for Submission of Documents. The recipient must submit the following compliance documents within the specified number of months from the date the Grant Agreement and the Funding Approval were signed by the Assistant Secretary (**October 3, 2011**):
      - Equal Employment and Procurement Plan – 2 months (**December 3, 2011**)
      - Fair Housing – 2 months (**December 3, 2011**)
      - Section 3 Plan – 2 months (**December 3, 2011**)
      - Analysis of Impediments – 4 months (if applicable) (**February 3, 2012**)
    - (c) Schedule for Drawdown of Funds: The recipient must comply with the **Performance Based Contract** schedule to ensure that funds are drawn down in accordance with section 16 (a) of the Grant Agreement.

Upon execution of this agreement by DOC and the recipient, the recipient hereby accepts the assistance on the terms of this grant agreement effective on the date indicated below, and further certifies that the official signing this document has been duly authorized by the recipient's governing body to execute this Grant Agreement.

Date: 10/3/11

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s/Vickie Miller for Henry McKoy  
Assistant Secretary Department of Commerce

Date: 11/14/11  
s/N. Archie Jennings, III  
Mayor

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**Rural Development Division  
Talent Enhancement Capacity Building Grant**

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**Funding Approval**

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1. **Name and Address of Recipient**  
City of Washington  
203 East 2<sup>nd</sup> Street  
Washington, NC 27889-4921
2. **Grant Number and Funding Approval Date**  
Grant Number: **11-C-2260**  
Date of Original Funding Approval: **October 3, 2011**  
Date of Amended Funding Approval:
3. **Approved Projects**
4. **Funding Approval Conditions**

The following conditions must be removed in writing by the Rural Development Division (RDD) in order for all funds to be released for the approved project listed in item (3), above:

- A. **Memorandum of Understanding Condition:** No funds may be obligated or expended in any activity (including training) except for administration until the recipient provides RDD with a copy of the Memorandum of Understanding between East Carolina University's Office of Engagement, Innovation and Economic Development and your local unit of government.
- B. **Assurance Condition:** No funds may be obligated or expended in any activity except for administration activity until the recipient provides assurance to RDD that the (Town, County, City) will provide reports, schedules, and other information requested as well as attend meetings that may be call by RDD.
- C. **Citizen Participation Condition:** No funds may be obligated or expended in any activity except for administration activity until the recipient provides to RDD a copy of the certified minutes for the public hearing held on July 18, 2011.

10/3/11  
s/Vickie Miller for Henry McKoy  
Assistant Secretary, Department of Commerce

11/14/11  
s/N. Archie Jennings, III  
Mayor

Statement of Work

ECU Talent Enhancement Program

The Talent Enhancement Program at ECU will provide technical assistance, capacity building, and community and economic development consultation to local governments and non-profits in distressed communities across the State. This program will include direct community level engagement and offer Grant Administration and Public Management (GAPM) Training on campus that will:

- Establish and intense training model for our selected "Talent Enhancement" communities that offers relevant course work in grant writing, grants management and public management & administration;

- Provide a level of instruction and training that adequately prepares each community for effective grant proposal development, successful grant program management, increased public management skills and elevated local administrative capacities;
- Provide specific training and guidance relative to the Community Development Block Grant program and its management and administration requirements; and
- Increase the communities’ capacities to successfully prepare and submit CDBG proposals.

GAPM Grant Administration course topics will include:

- Basic Project Planning and Feasibility
- Preparing & Writing Grant Proposals
- Preparing Budgets
- Methods of Evaluation
- Grant Administration & Management

GAPM Public Management course topics will include:

Effective Community Leadership  
 Enhancing Governing Body Effectiveness  
 Promoting the Community’s Future  
 Essential Management Practices  
 Policy Implementation and Program Evaluation  
 Relating to Other Organizations

Budget

Direct Costs	\$ 9,091
Indirect Costs	\$ 909
Total	\$10,000

**AUTHORIZE, AWARD, & APPROVE – AUTHORIZE THE CITY MANAGER TO AWARD A CONTRACT FOR DEBRIS GRINDING AND SPREADING TO BOWEN COMPANY, INC. OF BELHAVEN, NC AND APPROVE THE CORRESPONDING PURCHASE ORDER (\$50,122.80)**

City Manager, Josh Kay explained we are partnering with Beaufort County on their vegetative storm debris grinding bid and directed Council attention to page 89 for the attached bid tab sheet. Bids were received from four (4) separate companies and Bowen Company, Inc. proposal is also attached.

By motion of Councilman Moultrie, seconded by Mayor Pro tem Roberson, Council authorized the Manager to award a contract for debris grinding and spreading in the amount of \$50,122.80 to Bowen Company, Inc. of Belhaven, NC for the Debris Grinding and Spreading.

**AMEND – CHAPTER 18, SECTION 77 – STOP INTERSECTION IN REFERENCE TO THE INTERSECTION OF LAWSON ROAD AND EDEN DRIVE AND LAWSON ROAD AND DIMOCK ROAD**

Mr. Kay noted this ordinance has been amended to include two additional stop signs at Lawson and Eden and Lawson and Dimock Roads.

By motion of Councilman Pitt, seconded by Mayor Pro tem Roberson, Council adopted an ordinance to amend Chapter 18, Section 77 – Stop Intersections in reference to the intersection of Lawson Road and Eden Drive and Lawson Road and Dimock Road, as outlined in the attached ordinance, with an effective date of December 1, 2011.

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

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

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Section 1. That Chapter 18 Section 18-77 Stop intersections, be amended to add the following:

Sec. 18-77. Stop intersections.

Eden Drive, from Lawson Road.  
Dimock Road, from Lawson Road.

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

Section 3. This ordinance shall become effective December 1, 2011.

This the 14<sup>th</sup> day of November, 2011

ATTEST:

s/Cynthia S. Bennett  
City Clerk

s/N. Archie Jennings, III  
Mayor

**APPROVE & AUTHORIZE – APPROVE BUDGET ORDINANCE AMENDMENT AND  
AUTHORIZE PURCHASE OF A WHEEL LOADER FROM ROB’S HYDRAULICS OF  
GRIMESLAND, NC AND APPROVE THE CORRESPONDING PURCHASE ORDER  
(\$85,065.84)**

Mr. Kay stated this item is from the Public Works Department which is in need of replacing a 2000 model wheel loader. The transmission on this loader seized up during hurricane Irene recovery efforts. It is the CIP with a schedule to be replaced next fiscal year. Mr. Kay explained we are currently renting one as needed. We received three (3) estimates to repair the transmission that ranged from a low \$33,353.87 to a high of \$36,504.26. Rob’s Hydraulics is willing to allow the city \$22,500 for the existing loader to get the price down to the \$85,065.84. The attached budget ordinance amendment will allow for the 59 month financing of this purchase.

Councilman Mercer inquired if staff had negotiated with any of the banks for the installment purchase money and Mr. Kay responded no-sir not to his knowledge? Councilman Mercer expressed his concern with not negating borrowing monies until very late in the fiscal year and requested seeing that practice changed. Mayor Pro tem Roberson suggested doing the installment purchases for a year and then look for permanent financing on the other side for full payment. Mr. Kay voiced he felt that would be possible and will be investigating all avenues and options. Mayor Jennings clarified by stating we sometimes have a pre payment penalty.

By motion of Councilman Pitt, seconded by Mayor Pro tem Roberson, Council approved the attached budget ordinance amendment and authorized the purchase of a wheel loader from Rob’s Hydraulics of Grimesland, NC, for the state contract price of \$85,065.84, and approved the corresponding purchase order.

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE  
OF THE CITY OF WASHINGTON, N.C.  
FOR THE FISCAL YEAR 2011-2012**

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

Section 1. That the Estimated Revenues in the General Fund be increased in the amount of \$85,066 in the account Installment Note Proceeds, account number 10-00-3920-9101.

Section 2. That account number 10-20-4510-7403, Installment Purchases, Streets Department portion of the General Fund appropriations budget be increased in the amount of \$85,066 to cover the purchase of a wheel loader.

Section 3. That account number 10-00-9990-9900, Contingency, portion of the General Fund appropriations budget be decreased in the amount of \$4,800 to provide funds for 3 months debt service.

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- Section 4. That account number 10-50-4020-8000, Proposed Installment Note Payments, Debt Service portion of the General Fund appropriations budget be increased in the amount \$4,800.
- Section 5. All ordinances or parts of ordinances in conflict herewith are hereby repealed.
- Section 6. This ordinance shall become effective upon its adoption.

Adopted this 14<sup>th</sup> day of November, 2011.

ATTEST:

s/Cynthia S. Bennett  
City Clerk

s/N. Archie Jennings, III  
Mayor

**ADOPT & AUTHORIZE – RESOLUTION AUTHORIZING THE DISPOSITION OF PROPERTY LOCATED AT 126 N. MARKET STREET AND AUTHORIZE THE CITY MANAGER TO EXECUTE THE RELATED OFFER TO PURCHASE AND CONTRACT**

Mr. Kay invited Mr. Trent Tetterton with the Washington Harbor District Alliance who has been serving as a great ambassador for the City of Washington concerning the old City Hall property to provide Council with an update. Mr. Tetterton stated an executed offer to purchase was received today along with the deposit check as required per advertisement.

Mt. Tetterton requested Council declare old City Hall (also known as the Original Washington Fire House) as surplus property and accept the offer to purchase. Mr. Kay reiterated that if Council should accept this offer you will be adopting a resolution authorizing the advertisement of an offer to purchase certain surplus real property and going through the upset bid process. There will be a ten (10) day window if other entities or individuals would like to bid. The upset bid must be at least \$26,300 and the upset bid must be accompanied by a bid deposit equal to five percent (5%) of the increased bid.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council adopted the resolution authorizing the advertisement of an offer to purchase certain surplus real property of the City of Washington located at 126 North Market Street and authorized the City Manager to execute the related offer to purchase and contract, once finalized.

**RESOLUTION AUTHORIZING THE ADVERTISEMENT OF AN OFFER TO PURCHASE CERTAIN SURPLUS REAL PROPERTY**

**WHEREAS**, the City Council of the City of Washington (City) desires to dispose of certain surplus real property of the City.

**NOW THEREFORE, BE IT RESOLVED** By the City Council that:

1. The following described real property, having an address of 126 North Market Street and being known alternatively as Old City Hall as well as the original Washington Fire House, is hereby declared to be surplus to the needs of the City:

That certain tract or parcel of land lying and being in the City of Washington, Beaufort County, North Carolina, more particularly described as follows:

BEGINNING at an X cut in concrete, said X being more particularly located by beginning at US Coast and Geodetic Station “Z-25” and running therefrom South 60° 30’ 10” West 240.44 feet to an X in concrete, the point and place of beginning. Thence from said beginning point so located South 41° 30’ 00” West 42.24 feet to a nail set in a common wall between the property described herein and the property now or formerly owned by Gregory M. Ward; thence with the centerline of said wall and continuing North 47° 51’ 48” West 101.94 feet to an iron rebar; thence North 42° 01’ 15” East 41.29 feet to a magnetic nail; thence South 48° 23’ 55” East 101.56 feet to an X cut in concrete, the point and place of beginning and being the same property as shown on that certain survey by Waters Surveying, Inc. dated May 29, 2009 and being that same property deeded to the City of Washington by deed dated October 7, 2009 recorded in Book 1699, Page

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981, Beaufort County Registry, to which survey and deed reference is herein made for a more complete and adequate description..

2. The City Council, through the Washington Harbor District Alliance, has received an offer to purchase the property described above for the sum of twenty-five thousand dollars (\$25,000).
3. The City Council proposes to accept said offer, subject to the conditions stated in the offer and herein, unless the City receives a qualifying upset bid.
4. The City Clerk shall cause a notice of such offer, subject to the conditions stated in the offer and herein, to be published in accordance with North Carolina General Statute §160A-269.
5. Any person desiring to submit an upset bid must obtain an Offer to Purchase and Contract from the City Clerk at 102 East Second Street, Washington, North Carolina, complete said Offer to Purchase and Contract form in its entirety including Exhibit C (Preservation Plan) and submit the same to the City Clerk by 5:00 pm within ten (10) days of the date the notice provided for herein is published. To qualify as an upset bid, the Offer to Purchase and Contract must be completed in its entirety including Exhibit C (Preservation Plan), the amount of the upset bid must be at least twenty-six thousand three hundred dollars (\$26,300) and the upset bid must be accompanied by a bid deposit equal to five percent (5%) of the increased bid. Once a qualifying upset bid has been received by the City, the qualifying upset bid will become the new offer.
6. If a qualifying upset bid is received by the City, the City Clerk is directed to re-advertise the new offer at the increased upset bid amount and to continue this process until a ten (10) day period passes without the City receiving a subsequent qualifying upset bid.
7. Any subsequent conveyance of the property described above shall be subject to the following:
  - a. The conditions contained in the above reference Offer to Purchase and Contract.
  - b. A Conservation, Historic Preservation and Maintenance Agreement and Deed of Easement for Historic Preservation (Preservation Agreement), in the sole discretion of the City, by and between the purchaser and the City. Said Preservation Agreement is attached to the above referenced Offer to Purchase and Contract from and includes, among other things, requirements that preservation and rehabilitation work commence within (30) thirty days of receipt of all required certificates as well as permits and be completed within twelve (12) months of the date the property is acquired.
  - c. The purchaser shall be responsible for payment of any taxes due or coming due against the property.
  - d. Any conveyance shall be by the special warranty deed attached to the Offer to Purchase and Contract form.
8. Notwithstanding anything herein to the contrary, the City, without recourse from any individual or entity making an offer to bid, reserves the right, in its sole discretion, to cancel this upset bid process at any time and/or reject any or all bids.

Adopted this 14<sup>th</sup> day of November, 2011.

**ATTEST:**

s/Cynthia S. Bennett  
City Clerk

s/N. Archie Jennings, III  
Mayor

#### **OFFER TO PURCHASE AND CONTRACT**

Laura Darré and Kathryn Pisciotta collectively d/b/a the Snug Harbor Team, collectively referred to as Buyer, hereby offers to purchase and the City of Washington, referred to as Seller and/or City, upon acceptance of said offer and subject to certain conditions precedent contained herein, agrees to sell and convey, all of that plot, piece or parcel of land described below, together with all improvements located thereon and such fixtures and personal property as are listed below (collectively referred to as the "Property"), upon the terms and conditions set forth therein.

1. **CONDITIONS PRECEDENT.** Buyer understands that this Offer to Purchase and Contract (Offer) will be presented as soon as practicable to the City Council (Council) of the City of Washington, North Carolina (City) during a duly called meeting of Council. At that meeting, Council will consider a resolution authorizing the advertisement of this Offer for upset bids. If Council approves said resolution, the City will advertise this Offer through a Public Notice for upset bids pursuant to North Carolina General Statute § 160A-269. If a qualifying upset bid is received and accepted by Council after the conclusion of said upset bid process, this Offer shall become null and void. If no qualifying upset bid is received and accepted by Council after the

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conclusion of said upset bid process, a resolution stating the intent of the City to convey the Property (Resolution) shall be presented as soon as practicable to Council during a subsequent duly called meeting of Council.

If the Resolution is approved by Council, the Offer will be submitted to the Beaufort County Commissioners for formal approval if required by the provisions of the Interlocal Agreement-Conveyance of Old City Hall Property recorded in Deed Book 1700, Page 1 of the Beaufort County Registry. If formal approval of the Offer by Beaufort County is required and if such formal approval is not received, this Offer shall become null and void. If such formal approval is not required or if such formal approval is required and is received, the closing shall occur within sixty (60) days of the approval of the Resolution or, if approval from Beaufort County is required, within sixty (60) days of the approval by Beaufort County.

The property described above is subject to the following condition contained in that Interlocal Agreement-Conveyance of Old City Hall Property recorded in Book 1700, Page 1. "In the event the City should sell the property within the City's first twenty (20) years of ownership, the City may take such action independent of input from the County provided that a) the County would receive one-half (1/2) of the sales price from the City and b) the sales price is no less than \$60,000. Should the City wish to convey the property for a sum of less than \$60,000, the City must

2. **REAL PROPERTY.** That parcel or tract of land in the City of Washington, County of Beaufort, North Carolina, commonly known as 126 North Market Street, Washington, North Carolina and more particularly described as follows.
3. **FIXTURES.** All fixtures and items attached or affixed to the Property if owned by the Seller are included in the purchase price free of liens except the following items: None.
4. **PERSONAL PROPERTY.** The following personal property is included in the purchase price: None.
5. **PURCHASE PRICE.** The purchase price is \$25,000 and shall be paid in U.S. Dollars. Should any check or other funds paid by Buyer be dishonored, for any reason, by the institution upon which the payment is drawn, Buyer shall have one (1) banking day after written notice to deliver good funds to the payee. In the event Buyer does not timely deliver good funds, the Seller shall have the right to terminate this Offer upon written notice to the Buyer. The purchase price shall be paid as follows.
  - (a) \$1,250.00, representing a five percent (5%) EARNEST MONEY DEPOSIT, shall accompany the delivery of this Offer and be deposited and held in escrow by Rodman, Holscher, Francisco & Peck., P.A. ("Escrow Agent") until the sale is closed, at which time it will be credited to Buyer, or until this Offer is otherwise terminated. In the event: (1) this Offer is accepted; or (2) any of the conditions hereto are not satisfied, then all earnest monies shall be refunded to Buyer. In the event of breach of this Offer by Seller, all earnest monies shall be refunded to Buyer upon Buyer's request, but such return shall not affect any other remedies available to Buyer for such breach. In the event of breach of this Offer by Buyer, then all earnest monies shall be forfeited to Seller upon Seller's request, but such forfeiture shall not affect any other remedies available to Seller for such breach.
  - (b) \$23,750.00, BALANCE of the purchase price in cash at closing.

**NOTE:** In the event of a dispute between Seller and Buyer over the return or forfeiture of earnest money held in escrow, the Escrow Agent shall retain said earnest money in the Escrow Agent's trust or escrow account until the Escrow Agent has obtained a written release from the parties consenting to its disposition or until disbursement is ordered by a court of competent jurisdiction.

6. **PROPOSED USE.** A description of the Buyer's proposed use or uses for the Property will be as follows. A two level restaurant and bar.
7. **FLOOD HAZARD.** If the Property is located partly or entirely within a designated Special Flood Hazard Area, Buyer understands that it may be necessary to purchase flood insurance in order to obtain any loan secured by the Property from any federally regulated institution or a loan insured or guaranteed by an agency of the U.S. Government.
8. **OTHER CONDITIONS.**
  - (a) The Property must be in substantially the same or better condition at closing as on the date of this Offer, reasonable wear and tear expected.

- (b) Title shall be delivered at closing by a Special Warranty Deed (Deed) in substantially the same form as the special warranty deed attached hereto as Exhibit A and incorporated herein by reference as if fully set forth. The parties shall execute any all documents and papers necessary to complete said closing and transfer to title. Possession shall be delivered immediately upon closing.
  - (c) The Property will be sold subject to and the Buyer shall enter and execute a Conservation Historic Preservation Maintenance Agreement and Deed of Easement for Historic Preservation (Agreement) in substantially the same form as the agreement attached hereto as Exhibit B and incorporated herein by reference as if fully set forth. Said Agreement shall contain protective covenants to be incorporated into the Deed referenced herein and shall be recorded simultaneously with said Deed prior to any mortgage, encumbrance, or lien whatsoever against the Property. As more specifically provided for in said Agreement, Buyer shall work diligently to complete the work necessary to preserve and restore the existing structure located on the Property in accordance with said Agreement.
  - (d) Buyer's proposal, including initial architectural design sketches, a proposed schedule for completion, and funding sources for the rehabilitation, including all necessary repairs and improvements, of the Property ("Preservation Plan") is attached hereto as Exhibit C and incorporated herein by reference as if fully set forth.
  - (e) The Property is located in the BIH zoning district of the City of Washington. Buyer shall comply with the Code of the City of Washington, North Carolina which requires, among other things, "all ground floor street frontage shall be developed for non-residential uses ..." in the BIH zoning district.
  - (f) The Property is located in the Historic District of the City of Washington and shall be sold and possessed subject to the ordinances, rules and regulations related thereto.
  - (g) Buyer shall attach evidence or proof of Buyer's financial ability to fund the purchase and the rehabilitation of the Property. Evidence of the financial commitment from a conventional lender is preferred.
9. **EXPENSES, TAXES, AND OTHER COSTS.** Buyer shall be responsible for all costs with respect to any loan obtained by Buyer, appraisal, title search, title insurance, recording the Deed and for preparation and recording of all instruments required to secure the balance of the purchase price unpaid at closing. Seller shall pay for preparation of the Deed and all other documents necessary to perform Seller's obligations under this Offer. Buyer shall be responsible for the payment of any other expenses of closing not specifically provided for herein. Buyer shall be responsible for the payment of any and all taxes that are due or that come due against the Property.
10. **INSPECTION.** Buyer acknowledges that he/it has inspected the Property, that the Property shall be sold in "as is" condition, and that no assurances or warranties are given by the City as to the condition of the site, including any adverse condition discoverable by soil studies or other investigations of the Property. Buyer expressly releases and discharges the City from any and all responsibility or liability resulting from the condition of the Property, including but not limited to the condition of the soils, groundwater, or other contamination or adverse environmental condition of the site whatsoever.
11. **HAZARDOUS MATERIALS.** The Property may contain certain hazards and hazardous materials, including but not limited to hazards or hazardous material that result from outdated building practices or use of certain material that may contain lead paint, asbestos, or some other hazardous material that may need to be removed or encapsulated before said structure is able to be occupied. The City is not liable in any way for any such hazards, hazardous material, defects, or other problems with the Property and Buyer expressly releases and discharges the City from any and all responsibility or liability for such hazards, hazardous materials, defects or other problems whatsoever with the Property.
12. **RISK OR LOSS.** The risk of loss or damage by fire or other casualty prior to said closing shall be upon the City.
13. **TAX-DEFERRED EXCHANGE.** In the event Buyer or Seller desires to effect a tax-deferred exchange in connection with the conveyance of the Property, Buyer and Seller agree to cooperate in effecting such exchange; provided, however, that the exchanging party shall be responsible for all additional costs associated with such exchange, and provided further, that a non-exchanging party shall not assume any additional liability with respect to such tax-deferred exchange. Seller shall be required to give effect to this provision.

14. **ASSIGNMENTS.** This Offer may be assigned without the written agreement of all parties, but if assigned by written agreement, then this Offer shall be binding on the assignee and its heirs and successors.
15. **PARTIES.** This Offer shall be binding upon and shall inure to the benefit of the parties, i.e., Buyer and Seller and their respective heirs, successors and assigns. As used herein, words in the singular include the plural and the masculine includes the feminine and neuter genders, as appropriate.
16. **SURVIVAL.** If any provision herein contained which by its nature and effect is required to be observed, kept or performed after the closing, it shall survive the closing and remain binding upon and for the benefit of the parties hereto until fully observed, kept or performed.
17. **ENTIRE AGREEMENT.** This contract contains the entire agreement of the parties and there are no representations, inducements or other provisions other than those expressed herein in writing. All changes, additions or deletions hereto must be in writing and signed by all parties.

**IN WITNESS WHEREOF**, Laura Darré and Kathryn Pisciotta collectively d/b/a The Snug Harbor Team and duly authorized representatives of the City have executed this Offer effective as of the 14<sup>th</sup> day of November, 2011. The parties agree that this document is executed under seal for the purposes of any applicable statute of limitations.

**PRE-AUDIT CERTIFICATE**

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

s/**Anita Radcliffe**  
Assistant Finance Director

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

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

**DISCUSSION – CITY OF WASHINGTON NOVEMBER 28<sup>TH</sup> AND DECEMBER 12<sup>TH</sup>  
CITY COUNCIL MEETINGS**

Mr. Kay recommended Council continue to have the November 28, 2011 Committee of the Whole meeting and take up all action items at that meeting (consider this meeting as a regular Council meeting). At the December 12, 2011 meeting, Mr. Kay suggested having the swearing in ceremony of all Council members and the Mayor to be followed up by a planning session to prioritize goals/strategies for the City of Washington and the City Manager. Mayor Jennings clarified that we would not have to adjust any rules but would be operating under the Committee of the Whole rules with the exception that we might have action items.

Councilman Mercer expressed his concern and suggested having the goal setting at the November 28, 2011 Committee of the Whole meeting and having the regular Council meeting on December 12, 2011. Mayor Jennings alluded to the difficulties in having the swearing in ceremony and taking up new business (it seems to be a disjointed process).

Councilman Moultrie recommended going with the City Managers suggestion and Mayor Pro tem Roberson was in agreement to go along whatever Council decides to do.

By straw poll in a 4-1 vote, Council agreed on the City Managers suggestion with Councilman Mercer opposing.

**MEETING AT BEAUFORT COUNTY COMMUNITY COLLEGE**

Councilman Mercer mentioned a Gold Leaf meeting at Beaufort County Community College that he, Councilman Pitt and John Rodman, Planning Director attended in which \$2 million was on the table for Beaufort County and would like to ensure the City has a finger in that pie.

**ROUNDTABLE IMMIGRATION DISCUSSION**

Councilman Pitt reminded Council of the Roundtable Immigration discussion sponsored by the Human Relations Council on Tuesday, November 15 at 6 pm.

**ELECTRONICS' RECYCLING**

Councilman Pitt reminded Council of the electronics' recycling on November 19, 2011.

**CLOSED SESSION – UNDER NCGS § 143-318.11(a)(3) ATTORNEY CLIENT PRIVILEGE, NCGS § 143-318.11 (a)(5) POTENTIAL ACQUISITION OF REAL PROPERTY: PROPERTY LOCATED ON RESPESS STREET AND OWNED BY FIRST PRESBYTERIAN CHURCH AND NCGS § 143-318.11(a)(1) DISCLOSURE OF CONFIDENTIAL INFORMATION AND NCGS § 143-318.10 (e) PUBLIC RECORDS ACT**

By motion of Councilman Pitt, seconded by Councilman Moultrie, Council agreed to enter into closed session under NCGS § 143-318.11(a)(3) Attorney Client Privilege, NCGS § 143-318.11 (a)(5) Potential Acquisition of Real Property: Located on Respass Street and owned by First Presbyterian Church and NCGS § 143-318.11(a)(1) Disclosure of confidential information and NCGS § 143-318.10(e) Public Records Act at 7:00 pm.

By motion of Councilman Moultrie, seconded by Councilman Mercer, Council agreed to come out of closed session at 7:30 pm.

**ADJOURN**

By motion of Mayor Pro tem Roberson, seconded by Councilman Pitt, Council adjourned the meeting at 7:35 pm until November 28, 2011 at 5:30 pm in the Council Chambers at the Municipal Building.

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