

The Washington City Council met in a regular session on Monday, August 10, 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; Darwin Woolard, Councilman; Jim Smith, City Manager; Cynthia Bennett, City Clerk; and Franz Holscher, City Attorney.

Also present were: Matt Rauschenbach, Chief Financial Officer; Robbie Rose, Acting Fire Chief; Allen Lewis, Public Works Director; Gloria Moore, Library Director; John Rodman, Acting Planning Director; Keith Hardt, Electric Director; Philip Mobley, Parks & Recreation Director; Sandy Blizzard, Police Department; Ray Midgett, Information Technology Director; Mike Voss, of the Washington Daily News and Delma Blinson, of the Beaufort Observer

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

APPROVAL/AMENDMENTS TO AGENDA

By motion of Councilman Woolard, seconded by Councilman Jennings, Council approved the agenda as presented.

APPROVAL OF MINUTES

By motion of Councilman Woolard, seconded by Councilman Brooks, Council unanimously approved the minutes from June 15, and July 8, 2009 as presented.

APPROVAL OF CONSENT AGENDA

Franz Holscher, City Attorney stated some minor details regarding uniforms being included in the payment obligation from the school board for School Resource Officers needs to be clarified. By motion of Mayor Pro tem Mercer, seconded by Councilman Jennings, Council unanimously approved the consent agenda, subject to the revisions on the Operational Agreements for School Resource Officers with the Beaufort County Board of Education.

- A. Accept – Operational Agreements with the Beaufort County Board of Education to provide School Resource Officers (SRO) for Washington High School & P.S. Jones Middle School for school year 2009-2010.
- B. Declare – Surplus **and** Authorize electronic auction of vehicles through GovDeals

BOB HENKEL, VERNON TEETER & JOE TAYLOR – RAILS TO TRAILS WASHINGTON – GREENVILLE GREENWAY

Vernon Teeter, Chairman of Washington-Greenville Greenway gave a brief description of the proposed routes for a multi-use trail for walkers, hikers, cyclists and equestrians, connecting the two cities. Mr. Teeter reviewed phase one and phase two of the project within the City of Washington. He further stated it is essential that Eastern North Carolina, Beaufort County and Washington provide an outlet for good, clean, healthy exercise for our citizens. This project will do much to provide that outlet. Mayor Jennette noted we should have a bike lane ordinance ready for presentation at the September 2009 meeting.

Bob Henkel gave a presentation on the history and background of this project and presented possible trails through the City and connecting to Greenville. Mr. Henkel explained East Carolina University has volunteered to do the mapping for this project and offered assistance with other aspects of the project. Signage is needed to remind travelers to watch for people using the trails.

Joe Taylor, Parks and Recreation Advisory Board presented a connectivity map to Council. The map shows the rails to trails route and the greenway routes and how they can interconnect.

Philip Mobley, Director of Parks and Recreation noted we can get 25% or \$48,000 of the cost of the bathrooms by applying and receiving the BIG-P grant. A CAMA grant has also been applied for at \$165,000. If we receive both grants the bathrooms can be built at virtually no cost to the City. Mr. Mobley stated the BIG-P grant needs to be turned in next week along with a letter that states the City will still build the facilities even if the CAMA grant is not received. Mayor Pro tem Mercer noted this was not on the agenda and objects to this being discussed at today's meeting. Mr. Mobley stated he was just made aware of these requirements. Mayor Jennette stated if we get the money we have to build the bathrooms and can't turn the money back in. Mayor Pro tem Mercer noted the handout states that if the City doesn't get the CAMA grant but gets the BIG-P grant, the City is still required to build the bathroom/mixed use facility. Council, by consensus agreed to not submit an application for the BIG-P grant as it is too risky due to the fact we may not receive the CAMA grant and would still be required to build the bathroom facilities.

**CHRIS HILBERT – HOUSING DEVELOPMENT – KEYSVILLE ROAD AND
COMMUNITY REVITALIZATION 6TH & 7TH STREETS**

Chris Hilbert, Holland Consulting Planners updated Council on the Keysville Road project and sewer easements. Regarding the 6th & 7th Street project, the Public Works activities were just completed with some recent paving. There are two units underway that are being rehabilitated and several are being relocated. Hazard Mitigation applications were sent out today to fund elevations of homes, through the pre-disaster program. The Division of Emergency Management sent a list of properties that would possibly be eligible for this funding program and applications were sent to those property owners.

COMMENTS FROM THE PUBLIC

Mayor Jennette requested the public comment period regarding the potential location of the Police Department be moved to accommodate the public. By consensus Council agreed to move this item.

**AUTHORIZE – MAYOR TO EXECUTE A LETTER ACQUIRING A PORTION OF THE
FORMER JOHN SMALL SCHOOL PROPERTY AS A SITE FOR THE NEW
WASHINGTON POLICE DEPARTMENT**

Jim Smith, City Manager gave a brief history of the improvements made to the neighborhood surrounding this area. Approximately four years ago the primary response of the Police Department to crime and drug problems was to arrest people and put them in jail. We really weren't doing anything affirmative about the problem. We have pulled together a number of entities to try and deal with the problem from a preventative and improvement standpoint. Some of those entities are CDBG grants being invested in 6th and 7th street area; Project Next Step; Washington Housing Authority for fencing in the neighborhood, landscaping, rehabilitating houses, Beebe Park improvements and other such programs to improve the area. Mr. Smith also noted approximately 100 surveys were sent out and about 20 have responded so far, regarding safety in the neighborhood. The next step to continue making a major investment in this neighborhood would be to create a criminal justice facility and a park plaza. This is a demonstration of the commitment the City is making to improve this neighborhood. We have a unique opportunity to pull together a number of sources, due to Federal funding: such as USDA funding, FEMA funds and Homeland Security funds. Mr. Smith presented the first rendering of the facility and noted this is a very rough draft.

Councilman Jennings voiced concerns that this process is moving too quickly. He has received calls from residents in the neighborhood stating they don't want the facility located there. Councilman Jennings broached the subject of using the current facility and possibly adding on to that building. John Rodman, Planning Administrator has asked Land Design to include the current Police Station in their study and determine an adaptive reuse for the current facility. Councilman Davis also felt this project was moving too fast. Mayor Pro tem Mercer would like for the design team to have the opportunity to look at other possible locations.

Public Comment: William O'Pharrow noted he lives directly in front of the PS Jones/John Small School property on Bridge Street. Mr. O'Pharrow said the residents were shocked when they read the Washington Daily News and learned the City wanted to build a Police facility at this site. The residents have formed a petition and have received 423 signatures in approximately eight hours opposing placing the new police facility at the former PS Jones property.

The petition reads:

WHEREAS the African-American citizens of the City of Washington and Beaufort County read in the Washington Daily News "City Eyes Former School Land as Site for New Police Station" and wants school board to declare 4.34 acres as surplus property and;

WHEREAS this 4.34 acres on the north portion of the former John Small Elementary School Property between Pierce and Bridge Street adjoins the Alternative School and The Boys and Girls Club and;

WHEREAS this property is located in the center of the African-American Community and;

WHEREAS this property has long been used for our youth and youth of other races for recreational entertainment: softball, football, soccer, picnics, cookouts, back to school festivities; and

WHEREAS, members of the African-American Community recognize this area as part of our heritage which dates back to the early 1950's and;

It is therefore hereby requested by the undersigned citizens and residents of this community and neighboring areas that city officials, county commissioners and school board search for a more suitable site for the Washington Police Department. (end petition statement)

Jim Smith, City Manager confirmed with Mr. O'Pharrow that they had met a couple of weeks ago regarding this issue. Mayor Jennette stated this pretty much seals the fate of this site. She felt Council needs to give the architect permission to do a broad site selection study. Councilman Jennings would like to see a consideration of the modification of the current building. Also, at some point the County Commissioners will make a decision on the location of the new jail. This could be an opportunity for an adjacent campus or joint facility with the County. Councilman Woolard stated we had tried to do the joint facility before and that partnership fell through. Councilman Woolard disagreed with placing the new facility in the current location due to flooding issues. Councilman Jennings, Davis and Mercer stated they didn't want to apply for FEMA funds for the current building because they didn't want another vacant lot in the downtown area.

Council, by consensus agreed to have Architects Design Group do a broad site selection study and forego the former PS Jones Property.

ADOPT – RESOLUTION TO CONSIDER ZONING CHANGE CONSISTING OF 0.093 ACRES OF VACANT PROPERTY LOCATED ON WEST 7TH STREET

Dot Moate, Planning Board Chairman stated a public hearing was held on July 28, 2009 to hear a rezoning request for 0.093 acres of vacant property located on West 7th Street. The Planning Board made the following findings and conclusions:

1. The subject parcel and rezoning request are subject to and consistent with the Comprehensive Land Use Plan officially adopted by the City of Washington.
2. The rezoning request is consistent with the City of Washington's Future Land Use Map because the adopted plat designates this parcel as appropriate for *General Commercial* uses.

3. The rezoning request is reasonable due to consistency with said plan and because the Permitted or Special Uses in the proposed zoning district are consistent with the surrounding areas.
4. The rezoning requests are in the public interest due to consistency with said plan and because of no detrimental impact to the surrounding community or immediate neighbors.

Based on the foregoing findings and conclusions, the Planning Board does hereby recommend to the City Council that the rezoning request be approved.

Mayor Jennette opened the public hearing. Mr. Granville Lilly came forward and noted he and his wife own this property that is located beside King Chicken. Mr. Lilly stated they own the larger portion of land that adjoins this property. Mr. Lilly said the house that is on this parcel will most likely be torn down, but that will be up to O'Riley Auto Parts as they will own the property. They have added this additional parcel to the larger portion and O'Riley Auto Parts will be building a store at this location. There being no further comment, the public hearing was closed.

By motion of Councilman Brooks, seconded by Mayor Pro tem Mercer, Council accepted the recommendation of the Planning Board and adopted the resolution to rezone the property located on West 7th Street containing 0.093 acres, from R-6S(Residential) to B-2 (General Business).

**RESOLUTION OF THE CITY OF WASHINGTON ADOPTING THE PLAN
CONSISTENCY REVIEW STATEMENT FOR A PROPOSED
ZONING MAP AMENDMENT**

WHEREAS, the City of Washington received a request to rezone property from R-6S (Residential) to B-2 (General Business) specifically identified as Beaufort County Parcel Identification Numbers 5676-71-8139 (*see Attachment A*);

WHEREAS, effective January 1, 2006, North Carolina General Statute 160A-383 requires that "prior to adopting or rejecting any zoning amendment" each local governing board "shall adopt a statement describing whether its action is consistent with an adopted comprehensive plan and explaining why the board considers the action taken to be reasonable and in the public interest";

WHEREAS, this zoning request was duly advertised and was the subject of a public hearing by the Council of the City of Washington on August 10, 2009;

WHEREAS, the Council for the City of Washington has considered the application to amend the Zoning Map and finds that the amendment is warranted, in order to achieve the purposes of the Comprehensive Plan;

NOW, THEREFORE, BE IT RESOLVED BY THE WASHINGTON CITY COUNCIL THAT, the Plan Consistency Review Statement presented by the Planning Board be adopted and as a result, the adoption of the proposed rezoning of the subject parcel be approved.

Adopted this 10th day of August, 2009.

s/Cynthia S. Bennett
CYNTHIA S. BENNETT
CITY CLERK

s/Judy M. Jennette
JUDY M. JENNETTE
MAYOR

**CONSIDER – PRELIMINARY SUBDIVISION PLAT APPROVAL OF MIXON &
SAWYER SUBDIVISION LOCATED OFF DAN TAYLOR ROAD (SR 1517)**

Dot Moate, Planning Board Chairman stated a public hearing was held on July 28, 2009 regarding the preliminary subdivision plat approval and the Planning Board unanimously approved the subdivision request. Ms. Moate stated the findings from the Planning Board meeting show the subdivision will be required to have sidewalks installed. The property is located on Dan Taylor Road. The subdivision is consistent with the adopted Comprehensive Land use plan and is consistent with the low density

residential land use category. The subdivision has water but will not have sewer. The Planning Department recommended not having flag lots. The site is subject to the City's Tar-Pamlico Stormwater program. NCDOT approval will be required for access to Dan Taylor Road. John Rodman stated the Comprehensive Plan requires the development to be low density residential land use category.

Mayor Jennette opened the public hearing. Zack Mixon, Mixon & Sawyer Inc. came forward to speak in favor of the subdivision request. Mr. Mixon feels connecting to the sewer force main is cost prohibitive at approximately \$250,000 to run approximately 2200 feet of sewer line. There is also an issue with installing a sidewalk as they were unaware of this requirement, plus the sidewalk will be a sidewalk to "no where" and wouldn't serve a purpose. Mayor Pro tem Mercer had concern over the septic tank drainage fields that will be located off of lot #9. Mr. Mixon stated that he already has in writing that when lot #9 is sold that lots 1A and 10A are restricted so there can be no easements across those properties other than for the access to the septic system. Councilman Jennings understood that a traditional sidewalk off of Dan Taylor road might be awkward; maybe we could come up with another solution to provide connectivity, possibly using an existing electrical easement. Mr. Mixon stated he would be willing to install sidewalks in his subdivision when there is availability to connect to Market Street. Franz Holscher, City Attorney voiced concern over the enforceability of this option. Mayor Pro tem Mercer asked if Council would approve the installation of sidewalks if the adjoining properties installed sidewalks within five years.

There being no one further to speak, the public hearing was closed.

By motion of Mayor Pro tem Mercer, seconded by Councilman Davis, Council approved the subdivision as presented with the provision that lots 1A and 10A be restricted on the sale of lot number 9 so there will be no access across the septic tank lots. The developer will be required to install sidewalks along Dan Taylor Road if the property holders to the west install sidewalks within five year period of time. Voting against the motion: Councilman Woolard and Councilman Brooks. Motion carried 3-2.

CONSIDER – PRELIMINARY SUBDIVISION PLAT APPROVAL FOR KEYS LANDING SUBDIVISION LOCATED OFF KEYSVILLE ROAD

Dot Moate, Planning Board Chairman explained this request came before the Planning Board on April 20, 2009. The property is presently zoned RA-20(Residential-Agriculture). The subdivision is consistent with the adopted Comprehensive Land use plan and is consistent with the low density residential land use category. Mayor Pro tem Mercer asked if the City owned the property. Jim Smith, City Manager stated the City purchased the property for this CDBG project.

Mayor Jennette opened the public hearing. Chris Hilbert, Holland Consulting Planners updated the Council on this project. Mr. Hilbert stated this project was originally proposed on a different site and has been scaled back. The lots and plat was revised based on legal issues and line disputes. The first 5-7 units are required to be low-moderate income units. Mr. Hilbert stated the subdivision will have sidewalks installed as this will provide an access point to whatever public transportation/school buses come through that area. Mr. Hilbert stated the original plat approved by the Planning Board is what Council has in front of them tonight. He further stated the plat was revised and the project was scaled back and reduced the lot sizes to avoid the property line disputes. The remainder of lot #11 will be added into lot #10.

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

A motion was made by Mayor Pro tem Mercer to continue this request until the property line is settled or until the correct plat is presented showing the correct property lines with the realignment of the lots. Motion failed for lack of a second.

By motion of Councilman Jennings, seconded by Councilman Woolard, Council accepted the recommendation of the Planning Board and approved the preliminary subdivision plat of Keys Landing Subdivision subject to the conditions by the

Subdivision Review Committee marked as Attachment "A" on the City Council Action form. Voting against the motion: Mayor Pro tem Mercer and Councilman Davis. Motion carried: 3-2.

**ACCEPT – COMMENTS ON ADOPTED, REVISED GRANT PROJECT
ORDINANCE FOR CDBG: CAPACITY BUILDING GRANT #08-C-1812**

Bianca Gentile, Stimulus Coordinator stated the grant needed to be amended to appropriate \$7,500 of the \$75,000 project total to the City for grant administration. At the February 2009 Council meeting the budget ordinance was adopted, however a public hearing was not held. It is the recommendation of the Division of Community Assistance that the City receive comments from the public regarding any budgetary CDBG related amendments.

Mayor Jennette opened the public hearing. There being no one to speak, the public hearing was closed.

By motion of Mayor Pro tem Mercer, seconded by Councilman Woolard, Council reaffirmed its previous action amending the grant project ordinance for the Community Development Block Grant: Capacity Building, appropriating \$7,500 of the \$75,000 project total to the City for grant administration.

**AUTHORIZE – WASHINGTON HOUSING AUTHORITY TO APPLY FOR CDBG
HOUSING DEVELOPMENT GRANT: \$250,000**

Marc Recko, Washington Housing Inc. stated that in November 2008, the City of Washington was awarded a CDBG Capacity Building Grant (\$75,000) as a pass through for Washington Housing, Inc. (a sub-corporation of the Washington Housing Authority). The CDBG Capacity Building Grant is designed to assist in training staff for the implementation of housing programs that exclusively cater to low to moderate income persons. Individual Development Account Funds can supply as much as \$28,000 in down payment assistance for prospective homeowners. Credit Counseling Services are also offered to prepare families to obtain private market loans. It is anticipated that within three years, Washington Housing Inc. will be able to develop between 14 and 20 houses for purchase by low and moderate income families. The terms of the Capacity Grant stipulate that awardees submit a follow-up grant to facilitate the construction of low to moderate income housing. Since receiving the grant, the staff of Washington Housing Inc., have attended training sessions, developed professional alliances within the construction/developer community and identified neighborhoods and sites (Northgate & Old Fort area) that would benefit from residential revitalization efforts. The fundamental goal of their CDBG Housing Development application will be to acquire sites and construct 14-20 new, affordable homes. The total request is \$250,000. So far, eleven low to moderate income families have been placed in their own homes.

By motion of Councilman Woolard, seconded by Mayor Pro tem Mercer, Council authorized Washington Housing Inc. to submit a grant application to the NC Department of Commerce, Division of Community Assistance Community Development Block Grant Housing Development Program for \$250,000.

Council convened for a break at 7:10 pm and reconvened at 7:20pm.

**ADOPT - RESOLUTION TO LEASE PROPERTY OFF WATER STREET AND
ADJOINING THE OLD "MCQUAY" BUILDING TO JEFF HUNNINGS D/B/A PIRATES
GRILL AND PUB, LLC AND AUTHORIZE CITY MANAGER TO EXECUTE LEASE
AGREEMENT WITH PIRATES GRILL AND PUB, LLC.**

Allen Lewis, Public Works Director stated that on May 11, 2009, Mr. Hunnings requested an easement to install a grease trap next to the McQuay Building, remove a concrete pad and re-pour a more appropriate concrete pad and install landscaping around the building. Council will need to adopt a resolution to lease the property off Water Street and adjoining the old McQuay building to Pirates Grill and Pub, LLC. Franz Holscher, City Attorney highlighted the specifics of the lease. The lease is a two year term, with the possibility of an extension after two years. There is also a nominal amount for rent and a provision for a security deposit. Mr. Holscher thought the City

might want to have some mechanism in place that if this relationship fell through at some future time, the City would have an ability to recoup any expenses incurred to remove any improvements or alterations. Mr. Holscher suggested a minimum of \$500 and the City Manager suggested \$100 per year, there is no practical reason for a large deposit. Mayor Pro tem Mercer voiced concern over some aspects of the lease.

By motion of Councilman Davis, seconded by Councilman Jennings, Council adopted a resolution to lease property off Water Street and adjoining the Old "McQuay" Building to Jeff Hunnings d/b/a Pirates Grill and Pub, LLC and authorized the Manager to execute the attached lease agreement with Pirates Grill and Pub, LLC for a patio and grease trap ground lease, including a security deposit of \$100 per year (cumulative).

RESOLUTION TO LEASE PROPERTY OFF WATER STREET AND ADJOINING THE OLD "McQUAY" BUILDING TO PIRATES GRILL & PUB, L.L.C.

WHEREAS, the City of Washington ("City") owns property located at the intersection of Market and Water streets, including that certain property labeled "Patio & Grease Trap Ground Lease" as more specifically shown on Exhibit "A" attached hereto and incorporated herein by reference ("Premises"), which Premises the City finds it does not currently have a use for.

WHEREAS, the City Council therefore finds the Premises is currently surplus to the City's needs and will not be needed by the City for the term of the lease proposed hereby.

WHEREAS, Pirates Grill & Pub, L.L.C. ("Lessee") desires to lease said Premises from the City in order to utilize the same for an outdoor patio and grease trap in conjunction with a restaurant Lessee intends to operate on the property adjacent to the Premises.

WHEREAS, the City desires to lease said Premises to Lessee in an effort to boost the local economy, including but not limited to downtown business, and tourism.

WHEREAS, North Carolina General Statute §160A-272 authorizes the City to enter into leases of up to 10 years upon a resolution of the City Council adopted at a regular meeting after 10 days' public notice.

WHEREAS, the required notice has been published and the City Council is convened in a regular meeting.

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

The City Council hereby approves the proposed lease of said Premises owned by the City to Lessee for an initial term of two (2) years as well as a possible extension for an additional two (2) years and authorizes the City Manager to further negotiate, if necessary, and execute said lease.

Adopted this 10th day of August, 2009.

s/Cynthia S. Bennett
CYNTHIA S. BENNETT
CITY CLERK

s/Judy M. Jennette
JUDY M. JENNETTE
MAYOR

AUTHORIZE – CONDEMNATION OF PROPERTY TO ESTABLISH SEWER EASEMENTS FOR FY05 CDBG-HD (CDBG PROJECT #05-C-1490- KEYSVILLE ROAD SUBDIVISION)

Chris Hilbert, Holland Consulting Planners explained the City Attorney's Office has been negotiating with the some of the property owners. Franz Holscher, City Attorney stated there are two pieces of property (Ross family –easement agreement has been delivered to them, but not yet signed) the other piece is in a special

proceeding regarding the proper owner. Once that dispute has been resolved, they will approach that owner regarding a sewer easement. If the owner's are unwilling to sign a sewer easement, Council will need to authorize the condemnation of these properties to obtain the property for sewer easements to allow the project to proceed within a timeline that falls within grant funding requirements. Prior authorization from Council to commence condemnation proceedings would be required in order to leverage agreements or to commence condemnation proceedings if negotiations are unsuccessful.

By motion of Councilman Woolard, seconded by Councilman Jennings, Council authorized the City Attorney to commence condemnation proceedings on the property shown on the attached Exhibit A and Exhibit B in order to acquire the necessary easements for extension of sewer from an existing easement to the proposed Keys Landing Subdivision.

AUTHORIZE - MAYOR TO EXECUTE AN AMENDMENT TO CHOCOWINITY SEWER CONTRACT

Allen Lewis, Public Works Director stated the negotiations between the City of Washington and the Town of Chocowinity for the Town to purchase 10,000GPD of capacity in the City's sewer plant have been finalized. The Town of Chocowinity will serve a new residential subdivision within their jurisdiction. On January 12, 2009 the Council authorized the City Manager to write a letter to Chocowinity stating the City will extend sewer capacity not to exceed 10,000 gallons per day. Council discussed the maximum daily flow limit and monthly capacity received from Chocowinity. Mr. Holscher stated the contract should read: "Notwithstanding anything herein to the contrary, the total flow for any given day shall not exceed 150 percent of the total capacity (304,293 gallons per day) heretofore and hereby acquired by Chocowinity from Washington".

By motion of Councilman Woolard, seconded by Councilman Brooks, Council authorized the Mayor to execute an amendment to Contract and Agreement with the Town of Chocowinity for Sewer Capacity to state the average maximum daily flow limit cannot exceed 314,293 or 150% of the total capacity on any given day and allowed the City Attorney to correct the agreement with the stated terms.

ADOPT – RESOLUTION TO ADDRESS UNRESERVED FUND BALANCE

Mayor Pro tem Mercer noted that since the process for the Police Station has been continued, this item should be continued as well. By motion of Mayor Pro tem Mercer, seconded by Councilman Woolard, Council continued this item until further notice.

DISCUSSION - WALKWAY MATERIAL UNDER HWY 32 BRIDGE AT HAVENS GARDENS

Philip Mobley, Parks and Recreation Director stated that Bill Forman's engineering firm met with him a couple of weeks ago and evaluated the cost of a wood walkway versus a concrete walkway. If a concrete walkway is chosen it needs to be installed pretty soon as it would have to be installed prior to the bridge being complete. It would cost approximately \$15,000 more than installing a wood walkway and would last much longer than wood. The first \$15,000 appropriated was for the concrete pilings to be purchased and installed. The next item would be another \$15,000 appropriated for a concrete walkway instead of a wood walkway. Councilman Jennings voiced concern over the cost estimates. The cost for a concrete walkway instead of a wood walkway is actually \$27,000, which is approximately \$15,000 more than installing wood decking. Wooden decking could be installed after the bridge is installed. Councilman Brooks stated he knew that wood would be cheaper, but in the long run concrete will be more cost effective. Council agreed to the concept of having a concrete walkway, but has concerns on where funding will come from.

Councilman Davis made a motion to install a concrete walkway and find the funds, whether it be borrowing funds or some other method. Motion dies for lack of a second.

By motion of Councilman Jennings, seconded by Mayor Pro tem Mercer, Council agreed to take \$27,000 out of General Fund Reserves to install a concrete walkway under the Highway 32 Bridge at Haven's Gardens. Councilman Woolard opposed the motion.

DISCUSSION – CONSIDER OPTIONS FOR FUTURE USE/DEMOLITION OF CURRENT POLICE FACILITY (201 WEST THIRD STREET)

Council, by consensus continued this item until further notice.

ACCEPT – RATIFICATION OF BOUNDARIES OF WARREN FIELD AIRPORT DE-ANNEXED FROM THE CORPORATE LIMITS

City Manager Jim Smith, noted that on July 8, 2009, Council voted to de-annex Warren Field Airport from the corporate limits of the City of Washington. Subsequently, we worked with Representative Williams and Senator Basnight to execute the de-annexation by attaching it to a bill which was already pending in the Legislature. The intent of Council's action was to de-annex the airport to the extent that it created a tax incentive basing location for aircraft. All aircraft based at Warren Field are located either in the tie down areas or in t-hangers and privately owned hangers. All such locations are within the security fence line of the airport. The description of the area to be de-annexed was assumed to be the area within the fence line. In order to clarify the boundaries of the de-annexation for legislative purposes, a survey of the area within the fence was prepared and forwarded to Senator Basnight's office. Limiting the de-annexed area to the land within the fence line protects the opportunity to locate fully taxable commercial or industrial facilities within the areas adjacent to Warren Field Airport owned by the City outside the security fence.

Mayor Jennette stated this was introduced by Representative Williams and is scheduled for the third reading on Tuesday and is listed as Senate Bill 921. Councilman Jennings voiced concern over the concept of de-annexation and the hastiness of the process.

By motion of Mayor Pro tem Mercer, seconded by Councilman Brooks, Council ratified the boundaries of the area of Warren Field Airport to be de-annexed from the corporate limits of the City of Washington. Councilman Jennings opposed the motion.

AUTHORIZE – MAYOR TO SIGN LETTER REQUESTING ASSISTANCE FROM REPRESENTATIVE WILLIAMS AND SENATOR BASNIGHT IN REFERENCE TO THE NCDOT PROJECT B-4416

Jim Smith, City Manager stated they met today with NCDOT and believes we have worked out a compromise of the entire impact of the City's utilities funds (water, sewer & electric) that are being caused by the several highway projects that are underway. The City was billed approximately \$1.7 million under Section B of the US Highway 17 Bypass and under Section C billed another \$175,000. Just recently NCDOT requested the City move our main power line crossing the Highway 33 bridge project B-4416 without providing reimbursement for relocation at a cost in excess of \$700,000. The line in the existing location exceeds all applicable code requirements for all clearances from the bridge roadway prior to the project construction commencing and after all construction is complete. Mr. Smith stated at the meeting today a compromise was hopefully reached. The State will withhold 1/3 Powell Bill Funding for 20 years. By doing this, it is essentially an interest free loan to us for 20 years. There will be an inner fund loan from the water/sewer fund to the Powell Bill fund, so the water/sewer fund will pay back the Powell Bill Funds we are losing over 20 years at essentially a 0% interest loan for a maximum of 20 years. In regards to moving the main power line, there was strong commitment to amend the construction process to allow us not to relocate the lines. We are waiting to get this agreement in writing. The agreement regarding withholding Powell Bill Funds works out to the State withholding approximately 38% of funding.

ADOPT – ORDINANCE TO AMEND CHAPTER 9, SECTION 9-132 LOADING AND SPECIAL PURPOSE ZONES

Allen Lewis, Public Works Director explained a request was received from the owner of Washington Manor at 609 West Second Street for a loading zone at this address. This request is to provide for a designated area to load and unload residents and supplies for the home. The amendment will designate one parking space on the south side of Second Street at the western-most property line of 609 West Second Street.

By motion of Mayor Pro tem Mercer, seconded by Councilman Davis, Council adopted an ordinance to amend Chapter 9, Section 9-132 Loading and Special Purpose Zones, to include one parking space on the south side of West Second Street at 609 West Second Street.

AN ORDINANCE TO AMEND CHAPTER 9, SECTION 9-132: LOADING AND SPECIAL PURPOSE ZONES, OF THE WASHINGTON CITY CODE

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

Section 1. That Chapter 9 Section 9-132 -Loading and special purpose zones, be amended to add the following: Sec. 9-132 (a)(12) Loading zones. One (1) space on the south side of Second Street at the western-most property line of 609 West Second Street.

Section 3. All ordinances in conflict with this ordinance are hereby repealed.

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

This the 10th day of August 2009.

s/Cynthia S. Bennett
CYNTHIA S. BENNETT
CITY CLERK

s/Judy M. Jennette
JUDY M. JENNETTE
MAYOR

AWARD - BID TO ELJ, INC. FOR SELF-SERVICE FUELING AT WARREN FIELD AIRPORT

Jim Smith, City Manager noted that on July 29, 2009 at 11:00am bids were opened and read aloud for the Self Service Fueling Facilities at Warren Field Airport. The lowest bidder was ELJ, Inc. It is the recommendation of Talbert & Bright, the City Airport Engineers that the bid be awarded to ELJ, Inc. We are still awaiting final review from the Fire Marshall.

By motion of Councilman Jennings, seconded by Councilman Brooks, Council awarded the bid to ELJ, Inc. for Self Service Fueling Facilities at Warren Field Airport. The remainder of funds will be paid for by Federal Funding, once approval is received from the FAA.

APPOINTMENTS – VARIOUS BOARDS, COMMISSIONS, AND COMMITTEES

A. Planning Board – To fill expiring term of Dot Moate

By motion of Councilman Brooks, seconded by Councilman Woolard, Council re-appointed Dot Moate to the Planning Board with a term to expire June 30, 2012.

B. Board of Library Trustees - To fill the expiring term of Rachel Mills and the unexpired term of Anthony Franklin

By motion of Councilman Davis, seconded by Councilman Woolard, Council appointed Mary Moore Newkirk to the Library Board of Trustees to fill the expired term of Rachel Mills. Term to expire June 30, 2015.

Councilman Davis noted the filling of the remaining vacancy will be deferred until additional applications are received.

C. Human Relations Council – To fill the expiring term of Wanda Woolard Harvey

By motion of Councilman Woolard, seconded by Councilman Woolard, Council re-appointed Wanda Woolard Harvey to the Human Relations Council with a term to expire June 30, 2012.

ECONOMIC DEVELOPMENT COMMISSION

Mayor Pro tem Mercer stated PAS (Prettl Appliance Systems, USA Inc.) has a new contract and hopes to hire an additional 10-12 employees.

TOURISM DEVELOPMENT AUTHORITY

Mayor Jennette noted there was a feature article in the Charlotte Observer regarding Washington and was written by someone that participated in Cycle NC. Lynn Lewis, recently attended a marketing college and learned a great degree of valuable information.

HUMAN RELATIONS COUNCIL

Mayor Jennette noted the HRC will have a guest speaker, Margaret Schmitt to discuss a community dialogue project.

DOWNTOWN WASHINGTON ON THE WATERFRONT

Councilman Jennings noted DWOV and the Citizens for Revitalization are fully engaged in the revitalization project at this time.

WARREN FIELD AIRPORT

Council was updated on Warren Field Airport earlier this evening.

HAVEN'S GARDEN REPORT

Philip Mobley, Parks and Recreation Director updated Council on the status of the boat ramp at Haven's Gardens. Mr. Mobley stated Wildlife will be presenting some drawings regarding trailer parking for the boat ramp. This information will be presented to the surrounding business/property owners.

HARBOR MANAGEMENT REPORT

Nothing to report at this time.

FINANCIAL REPORTS

Matt Rauschenbach noted the audit will be finalized in September.

CLOSED SESSION – UNDER NCGS 143-318.11(A)(6) PERSONNEL G.S. 143-318.11(A)(3) ATTORNEY/CLIENT PRIVILEGE ; 143-318.11(A)(5) LAND ACQUISITION THE OLD BEAUFORT COUNTY HEALTH DEPARTMENT BUILDING.

By motion of Councilman Woolard, seconded by Councilman Davis, Council agreed to go into closed session at 8:35pm under NCGS 143-318.11(A)(6) Personnel; NCGS 143-318.11(A)(3) Attorney/Client Privilege and NCGS 143-318.11(A)(5) Land Acquisition – The old Beaufort County Health Department.

By motion of Councilman Woolard, seconded by Councilman Jennings, Council agreed to come out of closed session at 9:25pm.

OTHER ITEMS OF BUSINESS

Mayor Jennette noted the City of Washington has given the VFW permission to use the Veteran's Park for the Vietnam Memorial Moving Wall project and the VFW is responsible for the insurance for the project.

Mayor Jennette read an invitation to Council for a Celebration of Harvest for the Master Gardener Program at Cooperative Extension from 4:30pm-5:30pm.

Mayor Jennette reminded everyone of the sheets due for the City Manager's evaluation. The September meeting will be held on September 21, 2009 and there will

not be a Committee of the Whole in August or September. The City Manager's evaluation will be held on September 21, 2009.

By motion of Councilman Jennings, seconded by Councilman Davis, Council agreed to hold the City Manager's evaluation during the September 21, 2009 meeting.

ADJOURN

By motion of Councilman Woolard, seconded by Councilman Brooks, Council adjourned the meeting until September 21, 2009 at 4:30pm.

Cynthia S. Bennett
City Clerk

