

The Washington City Council met in a regular session on Monday, August 25, 2014 at 5:30pm in the City Council Chambers at the Municipal Building. Present were: Mac Hodges, Mayor; Bobby Roberson, Mayor Pro tem; Doug Mercer, Councilman; William Pitt, Councilman; Richard Brooks, Councilman; Larry Beeman, Councilman; Brian M. Alligood, City Manager; Cynthia S. Bennett, City Clerk and Franz Holscher, City Attorney.

Also present were: Matt Rauschenbach, Administrative Services Director/C.F.O.; Robbie Rose, Fire Chief; Allen Lewis, Public Works Director; Keith Hardt, Electric Utilities Director; Lynn Wingate, Tourism Director; Gloria Moore, Library Director; Susan Hodges, Human Resources Director; John Rodman, Community & Cultural Resources Director; Kristi Roberson, Parks & Recreation Manager; and Mike Voss, Washington Daily News.

Mayor Hodges called the meeting to order and Councilman Pitt delivered the invocation.

APPROVAL OF MINUTES:

By motion of Mayor Pro tem Roberson, seconded by Councilman Brooks, Council approved the minutes of August 11, 2014 as presented.

APPROVAL/AMENDMENTS TO AGENDA:

Mayor Hodges reviewed the requested addition to the agenda

- Add - under Consent Agenda Item A: Purchase Orders >\$20,000 (Underground Solutions for the Hwy 17 bore)

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council approved the agenda as amended.

PRESENTATION: WOODIE WILSON – ELECTRICITIES SAFETY AWARD

ElectriCities Safety Program Director, Mr. Woodie Wilson reported the Electric Department had no lost time accidents and presented a safety award certificate to Mayor Hodges, Keith Hardt, Electric Utilities Director and the Electric Department staff.



Keith Hardt, Ed Pruden Scott Sipprell, Alston Tankard, Robert Lowe, Jason Foreman, Phil Cameron, Richard Alligood, Bob Godfrey, Russell Seymour, Kenny McConville, Scott Owens, Andy Pollard

CONSENT AGENDA: UNDERGROUND SOLUTIONS FOR THE HWY 17 BORE IN SWAMP UNDER HIGHLINE

Councilman Mercer inquired if the request was just for the bore and if the City will be providing the pipe, Keith Hardt responded ‘yes’ to both inquiries.

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council approved the requisition to Underground Solutions of North Carolina, LLC – bore in 1200’ of 3’ pipe x 4 in the amount of \$33,600.

COMMENTS FROM THE PUBLIC: NONE

PUBLIC HEARING ON ZONING: NONE

PUBLIC HEARING – OTHER: NONE

**SCHEDULED PUBLIC APPEARANCES: DEEP FRIED CREATIVE –
WAYFINDING PROGRAM**

Community & Cultural Resources Director, John Rodman stated we are approaching another milestone and staff wishes to ensure Council is aware of the progress we've made so far. Mr. Rodman introduced Adam Feldhousen and Dustin Dixon representing Deep Fried Creative Advertising who is performing the design work for the City. Also, comments from the public were received approximately a month ago and we received responses from the survey consisting of approximately 137 people. Staff would like to receive direction from Council so we can begin determining the number of signs, locations, and the cost.

Mr. Feldhousen and Mr. Dixon updated Council on the design and Mr. Feldhousen stated that the design description is "a fair representation of what the public would like to see and what we would like to see." The design was narrowed down to two (2) out of the five (5) concepts that were presented. Concept A incorporated a historic look and Concept B incorporated a modern look.

Mayor Pro tem Roberson inquired how the sign would be mounted and was advised it would depend on the location of the sign, all of which will be addressed during the next stage of the project. Mayor Pro tem Roberson inquired if it would be the City's responsibility to take down the existing signs? Mr. Feldhousen stated they would confer and work with NCDOT in determining who does what.

Councilman Pitt asked the life of the signs and the response was 'indefinitely'. The sign will have the longevity of any other wayfinding signage and they feel this design is very final. Mr. Dixon voiced the metal sheeting is of considerable weight and strength, it is rust-resistant and easy and low cost to maintain. Also, Mr. Dixon stated metallic decals would be used as letters on the signs.

Councilman Mercer inquired if Deep Fried Creative could present a color picture that would show the combination of the blue, black and white design. Mr. Feldhousen called Council's attention to page 11 of their agenda. The post will be black and the sign itself will be blue. Unfortunately, they do not have an exact replica of the sign developed to present to Council tonight. The color blue on the signs is consistent with the existing City logo. Council was in agreement with the project moving forward to the next phase.

(begin memo) The word wayfinding has become an integral part of community planning and the creation of places that offer unique and memorable experiences to the public. Wayfinding improves circulation and directs visitor dollars where they have the most impact. Retail environments thrive when visitors can easily find their way there. Districts become popular destinations when a brand-supportive wayfinding system illuminates a clearly marked path for patrons.

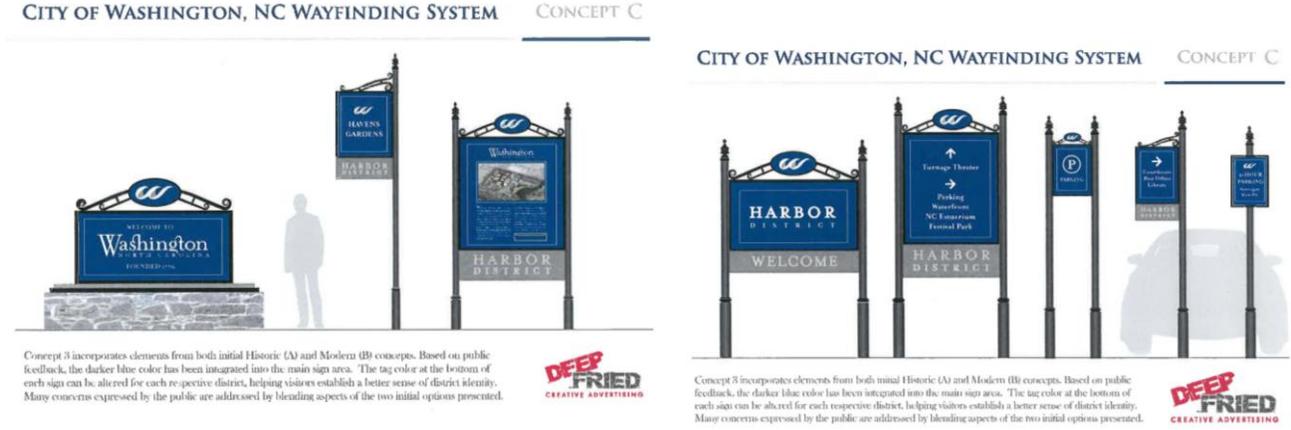
The City Council authorized the establishment of a Wayfinding Program. The Wayfinding Steering Committee was assembled in October (2013) to work with staff to develop a wayfinding signage program that included a vision, goals and objectives and information on signage. We expected about 7 or 8 meetings of the committee, roughly monthly in order to accomplish the scheduled items. The checked items are the ones that have been completed as to date:

- ✓ Establish a Steering Committee.
- ✓ Determine goals and objectives.
- ✓ Identify entranceways & gateways.
- ✓ Determine destinations: What places do people need to find?
- ✓ Identify routes: What are the paths that people need to take?
- ✓ Locate Decision Points.
- ✓ Develop sign inventory.
- ✓ Determine design concepts.
- ✓ **Public Participation**
- 1. Installation - # of signs and locations.**
- 2. Provide costs & draft plan.**

The "public participation" portion of the program has recently been accomplished. Deep Fried Creative Consultants prepared detailed designs for each of the various sign types that was presented during a public input session held at the Senior Center. The information gathered from this input

session plus the information obtained through online surveys allowed Deep Fried Creative to complete a final draft of the proposed signage.

This final draft of the Wayfinding Signage images are presented to the Council in order to receive consensus on the design in order to move to the next step in the process. If you have any questions or I may further assist you in any way please don't hesitate to let me know. (end memo)



CORRESPONDENCE AND SPECIAL REPORTS:
DISCUSSION – GRANT UPDATES

Councilman Mercer commented on the financials received today, noting it appears that all the projected salaries are running about 3.1% – 3.2% and inquired if this was because of the timing of the pay periods. Administrative Services Director/C.F.O., Matt Rauschenbach stated it is due to pay period timing.

Grant Executive Summary
as of 7/31/2014

Fund	Grant Description	Dates			Financials				Deliverable			Compliance Reporting Status	Notes	
		Award	Expiration	Completion	Budget	Actual	Expense Budget	Actual	Metric	Total	Achieved			Bal.
50	CDBG Affordable Housing	04/09/10	10/31/14	10/31/14	227,700	185,719	227,700	185,719	LMI homes	10	5	5	06/30/14	2 add'l homes expected by 10/31, \$26k clawback net of \$30k escrow
51	Blue Goose	03/01/13	03/01/15	02/01/15	350,000	354,048	350,000	340,000	Jobs (60%/M)	16	16	0		Job creation targets met, close project in September
52	Comprehensive Bicycle Plan	05/28/11	12/31/13	06/30/14	35,000	30,430	35,000	32,288				0		Submit updated draft to DOT by August 20th
55	idX/Impressions NC One Grant	09/30/13	09/30/16		300,000	-	300,000	-	Jobs/Investment	160	0	160	01/31/14	Jobs created but not since award date
57	CDBG for Job Creation	07/06/12	01/16/15	07/06/14	200,000	195,539	200,000	196,182	Jobs(7 new/1 ret.)	8	8	0	06/30/14	DCA monitoring visit 8/26
61	Pedestrian Plan Grant	05/20/13	09/30/13	12/31/14	10,000	10,000	10,000	-				0		Plan being drafted, distribute to steering committee
65	Econ. Development- Spinrite	01/07/12	01/07/15	01/07/15	90,000	90,413	90,000	67,500	Jobs	90	76	14		84% of job target met, 75% reimbursed
66	Airport Terminal Grant	04/04/13	07/01/15	03/31/15	1,255,902	643,128	1,255,902	303,342				0		Construction begun, complete by January 2015
67	Facade Grant Program	07/01/13	06/30/14	06/30/14	20,000	6	20,000	-				0		Two \$2k reimbursements in progress
69	Way Finding				150,000	150,000	150,000	3,288				0		Design development in progress, public input meeting July 22nd
71	Airport Lighting Rehab				361,111	36,111	361,111	9,821				0		Executed grant agreement received, initial design begun
76	EDA Water Projects	09/11/13	03/11/17	02/28/17	1,428,262	706,518	1,428,262	30,127				0		Eng. bid awarded, topo surveys begun, award const. Dec 2014
77	EDA Sewer Grants	09/11/13	03/11/17	02/28/17	1,423,894	703,974	1,423,894	124,531				0		Eng. bid awarded, topo surveys begun, award const. Dec 2014
78	Light House RR & Boater Facility	01/17/12	01/17/15	06/30/14	346,507	96,878	346,507	274,810				0		Construction complete, grant agency closeout visits in August
	CDBG Keyville Rd.	2005	6/4/2013	06/30/16	320,000	320,000	320,000	320,000				0	06/30/14	3 homes in progress, remaining 2 homes complete by 10/31/14
32	TAG- Sanitary sewer study	05/12/14		08/09/14	35,000	-	35,000	-						Engineering study in progress
10	NC Cardinal	07/01/14		06/30/15	22,345	-	22,345	-						Grant awarded, complete by 6/30/15

Applications	Pre-App	Selected	Final App	Grant	Match	Total	Notes
Public Access- Peoples Pier	2/28/14			120,000	30,000	150,000	Application submitted
Public Access- Havens Garden	5/30/14	6/20/14	9/15/14	180,000	20,000	200,000	May memo to Council
FEMA- turnout wash/dry, vehicle exhaust				399,000	21,000	420,000	Grant awarded 8/15/14
FEMA- Fire vehicle, turnout wash/dry, vehicle exhaust							Not selected, include in 2015/2016 operating budget
Historic Preservation Grant				14,000	4,000	18,000	Tentatively awarded, inventory/walking tour info development
Police Bullet Proof Vests							

DISCUSSION – PROJECT UPDATES

Capital Project Status FY 2014/2015

8/19/2014

Fund/Department	Account	Description	Budget \$	Spent	Open PO	Balance	Status	Notes
General Fund:								
IT	10-00-4132-7400	Wireless Bridge- sewer plant	1,206	0	1,206	0	On order	1
		Redundant PRI	6,917	0	6,917	0	In progress complete by end of Sept.	1
		Redundant Cisco phone svr.	19,063	0	19,063	0	In progress complete by end of Sept.	1
		IP addressing	1,520	0	1,520	0	Complete after PRI	1
		Total IT	28,706	0	28,706	0		
Police	10-10-4310-7400	Vehicles #132, 141,148,140	134,000	0	0	134,000	Bid out in September	
Fire	10-10-4340-7400	Thermal imaging camera	8,105	8,094	0	11	Complete	1
		Support vehicle 1	29,500	425	0	29,075	Bid out in September	
		Total Fire	37,605	8,519	0	29,086		
Planning	10-10-4910-7400	Streetscape	25,000	0	0	25,000	Committee formed	
Powell Bill	10-20-4511-4500	Street Paving	469,439	0	211,231	258,208	Complete by December	2
Street Maintenance	10-20-4510-7400	Dump truck #454	75,000	0	62,780	12,220	On order	
Library	10-40-6110-7400	PC virtualization	25,000	0	7,929	17,071	On order	
Outside Agency	10-40-6170-9113	Veterans Park Sign	6,920	0	2,520	4,400	Block work completed	1,2
Waterfront Docks	10-40-6124-7000	Lighthouse facility furnishings	5,000	0	5,000	0	Complete in August	1
Rec. Maintenance	10-40-6130-7400	3rd St ball field RR	59,630	7,400	52,230	0	In progress, complete in September	1
		Utility trucks # 807 & 810	63,783	0	63,783	0	On order	
		Total Rec. Maintenance	123,403	7,400	116,003	0		
Total General Fund			930,073	15,919	434,169	479,985		
Water:								
Water Meter Svc.	30-90-7250-7000	AMR meters	110,000		10,000	100,000	Encumber by Dec., complete March	1
Water Treatment	30-90-8100-7400	Van #552 & pickup #665	40,000		38,092	1,908	On order	
Water Maintenance	30-90-8140-7400	Truck #414 body	7,393	7,393		0	Complete	1
Water Construction	30-90-8180-0400	18" VIL engineering	61,653		61,653	0	Construction begins Dec., permit submitted	1
	30-90-8180-7400	Summit Ave. water line	158,806		75,432	83,386	Complete by October 1	1,2
		Total Water Fund	387,851	7,393	185,185	195,294		
Sewer:								
Wastewater Treatment	32-90-8220-7000	Blast & paint clarifiers 1&2	14,600		14,600	0	On order	1
	32-90-8220-7400	Vehicle #548	25,000		24,628	372	On order	
	32-90-8220-7400	Effluent control panel	24,000			24,000	Encumber by October, complete Dec.	
	32-90-8220-7400	Tractor equipment	17,000		16,883	117	On order	
Lift Stations	32-90-8230-7400	Rebuild 5th&Respass pump c	35,000			35,000	Encumber by October, complete Dec.	
	32-90-8230-7400	Fourtain L.S. generator	8,664	33	8,631	0	Complete in September	1
		Total Sewer Fund	124,264	33	64,742	59,489		

Capital Project Status FY 2014/2015

8/19/2014

Fund/Department	Account	Description	Budget \$	Spent	Open PO	Balance	Status	Notes
Electric:								
Electric Director	35-90-7220-0400	Peak Shaving Rate Study	8,962		8,962	0		1
		Total Electric Director	8,962	0	8,962	0		
Electric Meter Service	35-90-7250-7400	Test Switches	1,740		1,740	0	On order	1
		Meters & handhelds	75,000			75,000		
		Total Electric Meter Svc.	76,740	0	1,740	75,000		
Substation Maint.	35-90-8370-7400	Eastern substation breaker	46,513		46,513	0	On order	1
		VQA recloser	20,000			20,000		
		Distribution reclosers	20,000			20,000		
		Capacitors	8,000			8,000		
		E. substation security system	2,500			2,500		
		FRHL & Whar St. bus metering	5,500		4,920	580	On order	
	35-90-8370-7401	Main substation rebuild	250,000			250,000		
		Total Substation	352,513	0	51,433	301,080		
Load Management	35-90-8375-7400	Load management switches	70,000			70,000		
Power Line Construction	35-90-8390-7400	2nd St./5th St Rebuild Engine	71,538			71,538	Project ongoing, complete by Sept 30	2
		High School Feeder relocation	114,332		105,755	8,577	Project ongoing, complete by Oct 31	1,2
		Grimesland Feeder Engineering	73,226		33,226	40,000	Project ongoing, complete by Oct 31	1,2
		NC 32 Feeder Engineering	32,299		15,193	17,106	Project ongoing, complete by Sept 30	1,2
		White Post/Slatestone Feeder	100,000			100,000	Delayed to FY 15. Not started	2
	35-90-8390-7401	NC 32 Feeder rebuild	325,000			325,000	Not started	
		2nd St./5th St Rebuild	300,000			300,000	Compiling material and const. specs.	
		Line truck #117	230,000			230,000	Compiling specs	
		Dually F350 #613	50,000			50,000	Compiling specs	
		Portable air compressor	20,000			20,000	Compiling specs	
		Total Power Line Construct	1,316,395	0	154,173	1,162,221		
		Total Electric Fund	1,824,611	0	216,309	1,608,301		
Solid Waste Collection:	38-90-4710-7400	Two leaf machines	60,000		51,042	8,958	On order	
		Total Solid Waste	60,000	0	51,042	8,958		
Cemetery:								
Cemetery Fund	39-90-4740-5600	Storm drain repairs	7,223		7,223	0	Complete in August	2
	39-90-4740-7400	Two equipment sheds	30,000			30,000	Completed by December 31st	
		Total Cemetery	37,223	0	7,223	30,000		
Grand Total		Grand Total	3,364,021	23,344	958,650	2,382,027		

Notes:
1 PO carryforward
2 Project carryforward

MEMO: LIBRARY STORAGE SHED MAINTENANCE

(begin memo) The patron PC virtualization project at the Brown Library is budgeted for \$25,000 and bids came in at \$7,929. The storage shed located on the Bridge St. side of the library is in need of some fairly significant repairs and maintenance. Staff recommends utilizing \$3,035 of the available balance from the PC virtualization project to complete the work. The scope of the work included pressure washing the building, replacing rotten sections, scraping, sanding, and painting the building and roof. The shed repair and maintenance was not included in the FY 14-15 budget. The shed is used to store grounds, maintenance equipment and books for the Friends of the Library book sale.

REPORT: LOAD MANAGEMENT DEVICE INSTALLATION FOR THE MONTH OF JULY

Load Management Device Installation Project Report

Project Start Date : October 2010

	July 2014	Project to Date	Current Saturation
Total Load Management Device Installations	55	2,863	
Total Accounts Added with Load Management	37	2,060	
Appliance Control Installations			
Air Conditioner / Heat Pump	41	2,140	48%
Auxiliary Heat Strip	19	1,088	47%
Electric Furnace	2	278	42%
Water Heater	23	1,658	52%
Total Encumbrances to Date			
Load Management Devices		\$ 130,600	
Contractor Installations		\$ 280,000	
Total Project Encumbrances		\$ 410,600	
Total Expenses to Date			
Load Management Device Purchases		\$ 130,600	
Contractor Installation Expenses	\$ 4,750	\$ 281,685	
Total Project Expenses		\$ 412,285	
Average Cost per Load Management Device Installed		\$ 144.00	
Average Installed Cost per Controlled Appliance		\$ 79.84	

REPORTS FROM BOARDS, COMMISSIONS AND COMMITTEES: NONE

APPOINTMENTS: NONE

OLD BUSINESS:

**ADOPT – RESOLUTION TO CONVEY SURPLUS REAL PROPERTY LOCATED AT
126 NORTH MARKET STREET IN THE AMOUNT OF \$22,000**

By motion of Councilman Mercer, seconded by Mayor Pro tem Roberson, Council adopted the Resolution to convey surplus real property located at 126 North Market Street, Washington, North Carolina, also known as “Old City Hall” to Rachel J. Midgette in the amount of \$22,000 and authorized the Mayor to sign all the necessary legal documents to convey the surplus property.

**RESOLUTION STATING THE INTENT OF THE CITY OF WASHINGTON
TO CONVEY SURPLUS REAL PROPERTY LOCATED
AT 126 NORTH MARKET STREET**

WHEREAS, the City of Washington has declared the real property having an address of 126 North Market Street to be surplus to the need of the City.

WHEREAS, the upset bid procedure for selling real property, as outlined and set forth in North Carolina General Statute § 160A-269, has be followed.

WHEREAS, the required notices for the upset bid process were advertised in the Washington Daily News. The notices described the property, set out the amount and terms of the original offer as well as any subsequent offers, and specified the requirements for submission of a qualifying upset bid and any subsequent qualifying upset bids.

WHEREAS, the upset bid process having concluded, the final, highest qualifying bid (offer) is now being reported to City Council for their consideration.

NOW THEREFORE BE IT RESOLVED: The final, highest qualifying bid (offer) in the amount of \$22,000.00 is accepted by the City of Washington and the Mayor is hereby authorized to execute all the legal documents necessary to convey the property located at 126 North Market Street to Rachel J. Midgette consistent with the terms of the Special Warranty Deed.

Adopted this the 25th day of August, 2014.

ATTEST:

**s/ Cynthia S. Bennett
City Clerk**

**s/Mac Hodges
Mayor**

1852 PG 888

FOR REGISTRATION REGISTER OF C
Jennifer Leggett Whittemore
Beaufort County, NC
August 27, 2014 01:58:53 P
Book 1852 Page 888-892
FEE: \$26.00
INSTRUMENT # 2014003828

1852 PG 889



INSTRUMENT # 2014003828

BEAUFORT COUNTY LAND RECORDS
ROUTING FORM: 41491
8-22-14
Land Records Official Date

PREPARED BY AND RETURN TO:
RODMAN, HOLSCHER, PECK & EDWARDS, P.A.
Attorneys at Law
320 North Market Street
Post Office Box 1747
Washington, NC 27889
Telephone: (252) 946-3122

NO REAL ESTATE
TAX PAID

STATE OF NORTH CAROLINA
COUNTY OF BEAUFORT

SPECIAL WARRANTY DEED

THIS SPECIAL WARRANTY DEED, made and entered into this the 27th day of August, 2014, by the CITY OF WASHINGTON, a municipal corporation of the State of North Carolina, Grantor, whose address is: 102 East 2nd Street, Washington, North Carolina 27889, and, and to RACHEL J. MIDGETTE, Grantee, whose address is: 322 Post Road, Bath, NC 27808.

WITNESSETH

Grantor, pursuant to North Carolina General Statute § 160A-269 and for and in consideration of the sum of Ten Dollars (\$10.00) and other valuable considerations to it paid by the Grantee, the receipt whereof and legal sufficiency of which is acknowledged, has given, granted, bargained, sold and does hereby convey unto the Grantee that certain tract or parcel of land lying and being in the City of Washington, County of Beaufort, North Carolina, commonly known as 126 North Market Street, Washington, North Carolina and more particularly described as follows.

BEGINNING at an X cut in concrete, said X being more particularly located by beginning at US Coast and Geodetic Station "Z-25" and running therefrom South 60° 30' 10" West 240.44 feet to an X in concrete, the point and place of beginning. Thence from said beginning point so located South 41° 30' 00" West 42.24 feet to a nail set in a common wall between the property described herein and the property now or formerly owned by Gregory M. Ward; thence with the centerline of said wall and continuing North 47° 51' 48" West 101.94 feet to an iron rebar; thence North 42° 01' 15" East 41.29 feet to a magnetic nail; thence

THE GRANTOR HEREIN STATES THAT THE PROPERTY DESCRIBED IN THIS DEED IS OR IS NOT ITS PRINCIPAL RESIDENCE. (Please initial correct blank)

NO TITLE WORK REQUESTED OR PERFORMED BY
RODMAN, HOLSCHER, PECK & EDWARDS, P.A.

1852 PG 890

Appropriateness, or any repairs that are required to stabilize or protect said structure and that do not require a Certificate of Appropriateness but would require a building permit or other formal approval or permit, may be made after securing the appropriate permits or approvals and may be done in parallel with the overall schedule as well as timeframe outlined herein and shall not constitute a violation hereof or cause an acceleration of said schedule or timeframe.

i. In the event of a violation of any term, provision, condition, covenant, or requirement of this deed, Grantor then shall have an option to repurchase the Property, provided Grantor shall provide Grantee written notice of the nature of the violation and Grantee shall not have corrected the same within ninety (90) days next following the date of said notice. The repurchase of the Property by Grantor pursuant to the exercise of the option retained hereby shall be for a repurchase price equal to the original purchase price paid by the Grantee to the Grantor for this Property, plus any verified and documented amount that has been drawn down by Grantee on any construction loan authorized by the City Manager and utilized in furtherance of the Rehabilitation, plus any other documented and verifiable costs of materials and third party labor (that were not satisfied from the funds of any construction loan) that were used in furtherance of the Rehabilitation and that are accepted and approved by the City Manager in his reasonable discretion. The closing for said repurchase shall occur within sixty (60) days of the expiration of said ninety (90) day period.

j. As further consideration for this conveyance, Grantee hereby conveys to Grantor the following first right of refusal. In the event of any contemplated sale of the Property or any portion thereof by Grantee or any successor in title thereto, first right of refusal as to any bona fide offer to purchase must be given to Grantor, its successors or assigns. If Grantor decides to exercise this first right of refusal, it shall notify the then owner of its willingness to purchase the Property within sixty (60) days of its actual receipt of the written notice of such bona fide offer. In the event Grantor exercises its first right of refusal, Grantor shall be entitled to purchase the entire Property and the purchase price shall be the amount provided for in the preceding paragraph i. Failure of Grantor to notify the then owner of its intention to exercise its first right of refusal within such sixty (60) day period shall free the then owner to sell the Property pursuant to the bona fide offer.

k. With the exception of subsection b of this Section 3, these terms, provisions, conditions, covenants, and requirements, including any one or more of them, may be extinguished only by written agreement executed by the then current owner of the Property and Grantor, its successors or assigns, and recorded in the Beaufort County Registry or by judicial proceedings. Within sixty (60) days of the completion of the Rehabilitation and the issuance of a Certificate of Occupancy, the then current owner of the Property and Grantor, its successors and assigns, shall enter, execute, and record in the Beaufort County Registry a written agreement to extinguish and terminate the terms, provisions, conditions, covenants, and requirements of subsection a and subsections c-n (excepting subsection b) of this Section 3, including but not limited to the option to repurchase and first right of refusal herein described.

l. Grantee hereby covenants to fulfill the terms, provisions, conditions, covenants, and requirements herein and the same shall be covenants and restrictions running with the land, which shall bind Grantee, Grantee's administrators, successors and assigns, unless and until the same are terminated consistent herewith.

South 48° 23' 55" East 101.56 feet to an X cut in concrete, the point and place of beginning and being the same property as shown on that certain survey by Waters Surveying, Inc. dated May 29, 2009 and being that same property deeded to the City of Washington by deed dated October 7, 2009 recorded in Book 1699, Page 981, Beaufort County Registry, to which survey and deed reference is herein made for a more complete and adequate description.

TO HAVE AND TO HOLD the same (hereinafter referred to as the "Property"), together with all and singular, the rights, ways, privileges and appurtenances therunto belonging or in anywise appertaining unto the said Grantee, its successors and assigns, subject, however, to the following.

1. 2014 Beaufort County Ad Valorem taxes.
2. Such easements, rights-of-way and restrictions of record in the Beaufort County Registry.
3. Grantee shall comply with the following terms, provisions, conditions, covenants, and requirements entered into by and between the parties hereto, which terms, provisions, conditions, covenants, and requirements shall be covenants of this deed and this conveyance, running with the land until such time as the same may be terminated as provided for herein.
 - a. Grantee shall rehabilitate (hereinafter referred to as the "Rehabilitation") and put to use, the structure located upon the Property within forty-eight (48) months of the day and year first above written.
 - b. Among other things, Grantee shall comply with the zoning ordinance for the City of Washington, North Carolina, including but not limited to those provisions governing the Historic District, the Historic Preservation Commission, and the Historic Preservation Commission design guidelines, as the same may be amended. Notwithstanding anything herein to the contrary, this provision (subsection b) shall survive any termination provided for herein.
 - c. Grantee shall submit an application for a Certificate of Appropriateness for the Rehabilitation to the Historic Preservation Commission within six (6) months of the day and year first above written.
 - d. Grantee shall submit an application for a building permit and an application for any other approval or permit required for the Rehabilitation within three (3) months of the date the Certificate of Appropriateness is approved.
 - e. Grantee shall begin the Rehabilitation within six (6) months of the date the building permit is approved.
 - f. Grantee shall complete the Rehabilitation and all work authorized by the Certificate of Appropriateness, building permit, and any other approval or permit required for the Rehabilitation within twenty-four (24) months of the date said work begins.
 - g. During the timeframe outlined above, and until the Rehabilitation is complete and a Certificate of Occupancy is issued, Grantee shall not permit, suffer, or allow any mortgage, loan or other lien whatsoever to be held by any mortgagee or other lien holder against the Property and will not enter or be a party to any type of financing, transaction, or other relationship that would result in a lien against the Property except for a construction loan approved by the City Manager of the City of Washington that allows periodic withdrawals based upon completion of the work in furtherance of the Rehabilitation as well as the Certificate of Appropriateness, building permit and any other approval or permit required for the Rehabilitation.
 - h. Any repairs to said structure that would require a Minor Works Certificate of

1852 PG 891

m. Grantee agrees for Grantee's administrators, successors and assigns, that in the event the Property is sold or otherwise disposed of, the terms, provisions, conditions, covenants and requirements contained herein will be covenants running with the land unless and until the same are terminated consistent herewith.

n. By virtue of Grantee's signature below and the acceptance as well as recordation of this conveyance and deed, Grantee agrees to be bound by and/or perform all of the terms, provisions, conditions, covenants, and requirements contained herein unless and until the same are terminated consistent herewith.

By virtue of Grantee's signature below and the acceptance as well as recordation of this conveyance and deed, Grantee agrees to be bound by and/or perform all of the terms, provisions, conditions, covenants, and requirements contained herein.

Grantor covenants with the Grantee that it has done nothing to impair such title as said Grantor received, and it will warrant and defend the title against the lawful claims of all persons claiming by, under or through said Grantor.

IN WITNESS WHEREOF, the CITY OF WASHINGTON, a municipal corporation, Grantor, has caused this instrument to be executed in its name by its Mayor, attested by its City Clerk, and its corporate seal to be hereunto affixed, all by proper corporate authority duly given, and Grantee, intending to be legally bound hereby, has caused this instrument to be executed this the day and year first above written.



Cynthia S. Bennett, City Clerk

CITY OF WASHINGTON

BY: *Jay MacDonald Hodges* (Seal)
Jay MacDonald Hodges, Mayor

GRANTEE

Rachel J. Midgette
RACHEL J. MIDGETTE

1852 PG 892

STATE OF NORTH CAROLINA
COUNTY OF BEAUFORT

I, Ruth B. Schen, a Notary Public of the State and County aforesaid, certify that CYNTHIA S. BENNETT personally appeared before me this day and acknowledged that she is City Clerk of the CITY OF WASHINGTON, a North Carolina municipal corporation, and by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by JAY MACDONALD HODGES, its Mayor, sealed with its corporate seal and attested by herself as its City Clerk.

WITNESS my hand and official seal, this the 25 day of August, 2014.

Ruth B. Schen
NOTARY PUBLIC



My Commission expires: 12/1/2014

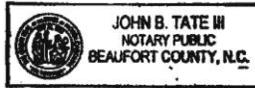
STATE OF NORTH CAROLINA
COUNTY OF BEAUFORT

I, John B. Tate III, a Notary Public of the County and State aforesaid, certify that RACHEL J. MIDGETTE personally appeared before me this day and acknowledged the execution of the foregoing instrument.

WITNESS my hand and official seal, this the 27th day of August, 2014.

John B. Tate III
NOTARY PUBLIC

My Commission expires: 9/3/2014

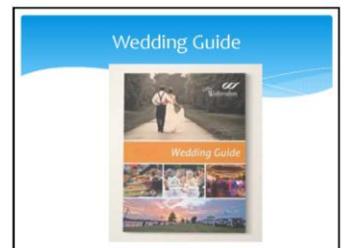
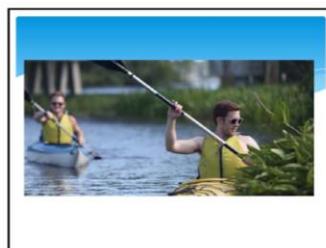


NEW BUSINESS:

**DISCUSSION – WASHINGTON TOURISM DEVELOPMENT AUTHORITY – NEW
MARKETING EFFORTS**

Tourism and Development Director, Lynn Wingate explained the latest Tourism marketing strategies to City Council. Ms. Wingate shared the marketing effort involving ECU home football games are titled ‘Paint Your Weekend Purple and Gold’. Ms. Wingate said, “We want to remind people who are traveling to East Carolina, to Greenville you can get to the stadium from Washington just as easily as you can from the other side of Greenville. So, why not spend the weekend in Washington and paint it purple and gold?” They will also produce a wedding guide that provides information regarding holding weddings in the City at various venues, including Festival Park.

Councilman Mercer expressed concern with the City’s tourism effort focusing on just two “spinning plates.” He suggested that a broader effort might be the way to go when it comes to promoting the City. Ms. Wingate suggested they would like to take the rifle approach instead of the shotgun approach.



ACCEPT AND ADOPT – FEMA FIREFIGHTERS GRANT AND ADOPT BUDGET ORDINANCE AMENDMENT AND ADOPT GRANT PROJECT ORDINANCE (\$50,000)

A \$50,000 FEMA Firefighters grant was awarded August 15, 2014 for the purchase and installation of a building vehicle exhaust system for Station 1. The federal portion is \$47,500 and the City's share is \$2,500.

By motion of Councilman Pitt, seconded by Mayor Pro tem Roberson, Council accepted FEMA Firefighter Grant EMW-2013-FO-00197, and adopted a Budget Ordinance Amendment and a Grant Project Ordinance for the award.

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2014-2015**

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

- Section 1. That the Estimated Revenues in the General Fund be increased in the amount of \$2,500 in the account Fund Balance Appropriated, account number 10-00-3991-9110.
- Section 2. That account number 10-00-4400-9200, Transfer to Federal Grants, Miscellaneous Non-Departmental portion of the General Fund appropriations budget be increased in the amount of \$2,500 to provide funds for a 5% grant match for a FEMA fire equipment grant.
- Section 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed.
- Section 4. This ordinance shall become effective upon its adoption.

Adopted this the 25th day of August, 2014.

ATTEST:

s/ Cynthia S. Bennett
City Clerk

s/Mac Hodges
Mayor

**A GRANT PROJECT ORDINANCE FOR
ASSISTANCE TO FIREFIGHTERS GRANT AWARD #EMW-2013-FO-00197
CITY OF WASHINGTON, N.C. FOR FISCAL YEAR 2014-2015**

BE IT ORDAINED, by the City Council of the City of Washington, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following grant project is hereby established:

- Section 1. The project authorized is for the purchase and installation of a building vehicle exhaust system for Fire Station #1, to be financed with 95% grant funds.
- Section 2. The officers of this unit are hereby directed to proceed with the project within the terms of the grant agreements.
- Section 3. The following amounts are appropriated for the project:

75-10-4341-0400	Administration	0
75-10-4341-7400	Capital Outlay	<u>\$50,000</u>
	Total	\$50,000

- Section 4. The following revenue is anticipated to be available to complete this project:

75-10-3434-3300	FEMA Grant Funds	\$47,500
75-10-4341-7400	Transfer from General Fund	<u>\$ 2,500</u>
	Total	\$50,000

- Section 5. The Finance Director is hereby directed to maintain within the Grant Project Fund sufficient specific detailed accounting records to satisfy the requirements of the grant agreements.
- Section 6. Funds may be advanced by the General Fund for the purpose of making payments as due. Reimbursement requests should be made to the grant agencies in an orderly and timely manner.
- Section 7. The Finance Director is directed to report, on a monthly basis, on the financial status of each project element in Section 3 and on the total grant revenues received or claimed.
- Section 8. The Budget Officer is directed to include a detail analysis of past and future costs and revenues on this grant project in every budget submission made to the City Council.

- Section 9. Copies of this grant project ordinance shall be furnished to the City Clerk, and to the Budget Officer, and to the Finance Director for direction in carrying out this project.
- Section 10. All ordinances or parts of ordinances in conflict herewith are hereby repealed.
- Section 11. This ordinance shall become effective upon its adoption.

This the 25th day of August, 2014.

ATTEST:

s/ Cynthia S. Bennett
City Clerk

s/Mac Hodges
Mayor

**AUTHORIZE – MAYOR TO EXECUTE PROFESSIONAL SERVICES AGREEMENT WITH
MID-EAST COMMISSION FOR THE EDA WATER/SEWER GRANT PROJECTS**

As a result of the EDA water and sewer grant project, we have the need for grant administration services to be performed by the Mid-East Commission which was instrumental in the City securing the grant in the amount of \$1,442,049. The amount of this agreement (\$25,000) is already funded.

Councilman Mercer and Mayor Pro tem Roberson noted there were staged payments and a time line included in the contract (very important aspect).

By motion of Mayor Pro tem Roberson, seconded by Councilman Beeman, Council authorized the Mayor to execute the Professional Services Agreement with the Mid-East Commission for administrative services for the EDA Water and Sewer Grant Projects.

PROFESSIONAL SERVICES CONTRACT

PART I - AGREEMENT

THIS AGREEMENT, entered into this 13th day of August, 2014, by and between the Mid-East Commission, hereinafter called the "District," acting herein by Timmy Baynes, Executive Director of the Mid-East Commission, hereunto duly authorized, and the City of Washington, hereinafter called the "City," acting herein by Mac Hodges, Mayor of the City of Washington.

WITNESSETH THAT:

WHEREAS, the City desires to implement EDA Project Number 04-79-06833, a Public Works Program project funded by the U. S. Department of Commerce and administered by the Southwest Regional Office of the Economic Development Administration; and

WHEREAS, the City is and will act with authority as the Fiscal Agent for the EDA funded project identified above, and

WHEREAS, the City desires to engage the District to render certain project management, reporting and support services in connection with the EDA project.

NOW THEREFORE, the parties do mutually agree as follows:

1. Scope of Services
Part II, Scope of Services, is hereby incorporated by reference into this Agreement.
2. Time of Performance - The services of the District shall commence on August 13, 2014. All of the services required and performed hereunder shall be completed no later than June 11, 2017.
3. Access to Information - It is agreed that all information, data, reports and records and/or other information as is existing, available and necessary for the carrying out of the work outlined above shall be furnished to the District by the City and its agents. No charge will be made to the District for such information and the City and its agents will cooperate with the District in every way possible to facilitate the performance of the work described in the contract.
4. Compensation and Method of Payment - The maximum amount of compensation and reimbursement to be paid hereunder shall not exceed twenty five thousand dollars (\$25,000). Payment to the District shall be based on satisfactory completion of identified milestones in Part III - Payment Schedule of this Contract. Should the Project be completed in its entirety prior to the period allowed for its completion, all of the District's responsibilities and services required under this agreement be fully completed, and all obligations to the EDA are met, full compensation to the District in the amount of twenty five thousand dollars (\$25,000) shall be completed at that time. Interim payment to the District shall be upon percentage completion of the scope of work.
5. Indemnification - The District shall comply with the requirements of all applicable laws, rules and regulations, and shall exonerate, indemnify, and hold harmless the City, and its agents from and against them, and shall assume full responsibility for administering the project identified above.

6. Miscellaneous Provisions

1. This Agreement shall be construed under and in accord with the laws of the State of North Carolina, and all obligations of the parties created hereunder are performable in Beaufort County, North Carolina.
2. This Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective heirs, executors, administrators, legal representatives, successors and assigns where permitted by this Agreement.
3. In any case one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provisions thereof, and this Agreement shall not be construed as if such invalid, illegal, or unenforceable provision had never been contained herein.
4. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs, and necessary disbursements in addition to any other relief to which such party may be entitled.
5. This Agreement may be amended by mutual agreement of the parties hereto in writing to be attached to and incorporated into this Agreement.
7. Terms and Conditions - This Agreement is subject to the provisions titled, "Part IV Terms and Conditions" and attached hereto and incorporated by reference herein.

IN WITNESSETH HEREOF, the parties have hereunto set their hands and seals as of the date first affixed above.



Mid-East Commission


Timmy Baynes
Executive Director

PROFESSIONAL SERVICES CONTRACT

PART II - SCOPE OF SERVICES

The District shall provide the following scope of services:

1. Project Management

1. Develop a record keeping system consistent with program guidelines, including the establishment of a filing system.
2. Maintenance of filing system.
3. Provide general advice and technical assistance to the City personnel on implementation of the EDA project and regulatory matters pertaining thereto.
4. Furnish the City with necessary completed forms and reporting required for implementation of the EDA project.
5. Assist the City in meeting all special condition requirements that may be stipulated in the contract between the City and U. S. Department of Commerce, Economic Development Administration, Southwest Regional Office.
6. Prepare and submit all required project reporting required by EDA Project Number 04-79-06833 including but not limited to progress reporting, quarterly reporting, and other reporting included in the EDA Project Agreement between the City and the EDA Southeast Regional Office.
7. Establish internal procedures to document expenditures associated with local administration of the project.
8. Serve as liaison for the City during the implementation and completion of the EDA project with any monitoring visit by staff representatives from EDA or its Southwest Regional Office.

2. Financial Management

1. Assist the City by improving its ability to manage and report progress and use of funds from federal sources through the Southwest Regional Office of the EDA for the project identified above.
2. Assist the City in compliance with all EDA rules, regulations, specifications, or other directives pertinent to the identified project.
3. Prepare and submit all reporting for all funded and scheduled drawdowns of project funds on behalf of the City, in order to ensure orderly, timely allocation and disbursement of funds within the period of this agreement.
4. Review invoices received for payment and file back-up documentation.

5. Provide general advice and technical assistance to the City and its agents on implementation of the EDA project and regulatory matters pertaining thereto.
6. Assist the City in interpreting and complying with established procedures for the EDA project and reporting to the Southeast Regional Office.
7. Provide general advice and technical assistance to the City and its agents on implementation of the EDA project and associated regulatory matters.

PROFESSIONAL SERVICES CONTRACT

PART III - PAYMENT SCHEDULE

The City shall reimburse the District for grant administration services provided for completion of the scope of work in the amount of twenty five thousand dollars (\$25,000), based upon milestones depicting percentage completion of the scope of work. The payments to the District will be made from funds provided by the City. Milestones established for payment and the amounts paid are as follows:

Payment Schedule

Payment	Amount	Basis of Payment
I	\$ 5,000.00	Completion of twenty percent (20%) of the scope of work identified herein.
II	\$ 5,000.00	Completion of forty percent (40%) of the scope of work identified herein.
III	\$ 5,000.00	Completion of sixty percent (60%) of the scope of work identified herein.
IV	\$ 5,000.00	Completion of eighty percent (80%) of the scope of work identified herein.
V	\$ 5,000.00	Completion of one hundred percent (100%) of the scope of work identified herein.
Total Payment	\$ 25,000.00	

All payments shall be determined by the City from its estimates of completion of the entire EDA project. Payment to the District shall be made from those estimates and in the amounts prescribed above.

PROFESSIONAL SERVICES CONTRACT

PART IV - TERMS AND CONDITIONS

1. Termination of Contract. If, through any cause, the District shall fail to fulfill in a timely and proper manner its obligation under this Contract, or if the District shall violate any of the covenants, agreements, or stipulations of this Contract, the City shall thereupon have the right to terminate this Contract by giving written notice to the District of such termination and specifying the effective date thereof, at least thirty (30) days before the effective date of such termination. If the Contract is terminated by the City as provided herein, the District will be paid for the time provided and expenses incurred up to the termination date.

If the contract is terminated by the City as provided herein, all finished or unfinished documents, information or reports prepared by the District under this Contract shall, at the option of the City, become its property and the District shall be entitled to receive just and equitable compensation for any work satisfactorily completed hereunder.

Notwithstanding the above, the District shall not be relieved of liability to the City for damages sustained by the City by virtue of any breach of the Contract by the District, and the City may withhold any payments to the District for the purpose of set-off until such time as the exact amount of damages due the City from the District is determined.

2. Termination for Convenience of the City. The City may terminate this Contract at any time by giving at least thirty (30) days notice in writing to the District. If the Contract is terminated by the City as provided herein, the District will be paid for the time provided and expenses incurred up to the termination date. If this Contract is terminated due to the fault of the District, Paragraph 1 hereof relative to termination shall apply.
3. Changes. The City may, from time to time, request changes in the scope of the services of the District to be performed hereunder. Such changes, including any increase or decrease in the amount of the District's compensation which are mutually agreed upon by and between the City and the District shall be incorporated in written amendments to this Contract.
4. Personnel.
 1. The District represents that it has, or will secure at its own expense, all personnel required in performing the services under this Contract. Such personnel shall not be employees of or have any contractual relationship with the City.
 2. All of the services required hereunder will be performed by the District or under its supervision, and all personnel engaged in the work shall be fully qualified and shall be authorized or permitted under State and Local law to perform such services.
 3. None of the work or services covered by this Contract shall be subcontracted without the prior written approval of the City. Any work or services subcontracted hereunder shall be specified by written contract or agreement and shall be subject to each provision of this Contract.

5. Assignment of Contract. The District shall not assign any interest in this Contract and shall not transfer any interest in the same (whether by assignment or novation), without the prior written consent of the City thereto: Provided, however, that claims for money by the District from the City under this Contract may be assigned to a bank, trust company, or other financial institution without such approval. Written notice of any such assignment or transfer shall be furnished promptly to the City.
6. Reports and Information. The District, at such times and in such forms as the City may require, shall furnish the City such periodic reports as it may request pertaining to the work or services undertaken pursuant to this Contract, the costs and obligations incurred or to be incurred in connection therewith, and any other matters covered by this Contract.
7. Findings Confidential. All of the reports, information, data, etc., prepared or assembled by the District under this contract are confidential, and the District agrees that they shall not be made available to any individual or organization without the prior written approval of the City.
8. Compliance with Local Laws. The District shall comply with applicable laws, ordinances and codes of the State of North Carolina and its local governments.
9. Equal Employment Opportunity. During the performance of this Contract, the District agrees as follows:
 1. The District will not discriminate against any employee or applicant for employment because of race, creed, sex, color, handicap, or national origin. The District will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, creed, sex, color, handicap or national origin. Such action shall include, but not be limited to, the following: employment, upgrading, demotion, or transfer; recruitment or recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship. The District agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this non-discrimination clause.
 2. The District will, in all solicitation or advertisements for employees placed by or on behalf of the District, state that all qualified applicants will receive consideration for employment without regard to race, creed, color, sex, handicap or national origin.
 3. The District will cause the foregoing provisions to be inserted in all subcontracts for any work covered by this Contract so that such provisions will be binding upon each subcontractor, provided that the foregoing provisions shall not apply to contracts or subcontracts for standard commercial supplies or raw materials.
 4. The District will include the provisions 9.1, 9.2, and 9.3 in every subcontract or purchase order unless exempted.
10. Civil Rights Act of 1964. Under Title VI of the Civil Rights Act of 1964, no person shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.
11. Section 109 of the Housing and Community Development Act of 1974. No person in the United

States shall on the ground of race, color, national origin, or sex be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity funded in whole or in part with funds made available under this title.

12. Public Works and Economic Development Act of 1965, as amended. The work to be performed under this contract is on a project assisted under a program providing direct Federal financial assistance from the U. S. Department of Commerce, Economic Development Administration. For Public Works and Development Facilities under the Public Works and Economic Development Act of 1965, as amended, the award to the City, Award Number 04-79-06833 supports the project and effort described herein, which is incorporated into this agreement by reference. Where terms of this agreement differ, the terms of the award shall prevail.
13. Government Performance and Results Act of 1993 (GPRA) Reporting Requirements - Performance Measures. The District agrees to report to the City on program performance measures and program outcomes in such form and at such intervals as may be prescribed by the EDA, Award Number 04-79-06833, in compliance with the Government Performance and Results Act of 1993. Performance measures and reporting requirements that apply to program activities funded by the Award to the City will be provided in a separate GPRA information collection document. EDA will advise the City in writing within a reasonable period prior to the time of submission of the reports and in the event that there are any modifications in the performance measures.
14. Interest of Members of the District. No member of the governing body of the District and no other officer, employee, or agent of the District who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract and the City shall take appropriate steps to assure compliance.
15. Interest of Other Local Public Officials. No member of the governing body of the District and no other public official of the District, who exercises any functions or responsibilities in connection with the planning and carrying out of the program, shall have any personal financial interest, direct or indirect, in this Contract; and the City shall take appropriate steps to assure compliance.
16. Interest of Firm and Employees. The District covenants that it presently has no interest and shall not acquire interest, direct or indirect, in the project area, study area, site, or any parcels therein or any other interest which would conflict in any manner or degree with the performance of its services hereunder. The District further covenants that in the performance of this Contract, no person having any such interest shall be employed.

REMINDERS AND COMMENTS:

Councilman Pitt reminded Council that the deadline for League Advocacy Goals has been extended to August 31, 2014.

Councilman Mercer expressed concerns with golf carts traveling the roadway more so in the County than the City. Councilman Mercer stated he did not know if this would be a concern Councilman Pitt could refer to the League.

Mayor Pro tem Roberson voiced he attended a meeting with the County Commissioners regarding golf carts in a certain subdivision but he does not know whether Commissioners addressed this issue or not. Mayor Pro tem Roberson suggested Councilman Mercer touch base with the County Commissioners to see what the final outcome was and Councilman Mercer said he would have this conversation with County Manager, Randell Woodruff.

CLOSED SESSION: NONE

ADJOURN

Mayor Hodges adjourned the meeting at 6:10pm until Monday, September 8, 2014 at 5:30pm in the Council Chambers at the Municipal Building.

**Cynthia S. Bennett, CMC
City Clerk**