

**Minutes
Kinston City Council
Monday, May 1, 2017 at 5:30 pm**

Mayor BJ Murphy called the City Council meeting to order at 5:30 pm.

Councilmember Felicia Solomon led the prayer followed by the Pledge of Allegiance.

Those present: Councilmembers Sammy Aiken, Wynn Whittington, Felicia Solomon, Joseph Tyson, Mayor Pro Tem Robert Swinson and Mayor BJ Murphy

Also present: Tony Sears, City Manager and James P. Cauley, City Attorney

ADOPTION OF THE AGENDA

Mayor Pro Tem Swinson made the motion, seconded by Councilmember Tyson and upon a unanimous vote the agenda was adopted.

CITIZEN COMMENT

PRESENTATION AND RECOGNITIONS

1. Recognition of Jarraine Gray (LJ).....Don Crawford

Don Crawford, Fire Chief, stated we are here for a special occasion to honor LJ. The Kinston Fire Department has had a busy couple of weeks with structure fires. We have a firefighter who will go to Chapel Hill tomorrow for surgery for a burn, and we would like to keep him in our prayers. On April 11th at approximately 11:30 am, crews responded to 132 South Adkin Street for a structure fire. The company found heavy involvement in the entire back of the structure which was fully involved. During the investigation we found that prior to our arrival, the family realized the house was on fire and that an 8 month old baby boy was still in the structure sleeping. LJ entered the structure without any thought for his safety and retrieved the infant. When he attempted to exit, his entry path had been cut off, so he had to exit another way. This is the second fire we have had in the past 7 months where citizens have come forth and done a great job. We are here to honor LJ and to present him with a Community Life Saving Award.

Mayor Pro Tem Swinson commended and thanked LJ for his bravery and actions.

Mayor Murphy read and presented the Community Life Saving Award to Jarraine (LJ) Gray.

Chief Crawford stated the American Red Cross and other agencies support disaster victims, and that is very important. Those who have the means to contribute to those agencies, please do.

This family loss everything and be mindful that we have people in the community who suffer loss on a daily basis.

2. College Signing Day Proclamation.....Mayor Murphy

Chris Suggs, Kinston Teens Founder and CEO, introduced four members of Kinston Teens. In 2015, First Lady Michelle Obama announced an education initiative Better Make Room which was to get students excited and ready for college. I serve on the Student Advisory Board for this campaign which focuses on college preparedness and so that once students are in college they are successful and finish college. Every year this campaign is celebrated with an event called College Signing Day and it is celebrated all over the world. The College Signing Day event will be held at Chick-Fil-A tomorrow from 6pm -8pm and any high school senior who goes to Chick-Fil-A wearing a college shirt with their admissions letter will receive a free sandwich.

Mayor Murphy read and presented the proclamation proclaiming Tuesday May 2nd as College Signing Day.

**3. Health Insurance.....Chad Laymon and Mitchell Bearden
Laymon Group and J. Arthur Dail, Incorporated**

Chad Laymon, Laymon Group, stated we are a full employees benefits consulting firm, so we do everything in the entire program. You currently have two plans for employees, a traditional plan and a high deductible with a health savings account (HSA). A flexible spending account operates similarly to an HSA, except it has a use it or lose it rule. We have employee service lines which address carrier and provider claim issues, benefit plan design consultations and general issues. Instead of employees going to Human Resources, they call our office and we act as a mediator between the carrier and the employer. Employee enrollment can be done through one on one enrollment or by group enrollment meetings with one on one follow ups. We handle the new hire orientation to explain benefits to employees. We have the capability of doing online benefits administration. We provide total compensation statements which include the salaries and the cost of benefits. Healthcare reimbursement arrangement (HRA) works well for fully insured. We will also handle and produce ACA reporting and Section 125 reports. We have access and contract with a benefits attorney.

Mitch Bearden, J. Arthur Dail Incorporated, stated his background and expertise is taking groups from fully insured to self-funded as far as how they finance their insurance benefits. We would do a full network evaluation, including the physicians, the discount factors, any changes and the impact. We evaluate and negotiate the pharmacy management groups to get the best opportunity to get the best price on drugs. Other item that could be included to make it easier for employees is the access to doctors' services through tele-medicine and a concierge type benefit in reviewing bills. We also specialize in work site products like cancer and accident insurance. We make sure the programs compliment the core plans to ensure each employee understands what they are buying and the benefit.

Mayor Pro Tem Swinson asked about the size of the network. Mr. Bearden stated we evaluate each network that is within the market space and do a thorough analysis of the pros and cons if the city looks at moving away from the BlueCross network. The three known carrier networks in

this area are BlueCross BlueShield, Cigna and United Healthcare. The size depends on the company and their recruitment area.

Councilmember Tyson asked what type of contract would be required and the cost for this service. Mrs. Blake stated we would have to sign over the ability for the company to speak and work on our behalf, and they would charge us 2% of the cost of the premium up to \$48,000, so it is 2% of the annualized premium. Our premiums run approximately \$2.3 million.

Councilmember Tyson asked if there is a grace period if the city decides this doesn't work. Mr. Laymon stated we do not require a contract. If we are not doing a good job, the city can terminate at any time. We feel confident that we will save the city well beyond the 2%.

Mayor Murphy asked how the company will handle the work site benefits piece like AFLAC. Mr. Bearden stated they have their own programs based on a group contract. If the employee wants to continue with AFLAC, they can do that on their own. The group contract would make it more consistent with the core plan and the HR staff will be able to answer general questions. Tony Sears, City Manager, stated anyone who has AFLAC or Colonial will be able to keep it.

Mayor Murphy asked if approved, then we want to cancel, are we bound to it. Mr. Sears stated we are not bound. We could manage it or we could hire another company to manage it or we could go back to full insurance. We started out with an anticipated 14.8% increase for next year. Laymon Group provided us talking points, and now we are down to a 6% anticipated increase without all of our information. The savings will help us with this year's budget. None of this is set in stone. Once we sign an Agent of Record, they get all the information that they don't have access to now. They will not get individual names, only the claims due to HIPPA regulations. They can then analyze the claims and identify our risk pool and better tailor some of the products. In Eastern North Carolina BlueCross BlueShield has the best network. Going to self-insured is about controlling the cost, not reduce the cost significantly. Nothing can be done to stop health insurance cost increases. There is always ebb and flow that cannot be predicted, but self-insured levels the flow. We plan to implement this plan next year because we don't want to rush into it.

Councilmember Tyson stated he supports this program.

Mr. Laymon stated they will do a quarterly analysis of the claims to prepare the City for self-funded. We may do our analysis and find it is not a good thing for the City. We think it will be a good idea, but the analyses will tell us more.

Mr. Sears stated he would prefer that City Council give him the authority to enter into the contract. And, the contract will be given to the City Attorney for review. This needs to go into effect July 1st.

Mayor Pro Tem Swinson made the motion, seconded by Councilmember Tyson and upon a unanimous vote the City Manager was granted permission to enter into the contract.

4. Traffic Control Signal AnalysisClarice Bryant

Clarice Bryant, Civil Engineer II, stated the purpose of this study was to determine if the traffic signals on the city’s system are needed. A traffic volume count, a review of accident history and onsite review was performed on each location. There are 9 traffic signal listed in the report. It was also determined what would be the better option to replace traffic signals if they are removed. She showed a map with the 15 signals on the city’s system. The recommendation is to remove the traffic signals at McLewean and Peyton Avenue and place stop signs on Peyton Avenue; remove the traffic signal at Washington and East Street and place stop signs on East Street. For the intersections of Caswell and Independence, Bright and East and Adkin and Caswell, the recommendation is to remove the signals and install four way stops. At Adkin and Tower Hill Road the traffic signal has been covered with bags for over ten years. This intersection does not meet any of the requirements to be signalized. The recommendation is to remove the bagged traffic signals. The process of removing traffic signals is informing the public of the intent. A public hearing is not required, but is being recommended. The City Council would have to pass a resolution to remove the traffic signals and adopt an Ordinance for the stop signs to be installed. The traffic signals would be required to flash or be covered up, and the location would have to be monitored for at least 90 days, and if there are no changes or concerns, the traffic signal can be removed.

Mr. Sears stated the city has experienced a shift in population and in traffic patterns. Also, these signals are on straight timers, there are no traffic sensors.

Mayor Pro Tem Swinson stated his concern is safety and when Queen Street is closed for the parade, McLewean Street is used as an alternate route for traffic. At Adkin and Tower Hill, the neighbors are requesting that the light be reinstalled.

Councilmember Whittington suggested for isolated occurrences or events an officer can be assigned to those locations for a time period.

Councilmember Aiken stated he would like to have the public hearings.

Steve Miller, Assistant Public Services Director, stated Mrs. Bryant has been with the City for almost 29 years, and she handles all of the traffic signals. The study was done so that staff could present whether or not the traffic signals should be removed. As long as nothing serious happens to a signal, maintenance is minimal; however if a signal gets damaged or needs replacement, the cost could be up to six figures for an intersection. We will go through the public hearing process before any action is taken.

Mayor Pro Tem Swinson confirmed that the residents at Six Churches and Kinston Towers will be notified.

Mayor Murphy confirmed that the recommendation is to remove six traffic signals and there is a 90 day period before it would be removed which gives the opportunity for citizens’ feedback.

Mr. Miller added we will also do newspaper advertisements, we will deliver individual notices for a 2 block area, a sign will be put up at the intersections, plus our usual social media.

MINUTES

Consider approval of the minutes of the Kinston City Council meetings held on March 26, 2017, April 3, 2017 and April 17, 2017.....Monique Hicks

Councilmember Whittington made the motion, seconded by Councilmember Aiken and upon a unanimous vote the minutes were approved.

ACTION AGENDA

1. Consider approval or denial of the Conditional Use Permit application from Pendergraph Development for multifamily apartment units on Doctors DriveAdam Short

Adam Short, Planning Director, stated we had the public hearing and continued the public hearing, and now we are here following continued discussions with the developer addressing the issue of the dead end road and concerns over access for emergency vehicles. One thing considered is putting in a gravel road out to Airport Road that would only be accessible to City and County emergency vehicles, and that seems to satisfy the concern of the dead end road and having access for emergency vehicles. The developer has agreed to pay 50% of the cost.

Tony Sears, City Manager, stated the estimate for the gravel road is \$188,000. It will be a gravel road built to certain specifications. It will have a base where it can be upgrade to an asphalt road in the future. The City will pay 50% of the cost, and the City's cap is at 50% of the \$188,000. This alleviates the problem and allows the new construction. Agreeing to do the road resolves the problem. The road will not be required until the contractor is 75-80% complete. If City Council agrees, then the agreement is to pay half of the cost of the road and agrees that the city's half will come from fund balance.

Councilmember Whittington asked if there is anything in the UDO that limits the number of units with two access roads. Mr. Short stated no. The limit is solely for dead end roads. Density is based on the conditional use permit process.

Councilmember Whittington confirmed that the cost would be \$93,000 for this gravel road and the city only spends \$200,000 on resurfacing a year.

Councilmember Aiken asked if the land has been donated to the city. Mr. Short stated no it has to go through the right-of-way process. Jim Cauley, City Attorney, stated it would have to be a condition of approval.

Councilmember Aiken asked if Doctors Drive floods again, would the citizens in the new development have access to the gravel road to exit. Mr. Cauley stated it is intended to ultimately

be a public road, but until such time that it is improved to those conditions, it will be for emergency access only.

Councilmember Whittington asked how will the road be access by emergency vehicles. Mr. Sears stated there will be a key and a lock.

Wayne Malone, Malone Realty, stated everyone wants safe apartments. We thank the City for doing four projects already. Every time we talk to Adam or someone about what they want done to meet specifications, we reached out and that is why the Planning Board approved this. The road needs to be put in for several reason, good access, safety for the people, and also because the second apartments that we built are non-conforming. The emergency road is another project. It will be 8 inches thick, padded down so that it can handle twice the weight of a fire truck. With the last project that we are going to do, the road will solve the non-confirming issue. Approving the road will solve the problem for all three apartment complexes. It is a win-win for everybody. There is a liability as far as the second project that was built because it is non-conforming, and we need to solve it. 50/50 is adequate because Pendergraph isn't going to develop the road. It will have to be done by churches, doctor offices or whoever develops on the surrounding properties.

Mr. Sears added that there is nothing that says that the City couldn't put in assessments on future developments to make it a paved road without using additional city dollars.

Councilmember Aiken asked if there was grant money available for the road. Mr. Sears stated there could be opportunities, but the project has application deadlines and their timetable would not allow for the application and approval process.

Councilmember Solomon stated she supports installing the gravel road. The new homes are wonderful. Councilmember Whittington made a valid point about how much we spend on resurfacing a year in comparison to the cost of this road.

Mr. Cauley stated for a point of clarity, he would like to make sure the conditions are clear and the applicant agrees with the conditions. The conditions of this approval are as follows:

- A. The applicant will acquire and convey to the City the necessary right-of-way for a public road connecting Doctors' Drive to Airport Road.
- B. The road will be constructed in accordance with the design, criteria and standards set forth by the Kinston Public Services Department.
- C. The applicant will pay all costs in excess of \$93,330 to design and install a new gravel access road along the newly dedicated right-of-way to be used for access by emergency vehicles.
- D. This road will be installed upon 50% completion of the development project.

Mr. Greg Rhodes, Caliber Builders on behalf of Pendergraph, consented to the above terms and conditions.

Councilmember Aiken introduced the following Order:

ORDER GRANTING A CONDITIONAL USE PERMIT
FOR A MULTIFAMILY APARTMENT DEVELOPMENT

WHEREAS, following due advertisement announcing a public hearing as provided by law, the City Council for the City of Kinston, North Carolina held said public hearing April 3, 2017 to consider an application for a Conditional Use Permit for Multifamily Apartments to be located at the termination of Doctor's Drive, which can be identified by NC PIN 451612967122.

The City Council, having heard all of the evidence and arguments presented and reports from City Officials pertaining to said application, makes the following:

FINDINGS OF FACT

1. That the proposed multifamily apartment units would be allowable in the Residential 6000 square foot lot size (RA-6) zoning district with the approval of a Conditional Use Permit in accordance with the City of Kinston Unified Development Ordinance;
2. A Public Hearing before the City Council was held on April 3, 2017 was continued to April 17, 2017, and again continued to May 1, 2017 to consider the issuance of a Conditional Use Permit to Pendergraph Development (applicant);
3. The Planning Board recommended approval of the request at their specially scheduled meeting held on March 30, 2017;
4. The City Council and the applicant agree to the condition that the developer acquire right of way for a road connecting Doctor's Drive to Airport Road;
5. The City Council and applicant agree to the condition that the developer will pay 50 percent of the City's cost to install a gravel access road along the newly dedicated right of way to be used for access by emergency vehicles;
6. The City Council and the applicant agree to the condition that the gravel access road shall meet the design criteria and standards set forth by the Kinston Public Services Department;
7. No evidence has been presented indicating that the project, if completed as proposed, will endanger public health or safety;
8. No evidence has been presented indicating the project will reduce or injure the values of adjoining or abutting properties;
9. No evidence has been presented to indicate that the project, if completed as proposed, will not be in harmony with other development and uses within the area;
10. No evidence has been presented indicating proposed use is not in general conformity with the city's land use plan and other plans officially adopted;

Based upon the foregoing FINDINGS OF FACT, the City Council makes the CONCLUSION that the proposed use does satisfy the general conditions imposed on the Council in its deliberations by the Unified Development Ordinance for issuing a Conditional Use Permit. In support of this action the Council makes the following additional CONCLUSIONS:

1. All of the general and specific conditions pursuant to the issuance of a Conditional Use Permit have been satisfied.
2. The Applicant can fully comply with all the specific requirements stated in the Unified Development Ordinance for the proposed use.
3. The development will not endanger the public health or safety.
4. The development will not injure the value of adjoining or abutting property.
5. The development will be in harmony with the existing development and uses within the area in which it is to be located.
6. The proposed use is in general conformity with the city's land use plan and other plans officially adopted.

THEREFORE, because the City Council concludes that all of the general and specific conditions precedent to the issuance of a Conditional Use Permit have been satisfied, IT IS ORDERED that the application dated March 6, 2017 by John Nix on behalf of Pendergraph Development for the issuance of a Conditional Use Permit BE GRANTED, subject to technical corrections by city staff.

Councilmember Solomon made the motion, seconded by Mayor Pro Tem Swinson.

Councilmember Tyson stated he did not see any of the dollars included in the information provided. Mr. Cauley stated the conditions cap the City's cost at \$93,330. Mr. Sears stated the terms and conditions will be written in the contract.

Councilmember Tyson stated he wants to see the cost for the upgrade of the gravel road which will be a cost to the city. Mr. Sears stated that City Council will have to vote on that item at the time they decide to upgrade the road.

Councilmember Tyson stated at that point there will not be a choice because the buildings will be there. Mr. Sears stated the road does not have to be upgraded to a paved road. The City could leave it as a gravel road as long as the City desires.

Councilmember Tyson stated ever since he has been on City Council, the City has been trying to pave the existing gravel roads. Mr. Sears stated he understands the argument that at some point there is going to be a cost. It will cost around \$400,000 today, and we will assume it will cost more five years from now. I don't know how to put that into a document because I don't know what the City Council is going to want to do it at that time.

Councilmember Whittington stated he completely and utterly agree with Councilmember Tyson; however we are already way out of compliance with our UDO, and we can't put a price on lives of the people who live in the units that are there now or on the ones that will be built. I think the right thing to do is to put in the gravel road so that the people who are there have that extra layer of support.

Mayor Murphy stated it would bring us into conformity with the developments that were already approved. Mr. Cauley stated that is correct, and the City Manager stated that he would bring back the item at that time with assessments to pay the cost rather than it be a City cost.

Upon a majority roll call vote (*Councilmember Tyson voted no*), the Order was approved.

2. Consider approval of the 2nd Supplemental Agreement with NCDOT for the Riverwalk... Adam Short

Adam Short, Planning Director, stated we need authorization to execute this supplemental agreement. NCDOT has gone beyond their project period to require the easements and right of ways for the Phase II portion of the Riverwalk. This agreement would put the riverwalk in the hands of the City.

Mayor Murphy noted that Herritage Street is spelled incorrectly throughout the document.

Mayor Pro Tem Swinson made the motion, seconded by Councilmember Solomon and upon a unanimous vote the agreement was approved.

3. Consider adoption of a Resolution authorizing the sale of 1010 East Gordon Street to Torrie Hood for \$500.....Adam Short

Adam Short, Planning Director, stated this has gone through the bid process, and the City Attorney's office has sent this item for final approval.

Tony Sears, City Manager, stated the topic that keeps coming up when we talk about the sale of property is unless we have a hard bottom line number to start the bidding process, then \$500 is the types of bids that we will receive. The City can reject the \$500 at any time or we can have a standing set fee or we can take it on a case by case basis.

Councilmember Solomon asked the tax value on this property. Mr. Short stated he is not sure, but it is typically in the \$500 to \$1,500 range depending on the location. The real benefit is getting the property back on the tax roll and not having to maintain the property long term.

Councilmember Tyson stated he would prefer to do it on a case by case basis.

Councilmember Aiken asked if the Kinston Teens Adopt-A-Lot locations are available for sale if someone wants to purchase them. Mr. Sears stated that is correct.

Councilmember Tyson made the motion, seconded by Councilmember Whittington and upon a unanimous vote the sell was approved.

08-2017

**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF KINSTON
AUTHORIZING SALE OF REAL PROPERTY**

WHEREAS, the City of Kinston is the owner of the hereinafter described real property in the City of Kinston, Lenoir County, North Carolina, located 1010 East Gordon Street, and having Lenoir County Tax Parcel number 452516738307; and

WHEREAS, the City Council of the City of Kinston has no further need or use for said property, and it would be in the best interests of the citizens of the City of Kinston for said real property to be sold by the negotiated offer, advertisement and upset bid method; and

WHEREAS, a notice was published in the Kinston Free Press, setting forth the offer to purchase said real property for a purchase price of Five Hundred Dollars, (\$500.00); and

WHEREAS, the public notice invited other individuals and entities to increase the bid, and more than ten (10) days have lapsed since the notice was published in the Kinston Free Press and no one has increased the bid, and the City Council desires to confirm and approve the sale; and

WHEREAS, the high bidder has deposited with the City Attorney the bid price.

NOW THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KINSTON THAT:

1. The sale of the hereinbefore real property to Torrie Hood is hereby ratified and affirmed with the selling price being Five Hundred Dollars, (\$500.00).

2. The City Attorney shall cause a deed to be prepared from the City of Kinston to Torrie Hood.
3. That the Mayor and City Clerk shall execute said deed and such other documents as may be necessary on behalf of the City of Kinston to accomplish this transaction.

4. Consider approval of a special events permit for the 2017 BBQ Festival on the Neuse.....Alonzo Jaynes

Alonzo Jaynes, Police Chief, stated this is a request for a Special Events Permit for the BBQ Festival on the Neuse. It is scheduled for May 5 from 7am to 10pm and on May 6th from 7am to 10pm. It will require street closures and assistance from the Kinston Police Department and Lenoir County Sheriff's Office.

Tony Sears, City Manager, stated this is a Chamber of Commerce event, the City has no reason [current flood level] to believe that the BBQ Festival will not be held this weekend as regularly scheduled.

Councilmember Aiken asked if the Police Department is prepared for any unexpected occurrences. Chief Jaynes stated we have had several meetings and we along with the Fire department have contingency plans and surveillance in place. Mr. Sears stated there is nothing the City could do to 100% prevent any incidents.

Councilmember Tyson stated we need to promote the parking at the mall and the other locations so the area won't be so congested. Sponsors are looking at other parking options. Mayor Murphy stated he highly encourages off-site parking.

Mayor Pro Tem Swinson made the motion, seconded by Councilmember Aiken and upon a unanimous vote the special events permit was approved.

5. Consider adoption of an Ordinance to amend the FY 2016-17 operating budget.....Catherine Gwynn

Catherine Gwynn, Budget Administrator and Special Projects Coordinator, stated we have several items that we would like to clean up. Planning is requesting a Fund Balance appropriation of \$25,000 for the Stewart Engineering Design contract. The Police Department has requested a Fund Balance appropriation of \$6,700 for their 1/3 portion cost of the drone for law enforcement rescues. The Fire and Rescue Department received a donation specifying that it is to be used for the needy, so that appropriation is being made. Recreation Administration requested an appropriation for HP computers that were leased for the Recreation Department for \$4,136 for the service and maintenance contracts and this will be reimbursement revenue from Lenoir County. Recreation Parks has requested an appropriation for the new tennis courts for the Bill Fay. The City budgeted \$100,000 and the remaining \$91,000 will be funded with various appropriations from the Tennis Association, Lenoir County and Lenoir County Schools. Recreation Sponsored Activities requested appropriations for tournaments expenditures related

to the Freedom Classic and this will be a reimbursement from the NJCAA. As part of the agreement to purchase the Saltwood Products property, the city agreed to do the demolition and landscaping, not to exceed \$35,000, to enhance the Grainger Stadium area. In addition there are property taxes due, so the total appropriation is \$37,000 which will be funded with Fund Balance. The Wood Ducks log on the water tower at Grainger Stadium was \$13,200 and it will be paid with an appropriation from Fund Balance. The Electric Fund has requested an appropriation of \$5,000 for electronic devices for mobile work orders that is part of a grant from ElectriCities and the grant money has been received.

Mayor Pro Tem Swinson introduced the following Ordinance:

2017-05

**AN ORDINANCE AMENDING THE ANNUAL
OPERATING BUDGET**

WHEREAS, the City Council adopted the annual operating budget on June 20, 2016 authorizing appropriations for the General Fund and Electric Fund, and

WHEREAS, amendments by the City Council may become necessary during the year as conditions change, and

WHEREAS, it is necessary to appropriate funds in the General Fund Planning division for expenditures related to engineering and design services for the aesthetic improvements on the Queen Street Road redesign so that the City may have a vision of various modern concepts that would be available to help make the most of the major construction work that will be done in the near future. This will be funded with a transfer from General Fund appropriated fund balance, and

WHEREAS, it is necessary to appropriate funds in the General Fund Police division for the purchase of a drone to be used in partnership with Lenoir County law enforcement and rescue personnel for law enforcement, safety and rescue purposes. This will be funded with a transfer from General Fund appropriated fund balance, and

WHEREAS, it is necessary to appropriate funds in the General Fund Fire and Rescue division for a donation to the division restricted for use by the Fire department to help the needy. This will be funded with revenues from donations, and

WHEREAS, it is necessary to appropriate funds in the General Fund Recreation Administration division for lease expenditures related to a new computer lease for the recreation department computers that are split between City and County recreation employees. This will be funded with revenues from County Reimbursements, and

WHEREAS, it is necessary to appropriate funds in the General Fund Recreation Parks division for expenditures related to the construction of new tennis courts at Bill Fay Park. This will be funded with revenues from County Grants and Local/Private Grants, and

WHEREAS, it is necessary to appropriate funds in the General Fund Recreation Sponsored Activities division for expenditures related to the expenses for the Freedom Classic, state and national baseball tournaments. This will be funded with miscellaneous revenues, and

WHEREAS, it is necessary to appropriate funds in the General Fund Non-Recurring Capital Outlay division for expenditures related to demolition, landscaping and property taxes at the Saltwood Products property, and painting for the Grainger Hill water tank. This will be funded with a transfer from General Fund appropriated fund balance, and

WHEREAS, it is necessary to appropriate funds in the Electric Fund Operations division for expenditures related to the purchase of technology for the Mobile Work orders project. This will be funded with revenues from Local/Private grants.

THEREFORE BE IT ORDAINED by the City Council of the City of Kinston, North Carolina that the annual operating budget ordinance be amended as follows:

General Fund	Current Budget	Amended Budget	Increase (Decrease)
Revenues:			
Lenoir County - Recreation Dept.	\$ 950,136.00	\$ 954,336.00	\$ 4,200.00
Local/Private Grants	2,000.00	82,000.00	80,000.00
County Grants	-	11,000.00	11,000.00
Donations	-	25.00	25.00
Miscellaneous	32,000.00	38,000.00	6,000.00
Appropriated Fund Balance	823,873.98	905,773.98	81,900.00
Total Other General Fund Revenues	22,311,171.88	22,311,171.88	-
Total Revenues	\$ 24,119,181.86	\$ 24,302,306.86	\$ 183,125.00

Expenditures:			
Planning			
Professional Services - Consultant Exp.	\$ 85,000.00	\$ 110,000.00	\$ 25,000.00
Other Planning Exp.	251,734.00	251,734.00	-
Law Enforcement			
Equipment Repair/Maintenance Exp.	2,000.00	8,700.00	6,700.00
Other Law Enforcement Exp.	5,863,458.00	5,863,458.00	-
Fire & Rescue			
Fire Suppression Supplies Exp.	11,000.00	11,025.00	25.00
Other Fire & Rescue Exp.	3,795,489.00	3,795,489.00	-
Recreation - Administration			
Service & Maintenance Contracts Exp.	5,500.00	9,700.00	4,200.00
Other Recreation - Administration Exp.	263,982.00	263,982.00	-
Recreation - Parks			
Capital Outlay Other Exp.	100,000.00	191,000.00	91,000.00
Recreation - Sponsored Activities			
Recreation/Program Supplies Exp.	55,000.00	61,000.00	6,000.00
Other Recreation - Sponsored Activities Exp.	174,700.00	174,700.00	-
Capital Outlay - (Non - recurring)			
Capital Outlay - Land Exp.	-	37,000.00	37,000.00
Capital Outlay - Towers, Tanks, Well Exp.	-	13,200.00	13,200.00
Other Capital Outlay - (Non - recurring) Exp.	902,200.00	902,200.00	-
Other Recreation - Park Exp.	1,354,394.19	1,354,394.19	-
Total Other General Fund Exp.	11,254,724.67	11,254,724.67	-
Total Expenditures	\$ 24,119,181.86	\$ 24,302,306.86	\$ 183,125.00

Electric Fund	Current Budget	Amended Budget	Increase (Decrease)
Revenues:			
Local/Private Grants	\$ -	\$ 5,000.00	\$ 5,000.00
Appropriated Fund Balance	243,525.50	243,525.50	-
Total Other Electric Fund Revenue	56,467,766.87	56,467,766.87	-
Total Revenues	\$ 56,711,292.37	\$ 56,716,292.37	\$ 5,000.00
Expenditures:			
Electric - Operations			
Miscellaneous Supplies Exp.	\$ 1,000.00	\$ 6,000.00	\$ 5,000.00
Other Electric - Operations Exp.	4,871,330.50	4,871,330.50	-
Total Other Electric Fund Exp.	51,838,961.87	51,838,961.87	-
Total Expenditures	\$ 56,711,292.37	\$ 56,716,292.37	\$ 5,000.00

Councilmember Whittington made the motion, seconded by Councilmember Solomon and upon a unanimous roll call vote the Ordinance was adopted.

6. Consider adoption of an Ordinance to amend the Electric Capital Project Budget.....Shaneilia Davenport

Shaneilia Davenport, Payroll and Accounting Specialist, stated the City has been approved for a \$25,000 grant from Duke Energy. The funds will be used to install 5 electric vehicle charging stations.

Mayor Pro Tem Swinson introduced the following Ordinance:

**2017-06 AN ORDINANCE ESTABLISHING THE CAPITAL PROJECT
FUND FOR THE ELECTRIC VEHICLE CHARGING
STATIONS DUKE ENERGY GRANT (E9129)**

WHEREAS, the City Council of the City of Kinston desires to provide contemporary and reliable infrastructure for its citizens, businesses and visitors in an environmentally, technologically and fiscally responsible manner, and

WHEREAS, there is a need to provide the first public electric vehicle charging stations within the City to keep on pace with the growing electric transportation movement, and

WHEREAS, the City has been awarded a grant by Duke Energy from their Plug-In Electric Vehicle Station program for the installation of five electric vehicle charging stations at locations within the City, and

WHEREAS, this project will be fully funded by Duke Energy and will help the City of Kinston further improve amenities at key areas downtown and at other strategic locations throughout the City and will assist Duke Energy in accomplishing their goals of helping customers save money, provide environmental benefits and encourage energy independence.

THEREFORE BE IT ORDAINED by the City Council of the City of Kinston, North Carolina that the following capital project budget ordinance is hereby adopted:

Electric Vehicle Charging Station Duke Energy Grant (E9129)

Revenues:	
Local/Private Grants	<u>\$ 25,000.00</u>
Total Revenues	<u><u>\$ 25,000.00</u></u>
Expenditures:	
Capital Outlay-Electrical	<u>\$ 25,000.00</u>
Total Expenditures	<u><u>\$ 25,000.00</u></u>

Councilmember Tyson made the motion, seconded by Councilmember Solomon and upon a unanimous roll call vote the Ordinance was adopted.

7. Consider approval of a proposal from North Carolina Eastern Alliance...Tony Sears

Tony Sears, City Manager, stated this is the realignment of a previous organization and their new purpose is helping recruit businesses to Eastern North Carolina and they are offering to provide the service for approximately \$2,500. Currently, Marcia Perritt handles the overwhelming majority of this for us, but she is only here one or two days a week. We would have someone working on our behalf for \$2,500 a year with the focus on Queen Street.

Councilmember Aiken asked the difference in this organization and Retail Strategies. Mr. Sears stated that Retail Strategies is looking for larger companies and they are not concentrating on the downtown area. Retail Strategies is a three year contract, and this is a year by year contract. They are different markets. I have been contacted by the Chamber of Commerce and Stephen Hill expressing that they thought this was a good idea.

Councilmember Aiken stated the Pride of Kinston's main focus was economic development for downtown and he thought the City was taking over Pride. Mr. Sears stated the City is not taking over Pride, but it is looking to merge with the Pride of Kinston to help with management.

Councilmember Tyson stated he would love to have the young pastor in town who has purchased homes and who is doing great work in the City to come before City Council. Mayor Murphy added that they have done good, much needed work. Mr. Short stated they have enhanced job skills and have been rehabbing homes that have been vacant for a long time.

Mayor Murphy suggested that the City Council work on ways to say yes as a body because it is easy for government to say no, but remain mindful that this is taxpayers' money.

Councilmember Whittington made the motion, seconded by Mayor Pro Tem Swinson and upon a majority vote (*Councilmember Aiken voted no*) the proposal was approved.

APPOINTMENTS

- 1. Consider the appointments of JoAnna Mooring as Deputy City Clerk**
.....**Monique Hicks**

Monique Hicks, City Clerk, stated traditionally the City Manager's Administrative Assistant has served as the Deputy City Clerk. Ms. Mooring officially became Mr. Sears' Administrative Assistant last summer, and we would like to appoint her as the Deputy City Clerk.

Councilmember Tyson made the motion, seconded by Councilmember Whittington and upon a unanimous vote the appointment was made.

CITY MANAGER'S REPORT

- 1. Agreement with Pride of Kinston.....Tony Sears**

Tony Sears, City Manager, stated this agreement has been reviewed by the City Attorney. We had a conversation about this back in the winter and agreed on some principles. They used some Duke graduate students to draft the agreement. We are not asking for approval at this time. The employees of Pride will become employees of the City of Kinston and we hope that they will be able to focus on recruitment of small businesses. The Director and Administrative Assistant would be employees, and upon the retirement of the Administrative Assistant, the vacant

position would not be filled. The City gives Pride approximately \$86,000 a year and we would reduce that payment to half. As part of this merger, no one loses their job. Pride will continue to do what they have always done and they will go out to seek a management contract to get someone to help manager the Enterprise Center and at least to the point that the loan on the building is satisfied.

Councilmember Aiken stated the Welcome to Kinston sign grass is overgrown. The Pride had a contract to maintain the signs, will that become a responsibility of the city. Mr. Sears stated that is not the City's responsibility, it is Pride's responsibility. This is a management merger contract. The City is not taking over the duties that Pride has been in charge of doing. We will, as we do every year, assist in taking care of the appearance for this weekend. The reason Pride canceled that contract was because they were having financial issues. The City will not take over any of Pride's duties or responsibilities unless the City Council decides it prefers to do so. The City Council may want to consider it after we make the investment into the Queen Street redesign, but that is a conversation for the City Council to have with Pride. If they need help, then we will help.

Mayor confirmed the agreement will be ironed out and included in the budget process to be effective July 1st.

Mr. Sears stated there will be a new section in the budget labeled as Pride and this would show this transaction. The Pride's Board has asked to do this before July 1st, but we don't have the money budgeted to do that. Kevin Zoltek is excited and would like to have a ceremonial signing with the Pride's Board and the City Council. This document is final unless there is something City Council wants to changes.

2. Neuse River Flooding.....Tony Sears

Mr. Sears stated the river is rising and near 20 feet and will be close to 23 feet Wednesday when it crests. We do not believe it will impact the Hampton Inn, Neuse Sports Shop, or King's. It is going to be close and in parking lots. Everyone is making preparation for 23 feet. We hope that all the hard work that was done at the Nature Center has not been totally undone. We don't anticipate roads flooding. The rain event should not be significant enough to impact the river level. The water was released from the dam starting Saturday, and it will cause the flood levels to stay higher longer.

3. Update on the Spill.....Rhonda Barwick

Rhonda Barwick, Public Services Director, stated when we had the heavy rains last week, we had an overflow at the manhole near Spring Hill and Herritage. There were approximately 180,000 gallons and it was due to the volume of rainwater coming into our system. We suspect that maybe beavers have dammed up an area. We immediately contacted the State and the media. Since it is in an area near the Neuse River, we were required to put an ad in the newspaper. We found grass and fish during the clean up.

Mr. Sears stated it is mowing season and people blow the clippings in the street which end up in the storm drains and sewer pipes.

Councilmember Tyson confirmed because we notified the State, we will not be fined. Mr. Sears stated that is correct because we were not negligent, so the chances of a fine are very low.

4. Introduction of New Finance Director, Donna Goodson.....Tony Sears

Mr. Sears introduced Donna Goodson as the new Finance Director.

Ms. Goodson stated she is excited to be here. She shared her personal, educational and professional background. She a native of Kinston and very proud of what Kinston has become and what it is becoming.

COUNCILMEMBER REPORTS

Mayor Pro Tem Swinson stated he, Mayor Murphy, Tony Sears, James Cauley and Adam Short are going to Washington, DC to meet with our U.S. Congressmen to get some work done for Kinston to prevent flooding. Mr. Sears stated we are taking the Resolution for flood prevention and control. The timing of this trip and trying to get federal help to prevent flooding is important.

Councilmember Aiken thanked Chief Jaynes and the Sheriff Department for the Peace Officer event.

Councilmember Whittington commended the joint effort between law enforcement agencies in apprehending the murder suspect last week.

Mayor Murphy stated a few years ago a State Highway Patrol helicopter unit was stationed in Lenoir County, but they are no long here. When we called, they came from Salisbury. This is an example of where State budget cuts do affect us. We need to add this to our Resolution for Legislative Priorities next year. We can always do better and we need to keep pushing.

Councilmember Whittington asked about the firefighter who is scheduled for surgery. Chief Crawford stated TJ Howard.

ADJOURNMENT

Mayor Pro Tem Swinson made the motion, seconded by Councilmember Solomon and upon a unanimous vote the City Council meeting adjourned at 7:40 pm.

Respectfully submitted,

Monique Hicks, City Clerk