

The Washington City Council met in a regular session on Monday, October 8, 2007 at 4:30 in the Council Chambers at the Municipal Building. Present were: Judy Jennette, Mayor; Darwin Woolard, Mayor Pro tem; Ed Gibson, Councilman; Richard Brooks, Councilman; Archie Jennings, Councilman; Mickey Gahagan, Councilman; Carol Williams, Acting City Manager; Franz Holscher, City Attorney; and Rita A. Thompson, City Clerk. Jim Smith, City Manager, was absent.

Also present were: Jimmy Davis, Fire Chief; Bobby Roberson, Development & Planning Director; Keith Hardt, Electric Director; Allen Lewis, Public Works Director; Susan Hodges, Human Resources Director; Philip Mobley, Parks & Recreation Director; Bob Trescott, DWOW Director; and Mike Voss, of the Washington Daily News.

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

APPROVAL/AMENDMENTS TO AGENDA

Mayor Jennette asked that items B.I. Laucour Farms (River Birch/Market Square) be taken off the agenda and listed on the Committee of the Whole Meeting for discussion, and the November regular meeting for action.

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

APPROVAL OF MINUTES

On motion of Mayor Pro tem Woolard, seconded by Councilman Gibson, Council unanimously approved the minutes of the regular meeting of September 17, 2007, as submitted.

PRESENTATION – DR. HINDSLEY WITH THE FRIENDSHIP FORCE PRESENTATION (MAYOR JENNETTE)

Dr. Pack Hindsley, a member of the Friendship Force, presented gifts from Mayor Kay McDuff from Bundaberg, Australia and Ron Clark from Gold Coast City, Australia to Mayor Jennette. Dr. Hindsley stated that the Friendship Force began in the late 70's, with New Castle, England being the first and Washington being the second. He stated that they planted trees in Friendship Parks in both places and went to the Gold Coast and the mountains. He explained that they find that other countries are similar instead of different. He stated that the Mayor's position is a very high honor in those countries.

Council thanked Dr. Hindsley for his presentation.

CONSENT AGENDA

On motion of Mayor Pro tem Woolard, seconded by Councilman Gibson, Council unanimously approved the Consent Agenda, as follows:

- A. Accept – “Get Alarmed Smoke Installation Grant” **and** Adopt Budget Ordinance Amendment for Fire-Rescue-EMS (\$2700)

AN ORDINANCE TO AMEND THE BUDGET ORDINANCE OF THE CITY OF WASHINGTON, N.C. FOR THE FISCAL YEAR 2007-2008

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 \$2,700 in the account Public Education Grant, account number 10-10-3434-3301.

Section 2. The account number 10-10-4340-5601, Materials-Public Education, Fire Department portion of the General Fund appropriations budget be increased in the amount of \$2,700 to provide funds for grant for public education materials and smoke alarms.

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 8th day of October, 2007.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

- B. Award – Bid for self-contained breathing apparatus, and authorize trade-in, **and** Adopt Budget Ordinance (\$169,920)

**AN ORDINANCE TO AMEND THE BUDGET ORDINANCE
OF THE CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2007-2008**

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 \$161,500 in the account Homeland Security Grant, account number 10-10-3434-3305.

Section 2. The account number 10-10-4340-5600, Materials, Fire Department portion of the General Fund appropriations budget be decreased in the amount of \$8,420 to provide funds for local match to grant.

Section 3. That account number 10-10-4340-7400, Capital Outlay, Fire Department portion of the General Fund appropriations budget be increased in the amount of \$169,920 to provide funds for replacement of department Self Contained Breathing Apparatus.

Section 4. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 5. This ordinance shall become effective upon its adoption.

Adopted this the 8th day of October, 2007.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

- C. Adopt – Resolution authorizing the sale of 416 Gladden Street through Sealed Bids

**Resolution Authorizing the Advertisement for Sealed Bids
for the Sale of Certain Property**

WHEREAS, the City Council of the City of Washington desires to dispose of certain surplus real property of the City;

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

1. The following described property is hereby declared to be surplus to the needs of the City:

<u>Address</u>	<u>Tax ID</u>	<u>NC Pin#</u>
416 Gladden Street	01017699	5675-89-2901

2. The Purchasing Agent is authorized and directed to receive in behalf of the City Council sealed bids for the purchase of the property described above.
3. Sealed bids may be submitted to the Purchasing Agent's office, located at 203 Grimes Road, to be opened at 10:00 a.m. on November 14, 2007.
4. The Purchasing Agent shall cause a notice of this resolution to be published in accordance with G.S. 160A-268.
5. Bids will not be accepted unless, upon time of filing, they are accompanied by a deposit of cash, cashier's or certified check, or bid bond equal to 5% of the amount bid.
6. The City Council reserves the right to reject any or all bids.

Adopted this 8th day of October, 2007.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

MARY WILLIAMS – CUT OFF AND DEPOSIT FEES

Ms. Williams was not present at the meeting.

ECONOMIC DEVELOPMENT COMMISSION

Councilman Gahagan stated that decision time is coming near for the company that is actually working out of the Skill Center as to whether or not they will move into Quick Start #2. If they do, EDC will be looking at Quick Start #3 soon. There is a lot of traffic, people coming through looking at our area, and other exciting things happening that he can't expand on now, but could change the face of our river and community.

TOURISM DEVELOPMENT AUTHORITY

Mayor Jennette stated that the Civic Center has been cleaned up and is looking great. The increase in rental fees has not diminished the use. Councilman Gahagan asked about whether we were getting out of town traffic. Mayor Jennette stated that the Authority hired a consultant from Raleigh who specializes in Civic Center use and she has given the report to Lynn Lewis for the board to review.

HUMAN RELATIONS COUNCIL

Mayor Jennette stated that the Human Relations Council will meet tomorrow night. The Ecumenical event will take place on November 1st in City Hall. Also, they have made a list of items they propose to work on in the upcoming year.

DOWNTOWN WASHINGTON ON THE WATERFRONT

Bob Trescott, DWOW Director, presented a report on his first 100 days:

Organization:

- 9 member interim board – Ross Hamory, President; Carol Atwater, Secretary; Lori Melton, Secretary; Mark Hamblin, VP, Organization Committee; Craig Newton, VP, Economic Restructuring Committee; Rich Morin, VP, Promotions Committee; Jim Poteet, Design Committee; Bob Martin, Merchant; Tom Richter, At Large.
- Merchant spot on board
- Pickin' on the Pamlico
- Maritime Subcommittee
- Waterfront Plan
- Partnering with National Marine Manufacturers' Association in pursuing Boat Show
- With Electrical Department, provided enhanced power supply to eastern end of waterfront
- Pursuing temporary operation of M/V Diamond City for dinner cruises
- Held several Downtown Chats in partnership with merchants

Design

- Working on community wayfinding plan
- Working to coordinate downtown improvements
- Ayers Alley
- Parking Report

Promotion

- Saturday Markets
- Flotilla
- Heart IBX
- Review of downtown events
- Updating communications

Economic Restructuring

- Clearing House for real estate and businesses

Council commended Bob Trescott on the fine job he is doing.

PARKING COMMITTEE

Councilman Jennings stated that DWOW has done a Parking Study and they are waiting for the results to implement a plan.

Mr. Trescott stated there was a report made of the findings, and we are waiting for the recommendations to be finalized.

WARREN FIELD AIRPORT

James Tripp, Enterprise Controller, stated that notice has been received on a Vision 100 Grant. \$150,000 plus the match. The Airport Five Year Transportation Plan is being updated but not changing much because of the State's required Safety Improvements for runway approach zone, buying of the land, etc. which is progressing. Steps at the Airport have been repaired.

He stated he will be presenting a policy on how to improve the revenues at the Airport and how to reduce expenditures, which is long term planning, what he was hired to do.

Mr. Tripp stated that there was a proposed corporate hangar to be built, but since we don't have an economic stimulus plan, it will probably go to Greenville. He stated he is working on that. He stated that Tradewinds is having financial difficulty and will probably be coming to Council about their needs.

Mayor Jennette asked about the right of way purchases at the end of the runway. Mr. Holscher stated that one parcel is about to be closed. We are not on the same page with the other two parcels and unless there is some movement, we will likely have to file the condemnation lawsuit and see what the court determines as the fair market value. They will have 120 days to answer.

ENTERPRISE FUNDS CONTROLLER

Mr. Tripp passed out a report on the City's finances. He stated that some of the numbers include cash received from last year. He stated it looks like revenues are over estimated but that is not really the case because it doesn't include revenue that has been earned this year. In those cases, the receivables are greater than the previous year. He stated that what he did today was print off the revenues and expenditures statement off the Logic Accounting software.

Councilman Jennings asked if you take a budget the size of ours and extract these categories and then have two headings, Revenues and Expenditures, is that in your opinion, scaled down so far as to be almost misleading? He stated that what he sees is the City is running with \$1 million of revenues ahead of expenditures. Mr. Tripp stated that the information is reported without manipulation. A lot of footnotes would have to be provided. After you subtract out grant revenues or one time expenditures, it starts to become revenues equal's expenditures. There is a transfer from the General Fund to the Airport Fund of \$46,000, a subsidy to help Tradewinds out the first year. If you allocate that now, your revenues would be higher based upon that transfer and expenditures would be lower. Councilman Jennings stated that if you do a quick glance of this, it looks good, but what he wants to know is how much caution should Council put into that because these numbers have an impact on the scenario presented. He stated that what he wanted to do is give the Council basic information as to where we are each day. Ms. Williams pointed out this information includes the first eight days of this month; however, the electric bill for September is not included because we won't receive it until the 12th of this

month. Therefore, revenues include July 1st to October 8th, but not all of the expenses are included.

Councilman Gahagan pointed out that this is why the second meeting was set up, not to do the things we have been doing, but to have the Enterprise Fund Controller and Carol Williams explain this. He stated we need to get away from what we are doing at the Committee of the Whole meeting and do what we talked about doing...a board meeting for the Enterprise Funds. He stated he wants to get into it; he wants them to confuse him, and use the jargon. Mayor Jennette agreed, that this presents a rosy picture and everyone knows this is not rosy. Mr. Tripp stated he had a spread sheet that Keith Hardt and the City Manager helped develop that could give Council some idea of when future payments and receivables are due, but it could be very misleading and no one can predict anything in the future to a good point. Councilman Jennings stated we would like to get to the point where if we did "this" what would it lead to, so scenarios could be run and we do long range planning instead of "reacting."

Mayor Jennette stated she would look into restructuring that agenda. She asked James Tripp to get more detail on the funds and come up with another format.

Mr. Tripp also stated that paper files are now handled for extensions on utility bills. There is some software available now and Logics will be trying to develop a software application to improve the future collection methodology for utility billing.

Councilman Jennings asked about the possibility of a revenue shortfall due to a multi year billing error? Mr. Tripp stated there was one account that we will fall short on about \$30,000 on the revenue side and we will have to see how that will affect the budget.

FINANCIAL REPORT

The printed Financial Report was distributed with the agenda package.

QUARTERLY – REPORT ON THE PROGRESS FOR THE NORTHGATE SUBDIVISION

Mr. Jason Briley gave a report on Northgate Subdivision. He stated that the criteria has changed from flood victims to low to moderate income persons. He stated he has been in contact with Holland Consulting Planners. He has been checking to see if the present seventeen homeowners would qualify as low to mod (six already qualifying now). Also, he has been talking to the Washington Housing Authority about working with them, as well as someone on his own.

Mayor Jennette pointed out this has to be finished by December, 2008 and would like to see a report every two months.

Mr. Roberson stated that after the verification of incomes, the Development Center will acknowledge it and we will subtract the \$10,000 per lot from the outstanding debt of \$320,000.

Mr. Briley stated that he also wants to connect the back road to the flow of traffic which is coming up on the agenda.

**ADOPT – ORDINANCE TO AMEND CHAPTER 11, PARKS AND
RECREATION OF THE WASHINGTON CITY CODE
(SMOKELESS TOBACCO PRODUCTS)**

Philip Mobley, Parks & Recreation Director, stated that the information included in the agenda package is taking out smokeless tobacco because of what we already have in the ordinance.

Mr. Holscher stated that the City has a current ordinance that says that smoking is not permitted on athletic fields, in centers, including civic center and was in our code prior to 1993. Legislature place restrictions on smoking prohibitions and any amendments, and if you amend it now, it would have to be consistent with that state law. If it's consistent with the state law, it would not accomplish the goal that you seek to accomplish.

Mr. Holscher stated that smoking was allowed in the Civic Center in 1993, but he believes that the TDA has passed a ban on smoking in the Civic Center as a landlord now.

Councilman Gibson questioned why, if it is a state statute, does the Council take action on it? Mr. Holscher stated that this is where it gets complicated. The 1993 law says if you pass an amendment to a smoking prohibition you already have on the books, that amendment has to be consistent with the state law. That law would not allow us to ban the type of smoking you would like to ban, so we don't need to mess with what you have on the books and it still accomplishes your goal.

Mayor Jennette called on Major Blizzard to enlighten Council on how enforcement will be handled. Major Blizzard stated that there are two ways to approach enforcement: (1) A fine and issuing a citation (can empower Recreation personnel to issue), and could become expensive if they didn't pay and you have to go to Court, or (2) treat it as a rule at a facility---give a warning, ask them to leave, and if they refuse, then it becomes a criminal offense of trespassing. The Police Department and Recreation will work the transition out.

Mr. Holscher suggested appropriate signage.

Councilman Gibson pointed out that a policy has been in effect for years, but have we been enforcing it? Councilman Jennings stated we are including "smokeless." Councilman Gibson stated he is against government constantly running the lives of the public and what is really good for the public, and the government day by day takes something away from our freedom. Mr. Mobley pointed out that they are trying to take it away from the site where children are participating. Mr. Mobley stated we are not concentrating on parking lots, etc.

On motion of Councilman Jennings, seconded by Mayor Pro tem Woolard, Council unanimously adopted an ordinance to amend Chapter 11, Parks and Recreation of the City Code, to (14) to prohibit the use of any smokeless tobacco products at organized recreational youth athletic activities on City properties and/or properties leased by the City.

**AN ORDINANCE TO AMEND CHAPTER 11, PARKS AND RECREATION
OF THE WASHINGTON CITY CODE**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WASHINGTON
NORTH CAROLINA:**

Section 1. That Chapter 11, Article I, Section 11-5, be amended by adding the following:

(14) The use of any smokeless tobacco products at organized recreational youth athletic activities on City properties and/or properties leased by the City is prohibited.

Section 2. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 3. This ordinance shall become effective October 8th, 2007.

This the 8th day of October, 2007.

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

**CONSIDER – REQUEST FOR QUALIFICATION TO PERFORM A
DEVELOPMENT PLANNING AND DESIGN FOR WATER
STREET REUSE DISTRICT**

Mayor Jennette stated that Council met on May 3rd and talked at length about the Evans Property and doing a hotel feasibility study. In the meantime, there have been discussions on looking at Water Street in its entirety. They met with Water Street property owners last month and received some feedback.

Bob Trescott stated that he put together a program for the Water Street property owners. From that program, it became clear there is redevelopment opportunity and reuse opportunity for the citizens. He stated that there are parts of the Dixon Plan that had a relationship to each other and later some of the parts didn't take place, but some people were still holding out for other parts. The feeling was from the City Manager that maybe we should put out an RFQ to look at the entire area of Water Street and see what the potential is and how it meets the Smart Growth Check List and some of the findings in the past instead of looking at things piecemeal. All the parts are not being put together, so a study of those properties would be helpful.

Mr. Trescott stated that a RFQ or "Request for Qualifications" is being looked at instead of a Request for Proposals because it gives you more flexibility. A Request for Qualifications lists the issues and background and you ask why your company is the appropriate company for us to consult with to deal with those issues. Then you can choose to negotiate so you can make the contract exactly what you want. This should pull things together in a coherent way.

Mayor Jennette stated they had talked about looking at all three properties at the end of the street together, but obviously with the traffic flow, we need to look at the width of the street and how would that impact those properties. Mr. Trescott stated that the impact of street widening or other requirements are worth being looked at.

It was pointed out that the \$15,000 was pulled out of the budget this year for the feasibility study. Councilman Gibson asked if there is anything in the W.K. Dickson that could be applied in determining the future of these properties? Mr. Trescott stated there is a good history...the Renaissance Plan, the Dickson Plan, a Marketing Analysis, Smart Growth Check List, etc. Mr. Trescott stated the people are picking the parts they like and some things have happened or haven't happened that would change things. This would not be a major study, but would

be building on those older plans that have some value but are not clear in interpretation now. There are twenty-six pieces of properties down there.

Councilman Jennings mentioned Jay Thomas, with NC State, as one who might look at this.

After discussion, it was Council's consensus to request qualifications to perform a Development Planning and Design for Water Street Reuse District.

PUBLIC HEARING - CONSIDER ADOPTING ORDINANCE TO AMEND CHAPTER 27, ZONING, ARTICLE IV. BY ADDING MEDICAL, OFFICE, AND WAREHOUSE STORAGE AS A SPECIAL USE PERMIT IN THE OFFICE & INSTITUTIONAL DISTRICT; AND AMEND V. STANDARDS AND CRITERIA FOR SPECIAL USES

Ms. Moate, a member of the Planning Board, stated that Beaufort County Hospital is requesting an amendment to the Zoning to allow for office, medical and warehouse storage in and around the hospital as a Permitted Use to the district. The Planning Board recommended to allow this type activity as a special use permit. The Special Use provision allows for certain reasonable conditions to be placed on the issuance of a special use permit. Therefore, the Planning Board chose to limit this type of use in close proximity to the hospital and placed conditions on the structures to be built by the Hospital.

Mayor Jennette asked Bobby Roberson if the Hospital had originally wanted to build a metal building? Mr. Roberson stated that use was not allowed in the O&I district, so that was the first obstacle, and limited the use to one-half mile. Secondly, because of the existing building there, none have metal façade, so they felt they should go with brick façade, and they had no problem with it.

Mayor Jennette stated this is a public hearing.

Mr. Steve Bailey, Surveyor, who has submitted the request of Beaufort County Hospital, stated that the restrictions are very reasonable and the Hospital is willing and able to meet the restrictions.

Mayor Jennette closed the public hearing.

On motion of Councilman Gahagan, seconded by Councilman Jennings, Council unanimously accepted the recommendation of the Planning Board and adopted an ordinance to amend Chapter 27, Zoning, Article IV, by adding medical, dental and related office storage and warehouse as a special use permit in the Office & Institutional district; and amended Article V. Standards and Criteria for Special uses for medical, dental and related office storage and warehouse.

An Ordinance to Amend Chapter 27, Article IV and Article V of the City of Washington Zoning Ordinance concerning medical, dental and related office storage and warehouse in the Office and Institutional (O and I) Zoning District

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

Section 1. That Chapter 27, Article IV, Section 27-43 entitled "Table of Uses" under the category Education, Institutional Uses be amended by adding a new use, medical, dental and related office storage and warehouse as a special use and mark an "S" in the column for O and I

Section 2. That Chapter 27, Article V., section 27-49, entitled, "Listed Uses: Specific Criteria.

- (oo) Medical, dental and related office storage and warehouse
- (1) Site Plan: A site plan shall be prepared by a licensed architect, engineer, or registered land surveyor and contain a metes and bounds description of the subject property
 - (2) Approval: A site plan shall be prepared and approved in accordance with Article XVII. Site plan review of the Zoning Ordinance
 - (3) Location: The new building shall be located within one half (1/2) mile of the Beaufort County Hospital
 - (4) Exterior Design: The exterior of the new building shall have a brick facade and be compatible with the surrounding structures.

Section 3. This Ordinance shall become effective upon its adoption.

Section 4. All Ordinances or parts in conflict herein are repealed

Adopted this the 8TH day of October, 2007

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

**PUBLIC HEARING - APPROVE PRELIMINARY SUBDIVISION PLAT
OF NEW HOPE ROAD INTO NORTHGATE SUBDIVISION**

Ms. Moate stated that Jason Briley has made a request to connect New Hope Road to the Northgate Subdivision. New Hope Road connects Highway 17 North. By connecting the two streets, it will provide for better circulation and protection for the subdivision. There was no opposition and the vote was unanimous to recommend approval.

Mr. Roberson stated this would be a direct shot off of Highway 17 directly into the subdivision.

Mayor Jennette stated this is a public hearing.

Mr. Jason Briley was present to answer questions. He stated he had to get an easement for a piece of land to connect the areas.

Mayor Jennette closed the public hearing.

On motion of Mayor Pro tem Woolard, seconded by Councilman Gibson, Council unanimously approved the Preliminary Subdivision Plat of New Hope Road into Northgate Subdivision.

**PUBLIC HEARING - APPROVE PRELIMINARY SUBDIVISION PLAT
APPROVAL OF BEAUFORT REGIONAL MEDICAL AUTHORITY**

Ms. Moate stated that the Beaufort County Hospital presented a preliminary subdivision plat and there was no opposition at the Planning Board meeting. Vote was unanimous to recommend approval.

Mr. Roberson stated that now it is a matter of record that they fall underneath the Tar-Pamlico Stormwater Rules. All the water will be diverted to the stormwater detention area which is right off Lot 19.

Mayor Jennette opened the public hearing.

Mr. Bailey stated that he is here to answer any questions.

Mayor Jennette closed the public hearing.

On motion of Mayor Pro tem Woolard, seconded by Councilman Gibson, Council accepted the recommendation of the Planning Board and unanimously approved the Preliminary Subdivision Plat of Beaufort Regional Medical Authority, subject to conditions marked as Attachment A, as follows:

Public Works Department Comments:

This site will fall under the City of Washington's Tar-Pamlico Stormwater Rules. Call Allen Lewis, Director of Public Works at 252-975-9332 for further information.

Fire Department Comments:

*Fire hydrant located within 400 ft. of building.

*Proper turn around for dead end road.

Call Robbie Rose, Fire Marshal at 252-948-9401 for further information.

Electric Department Comments:

Approved as presented. The Electric Department has no comments at this time.

Planning and Development Comments:

Approved as presented. The Planning Department has no comments at this time.

Parks and Recreation Comments:

Approved as presented. The Parks & Recreation Department has no comments at this time.

Police Department Comments:

Approved as presented. The Police Department has no comments at this time.

Inspections Department Comments:

Approved as presented. The Inspections Department has no comments at this time.

**PUBLIC HEARING - ADOPT ORDINANCE ESTABLISHING A
MORATORIUM OUTDOOR ADVERTISING SIGNS**

Ms. Moate stated that the Planning Board is reviewing all the land use regulations along Highway 17 Bypass and trying to coordinate the signage along the corridor. The primary purpose of the moratorium is to find out the future location of all the signs along the proposed highway corridor with emphasis on outdoor advertising signs. The moratorium will allow for the coordination of

outdoor advertising signs with the North Carolina Department of transportation's blue corridor signs. The moratorium can be extended if necessary.

Mayor Jennette stated that this is a public hearing.

There was no one present to speak.

Mayor Jennette closed the public hearing.

On motion of Councilman Jennings, seconded by Councilman Gahagan, Council unanimously accepted the recommendation of the Planning Board and adopted an ordinance establishing a six month moratorium on outdoor advertising signs.

ORDINANCE

WHEREAS, cities may adopt temporary moratoria on any city development approval process required by state law, as provided by NCGS 160A-381(e), and;

WHEREAS, the development moratorium is proposed to be more than 61 days and is therefore subject to the notice and hearing requirements established under NCGS 160A-364, and;

WHEREAS, any ordinance establishing a development moratorium must expressly include at the time of adoption statements as to why the moratorium is necessary, which are as follows:

1. Statement of the problems or conditions necessitating the moratorium.
 - a. As of September 1, 2007, the North Carolina Division of Highways was in the process of acquiring right of way for the construction of the proposed City of Washington US Highway 17 Bypass (Transportation Improvement Project R-2510B) from US Highway 17 South at SR1149 (Price Road) to US Highway 17 North at SR 1509 (Spring Road).
 - b. Until said right of way acquisition is finalized, the City of Washington will not know the exact location of the proposed US Highway 17 Bypass. Right of way plans are expected to be completed by the Division of Highways, however exact sign locations have not been determined as of October 1, 2007.
 - c. The City of Washington and City Council are actively preparing a CAMA Land Use Plan update and a Comprehensive Plan. Both plans will affect development in the vicinity of the new US Highway 17 Bypass, with emphasis on the Heavy Industrial (I1) Zoning District. The adoption of both plans is expected on or before February 28, 2008.
 - d. There is no alternative to the imposition of a temporary moratorium on development along US 17 Bypass to afford the City of Washington an opportunity to develop and adopt adequate land use regulatory controls. Therefore, no alternatives were considered.
2. Statement of the development approvals subject to this moratorium.
 - a. This moratorium will apply only to outdoor advertising signs located in a Heavy Industrial (I1) Zoning District inside the City of Washington's city limits and their extra territorial zoning jurisdiction.
 - b. This moratorium does not prevent any building permits from being issued for repairs to outdoor advertising signs when they are consistent with the provisions of non-conforming signs

established in the Code of Ordinances of the City of Washington found in Chapter 27, Zoning.

3. Date and time for moratorium termination.

This moratorium will terminate at 12:01 a.m., March 1, 2008. The termination date and time are necessary to allow for the City of Washington to complete the 2006 CAMA Land Use Plan update and the proposed Comprehensive Plan. In addition the time frame allows for the coordination of outdoors advertising signs to be located in the Heavy Industrial (I1) zoning classification.

4. Schedule.

The following provides the schedule of actions which is to be followed by the City of Washington during the duration of the moratorium to address the problems/conditions leading to the imposition of this moratorium.

- a. November 1, 2007. The North Carolina Department of Transportation will finalize the US Highway 17 Bypass right of way.
- b. December 1, 2007. The Coastal Resources Commission will have adopted the City of Washington's CAMA Land Use Plan update.
- c. January 1, 2008. The North Carolina Department of Transportation will finalize the sign location along the right of way for the proposed US Highway 17 Bypass.
- d. February 11, 2008. The City of Washington will advertise and conduct public hearing(s) for the proposed new outdoor advertising signs.
- e. March 1, 2008. Effective date of the new outdoor advertising sign regulations.

NOW THEREFORE BE IT ORDAINED: The City of Washington finds it necessary for the moratorium in order to provide for orderly growth and development with the anticipation of the new US Highway 17 Bypass to be located on the western side of the municipality by coordinating all public facilities in and around the Heavy Industrial (I1) zoning classification.

Adopted this 8TH day of October, 2007

s/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

COMMENTS FROM THE PUBLIC

Mickey Cochran

Mr. Mickey Cochran presented a Petition to Council requesting that speed bumps be installed on 10th Street to slow speeders down. He stated that East 10th Street is a wide street with only three stop signs from U.S. 264 East to Market Street. The stop signs are often ignored and it has become a cut-through street. From Brown Street to the stop sign on Bonner Street is .4 of a mile and becomes a race way and cars travel between 50 and 60 mph on this street. He stated the Police Department does not have the manpower to address this problem. It is driving people from this area. With property values going down, the slumlords move in and rent to anyone. Break-ins and robberies have increased. Children live there and there are two churches in the area.

Mr. Cochran again asked Council to consider speed bumps on 10th Street which require little or no maintenance. He stated they will do everything they can to elect people who will hear them.

Mayor Jennette stated that a lot of neighborhoods have asked for speed bumps and they are very expensive. She stated they will look at all the options and see what they can afford to do.

Councilman Gahagan stated we can get the Police Department and Public Works to look at some alternatives that other cities use. He asked that recommendations be brought back.

Allen Lewis, Public Works, Public Works Director, stated that DOT frowns on speed bumps because of the liability.

Gary Tomasulo

Mr. Gary Tomasulo appeared before Council to request that Council renovate the alley aside of the DMV on Market Street before fixing the Harris Lane because there is more traffic on it and would be less expensive. The alley is called the "McLean" Alley.

**AUTHORIZE – MAYOR TO EXECUTE AN AGREEMENT WITH
NC LAND PARTNERS TO PROVIDE UTILITY SERVICE**

Mr. Holscher stated that the City entered into water and sewer agreement with NC Land Partners in 2006 which was drafted by their attorneys. Lots in the First Phase were sold and then they decided to abandon their condominium phase project. The City had actually entered into a second agreement with Marick who were a successor in interest to NC Land Partners for the condominium development about water and sewer. The original agreement called for septic tanks and injector pumps and have been replaced with a grinder pump system.

Mr. Holscher stated that a new agreement has been drafted and reviewed by all parties. He pointed out that the motion should be stated to authorize the Mayor to execute the agreement, subject to receiving a title opinion and lien subordination agreement.

Councilman Jennings stated that it was discussed, as access to the river was reduced by through private development, that we would somehow seek some mitigation of that by creating additional access. He stated that he has since learned that there is a Coastal Access Trust which helps municipalities do that. He stated that he knows we can't get a codicil to this agreement at this late date, but at least contact this Coastal Access Trust to see if we could potentially gain some assistance in buying some of this property as it is put on the market to gain access.

Mr. Lewis explained the technology change which will be a lot cleaner with the grinder pump system.

Mr. Holscher stated that individuals who have purchased lots prior to tonight, are under the original agreement. Instead of avoiding the original agreement, this is a modified agreement to that one.

Councilman Jennings stated this is an important contract, but we are basically modifying the original agreement, we are entering into a contract without a legal advocate. Mr. Holscher stated that he modified the agreement without taking sides, and took the assumption that you had that advice when you entered the first agreement.

Mr. Holscher called attention to the revisions made since Friday:

- (1) Section V.3.a. – The developer indicated to him that they thought an 8" force main, while appropriate for the 300+ condominium development would be necessary for that, would be a surplus for an additional 55 single family residential lots. They wanted to reduce that to a 6" force main. This paragraph says that we will allow for a reduction from the 8" force main if our consultant says it is appropriate.
- (2) Section VI.1. Construction Obligation. Mr. Holscher added language that says "to both the existing water lines that will supply the water service contemplating herein and to those meters." This was to make it clear that those lines they are putting in will not only connect to existing lines but also to the meters that are on each lot.
- (3) Section VI. 2. Mr. Holscher added language that "individual meters on the lots will be conveyed to the City." (this was a communication error).

Councilman Jennings, referring to Section XII., asked if NC Land Partners are off the hook entirely? Mr. Holscher stated that that paragraph is identical to the original agreement. The association will assume the owner/developer's obligations before they are release.

Councilman Jennings asked about the number of homes to be built. Mr. Holscher stated that 113 is the approximate number. There is a paragraph covering impact fees and other services.

On motion of Councilman Gahagan, seconded by Councilman Jennings, Council unanimously authorized the Mayor to execute an agreement with NC Land Partners to provide utility service to their project on the former Whichard Beach property, subject to receiving a title opinion and lien subordination agreement.

***Note: Agreement was modified and approved again on October 29, 2007, Section 6.4 to include Beaufort County impact fees clarification.**

**APPROVE – MEMORANDUM OF UNDERSTANDING WITH
JOHNSON CONTROLS INC. TO CONDUCT AN FEASIBILITY
ANALYSIS FOR PERFORMANCE-BASED FINANCING OF
WATER & SEWER INFRASTRUCTURE**

James Tripp stated that Johnson Controls would conduct a study and determine the feasibility of upgrading the existing water and sewer infrastructure while reducing energy consumption, operating cost, and increasing the ability to

recover potential loss billable revenues. Johnson Controls will conduct the study at no charge and is not binding to the City.

On motion of Councilman Gahagan, seconded by Councilman Brooks, Council unanimously approved the Memorandum of Understanding with Johnson Controls, Inc. to conduct a feasibility analysis for performance-based financing of Water & Sewer Infrastructure.

Performance Contracting

Concept- provides a procurement vehicle that allows us to make infrastructure improvements today that are guaranteed to be funded by the resulting savings and/or increased billable revenues.

Guaranteed Energy Savings Contracts in North Carolina [NC Statute 143-64.17]

- Allows the use of future energy savings to finance facility improvements for existing buildings now.
- Requires the projects be 100% self-funded including the cost of financing.
- Requires a 100% guarantee.
- Allows the use of tax-exempt capital leases to finance the project up to 20 years.
- Local Government Commission oversight

In addition if a contract is execute

- Projects must be 100% self-funded.
- City keeps any excess billable revenue and/or energy savings
- Firm, fixed price with no change-orders
- Identify Savings Opportunities within Existing Budget to Fund City Improvements by:
 - Reallocating Operating Cost Savings
 - Capture Lost Billable Utility Usage
- Effectively Utilize these Savings to Finance Solutions
- Upgrade Infrastructure, Equipment & Systems now
- Improve Operations and Meter Reading
- Improve Customer Services
- Provide Performance Guarantees on Turn-key Implementation

Organizations in NC that have used Performance Contracting

NC State Ports Authority Charlotte Arena City of High Point
Cumberland County Gov't. Rockingham Co. Schools Granville Co. Schools
Nash-Rocky Mt. Schools Lexington City Schools James Sprunt Comm.
College
Wayne Community College Columbus Co. Schools Davidson
Community College
Wilkes Community College Johnston Community College
Other NC projects: Schools – Clay Co., Iredell Co., Jackson Co., Martin Co.,
Transylvania Co., Union Co., Colleges – Belmont Abbey, Brevard, Queens, Mt.
Olive.

Organizations outside NC that have used Performance Contracting

SC – USC (Biomass) SC – City of Charleston AL – City of Huntsville
AL – Pell City Gov't.
AL – City of Lanett GA – City of Hazlehurst GA – City of Smyrna GA – City
of Fairburn
GA – City of Rockmart GA – City of Woodstock FL – City of Edgewater
FL – City of Tallahassee

Memorandum of Understanding

Customer: *City of Washington*

This *Memorandum of Understanding (MOU)* is to confirm the City of Washington's interest in developing a Performance-based Solution for the purpose of upgrading existing water and sewer infrastructure and water and sewer facilities while reducing energy consumption & operating costs and recovering revenue. ***This is not a financial obligation but rather a "good faith" agreement only.***

Johnson Controls, Inc. will provide resources in order to develop a preliminary audit outlining potential energy conservation and utility improvement measures and associated cost reductions and revenue recapture. In turn, the City of Washington agrees to work diligently with Johnson Controls, Inc. to provide the information noted on page 2, and to commit to the mutually agreed upon timeline.

<u>Responsibility</u>	<u>Commitment Date</u>
1. Concept introduction to Manager JCI / Customer	August 22, 2007
2. Concept meeting / introduction to key staff members JCI / Customer	August 22, 2007
3. Information disclosure (See Page 2) JCI / Customer	_____
4. Facility surveys JCI / Customer	_____
5. Presentation of preliminary analysis results to Customer JCI	_____
6. Decision to move forward to procurement Customer	_____
7. Request for Proposals JCI / Customer	_____
8. Selection of Performance Contracting partner	
9. Detail audit of facilities and infrastructure	
10. Contract negotiation / implementation	

This agreement is a commitment to share information, provide personnel resources, and consider improvements for the City of Washington.

S/Judy Jennette
JUDY JENNETTE
MAYOR

ATTEST:

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

**DESIGNATE – VOTING DELEGATE & ALTERNATE VOTING
DELEGATE FOR ANNUAL LEAGUE MEETING**

On motion of Councilman Jennings, seconded by Councilman Gahagan, Council unanimously appointed Councilman Gibson the City's Voting Delegate at the NCLM Meeting in Fayetteville, NC, and Councilman Brooks as the Alternate.

**CLOSED SESSION – UNDER G. S. 143-318.11 (A)(3)
ATTORNEY/CLIENT**

On motion of Mayor Pro tem Woolard, seconded by Councilman Jennings, Council unanimously agreed to go into closed session under G.S. 143-318.11(a)(3) Attorney/Client Privilege at 7:21 p.m.

On motion of Mayor Pro tem Woolard, seconded by Councilman Gahagan, Council unanimously agreed to come out of closed session at 7:45 p.m.

CONTINUE MEETING

On motion of Mayor Pro tem Woolard, seconded by Councilman Jennings, Council unanimously adjourned the meeting until Monday, October 29, 2007 in the Council Chambers at the Municipal Building at 4:30 p.m.

Rita A. Thompson, CMC
City Clerk