

The Washington City Council met in a continued session on Monday, June 25, 2007 at the Municipal Building at 4:30 P.M. Present were: Judy Jennette, Mayor; Darwin Woolard, Mayor Pro tem; Ed Gibson, Councilman; Richard Brooks, Mickey Gahagan, Councilman; James Smith, City Manager; and Rita A. Thompson, City Clerk; and Franz Holscher, City Attorney.

Also present were: Carol Williams, Finance Director; Keith Hardt, Electric Director, Mick Reed, Police Chief; Joey Toler; Interim DWOW Director; Gloria Moore, Interim Library Director; Allen Lewis, Public Works Director; Patty Trujillo, Pamlico News; 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 Item 7. Griff's Transport Services be moved to item 1., then 6. next, and then 1 thru 5 will become 3 thru 7.

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

INTRODUCTION OF NEW DWOW BOARD MEMBERS AND OFFICERS

Joey Toler, Interim DWOW Director, introduced new board members: Carol Atwater, Derick Davis, Jane Miser (Members-At-Large); Jean Thompson, Lori Melton, Mark Hamblin, and Sarah Coastline. The Executive Committee includes: Catherine Glover, President; Lori Melton, Treasurer; Carol Atwater, Secretary; Ross Hamory, Craig Newton, Mark Hamblin and Rich Mooring, Vice Presidents. Past President is Dot Moate.

CERTIFICATE OF CONVENIENCE AND NECESSITY FOR MICHAEL C. GRIFFIN d/b/a GRIFF'S TRANSPORT SERVICES

On motion of Mayor Pro tem Woolard, seconded by Councilman Gibson, Council unanimously approved the Certificate of Convenience and Necessity for Michael C. Griffin d/b/a Griff's Transport Services.

ADOPT BUDGET ORDINANCE AMENDMENT FOR FY 06-07

Carol Williams, Finance Director, stated the General Fund did not have to be increased, funds were just shuffled. The Cemetery Trust Fund and Library Trust Fund were increased because the earned interest was more than anticipated. The Stormwater Fund is being decreased \$15,000 because we didn't borrow but \$50,000 instead of the anticipated \$65,000 as the match for the Study. The Electric Fund has been increased \$732,000 which is the Highway 17 Project and Purchase Power. The Solid Waste increase is due to repairs on a garbage truck.

On motion of Councilman Gibson, seconded by Mayor Pro tem Woolard, Council unanimously adopted the budget ordinance amendment for FY 06-07 in the amount of \$743,537.

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:

General Fund

Section 1. That the following accounts in the Mayor's Office portion of the General Fund appropriations budget be increased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|-----------------------|------------|
| 10-00-4111-1400 | Employee Development | \$600 |
| 10-00-4111-3300 | Departmental Supplies | <u>200</u> |
| | | \$800 |

Section 2. That the following accounts in the Tourism Director portion of the General Fund appropriations budget be increased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|-----------------------|------------|
| 10-00-4124-0400 | Professional Services | \$200 |
| 10-00-4124-1100 | Telephone | <u>600</u> |
| | | \$800 |

Section 3. That the following accounts in the Legal Department portion of the General Fund appropriations budget be increased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|-----------------------|---------------|
| 10-00-4150-0400 | Attorney Fees | \$90,000 |
| 10-00-4150-0401 | Outside Attorney Fees | <u>30,000</u> |
| | | \$120,000 |

Section 4. That the following accounts in the Equipment Services portion of the General Fund appropriations budget be increased or decreased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|-----------------------|----------------|
| 10-20-4250-0200 | Salaries | \$24,500 |
| 10-20-4250-3101 | Fuel Purchases | 20,000 |
| 10-20-4250-7401 | Installment Purchases | <u>(4,289)</u> |
| | | \$40,211 |

Section 5. That the following accounts in the Street Maintenance portion of the General Fund appropriations budget be increased or decreased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|-----------------------------|-----------------|
| 10-20-4510-0200 | Salaries | \$2,500 |
| 10-20-4510-1700 | Maintenance/Repair Vehicles | 2,000 |
| 10-20-4510-7401 | Installment Purchases | <u>(10,222)</u> |
| | | (\$5,722) |

Section 6. That the following accounts in the Cemeteries portion of the General Fund appropriations budget be increased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|-----------------------------|------------|
| 10-30-4740-1300 | Utilities | \$500 |
| 10-30-4740-1600 | Maintenance/Repair Mowers | 500 |
| 10-30-4740-1700 | Maintenance/Repair Vehicles | 2,000 |
| 10-30-4740-4901 | Repurchase Plots | <u>250</u> |
| | | \$3,250 |

Section 7. That the following accounts in the Civic Center portion of the General Fund appropriations budget be increased or decreased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|-------------------------|----------------|
| 10-40-6125-0300 | Part time Salaries | \$200 |
| 10-40-6125-1502 | Maintenance/Repair HVAC | 1,500 |
| 10-40-6125-2600 | Advertising | 200 |
| 10-40-6125-3301 | Janitorial Supplies | 1,000 |
| 10-40-6125-4800 | Concession Purchases | 50 |
| 10-40-6125-7401 | Installment Purchases | <u>(2,777)</u> |
| | | \$173 |

Section 8. That the following accounts in the Parks & Grounds portion of the General Fund appropriations budget be increased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|------------------------------|------------|
| 10-40-6130-1300 | Utilities | \$1,000 |
| 10-40-6130-1500 | Maintenance/Repair Buildings | 1,000 |
| 10-40-6130-1502 | Maintenance/Repair Parks | 500 |
| 10-40-6130-1600 | Maintenance/Repair Equipment | 500 |
| 10-40-6130-1700 | Maintenance/Repair Vehicles | 2,000 |
| 10-40-6130-1701 | Maintenance/Repair Tractors | <u>500</u> |
| | | \$5,500 |

Section 9. That the following accounts in the Events & Facilities portion of the General Fund appropriations budget be increased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|----------------------|--------------|
| 10-40-6121-3403 | Special Events | \$1,000 |
| 10-40-6121-4800 | Concession Purchases | <u>1,000</u> |
| | | \$2,000 |

Section 10. That the following accounts in the Revenue Collections portion of the General Fund appropriations budget be increased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|------------------------------------|--------------|
| 10-00-4133-4502 | Beaufort Co. Tax Collection Fees | \$5,000 |
| 10-00-4133-4503 | Contract Services Credit Card Fees | <u>5,000</u> |
| | | \$10,000 |

Section 11. That the following accounts in the Economic Development portion of the General Fund appropriations budget be decreased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|-------------------------------|--------------|
| 10-00-4650-4510 | Shell Building #1 | \$10,000 |
| 10-00-4650-4511 | Turnage Theater tax incentive | <u>9,000</u> |
| | | \$19,000 |

Section 12. That account number 10-40-6170-9130, Metro Housing, Outside Agencies portion of the General Fund appropriations budget be decreased in the amount of \$47,318 to provide additional appropriations for anticipated expenses for FY 06/07.

Section 13. That account number 10-40-6122-4800, Concession Purchases, Athletics & Programs portion of the General Fund appropriations budget be decreased in the amount of \$28,500 to provide additional appropriations for anticipated expenses for FY 06/07.

Section 14. That account number 10-00-9990-9900, Contingency portion of the General Fund appropriations budget be decreased in the amount of \$55,336 to provide funds for remainder of FY 06/07.

Section 15. That account number 10-00-4130-4503, Contract Services-Audit, Finance Director portion of the General Fund appropriations budget be decreased in the amount of \$5,000 to provide additional appropriations for the Revenue Collections division.

Section 16. That account number 10-00-4400-0200, Salaries Merit, Miscellaneous Non-Departmental portion of the General Fund appropriations budget be decreased in the amount of \$28,563 to provide funds for remainder of FY 06/07.

Section 17. That account number 10-10-4910-0400, Professional Services, Planning Department portion of the General Fund appropriations budget be increased in the amount of \$5,000 to provide funds for remainder of FY 06/07.

Section 18. That account number 10-10-4340-0200, Salaries, Fire portion of the General Fund appropriations budget be decreased in the amount of \$15,583 to provide funds for remainder of FY 06/07.

Section 19. That account number 10-40-6110-7401, Installment Purchases, Library portion of the General Fund appropriations budget be increased in the amount of \$17,288 to provide funds for remainder of FY 06/07.

Library Trust Fund

Section 20. That the Estimated Revenues in the Library Trust Fund be increased in the amount of \$2,500 in the account Earned Interest, account number 11-40-3831-0000.

Section 21. That account number 11-40-6300-9200, Admin. Charges to General Fund portion of the Library Trust Fund appropriations budget be increased in the amount of \$2,500 to provide funds for payment to the General Fund.

Cemetery Trust Fund

Section 22. That the Estimated Revenues in the Cemetery Trust Fund be increased in the amount of \$10,000 in the account Earned Interest, account number 12-30-3831-0000.

Section 23. That account number 12-30-6400-9200, Admin. Charges to General Fund portion of the Cemetery Trust Fund appropriations budget be increased in the amount of \$10,000 to provide funds for payment to the General Fund.

Water Fund

Section 24. That account number 30-90-6610-0200, Salaries Merit, Miscellaneous Non-Departmental portion of the Water Fund appropriations budget be decreased in the amount of \$1,000 to provide additional appropriations for the Public Works Director.

Section 25. That account number 30-90-7220-0200, Salaries, Public Works Director portion of the Water Fund appropriations budget be increased in the amount of \$1,000 to provide funds for remainder of FY 06/07.

Sewer Fund

Section 26. That account number 32-90-6610-0200, Salaries Merit, Miscellaneous Non-Departmental portion of the Sewer Fund appropriations budget be decreased in the amount of \$2,597 to provide additional appropriations.

Section 27. That account number 32-90-7220-0200, Salaries, Public Works Director portion of the Sewer Fund appropriations budget be increased in the amount of \$1,000 to provide funds for remainder of FY 06/07.

Section 28. That account number 32-90-8200-5600, Materials, Wastewater Maintenance portion of the Sewer Fund appropriations budget be increased in the amount of \$5,097 to provide additional appropriations for remainder of FY 06/07.

Section 29. That account number 32-90-8210-5603, Materials, Street Resurfacing, Wastewater Construction portion of the Sewer Fund appropriations budget be decreased in the amount of \$3,500 to provide funds for remainder of FY 06/07.

Section 30. That account number 32-90-8220-4500, Contract Sludge, Wastewater Plant portion of the Sewer Fund appropriations budget be decreased in the amount of \$18,000 to provide additional appropriations for Wastewater Lift Stations.

Section 31. That the following accounts in the Wastewater Lift Stations portion of the Sewer Fund appropriations budget be increased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|------------------------------|----------|
| 32-90-8230-0200 | Salaries | \$3,100 |
| 32-90-8230-0201 | Over time Salaries | 500 |
| 32-90-8230-0400 | Professional Services | 100 |
| 32-90-8230-0500 | FICA Taxes | 300 |
| 32-90-8230-0700 | Retirement Contributions | 200 |
| 32-90-8230-1300 | Utilities | 12,000 |
| 32-90-8230-1600 | Maintenance/Repair Equipment | 1,000 |
| 32-90-8230-3300 | Departmental Supplies | 800 |
| | | \$18,000 |

Storm Water Fund

Section 32. That the Estimated Revenues in the Storm Water Fund be decreased in the amount of \$15,000 in the account Installment Note Proceeds, account number 34-90-3920-9100.

Section 33. That account number 34-90-5710-7401, Installment Note Purchases, portion of the Storm Water Fund appropriations budget be decreased in the amount of \$15,000 to provide funds for remainder of FY 06/07.

Electric Fund

Section 34. That the Estimated Revenues in the Electric Fund be decreased in the amount of \$135,949 in the account Installment Note Proceeds, account number 35-90-3920-9100.

Section 35. That the Estimated Revenues in the following accounts be increased in the amounts shown:

| | | |
|-----------------|--------------------------------|----------------|
| 35-90-3350-8002 | Misc. Revenue Jobbing | \$23,700 |
| 35-90-3500-3605 | NCDOT Hwy. 17 Reimbursement | <u>766,000</u> |
| | | \$789,700 |

Section 36. That the following accounts in the Electric Director portion of the Electric Fund appropriations budget be increased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|-------------------------------|---------------|
| 35-90-7220-0400 | Professional Services | \$5,000 |
| 35-90-7220-0405 | Hwy. 17 230 KV | 326,000 |
| 35-90-7220-0406 | Hwy. 17 Relocation | 265,000 |
| 35-90-7220-0407 | Hwy. 17 Bypass | 155,000 |
| 35-90-7220-0411 | Hwy. 17 Section C | 20,000 |
| 35-90-7220-0401 | Professional Services Lawsuit | <u>15,000</u> |
| | | \$786,000 |

Section 37. That the following accounts in the Power Line Construction portion of the Electric Fund appropriations budget be increased or decreased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|-----------------------|------------------|
| 35-90-8390-0200 | Salaries | \$10,500 |
| 35-90-8390-4502 | Contracts Jobbing | 23,700 |
| 35-90-8390-5605 | Overhead Transformers | 40,000 |
| 35-90-8390-5607 | Special Projects | 7,300 |
| 35-90-8390-7401 | Installment Purchases | <u>(120,949)</u> |
| | | (\$39,449) |

Section 38. That the following accounts in the Purchase Power portion of the Electric Fund appropriations budget be increased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|--------|---------------|
| 35-90-8320-4800 | NCEMPA | \$180,000 |
| 35-90-8320-4801 | Seepa | <u>50,000</u> |
| | | \$230,000 |

Section 39. That the following accounts in the Debt Service portion of the Electric Fund appropriations budget be decreased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|-----------------------|---------------|
| 35-90-4020-8300 | Installment Principal | \$50,000 |
| 35-90-4020-8301 | Installment Interest | <u>15,000</u> |
| | | \$65,000 |

Section 40. That the following accounts in the Miscellaneous Non-Departmental portion of the Electric Fund appropriations budget be decreased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|------------------------|--------------|
| 35-90-6610-0200 | Salaries Merit | \$7,271 |
| 35-90-6610-0800 | Unemployment Insurance | <u>4,900</u> |
| | | \$12,171 |

Section 41. That the following accounts in the Utility Communications portion of the Electric Fund appropriations budget be decreased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|-------------------|---------|
| 35-90-7230-0201 | Overtime Salaries | \$4,000 |
|-----------------|-------------------|---------|

| | | |
|-----------------|-----------------------------|------------|
| 35-90-7230-0300 | Part time Salaries | 8,000 |
| 35-90-7230-0500 | FICA | 500 |
| 35-90-7230-1100 | Telephone | 1,000 |
| 35-90-7230-1602 | Maintenance/Repair Radio | <u>500</u> |
| | | \$14,000 |

Section 42. That the following accounts in the Customer Service portion of the Electric Fund appropriations budget be decreased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|--------------------------------|--------------|
| 35-90-7240-0200 | Salaries | \$11,000 |
| 35-90-7240-0201 | Overtime Salaries | 1,000 |
| 35-90-7240-0600 | Insurance | 2,700 |
| 35-90-7240-1100 | Telephone | 1,800 |
| 35-90-7240-1200 | Printing/Publishing | 1,000 |
| 35-90-7240-1201 | Marketing | 27,000 |
| 35-90-7240-1700 | Maintenance/Repair Vehicles | 4,000 |
| 35-90-7240-5300 | Dues/Subscriptions | <u>1,500</u> |
| | | \$50,000 |

Section 43. That the following accounts in the Electric Meter portion of the Electric Fund appropriations budget be decreased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|-------------------|--------------|
| 35-90-7250-0200 | Salaries | \$4,000 |
| 35-90-7250-0201 | Overtime Salaries | 1,000 |
| 35-90-7250-1100 | Telephone | 1,500 |
| 35-90-7250-4500 | Contract Services | 19,900 |
| 35-90-7250-5601 | Meter Repairs | <u>4,000</u> |
| | | \$30,400 |

Section 44. That the following accounts in the Substations portion of the Electric Fund appropriations budget be decreased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|-----------------------|---------------|
| 35-90-8370-0200 | Salaries | \$5,000 |
| 35-90-8370-0600 | Group Insurance | 1,200 |
| 35-90-8370-1100 | Telephone | 1,000 |
| 35-90-8370-3101 | Fuel Purchases | 25,000 |
| 35-90-8370-4500 | Contracts | 3,000 |
| 35-90-8370-5701 | Heat Pump Rebates | 6,000 |
| 35-90-8370-7401 | Installment Purchases | <u>15,000</u> |
| | | \$56,200 |

Section 45. That account number 35-90-8380-0200, Salaries, Power Line Maintenance portion of the Electric Fund appropriations budget be decreased in the amount of \$10,500 to provide funds for the remainder of FY 06/07.

Section 46. That account number 35-90-9990-9900, Contingency portion of the Electric Fund appropriations budget be decreased in the amount of \$5,743 to provide funds for the remainder of FY 06/07.

Section 47. That the Estimated Revenues in the Electric Fund be increased in the amount of \$78,786 in the account Transfer from General Fund account number 35-90-3980-1000.

Solid Waste Fund

Section 48. That the Estimated Revenues in the Solid Waste Fund be increased in the amount of \$13,500 in the account Tipping fees account number 38-90-3471-4101.

Section 49. That account number 38-90-4020-8300, Installment Principal, Debt Services portion of the Solid Waste Fund appropriations budget be increased in the amount of \$7,000 to provide funds for the remainder of FY 06/07.

Section 50. That account number 38-90-4710-1700, Maintenance/Repair Vehicles, Collections portion of the Solid Waste Fund appropriations budget be increased in the amount of \$6,500 to provide funds for the remainder of FY 06/07.

Governor's Highway Safety Grant Fund

Section 51. That the following accounts in the Phase III portion of the Governor's Highway Safety Grant Fund appropriations budget be increased or decreased in the amounts shown to cover anticipated expenses for FY 06/07:

| | | |
|-----------------|--------------------------|--------------|
| 53-10-5120-0200 | Salaries | (\$2,141) |
| 53-10-5120-0600 | Group Insurance | (2,000) |
| 53-10-5120-1000 | Transfer to General Fund | <u>4,141</u> |
| | | \$0 |

Section 52. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 53. This ordinance shall become effective upon its adoption.

Adopted this the 25th day of June, 2007.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

**ADOPT BUDGET ORDINANCE FOR FISCAL YEAR 2007-2008 AND SET
ADVALOREM TAX RATE**

Councilman Jennings came in at this point and is made a part of the minutes.

Mr. Smith stated that this budget does not increase the tax rate for the coming year. There were not a lot of changes in the budget this year, and it stays within a few pennies of the \$13.9 budgeted last fiscal year, which allows us to keep things on an even keel for the next year.

On motion of Councilman Gahagan, seconded by Councilman Jennings, Council unanimously adopted the Budget Ordinance for Fiscal Year 2007-2008 and set the Advalorem tax rate of \$.60 per \$100.00 value.

CITY OF WASHINGTON, NORTH CAROLINA
BUDGET ORDINANCE FOR FISCAL YEAR 2007-2008

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

Section 1. The following amounts are hereby appropriated for the operation of the City of Washington government and its activities for the fiscal year beginning July 1, 2007, and ending June 30, 2008, according to the following schedules:

Schedule A. General Fund

General Government

| | |
|------------------------|---------|
| City Council | 61,476 |
| Mayor | 13,433 |
| City Manager | 292,544 |
| Enterprise Controller | 59,941 |
| DWOW Director | 80,381 |
| Legal | 240,000 |
| TDA Director | 111,960 |
| Human Resources | 237,533 |
| Finance | 366,507 |
| Purchasing | 123,712 |
| Information Systems | 255,203 |
| Revenue Collections | 317,147 |
| Billing | 148,031 |
| Municipal Building | 126,295 |
| Miscellaneous | 609,386 |
| Beaufort County E.D.C. | 275,716 |
| Debt Service | 383,693 |

Public Safety

| | |
|----------------------------|-----------|
| Police | 2,705,530 |
| E-911 Communication | 284,246 |
| Fire | 1,531,262 |
| Emergency Medical Services | 622,744 |
| Planning/Zoning | 275,776 |

Public Works

| | |
|------------------------|---------|
| Administration | 88,398 |
| Equipment Services | 166,747 |
| Cemeteries | 268,605 |
| Street Maintenance | 463,487 |
| Powell Bill Allocation | 286,035 |

Cultural and Leisure

| | |
|--------------------------------|---------|
| Brown Library | 392,204 |
| Recreation Administration | 165,567 |
| Recreation Events & Facilities | 146,785 |
| Athletics and Programs | 42,782 |
| Senior Programs | 220,400 |
| Waterfront Docks | 119,640 |
| Civic Center | 149,686 |
| Aquatic Center | 320,202 |
| Parks and Grounds | 410,289 |
| Agency Contributions | 549,145 |

Contingency

| | |
|-------------|--------|
| Contingency | 39,936 |
|-------------|--------|

Total General Fund Appropriations **12,952,424**

Schedule B. Water Fund

| | |
|--|------------------|
| Administration | 73,346 |
| Debt Services | 1,087,306 |
| Miscellaneous | 307,295 |
| Water Meter Services | 146,018 |
| Water Treatment | 873,695 |
| Water Distribution Maintenance | 239,520 |
| Water Distribution Construction | 100,538 |
| Contingency | <u>31,450</u> |
| Total Water Fund Appropriations | 2,859,168 |

Schedule C. Sewer Fund

| | |
|--|------------------|
| Administration | 73,296 |
| Debt Service | 993,855 |
| Miscellaneous | 343,147 |
| Wastewater Collection Maintenance | 196,747 |
| Wastewater Collection Construction | 142,249 |
| Wastewater Treatment | 929,955 |
| Wastewater Stations | 220,600 |
| Contingency | <u>8,330</u> |
| Total Sewer Fund Appropriations | 2,908,179 |

Schedule D. Storm Water Management Fund

| | |
|---|----------------|
| Operations | 360,897 |
| Debt Payment | 14,234 |
| Storm Water Sampling | 3,500 |
| Nutrient Control | 47,631 |
| Contingency | <u>3,388</u> |
| Total Storm Water Management Fund Appropriations | 429,650 |

Schedule E. Electric Fund

| | |
|---|-------------------|
| Administration | 2,553,279 |
| Customer Service | 320,399 |
| Debt Service | 1,068,436 |
| Miscellaneous | 2,641,548 |
| Electric Meter Services | 595,128 |
| Utility Communications | 231,251 |
| Substation Maintenance | 869,952 |
| Power Line Maintenance | 1,235,647 |
| Power Line Construction | 2,078,961 |
| Purchase Power | 24,369,891 |
| Contingency | <u>3,045</u> |
| Total Electric Fund Appropriations | 35,967,537 |

Schedule F. Airport Fund

| | |
|--|----------------|
| Operational Expenses | 372,530 |
| Contingency | <u>514</u> |
| Total Airport Fund Appropriations | 373,044 |

Schedule G. Solid Waste Fund

| | |
|--|------------------|
| Debt Service | 61,689 |
| Solid Waste Operations | 1,006,139 |
| Contingency | <u>33,913</u> |
| Total Solid Waste Fund Appropriations | 1,101,741 |

Schedule H. Library Trust Fund

| | |
|---|--------------|
| Administration Charges to General Fund for Library Operations | <u>4,500</u> |
| Total Library Trust Fund Appropriations | 4,500 |

Schedule I. Cemetery Trust Fund

| | |
|--|---------------|
| Administration Charges to General Fund for Cemetery Operations | <u>16,800</u> |
| Total Cemetery Trust Fund Appropriations | 16,800 |

Schedule J. E-911 Surcharge Fund

| | |
|--|---------------|
| Contract Services | 59,950 |
| Contingency | <u>10,050</u> |
| Total E-911 Surcharge Fund Appropriations | 70,000 |

Schedule K. Public Safety Capital Reserve Fund

| | |
|--|---------------|
| Transfer to General Fund | <u>49,989</u> |
| Total Public Safety Capital Reserve Fund Appropriations | 49,989 |

Schedule L. Economic Development/Capital Reserve Fund

| | |
|---|----------------|
| Transfer to General Fund | <u>100,000</u> |
| Total Economic Development/Capital Reserve Fund Appropriations | 100,000 |

Schedule O. UDAG Fund

| | |
|---------------------------------------|---------------|
| Economic Development-Façade Grant | <u>20,800</u> |
| Total UDAG Fund Appropriations | 20,800 |

Total Appropriations for all Funds **56,853,832**

Section 2. It is estimated that the following revenue will be available during the year beginning July 1, 2007, and ending June 30, 2008, to meet the foregoing appropriations according to the following schedule:

Schedule A. General Fund

| | |
|--|-----------|
| Ad Valorem Taxes | 3,447,875 |
| Other Taxes | 2,682,268 |
| Restricted Intergovernmental Revenue | 699,706 |
| Unrestricted Intergovernmental Revenue | 1,283,936 |
| Licenses and Permits | 148,575 |
| Sales and Services | 1,181,447 |
| Interest Earnings | 275,000 |

| | |
|--|-------------------|
| Private Contributions | 2,500 |
| Miscellaneous | 25,000 |
| Administrative Charges to Other Funds for Services: | |
| Electric Fund | 1,167,194 |
| Water Fund | 238,790 |
| Sewer Fund | 229,322 |
| Solid Waste Fund | 117,327 |
| DWOV | 80,381 |
| Cemetery Trust Fund | 16,800 |
| Library Trust Fund | 4,500 |
| Tourism Development Authority | 111,960 |
| Civic Center | 64,008 |
| Transfers from Other Funds: | |
| Electric | 1,025,846 |
| Capital Reserves | <u>149,989</u> |
| Total General Fund Revenues | 12,952,424 |

Schedule B. Water Fund

| | |
|----------------------------------|------------------|
| Water Charges | 2,700,000 |
| Sales and Services | 101,668 |
| Interest Earnings | 20,000 |
| Miscellaneous | 5,000 |
| Rents | <u>32,500</u> |
| Total Water Fund Revenues | 2,859,168 |

Schedule C. Sewer Fund

| | |
|----------------------------------|------------------|
| Wastewater Charges | 2,783,068 |
| Sales and Services | 70,111 |
| Interest Earnings | <u>55,000</u> |
| Total Sewer Fund Revenues | 2,908,179 |

Schedule D. Storm Water Management Fund

| | |
|---|----------------|
| Interest Earnings | 14,000 |
| Storm Water Charges | 412,150 |
| Grants | <u>3,500</u> |
| Total Storm Water Management Fund Revenues | 429,650 |

Schedule E. Electric Fund

| | |
|---|-------------------|
| Electric Charges | 31,844,577 |
| Sales and Services | 519,800 |
| Interest Earnings | 250,000 |
| Miscellaneous | 85,000 |
| Installment Note Proceeds | 994,560 |
| Administration Charges From Other Funds: | |
| Water | 19,600 |
| NCDOT Reimbursement | <u>2,254,000</u> |
| Total Electric Fund Revenues | 35,967,537 |

Schedule F. Airport Fund

| | |
|-------------------|---------|
| Interest Earnings | 10,000 |
| Rentals | 62,577 |
| Sales & Services | 103,800 |
| Grants | 150,000 |

Transfer from Other Funds:
General Fund 46,667
Total Airport Fund Revenues 373,044

Schedule G. Solid Waste Fund

Interest Earnings 3,000
Fees 1,098,741
Total Solid Waste Fund Revenues 1,101,741

Schedule H. Library Trust Fund

Interest Earnings 4,500
Total Library Trust Fund Revenues 4,500

Schedule I. Cemetery Trust Fund

Interest Earnings 16,800
Total Cemetery Trust Fund Revenues 16,800

Schedule J. E-911 Surcharge Fund

Surcharge Collections 68,000
Interest Earnings 2,000
Total E-911 Surcharge Fund Revenues 70,000

Schedule K. Public Safety Capital Reserve Fund

Fund Balance Appropriated 49,989
Total Public Safety Capital Reserve Fund Revenues 49,989

Schedule L. Economic Development /Capital Reserve Fund

Payment From Electric Fund 100,000
100,000
Total Economic Development/Capital Reserve Fund Revenues

Schedule O. UDAG Fund

Fund Balance Appropriated 20,800
Total UDAG Fund Revenues 20,800

Total Estimated Revenues for all Funds 56,853,832

Section 3. There is hereby levied the following rate of tax on each one hundred dollars (\$100.00) valuation of estimated taxable property listed for taxes as of January 1, 2007, for the purpose of raising the revenues from property taxes, as set forth in the foregoing estimates, and in order to finance the foregoing appropriations:

General Fund
Total Rate per \$100 of
Valuation of Taxable Property .60

Such rate of tax is based on an estimated total assessed valuation of property tax for the purpose of taxation of \$604,585,209 with an estimated rate of collections of ninety-five percent (95.05%).

Section 4. Some estimates of revenue other than the property tax exceed the amount actually realized in cash from each source in the preceding fiscal year, but the facts warrant the expectations that in each case the estimated amount will actually be realized in cash during the budget year.

Section 5. Appropriations are authorized by department totals. The Finance Officer is authorized to reallocate departmental appropriations among various line item objects of expenditures and revenues as necessary during the budget year. The City Manager is authorized to reallocate appropriations among the various departmental totals of expenditures within the General Fund, Water Fund, Sewer Fund, Electric Fund and Storm Water Management Fund as allowed by North Carolina General Statute 159-15. Any such transfers between departments shall be reported to the City Council at its next regular meeting following the transfer and shall be entered into the official minutes of the City of Washington.

Section 6. Copies of this ordinance shall be filed with the Finance Director of the City of Washington, to be kept on file by her for her direction in the disbursement of City funds.

Section 7. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 8. This ordinance shall become effective July 1, 2007.

Adopted this the 25th day of June, 2007.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

ADOPT SCHEDULE FOR STORMWATER UTILITY FEE

Mr. Smith stated this fund was created to deal with the capital needs of our stormwater system. Unfortunately, just the cost of maintaining the existing system eats up all the funds that are available. In the current year, Council approved money for a Stormwater Study which will be presented to Council in September. Priorities will be set to solve some of our major drainage problems in the four drainage basins.

The stormwater utility fees were increased by 5% to cover operational costs, debt service, and replace reserves in the Stormwater Fund, and eliminate transfer subsidies from the General Fund.

Mayor Pro tem Woolard pointed out that this is an enterprise fund that has to take care of itself.

On motion of Councilman Brooks, seconded by Councilman Gahagan, Council unanimously adopted a schedule for stormwater utility fees, with an effective date of July 1, 2007, as follows:

| <u>RATE</u> | <u>FEE</u> |
|-------------|------------|
| SC1 | \$ 11.58 |
| SC2 | \$ 23.15 |
| SC3 | \$ 46.31 |
| SC4 | \$ 57.89 |
| SC5 | \$115.76 |
| SR1 | \$ 2.32 |
| SR2 | \$ 3.48 |
| SR3 | \$ 4.63 |

**ADOPT ORDINANCE TO AMEND CHAPTER 15, SECTION 10, SOLID WASTE
COLLECTION FEE**

Solid waste rates were increased from \$10.00 to \$12.00 per month.

On motion of Councilman Brooks, seconded by Councilman Gahagan, Council unanimously adopted an ordinance to amend Chapter 15, Section 15-10, Solid Waste Collection Fee with an effective date of July 1, 2007.

**AN ORDINANCE TO AMEND CHAPTER 15, SOLID WASTE
OF THE CITY CODE OF THE CITY OF WASHINGTON**

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

Section 1. That Section 15-10. Solid Waste Collection Fee, be deleted in its entirety and replaced with the following:

“All residents of the City of Washington shall be charged a collection fee of twelve dollars (\$12) per month for the collection of solid waste. This fee will appear on the user’s utility bill.”

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

Section 3. This ordinance shall become effective as of July 1, 2007.

Adopted this the 25th day of June 2007.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

**ADOPT ORDINANCE TO AMEND CHAPTER 18, SECTION 154, WATER
RATES AND BILLS AND SECTION 155, SEWER RATES AND BILLS**

Water rates increased by 6% and sewer rates increased by 7%. Council had agreed in a budget workshop to increase the fees enough that the General Fund would not have to subsidize the fund.

On motion of Mayor Pro tem Woolard, seconded by Councilman Jennings, Council unanimously adopted an ordinance to amend Chapter 18, Section 154, Water Rates and Bills, and Section 155, Sewer Rates and Bills.

**ORDINANCE TO AMEND CHAPTER 18, WATER & WASTEWATER
OF THE CITY CODE OF THE CITY OF WASHINGTON**

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

Section 1. That Article V, Section 18-154 Water Rates & Bills and Section 18-155 Sewer Rates & Bills be replaced with the following:

Sec. 18-154. Water rates and bills.

A schedule of *water rates* shall be adopted by the City Council and made a part of the minutes of the meeting in which the action was taken. Certified copies of the rates will be on file in the office of the city clerk and the office of the public works director, and copies shall be made available to the customers of the city's water system. The rates shall be reviewed and adjusted by the City Council, as needed, or upon recommendations of the city manager.

(a) Residential service.

- (1) This service is available for the supply of drinking water to single-family residences within the city and outside the city limits where the city's water supply facilities are extended.
- (2) Service is not available under this schedule for any non-domestic use, such as for a business operated in the residence; for commercial or multifamily use, such as master metered apartments, motels, inns and mobile home parks; or for resale.
- (3) This service is applicable when the customer's residence is serviced by a water service lateral up to one (1) inch in diameter.
- (4) The minimum monthly charge for city customers will be determined by the current rate schedule.
- (5) Commodity charges will be based on the customer's total water consumption during the billing period. Water consumption will be metered and rounded to the nearest cubic foot for billing except, that when the amount of water used is not registered because of a defective meter, the bill rendered shall be for the average amount theretofore used by the premises served by such meter during the preceding three (3) months or during the portion of such period for which water use records are available, or if water was not consumed by the premises through the meter during such preceding period, the bill rendered shall be for the average period and for the average amount for other service of the same class in the city during the period covered by the bill. Bills shall be rendered separately for each service or connection. When more than one (1) family or other group is furnished water through a single meter, the bill; therefore, shall be furnished only to the person upon whose application such water was furnished. All bills shall be made out and mailed as early as practicable after the close of the period covered by such bills.

(b) General service.

- (1) This service is available for the supply of drinking water to commercial, industrial,

institutional and other customers within the city and outside the city limits where the city's water supply facilities are extended.

- (2) The minimum monthly charges for inside city customers will be determined by current rate schedule.
- (3) Commodity charges will be based on the customers total water consumption during the billing period. Water consumption will be metered and rounded to the nearest cubic foot for billing. When total use is not known, bills will be rendered on the basis of estimates by the director of public works.

Sec. 18-155. Sewer rates and bills.

A schedule of sewer *rates* shall be adopted by the City Council and made a part of the minutes of the meeting in which the action was taken. Certified copies of the rates will be on file in the office of the city clerk and the office of the public works director, and copies shall be made available to the customers of the city's sewer system. The rates shall be reviewed and adjusted by the City Council, as needed, or upon recommendations of the city manager.

(a) *Residential service.*

- (1) This service is available for the collection and treatment of domestic sewage from single-family residences within the city and outside the city limits where the city's collection facilities are extended.
- (2) Service is not available under this schedule for any nondomestic sewage; such as from business operated in the residence, for commercial for multifamily use, such as master metered apartments, motels, inns and mobile home parks; or for resale.
- (3) This service is applicable when the customer's residence is served by a water service lateral up to one (1) inch in diameter.
- (4) The minimum monthly charge for city customers will be determined by the current rate schedule.
- (5) Commodity charges will be based on the customer's total water consumption during the billing period. Water consumption will be metered and rounded to the nearest cubic foot for billing except when the amount of water used is not registered because of a defective meter; the method described in Section 18-154(a)(5) will be used.
- (6) Existing customers not receiving city water service shall provide a meter to measure total use. When total use is not known, bills will be rendered on the basis of estimates by the director of public works.
- (7) The sewer service charge shall be billed to each customer at the same time that water bills are rendered and shall be collected at the same time and in the same manner as water accounts.

(b) *General service.*

- (1) This service is available for the collection and treatment of sewage discharged by commercial, industrial, institutional and other customers within the city and outside the city limits where the city's collection facilities

are extended. Service is not available for resale service.

- (2) The minimum monthly charge for inside city customers will be determined by the current rate schedule.
- (3) Charges will be established periodically for billing of some costs attributable to wastewater with greater pollutant concentrations than normal domestic sewage. The following rates are applicable for five-day BOD and suspended solids:
 - BOD: \$0.24/pound for concentration in excess of 300 mg/l.
 - TSS: \$0.29/pound for concentration in excess of 300 mg/l.Charges for additional costs attributable to other pollutants will be assessed to each customer, as applicable. All non-domestic customers that utilize 2-inch or greater meters shall be charged an additional \$0.00382 per cubic foot for administration of the industrial pretreatment program.
- (4) Commodity charges will be based on the customer's total water consumption during the billing period, except when the customer's water consumption significantly exceeds the discharge into the wastewater collection system. When applicable, the customer may pay the cost of installing and maintaining the necessary equipment to monitor the flow not returned to the wastewater collection system, and having the billing use reduced accordingly.
- (5) Water consumption will be metered and rounded to the nearest cubic foot for billing. Customers not receiving city water service shall provide a meter to measure total use. When total use is not known, bills will be rendered on the basis of estimates by the director of public works.
- (6) The sewer service charge shall be billed to each customer at the same time that water bills are rendered and shall be collected at the same time and in the same manner as water accounts.

Section 2. That Article V, Section 18-160 Water & Sewer Rates be deleted in its entirety and returned to Section Numbers Reserved.

Section 3. Ordinances in conflict with this ordinance are hereby repealed.

Section 4. This ordinance shall become effective as of July 1, 2007.

This the 25th day of June 2007.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

**APPROVE AQUATIC CENTER QUARTERLY MEMBERSHIP FEE AND OPEN
POOL FEE**

Councilman Gibson stated he would like Council to raise the membership fees \$20 a month for residents and \$25 a month for non-residents.

Council agreed to increase the quarterly membership \$5.00 as discussed in a previous budget workshop and have Kelli Milller give an update in September or October. Councilman Gibson stated he would like a survey of what other pools are charging in the area.

After discussion, on motion of Councilman Gibson, seconded by Councilman Jennings, Council unanimously adopted the new Aquatics and

Fitness Center Fee Schedule starting July 1, 2007 which increases quarterly memberships by \$5.00 and increases non member (open pool) fees from \$2.00 to \$3.00 per person, with the stipulation that rates will be addressed in the early fall.

**MOORE AQUATIC AND FITNESS CENTER
FEES AND CHARGES**

| (2006-2007 Budget) | (2007-2008 Budget) |
|--|--|
| ANNUAL MEMBERSHIPS | ANNUAL MEMBERSHIPS |
| Family <i>No application fee!</i> | Family <i>No application fee!</i> |
| Aquatic \$310.00 | Aquatic \$310.00 |
| Fitness \$360.00 | Fitness \$360.00 |
| Combined \$420.00 | Combined \$420.00 |
| Individual <i>No application fee!</i> | Individual <i>No application fee!</i> |
| Aquatic \$185.00 | Aquatic \$185.00 |
| Fitness \$260.00 | Fitness \$260.00 |
| Combined \$335.00 | Combined \$335.00 |
| QUARTERLY MEMBERSHIPS | QUARTERLY MEMBERSHIPS |
| Family <i>plus a \$50.00 application fee!</i> | Family <i>plus a \$50.00 application fee!</i> |
| Aquatic \$80.00 | Aquatic \$85.00 |
| Fitness \$85.00 | Fitness \$90.00 |
| Combined \$120.00 | Combined \$125.00 |
| Individual <i>plus a \$50.00 application fee!</i> | Individual <i>plus a \$50.00 application fee!</i> |
| Aquatic \$65.00 | Aquatic 70.00 |
| Fitness \$70.00 | Fitness \$75.00 |
| Combined \$105.00 | Combined \$110.00 |
| MONTHLY MEMBERSHIPS | MONTHLY MEMBERSHIPS |
| Family <i>plus a \$75.00 application fee!</i> | Family <i>plus a \$75.00 application fee!</i> |
| Aquatic \$27.00 | Aquatic \$27.00 |
| Fitness \$30.00 | Fitness \$30.00 |
| Combined \$44.00 | Combined \$44.00 |
| Individual <i>plus a \$75.00 application fee!</i> | Individual <i>plus a \$75.00 application fee!</i> |
| Aquatic \$23.00 | Aquatic \$23.00 |
| Fitness \$25.00 | Fitness \$25.00 |
| Combined \$40.00 | Combined \$40.00 |
| EXTRA DEPENDENT FEES | EXTRA DEPENDENT FEES |
| Annual | Annual |
| Aquatic \$35.00 each | Aquatic \$35.00 each |
| Fitness \$42.00 each | Fitness \$42.00 each |
| Combined \$50.00 each | Combined \$50.00 each |
| Quarterly | Quarterly |
| Aquatic \$9.00 each | Aquatic \$9.00 each |
| Fitness \$10.00 each | Fitness \$10.00 each |
| Combined \$14.50 each | Combined \$14.50 each |
| Monthly | Monthly |
| Aquatic \$3.00 each | Aquatic \$3.00 each |
| Fitness \$3.50 each | Fitness \$3.50 each |
| Combined \$5.50 each | Combined \$5.50 each |
| FREEZE MEMBERSHIP \$10.00 | FREEZE MEMBERSHIP \$10.00 |
| NON-MEMBER (OPEN POOL) \$2.00 a person | NON-MEMBER (OPEN POOL) \$3.00 a person |
| FITNESS ROOM DAILY PASS \$5.00 a person | FITNESS ROOM DAILY PASS \$5.00 a person |
| GUEST PASS \$5.00 a person (only with a member) | GUEST PASS \$5.00 a person (only with a member) |

s/Judy Jennette
JUDY JENNETTE

MAYOR

ATTEST:

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

DISCUSSION – BANNERS

Mr. Smith stated that this is in regard to the “soft drink” banners all over town advertising all kinds of events. He has asked that the commercial ones be taken down. The question remains as to the other off premises signs and asked for Council’s input.

Mr. Smith stated there have been complaints. Councilman Jennings stated that these look bad and we should get rid of all of them.

Bobby Roberson was asked to see what other cities do regarding this and report back in July. Mr. Roberson will talk with the new DWOW Director when he gets here.

Keith Hardt pointed out that the City allows non-profits to advertise on Main Street. Mayor Jennette stated that is the only way they can get the word out.

Mr. Smith stated we can spend a lot of time enforcing it, and in the meantime, if we enforce the size until we change the ordinance, we could go with a 2 x 2. The ordinance needs tweaking.

Mr. Roberson suggested bringing in the ordinance and do a summary of what we have, the problems we have seen and have some reaction with the community. The Chamber of Commerce should also be involved too, as well as realtors.

INIATIVES REPORT

Mr. Smith reviewed the Initiatives Report with the Council.

- Councilman Gibson will serve with Councilman Jennings on the Annexation Committee
- Send a letter to the owner of Maola
- Councilman Gibson, Mayor Pro tem Woolard, and Mayor Jennette volunteered to meet with the two volunteers of the Friends of the Library and two volunteers of the Board of Library Trustees to talk about alternative funding for the Library in July
- DWOW – The City owes the County \$21,000 this year towards EDC. Next year, the City’s support will drop back to \$45,000 less than it has been in the past. We did not ask the County for \$45,000 to support downtown and we do not support EDC at \$45,000. Councilman Brooks pointed out that we were only supposed to support them for three years and he understands we will have to support them for two more years and that’s \$500,000 total for five years.
- Councilman suggested that Council receive the Initiatives Report ahead of time and only discuss it if there are specific questions.

- Agreed to skip a meeting at least once a year, preferably July or August.

CLOSED SESSION - ATTORNEY/CLIENT AND LAND ACQUISITION

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.

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

On motion of Mayor Pro tem Woolard, seconded by Councilman Gahagan, Council unanimously adjourned the meeting at 6:45 p.m.

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