



COMMITTEE OF THE WHOLE
FEBRUARY 27, 2012
5:30 PM

Opening of Meeting

Nondenominational Invocation

Roll Call

Approval/Amendments to Agenda

1. Discussion – Financial Update
2. Discussion – Regorganization Proposal
3. 6:00pm – PUBLIC HEARING: Charlotte Street drainage culverts at Jack's Creek.
4. Memo – Pool Dehumidifier Compressor Budget Transfer (**page 2**)
5. Memo - e-Dux/EnergyRiver Program Termination (**page 5**)
6. Closed Session: Under NCGS 143-318.11(a)(6) Personnel
7. Adjourn – Until Monday, March 12, 2012 at 5:30pm in the Council Chambers at the Municipal Building.



City of Washington
MEMORANDUM

To: Mayor Jennings & Members of the City Council
From: Matt Rauschenbach, C.F.O.
Date: February 27, 2012
Subject: Pool Dehumidifier Compressor Budget Transfer

The Budget Officer transferred \$3,275 of funding between Parks & Recreation divisions of the General Fund to provide funds for additional work that was identified when the pool dehumidifier compressor was disassembled for repair.

NC GS 159-15 states that this shall be reported to the Council at its next regular meeting and be entered in the minutes. Transfer request is attached.

Request for Transfer of Funds

Date: 2/15/2012

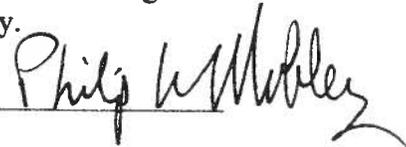
TO: City Manager or Finance Director
 FROM: Philip W. Mobley, Parks & Recreation Dept.
 SUBJECT: REQUEST FOR TRANSFER OF FUNDS

I hereby request the transfer of funds as set forth below from one account to another, all within the same appropriation fund account, as permitted and authorized by the General Statutes of North Carolina.

	Department	Account Number	Object Classification	Amount
FROM:	Pks & Rec	Sr. Ctr 10-40-6123- 1502	M/R HVAC	\$ 3,275.
TO:	Pks & Rec	Aqu. & Fit 10-40-6126- 1502	M/R HVAC	\$ 3,275.

For the purpose is for additional work on the Pool Compressor System, removing the ORI value and the magnetic check valve for the refrigerant regulator and installing a new oil separator float assembly, for compliance by the factory for warranty.

Supervisor

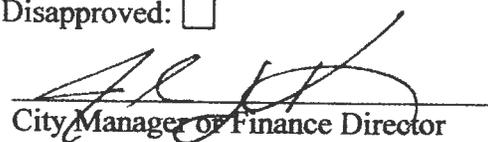
Philip W. Mobley 
Department Head

ACTION OF CITY MANAGER OR FINANCE DIRECTOR

Approved:

Disapproved:

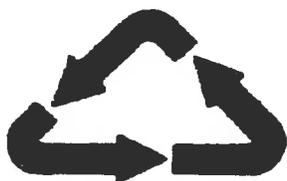
* Request for Transfer of Funds from Department to Department require City Manager's approval.


City Manager or Finance Director

** Request for Intradepartmental Transfer of Funds require Finance Director approval.

2/15/12

Date



ENECO EAST, INC.

ENERGY ENGINEERS AND CONTRACTORS
P.O. BOX 2516 – GREENVILLE, N.C. 27836 (252) 752-3686 FAX (252) 752-7091

February 15, 2012

City of Washington – Moore Aquatics
Attn: Phil Mobley
101 Airport Road
Washington, NC 27889

Ref: Dectron Dehumification System

After breaking down faulty compressor, we found 5 out of 6 pistons were torn apart. We then contacted the factory representative and they strongly recommended replacing the following items. By replacing these items now instead of after the system has been restarted you will be saving \$1,200.00 in labor charges due to not having to reclaim the refrigerant from the system and avoid changing out the core driers again that were just replaced with the new compressor.

Our price includes:

1. Removal of existing oil separator float assembly, ORI valve and the magnetic check valve.
2. Install new oil separator float assembly, ORI valve and the magnetic check valve.
3. Evacuate and pressure test system for leaks.
4. Recharge system with recovered refrigerant (This recovered under the compressor change out quote).
5. Friday February 17th we will start system up with factory representative on site to ensure proper operations of this unit.

Price: \$4,460.00

Price good for 30 days. Payment due within 15 days of invoice date.

To help prolong the life of your equipment, keep it operating at peak efficiency, and insure manufacturer's warranties, we recommend regularly scheduled maintenance.

SUBMITTED BY: [Signature] DATE: February 15, 2012
(Travis D. Thompson, Service Department)

ACCEPTED BY: _____ DATE: _____

TITLE: _____

APPROVED BY: _____	DATE: _____
(Any alterations to contract must be approved by EEC) NC HVAC License #13340	

MEMORANDUM

To: Josh Kay, City Manager

From: Keith Hardt, P.E., Electric Utilities Director

Ref: e-Dux/EnergyRiver Program Termination

Date: 21 February 2012

In November 2009 the City of Washington began a pilot project with BreezePlay, Inc. to install energy management systems in residential customer homes. For a myriad of reasons this initial project was not successful. The company that initiated the BreezePlay program was purchased by what is now EnergyRiver, Inc. (formally e-Dux, Inc.).

Mr. Bob Gary of then e-Dux, Inc. presented to the City Council at their 8 November 2010 regular meeting a proposal for the City to participate in an enhanced home energy management system program. (minutes included) Mr. Gary was asked to present his program to the Washington Electric Utilities Advisory Board. Mr. Gary presented the program to the Advisory Board on 1 December 2010. Although there was not a quorum present those members in attendance endorsed the program.

At the 13 December 2010 the City Council approved a contract for \$20,000 to e-Dex, Inc. for 40 energy management systems. (minutes and purchase order attached)

In May 2011 the e-Dux systems were delivered to the City of Washington. Staff began testing the system by installing units in five (5) City of Washington employees' homes.

Since May 2011 we have received four (4) hardware upgrades and numerous firmware/upgrades to the system. In addition there has been very poor response for service from the provider, EnergyRiver, Inc. The current configuration of the system does not meet the minimum technical requirements outlined in discussions with EnergyRiver throughout the life of the project. Electric Department staff has spent many hours in installations and upgrades and has made every attempt to have a working system. We are no closer to a working system today than we were in December 2010.

On 6 January 2012 I gave Mr. Rick Sabath, CEO of EnergyRiver, Inc. 45 days to provide systems that met our minimum requirements. (email included) He acknowledged the 45 day notice and agreed to provide systems that met our requirements within the period. That period has expired.

I request concurrence from the City Council to terminate the contract with EnergyRiver, Inc. and return the 40 home energy management systems purchased last year.

* **State Law References** – Water conservation measures for drought, G.S. 143-355.2; Publicly and Privately Owned Water System Water Shortage Response Planning Requirements, 15A NCAC 02E .0607.

SECTION 3. All prior ordinances or parts thereof in conflict with this Ordinance are hereby repealed.

SECTION 4. Should any provision of this Ordinance be declared invalid or unconstitutional by any court of any competent jurisdiction, such declaration shall not affect the validity of the Ordinance as a whole or any part thereof that is not specifically declared to be invalid or unconstitutional.

SECTION 5. This Ordinance shall become effective upon adoption.

Adopted this the 8th day of November, 2010.

s/Cynthia S. Bennett, CMC
City Clerk

s/N. Archie Jennings, III
Mayor

- I. (Old Business Item) Approve – LWCF Conversion **moved to the Consent Agenda**
*LWCF Conversion Approval Project #37-00622B Havens Gardens Park
- J. (New Business Item A) Award – Contract for Electric Relocation Project for NCDOT **moved to the Consent Agenda** *\$159,050.36 to E & R, Inc. for the relocation of electric infrastructure associated with the NCDOT 2510C US Highway 17 Widening project.
- K. (New Business Item D) Authorize – Chief Financial Officer to act as the Authorized Agent for the NC Department of State Treasurer, Local Government Commission (LGC) application for approval of installment purchase contract **moved to the Consent Agenda**
- L. (New Business Item K) Award – Contract for Banking Services **moved to the Consent Agenda** *East Carolina Bank was awarded the bank services contract and Wachovia the merchant services contract.

**RACHEL MILLS – HISTORY ROOM RENOVATIONS –
FRIENDS OF BROWN LIBRARY**

Gloria Moore, Director of Brown Library introduced Ms. Rachel Mills, representing Friends of Brown Library. Ms. Mills stated last year the Friends of the Library received a \$20,000 gift from the Wilkerson Estate to support and expand the history room. Rather than move the History Room it would be better to expand the room into a small office. This would require a wall to be removed and the installation of new bookcases. Two hexagonal computer tables with 6 computer stations will be installed. The total cost for the renovations will be \$12,600 and will be completed by Mr. Gene Edwards who was the low bidder and has completed work for the library on previous occasions.

A. G. SWANNER

Mr. A.G. Swanner came forward to notify Council of his intent to expand Blackbeard's Restaurant. Council advised Mr. Swanner that he needed to contact John Rodman, Planning Director to begin the permitting process for the expansion.

**BOB GARY – ENERGY REDUCTION TECHNOLOGIES UPDATE
(FORMALLY BREEZEPLAY)**

Bob Gary and Rick Savage with Energy Reduction Technologies (e-dux) made a presentation to Council regarding their company. The following points were presented:

- Over 70% of the cost structure for electricity is made up of direct costs
- Energy rates and usage have the potential to become a political issue
- Ways to assist customer
- Education and conservation
- Reduce peak demand with Demand Response Technologies

Mayor Jennings suggested this presentation be made at the next meeting of the Electric Advisory Board to allow them time to focus on this topic.

PUBLIC HEARING: AUTHORIZE – TO PROVIDE & RECEIVE INFORMATION & PUBLIC COMMENTS CONCERNING THE CLOSEOUT OF THE 2008 COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG) – INFRASTRUCTURE PROJECT

Mayor Jennings opened the public hearing. Allen Lewis, Public Works Director came forward and explained the purpose of this public hearing is to provide and receive information and public comment concerning a 2008 Community Development Block Grant-Infrastructure grant as administered by the North Carolina Department of Commerce through the Division of Community Assistance. The project included the extension of 900 linear feet of 24-inch gravity sewer along Pennsylvania Avenue near the Pennsylvania and Havens pump station and associated street repairs and related construction. The total cost of the project is \$506,923 with the grant covering \$466,923 of the total project cost. The \$40,000 match from the City covered the cost in the difference of installing 8-inch gravity line sewer with 24-inch gravity line sewer. An 8-inch line would not work as the lines that were being replaced were 12-inch lines and significantly undersized.

Kevin Richards, Mid-East Commission stated the project was to assist low to moderate income areas. A total of 9 households were assisted of which 7 were LMI, which is a 78% LMI ratio. All CDBG grants require Fair Housing Plans. The City of Washington enforces the Fair Housing Act and other Federal Laws that prohibit the discrimination and the intimidation of people in their homes, and nearly all housing transactions including the rental and sale of housing and the provision of mortgage loans. The grant was monitored by the State on May 24, 2010 and the project is complete and ready to be closed out.

There being no comments from the public, Mayor Jennings closed the public hearing.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council authorized staff to proceed with the project closeout submittals for the formal closeout of the 2008 CDBG infrastructure grant which included the extension of 900 linear feet of 24-inch sewer line along Pennsylvania Avenue.

PUBLIC HEARING: ADOPT – FY08 CDBG - CAPACITY BUILDING GRANT CLOSEOUT

Mayor Jennings opened the public hearing. Bianca Gentile, Special Projects stated this is the FY08 CDBG- Capacity Building project in conjunction with Washington Housing Incorporated. This grant laid the foundation for the WHI-Housing Development Project which is just beginning to take off. The grant also assisted WHI in becoming a HUD certified housing counseling agency, which is one of the only agencies in eastern North Carolina. The grant also offered administrative support to the organization over the last two years. This required no administrative dollars from the City of Washington. All funds have been expended and approved activities are complete. The City would like to begin close out procedures, an action consistent with the originally proposed project timeline. There being no comments from the public, the public hearing was closed.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council authorized staff to proceed with the project closeout submittals for the formal closeout of the FY08 CDBG Capacity Building Grant.

JASON BRILEY – REPORT ON NORTHGATE, SUBDIVISION

Jason Briley provided Council with an update on Northgate Subdivision. As of today, 76 houses have been sold. A total of 22 low-to-moderate income homes have been sold. There is also one additional pending and awaiting the 2010 tax returns. Mr. Briley is required to sell 32 homes to LMI purchasers by December 31, 2010. Mayor Pro tem Roberson discussed the Letter of Credit. Mr. Briley is asking the NC Redevelopment Commission for an additional extension or reduction in the number of lots. Mayor Jennings stated the Council is willing to work with Mr. Briley, but we will execute our line of credit if needed.

**APPROVE AND AUTHORIZE – CITY MANAGER TO EXECUTE THE
CONTRACT FOR SITE MANAGEMENT SERVICES AT THE “FESTIVAL”
PARK SITE WITH MARK SMITH ARCHITECT (\$19,350)**

Philip Mobley, Parks and Recreation Director stated the “Festival” Park Planning Team has been working with designs for structures and surveying this park site, while all the time staying within the scope of the recommendations from the LandDesign’s Plan. For the construction phase we will need a professional to compile RFPs, assist with the bidding/tabulations and communicating with contractors as work progresses. This park project will be divided in to two phases. Phase I will consist of the construction of the Events Stage, Picnic Shelter and Grasscrete walk/drive ways. This phase will consist of foundation engineering, concrete pouring, footings, brick work, electrical panels and wiring diagrams with light/outlet locations, ground work for foundations, the handicap ramps, steps/handrail designs, the setting and the erection of two structures, communicating with City Inspectors and staying abreast of City easements/right-of-ways and NCDENR requirements, developing a project timeline, keeping the City informed with timely updates for PARTF, reviewing invoices with staff for payment and monitoring safety for the site for participants using the waterfront area. Phase I is scheduled for completion by early Spring 2011.

Lump Sum fee of \$19,350.00 as described below

1. Prepare plans, specs and bid documents \$ 12,350.00
2. Bidding Phase \$ 2,500.00
3. Construction Phase services \$ 4,500.00

By motion of Councilman Davis, seconded by Councilman Pitt, Council approved and authorized the City Manager to execute the Contract for Site Management Services at the “Festival” Park site with Mark Smith Architect in the amount \$19,350.

**AWARD – CONTRACT FOR ENERGY AND DEMAND REDUCTION
TECHNOLOGIES (\$20,000)**

Keith Hardt, Electric Director explained that Mr. Bob Gary with e-dux Energy Reduction Technologies came before the City Council during the November Committee of the Whole meeting to discuss their residential demand and energy reduction technology. Mr. Gary was asked to present his program to the Washington Electric Utilities Advisory Committee. The Committee met on Wednesday, 1 December 2010. A quorum of the Committee was not present, but the Committee members present did endorse the program. Mr. Gary is requesting Council approval to commence with a 40 unit project in Washington.

By motion of Mayor Pro tem Roberson, seconded by Councilman Moultrie, Council awarded a contract in the amount of \$20,000 to e-Dux Energy Reduction Technologies for 40 residential demand and energy controllers as part of a pilot project.

**NORTH CAROLINA’S ELECTRONICS RECYCLING LAW AND OVERVIEW
OF PROVISIONS AFFECTING LOCAL GOVERNMENTS IN SENATE BILL 887**

Councilman Pitt discussed the electronics recycling law and suggested that the City begin looking at joint efforts with the County to start an electronics recycling program. He also discussed the Allen Road recycling facility in Pitt County where electronics are currently being recycled. Councilman Mercer noted there will be one program required in each County (which will be a County function) and an inter-local government agreement will be required for the municipalities to join the program.

LIBRARY OPERATING HOURS DURING HOLIDAYS

Pete Connet, Interim City Manager discussed the operating hours during the Christmas holiday. Mr. Connet suggested closing the library on Friday, Saturday and Sunday then open back on Monday. Council by consensus agreed to the change in operating hours during the Christmas holidays.

UPDATE ON SOFTBALL TOURNAMENT ACTIVITY AT THE SPORTS COMPLEX

Mayor Jennings stated as you may recall we have given instruction to staff to attempt to hold more tournaments at the Complex. We have been in contact with the organizers of these events and they want to hold three softball tournaments, outside of league play at the sports complex. The end of March, August and after the soccer season would be the possible times for

City Of Washington

PO # : 46287
PO Date : 01/18/2011

Requisition # : 8559

Vendor Information

Ship To

Vendor # : 13033
Name : E-DUX, INC.
Address : 422 S. MAIN STREET, SUITE 1

Name : CITY OF WASHINGTON CITY HALL (ELEC)
Address : 102 EAST 2ND STREET

DAVIDSON NC 28036

WASHINGTON NC 27889

Ship Via : BM

FOB : 0

Date Required : 01/14/2011

Qty	UOM	Account #	Desc.	Dist. Date	Trans. Type	Trans. Amount	Unit Price	Extended Amount
1	EA		40 Home Energy Management Units					
		35-90-8375-4500		1/18/2011	E	\$20,000.00		
		35-90-8375-4500		9/26/2011 11:37:44 AM		(\$20,000.00)		
			Line Item Total :			\$0.00		
			PO Total :			\$0.00		

Keith Hardt

From: Keith Hardt
Sent: Friday, January 06, 2012 3:54 PM
To: Rick Sabath
Cc: Ed Pruden; Josh Kay; Scott Sipprell
Subject: RE: Energy River Update

Rick,

Thank you for your email. We have been testing four Energy River units in City employee homes for many months with very poor results. In the product's current state we **will not** extend this program to our residential customers. We have been very patient and I feel that you have a great distance to travel from where we are today to our expectations of the product.

We have been very patient over the past 12 months with e-Dux/Energy River and even longer with the previous BreezePlay product. We are and our customers are jaded and skeptical. With all due respect to the content of your email I feel that the delays we have experienced are well beyond completing a "time intensive" process. We give you this opportunity as Energy River's last chance. During the next 45 days we will evaluate where we are with the program and will consider sending back to you our 40 units and withdrawing from the program.

As we stand today I am not very optimistic.

Thanks

Keith

Keith Hardt, P.E.
Director, Washington Electric Utilities
City of Washington, North Carolina
(252) 975.9313
o||||o



From: Rick Sabath [<mailto:Rsabath@energyriverinc.com>]
Sent: Friday, January 06, 2012 3:10 PM
To: Keith Hardt
Subject: FW: Energy River Update

Good afternoon Keith,

I hope all is well with you and you enjoyed the holidays. I am writing for two reasons, first I wanted to let you know that Bob Gary is no longer with Energy River and I will be working thru the execution and implementation myself to insure the City of Washington receives all that it has requested.

Currently my folks are setting the database structure and configuration that you have requested to accommodate the multi-channel platform for various addition circuits. While it is a simple and rudimentary process for us, it is time intensive. We are looking at completing by Wednesday next week and insure full QA testing protocol is completed so you can then go live from there.

February:27, 2012
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Please contact me directly should you have any questions or concerns. Our product platform has been running smoothly as you will soon experience for yourself. I look forward to the collection of results in your city very soon.

Best,
Rick



Rick J. Sabath

CEO

rsabath@energyriverinc.com

442 South Main st. Suite 1
Davidson, NC 28036

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