

**City of New Bern
Board of Aldermen Meeting
February 22, 2011
City Hall Courtroom – 7:00 P.M.
300 Pollock Street**

1. **Meeting Opened by** Mayor Lee Wilson Bettis, Jr. **Prayer by** Minister Judy Moore of Without Limits Christian Center. Pledge of Allegiance.
2. **Roll-call.** Aldermen Sabrina Bengel; Victor Taylor; Johnnie Ray Kinsey; Bernard White; and Dana Outlaw.

Also in Attendance: Mike Epperson, City Manager, and Scott Davis, City Attorney.

3. **Presentation of Service Certificates for City Employees.**

The Mayor and Board of Aldermen along with Sonya Hayes, Director of Human Resources, presented longevity awards to the following employees:

Names	Departments	Years of Service
James Mason	Electric	5
Jerry Finch, Jr.	Electric	10
Michael Caswell, Jr.	Electric	10
Thomas Gustafson	Electric	15
Kirk DeGruy, Jr.	Engineering	5
James Ipock	Engineering	5
Michelle Roberg	Engineering	20
Karla Overbey	Finance	10
Lee Jones	Finance	10
David Noe	Fire	5
Robert Blalock	Fire	5
James Highsmith	Fire	5
Robert Bordeaux	Fire	20
John Harrington, Jr.	Fire	25
David Toler	Parks & Recreation	10
Paul Haddock	Parks & Recreation	10
Harold Coplon	Parks & Recreation	10
Alice Wilson	Planning & Inspection	10
Keith Boulware	Planning & Inspection	15
Amanda Goltare	Police	5
Lillie Scott-Carr	Police	5
Stephen Williams	Police	5
Jason Williams	Police	10
Douglas Ipock	Police	15
Vincent Bryant, Sr.	Police	15
Douglas Evans	Police	15
Perry Williams	Public Works	10

John Allen	Public Works	20
Donnie Franks	Public Works	25

Mayor Bettis, Alderman Bengel and the Board thanked the employees for their years of service. They expressed to the employees that their services does not go un-noticed, and the board appreciates all of their hard work. The City is going through some tough times, but things will get better.

Mayor Bettis made a motion to recess the meeting for a reception honoring the employees receiving longevity awards, seconded by Alderman Taylor. The motion carried unanimously, time being 7:15 p.m. The meeting reconvened at 7:40 p.m.

4. **Presentation on Trip to Ghana.**

Alderman Kinsey gave a brief report on the recent trip to Ghana, which was embarked upon as a part of New Bern's 300th Anniversary Celebration. Students of area high schools who accompanied Alderman Kinsey spoke on their experiences of the Ghana trip. Bernard George presented a PowerPoint presentation on the trip, as he was a part of the delegation. Alderman Kinsey thanked the Bates Foundation, Ward and Smith, and Trawick (Buzzy) Stubbs for their financial support as sponsors of the trip. Alderman Kinsey further stated "everyone in this continent is an entrepreneur; if you do not work, you do not eat."

Alderman Kinsey recognized Linda S. Henry and Sharon Bryant, and he offered them the opportunity to speak. Mrs. Linda S. Henry of St. Augustine College thanked the supporters that sponsored the trip to Ghana for the students. Sharon Bryant, African-American Coordinator for Tryon Palace announced the African-American Lecture entitled "African American Experience in West Africa, Ghana" which will be held March 17, 2011, at 7 p.m., at the North Carolina History Educational Center. Alderman Kinsey also recognized Frank Frimpong, a heavyweight boxer from Africa.

DeHaven Matthews is a junior at West Craven High School who was able to be a part of the trip. His plans are to attend Harvard University after graduation to major in Business Administration. There were a number of entrepreneurs working at the craft village which the group visited; they impressed him the most. The craft village consisted of a variety of souvenirs, and the prices could be negotiated. This was a once-in-a-lifetime experience that will never be forgotten. Thanks to Alderman Kinsey for making this trip possible.

Brandon Matthews also attends West Craven High School, and he will be joining the US Army. Upon the completion of his term, he will use his military benefits to pursue a college degree. Brandon wants to become a teacher so he may help children become successful. He stated that the Elmina Slave Castle impressed him the most. This castle is the oldest and largest on the African continent. The slaves had the same rights as others

such as voting and marriage. Normally, slaves would stay at the castle for at least two to three months, and the living conditions were poor. Typically, there were six hundred (600) men and four (400) hundred women imprisoned at the slave castle. This saddened him, but on the other hand he was grateful to have acquired this knowledge. Thanks to Alderman Kinsey for making this trip possible.

Randal Simmons is a senior at New Bern High School. His plans are to attend Winston Salem State University pursuing a degree in Sociology. His favorite part of the trip was the visit to St. Peters Prep School and being able to interact with the children. The children are very appreciative of the little things they possess. It was impressive that children at the age of three were learning their multiplication tables. American children begin learning their multiplication tables in the second grade. This trip taught Randal not to take life for granted and to be a stronger African American male. Thanks to all the contributors that sponsored the trip. It was an experience that will never be forgotten.

5. **Report on Proposed Budget Process.**

Mr. Epperson, City Manager, presented the board with a schedule in preparation for the fiscal year 2011-2012 budget process. The schedule list is as follows:

March 8, 2011 - Regular Meeting

The staff will be presenting a proposed City Event Policy including limited cost-recovery recommendations.

March 15, 2011 - Work Session

A number of items need to be discussed with the Board of Aldermen in order to establish some of the budget parameters such as;

- Cost of service study results / recommendations;
- Enterprise fund transfers / charges policy;
- Update on tax levy valuation; and
- Water and sewer rate study results.

April 26, 2011 - Regular Meeting

There will be presentations regarding each of the special appropriation requests, which are not considered contractual in nature. The special appropriation list includes;

- Allies of Cherry Point;
- Highway 17 Transportation Association;
- Craven Arts Council;
- Swiss Bear;
- Duffyfield Community Festival; and
- Friends of the Fireman's Museum.

May 24, 2011 - Regular Meeting

An overview of the FY 2011-2012 budget will be presented.

June 6, & 7, 2011 - Special Work Session

This work session will include presentations by the staff to discuss specific department budgets. Departments will be identified and publicized in advance, and the public will be able to make comments and provide input.

June 14, 2011 - Regular Meeting

This will be the official required public hearing for the FY2011-2012 budget.

June 28, 2011 - Regular Meeting

The FY2011-2012 budget will be adopted at this meeting.

Alderman Outlaw suggested during the preparation process that the budget be user friendly and stated additional work sessions are needed before approval. The board needs sufficient time for making changes, if necessary.

Alderman Bengel is concerned that the agendas will be too lengthy as well as too many groups scheduled at one time for special appropriation. The April 26, 2011 meeting addressing special appropriation needs to be split; otherwise the meeting will be too long. Alderman Bengel further stated the dates for the work session are too late in the process. They should be scheduled sometime in May in order to provide ample time for public comment and the staff to make necessary changes.

Alderman White suggested the board work out as much detail as possible before the June adoption of the budget. There should be no scrambling at the last minute in making decisions.

Alderman Bucher suggested that one of the June 2011 work session meetings be scheduled for the latter part of May 2011.

Mayor Bettis stated this board campaigned on transparency and welcome public input. This year the budget will be user friendly in hopes that it is easy to comprehend. This is the time for the public to voice their concerns. The enterprise fund transfer polices will be discussed at the March 15, 2011 work session. The House Bill 117 sponsored by Representative William Wainwright affects the enterprise fund. Mayor Bettis asked Jon Rynne, PE to explain House Bill 117.

Jon Rynne, PE Director of Utilities stated Local Government Commission allows for the transfer of payment in lieu of property taxes on enterprise funds. The way the amount is determined is by taking un-depreciated fixed assets from the audit statement. Local Government allows electric cities to transfer up to 3% of fixed assets in cash to fund other city activities. Under the current general statutes, the Local Government Commission also requires the enterprise funds collect adequate revenue to cover their debt and operating expenses. The city residents are not to support activities which

occur outside of city limits with tax dollars. This requirement leads to the need for adequate payment for the enterprise fund to the entities which would be considered shared services such as; Human Resources, Accounting, and Information Technology required for the operation of the enterprise fund organization. The enterprise funds are to pay for what they use of these general fund organizations so as to comply with the LGC requirements. The proposed bill does not specifically address these payments which the City of New Bern has labeled as "Interdepartmental Transfers" from the electric fund to the general fund. Transfers of enterprise funds are normal and cities have been doing this for years. New Bern is not the only city that transfer fund from the enterprise fund to the general fund, stated Mr. Epperson.

Edwin Vargas, 230 Attmore Drive asked what happens if House Bill is passed how would it affect the City of New Bern. There would have to be an increase in taxes to generate revenue. Would the increases be distributed across the board (property/electric), therefore, not come from one entity.

6. Report on Selling 300th Celebration Banners.

Mark Stephens, Director of Public Works, explained the process for selling 300th anniversary banners to the general public to generate funds for purchasing additional City of New Bern banners for use outside the Municipal Service District. There are one hundred and ten (110) poles and one hundred and fourteen (114) banners for sale. Each banner would be sold for fifty (\$50) dollars.

Alderman Bucher suggested selling the banners for a more attractive price of \$49.99. This is a better selling pitch \$49.99 vs. \$50.00.

Alderman Bengel stated the banners from the 100-year celebration of Pepsi were auctioned off, and they are commemorative collection items. Selling the 300th Anniversary banners will generate revenue for the purchase of additional City of New Bern flags. These beautiful flags would be placed outside of the Historic District extending to First Street.

Alderman Bucher inquired about the process for selling the 300th Anniversary banners. The process for selling the banners has not been finalized yet, stated Mr. Stephens. He wanted to inform the board and get their approval first. Mr. Epperson, City Manager, stated the city's intention is to put the information on the city website informing the public to contact the Public Works Department for purchase. Currently, tresses are being planted along Broad Street. Placing the banners outside the Historic District would be an additional attraction.

7. Adopt Resolution in Support of The Rural Center Building Reuse and Restoration Grant.

Mr. Epperson, City Manager, stated Sarah Afflerbach of GO Service, LLC approached the city for assistance in applying for a Building Reuse and Restoration Grant through the Rural Center. The requested grant is for Eight Thousand Dollars (\$8,000) and will be used to assist in the renovation of property at 1202 Pollock Street. There will be two businesses located in the building and one permanent job will be created. A three percent (3%) match is required by the city, which equates to Two Hundred and Forty Dollars (\$240). This is an example of city goals implementing commercial development.

Alderman Taylor stated that this is a very good idea; “one job gain is better than one job lost.”

Alderman Bengel inquired if this was an advertised city grant or did GO Service, LLC approach the city. Mr. Avery, Director of Planning and Inspections, stated the company approached the city requesting the city to apply for the grant. There was a short window of time for completing the application (less than 3 weeks); therefore, there was not enough time for public advertisement. Alderman Bengel suggested the link for the Rural Center be placed on the city website for future needs.

Alderman White asked what type of business would be located in the renovated building. There will be two radio stations and one architectural construction real estate business, stated Mr. Avery.

Alderman Taylor made a motion to adopt the resolution approving the Rural Center Reuse and Restoration Grant, seconded by Alderman Bengel. Upon a roll-call vote, the motion carried unanimously.

8. Adopt Resolution Approving 2011 Water Shortage Response Plan.

Mr. Epperson, City Manager, stated NC General Statute 143-355 (I) require that each unit of local government that provides public water service or plans to submit a Water Shortage Response Plan. A plan for the City of New Bern has been developed and submitted to the City of New Bern Board of Aldermen for approval. This plan will provide appropriate guidance for the future management of water supplies for the City of New Bern, as well as useful information to the Department of Environment and Natural resources for the development of a state water supply plan as required by statute. The city staff is recommending the Board of Aldermen adopt the 2011 Water Shortage Response Plan which will be in compliance with the NCGS 143-355 (I).

Alderman White made a motion to adopt the resolution approving the 2011 Water Shortage Response Plan, seconded by Alderman Kinsey. Upon a roll-call vote, the motion carried unanimously.

9. Adopt Resolution Authorizing Application for NC Trail Grant for Henderson Park Walking Trail.

Thurman Hardison, Director of Parks and Recreation, stated the city has been notified by the North Carolina Department of Environment and Natural Resources (NCDENR) that funding for trail development and improvement is available through the North Carolina Trails Program. Currently, there is approximately three (3) miles of dedicated walking trails associated with city parks. The grant funds will be used to improve the Henderson Park Walking Trail with additional surface materials, rest stations, and trail signage. The staff is always looking at ways to enhance and improve city parks. The grant request is for Six Thousand Dollars (\$6,000) and requires a twenty-five percent (25%) local match.

Alderman Taylor stated this would be an added amenity to the walking trail and it is needed in the community.

Alderman Bengel asked if the walking trail meets ADA requirements such as a concrete surface. All city parks are handicap accessible; it does not require concrete, but it does require a hard surface such as pee-gravel, stated Mr. Hardison.

Alderman Kinsey inquired if there would be a cost for lighting the walking trail. Most park lights are vapor lighting which is very inexpensive and the cost outweighs the service.

Alderman Taylor made a motion to adopt the resolution authorizing application for NC Trail grant, seconded by Alderman Kinsey. Upon a roll-call vote, the motion carried unanimously.

10. Adopt Resolution approving Agreement with LPS Developers, LLC; BB&T Collateral Service Corporation; and Branch Banking and Trust Company for Dedication and Acceptance of Streets and Water/Sewer in Brices Crossing, Sections One B and One C.

Mr. Epperson, City Manager, stated that all the infrastructural water/sewer and street maintenance has been completed by the developer, and city staff has inspected it. The developer now desires to transfer, dedicate and convey all rights, title and interest to the city. The water system was constructed pursuant to the requirements and specifications of all applicable government regulatory authorities, and the system and all parts will remain free from defects in materials and workmanship for a period of one year. The developer guarantees the streets, including but not being limited to drainage facilities, curbing and paved surfaces have been constructed pursuant to the specification of the City of New Bern and NCDOT, and the streets will remain free from defects in materials and workmanship for a period of one year.

Alderman Outlaw stated the agreement has a March 31, 2010 date; the city only has approximately a two-month period of warranty versus a year. Will the date be changed to reflect a year from the date of acceptance, asked Alderman Outlaw? The date will

not be changed. The project has been inspected recently, stated Attorney Davis. This project has been in service for several years; therefore, "we have gotten more bang for the buck." Alderman Outlaw further stated the city is on its own after March 31, 2011. He asked Mr. Hughes if he was in agreement with approving the resolution.

Alderman Bengel wanted to know how this agreement fell through the cracks. "Is there some sort of filing system in place so things of this nature do not fall through the cracks?" Alderman Bengel has a problem with approving an agreement that is at least a year old; it is past the warranty period. This agreement should have appeared before the board long before the expiration date.

Mr. Epperson, City Manager, asked Jordan Hughes, City Engineer, to explain the practice for acceptance of water/sewer agreements. The city probably needs to refine the practice for acceptance of street and water/sewer, stated Mr. Epperson. Mr. Hughes stated the infrastructure has been in place for several years and inspected/accepted by the City of New Bern. The warranty period for the water and sewer portion has expired. Typically, the acceptance of streets normally comes later in the process. There has now been a set policy, but the ordinance regarding street design standards will address these sorts of issues. The streets normally come before the board for acceptance, not the water and sewer. The streets and water/sewer have been installed as per design and inspected by city staff as well as routine follow-up checks.

Alderman Bucher made a motion to adopt the resolution approving the agreement with LPS Developers, LLC; and BB&T Collateral Service, seconded by Alderman Taylor. Upon a roll-call vote, the motion carried unanimously.

11. Approve Minutes.

Alderman Bengel made a motion to approve the January 25, 2011 and January 29, 2011 minutes, seconded by Alderman Kinsey. The motion carried unanimously.

12. Appointments.

Mayor Bettis made a motion to appoint Beth Walker to the New Bern Board of Adjustment, seconded by Alderman Bengel. The motion carried unanimously.

Mayor Bettis made a motion to appoint Dr. Kathy Adolph to the Housing Authority of the City of New Bern, seconded by Alderman Taylor. The motion carried unanimously.

13. Attorney's Report.

Attorney Davis had nothing to report at this time.

14. City Manager's Report.

In an effort to go greener, Mr. Epperson asked the board if they wanted to continue receiving a hard copy of the monthly departmental reports or prefer an electronic copy. It was the consensus of the board to receive the monthly reports electronically.

15. Announcements.

Alderman White thanked the staff for contacting DOT in reference to reporting the pot holes located on Oaks Road. It appears DOT has made some improvements.

16. Closed Session.

Alderman Bucher made a motion to go into closed session pursuant NCGS Section 143-318.11 (a) (3), seconded by Alderman Bengel. The motion carried unanimously, time being 9:00 P.M.

Alderman Outlaw made a motion to come out of closed session, seconded by Alderman Taylor. The motion carried unanimously.

17. Adjourn.

Alderman Bengel made a motion to adjourn the meeting, seconded by Alderman Bucher. The motion carried unanimously, time being 9:30 P.M.

Mayor

City Clerk