

The Washington City Council met in a continued session on Monday, June 1, 2009 at 4:30 p.m. in the Council Chambers at the Municipal Building. Present were: Judy Jennette, Mayor; Doug Mercer, Mayor Pro tem; Richard Brooks, Councilman; Archie Jennings, Councilman; Gil Davis, Councilman; Jim Smith, City Manager; and Cynthia Bennett, City Clerk.

Councilman Darwin Woolard entered the meeting at 4:40pm and was made part of the minutes.

Also present were: Matt Rauschenbach, Chief Financial Officer, Anita Radcliffe, Accounting Manager; Gloria Moore, Library Director; Allen Lewis, Public Works Director; Keith Hardt, Electric Director; Philip Mobley, Parks and Recreation Director; Susan Hodges, Human Resources Director; Lynn Lewis, Tourism Director and Mike Voss, of the Washington Daily News.

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

APPROVAL/AMENDMENTS TO AGENDA

Mayor Jennette noted the following items need to be added to the agenda: Self-funded Worker's Compensation, DWOW – Beach Music Festival and a possible closed session item regarding property acquisition.

SELF-FUNDED WORKER'S COMPENSATION

Matt Rauschenbach, Chief Financial Officer explained the self-funded worker's compensation program. Mr. Rauschenbach stated the current annual cost budgeted for the fully insured plan is \$292,489. The self-funded plan will have a \$600,000 specific stop loss deductible. Four years of claims history (2004-2008) were used in the analysis. The savings on a claims paid basis averaged \$113,567 per year. The savings on a claim incurred basis averaged \$71,366 per year. The average of the two, which is likely, is \$94,466. The General Fund will establish a \$600,000 reserve balance for worker's compensation claims. The annual savings from our current cost of \$292,489 will be used to repay the General Fund. Bill Lurvey, Risk Management explained a lot of larger cities are moving toward self-funded worker's compensation. He explained Compensation Claims Services will be handling the claims for the City.

Council deferred acting on this item until the June 8, 2009 meeting to allow more time for review and consideration.

DWOW – LITTLE WASHINGTON BEACH MUSIC FESTIVAL

Ross Hamory and Mac Hodges presented background information regarding the Little Washington Beach Music Festival. No alcohol will be sold at the event, except for businesses that have a liquor license and fall within the boundaries of the event. They stated coolers will be allowed in the area with cans only/no glass at a charge of \$15.00 per cooler. They are seeking permission for alcohol consumption inside the event space. Colored bracelets will be issued to insure age appropriateness for legally consuming alcoholic beverages. DWOW will pay for 6 off-duty police officers to patrol the area. The event will be held on Sunday, September 13, 2009 from 1:00pm – 7:00pm at the grassy area west of the NC Estuarium on the waterfront. Permission is requested to close Water Street and Bonner Street in the immediate area of the site. They are also seeking permission to control the water front promenade that passes through that area. The organizers Billy Dunn and John Moore have held this event in Greenville for the last six years and have agreed to put up all funds needed for the event in Washington.

By motion of Mayor Pro tem Mercer, seconded by Councilman Davis, Council granted permission for DWOW to hold the Little Washington Beach Music Festival to be held at the grassy area west of the NC Estuarium on the waterfront and close off Bonner Street and Water Street in the immediate area from 11:00am-8:00pm on September 13, 2009.

CONFIDENTIALITY AGREEMENT WITH COOPERATIVE BANK

Franz Holscher, City Attorney discussed the requirements for closed session issues. Jim Smith, City Manager asked Council for their authority to sign a confidentiality agreement with Cooperative Bank.

By motion of Mayor Pro tem Mercer, seconded by Councilman Jennings, Council amended the agenda by adding: Authorizing the City Manager to sign the confidentiality agreement with Cooperative Bank. By motion of Mayor Pro tem Mercer, seconded by Councilman Jennings, Council authorized the City Manager, Jim Smith to sign the confidentiality agreement with Cooperative Bank.

WASHINGTON TOURISM DEVELOPMENT & CIVIC CENTER

Lynn Lewis, TDA Director discussed the budget for the Tourism Development Authority and the Civic Center. Matt Rauschenbach, Chief Financial Officer reviewed the proposed changes to the TDA & Civic Center budget. Some of the proposed changes were allowing the City of Washington to take over all the bookkeeping for the TDA and the Civic Center. Currently, the City only manages payroll for them. Mr. Rauschenbach recommended not including the administration charges of approximately \$11,000 due to the City proposing managing the bookkeeping for them. Mr. Rauschenbach noted that the 2008-2009 occupancy taxes will likely come in at \$243,954 versus the \$225,823 in the TDA's estimate. The City recommended revenue of \$225,563 is a 7.5% reduction from what the actual will end up being this year.

Lynn Lewis updated Council on prior year struggles and that reservations at the Civic Center are down due to the economy. This year they are looking at approximately \$32,000 out of fund balance to balance the Civic Center budget for this year. Ms. Lewis explained that cuts have been made such as reduction in part-time staffing at the Visitor's Center with hours reduced to 10-4 seven days a week during the slower months of the year. Laura Smithwick will be moving back to the Civic Center and they are also giving up other office space at the Visitor's Center. The City collects the taxes and the TDA has the discretion to spend that money in the best use to promote travel and tourism in Washington. The TDA did receive a copy of the budget that was balanced using the \$23,083 from the City to balance the budget.

Councilman Jennings noted that thus far the Council has made the Civic Center a risk free transaction for the TDA. He further noted he would like to see a revised business plan for the Civic Center. The budget request for 2009-2010 is \$73,083 but the City is recommending \$50,000.

Council agreed to put the additional \$23,083 in contingency for the TDA & Civic Center budget.

LIBRARY

Gloria Moore, Brown Library Director discussed the Library budget with Council. Matt Rauschenbach, Chief Financial Officer explained the increase on part-time salaries of \$5,000 is due to the minimum wage increase. Contract services has increased from \$7,000 to \$12,000, but he is looking at trying to do some of the computer & equipment maintenance and technical support in house to try and cut cost. The materials line item was reduced from \$65,000 to \$60,000. Ms. Moore noted she reviewed the contract with TLC and we were being charged for items that we didn't even have and she was able to reduce that contract amount by \$5,000. Ms. Moore noted she has applied for an "e-rate" for internet use and if granted that rate, the Library could get an 80% discount on internet and telephone use.

Council, by consensus agreed to the increase of \$5000 in the library budget to cover the increased in part-time salaries due to the minimum wage increase.

Council discussed fees for out of county library users. By motion of Mayor Pro tem Mercer, seconded by Councilman Davis, Council increased the fee for "out of County Library cards" from \$15.00 to \$25.00.

COUNCIL CONVENED AT 6:00PM AND RECONVENED AT 6:10PM

PARKS AND RECREATION FEES

Philip Mobley, Director of Parks and Recreation discussed the departmental budget and fee schedule with Council. Mayor Pro tem Mercer suggested fees be changed in several areas and reviewed his suggestions with Council and the Parks and Recreation staff. Council reviewed the proposed changes to the fees at the Aquatic and Fitness Center, Bobby Andrews Center, Facility and Field Rentals, Field Lighting, Lining, and Staff. Council discussed the proposed changes and suggested the changes be rounded to the nearest \$5.00. Proposed fees are listed below.

**Aquatic and Fitness Center
Membership Fees**

Definition/Comments - Membership dues at the Aquatic and Fitness Center
Fees Charged -

Aquatic Membership Individual Only	\$20 per month if paid monthly plus \$100 application fee. \$65 per quarter if paid quarterly plus \$75 application fee. \$224 per year if paid annually plus \$50 application fee.
Aquatic and Fitness Membership Individual Only	\$35 per month if paid monthly plus \$100 application fee. \$115 per quarter if paid quarterly plus \$75 application fee. \$415 per year if paid annually plus \$50 application fee.
Aquatic Membership Family (4 or less dependents)	\$32 per month if paid monthly plus \$100 application fee. \$105 per quarter if paid quarterly plus \$75 application fee. \$365 per year if paid annually plus \$50 application fee.
Aquatic and Fitness Membership Family (4 or less dependents)	\$45 per month if paid monthly plus \$100 application fee. \$130 per quarter if paid quarterly plus \$75 application fee. \$520 per year if paid annually plus \$50 application fee.
Aquatic Membership Family (over 4 dependents)	Above family membership and application fees plus \$3 per month per additional dependent over 4 if paid monthly. Above family membership and application fees plus \$9 per quarter per additional dependent over 4 if paid quarterly. Above family membership fees plus \$35 per year per additional dependent over 4 if paid annually.
Aquatic and Fitness Membership Family (over 4 dependents)	Above family membership and application fees plus \$5.50 per month per additional dependent over 4 if paid monthly.

	Above family membership and application fees plus \$14.50 per quarter per additional dependent over 4 if paid quarterly.
	Above family membership fees plus \$50 per year per additional dependent over 4 if paid annually.
Aquatic Membership Individual Only - Corporate	\$260 per year if paid annually plus \$50 application fee.
Aquatic and Fitness Membership Individual Only - Corporate	\$365 per year if paid annually plus \$50 application fee.
Aquatic Membership Family Only – Corporate	\$390 per year if paid annually plus \$50 application fee.
Aquatic and Fitness Membership Family Only - Corporate	\$447 per year if paid annually plus \$50 application fee.
Aquatic and Fitness Membership Family (City Employees)	\$210 per year if paid annually.

Bobby Andrews Recreation Center

Definition/Comments - Miscellaneous services at the Bobby Andrews Recreation Center as detailed below

Fees Charged -

Gym Rental - No Admission Charged	\$75 for 4 hours
Gym Rental - Admission Fee Charged	\$100 for 4 hours
Small Meeting Room Rental	\$35 for 4 hours
Large Meeting Room Rental	\$45 for 4 hours
Rental After first 4 hours	\$20 per hour
Staffing for Event or Rental	\$10/hr. 4 hour minimum
Cleaning Fee when food is served	\$30 per rental
Deposit – Refundable	\$50 per rental

Facility and Field Rentals

Definition/Comments - Rental of City Recreation facilities and ball fields

Fees Charged -

Peterson Building Rental	\$12 per foot
Peterson Building – Water Fowl Event Only (1 st floor of building)	\$350 per day
McConnell Complex Baseball and Softball Field	\$50 first field, \$25 each additional
McConnell Complex Soccer Field	\$50 first field, \$25 each additional
Field Rental All Others	\$25 for 4 hours
Shelter Rental 1-4 hours	\$25

Shelter Rental 5-10 hours	\$40
Stewart Parkway Rental (includes closing Stewart Parkway)	\$100 per event
Park Rentals All Others	\$20 per day
Facility Use Fee	\$30/\$50 depending on activity

(Council voted to increase 2 programs (baseball & softball) from \$30 to \$50, suspended for 90 days.)

Bleacher Rental	\$100 per bleacher
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Field Lighting, Lining, and Staff

Definition/Comments - Provide lights, lining and City staff at athletic fields

Fees Charged -

Lights at Athletic Field	\$25 per field per night
Lining Baseball Field	\$10 per field per time
Lining Football Field	\$50 per field per time
Staffing of Maintenance Personnel	\$25 per hour (Council voted to increase fee to \$25 per hour, suspended for 90 days.)

RECREATION ADMINISTRATION

No changes were made in the Recreation Administration budget at this time.

WATERFRONT DOCKS

No changes were made in the Waterfront Docks budget at this time.

EVENTS AND FACILITIES

No changes were made in the Events and Facilities budget at this time.

ATHLETICS AND PROGRAMS

No changes were made in the Athletics and Programs budget at this time.

SENIOR CENTER

No changes were made in the Senior Center budget at this time

PARKS AND GROUNDS

No changes were made in the Parks and Grounds budget at this time.

AQUATIC CENTER

Council discussed the need for new lockers at the Aquatic Center. It was noted the current lockers have lasted eight years under an undesirable atmosphere. The humidifier has been replaced and the air quality is much better in the locker rooms as well as all areas of the aquatic center. New metal lockers will cost \$7,080 and new plastic lockers will cost \$21,000.

Council agreed by consensus to increase the Aquatic Center budget by \$7,080 to purchase new lockers.

RECESS

By motion of Councilman Woolard, seconded by Councilman Brooks, Council recessed the meeting, until Monday June 8, 2009 at 4:30 p.m. in the Council Chambers at the Municipal Building.

Cynthia S. Bennett
City Clerk