



# MEMORANDUM

**To:** Mayor and City Councilors  
**From:** Rich Olson, City Manager  
**Date:** October 24, 2013  
**Re:** Consideration - Aviation Park Interlocal Agreement/Reimbursement of Investment

## **BACKGROUND:**

In December 2009, the City, Pasquotank County and the Airport Authority entered into a tri-party Interlocal Agreement, which dealt with several matters associated with the Aviation Park. Section 4 of the agreement deals with the distribution of funds in the City's Aviation Park account. All grant proceeds and revenue generated from lease payments made by DRS have been deposited into this account. The City has used this account to reimburse several agencies that provided funding based on certain job creation goals, which were established for the project. All private and state agencies have been paid with the exception of IDF. City staff and the City Attorney are in the process of determining the City's liability to IDF, which will not exceed \$130,000.

## **ANALYSIS:**

Attached you will find Schedule "C" of the Interlocal agreement, which delineates how much the City and County will receive from the Aviation Park account prior to the funds being turned over to the Airport Authority. The City presently has \$1,148,425.15 in the Aviation Park account. Included in Schedule "C" are two line items, which show that Pasquotank County would be entitled to \$142,226.29. In those same line items, the City would receive \$187,226.26.

Staff believes that we need to start distributing funds to both the City and County. However, we need to maintain an adequate balance in the account to insure the maintenance of the Airport and the Aviation Park. Staff is recommending that a check be issued at this time to Pasquotank County in the amount of \$142,226.29, which will complete reimbursement of the County's contribution to the project.

The Finance Committee discussed this matter during their meeting held on October 24, 2013 and recommends approval.

## **STAFF RECOMMENDATION:**

By motion, adopt the attached Budget Amendment authorizing disbursement to Pasquotank County in the amount of \$142,226.29 from the Aviation Park Fund Balance Appropriated.

Exhibit "C"

| Activity   | Cost         | City         | County     | Grant Funding Rec'd | Parks    | Hyman Robey |
|--|--------------|--------------|------------|---------------------|----------|-------------|
| Debt Service on Loan   | 124,010.76   | 124,010.76   |            |                     |          |             |
| Dominion Est. Cost for Line Relocation on Consolidated Environmental Assessment (BRPH) | 101,657.33   | 101,657.33   |            |                     |          |             |
| Airport Matching Funds Year One  | 326,570.15   | 185,785.06   | 140,785.09 | 326,570.15          |          |             |
| Airport Matching Funds Year Two  | 55,000.00    | 55,000.00    |            |                     |          |             |
| Airport Matching Funds Year Three  | 55,000.00    | 55,000.00    |            |                     |          |             |
| Bryan Bray Fence   | 5,000.00     | 2,689.34     |            |                     | 1,155.33 |             |
| Party & Equipment Rentals-groundbreaking   | 1,217.78     | 1,217.78     |            |                     |          | 1,155.33    |
| Party & Equipment Rentals-ribbon cutting   | 204.96       | 204.96       |            |                     |          |             |
| Kenneth Bateman Produce Farms (crop damage)  | 2,882.43     | 1,441.20     | 1,441.20   |                     |          |             |
| NCDENR (Fast Track Application)  | 480.00       | 480.00       |            |                     |          |             |
| William H. Morgan, Jr., City Attorney  | 11,309.75    | 11,309.75    |            |                     |          |             |
| The Virginian Pilot (Ads)  | 609.00       | 609.00       |            |                     |          |             |
| The Daily Advance (Ads)  | 288.90       | 289.90       |            |                     |          |             |
| The Virginian Pilot (Ads)  | 966.00       | 966.00       |            |                     |          |             |
| NCDENR Express Stormwater  | 4,000.00     | 4,000.00     |            |                     |          |             |
| NCDENR Erosion Control   | 4,875.00     | 4,875.00     |            |                     |          |             |
| LGC Application  | 500.00       | 500.00       |            |                     |          |             |
| Cox NC Publications (Ads)  | 523.60       | 523.60       |            |                     |          |             |
| The Daily Advance (Ads)  | 1,832.11     | 1,832.11     |            |                     |          |             |
| BB&T Underwriting Fee  | 2,100.00     | 2,100.00     |            |                     |          |             |
| Elan Credit Card - Ribbon Cutting Ceremony   | 380.00       | 380.00       |            |                     |          |             |
| Ken Weedon & Associates (DBE Program Updates)  | 1,600.00     | 1,600.00     |            |                     |          |             |
| Steve Saunders Appraisals  | 16,500.00    | 16,500.00    |            |                     |          |             |
| City Electric Department (specific to job)   | 239,172.24   | 239,172.24   |            |                     |          |             |
| Grant Administration/Project Administration-City                                       | 100,000.00   | 100,000.00   |            |                     |          |             |
| City Manager Travel - grant related  | 2,000.00     | 2,000.00     |            |                     |          |             |
| Matching Funds Vision 100 Grant  | 40,000.00    | 40,000.00    |            |                     |          |             |
| Total  | 1,153,680.01 | 1,009,144.03 | 142,226.29 | 326,570.15          | 1,155.33 | 1,155.33    |

**BUDGET AMENDMENT**

**BE IT ORDAINED** by the City Council of the City of Elizabeth City that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2014.

**SECTION I.** That the Aviation Park Fund Balance Appropriated (633990.0000) and the Pasquotank County Reimbursement (639008.9102) be increased by \$142,226.29.

(To record Aviation Park Reimbursement.)

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**Joseph W. Peel, Mayor**

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**Dianne S. Pierce-Tamplen, MMC, City Clerk**