

**City of New Bern
Board of Aldermen Meeting
June 14, 2011
City Hall Courtroom 7:00 P.M.
300 Pollock Street**

1. **Meeting Opened by** Mayor Lee W. Bettis, Jr. **Prayer by** Marc Harris, President of the Board of Temple B'nai Sholem. Pledge of Allegiance.
2. **Roll Call.** Aldermen Sabrina Bengel; Victor Taylor; Denny Bucher; Johnnie Ray Kinsey; and Dana Outlaw. Alderman Bernard White was absent.

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

This is the first meeting Mayor Bettis is allowed to vote on all issues versus breaking a tie.

Mayor Bettis recognized the group "Talk It Up Lock It Up!" the campaign comprised of teens and adults addressing the problem of adults providing alcohol to youth. Mayor Bettis had the opportunity to give the welcome and speak with Shawn Wilds, Tony Brenes and Tanya Roberts. The campaign is to raise both parental and community awareness about the extent of the problem associated with youth taking alcohol from the home. Three primary strategies are employed to achieve the goal of raising community awareness of the problem. The first strategy is community collaboration in working to partner with local law enforcement encouraging support for the campaign through policing activities. In addition to community policing, media advocacy and safe homes networks are used by communities to "talk up" the problem and raise community support for the "lock it up" portion of the campaign. Finally, youth empowerment groups across the state deliver the message to adults that unsecured alcohol in the home is dangerous for youth, family, and communities.

Problems and costs associated with underage drinking in North Carolina in 2007 was \$1.4 billion. These costs include medical care, work loss, and pain and suffering associated with the multiple problems resulting from the use of alcohol by youth. North Carolina ranks 48th highest among the 50 states for cost per youth of underage drinking.

3. **Recognition of Competitors from City of New Bern Utilities Department in 2011 NCAMES (North Carolina Association for Municipal Electric System) 14th Annual Linemen's Rodeo.**

The Mayor and Board of Aldermen along with Jon Rynne recognize the Electric Distribution lineworkers that competed in the North Carolina Association for Municipal Electric System's Rodeo. The New Bern team swept the competition, with Chris Bosnick, Mike Harper and Brian Small finishing first, second and third respectively, qualifying

them for an expense paid trip to participate in the national American Public Power Association (APPA) rodeo in March 2012. This is the first time a written test was a part of the competition.

4. **Public Hearing on Proposed FY2011-12 Budget.**

Mayor Bettis opened the public hearing to receive comment on the proposed FY2011-2012 budget.

Anthony Bonnici, 512 Jefferson Avenue made the following suggestions in reference to the FY2011-12 budget:

- Decrease the budget 8% but not across the board but by cutting membership to organizations and special appropriations. The city expenditures are larger than the revenues; the city is living above its means; we should be good stewards of tax payers money;
- Some departments are top heavy, those departments need to be re-aligned;
- Eliminate the contractual obligations such as the New Bern Craven County Public Library, Tryon Palace and perform contractual work in house;
- Instead of one collective vote for the budget, vote on Governing Board and Special Appropriations by line item number;
- Some Governing Board members' smart phones and internet service being paid by the tax payers should end;
- What is the actual cost for the board travel? The cost should be broken down per Aldermen on what was spent last fiscal year;
- Have raises for city employees, but not the elected officials;
- Has the City considered not renewing memberships to organizations such as the Chamber of Commerce, Eastern Carolina Council, NC League and others;
- Do away with the Leaf and Limb service or consider charging a fee;
- For the consulting service fee of \$30,000 payable the Frank Palombo for a written citywide emergency operation, this assignment should have been done while Chief Palombo was on staff or assign it to the new Chief of Police;
- The PEG channel broadcasts a lot of programs from PBS at what cost; there needs to be more city coverage;
- The redesign of the City website can be done in house versus outsourcing it for \$25,000; and
- A substantial cost savings would be to hire an in house attorney that would be a salaried employee. It cost taxpayers over \$194,000 a year to retain Scott Davis.

Stevie Bennett, 1312 National Avenue, stated she hope the board would call for a motion to receive or not to receive a 2.5 % pay raise.

Edwin Vargas, 230 Attmore Drive, suggested areas within the budget that could be cut; therefore, more funds could go towards Tryon Palace. Mr. Vargas stated the following:

- Hopefully, the City Manager has a contingency plan on NC-HB117 whereby in play that would be a tax increase on Craven County citizens of 14-15%. Your budget then is basically in a \$1.5 million deficit;
- Does the BOA need a pay raise? Could a flat bonus to all employees by percentage be cheaper than a 2.5% pay raise? Most agencies have gone to pay-for-performance. A flat across the board bonus is cheaper than a 2.5% pay raise, because you do not have to pay fringe benefits;
- Unfortunately, the trash situation has been under estimated by \$400k. It stinks the citizens now have to correct the problem because of poor management. The budget needs to be reviewed quarterly for deficiencies;
- Special Appropriation funds could be shifted to Tryon Palace; and
- If Tryon Palace were to close tomorrow, downtown New Bern would not survive tourist wise. The palace is receiving \$250,000 from the city annually, but with the shortfall from the state, the palace may have to close their doors. If the BOA would take into consideration some of the suggestions, those additional funds could be diverted to Tryon Palace.

Alderman Bucher stated there is no money in the budget to fund Tryon Palace, but the board is concerned. Tryon Palace needs to look at how to raise money. There are other organizations/people that are ready and willing to step-up to the plate in an effort to raise funds. Alderman Bucher further stated he does not believe taxpayers' money should be used to fund the palace.

Alderman Bengel clarified the two hundred fifty thousand dollars (\$250,000) was an agreement that was made at the beginning of the 300 celebration for the building of the History Educational Center. The City committed to \$1.5 million over a number of years, and Craven County committed to \$1.2 million toward this project. The City did not have \$1.5 million; therefore, it was agreed upon to pay two hundred fifty thousand dollars a year (\$250,000) until the agreement was paid in full. Last fiscal year when the city revenues were short, an arrangement was made for the palace to receive the funds in two installments of one hundred twenty-five thousand dollars (\$125,000). These funds are not to fund Tryon Palace. The agreement will be paid in full by 2013.

Mr. Vargas wanted to know if the budget is reviewed quarterly; if so this would have eliminated the deficit in the trash pick-up. Alderman Bucher and Bengel stated the shortfall for the trash has been for years, and the board was not aware of it until the city manager brought it to their attention. The city has been subsidizing the cost for years, but now the city fees will cover the cost. The budget is reviewed continuously by the City Manager and Finance Director, stated Alderman Bengel.

Mayor Bettis stated the economic downfall is all across the country not just New Bern. All of us need to think outside the box on innovated ways to raise money. The board is very sympathetic with Tryon Palace issue.

John Leahy, 1007-B Kings Way, stated he has visited the palace approximately four-five times since moving to New Bern in November. During his visits, he has discovered that the majority of the visitors are from out of town. The residents of Craven County need to support the palace. "Probably the North Carolina legislators that will vote on the budget have never visited the palace; it is a shame". The Aldermen need to go on record for support of the palace. Mr. Leahy also thanked the city employees for a job well done. He has had a number of occasions where he has interacted with city employees. They are very professional, courtesy, hardworking employees, and he's very sorry to hear there has not been a pay raise in three years. He is very much in support of the 2.5% pay raise for employees; he pays taxes as well. You will not hear him complain about the increase fee for garbage collection; eight dollars (\$8.00) a month is cheap. He was shock to learn that five dollars (\$5.00) covered trash pick-up and leaf and limb debris.

Alderman Bucher made a motion to close the public hearing on the proposed FY 2011-2012 budget, seconded by Alderman Taylor. The motion carried unanimously.

5. Request and Petitions of Citizens.

Roger Whitney, 1959 Trent Road stated, Tryon Palace is vital to downtown and suggested the BOA draft a resolution to the legislators in support of the palace. He also suggested that organizations use the palace facilities when scheduling events if possible. City and county residents need to support the palace as well.

It appeared accurate when Alderman Outlaw questioned if ElectriCities was the best advocate for the City of New Bern. "ElectriCities has shown its true color; they are in the bed with Duke Power and Progress Energy." He hopes the board stays united with forcing some sort of accommodation to reduce the electric rates.

Alderman Bengel asked Attorney Davis the proper procedure for drafting a resolution in support of the palace. Attorney Davis stated the board may obtain an oral motion for support and draft a resolution later. Mayor Bettis suggested calling the legislators of North Carolina voicing their concerns.

Jerry Hobbins, 229 New Street, read an insert from the minutes dated June 14, 2005, under request and petition of citizens. On the above date, Mr. Hobbins came before the board stating he did not see any flags flown in observance of Flag Day. He asked if the city will be flying flags in the future in observance of Flag Day. Mr. Danny Meadows, former Director of Public Works, explained that the city displays flags on July 4th, Memorial and Veteran's Day. Mr. Meadows advised he would be glad to display flags for Flag Day if the board wishes too, but noted the flags would have to be purchased. Mr. Hobbins stated he expressed no flags were flown on East Front Street south of Broad, but it was not recorded in the minutes. East Front Street was resurfaced and the wooden poles were taken down and replaced with new cross arm light poles. What

provisions has the city made to fly US flags on Broad Street? Mayor Bettis informed Mr. Hobbins to report back to the board the second meeting in July 2011, and he would have an answer for him.

Frank Kerr, 3711 Elevation Road, appeared before the board to discuss funds in the budget. Tryon Palace is located in New Bern, but the people in Raleigh are controlling it. "I bet you a quarter the director of Tryon Palace sitting in Raleigh is making \$100,000 or more. If we do not get our \$100,000 we are going to close it down". Inform the governor to allow the people of New Bern to control the palace. Tryon Palace "is here, it's built here, it's been here since New Bern's been here, so let New Bern run it". If it cannot support itself close it down, stated Mr. Kerr.

If the city starts charging for leaf/limb pick up, people are going to start putting the leaves in the drainages; therefore, the drainages will become stopped up. On the other hand there are people who never put out leaves, but the city would be charging them too. Charge the people who use the service. He does not believe paying for a service that he does not use. Mr. Kerr further stated his water bill has not decreased but increased, and the city is charging sixty-seven dollars (\$67.00) a month. There are only two people in his home and they use their well for most water use. He does not agree with paying for water that he does not use. Mr. Kerr informed the board that the people are watching them. Mr. Kerr briefly discussed term limits.

Mayor Bettis gave the board the opportunity to discuss term limits. Alderman Outlaw stated the board ran on term limits. The board presented a resolution in support of term limits, but the General Assembly chose not to honor the request. The governor has term limits and the Mayor used to have term limits. Alderman Outlaw expressed he feels like this request would be a threat to state legislators.

Alderman Bengel she was contacted by the state attorney informing her that the bill was unconstitutional and it did not die in committee. The bill is unconstitutional according to the North Carolina General Statutes "you cannot limit terms". The bill can be changed, but it would have to be resubmitted back and it would take 2/3 of the General Assembly to change the Charter of North Carolina. Alderman Bengel further stated she read the charter and discovered there is no term limits for local municipalities; but she is in support of term limits. Approximately twenty (20) years ago there were term limits in the City of New Bern.

Attorney Davis explained the law was changed about thirteen (13) years ago due a North Carolina case. It was case that interrupted a section of the North Carolina constitution more broadly excluding any other regulation of official terms. The constitution preempted coverage of an entire area and the city had no authority.

Alderman Outlaw directed Attorney Davis to research the issue and the results are as follow:

- Any attempt to officially bind the Board of Aldermen to term limits will be unconstitutional. Whether its charter amendment, an ordinance, resolution or motion, any attempt to be binding or to bind future board will not hold up. (The statutes dictate how a city may conduct elections and establish terms. Nothing else is allowable as there would be no statutory authority);
- Elected officials can certainly sign a pledge to create term limits for themselves;
- A middle ground could be a resolution that talks about the Board's desire to establish term limits, and the benefits of term limits, but acknowledges that the resolution does not and cannot create unconstitutional term limits, but the current board pledges to establish them for itself. This is probably as far as the board could go; and
- A potential problem could arise if the resolution is not unanimous as it will invite any non-voting official to point out that he or she cannot be bound by another board member's pledge.

Mr. Epperson, City Manager, gave a brief update on the changes for the FY2011-2012 budget that was discussed during the work session. Additional funds were added to Governing Board for the clerk's training and travel, and additional funds for the 4th of July fireworks. The façade grant project funds in the current year's budget will be rolled over to next year's budget because the project is not complete. Also, Municipal Service District withdrew their request for a tax increase.

Mary Muraglia, Director of Finance, explained the changes in E-911 fund. The city did not receive the request for additional funds from the state 911 distributions. The difference will be offset from the revenue fund balance appropriation of forty-three thousand, two hundred ninety-nine dollars (\$43,299). Also, the funds for the radio system equipment was allocated in this year's budget, but it appeared those funds would not be used this fiscal year; therefore, those funds were rolled over to next year's budget. The invoice was received before the end of this fiscal year and the payment was made. The E-911 expenditure fund will be reduced by two hundred thirty-five thousand one hundred nineteen dollars (\$235,119).

Mayor Bettis asked if line item voting can be done within the budget, because Mr. Bonnici requested it to be done. Attorney Davis stated the board could do it, but it would be very cumbersome. He would not recommend it.

Alderman Bengel wants to go on record that she is not in favor of the elected officials receiving the 2.5% pay raise. She feels she is a public servant and when she decided to run for Alderman she knew the salary. Alderman Bengel further stated she feels the board should get a raise when:

- Their goals and objectives have been met;
- When a twenty percent (20%) reserve is in the general fund; and
- The city can reduce the tax rate.

At this point and this point only would she be willing to accept a pay increase for the board. Alderman Bengel stated she realizes it is only two hundred fifty dollars, but it is the principal of it. Alderman Bengel directed the City Manager to remove the 2.5% out of this year's budget for the elected officials. Aldermen Bucher and Outlaw were also agreeable with Alderman Bengel's statements.

Attorney Davis informed the board if the budget was approved with the 2.5 percent pay increase for the elected officials, the board could return the pay increase back to the city as a donation.

6. Public Hearing Regarding 2010 CDBG Housing Development Grant in Support of Kenwood Glenn Apartments.

Mr. Epperson, City Manager, stated this was supposed to be the second of two required public hearings regarding the 2010 CDBG Housing Development grant application. The developer has decided to withdraw his application. Therefore, the public hearing is not required.

7. Presentation on Redistricting.

Alice Wilson, GIS Coordinator, discussed the procedures of redistricting and why the City should redistrict based on the 2010 Census. The redistricting data summary includes total population, racial make-up of total population, racial make-up of population 18 and older; and housing tenure or owner and renter counts. Based on the 2010 census, New Bern has a total population of 29,524, an increase from the 2000 census.

The City of New Bern was divided into 5 wards in 1957, and in 1985 the City was further divided into 6 wards. According to the NC General Statutes, the council shall have the authority to revise electoral district boundaries from time to time, correcting population imbalances among districts. After federal decennial census is conducted, the council of any city which elects the members of its governing board on a district basis, or if candidates for such office must reside in a district in order to run, shall evaluate the existing district boundaries to determine whether it would be lawful to hold the next election without revising districts to correct population imbalances. The US Constitution requires that where district/wards are used, they must be substantially equal in population so that each person's vote counts the same. In determining equality, courts routinely apply the 10% rule of thumb. New Bern fails the 10% rule due to the following:

- Ward 4's percentage exceeds the ideal population (23.34% over); and
- Ward 1's percentage is short of the ideal population (18.71%); therefore, the city should redistrict.

The best plan in drawing new districts/wards boundaries is to follow roads, topography and neighborhood boundaries. It has been proven that the black population is more

spread out through each new district. It is important to take race into account in order to avoid a violation of the Voting Right Act of 1965.

Once new districts/wards are determined, the City Attorney will submit the proposed new wards to the Department of Justice for preclearance. Once preclearance is approved, the city may adopt the new districts/wards in an ordinance or resolution.

Aldermen Taylor and Bucher are in agreement to removing the 2nd Ward out of Taberna. Alderman Kinsey stated the 4th ward is over populated expanding to Taberna and Evans Mills as well. He is willing to work with Alderman Bucher to resolve these issues.

The board members have a lot of questions concerning the redistricting. Attorney Davis suggested the board call for a work session to discuss the redistricting, the sooner the better.

Alderman Outlaw asked if it was necessary to create an additional ward with the growth of the city. The board members did a straw poll on whether to create an additional ward and no member was in favor of an additional ward. The board agreed to discuss the redistricting at its July work session.

8. Adopt Resolution Awarding Contract to Goody Clancy & Associates, Inc. for Preparation of Brownfields Area-Wide Plan.

Mr. Epperson, City Manager, stated the city was recently awarded a Brownfields Area-Wide Planning Pilot Program Grant in the amount of one hundred seventy-five thousand dollars (\$175,000). The grant will be used to create a plan for reuse of the Brownfields in the Five Points area and redevelopment of the commercial and residential areas in and around Five Points. Seven firms responded to the planning Department's Request for Qualifications, and five of those firms were interviewed by a panel which included members of the Planning Department, members of the Brownfields Steering Committee and the City Manager. The panel recommends that the contract for consulting service in the amount of one hundred fifty-six thousand and fifty dollars (\$156,050) be awarded to Good Clancy & Associates, Inc.

Alderman Taylor made a motion to adopt the resolution awarding the contract to Goody Clancy & Associates for preparation of Brownfields Area-Wide Plan, seconded by Alderman Bengel. Upon a roll call vote, the motion carried unanimously.

9. Adopt Resolution Approving Contract with Integrated Communication Strategies, Inc. for Lobbying Services.

Mike Epperson, City Manager, stated the board previously engaged the services of David Miner and Jason Deans as it relates to the City's interests regarding the proposed merger between Duke Power and Progress Energy. The contract with Integrated

Communications Strategies, Inc. (ICS) outlines the scope of services ICS is capable of providing to the City. Miner and Deans were not able to attend the meeting due to a meeting in Raleigh.

Alderman Outlaw made a motion to adopt the resolution approving a contract with Integrated Communication Strategies for lobbying services, seconded by Alderman Bengel. Upon a roll call vote, the motion carried unanimously.

10. Approve Refund of Taxes.

Mike Epperson, City Manager, stated a refund of two hundred twenty-five dollars and fifty cent (\$225.50) is due for payment of taxes. This refund is due to taxes being paid on an account before the appeal process. Under the appeal process the Board of Equalization for Craven County ordered the refund.

Alderman Kinsey made a motion to approve the tax refund, seconded by Alderman Bucher. The motion carried unanimously.

11. Adopt Ordinances Establishing City of New Bern Schedule of Fees and Charges.

Mike Epperson, City Manager, stated the schedule of fees and charges were previously discussed during the budget work sessions. Input from the City Manager, and each City Department Head along with the Board of Aldermen established the fees and charges for services and programs offered by the City of New Bern. The ordinance shall be in full force and effect on July 1, 2011 except as to fees and charges provided under Section 8 "Public Assembly (Parades and Festivals)" of the schedule of fees and charges, which shall be effective January 1, 2012.

Alderman Outlaw asked if there is some sort of provision in place for the city to provide spraying for mosquitoes. Craven County normally spays, but spraying for mosquitoes was deleted from their budget.

Mark Stephens, Director of Public Works, stated there is no funding in the city's budget to provide this service. The city has limited capability for providing this service as compared to Craven County. The manager suggested researching the capabilities and looking into different options to see if other organizations are providing this service.

Alderman Bengel asked if there is a better way to check for residents and non-residents. Alderman Bengel stated it become very cumbersome to check a list when the lines are long at the pool. There has to be a better way to enforce the resident and non-resident fees. Aldermen Bucher and Bengel suggested passes to be issue to residents annually. Those individuals that do not have a pass would be considered non-residents.

Alderman Outlaw stated there are a lot of bugs that need to be worked out with this system. There are individuals that own property within the city limits, but the property is rented. Technically, they do not live in the city limits but are allowed a residential rate.

Thurman Hardison, Parks & Recreation Director stated the majority of the events requires pre-registration. The point of entrance only impacts the aquatic center.

The manager suggested charging one rate for the pool since this is the only event that requires more management. It was the consensus of the board to continue working on improving the situation.

Alderman Bucher made a motion to adopt the ordinance establishing the City of New Bern Schedule of Fees and Charges, seconded by Alderman Kinsey. Upon a roll call vote, the motion carried unanimously.

12. Adopt Ordinances Amending Capital Projects Ordinances.

- a. Adopt Ordinance Amending Capital Project Ordinance- Regional Lift Station Fund.**

This ordinance will close out the Regional Lift Station Project fund as of June 30, 2011. The remaining unspent debt proceeds of forty-six thousand one hundred sixty-six dollars and ninety-nine cent (\$46,166.99) are available to be used to complete the Township 7 Sewer Improvements Project.

Alderman Outlaw made a motion to adopt the ordinance amending the capital project for the regional lift station, seconded by Alderman Bengel. Upon a roll call vote, the motion carried unanimously.

- b. Adopt Ordinance Amending Capital Project Ordinance– Kale Road Property Project Fund.**

This ordinance will close out the Kale Road Property Project Fund as of June 30, 2011.

Alderman Outlaw made a motion to adopt the ordinance amending the capital project for the Kale Road property, seconded by Alderman Bengel. Upon a roll call vote, the motion carried unanimously.

- c. Adopt Ordinance Amending Capital Project Ordinance-Water Treatment Project Fund.**

This ordinance will close out the Water Treatment Project Fund as of June 30, 2011.

Alderman Outlaw made a motion to adopt the ordinance amending the capital project for the Water Treatment project, seconded by Alderman Bengel. Upon a roll call vote, the motion carried unanimously.

13. Adopt Resolution Approving Write-off of Obsolete Inventory.

Mary Muraglia, Director of Finance, stated in accordance with acceptable accounting principles, the city periodically reviews the inventory stock on hand to identify items no longer useable, either because of the quality or type of item. A total of twenty-seven thousand five hundred fifty-seven dollars and fifty-four cent (\$27,557.54) of warehouse inventory is to be written off as obsolete inventory and approval of disposal of the same is requested.

Alderman Outlaw made a motion to adopt the resolution approving write-off of obsolete inventory, seconded by Alderman Taylor. Upon a roll call vote, the motion carried unanimously.

14. Adopt Resolution Entering into Installment Financing for FY2011 Vehicle/Equipment Purchases.

Mary Muraglia, Director of Finance, stated in the current year's budget the City purchased three items which are to be funded through installment purchasing financing. The items include virtual servers software for the Police Department, a vehicle for Public Works, and a vehicle for Public Utilities. The project will be financed through SunTrust Equipment Finance & Leasing Corporation for a total of three hundred forty-four thousand, nine hundred fifty-six dollars and thirty-nine cent (\$344,956.39). This is a 4.75% year term financing at a fixed rate of 1.645% with quarterly payments of eighteen thousand, nine hundred eleven dollars and forty-five cent (\$18,911.45). SunTrust offered the City the lowest interest rate and total cost.

Alderman Bucher advised we needed to stop financing items of this nature.

Alderman Bengel made a motion to adopt the resolution entering into installment financing for FY2011 vehicle/equipment purchases, seconded by Alderman Outlaw. Upon a roll call vote, the motion carried unanimously.

15. Adopt Resolution Approving Final Adjusting Change Order to East Coast Contracting, Inc. for Township 7 Force Main Project.

Jordan Hughes, City Engineer, stated the Township No. 7 Force Main Project is complete, and a final adjusting change order needs to be issued amending the total

contract amount by replacing the original estimated quantities with the actual quantities of work performed. This change order will adjust the original contract for the sum of ninety-five thousand, six hundred sixteen dollars and seventeen cent (\$95,614.17) and finalize the agreement between East Coast Contracting, Inc. and the City. A portion of the additional costs associated with this change order will be funded out of the project's contingency fund; the balance will be funded with project funds remaining from the West New Bern Regional Lift Station Project.

Alderman Bucher made a motion to adopt the resolution approving final adjusting change order to East Coast Contracting, Inc. for Township 7 Force Main, seconded by Alderman Kinsey. Upon a roll call vote, the motion carried unanimously.

16. Adopt Ordinances Restating Schedule of Water and Sewer Rates Applicable to City of New Bern Customers.

- a. Adopt Ordinance Restating Schedule of Water Rates Applicable to City of New Bern Customers.
- b. Adopt Ordinance Restating Schedule of Sewer Rates Applicable to City of New Bern Customers.

An alternative water and sewer rate structure was presented to the board. The main objective of the rate structure was to eliminate the City's current policy of charging each water and sewer customer a minimum of 3,000 gallons of consumption per month. Utilizing projection models, the effects of eliminating the minimum charge were presented and an alternative water and sewer rate structure were proposed that would mitigate the revenue loss from eliminating the minimum charge. The Board directed City staff to include the alternative rate structure as part of the FY2011-2012 budget with the revision of eliminating the additional meter surcharge for irrigation meters.

Alderman Outlaw stated the thirty-five cent charge on the second water meter (irrigation) would be eliminated and the rate would be the same for both meters. Alderman Outlaw requested the date the tap fees would go into effect. The tap fees will take effect on August 1, 2011, stated Mr. Hughes.

Alderman Bengel requested the information on the water and sewer rate structure be televised on the PEG channel and posted on the city website.

Alderman Bucher made a motion to adopt the ordinance restating the schedule of water and sewer rates applicable to City of New Bern customers, seconded by Alderman Kinsey. Upon a roll call vote, the motion carried unanimously.

17. Adopt Resolution Approving Amendment to Agreement with Liberty Support Service.

Mr. Epperson, City Manager, stated the resolution will amend the current agreement with Liberty Support Service, who provides the operation of the Alfred Cunningham Bridge. This amendment will modify the termination date of the contract to end on June 30th of each year rather than mid-year. This date matches up with the city fiscal year as well eliminates the city to bid for service during the course of the fiscal year. Liberty Support Service has agreed to waive the 3% cost increase from March to June of this year in consideration of this amendment.

Mayor Bettis inquired as to why the city is paying for a bridge that is not owned by the city. It was discussed during the budget work session; the board gave staff the direction to enter into the agreement, stated Mr. Epperson. Liberty Support Services, Inc covers the liability insurance for operation and maintenance of the bridge.

Alderman Outlaw stated the federal government follows the 80/20 rule for inspection. Why is the city paying 100% of the manning of the bridge if it is an 80/20 rule? Attorney Davis stated the 80/20 rule applies to maintenance and repairs not operation.

Alderman Bucher made a motion to adopt the resolution approving amendment to agreement with Liberty Support Services, seconded by Alderman Taylor. Upon a roll call vote, Aldermen Bengel, Taylor, Bucher, Kinsey, and Outlaw voted "Yes", Mayor Bettis voted "No". The motion passed 5-1.

18. Adopt Resolution Approving One-Year Contract Extension for Solid Waste Agreement.

Mr. Epperson, City Manager, said the City of New Bern entered into an agreement with GDS for the provision of solid waste collection and disposal services. This agreement dates back as far as 1999, and the original agreements have been extended over a period of time. The parties have mutually agreed to renew and extend the agreement for an additional term beginning July 1, 2011 and ending June 30, 2012. The one year extension will allow time for staff to develop an RFP and bid for solid waste collection service.

Alderman Taylor made a motion to adopt the resolution approving a one-year contract extension for solid waste services, seconded by Alderman Bengel. Upon a roll call vote, the motion carried unanimously.

19. Adopt Resolution Approving Installation of Streets Lights.

Mr. Epperson, City Manager, stated the Department of Public Utilities has received requests from the residents in the area of 4108 Yarmouth Road, 2010 Magnolia Drive, 4801 Cypress Shore Drive and the area along McCarthy Boulevard from Trent Road to Commerce Boulevard to add street lighting. An evaluation was made, and it was

determined that additional street lighting is necessary in order to meet the American National Standard Practice for Roadway Lighting. Funds have been expended for this fiscal year; therefore, the street lighting cost will be funded out of next year's budget.

Alderman Outlaw made a motion to adopt the resolution approving installation of street lights, seconded by Alderman Kinsey. Upon a roll call vote, the motion carried unanimously.

20. Approve Minutes.

Alderman Bengel made a motion to approve the minutes from May 10, 2011 and May 24, 2011, seconded by Alderman Taylor. The motion carried unanimously.

21. Appointments.

Alderman Kinsey made a motion to reappoint Bradley Cummins to the Historical Preservation Commission, seconded by Alderman Bengel. The motion carried unanimously.

Mayor Bettis made a motion to reappoint Willie Newkirk to the Board of Adjustment, seconded by Alderman Bengel. The motion carried unanimously.

Alderman Kinsey made a motion to reappoint Tim Tabak to the Planning and Zoning Board, seconded by Alderman Bengel. The motion carried unanimously.

Alderman Kinsey made a motion to appoint Jimmy Dillahunt to the Planning and Zoning Board, seconded by Alderman Outlaw. The motion carried unanimously.

22. Attorney's Report.

Attorney Davis has nothing to report at this time.

23. City Manager's Report.

The City Manager asked the board to call a special meeting for June 28, 2011, 5:00 p.m., at City Hall to interview candidates for the Finance Director's position, followed by the regular board meeting beginning at 8:00 p.m.

Alderman Bucher made a motion calling for a special meeting on June 28, 2011, at 5:00 p.m. at City Hall to interview candidates for the Finance Director's position, followed by the regular board meeting beginning at 8:00 p.m. Alderman Outlaw seconded the motion, the motion carried unanimously.

24. Announcements.

Alderman Bengel stated all the merchants downtown are working together in support of Tryon Palace.

Alderman Taylor attended an event sponsored by former Alderman Barbara Lee, Area Day Reporting Center, held at the Flame Banquet Room. It was a seminar on “Bullying Intervention”; the speaker was C. L. King. Alderman Taylor shared a quote from the speaker, “privacy is the enemy of our children”.

Alderman Bucher thanked Mr. Hobbins for informing the board it was “Flag Day”. His wife pointed it out to him it was “Flag Day” as well. Alderman Bucher further stated he would like for the Sun Journal to do an article in the paper announcing Flag Day for next year.

Alderman Kinsey thanked all the sponsors and participants that helped make the community watch picnic a successful event. There was over 250 people in attendance; it was a way to say thank you for the many volunteers of the 4th Ward.

25. Closed Session.

There was no closed session meeting scheduled.

26. Adjourn.

Alderman Outlaw made a motion to adjourn the meeting, seconded by Alderman Bucher. The motion carried unanimously, time being 9:30 p.m.

Mayor

City Clerk

