

The Washington City Council met in a special session on Tuesday, March 8, 2011 at 8:00am in the City Council Chambers at the Municipal Building. Present were: Archie Jennings, Mayor; Bobby Roberson, Mayor Pro tem; Ed Moultrie, Councilman; Doug Mercer, Councilman; William Pitt, Councilman; Gil Davis, Councilman; Pete Connet, Interim City Manager; Franz Holscher, City Attorney and Cynthia Bennett, City Clerk.

Also present were: Mick Reed, Police Chief; Mike Voss, of the Washington Daily News; Kevin Ratigan, Architects Design Group; Bianca Gentile, Community Development Planner; Lt. William Chrismon, Police Dept.; Matt Rauschenbach, CFO; and David Carraway, IT Dept.

Mayor Jennings called the meeting to order and discussed the prayer breakfast being held this week at the Shriner's Building for the high school/middle school children.

APPROVAL/AMENDMENTS TO AGENDA

Councilman Mercer requested adding a discussion of outsourcing to the agenda. By motion of Mayor Pro tem Roberson, seconded by Councilman Pitt, Council approved the agenda as amended.

OUTSOURCING –GRASS MOWING

Councilman Mercer stated he has spoken with Bishop Jones(Purpose of God) regarding the possibility of his staff submitting a proposal for grass cutting around the City. John Rodman, Planning Director explained he has a list of properties that the City is responsible for cutting and will make sure Bishop Jones receives a copy. Councilman Moultrie wants to insure that this would not put any City of Washington employees out of a job.

PRESENTATION - POLICE FACILITY

Pete Connet, Interim City Manager explained the presentation agenda to Council. Chief Reed will review the needs analysis, Matt Rauschenbach will review expenses/budget, Kevin Ratigan, ADG will review the floor plan and project timeline. We will need to move forward with the Geotech/soil survey and the FAA release.

Chief Reed reviewed the history of this project. In 2003 a space needs analysis was prepared and in 2008-2009 the process was started to choose a site and an architect. In March 2009 we entered the first contract with ADG and June 2009 Council authorized the agreement with ADG. Our needs go beyond a simple space needs, we have changes in rules and regulations that we need to comply with. Chief Reed reminded Council of the time a member of the District Attorney's office came and spoke during a previous public hearing commenting on the needs of the department.

Mayor Jennings asked what the logistical challenges to having a Police Department outside the City's core in regard to "walk-in" visitors to the facility. Chief Reed stated our officers rarely respond from the Police Department as they are deployed and already on patrol of the City. We have over 200 "walk-in" customers per month after 5:00pm and weekends, these customers don't actually walk to the facility, they drive. The community expects our facility to be open 24 hours a day and desires a facility to hold community meetings. The new police facility will have a community meeting room. Mayor Pro tem Roberson stated he felt the selected location is the best place for the new Police Department.

Matt Rauschenbach reviewed the budget numbers and expenditures for this project. Mr. Rauschenbach stated Council approved \$3million for this facility. (\$1million –public safety fund; \$1million-borrowed; \$1million – other funding). Currently there is a shortfall of \$1,281,657 to build the facility as currently presented. The current space needs analysis is 15,638 sq.ft. and construction cost was based on that size structure. The City owns the land, but will have to contribute to airport improvements to offset the value of land for the facility.

Chief Reed stated the Emergency Operations Center located at Fire Station #2 is undersized for an EOC and training facility. The new Police Department is designed to house an appropriately sized EOC and community meeting facility. The current design incorporates the 2003 space needs, experience from himself and the architect on needed size and the function of the department. If we have to reduce the size from 15,000 sq. ft., then we will.

Councilman Moultrie stated if we are really serious about building the facility, then leave it to the professionals and let them do their jobs, this project has been going on for over a year. The longer we wait the price of construction could continue to increase. Mayor Pro tem Roberson stated we can reduce the amount of parking spaces and save approximately \$120,000. *Currently 92 parking spaces are in the plans at a cost of \$2900 per space. He further stated it is important to build an appropriately sized Regional EOC. Bianca Gentile stated we are pursuing a grant to assist in the construction of the EOC. Mayor Pro tem Roberson explained he is ready to move forward with the project.

*Councilman Pitt left the meeting at 9:00am.

Councilman Mercer asked if the soil will support the facility, has the site been tested? Mr. Connet noted the Geotech/soil analysis will cost approximately \$3900 and a detailed site survey/including topo at an estimated of \$6100. Staff was asked at the last meeting to get prices for the soil analysis. Mr. Rauschenbach stated in USDA funding allows for a 30 year term, up to \$3million at 4.125%.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council authorized staff to proceed with the Geotech/soil analysis not to exceed \$3900.

Outstanding Debt and Debt Service

2/25/2011

	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015
O/S Debt @ YE											
General Fund	624,736	1,348,336	3,632,311	3,756,711	3,662,599	3,263,981	2,937,196	2,835,530	2,730,386	2,621,634	2,509,140
Water Fund					1,487,222	832,708	567,583	324,765	69,806	0	0
Sewer Fund					4,005,622	3,329,135	2,867,152	2,414,536	1,964,152	1,601,644	1,329,839
Storm Water Fund					87,825	63,517	4,874,941	4,522,509	4,177,982	3,837,962	3,504,617
Electric Fund					1,992,399	2,321,836	2,490,357	1,701,612	973,441	314,424	127,392
Solid Waste Fund					211,431	159,735	250,927	185,236	117,722	65,441	36,040
Total	15,166,907	14,451,068	14,909,516	13,874,755	11,447,097	9,970,911	13,988,156	11,984,188	10,033,488	8,441,106	7,507,028
Debt Service:											
General Fund	448,781	384,143	376,483	383,693	564,182	545,191	514,189	224,284	224,211	224,140	224,067
Water Fund	1,214,328	1,175,212	1,175,616	1,087,306	949,405	717,840	301,749	268,499	269,713	73,091	-
Sewer Fund	821,372	1,028,492	1,031,903	993,415	931,876	809,270	571,898	544,759	524,733	418,950	314,172
Storm Water Fund	-	14,695	7,932	13,881	18,402	26,758	257,459	481,269	463,932	450,135	434,412
Electric Fund	387,908	825,719	880,675	979,168	1,153,652	1,532,777	799,181	856,594	771,144	678,870	192,756
Solid Waste Fund	-	-	66,523	61,687	65,340	57,221	53,187	71,160	71,160	54,136	30,301
Total	2,872,389	3,428,261	3,539,132	3,519,150	3,682,857	3,689,057	2,497,664	2,446,566	2,324,893	1,899,322	1,195,708
Change in Debt Svc.											
General Fund							(31,002)	(289,904)	(73)	(71)	(73)
Water Fund							(416,091)	(33,250)	1,214	(196,622)	(73,091)
Sewer Fund							(237,372)	(27,139)	(20,026)	(105,783)	(104,778)
Storm Water Fund							230,701	223,810	(17,337)	(13,797)	(15,723)
Electric Fund							(733,596)	57,413	(85,451)	(92,274)	(486,113)
Solid Waste Fund							(4,034)	17,972	-	(17,024)	(23,835)
Total							(1,191,393)	(51,098)	(121,673)	(425,571)	(703,613)

Preliminary Cost Estimation of Police Department Facility.			
Numbers taken in part from USDA Loan Application and updated info as known			
For Discussion Purposes only			
Expense Item		Est. Cost	Notes
Development and Construction		\$ 3,220,840	
	Building Cost \$ 2,754,840		based on 14,438 SF x \$180/sf and 1200 SF x \$120/SF
	Site Work Cost \$ 466,000		
Land Surveys & Appraisals, sites 1&2		\$ 15,000	\$11,475 paid to date
Land Cost/FAA/airport Improvements	(spread out over 4yrs to CRF)	\$ 200,000	Two appraisals--1@\$300,000 and 1@\$100,000
Legal and Administrative		\$ 20,000	Estimate from Atty.
Architect /Engineering fees (max.per contract)		\$ 257,667	8% of Development and Construction Line
Interest on Construction Loan		\$ 112,500	\$3 million, 2.5%, 18 months
Furniture/Fixtures/Equipment (FFE)		\$ 200,000	6.2% of Development cost
Contingency		\$ 200,000	6.2% of Development cost
Geotech/soils analysis		\$ 3,900	from actual quote
Detailed site survey/including topo		\$ 6,100	Estimate
Preliminary Reports/prior to Design contract		\$ 10,650	paid to date
Estimated Moving cost of the Department		\$ 35,000	Est. moving \$35,000
		\$ 4,281,657	
Revenue Sources			
Public Safety Capital Reserve fund		\$ 1,000,000	
USDA Loan		\$ 2,000,000	They will go up to \$3,000,000
		\$ 3,000,000	
Potential Funding Sources			
FEMA BUY OUT <u>NET</u> NEW MONEY	\$ 600,000		
EOC Grant Program	\$ 457,000		
	\$ 1,057,000		
Revenue/Expenses		\$ (1,281,657)	

Architect Phases and Associated Costs

As of March 1, 2011

Total Contract Fee	\$ 257,667
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Phase

Schematic Design (15%)	\$ 38,650	
Design Development (20%)	\$ 51,533	
Construction Documents (40%)	\$ 103,067	
Bid and Negotiation Phase (5%)	\$ 12,883	
Construction Phase (20%)	\$ 51,533	
	\$ 257,667	Total Design fees

Other Related fees and costs

		Phase
Legal and administrative - full project	\$ 20,000	All
Land surveys and Appraisals sites 1&2	\$ 15,000	Schematic & DD
Preliminary Reports/prior to Design contract	\$ 10,650	Schematic & DD
Geotech/soils analysis/detail site survey	\$ 3,900	Schematic & DD
detail site survey inc topo	\$ 6,100	Schematic & DD
	\$ 55,650	

Kevin Ratigen, ADG said when the project was originally considered as a feasibility we looked at the 500 year flood plain, USGS Soil Survey of the general area and the survey indicated that the site was suitable. But in order to know for certain would require soil borings. In order to get the maximum benefit of the soil borings, you need to know where the building is going to go so you can take deep penetration borings. You also need to have a concept of where the stormwater retention area will go so the perk analysis can be performed. This is where we are now and we have the design and layout of the building and stormwater retention and are ready for the soil analysis, detailed site survey including topo. The Board of Adjustment approved the site plan with the setbacks, variances and parking. We've looked at the needs for

parking and ways to economize on the needs of the project. The proposed size accommodates the current staff, allowing for the potential growth of approximately 15 officers/investigators in the next 5-10 years. The initial space needs study completed in 2003 recommended approximately 15,000sq.ft. and suggested in 2015 about 19,000 sq.ft. Councilman Mercer asked for an updated copy of the floor plan showing the appropriate square footage of offices/rooms.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council authorized staff to proceed with the detailed site survey including topo for a price not to exceed \$6,100.

Mr. Ratigan stated we need approval from the City Council to continue developing the plan, we can wait until we get the soil study back. The longer we wait, the possibility of the cost increasing also increases and we are approaching an end date for USDA funding. The project needs to be completed at the end of 2012 to accommodate for the complete close out of the project at the end of the first quarter 2013. The project needs to go out for bids in September/October 2011 in order to meet the schedule. The floor plan and design changed to reflect the plan that was approved by the Board of Adjustment.

Recess: 9:30-9:40am (Councilman Pitt returned at 9:45am)

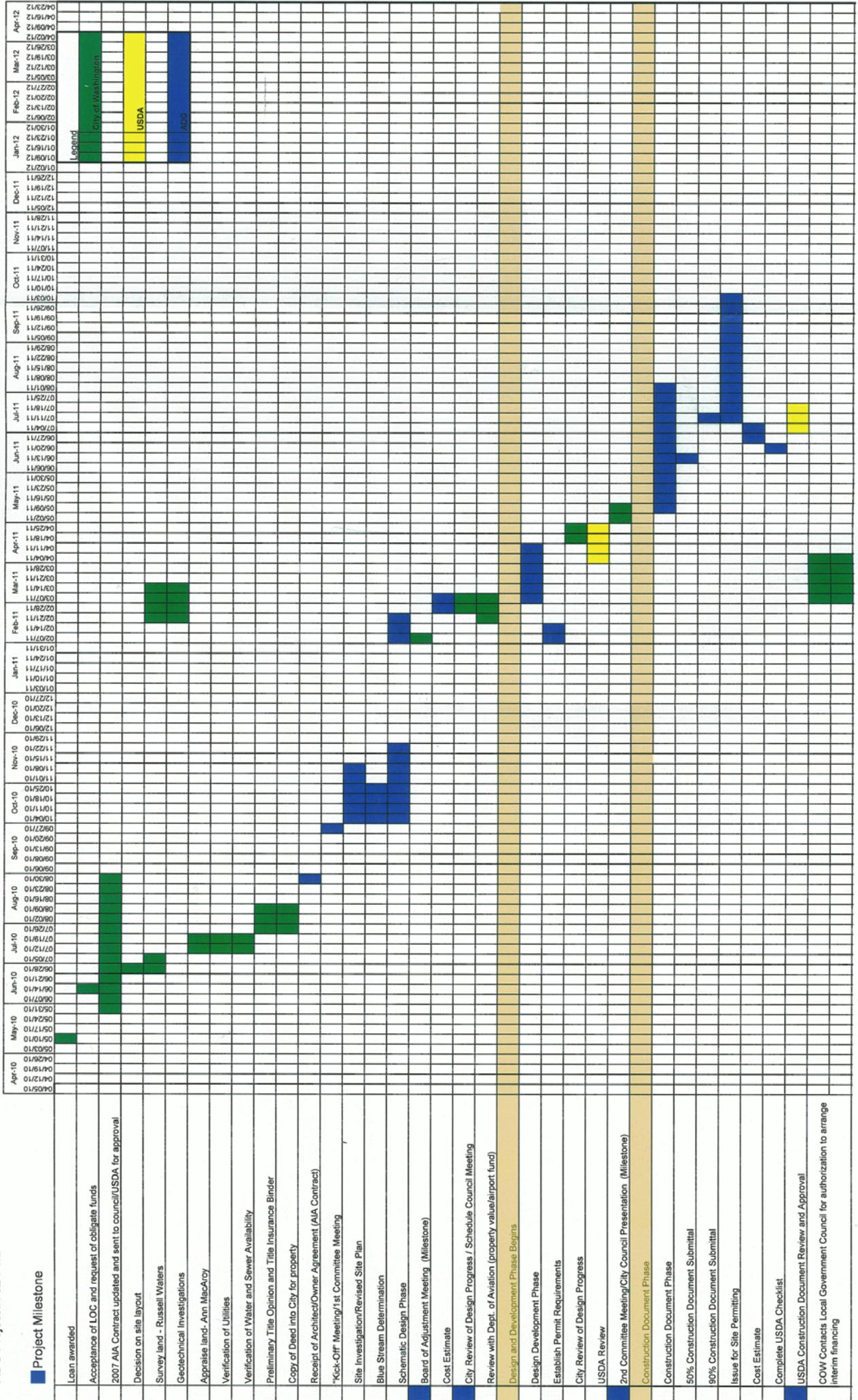
Kevin Ratigan reviewed the Police Department project schedule and the layout of the structure, reviewing the need for secure locations in the building. There are currently 92 parking spaces in the plan and a 15,150sq.ft. structure. Councilman Mercer voiced concern with the design and layout of the structure on the property and felt the ditch needed to be filled in to square off the property. Mayor Pro tem Roberson stated it is not cost effective to fill in the ditch and we should use the design we have because it will fit on the parcel as it is. Mr. Ratigan stated we reconfigured the site, so we would only need a variance on the ditch side, it would be detrimental to the project to have to fill the ditch and change the layout and design. By a straw poll, Council agreed with the design and layout of the structure(Councilman Mercer opposed).

By motion of Mayor Pro tem Roberson, seconded by Councilman Pitt, Council authorized the City Attorney to proceed with the necessary documents to file the FAA Release, subject to the soil reports being returned with the appropriate findings.

Council gave staff a general direction to continue moving forward with the project to remain on schedule and to continue searching for cost saving efforts. Mr. Ratigan will bring a copy of the floor plan showing the square footage of each room and refined financial numbers for the April 11th Council meeting.

Washington Police Facility

Project Schedule/List of Tasks
Washington, NC Police Facility
ADG Project#: 824-1.2



Washington Police Facility

Project Schedule/List of Tasks
Washington, NC Police Facility
ADG Project #: 824-1.2

Project Milestone	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Nov-11	Dec-11	Jan-12	Feb-12	Mar-12	Apr-12	
Pre-Application Meeting with LGC																										
Public Notice - Hearing to Discuss Financing																										
Approval of final plans by regulatory agencies: DOI, Soils and Sed/ Erosion Control, DENR (water/sewer), DOT Facilities																										
Plans and Specs approved by USDA Rural Development Office																										
Authorization to advertise for construction bids																										
Bid Phase																										
RFP Interim Construction Financing																										
City Council Approves Resolution																										
Public Hearing - Scope and Financing																										
LGC Application Submitted																										
Council Awards Interim Financing Bid																										
LGC Approves Debt																										
Debt Issued																										
RFP for construction																										
Receive Bids/Analyze/Recommend Award																										
City Council Presentation/Award Construction Contract																										
Construction Phase (12 months)																										
Construction Phase (12 months)																										

ADJOURN

By motion of Councilman Davis, seconded by Councilman Pitt, Council adjourned the meeting until March 14, 2011 at 5:30 pm in the Council Chambers at the Municipal Building.

Cynthia S. Bennett, CMC
City Clerk