

The Washington City Council met in a regular session on Tuesday, November 13, 2007 at 4:30 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; Jim Smith, City Manager; Franz Holscher, City Attorney; and Rita A. Thompson, City Clerk.

Councilman Jennings, Jim Smith, City Manager; and Franz Holscher arrived at the meeting later and were made a part of the minutes.

Also present were: Carol Williams, Finance Director; Jimmy Davis, Fire Chief; Bobby Roberson, Development & Planning Director; Gloria Moore, Library Director; Mick Reed, Police Chief; Keith Hardt, Electric Director; Allen Lewis, Public Works Director; Susan Hodges, Human Resources Director; Philip Mobley, Parks & Recreation Director; Bob Trescott, DWOV Director; and Mike Voss, of the Washington Daily News.

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

APPROVAL/AMENDMENTS TO AGENDA

Mayor Jennette asked that the Coastal Resources Commission's request for a nomination be added under V. Appointments; and a Discussion on the 10th Street Traffic be added under VI.B.2

Councilman Brooks asked that Alternate Member – Board of Adjustment Appointment be added under Appointments.

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 October 8 and October 29, 2007, as submitted.

CONSENT AGENDA

After a short clarification on some items Councilman Gibson inquired about, on motion of Mayor Pro tem Woolard, seconded by Councilman Gibson, Council unanimously approved the Consent Agenda, as submitted:

- A. Accept – CDBG Grant in the amount of (\$850,000)
- B. Acknowledge – Reallocation of funding – General Fund (\$2,700) and Water Fund (\$3,500)
- C. Adopt – Budget and Ordinance Amendment for NCLM Safety Grant in the General Fund (\$1,500)

AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF WASHINGTON, N.C. FOR THE FISCAL YEAR 2007-2008

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 \$810 in the account NCLM Safety Grant (Police), account number 10-10-3431-3300.

Section 2. That the Estimated Revenues in the General Fund be increased in the amount of \$690 in the account NCLM Safety Grant (Garage), account number 10-30-3474-8150.

Section 3. That account number 10-10-4310-5601, Materials-Ammo/Batteries, Police Department portion of the General Fund appropriations budget be increased in the amount of \$810 to provide funds for Taser purchase.

Section 4. That account number 10-20-4250-1500, Maintenance/Repair Building, Equipment Services portion of the General Fund appropriations budget be increased in the amount of \$690 to provide funds for relocation of panel box.

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

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

Adopted this the 13th day of November, 2007.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

D. Adopt – Budget Ordinance Amendment for Sewer Fund (\$3,163)

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2007-2008**

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

Section 1. That the Estimated Revenues in the Sewer Fund be increased in the amount of \$3,163 in the account Interest Earned, account number 32-90-3831-0000.

Section 2. The account number 32-90-8230-7401 Installment Note Purchases, Wastewater Lift Stations portion of the Sewer Fund appropriations budget be increased in the amount of \$3,163 to provide funds for upgrading pumps and motors in Lift Stations.

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 13th day of November, 2007.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

- E. Adopt – Budget Ordinance Amendment for General Fund for return of Public Access Grant Funding (\$100,000)

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2007-2008**

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

Section 1. That the Estimated Revenues in the General Fund be decreased in the amount of \$100,000 in the account CAMA Public Access Grant, account number 10-10-3435-3302.

Section 2. The account number 10-10-4910-4508, Contract-Public Access Grant, Planning Department portion of the General Fund appropriations budget be decreased in the amount of \$116,667 to reflect grant funding turned down by City Council.

Section 3. That account number 10-00-9990-9900, Contingency portion of the General Fund appropriations budget be increased in the amount of \$16,667 to replace local share match to grant back in contingency.

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

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

Adopted this the 13th day of November, 2007.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

- F. Adopt – Budget Ordinance Amendment for Events and Facilities (\$1,000) Skatepark Apparel

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2007-2008**

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 Recreation Skateboard Park Concession, account number 10-40-3612-4803.

Section 2. The account number 10-40-6121-4801, Concession Purchase-Skateboard, Events & Facilities portion of the General Fund appropriations budget be increased in the amount of \$1,000 to provide funds for t-shirt purchase for resale.

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 13th day of November, 2007.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

- G. Accept – Grant from Mid-East Commission Area Agency on Aging \$39,385 and Adopt Budget Ordinance for grant (\$1,389)

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2007-2008**

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 Recreation Skateboard Park Concession, account number 10-40-3612-4803.

Section 2. The account number 10-40-6121-4801, Concession Purchase-Skateboard, Events & Facilities portion of the General Fund appropriations budget be increased in the amount of \$1,000 to provide funds for t-shirt purchase for resale.

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 13th day of November, 2007.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

**CONTRACT FOR AGING SERVICES
PROVIDED THROUGH THE OLDER AMERICANS ACT AND
STATE APPROPRIATED FUNDS FROM
MID-EAST COMMISSION AREA AGENCY ON AGING**

THIS AGREEMENT, entered into as of this 1st day of July, 2007, by and between City of Washington Grace Martin Harwell Senior Center, (hereinafter referred to as the "Contractor") and the Mid-East Commission Area Agency on Aging, (hereinafter referred to as the "Commission").

WITNESSETH THAT:

WHEREAS, the Commission desires to engage the Contractor to render certain services in connection with an activity(ies) financed in part by Title III-F Older Americans Act grant funds provided to the Commission from the United States Department of Health and Human Services through the North Carolina Division of

Aging; and/or state appropriations for aging services made available through the North Carolina Division of Aging; and

WHEREAS, the Contractor desires to render such services in connection with the said activity(ies).

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

1. Employment of the Contractor. The Commission hereby agrees to engage the Contractor and the Contractor hereby agrees to perform the services hereinafter set forth in accordance with the terms and conditions contained herein. The terms set forth in this Agreement for payment, continuation, or renewal are contingent upon the receipt of funds by the Commission.

2. Scope of Services. Contractor shall do, perform and carry out in a satisfactory and proper manner the following work and services:

<u>Service</u>	<u>Federal/State Dollars</u>	<u>Local Match</u>
Health Promotion (General)	\$ 6,707.00	\$ 745.00
Health Promotion (Medication Management)	\$ 3,293.00	\$ 366.00
General Purpose	\$16,404.00	\$5,468.00
Senior Center Outreach	\$ 981.00	\$ 327.00
Senior Center Operations	\$12,000.00	\$1,333.00

All services are to be performed in full compliance with the North Carolina Division of Aging Service Standards and Definitions, a copy of which has been furnished to and studied by the Contractor.

The Contractor shall give priority for services to those older persons with the greatest economic or social needs, with particular attention to low income minority individuals.

Conditions of this Agreement, if any, must be satisfactorily addressed as specified in Schedule A. The Commission may withhold payments under this Agreement until these conditions are satisfied.

3. Contract Administrator. The contract administrator for the Commission shall be Cynthia Davis, Aging Program Director. The contract administrator for the Contractor shall be Carolyne Everett, Special Populations Supervisor.

It is understood and agreed that the contract administrator for the contractor shall represent the Contractor in the performance of this Agreement. The Contractor shall notify the Commission in writing if the administrator changes during the contractual period.

4. Time of Performance. The services of the Contractor are to commence no later than July 1, 2007 and shall be undertaken and pursued in such sequence as to assure their expeditious completion. All services required hereunder shall be completed on or before the end of the Agreement period, June 30, 2008.

5. Option to Renew Agreement. Contingent upon the availability of federal and/or state funds from the North Carolina Division of Aging, and the Contractor's having satisfactorily performed the contractual requirements set forth in this Agreement, the Contractor will have the option to renew this Agreement, for a twelve month period, commencing July 1, 2007 and ending June 30, 2008. The option to renew is applicable only to those services that generate units of service and is exercised as follows: The Commission will notify the Contractor of receipt of Title III and state appropriations from the Division of Aging and of any change in the volume of units to be provided during the second year of the Agreement. If the Contractor wishes to exercise

its option to renew, the Contractor shall respond to this notification via certified mail within the timeframe specified in the notification, indicating its willingness to enter into a twelve-month renewal period.

6. Terms of Renewal. The unit cost of the renewal period will remain the same as the initial Agreement with the following exceptions:
 - a) The Commission may negotiate an increase in unit cost up to 10%, if for the renewal period units are to be reduced. The Commission reserves the option to negotiate a lower unit rate if units are increased or other factors warrant such considerations.
 - b) The Commission may negotiate a unit cost increase on the basis of an increase in the Consumer Price Index (CPI). If the Contractor proposes to increase unit costs on the basis of an adjustment in the CPI, the Contractor must demonstrate to the satisfaction of Commission that the adjustment is applicable to the provision of the service prior to Commission approval.
 - c) Unit cost may be adjusted on the basis of anticipated and justifiable increases or decreases in program income receipts.
 - d) Unit cost may be adjusted based upon an increase or decrease in other resources which affect the net service cost.

7. Compensation and Payments to the Contractor. The Contractor shall be compensated for the work and services actually performed under this Agreement by payments to be made monthly by the Commission. The total compensation to be paid the Contractor under this Agreement may not exceed the amount set forth in paragraph 2. The AAA unit rate is based upon the projected expense and revenues as specified in the Unit Cost Computation Worksheet. This worksheet shall become a part of the Agreement. The Commission's obligation to pay the Contractor any amount under this Agreement is conditioned upon receipt of funds from the Division of Aging.
 - a) Method of Payment. After the first month, Contractor shall submit a monthly report to the Commission on the number of service units delivered and capital cost through the end of prior month for reimbursement. All financial and MIS reports must be submitted by the Contractor to the Commission by the third working day of each month. Funding will not be requested that month from the Division of Aging if reports are received later than the tenth working day, but will be requested the following month.
 - b) Reallocation of Grant Funds. It is understood and agreed that in the event the Contractor's rate of progress on this Agreement is leading to the under- utilization of the funds allocated, and if the Contractor cannot demonstrate how funds will be utilized during the Agreement period, then upon notice to the Contractor, the Commission may decrease the total compensation to be paid hereunder in order to reallocate to other Agreements.
 - c) Revision to the Budgeted AAA Unit Cost. The Commission will consider revisions to the AAA unit rate, as specified in paragraph 2, after January 1, upon the written request of the Contractor. A request to revise the budget by increasing unit cost and decreasing units will be approved by the Commission only if circumstances relating to such a request are beyond the control of the Contractor. With the exception of private-non-profit agencies with no history of providing the contracted services, errors in calculating or estimating service expenses and revenues will not be considered a circumstance outside the control of the Contractor so as to justify a request for a budget adjustment.

Reimbursable unit cost may be adjusted up to fifteen (15%) percent. The Contractor is limited to two budget adjustments per funding source between January 1 and May 30. Additional adjustments may be required or approved by the Division of Aging.

8. License and Permits. The Contractor shall maintain all required licenses, permits, bonds, and insurance required for carrying out contractual services, as specified in paragraph 2. The Contractor shall notify the Commission immediately if any required licenses or other permits are canceled, suspended, or otherwise ineffective. Failure to maintain proper licenses, permits, bonds, or insurance shall be a basis for the Commission to disallow all or part of payments due under this Agreement and/or termination of this Agreement for cause.
9. Disaster Assistance. In the event that elderly individuals are endangered by the occurrence of a tornado, fire, flood, severe temperature extremes, or other disaster-related situations, the Contractor shall cooperate with requests for assistance from the Commission on behalf of the elderly individuals.
10. Participant Input. The Contractor shall, with the assistance of the Commission, develop a procedure for providing elderly service recipients with an opportunity to assess and evaluate the program. This assessment shall be performed on an annual basis.
11. Program Income. No person age sixty or older receiving services under the terms of this agreement shall be required to pay any part of the cost of the service(s). However, older persons shall be given the opportunity by the Contractor to make a contribution toward the cost of the service(s) they receive and may be informed of the total unit cost of the services incurred by the Contractor. Older persons' financial contributions and all other funds generated by the Contractor as a result of Agreement activity, including interest earned on any funds under this Agreement, shall be considered program income. Program income must be fully accounted for by the Contractor, reported to the Commission, and used during the Agreement period to offset the cost or enhance the quantity of the services provided.
12. Collection of Required Matching Resources. Recognizing its obligation to provide matching resources under this agreement, the Contractor hereby agrees to secure and contribute in-kind to the project the required local matching resources, where applicable. Minimum local matching requirements, based upon net project costs, are as follows:

In-Kind	10%
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Net project costs shall mean total project costs less program income received. The Commission will not be obligated to make any payments (as required by paragraph 7(a) until the Contractor shall deposit to the project account, or otherwise furnish to the project, the required local match for the grant funds requested. In no case shall the local match directly or indirectly consist of federal funds or state funds from any source, or amounts paid to the Contractor under this Agreement. The Commission will monitor the local match during their assessment visits.
13. Personnel. The Contractor represents that it has, or will secure at its own expense, all personnel required in performing the services under this Agreement. Such personnel shall not be employees of or have any other contractual relationship with the Commission. All personnel engaged in the work shall be fully qualified.
14. Approval of Subcontract or Assignability. The Contractor shall not assign all or any portion of its interest in this Agreement, nor shall any of the work or

services to be performed under this Agreement by the Contractor be subcontracted, without the prior written approval of the Commission.

15. Management Information System (MIS) Requirements. All program performance and financial reports must conform to the requirements of the Division of Aging's automated Management Information System (MIS). The Contractor will be required to participate in the automated MIS by supplying the necessary and required input data. The Contractor will also be required to attend appropriate training workshops by the Division of Aging or the Area Agency on Aging. Failure to comply with these requirements shall be a basis for the Commission to disallow all or part of payments due under this Agreement and/or termination of this Agreement for cause. Contractors are required to participate in the MIS users fee. The fee shall apply to each of the units generating services specified in paragraph 2 and shall be based upon the following formula:

Estimated unduplicated persons (X) rate (.25) X Contractual Months = Fee

A proportionate share of this fee shall be transmitted to the Commission quarterly.

16. Documentation of Units and Associated Expenses and Revenues. The Contractor shall maintain documentation which demonstrates that services reimbursed by the Commission are in full compliance with the Division of Aging Service Standards. Further, the Contractor must maintain full documentation of all expenses and revenues associated with the delivery of contractual services. The Contractor documentation shall include: timesheets for each employee showing time spent on services for clients; receipts for any supplies purchased for use on this Agreement; any applicable subcontract expenditures; all applicable overhead and indirect expenditures; and such other documentation necessary to substantiate overall costs of delivering the contracted service. The Contractor shall maintain all financial and program records for a period of three (3) years from the date of final payment under this Agreement for inspection by the Commission, the North Carolina Division of Aging, and the Comptroller General of the United States, or any of their duly authorized representatives. If any litigation, claim, negotiation, audit or other action involving the Contractor's records has been started before the expiration of the three-year period, the records must be retained until completion of the action and resolution of all issues which arise from it.
17. Inspections. Authorized representatives of the Commission and the North Carolina Division of Aging may at any reasonable time review and inspect the Project activities and data collected pursuant to this Agreement. All reports and computations prepared by or for the Contractor shall be made available to authorized representatives of the Commission and the North Carolina Division of Aging for inspection and review at any reasonable time in the Contractor's office. Approval and acceptance of such material shall not relieve the Contractor of its professional obligation to discover and correct at its expense, any errors found in the work. To ensure adequate review and evaluation of the work, and proper coordination among interested parties, the Commission shall be kept fully informed concerning the progress of the work and services to be performed hereunder. The Commission's staff will conduct scheduled onsite assessments and may also make unannounced visits for the purpose of evaluating the Contractor's work.
18. Compliance with Requirements of the Commission, United States Department of Health and Human Services, State of North Carolina, and North Carolina Division of Aging. The Contractor agrees that it is fully cognizant of the rules and regulations promulgated pursuant to Title III of the Older Americans Act of 1965, as amended, and/or applicable State Law, and that all services will be performed in strict conformity to such existing regulations and any such regulations validly promulgated subsequent to the execution of this

Agreement. The Contractor shall be bound by the applicable terms and conditions of the Notification of Grant Award executed by the Commission and the North Carolina Division of Aging. Said Notification of Grant Award is on file in the office of the Commission and is hereby made a part of this Agreement as fully as if the same were attached hereto. The Contractor further agrees to comply with any and all applicable standards for service which are or may be specified by the North Carolina Division of Aging and which are hereby made a part of this Agreement as fully as if set forth herein.

19. Data to be Furnished to the Contractor. All information which is existing, readily available to the Commission without cost and reasonably necessary, as determined by the Commission's staff, for the performance of this Agreement by the Contractor shall be furnished to the Contractor without charge by the Commission. The Commission, its agents and employees, shall fully cooperate with the Contractor in the performance of the Contractor's duties under this Agreement.
20. Rights in Documents, Materials, and Data Produced. Contractor agrees that at the discretion of the Commission, all reports and other data prepared by or for it under the terms of this Agreement shall be delivered to, become and remain, the property of the Commission upon termination or completion of the work. Both the Commission and the Contractor shall have the right to use same without restriction or limitation and without compensation to the other. For the purposes of this Agreement, "data" includes writings, sound recordings, or other graphic representations, and works of similar nature. No reports or other documents produced in whole or in part under this Agreement shall be the subject of an application for copyright by or on behalf of the Contractor.
21. Identification of Document. All reports and other documents completed as part of this Agreement shall bear on title pages of such reports, or documents, the following legend: "Prepared by Contractor under Agreement with Mid-East Commission." The date (month and year) in which the document was prepared and source of federal funds shall also be shown.
22. Interest of Contractor. The Contractor covenants that neither the Contractor nor its agents or employees presently has an interest, nor shall acquire an interest, direct or indirect, which conflicts in any manner or degree with the performance of its service hereunder, or which would prevent, or tend to prevent, the satisfactory performance of the Contractor's service hereunder in an impartial and unbiased manner. The Contractor further covenants that in the performance of this Agreement no person having any such interest shall be employed by the Contractor as agent, subcontractor or otherwise.
23. Interest of Members of the Commission and Others. No officer, member or employee of the Commission, and no public official of any local government which is affected in any way by the Project, who exercises any function or responsibilities in the review or approval of the Project or any component part thereof, shall participate in any decisions relating to this Agreement which affects his personal interest or the interest of any corporation, partnership or association in which he is, directly or indirectly, interested; nor shall any such person have any interest, direct or indirect, in this Agreement or the proceeds arising therefrom.
24. Officials not to Benefit. No members of or delegates to the Congress of the United States of America, resident Commissioner or employee of the United States Government, shall be entitled to any share or part of this Agreement or any benefits to arise herefrom.
25. Equal Employment Opportunity.

- (a) The Contractor shall not discriminate against any subcontractor, employee, or applicant for employment because of race, color, handicap, religion, age, sex or national origin. The Contractor shall comply with Title VI of the Civil Rights Act of 1964 (p.l. 88-352) and all requirements imposed by or pursuant to the Regulation to assure that subcontractors and applicants selected for employment are treated during employment without regard to their race, color, handicap, religion, age, sex, or national origin. Such action shall include, but not be limited to the following: employment, upgrading, demotions, or transfers; recruitment or recruitment advertising; layoffs or terminations, rates of pay or other forms of compensation; selection for training including apprenticeship; and participation in recreational and educational activities. The Contractor certifies that it presently has in effect an affirmative action program. The Contractor agrees to post in a conspicuous place available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause. The Contractor shall in all solicitations or advertisements for subcontractors or employees placed by or on behalf of the Contractor state that Contractor is an "Equal Opportunity Employer."
 - (b) The Contractor shall make no distinction because of race, color, handicap, religion, sex or national origin in providing to eligible individuals any services or other benefits under projects financed in whole or in part with Older Americans Act funds. (This provision excludes age since the Older Americans Act serves only older persons by design and law.)
 - (c) The Contractor shall keep such records and submit such reports concerning characteristics of applicants for employment and employees as the Commission and the North Carolina Division of Aging may require.
 - (d) The Contractor agrees to comply with such guidelines as the Commission or the North Carolina Division of Aging may issue to implement the requirements of this paragraph.
26. Audit. The Contractor agrees to have an annual independent audit in accordance with North Carolina General Statutes, North Carolina Local Government Commission requirements, Division of Aging Policy and Procedures, and Federal Office of Management and Budget (OMB) Circulars applicable to the Contractor's organizational structure. Audits for state and local governmental agencies shall meet the requirements specified in OMB Circular A-128. Audits for all other Contractors shall meet the requirements specified in OMB Circular A-133. This audit is to be performed and resolved within six months of the close of the contractual period and must cover the period of the contract. If the Contractor's fiscal year is different than the period July 1 to June 30, a copy of all audit reports covering the period July 1 to June 30 must be provided. In addition to the audit report, the Contractor shall submit a completed Unit Cost Computation Worksheet which reflects actual cost and revenue data for fiscal year 1997-98 by 12/15/98. The audit shall be performed by an independent firm of Certified Public Accountants. Revenues and expenditures for this program must be clearly and separately stated with the audit report. Upon completion of the audit, the Contractor shall deliver to the Commission a copy of the audit report and any opinion letter. The Contractor agrees to submit to any additional review as deemed necessary by the Commission, the State of North Carolina, or the Federal Government. The Contractor agrees to permit monitoring by the Commission, its staff and appropriate representatives, and to comply with such reporting procedures as may be established by the Commission. The Contractor further agrees that all pertinent financial records shall be made available for copying upon request by the State or Federal Government, or their agents.

27. Audit/Assessment Resolutions and Disallowed Cost. It is further understood that the Contractor is responsible to the Commission clarifying any audit exceptions that may arise from any Commission assessment, contractor's single or financial audit, or audits conducted by the State or Federal Government. In the event that the Commission or the Department of Human Resources disallows any expenditure made by the Contractor for any reason, the Contractor shall promptly repay such funds to the Commission pending the resolution of any appeal that the provider may file in accordance with paragraph 32.
28. Indemnity and Insurance. The Contractor agrees to indemnify and save harmless the Commission, its agents and employees from and against any and all loss, cost, damages, expense and liability arising out of the Contractor's performance of this Agreement. The Contractor, at its expense, shall procure and maintain for the duration of this Agreement, the following policies of insurance to cover losses which occur during the contract period:
- (a) Automobile bodily injury and property damage liability covering all owned, non-owned, and hired automobiles for limits of not less than \$25,000 each person. \$50,000 each occurrence bodily injury liability and \$10,000 each occurrence property damage liability. If the Contractor is funded to provide transportation services, then insurance to cover medical payments shall also be required.
 - (b) Workers Compensation and Occupational Disease Insurance meeting the statutory requirements of the State of North Carolina and employers' liability insurance for an amount of not less than \$100,000.
 - (c) If the Contractor, with the permission of the Commission, subcontracts any of the work or services under this Agreement, then the Contractor shall require the subcontractor to carry the appropriate insurance and to save harmless the Contractor and the Commission.

Certificates of Insurance reflecting such coverage must be furnished to the Commission and shall contain the provision that the Commission be given thirty days written notice of any intent to amend or terminate such policies by either the Contractor or the insuring company.

29. Contractor is to perform hereunder. Such changes, including any increase or decrease in the amount of the Contractor's compensation, which are mutually agreed upon by and between the Commission and the Contractor, shall be incorporated in written amendments to this Agreement.
30. Termination of the Contract for Cause. If through any cause, the Contractor shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or if the Contractor has or shall violate any of the covenants, agreements, representations or stipulations of this Agreement, the Commission shall have the right to terminate this Agreement by giving the Contractor written notice of such termination no fewer than 15 days prior to the effective date of the termination. If for just cause the Contractor is unable to perform the contractual service(s) specified in paragraph 2, the Contractor shall have the right to such termination no fewer than 15 days prior to the effective day of the termination. In such event, all finished documents and other materials collected or produced under this Agreement shall at the option of the Commission become its property. The Contractor shall be entitled to receiving just and equitable compensation for any work satisfactorily performed under this Agreement. If through any cause, the Contractor shall fail to fulfill in a timely and proper manner its obligations under this Agreement, or if the Contractor has or shall violate any of the covenants, agreements, representations or stipulations of this Agreement, the Commission shall have

the right to terminate this Agreement by giving the Contractor written notice of such termination no fewer than 15 days prior to the effective date of the termination.

31. Termination for Convenience. The Commission may terminate this Agreement for the convenience of the Commission at any time by giving written notice to the Contractor of such termination and specifying the date thereof, at least 15 days before the effective date of such termination. In that event, all finished or unfinished documents and other materials produced or collected shall, at the option of the Commission, become its property. If this Agreement is terminated by the Commission, as provided in this paragraph, the Contractor will be paid an amount equal to the budgeted AAA cost multiplied by the number of units actually provided during the Agreement period less payments of compensation previously made by the Commission. Provided, however, if this Agreement is terminated because of default by the Contractor, the provisions of paragraph 30 hereof shall prevail.
32. Disputes. Any disputes which arise in the interpretation of this Agreement shall be resolved in the following manner:
 - (a) A letter must be written to the Executive Director of the Commission stating the exact nature of the complaint, and requesting a hearing. Upon receiving the letter of complaint, the Executive Director will forward a copy of such letter to the Chairman of the Commission Board, the Chairman of the appropriate advisory committee, and the staff person responsible for that particular program area. The initial appeal must be submitted within ten (10) working days after action has taken place which constituted the appeal.
 - (b) The Executive Director of the Commission will hold a consultation with the person/organization filing the complaint. The person will be allowed sufficient time to present his case and will be requested to answer questions.
 - (c) If a hearing is still desired, a meeting of the Aging Advisory Committee will be held upon written request stating the exact nature of the complaint from the person/organization filing a complaint. This person will be allowed sufficient time to present this case and will be requested to answer questions.
 - (d) The next appeal must be made directly to the Commission making a written request stating the exact nature of the complaint to the Chairman of the Board. The Chairman will advise the person/organization filing the complaint of the date and time that he is scheduled to appear before the Board of Directors. Sufficient time will be allowed for presentation of the complaint and that person/organization will be requested to answer questions. The Commission will be requested to answer questions. The Commission Board of Directors will render a decision regarding the complaint within thirty days following the hearing.
 - (e) The next appeal must be made to the N.C. Division of Aging and must be in written form stating the exact nature of the complaint to that agency with a copy sent to the Commission. The Contractor has thirty days from the date of the adverse decision by the Commission Board of Directors to file an appeal with the Director of the Division of Aging. The State Agency will inform the person/organization filing the complaint of its appeals procedures and will inform the Commission that a complaint has been filed. Procedures thereafter will be determined by appeals process of the State Agency. State Agency address is as follows:

Director
North Carolina Division of Aging & Adult Services
2101 Mail Service Center
Raleigh, NC 27699-2101

33. Applicable Law. This Agreement is executed and is to be performed in the State of North Carolina and all questions of interpretation and construction shall be construed by the laws of such State.

IN WITNESS WHEREOF, the parties have caused this agreement to be executed by its designated officials pursuant to specific resolutions of their respective governing bodies or boards, as of this day and year first above written.

CITY OF WASHINGTON GRACE MARTIN HARWELL SENIOR ENTER

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

- H. Approve – Grant Certification of Local Funds for Vision 100 Grant (\$16,667)
- I. Accept – Cornerstones of Science Grant and Adopt Budget Ordinance Amendment (\$200)

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2007-2008**

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 \$200 in the account Library Grant-Cornerstones, account number 10-40-3611-3307.

Section 2. The account number 10-40-6110-5600, Materials, Brown Library portion of the General Fund appropriations budget be increased in the amount of \$200 to provide funds for Cornerstone Science Grant.

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 13th day of November, 2007.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

ECONOMIC DEVELOPMENT COMMISSION

Councilman Gahagan stated that a couple of companies are interested in the Quick Start #2 building. They are confident they will have someone to go into the building by the time they are finished with the building and can start on a new one.

TOURISM DEVELOPMENT AUTHORITY

Mayor Jennette stated that the annual Audit has been completed by Bill Oden. A priority list has been developed by the TDA for improvements to the Civic Center. They may not be able to do all the improvements this year. A consultant was hired to do a report on strategies to improve the marketing of the Civic Center. They have come up with some good ideas which are being implemented.

HUMAN RELATIONS COUNCIL

Mayor Jennette stated the Human Relations Council had an excellent presentation on November 1st featuring an Ecumenical event. There were two Muslim speakers, one from Greenville and one from Pakistan. Many law enforcement personnel attended. She commended the Human Relations Council for the event.

DOWNTOWN WASHINGTON ON THE WATERFRONT

Bob Trescott, DWOW Director, stated that the Cruise Ship events are coming along fine. A new alley way to be renovated has not been chosen yet. Progress is being made on the cleanup and façade behind the Turnage Theater and Pias.

PARKING COMMITTEE

Councilman Jennings was not present to report. Mr. Trescott stated that the final report is back and hopefully will be distributed next week.

WARREN FIELD AIRPORT

James Tripp, Enterprise Fund Controller, passed out information received from Tradewinds. Mr. Smith stated that Tradewinds did not break even, even with the City's subsidy.

Mr. Tripp stated that there is a need for hangars. Council needs to figure out some creative way to build hangars. Also, additional rules need to be incorporated into our existing Rules and Regulations for the Airport. The steps repaired earlier have now been widened. A regional sub-chapter meeting will be held at the Airport on December 12th.

Councilman Gibson stated that the city cannot make much progress without hangars. Mr. Tripp stated that there should be money left over from the \$200,000 Rural Development grant money. Councilman Gahagan stated that if we can take that money and build hangars, we might need the self service pumps. He stated we need a cost analysis before we spend the money. Other grants will also be investigated, along with multi-year funding.

ENTERPRISE FUNDS CONTROLLER

Mr. Tripp stated that he is working on a new forecast form and he will make a presentation at the Committee of the Whole meeting. The annual Audit will be presented at that meeting also.

Mr. Tripp stated that they are looking into getting a check machine where the money is deposited instantly instead of waiting for a check to go to the bank. It will also enable people to pay their bill on the internet with a check.

FINANCIAL REPORT

Mr. Smith stated that Council has been receiving a Monthly Financial Report with their agenda package and Carol Williams is here to answer any questions.

Councilman Gibson asked that Ms. Williams give highlights of the report on items that need attention in the future.

COASTAL RESOURCES COMMISSION

Mayor Jennette stated that she received a letter from the Governor for cities to nominate a person to fill the unexpired term of Courtney Hackney from Hanover County on the Coastal Resources Commission.

After discussion, Council mutually agreed to take no action since no resumes were received and Council will have an opportunity to nominate someone next year.

APPOINTMENT – BOARD OF ADJUSTMENT

On motion of Councilman Brooks, seconded by Councilman Gahagan, Council unanimously appointed Derek Davis to the Board of Adjustment to fill the unexpired term of Claude Hodges, term to expire June 30, 2009. The City Clerk will advertise for an alternate member for the Board of Adjustment to replace Derek Davis.

ADOPT – ORDINANCE RE-ESTABLISHING THE ELECTRIC UTILITIES ADVISORY BOARD – CITY ATTORNEY TO PROVIDE ORDINANCE FORMAT

Mr. Smith reviewed the proposed ordinance re-establishing the Electric Utilities Advisory Board.

On motion of Councilman Gibson, seconded by Councilman Gahagan, Council unanimously adopted an ordinance re-establishing the Electric Utilities Advisory Board.

An Ordinance to Amend Chapter 2, Administration, Article XV, Washington Electric Utilities Advisory Board

An Ordinance to amend Chapter 2, Administration, Article XV, Washington Electric Utilities Advisory Board to establish said Board.

WHEREAS, it is deemed desirable and in the public interest to establish an Advisory Board to advise the City of Washington and the Washington City Council in proper management of the City's electric utilities.

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

SECTION 1. That Chapter 2, Article XV of the Washington City Code be created as follows:

ARTICLE XV. WASHINGTON ELECTRIC UTILITIES ADVISORY BOARD

Sec. 2-331. Purpose, establishment.

For proper management of the electric utilities of the City of Washington ("City"), both within the corporate limits of the City and outside its corporate limits, an advisory board to the Washington City Council designated and known as the Washington Electric Utilities Advisory Board ("Board") is hereby created and established.

Sec. 2-332. Membership.

The Board shall consist of seven regular members who shall be customers of Washington Electric Utilities. Membership shall be composed of and represent the following service areas:

- (a) Four members shall be residents of the City at the time of his/her appointment,
- (b) One member shall be appointed from and be a resident of the Town of Bath at the time of his/her appointment,
- (c) One member shall be appointed from and be a resident of the Town of Washington Park at the time of his/her appointment,
- (d) One member shall be appointed at large and may be a resident of any location within the Washington Electric Utilities service area, including the City.
- (e) In addition to the seven regular members, the Board shall include the following ex officio members:
 - (1) One member of the City Council,
 - (2) The City Manager or his/her designee.

The members of the Board shall be citizens of recognized ability and good business judgment and standing, who, in the opinion of the City Council, can and will perform their official duties to the best interest of the City, Washington Electric Utilities, and the customers of Washington Electric Utilities.

Members shall be eligible for appointment, be appointed, serve, attend meetings of the Board, and be subject to removal in accordance with the provisions of Sec. 2-375 of this Code.

The City Council shall fill vacancies on the Board occurring otherwise than by expiration of term by appointment for the remainder of the unexpired term.

Sec. 2-333. Length and limits of terms.

- (a) Regular members shall be appointed to terms of three years and may be reappointed to a single additional term of two years. Terms will expire on June 30th at the end of the designated term.
- (b) Ex officio members
 - (1) The City Council liaison shall be appointed to and serve a term of one year unless his/her office term as a Council member shall expire in less than a year; in which event, his/her term as City Council liaison shall expire with his/her office term and his/her replacement shall be appointed by the City Council consistent herewith.
 - (2) The City Manager shall serve as long as he/she remains employed as the City Manager of the City.

Sec. 2-334. Organization and meeting schedule.

- (a) Regular members of the Board shall elect one of their members Chairman. The Chairman will serve for one year unless his/her term as a Board member shall expire in less than a year; in which event, his/her term as Chairman shall expire with his/her term and his/her replacement shall be elected by the Board consistent herewith. A former Chairman may be eligible for re-election as Chairman in the discretion of the Board.
- (b) Regular members of the Board shall elect one of their members Vice Chairman. The Vice Chairman will serve for one year unless his/her term as a Board member shall expire in less than a year; in which event, his/her term as Vice Chairman shall expire with his/her term and his/her replacement shall be elected by the Board consistent herewith. A former Vice Chairman may be eligible for re-election as Vice Chairman in the discretion of the Board.
- (c) The Board shall establish a schedule of regular meetings that shall occur at least quarterly and cause a current copy of that schedule, showing the designated time and place of regular meetings, to be kept on file with the City Clerk. Any other meeting of the Board may be scheduled in conformity with the legal requirements applicable to meetings of public bodies.

- (d) Board meetings shall be open to the public and may include a period for general public comment in the discretion of the Board.
- (e) The Board shall keep full and accurate minutes of all official meetings, including minutes and a general account of any closed sessions, and shall otherwise conform with the legal requirements applicable to meetings of public bodies.

Sec. 2-335. Powers, Duties and Responsibilities.

(a) Regular Members.

- (1) In order to assure a useful understanding of the operation of an electric utility and its relationship with associated Power Agencies and interagency agreements, each member before being seated shall:
 - (i) attend a basic system introduction course, such as Introduction to Public Power as provided by ElectriCities of North Carolina, and
 - (ii) participate in a tour of all Washington Electric Utilities facilities, including but not limited to the warehouse, daily assembly point, meter service area, and other facilities.
- (2) The Board shall advise the City Council on public concerns and perspectives regarding electric utility policy issues.
- (3) Members will participate in discussions concerning capital improvements including service area extensions, rate-making, communications with customers, and customer service principles with the objective of developing consensus recommendations and assisting the City Council and the City in its related communications with the public.
- (4) When reviewing policy options, the Board shall consider community values and concerns.
- (5) Members of the Board shall not hold voting positions nor adopt recommendations under majority rule requirements. The Board shall strive to reach a consensus concerning issues and matters it takes under consideration; however, in the event that consensus cannot be achieved on specific issues, both majority and minority opinions will be considered and reported to the City Council.
- (6) Board recommendations are nonbinding on either the Electric Department Staff or the City Council. However, all Board recommendations shall be documented and forwarded to the City Council for its review and consideration.
- (7) Members shall not be considered officers or agents of the City.
- (8) Members shall not have access to individual customer accounts.
- (9) Board membership is voluntary and is not to be compensated by the utility except for reimbursement of training and other official expenses as may be approved by the City Manager.

(b) Ex Officio Members.

- (1) The City Council representative shall attend meetings of the Board and serve as liaison between the Board and Council.
- (2) The City Manager of the City of Washington or his/her designee shall be an ex officio member of the Board at all times, attend meetings of the Board, and provide relevant information to the Board concerning issues under its consideration.

Sec. 2-336. Role of the Electric Department and Staff.

The Electric Department Staff will provide objective information concerning policy and issue options to the Board and solicit Board recommendations. The Electric Department Staff shall balance Board recommendations with its fiduciary and management responsibilities in selecting from available options. Electric Department Staff support of Board activities shall be

limited to providing information available from utility accounting records, which may be collected and distributed without extensive expenditures of Staff time or budget resources. Notwithstanding the foregoing, the Electric Department Staff shall provide a copy of the current electric utilities budget, as may be amended from time to time, to the Board and its members.

SECTION 2. All prior ordinances or parts thereof in conflict with the provisions of this ordinance are repealed.

SECTION 3. This ordinance shall become effective upon adoption.

Adopted this the 13th day of November, 2007.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

APPROVAL – FIRE DEPARTMENT RE-ORGANIZATION

Jimmy Davis, Fire Chief, stated that the reorganization does not require any additional staff, but could be achieved by reclassification of six (6) positions and subsequent promotions of current staff. Each shift will include a Fire Shift Commander (Captain), Fire Engineer, and three (3) Firefighter/EMT positions at Station 1 and Fire Company Officer (Lt.) Fire engineer, and three (3) Firefighter/EMT positions at Station 2.

Chief Davis stated that there would be a 5% increase per employee promoted, about \$9,000 for six months (figured on the highest salary).

Mayor Jennette and Councilmembers stated they would like to see the numbers and the impact on next year's budget.

On motion of Mayor Pro tem Woolard, seconded by Councilman Brooks, Council unanimously approved to upgrade three Firefighters/EMT (Page Grade 16) positions to Fire Engineer/EMT (Pay Grade 18) and three Firefighters/EMT (Pay Grade 16) to Fire Company Officer (Page Grade 20) effective January 1, 2008.

APPROVE – POLICE OFFICERS CAREER DEVELOPMENT PLAN

Police Chief Mick Reed explained to Council that it has been recommended by an organizational study, and now himself, that specialty positions such as a Detective and School Resource Officer who do not have supervisory rank, not be rewarded extra compensation. It is recommended that this be eliminated through attrition.

Chief Reed stated that he is proposing to implement a Senior Police Officer rank to reward Police Officers for achieving intermediate and/or advanced law enforcement certification by the N. C. Division of Criminal Justice Training & Standards Commission upon his recommendation. This would be a 5% salary adjustment.

On motion of Mayor Pro tem Woolard, seconded by Councilman Gibson, Council unanimously approved the implementation of a Senior Police Officer rank and corresponding 5% salary increase for Police Officers who achieve or have achieved Intermediate and/or Advanced Law Enforcement Certification by the North Carolina Criminal Justice Education & Training Standards Division and who have been recommended for said rank by the Police Chief.

CONTINUED DISCUSSION - SPEEDING ON 10TH STREET

Chief Reed reported on the speeding on 10th Street. He stated they had an officer on a marked unit and recorded some speed, and then did it in a less visible way and collected data for a 24 hour period and over a three day weekend. He stated that the data does not show we have a speeding problem. The average speed was 26 mph. He passed out the data that was collected.

Mayor Jennette asked Chief Reed to talk to Mr. Cochran and see where three way stop signs should go on 10th Street to help with the volume of traffic.

Council had to go ahead and go into closed session and will continue discuss on this.

CLOSED SESSION – ATTORNEY/CLIENT PRIVILEGE AND LAND ACQUISITION

At 5:55 p.m., on motion of Mayor Pro tem Woolard, seconded by Councilman Jennings, Council unanimously agreed to go into closed session under G. S. 143-318.11.(a)(3) Attorney/Client Privilege and (5) Land Acquisition.

At 6:20 p.m., on motion of Mayor Pro tem Woolard, seconded by Councilman Brooks, Council unanimously agreed to come out of closed session.

CONTINUED DISCUSSION - SPEEDING ON 10TH STREET

Mickey Cochran, a resident of 10th Street, stated that if he goes back and tell the residents that our Chief says we don't have a speeding problem, they will be very upset. He stated he was concerned about the way the data was gathered because the first time there was a Police Car parked in front of his house. It may be that there might be more speeding in the summertime. The second problem is that it is used as a cut through street from Market Street. He stated he has written the Council twice discussing different options. The placing of a stop sign at Bonner and 10th would help. Also, the placing of a stop sign at Paul Funeral Home at 10th and Brown would discourage the cut through traffic. He stated that 300 cars in a three day period is a lot more than you have residents living on the street.

It was pointed out that there were 5,939 cars in a day and one-half.

Council discussed three way and four way stops at all intersections and reducing the speed to 25 m.p.h and do the study again in two months. After putting the stop signs, traffic slows down. Mr. Smith stated that also, people ignore them.

Mayor Jennette asked Allen Lewis to draw up an ordinance.

AUTHORIZE – PURCHASE OF A BACKHOE USING POWELL BILL FUNDS

Allen Lewis, Public Works, Director stated that the 2002 model backhoe needs to be replaced. Approximately \$3,700 has been spent trying to maintain it. It will cost \$11,000 to \$13,000 to repair/rebuild the motor. The machine has 5,000 hours of run time on the machine. He asked that Powell Bill money be used towards the purchase of a machine, not to exceed \$55,000, with 59 month financing for the balance.

On motion of Mayor Pro tem Woolard, seconded by Councilman Gibson, Council unanimously authorized the purchase of a used backhoe, not to exceed \$55,000, and the 59 month financing of same, using previously encumbered Powell Bill funds for payments this fiscal year, as well as in the future.

**ADOPT – RESOLUTION TO AUTHORIZE MAYOR TO EXECUTE
UTILITY AGREEMENT FOR BRIDGE REPLACEMENT OVER
BROAD CREEK**

On motion of Mayor Pro tem Woolard, seconded by Councilman Jennings, Council unanimously adopted a Resolution to authorize the Mayor to execute Utility Agreement for Bridge replacement over Board Creek.

NORTH CAROLINA
BEAUFORT COUNTY

08/27/07

NORTH CAROLINA DEPARTMENT OF
TRANSPORTATION
AND
CITY OF WASHINGTON

THIS UTILITY AGREEMENT is made and entered into on the last date executed below, by and between the North Carolina Department of Transportation, an agency of the State of North Carolina, hereinafter referred to as the “Department” and the City of Washington, a municipal corporation, hereinafter referred to as the “Municipality”.

WITNESSETH:

WHEREAS, the Department had prepared and adopted plans to make certain street and highway constructions and improvements within the Municipality under Project B-4018, Beaufort County, said plans consist8ng of the replacement of Bridge No. 104 over Broad Creek on NC 32; said project having a right-of-way width as shown on the project plans on file with the Department’s office in Raleigh, North Carolina; and,

WHEREAS, the parties hereto wish to enter into an agreement for certain utility work to be preformed by the Department’s construction contractor with full reimbursement by the Municipality for the costs thereof as hereinafter set out.

NOW, THEREFORE, it is agreed as follows:

1. The Department shall place provisions in the construction contract for Project B-4018, Beaufort County, for the contractor to relocate and adjust certain municipally-owned water lines. Said work shall be accomplished in accordance with project plan sheets attached hereto as Exhibit “B”.
2. The Municipality shall be responsible for all costs said utility work as shown on the attached Exhibit “B”. The estimated cost to the Municipality is \$47,290.00 as shown on the attached Exhibit “A”. It is understood by both parties that this is an estimated cost and is subject to change. The Municipality shall reimburse the Department for said costs as follows:
 - A. Upon completion of the utility work, the Department shall submit an itemized invoice to the Municipality for cost incurred. Billing will be based upon the contract unit cost and actual quantities used.
 - B. Reimbursement shall be made by the Municipality in one final payment within sixty (60) days of said invoice.
 - C. If the Municipality does not pay said invoice within sixty (60) days of the date of the invoice, the Department shall charge a late payment penalty and interest on any unpaid balance due in accordance with G.S. 147-86.23.
 - D. Any cost incurred due to additional utility work requested by the Municipality after award of the construction contract, shall be

- solely the responsibility of the Municipality. The Municipality shall reimburse the department 100% of the additional utility cost.
3. In the event the Municipality fails for any reason to pay the Department in accordance with the provisions for payment hereinabove provided, North Carolina General Statute 136-41.3 authorizes the Department to withhold so much of the Municipality's share of funds allocated to said Municipality by North Carolina, Section 136-41.1, until such time as the Department has received payment in full.
 4. Upon the satisfactory completion of the relocations and adjustments of the municipally-owned utility lines covered under this Agreement, the Municipality shall assume normal maintenance operations to the said utility lines. Upon completion of the construction of the highway project, the Municipality shall release the Department from any and all claims for damages in connection with adjustments made to its utility lines; and, further, the Municipality shall release the Department of any future responsibility for the cost of maintenance to said utility lines. Said releases shall be deemed to be given by the Municipality upon completion of construction of the project and its acceptance by the Department from its contractor unless the Municipality notifies the Department, in writing, to the contrary prior to the Department's acceptance of the project.
 5. It is further agreed that the following provisions shall apply regarding the municipally-owned utilities covered in this Agreement.
 - A. The Municipality obligates itself to service and to maintain its facilities to be retained and installed over and along the highway within the Department's right-of-way limits in accordance with the mandate of the North Carolina General Statutes and such other laws, rules, and regulations as have been or may be validly enacted or adopted, now or hereafter.

IN WITNESS WHEREOF, this Agreement has been executed, in duplicate, the day and year heretofore set out, on the part of the Department and the Municipality by authority duly given, as evidenced by the attached certified copy of Resolution, Ordinance or Charter Provision, as the case may be.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

**COPY OF A RESOLUTION PASSED BY THE CITY COUNCIL OF THE CITY OF
WASHINGTON, NORTH CAROLINA**

A motion was made by Mayor Pro tem Woolard and seconded by Councilman Jennings for the adoption of the following Resolution, and upon being put to a vote was duly adopted:

WHEREAS, the North Carolina Department of Transportation has prepared and adopted plans for the Bridge No. 104 over Broad Creek on NC 32; and,

WHEREAS, said Department of Transportation and the City of Washington propose to enter into an agreement whereby said Department will include in its construction contract provision for the relocation and adjustment of municipally-owned water lines; and,

WHEREAS, the Municipality agrees to reimburse the Department of Transportation for the entire cost (estimated cost is \$47,290.00) of said utility work with reimbursement to be made in one final payment upon completion of the work.

NOW, THEREFORE, BE IT RESOLVED that Project B-4018, Beaufort County, is hereby formally approved by the City Council of the City of Washington and the Mayor and Clerk of this Municipality are hereby empowered to sign and execute the Agreement with the Department of Transportation.

I, Rita A. Thompson, Clerk of the City of Washington, do hereby certify that the foregoing is a true and correct copy of excerpts from the Minutes of the meeting of the City Council duly held on the 13th day of November, 2007.

WITNESS, my hand and the official seal of said Municipality on this the 13th day of December, 2007.

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

ADOPT – FIVE YEAR AIRPORT TRANSPORTATION IMPROVEMENT PLAN

On motion of Councilman Gahagan, seconded by Mayor Pro tem Woolard, Council unanimously approved the submission of the Transportation Improvement Project request to the NCDOT – Division of Aviation for Warren Field Airport for the period of 2009-2013.

COMMENTS FROM THE PUBLIC

There were no comments from the public.

PLANS FOR CITY MANAGER EVALUATION AND UPCOMING PLANNING SESSIONS

Mayor Jennette suggested that we have a Planning Session one night before with the new Councilmembers in December to set some goals.

Councilman Jennings suggested Council have a Planning Session one night instead of the traditional two day Planning Session in February, and make it voluntary for the ones going off Council. Councilman Jennings also suggested a shorter session with just the Council and no Facilitator.

Council agreed to review the City Manager's evaluation at the Committee of the Whole at 6:00 p.m. at the end of the Committee of the Whole meeting on November 26th.

NO COMMITTEE OF THE WHOLE MEETING FOR JULY 2008

Councilman Brooks reminded Council that it had been discussed to not have a Committee of the Whole Meeting in July 2008 for Council vacation.

CONTINUE MEETING

On motion of Mayor Pro tem Woolard, seconded by Councilman Jennings, Council unanimously adjourned the meeting until Monday, November 26, 2007 at 4:30 p.m. in the Council Chambers.

Rita A. Thompson, CMC
City Clerk