



DRAFT

THURSDAY-10:00 A.M. DECEMBER 6, 2012 FINANCE COMMITTEE

The Finance Committee of the City Council of the City of Elizabeth City held a meeting on the above date and time in the City Council Chambers of the Municipal Administration Building with Chairwoman L. A. Hummer presiding. Those attending were: Chairwoman Hummer, R. T. Donnelly and J. W. Peel, City Manager R. C. Olson, City Clerk D. S. Pierce-Tamplen and Finance Director S. E. Blanchard. Councilwoman L. M. Hill-Lawrence was absent.

Chairwoman Hummer established a quorum was present and called the meeting to order at 10:00 a.m. She called for a moment of silent reflection after which she led the Pledge of Allegiance to the Flag of the United States of America.

1} AGENDA ADJUSTMENT AND APPROVAL:

Chairwoman Hummer called for approval of the prepared agenda.

A motion was made by Councilman R. T. Donnelly, seconded by Mayor J. W. Peel to approve the agenda as presented. Those voting in favor of the motion were: Donnelly, Peel and Hummer. Against: None. Motion carried.

2} INCREASE IN WATER TREATMENT PLANT LAB FEES:

Chairwoman Hummer called upon City Manager R. C. Olson for a discussion on the increase in Water Treatment Plant Lab Fees.

Mr. Olson stated that the City through our Water Treatment Plant periodically do bacteriological analysis and HPC analysis for neighboring domestic water supplies. Over the years the cost of reagents and other supplies required to perform these tests has gone up to the point that it costs the City. We currently charge \$25 per sample for bacteriological and \$30 per sample for HPC analysis. We have not increased our fees in 25 years but Public Works is requesting that we raised each fee to \$40.00. We do about 25-30 of these samples per month. Our biggest client is the Pasquotank County Water Department. Currently, our cost per sample, exclusive of staff time, is about \$17 per sample. It takes staff about one hour to perform the analysis, analyze and record the results of each sample.

A motion was made by Councilman R. T. Donnelly, seconded by Mayor J. W. Peel to recommend to City Council to approve a



DRAFT

change to the City's Rate and Fee Schedule to allow the Water Treatment Plant to charge \$40 per sample for Bacteriological Analysis and HPC Analysis; and further, the change is to be effective on January 1, 2013. Those voting in favor of the motion were: Donnelly, Peel and Hummer. Against: None. Motion carried.

3} CAMA GRANT DOCUMENTS FOR PURCHASE OF MACK SAWYER BUILDING:

Chairwoman Hummer called upon City Manager Olson for comments.

Mr. Olson stated City Council authorized staff to submit the grant to purchase the Mack Sawyer Building located at 106 South Water Street. We were notified the first part of July that we had received the grant, but because of a number of issues in Raleigh, we did not receive a copy of the actual grant agreement until a few days ago. Pursuant to the grant agreement the contract period will be effective from December 15, 2012 until May 31, 2014. This is a very straight forward agreement and we will be able to closeout this grant before the end of this calendar year. It is a simple purchase of the building. The building was originally appraised at \$140,000 and Mack Sawyer agreed to sell the building to the City for \$140,000. The CAMA grant is for \$102,000 and the City's 25% match is \$38,000. We have \$2500 in in-kind services which brings the total grant award to \$142,500. The City would like to use TDA funds to pay the 25% match and we will address that item next.

A motion was made by Councilman R. T. Donnelly, seconded by Mayor J. W. Peel to recommend to the City Council to accept the CAMA Grant funds in the amount of \$102,000; and further, to authorize the City Manager and the City Attorney to purchase the property at 106 S. Water Street owned by A. Mack Sawyer and Associates. Those voting in favor of the motion were: Donnelly, Peel and Hummer. Against: None. Motion carried.

4} AUTHORIZATION TO SUBMIT FUNDING APPLICATION TO TDA:

Chairwoman Hummer called upon City Manager Olson for comments.

Mr. Olson stated the City received the CAMA Grant Agreement to purchase the Mack Sawyer Building located at 106 S. Water Street. The Grant Agreement requires the City to provide \$38,000 in matching funds. The match was not budgeted in the fiscal year 2012-2013 budget. Staff has identified two possible funding sources, TDA funding or taking the required match from the City's



General Fund reserves. The City currently has a balance in our TDA funding of \$99,268.92. However, the Council has approved the following expenditures:

Highway 17 Association	\$ 1,000.00
Juneteenth Festival	\$ 1,500.00
Port Discover Semi Annual Payment	\$ 7,500.00
Former Middle School Renovation	\$75,000.00
Current Amount Available	\$14,268.92

The City receives monthly distributions for the TDA and the balance shown above includes funding through September 2012. We will receive monthly distributions for October, November and December 2012 as well as distributions for January, February and March 2013 before the semi-annual payment to Port Discover is paid in April 2013. The anticipated available revenue as of June 30, 2013 should be approximately \$50,000 based on monthly distributions of \$5,000.

A motion was made by Mayor J. W. Peel, seconded by Councilman R. T. Donnelly to recommend to City Council to authorize the submission of an application to TDA in the amount of \$38,000 for the purchase of the Mack Sawyer Building. Those voting in favor of the motion were: Peel, Donnelly and Hummer. Against: None. Motion carried.

5} MISCELLANEOUS:

Mr. Olson stated he would like to update one of the items that we did not put on the Finance Agenda because the City Council had that discussion already in Closed Session and that is acceptance of the property donation from Walton Jeanette’s Trust Fund. He just received five minutes ago a copy of the plat on that property. We ran into a problem because the City’s subdivision regulations would require that a complete major subdivision be done on that property. As a way of streamlining the process the City owns the property where the old landfill use to be across Knobbs Creek. State law does allow us to tie pieces of property together. We have asked Hyman and Robey to do a recombination plat on that property. It just came a second ago and it is what we have agreed too. There will be a separate resolution accepting the gift from the Jennette’s Trust on the agenda for Monday night. That is just a little update on that. We won’t have a legal description but what we will do is reference the plat that is attached to it. The attorney Brock Mitchell will be drawing up the legal description on behalf of Mr. Jennette.

6} CLOSED SESSION:



DRAFT

Chairwoman Hummer called for a motion to retire into Closed Session.

A motion was made by Mayor J. W. Peel, seconded by Councilman R. T. Donnelly to retire into Closed Session for consultation with the City Attorney as per NCGS 143-318.11 (a) (3). Those voting in favor of the motion were: Peel, Donnelly and Hummer. Against: None. Motion carried.

7} RETURN TO REGULAR MEETING:

A motion was made by Mayor J. W. Peel, seconded by Councilman R. T. Donnelly to return to regular session of the Finance Committee. Those voting in favor of the motion were: Peel, Donnelly and Hummer. Against: None. Motion carried.

8} ITEM FROM CLOSED SESSION:

A motion was made by Councilman R. T. Donnelly, seconded by Mayor J. W. Peel to bring before full City Council in a Closed Session on Monday, December 10th, 2012, the Department of Labor OSHA inspections penalties assessments in order that all members of Council will have an equal understanding of these issues; and further recommend that they authorize the Informal Settlement Agreement. Those voting in favor of the motion were: Donnelly, Peel and Hummer. Against: None. Motion carried.

9} ADJOURNMENT:

There being no further business to come before the Committee at this time, Chairwoman Hummer adjourned the meeting at 10:48 a.m.

Dianne S. Pierce-Tamplen, MMC
City Clerk

L. Anita Hummer
Chairwoman