

The Washington City Council met in a regular session on Monday, December 11, 2006 at 4:30 p.m. in the Council Chambers at the Municipal Building. Present were: Judy Jennette, Mayor; Darwin Woolard, Mayor Pro tem; Ed Gibson, Councilman; Richard Brooks, Councilman; Archie Jennings, Councilman; Mickey Gahagan, Councilman; James Smith, City Manager; Franz Holscher, City Attorney; and Rita A. Thompson, City Clerk.

Also present were: Carol Williams, Finance Director; Joey Toler, DWOW Director; Jimmy Davis, Fire Chief; Bobby Roberson, Community Development Planning Director; Keith Hardt, Electric Director; Major Sandy Blizzard, Police Department; Susan Hodges, Human Resources Director; Allen Lewis, Public Works Director; Mike Voss, of the Washington Daily News; and Leanne Smith, of the Beaufort Observer.

Mayor Jennette called the meeting to order, and Councilman Gibson delivered the invocation.

APPROVAL/AMENDMENTS TO AGENDA

Mayor Jennette removed Item I.E. for action at the January meeting and added VI.A.6. Moss Landing Right of Way Clarification.

On motion of Mayor Pro tem Woolard, seconded by Councilman Gibson, Council unanimously approved the agenda, as amended.

APPROVAL OF MINUTES

On motion of Mayor Pro tem Woolard, seconded by Councilman Brooks, Council unanimously approved the minutes of November 7, November 14, and November 27, 2006, as submitted.

PRESENTATION OF GOVERNMENT FINANCE OFFICERS ASSOCIATION CERTIFICATE OF ACHIEVEMENT FOR EXCELLENCE IN FINANCIAL REPORTING FOR FY 04-05

Mayor Pro tem Jennette presented the Government Finance Officers Association Certificate of Achievement to recognize the Finance Department for excellence in financing reporting to Carol Williams, Finance Director.

APPROVAL OF CONSENT AGENDA

On motion of Councilman Gahagan, seconded by Councilman Jennings, Council unanimously approved the Consent Agenda, as amended above.

- A. Adopt – Resolution fixing date for public hearing on contiguous annexation of Tree Shade community Phase II located on John Small Avenue (Hwy 264 E) and containing 22.47 acres

RESOLUTION FIXING DATE OF PUBLIC HEARING ON QUESTION OF ANNEXATION PURSUANT TO G.S. 160A-31

WHEREAS, a petition requesting annexation of the contiguous area described herein has been received; and

WHEREAS, the City Council has by resolution directed the City Clerk to investigate the sufficiency of the petition; and

WHEREAS, certification by the City Clerk as the sufficiency of the petition has been made;

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

Section 1. A public hearing on the question of annexation of the non-contiguous area described herein will be held at the City Council Chambers on the 2nd floor of the municipal building located at 102 East 2nd Street at 6:00 p.m. on Monday, January 8, 2007.

Section 2. The area proposed for annexation is described as follows:

Being all of that tract of land noted on that survey "Annexation Map, Tree Shade Community, Phase II" by Mayo and Associates, P.A. dated September 5, 2006 and being located in Long Acre Township, Beaufort County North Carolina and being more particularly described as follows;

See Attached Map

Together with and subject to covenants, easements, and restrictions of record. Said property contains 22.47 acres more or less.

Section 3. Notice of the public hearing shall be published once in the Washington Daily News, a newspaper having general circulation in the City of Washington, at least ten (10) days prior to the date of the public hearing.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

- B. Adopt – Resolution stating the intent of the City to annex and fixing date for public hearing on the contiguous annexation of the Fire Station #2 property located at 2064 West 15th St. and containing 2.24 acres

RESOLUTION STATING THE INTENT OF THE CITY OF WASHINGTON TO ANNEX PROPERTY OWNED BY THE CITY WHICH IS CONTIGUOUS TO THE EXISTING MUNICIPAL BOUNDARIES

BE IT RESOLVED by the City Council of the City of Washington that:

Section 1. It is the intent of the City Council, pursuant to G. S. 160A-31, to annex the property described in Section 2, which is owned by the City of Washington.

Section 2. The legal description of the property is as follows:

LYING AND BEING IN THE CITY OF WASHINGTON, COUNTY OF BEAUFORT, STATE OF NORTH CAROLINA AND BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS:

BEGINNING at an iron pipe, said iron pipe being in the north sideline of Fifteenth Street Extension and said iron pipe being more particularly located by

beginning at a North Carolina Department of Transportation monument at the intersection of US HWY 264 and Fifteenth Street Extension, and said monument being shown on that certain survey of Waters Surveying, Inc. dated February 1, 2006 and running from said North Carolina Department of Transportation Monument North 66 56' 00" East 655.61 feet to an iron pipe in the Northern sideline of Fifteenth Street Extension, the point and place of beginning, and running thence from said point and place of beginning with the sideline of Fifteenth Street on a curve having a delta of 14 31' 52", a radius of 986.22 feet and a length of 250.09 feet to a point; thence leaving the sideline of fifteenth Street and running North 09 39' 47" East 272.48 feet to a point in the centerline of a canal; thence with the centerline of said canal, North 45 51' 16" West 225.29 feet to a point in an old culvert; thence South 44 03' 44" West 199.18 feet to a point; thence South 01 00' 00" East 286.36 feet to an iron pipe located in the northern sideline of Fifteenth Street Extension, the point and place of beginning and containing a total of 2.24 acres according to that certain survey of Waters Surveying, Inc. dated February 1, 2006. Reference is herein made to said survey and the same incorporated herein for a more complete and adequate description.

Section 3. The property described in Section 2 is contiguous to the current municipal boundaries.

Section 4. A public hearing on the question of annexation of the property will be held at the City Council Chambers, 102 East 2nd Street, at 6:00 p.m. on Monday, January 8, 2007.

Section 5. Notice of the public hearing shall be published once in the Washington Daily News, a newspaper having general circulation in the City of Washington, at least ten (10) days prior to the date of the public hearing.

Adopted this 11TH day of December, 2006.

s/Judy Jennette
JUDY JENNETTE
MAYOR

Attest:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

Annexation #06-A-06
Fire Station #2

- C. Accept – Grant from Mid-East Commission Area Agency on Aging (\$28,089) and Adopt-Budget Ordinance Amendment for Grant (\$9,566)

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2006-2007**

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 \$9,566 in the account Mid East Grant-Recreation, account number 10-40-3621-3300.

Section 2. That account number 10-40-6123-4500, Mid East Grant, Senior Programs portion of the General Fund appropriations budget be increased in the amount of \$9,566 to provide funds for grant match requirements.

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

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

Adopted this the 11th day of December, 2006

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

D. Adopt – Budget Ordinance Amendment for Outside Agency Division in the General Fund for B.A.T.S. Public Transportation Service (\$1,000)

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2006-2007**

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 \$1,000 in the account Public Transportation Fees, account number 10-40-3617-4100.

Section 2. The account number 10-40-6170-9132, B.A.T.S., Outside Agency portion of the General Fund appropriations budget be increased in the amount of \$1,000 to provide funds for contribution to public transportation contract.

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

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

Adopted this the 11th day of December, 2006

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

- E. **MOVED TO JANUARY MEETING** Award – Contract for Eastern Substation Labor (\$333,326)
- F. **Adopt** – Resolution requesting grant assistance from the State of North Carolina through the Water Resources Development Grant Program

AUTHORIZING RESOLUTION BY GOVERNING BODY FOR WATER RESOURCES DEVELOPMENT PROJECT GRANT APPLICATION

RESOLUTION FOR THE CITY OF WASHINGTON'S APPLICATION FOR WATER RESOURCES DEVELOPMENT PROJECT GRANT PROGRAM

WHEREAS, the City of Washington City Council desires to sponsor a water management and /or stream restoration grant for drainage improvements for Mitchell's Branch, and

WHEREAS, the City of Washington intends to request grant assistance from the Water Resources Development Grant Program for the project;

NOW THEREFORE BE IT RESOLVED, BY THE CITY COUNCIL OF THE CITY OF WASHINGTON:

That the City of Washington City Council requests the State of North Carolina to provide financial assistance to the City of Washington for a water management and or stream restoration grant, in the amount of \$6,000.00 (66 – 2/3% of the total project cost);

That the City of Washington City Council assumes full obligation for payment of the balance of the improvements costs;

That the City of Washington will supervise construction of the project to assure compliance with permit conditions and to assure safe and proper construction according to approved plans and specifications;

That the City of Washington will obtain suitable spoil disposal areas as needed and all other easements or rights-of-way that may be necessary for the construction and operation of the project without cost or obligation to the State;

The City of Washington will hold the State harmless from any damages that may result from the construction, operation and maintenance of this project;

Adopted this the 11th day of December, 2006, in the City of Washington, North Carolina.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

JAY TALBERT OR JOHN MASSEY (TALBERT & BRIGHT) – WARREN FIELD AIRPORT FY08-FY12 TIP SUBMITTAL

Mr. John Massey, with Talbert & Bright, the City's Airport Engineers, referred to the Warren Field Airport Transportation Improvement Program proposed project listing updated by the Manager's Office and the engineers. The program is updated annually and is used to obtain funds through the Division of Aviation. Seven projects were

outlined that need to be done: (1) Runway Length - \$1,080,000 (2) Runway Protection Zone – Runway 35 - \$300,000 (3) Runway Protection Zone – Runway 6 - \$950,000 (4) Standard Instrument Approach Procedure - \$50,000 (5) Taxiways - \$650,000 (6) Approach Landing - \$250,000, and (7) Taxiway and Apron Edge Lighting - \$250,000. The total cost to bring the Airport up to the Division of Aviation’s recommendations is \$3,340,000.

Additional Airport requested projects include: (1) Corporate Hangars - \$880,000 (2) Runway Sweeper - \$35,000 (3) 6-Unit Hangar and Taxiway (Phase 1) - \$540,000 (4) Corporate Hangars (Phase II - \$820,000 (5) 6-Unit T-Hangar and Taxiway (Phase 11) - \$540,000 (6) Corporate Hangars (Phase 111) - \$1,420,000 and (7) Pavement Repair Runway 17-35 - \$250,000, a total of \$4,485,000 for all improvements.

A \$2 million dollar fund was established in the last legislative session to assist fourteen airports located in counties identified economically as tier one – the most distressed. Warren Field is eligible for these funds and the City will be applying for a grant which would facilitate the construction of new hangars.

MARC FINLAYSON, HIGHWAY 17 ASSOCIATION – MISSION AND GOALS

Mr. Tom Thompson, EDC Director, introduced Mr. Marc Finlayson, who was hired to galvanize the working through cities and other stakeholders to raise interest in the Highway 17 Association program.

Mr. Finlayson reviewed Highway 17 Association Mission Statement is: “ It is the mission of the Highway 17 Association to assure through collective action and constancy of purpose, that the inclusion and funding of all unfunded portions of the US Highway 17 corridor shall be part of the NC Department of Transportation’s 2009 Transportation Improvement Plan (TIP).”

Mr. Finlayson stated that the Highway 17 Association will accomplish its mission by:

- Protecting Highway 17 projects now fully funded in the TIP.
- Being regional in vision and scope and not advancing one local project at the expense of another
- Anticipating and resolving local issues and concerns, and facilitating solutions where local conflicts exist.
- Helping the DOT solve problems in planning, design, right-of-way acquisition and construction, in order to advance Highway 17 projects.
- Being an active partner with federal, state, regional and local stakeholders who share an interest in the completion of a fully controlled access, four-lane Highway 17 from Virginia to South Carolina.

Mr. Finlayson pointed out that we are still \$455 million dollars short on the Highway 17 Project. His goal is to get unfunded portions funded by 2009.

Mayor Jennette thanked Mr. Finlayson for his support.

ECONOMIC DEVELOPMENT COMMISSION

Mr. Thompson reported that they have a strong client looking at Quick Start #2 building. Brooks Boat Works wants to acquire the remainder of their site and SX Smith has moved in, along with other smaller things going on.

TOURISM DEVELOPMENT AUTHORITY

Mayor Jennette stated that the TDA will be finishing up touches on the Contract on the Civic Center by January 15th. TDA has been tasked to come up with a

recommendation on the proposed Visitor Center Rest Stop by January. Mayor Jennette recommended that it be changed to February.

HUMAN RELATIONS COUNCIL

Mayor Jennette could not attend the last Human Relations Council meeting because we had a Council meeting.

DOWNTOWN WASHINGTON ON THE WATERFRONT

Joey Toler, DWOW Director, thanked Council for their support on the Flotilla. They are continuing to look for a suitable spot for an ATM machine.

PARKING COMMITTEE

Councilman Jennings stated that they have had two meetings which focused on the need for additional residential parking because of development downtown. They are looking at long term development for larger scale solutions and short term solutions where each resident would be allowed to have a permit to park.

WARREN FIELD AIRPORT

Mr. Smith stated that the Tradewind document is still being worked on, as this is a management contract opposed to a lease and is a “new animal.” He asked this be discussed at a special meeting next Monday night, December 18th at 4:30 p.m.

APPOINTMENTS - ECONOMIC DEVELOPMENT COMMISSION – TO FILL THE EXPIRED TERM OF LENTZ STOWE, TERM TO EXPIRE ON DECEMBER 30, 2009

On motion of Councilman Gahagan, seconded by Councilman Brooks, Council unanimously reappointed Lentz Stowe to the Economic Development Commission, term to expire December 30, 2009.

WASHINGTON HOUSING AUTHORITY – TO FILL THE UNEXPIRED TERM OF LUCILLE CARAWAN DIBBLE, TERM TO EXPIRE JUNE 30, 2008

On motion of Councilman Gibson, seconded by Councilman Brooks, Council unanimously appointed JoAnne S. Ingersoll to the Washington Housing Authority to fill the unexpired term of Lucille Carawan Dibble, term to expire June 30, 2008.

REVIEW – OF NORTH CAROLINA DEPARTMENT OF TRANSPORTATION STIP PRIORITY ORDER 2007-2013

Allen Lewis, Public Works Director reviewed staff’s recommendations on a priority order for projects in and around Washington that are in the State’s Transportation Improvement Program. The majority have already been funded, By-Pass around Washington and the section of Highway 17 just south of Washington. It is recommended that the first priority be placed on R-2510-C, widening US 17 from Spring Road to NC 171, from a two lane section to a four lane section. Secondly, R-3422, US 264 northern By-pass of Washington (from the intersection of Wharton Station to the Braddy Road), identifying future corridors. Finally, U-2723, Old Bath Highway/Highland Drive widening from 12th Street northward to Slatestone Road.

Mr. Lewis stated that the majority of the projects are out in the County and some are already funded.

Councilman Gahagan asked Mr. Lewis to find out when the Runyon Creek Bridge Project is scheduled.

The proposed road from Highway 32 to Old Bath Highway is included in the Thoroughfare Plan which the next cycle is 2008.

It was pointed out that the STIP list can change from year to year, funded or not. Councilman Jennings recommended that three things be looked at: (1) northern by-pass to Braddy Road (work with DOT on Douglas Crossroads which is very dangerous) (2) bridge over Runyon Creek (would like to see a pedestrian underpass) and (3) connecting Third Street and Grimes Road to have an east/west corridor south of Fifth Street without having to get on Fifth Street. Mr. Lewis pointed out that 15th Street will not interchange at all with 17 Bypass which might offer some relief.

Mayor Jennette suggested that DOT give an update to the City Council at the January or February meeting since there are concerns among Council.

**REVIEW – AIRPORT MANAGER CONTRACT (TRADEWIND)
(WORK- IN- PROGRESS)**

This will be discussed at a meeting on Monday, December 18, 2006.

APPROVE – MARICK HOME BUILDERS, LLC

Mr. Smith stated that NC Land Partners, LLC purchased the former Whichard's Beach property and subdivided the property into sites for single family homes and a large site for a condominium and marina project. The City entered into a contract in July, 2006 with NC Land Partners to provide water and sewer facilities to the project. They have subsequently sold to Marick Home Builders, LLC. The proposed agreement requires Marick Home Builders, LLC to construct necessary facilities to connect their development to the new water and sewer facilities to be constructed by NC Land Partners in accordance with the existing agreement. All expenses for engineering, construction, and inspection of the facilities and all the expense to operate the water and sewer facilities subject to a minimum cost of twice the fee for providing such service within the City will be born by Marick Home Builders, LLLC or the future condominium association or associations. All the services will have to be provided even though they may stay two months out of the year, and the City has to collect on a twelve month basis.

Council discussed the fact they have no input on the design of the property. Council mutually agreed to study the contract further and discuss it again at Monday night's special meeting on December 18th.

DISCUSS – EVANS SEAFOOD PROPERTY

Councilman Gahagan suggested Council look at a map and see exactly the area we are talking about.

Councilmen Jennings recommended this be tabled until the Planning Session and assign appropriate priority at that time.

**ADOPT – ORDINANCE TO AMEND CHAPTER 27, ARTICLE XVI,
SECTION 27-178 NONCONFORMING SIGNS**

Mayor Jennette stated this is a public hearing.

There were no comments from the public.

Mayor Jennette closed the public hearing.

On motion of Councilman Gahagan, seconded by Councilman Jennings, Council unanimously accepted the recommendation of the Planning and Development

Department and approved the Ordinance to replace Chapter 27, Article XVI, Section 27-178, Nonconforming Signs .

**Ordinance to Amend Chapter 27, Zoning, Article XVI, Signs, Section 27-178.
Nonconforming Signs**

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

Section 1. That Chapter 27. Article XVI. Signs, Section 27-178 Nonconforming signs (a) be replaced with the following Section 27-178 Nonconforming signs (a).

- (a) Signs in existence on the effective date of this ordinance which do not conform to the provisions of this Chapter, but which were constructed, erected, affixed, or maintained in compliance with all previous regulations, shall be regarded as nonconforming signs. Although it is not the intent of this section to encourage the continued use of nonconforming signs, nonconforming signs, except those specifically listed in Section 27-183, shall be allowed to continue and a decision as to the continued existence and use or removal of such signs shall be controlled as set forth hereinafter. In the event an off-premises outdoor advertising sign, as more specifically provided for in Section 27-183(b), has not been voluntarily removed in compliance therewith or the Director of Planning and Development has not initiated removal of such sign under Section 27-183(b), 27-182, or other applicable law, the use or removal of such sign shall also be controlled as set forth hereinafter. Nothing contained herein shall be construed to waive or in any way nullify the obligation to remove such signs in accordance with Section 27-183(b), or waive or in any way nullify the authority of the Director of Planning and Development to initiate removal of such signs under Section 27-183(b), Section 27-182, or other applicable law.

Section 2. That Chapter 27. Article XVI. Signs, Section 27-178 Nonconforming signs (a) be amended to include the following.

- (8) No nonconforming sign shall be changed or altered to allow any illumination of such nonconforming sign.

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

Section 4. All Ordinances or parts in conflict herein are repealed.

Adopted this 11TH day of December, 2006

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

**AMEND – CHAPTER 27, SECTION 27-43 ZONING TO REMOVE
AUTOMOBILE TOWING AND STORAGE AS A PERMITTED USE AND
PLACE IN SPECIAL USE**

Mr. Roberson stated that the Planning Board recommended that this be allowed as a special use instead of a permitted use to provide better transition.

Mayor Jennette opened the public hearing.

Ms. Phyllis Lee, 215 Hudnell Street, appeared before Council to request that automotive towing and storage be removed from both the industrial classifications as a permitted use on our Zoning Ordinance, that she does not want it beside her house.

Mayor Jennette closed the public hearing.

On motion of Councilman Gahagan, seconded by Councilman Brooks, Council unanimously accepted the recommendation of the Planning Board and amended Chapter 27, Zoning, Article IV., Section 27-43, Table of Uses by removing Automobile Towing and Storage as a Permitted Use in the I-1 Heavy Industrial District and I-2 Light Industrial District and add Automobile Towing and Storage as a Special Use in the B-1 Heavy Industrial and the I-2 Light Industrial District.

**An Ordinance to Amend Chapter 27, Zoning, Article IV., Section 27-43
of the City of Washington Code**

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

Section 1. That Chapter 27, Article IV. Zoning Districts, Section 27-43, Table of Uses be amended in the Business, Professional & Personal Services category by deleting Automobile Towing & Storage Service as a permitted use in the I-1 Heavy Industrial District and the I-2 Light Industrial District.

Section 2. That Chapter 27, Article IV. Zoning Districts, Section 27-43, Table of Uses be amended in the Business, Professional & Personal Services category by adding Automotive Towing & Storage Service as a Special Use in the I-1 Heavy Industrial District and the I-2 Light Industrial District and by placing a "S" under the I1 and I2 Zoning Districts.

Section 3. This Ordinance shall become effective upon its adoption

Section 4. All ordinances or parts in conflict herein are repealed

Adopted this the 11TH day of December, 2006

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

**PUBLIC HEARING - ADOPTION – OF CITY OF WASHINGTON
PEDESTRIAN MASTER PLAN**

Ms. Susan Suggs, Registered Landscape Architect and Planner with the N.C. Division of Community Assistance, reviewed the proposed Pedestrian Master Plan with the City Council. In January, 2005, the City of Washington was awarded a grant from the NC DOT Bicycle and Pedestrian Planning Grant Initiative in order to create a comprehensive Pedestrian Master Plan. A Steering Committee was formed to work with Ms Suggs in developing the plan. The plan consisted of (1) Executive Summary (2) Background Information (3) Public Input (4) Plan Recommendations (5) Funding (6) Maps and (7) Appendixes. The purpose of the plan was to develop a comprehensive view of pedestrian needs and opportunities within the City of Washington and to identify strategies to meet these needs and to take advantages of opportunities. This plan will include both on road and off road facilities. The plan will make the City more eligible for for grant funding.

Goals and objectives of the Plan include:

Goal A: Existing pedestrian facilities including street crossings shall provide a safe walking environment and meet Americans with Disabilities Guidelines.

Goal B: The City will respond to reduced vehicular demands on major street after completion of the proposed US 17 by-pass by retrofitting the rights of way for improved pedestrian accessibility.

Goal C: Private properties will have safe pedestrian facilities.

Goal D: The City shall provide new pedestrian facilities in locations lacking sidewalks, crosswalks and pedestrian amenities.

Goal E: The City shall provide safe pedestrian routes to public schools and bus stops for school children.

Goal F: Newly developed properties shall have pedestrian facilities.

Goal G: The City shall provide facilities that residents can use for enjoyment and fitness and transportation.

Goal H: the City shall provide programs to promote safe use of pedestrian facilities.

Goal I: Pedestrian Task Force

There were no comments from the public.

Mayor Jennette closed the public hearing.

On motion of Mayor Pro tem Woolard, seconded by Councilman Jennings, Council unanimously accepted the recommendation of the Planning Board and the Recreation Advisory Committee and adopted the City of Washington Pedestrian Master Plan.

Mayor Jennette commended Ms. Suggs on the work she has done on the Pedestrian Plan.

ADOPTION – OF CITY OF WASHINGTON REDEVELOPMENT PLAN

Mr. Roberson stated that the City was awarded an Urban Redevelopment Grant by N.C. Department of Commerce, Division of Community Assistance in the amount of \$1 million. The allocation of the dollar amounts have been divided between “The

George” renovation and the façade improvement program located in the central business district. One of the conditions of the grant is to have an adopted redevelopment plan. A draft copy has been prepared by The Wooten Company in conjunction with the Planning Office.

Mayor Jennette stated this is a public hearing.

There was no one present to speak.

Mayor Jennette closed the public hearing.

On motion of Mayor Pro tem Woolard, seconded by Councilman Brooks, Council unanimously accepted the recommendation of the Planning Board and the Redevelopment Commission and adopted the City of Washington Redevelopment Plan.

**RESOLUTION OF ADOPTION OF THE URBAN REDEVELOPMENT
PLAN BY THE WASHINGTON CITY COUNCIL**

WHEREAS, in accordance with provisions of Section 160A-513(f) of the Statutes of North Carolina, the Washington Redevelopment Commission recommended approval of the draft Development Plan on October 9th 2006 and submitted the plan to the Planning Board for their review; and

WHEREAS, in accordance with the provisions of Section 160A-513(f) of the Statutes on the State of North Carolina, the Planning Board of the City of Washington has reviewed and certified its recommendation of approval of the Redevelopment Plan back to the Redevelopment Commission as submitted on November 6, 2006; and

WHEREAS, on November 14, 2006, the Washington Redevelopment Commission has determined that the proposed land uses and building requirements in the redevelopment project area are designed with the general purpose of accomplishing, in conformance with the general plan, a coordinated, adjusted and harmonious development of the community and its environs, which will in accordance with present and future needs promote health, safety, morals, order, convenience, prosperity and the general welfare, as well as efficiency and economy in the process of development, including, among other things, adequate provision for traffic, vehicular parking, the promotion of safety from fire, panic and other dangers, adequate provision for light and air, the promotion of the healthful and convenient distribution of population, the provision of adequate transportation, water, sewerage and other public utilities, schools, parks, recreational and community facilities and other public requirements, the promotion of sound design and arrangements, the wise and efficient expenditure of public funds, the prevention of the recurrence of unsanitary or unsafe dwelling accommodations, slums, or conditions or blight; and

WHEREAS, a public hearing for the adoption of the Urban Redevelopment Plan by City Council was scheduled for December 11, 2006 and duly advertised on November 24th and December 1st, 2006. The Plan was on display for public viewing for a period of ten days prior to the public hearing; and

WHEREAS, a public hearing was held by City Council on December 11, 2006 and interested persons were given the opportunity to speak regarding the Urban Redevelopment Plan.

NOW, THEREFORE, BE IT RESOLVED THAT THE WASHINGTON CITY COUNCIL HEREBY APPROVES AND ADOPTS THE URBAN REDEVELOPMENT PLAN.

This 11th day of December, 2006.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

I, Rita Thompson, do hereby certify that the above is a true and accurate copy of a Resolution adopted by the Board at their December 11th, 2006 Board Meeting.

This the 11th day of December, 2006.

COMMENTS FROM THE PUBLIC

Doug Mercer appeared before Council to bring to Council's attention about the timing of the Public Comment period. He requested that Council put the Public Comment period towards the front of the meeting so the public can have an opportunity to comment on an item before it has been acted on by Council.

Mr. Mercer had several points he wanted to make. He stated that the City has a Finance Director who is among the best in the State, and received an award tonight for excellence in financial management. They have been doing it for many, many years and will continue to do it. Secondly, he has seen comments that Department Heads are "technical" people and not "finance" people and need help. He disagreed with that statement. He referred to his previous employer and how he was held responsible for his budget even though he was not a "finance" person. If his budget was over or under \$500 he had to explain it. He stated that the City's Department Heads are just as capable making those decisions and making those explanations as he was to his employer. He suggested that Department Heads make monthly reports on overages and underage with an explanation. Also, he suggested if there are Enterprise Funds operating at a deficit, those Department Heads should be charged with the responsibility today to make appropriate recommendations for cuts to their budgets to bring them more in line with break even. The hardest decisions are cutting people. Department Heads need to review their schedules and determine if our rates are comparable with near by towns i.e., electric, water, garbage, etc. Those numbers should be available for Council to look at.

Mr. Mercer recommended that all fund transfers should be stopped until all funds have a reserve of at least 10%. One of the major problems with the Electric fund was that we transferred \$1.22 million dollars out of a fund to go to the General Fund. Monies were not there...you had to raise rates. You have to take in enough money to meet your expenses, raise your prices or cut your expenses. You have to make more money than you are spending or cut expenses.

Mr. Mercer asked if the figures included in the book for the Finance officer is for six months or twelve months. Mr. Smith answered twelve months. Mr. Mercer stated his observation is you won't get many qualified candidates for \$40,000. Mr. Smith agreed it is too low, but that is what we pay.

Mr. Mercer referred Council back to the spreadsheets he distributed to Council last month on the Electric Fund. It included a set of numbers and solutions to the

problem in his opinion. He reiterated that the City already has a great Finance Director who does a beautiful job and has for years. He stated that we are adding another layer of bureaucracy and adding at a time when you're saying "we need to look at cutting."

Frank Sheppard recommended that the Council utilize the Institute of Government for some of the needs Council expressed.

Council took at break at 6:45 p.m. and reconvened at 7:05 p.m.

APPROVE – RECONVEYANCE OF BRILEY PROPERTY

On motion of Councilman Gahagan, seconded by Councilman Gibson, Council unanimously agreed to reconvey the gifted property on Page Road without consideration to Briley Farms, LLC, and publish once a week for two weeks, a notice of intent to reconvey, and thank the Briley family for the community spirit shown by their willingness to donate this parcel for public use.

MOSS LANDING CLARIFICATION OF RIGHT-OF-WAY

At the March 13, 2006 Council meeting, Council made the following motion, as recommended in the Agenda write-up, as follows: "Councilman Gahagan moved to accept the recommendation of the Planning Board and granted a variance in accordance with Article IX. Variance, Section 17-181, Subsection (a) by allowing the proposed street design for Water Street to consist of a new 53 foot right of way, a 28 foot face to face street width including 2-10 foot travel lanes with 8 feet allowed for parallel parking, a 6 foot planting strip with a 5 foot sidewalk section and if Council approves the substandard street width that the throat width where there is no parking lane be not less than 22 feet curb face to curb face and the radius be 25 feet at the intersection. Mayor Pro tem Woolard voted no. –Motion carried by majority vote."

Mr. Smith stated that if you add it up, it is around 39 feet, but the motion was a 53 foot right of way. To clarify this, Mr. Lewis is recommending that we include the sidewalk and curb and all the other pieces, adding 6 feet between the sidewalk and curb on the north side to the 39 feet, about a 45 foot right of way from the back of the sidewalk to establish the southerly edge of the right of way. Mr. Holscher pointed out that there may need to be some type of boundary line agreement. Mr. Fletcher stated that the property has not been conveyed yet and that is why they need this clarification. He stated this would be adding right of way, not taking it away.

After a lengthy discussion, on motion of Councilman Jennings, seconded by Mayor Pro tem Woolard, Council unanimously agreed, in order to clarify the right of way as it exists on Water Street between the Estaurium on the western boundary and McNair on the eastern boundary being identified as 45 feet as measured from the north edge of the sidewalk on Water Street extending 45 feet south.

ESTAURIUM LEASE

Mr. Holscher stated that the Resolution proposed tonight is to give the Council's intent to lease the Estaurium with no consideration of money. After advertising, the Council will consider adoption of a Resolution authorizing the execution of the Lease at its January meeting for no payment for ten years.

On motion of Councilman Gahagan, seconded by Councilman Brooks, Council unanimously adopted a Resolution of Intent to lease or rent property to the Estaurium.

Resolution of Intent to Lease or Rent Property

WHEREAS, the Washington City Council of the City of Washington has determined that the real property of the City described below will not be needed by the City for (maximum term of lease, not to exceed ten years):

Located in the City of Washington, Beaufort County, North Carolina, which Property is more particularly described as Parcel 1 on that certain survey entitled Property of Partnership for the Sounds dated January 22, 1996 by Hood Richardson, P.A. recorded in Book 1053, Page 844 of the Beaufort County Registry.

WHEREAS, the Washington City Council desires to lease or rent the real property of the City described above; and

WHEREAS, the Washington City Council intends to consider authorizing such lease or rental at its regular meeting to be held on the 11th day of December, 2006.

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

1. The City Clerk shall cause to be published at least 10 days prior to 8th day of January, 2007, a notice as required by G. S. 160A-272.
2. At its regular meeting on the 8th day of January, 2007, the Washington city Council intends to authorize the lease or rental of the real property of the City describe above.

Adopted this 11th day of December, 2006.

s/Judy Jennette
JUDY JENNETTE
MAYOR

Attest:

s/Rita A. Thompson
RITA A. THOMPSON, CMC
CITY CLERK

**ADOPT – MEETING RULES FOR SECOND REGULAR
MEETING**

Mr. Smith stated that Chapter 2 provides for some of the rules under which Council operates. However, the Council adopted the Institute of Government's rules of procedures with the exception that Council requires seconds on all motions and agenda procedures. The model rules don't conform to the two meeting format as Council as discussed. Mr. Smith revised the model rules and have rewritten the sections that pertain to regular meetings and the agendas. The second regular meeting has now been included. Mr. Smith suggested this be tried for a couple of months and if it works, Council can then amend Chapter 2 to conform to the second regular meeting.

Councilman Jennings stated that we need to keep in mind the intent of the second meeting and conform our agenda to the things the Council has talked about, one and one-

half hours at the max and the four-fifths vote for the meeting to go pass the one and one-half hour. This will not be a voting meeting.

On motion of Councilman Jennings, seconded by Councilman Gahagan, Council unanimously adopted the meeting rules for a three month model for a second meeting experiment.

Rule 1. Regular Meetings

The City Council shall hold two scheduled meetings each month:

(a) A formal business meeting of Council shall be scheduled for the second Monday of each month.

(b) A meeting of the Committee of the Whole Council for the purposes of receiving reports and discussion shall be scheduled for the fourth Monday of each month.

The meeting shall be held at Washington City Hall Council Chambers and shall begin at 4:30 pm. A copy of the council's current meeting schedule shall be filed with the city clerk.

Rule 2. Special, Emergency, and Recessed [or Adjourned] Meetings

(a) Special Meetings.

The mayor, the mayor pro tem of the city council or any two (2) members thereof may at any time call a special meeting by causing a written notice, stating the time and purposes of holding such meeting and signed by a person or persons calling the same, to be delivered in hand to each member or left at his usual dwelling place at least six (6) hours before the time of such meeting. Meetings of the city council may also be held at any time when all the members of the council are present and consent thereto. The council may consider at such meetings only those matters mentioned in the notice of the special meeting.

(b) Emergency Meetings. Emergency meetings of the city council may be called only because of generally unexpected circumstances that require immediate consideration by the council. Only business connected with the emergency may be considered at an emergency meeting. One of the following two procedures must be followed to call an emergency meeting of the council.

(1) The mayor, the mayor pro tempore, or any two members of the council may at any time call an emergency council meeting by signing a written notice stating the time and place of the meeting and the subjects to be considered. The notice shall be delivered to the mayor and each council member or left at his or her usual dwelling place at least six hours before the meeting.

(2) An emergency meeting may be held at any time when the mayor and all members of the council are present and consent thereto, or when those not present have signed a written waiver of notice, but only in either case if the council complies with the notice provisions of the next paragraph.

Notice of an emergency meeting under (1) or (2) shall be given to each local newspaper, local wire service, local radio station, and local television station that has filed a written emergency meeting notice request, which includes the newspaper's, wire service's, or station's telephone number, with the city clerk. This notice shall be given either by telephone or by the same method used to notify the mayor and the council members and shall be given at the expense of the party notified.

(c) Meetings--Adjourned.

If a quorum shall fail to attend any regular or special meeting of the city council or if for any reason such meeting shall fail to complete transaction of the business before the meeting, such meeting may be adjourned to any date prior to the next regular meeting agreed upon by a majority of the members present.

Rule 3. Organizational Meeting

The city council shall meet and take office on the second Monday in December next succeeding their election. The members of the city council whose terms of office then begin shall severally make oath to perform faithfully the duties of their respective offices. The organization of the city council shall take place as aforesaid, notwithstanding the absence, death or refusal to serve or nonelection of one (1) or more of the members; provided, that at least three (3) of the persons entitled to be members of the city council are present and make oath. Any member entitled to make such oath, who was not present at the time fixed therefore, may make oath at any time thereafter. This organizational meeting shall not be held before the municipal election results are officially determined, certified, and published in accordance with Subchapter IX of Chapter 163 of the North Carolina General Statutes.

Rule 4. Agenda

(a) **Proposed Agenda.** The city clerk shall prepare a proposed agenda for each meeting. A request to have an item of business placed on the agenda must be received at least two working days before the meeting. Any council member may, by a timely request, have an item placed on the proposed agenda. A copy of all proposed ordinances shall be attached to the proposed agenda. An agenda package shall be prepared for each Formal Business Meeting that includes, for each item of business placed on the proposed agenda, as much background information on the subject as is available and feasible to reproduce. Each council member shall receive a copy of the proposed agenda and the agenda package and [they shall be available for public inspection and distribution or copying when distributed to the council members.

(b) **Adoption of the Agenda.** As its first order of business at each meeting, the council shall, as specified in Rule 6, discuss and revise the proposed agenda and adopt an agenda for the meeting. If items are proposed to be added to the agenda of a meeting, the council may, by majority vote, require that written copies of particular documents connected with the items be made available at the meeting to all council members.

The council may by majority vote add items to or subtract items from the proposed agenda, except that (a) the council may not subtract items from the proposed agenda stated in the notice of a special meeting called by the mayor, mayor pro tempore, or two council members, unless those calling the meeting consent to the deletion, (b) the council may not add items to the proposed agenda stated in the notice of a special meeting called by the mayor, mayor pro tempore, or two council members, unless all members are present, or those who are absent sign a written waiver of notice, and (c) only business connected with the emergency may be considered at an emergency meeting. The council may add items to the proposed agenda of a special meeting only if it determines in good faith at the meeting that it is essential to discuss or act on the item immediately.

The council may designate certain agenda items “for discussion and possible action.” Such designation means that the council intends to discuss the general subject area of that agenda item before making any motion concerning that item.

(c) **Consent Agenda.** The council may designate a part of the agenda as the “consent agenda.” Items shall be placed on the consent agenda by those preparing the proposed agenda if they are judged to be noncontroversial and routine. Any member may remove an item from the consent agenda and place it on the regular agenda while the agenda is being discussed and revised prior to its adoption at the beginning of the meeting. All items on the consent agenda shall be voted on and adopted by a single motion, with the minutes reflecting the motion and vote on each item.

(d) **Open Meetings Requirements.** The council shall not deliberate, vote, or otherwise take action on any matter by reference to a letter, number, or other designation, or other secret device or method, with the intention of making it impossible for persons attending a meeting of the council to understand what is being deliberated, voted, or acted on. The council may, however, deliberate, vote, or otherwise take action by reference to an agenda, if copies of the agenda—sufficiently worded to enable the public to understand what is being deliberated, voted, or acted on—are available for public inspection at the meeting.

Rule 5. Public Address to the Council

Any individual or group who wishes to address the council shall make a request to be on the agenda to the city clerk. However, the council shall determine at the meeting whether it will hear the individual or group.

Rule 6. Order of Business

Items shall be placed on the agenda according to the order of business.

(a) The order of business for each Regular Business Meeting shall be as follows:

- I. Opening of Meeting
- II. Invocation
- III. Roll call
- IV. Approval/Amendments to Agenda
- V. Approval of Minutes
- VI. Consent Agenda
- VII. Scheduled Public Appearances
- VIII. Reports From Boards, Commissions and Committees
- IX. Appointments
- X. Correspondence and Special Reports From Members of City Council
- XI. City Manager=s Agenda
- XII. Old Business
- XIII. New Business
- XIV. Any Other Business From the City Manager
- XV. Public Hearings on Zoning
- XVI. Public Hearings on Other
- XVII. Comments From the Public
- XVIII. Any Other Business From the Mayor or Other Members of City Council
- XIX. Adjournment

By general consent of the council, items may be considered out of order.

(b) The order of Business for Committee of the Whole Council meetings shall be as follows:

- I. Opening of Meeting
- II. Invocation
- III. Roll call
- IV. Approval/Amendments to Agenda
- V. Scheduled Public Appearances
- VI. Reports From Boards, Commissions and Committees
- VII. Correspondence and Special Reports From Members of City Council
- VIII. Correspondence and Special Reports From the City Manager
- IX. Comments From the Public
- X. Any Other Business From the Mayor or Other Members of City Council
- XI. Unless the Council shall, by a four-fifths vote, agree to continue, no discussion or action on any item of business shall be initiated or continued after 6:00 p.m., and at that time, the Council may be adjourned to any date prior to the next regular meeting agreed upon by a majority of the members present
- XII. Adjournment

(c) Comments from the Public No person shall address the Council until recognized by the Mayor. No person shall be interrupted while speaking but by call to order by the Mayor or a Councilor for the correction of an obvious mistake. For the consideration of others who may wish to be heard, all speakers will be asked to limit their presentations, exclusive of questions and answers to three minutes or less, but the Mayor may grant additional time to a speaker representing a group. The City Clerk shall monitor the time and advise the speaker if the time has elapsed.

APPROVE – ENTERPRISE FUND MANAGER PROPOSAL

Council had requested the City Manager to bring a proposal for an Enterprise Fund Manager to the December meeting.

Councilman Gibson moved to table the Enterprise Manager proposal until the January meeting. Councilman Brooks seconded the motion. Councilman Gibson suggested there should be more public input on this proposition, and should be given the chance to find out what this entails.

Mr. Smith stated that, in regard to the comments made earlier were inadequate in that fundamentally we are dealing with internal staff activities and he doesn't now how the public deals with internal staff activities. He pointed out that 76% of the City's budget is Enterprise funds. There is no single staff person dedicated to managing the Enterprise Funds, its sort of a part-time responsibility of a whole lot of folks. The General Fund has had some real problems, but Mr. Mercer pointed out that the ideal is to not transfer any money from any of the enterprise Funds to the General Fund, but didn't address how you make up the twenty one cents increase in tax rates. As a Manager he has to recommend how to make this work, even though we received ten consecutive years for Excellence in financial reporting but yet these problems have occurred all during that time. He stated there is a difference in reporting and management and we are hitting that critical period with the budget sessions coming up. We have to move quickly to get somebody on board to address the financial position of each fund. If we wait, you're talking about March before we get someone to do this work. Delaying at this time will expose us to the potential of having missed the boat for another year in dedicating someone fulltime to 76% of the city's budget.

Councilman Gibson stated that he is asking that action be postponed until January. One more month we should give the public the opportunity to at least be informed on what the council is doing right now in the way of adding another layer of management.

Mayor Pro tem Woolard stated he was worried too, that it's Carol's retirement time too and she has the numbers in her head, and it would be good to have somebody who can manage the Enterprise Funds. Mr. Smith told Councilman Gibson that he heard he helped raise funds for the advertisement that ran in the paper. Councilman Gibson took exception, saying that he did not raise any funds. Mayor Pro tem Woolard called for the question. (Mr. Smith and Councilman Gibson apologized to each other).

Mayor Pro tem Woolard, Councilman Gahagan and Councilman Jennings voted no. –Motion failed.

Councilman Gahagan asked to hear the City Manager's proposal. Mr. Smith asked that the employee be put in Pay Grade 23, the annual compensation be \$40,439.00, with fringe benefits being about \$13,000. A percentage will be allocated from the Enterprise Funds to fund the position. The total compensation cost would be less than one-tenth of 1% of the Enterprise Funds, yet we're dealing with a \$42 million dollar expenditure by the City. He stated he firmly believes with that size expenditure, it requires a person dedicated fulltime to managing those funds, not accounting for them, but providing financial management for those funds.

Councilman Gibson stated that Carol Williams is capable of doing all this work if she were engaged to do it. He suggested hiring an agency to do it if he wants to hire someone. Mr. Smith stated you are talking about five funds. Councilman Gibson stated we have made increases and he would like to know how we stand now.

Councilman Gahagan stated that Carol has gotten us where we are and we need to know where we're going to be, and needed someone a long time ago. This person will

pay for themselves many times over. It's been in the paper for two weeks, but Council makes the decisions. It's time for Council to hire a person to run these funds.

Mayor Pro tem Woolard asked to keep apprised of how it affects employees...taking the money from vacancies and how that will impact some of the rest of the workers. He stated he will be watching and waiting to see what this person does..

Councilman Gibson stated this person will have some jurisdiction over all the departments and this will devastate the morale of other department heads.

Councilman Jennings stated we cannot afford for this (shortfall) to happen again. In the meantime, we have asked for projections on the rate increase we passed blindly, and still don't have it. He stated we are managing in the rearview mirror. This is not a condemnation of our current staff. This is supplemental. The Manager's recommendation is that this is a necessary position and has no motive to make that recommendation otherwise; it's a matter of trusting the Manager.

Councilman Brooks stated he doesn't believe in adding any more staff, that he believes we have staff that can take care if given a leeway. If the majority of the Council feels this is the right way to go, he doesn't have any problem with it. If we do this, he would like for the department heads to be responsible for their budget and what they do.

Councilman Jennings asked Council members if they have any other recommendations. Mr. Smith answered that we could make more use of consultants like Booth & Associates. Last year we paid Booth \$104,000.00. Using consultants is expensive but can be valued in certain circumstances. Auditors usually don't do this kind of work. This is the least expensive way and is in no way a criticism of Carol or anyone else in the Finance Department.

Councilman Jennings asked about the suggestion by the public to create greater accountability in the system we have now, and will that reach the net affect we're looking for? Mr. Smith stated that is what is meant by accountability. In a circumstance where we had a lot of six figure managers, if a division went deficit, that manager would be gone. We're not in that kind of business and we do need the technical expertise a department head provides for us. The time he would love to have to do this himself isn't there.

Councilman Gibson stated that the Manager has said that his forte was in financial management and what activities are keeping you from exercising that skill you claim you have? Mr. Smith stated that if you look at the agenda tonight, he touches everything that is on the agenda. Two-thirds is dealing with personnel, grievances that Council never sees. Councilman Gibson suggested he delegate work to department heads.

Councilman Gahagan moved to approve the position of Enterprise Funds Controller, with the cost of the position distributed across the Enterprise Funds as proposed by the City Manager, upon the condition that the Manager fund the position for the remainder of FY 6-07 from vacancies and line item transfers within the existing Enterprise Fund Budgets.

Councilman Gibson and Councilman Brooks vote no. -Motion carried by majority vote.

Mayor Pro tem Woolard asked the Manager to make it work, listen to the individuals. Councilman Gibson stated this is just another layer of management. Councilman Gahagan stated that we didn't know the \$1.2 million dollars disappeared. Councilman Gibson stated that it didn't disappear; it wasn't there to start with. Councilman Gahagan stated it disappeared relative to the numbers we had.

Councilman Gibson asked if anyone has been contacted about this job...so he won't quote the rumor he heard.

BATTS REPORT

Mayor Jennette stated that they have very little riders, factors being the weather, holidays, etc. along with too big a gap between the routes. Information on the new routes will be distributed trimming the route down. The new route will be implemented on January 2nd.

**CLOSED SESSION – UNDER G. S. 143-318.11
(A)(3)ATTORNEY/CLIENT PRIVILEGE AND G.S. 143-
318.11 (A)(6) PERSONNEL**

On motion of Councilman Gahagan, seconded by Councilman Gibson, Council unanimously agreed to go into closed session at 8:20 p.m. G.S. 143-318.11 (a)(3) Attorney/client privilege and G.S. 143-318.11 (a)(6) Personnel.

On motion of Mayor Pro tem Woolard, seconded by Councilman Gibson, Council unanimously agreed to come out of closed session.

MEETING CONTINUED

On motion of Mayor Pro tem Woolard, seconded by Councilman Jennings, Council unanimously recessed the meeting until Monday, December 18, 2006 at 4:30pm. in the Council Chambers at the Municipal Building.

**Rita A. Thompson, CMC
City Clerk**