

**CITY OF NEW BERN
BOARD OF ALDERMEN MEETING
May 25, 2010
CITY HALL COURTROOM – 7 P.M.
300 POLLOCK STREET**

1. **Meeting Opened by** Mayor Lee Bettis, Jr. **Prayer by** Stevie White, West Street Christian Church. Pledge of Allegiance.
2. **Roll Call.** Aldermen Sabrina Bengel; Victor Taylor; Denny Bucher; Johnnie Ray Kinsey; Bernard White; and Dana Outlaw

Also in attendance: Interim City Manager, Ed Wyatt and City Attorney, Scott Davis.

3. **Presentation of the FY 2010-2011 Budget.**

Mr. Wyatt, Interim City Manager presented a power point presentation on the FY 2010/2011 Budget. The proposed budget for operating the FY 2010/11 fiscal year is well over \$129 million. The city will need to transfer \$915,000 from the fund balance just to balance the current year budget. Dipping into the fund balance account will only leave six percent (6%) in the reserve. Shortfalls for this year's budget are due to decline in revenues, underfunded expenditures in police and fire departments, and sales tax collection down. Measures taken in order to balance the current budget are frozen positions, employee furloughs, merit raises, and cost of living.

There are new expenses in the General Fund this FY2010/11 that are considered unavoidable. The unavoidable amount is \$1,415,792 which covers North Carolina Government Retirement, twelve (12) firefighter salaries, Alfred Cunningham Bridge, and underfunded salaries for police and fire.

Cost cutting methods recommended are ground maintenance services, contractual cleaning services, reducing the city contribution from 6% to 5%, 401k supplementary retirement, career development and education incentives are being put on hold, frozen and eliminated positions, and denial of some capital requests.

Proposed revenue adjustments include fee increases for park and recreations, planning and inspection, and residential and commercial refuse. There may be other services that can be adjusted at a later date.

The tax revaluations from the county increased New Bern's valuation of property went up 34%. Revenue neutral rate has been calculated to be .3915 per 100. Real property tax revenues are budget based on a 97.5% collection rate, and the unreserved fund balance needs to be a minimum of 8% according to the Local Government Commission.

Mr. Wyatt, Interim City Manager stated this is a serious sobering situation and it is not taken lightly. "I will be remiss not to acknowledge a problem," Mr. Wyatt told the board. Mr. Wyatt thanked the board for allowing him to serve as their interim city manager. New Bern is a fine, fine city.

Mayor Bettis and Alderman Bengel thanked Mr. Wyatt for an excellent presentation of the budget. Alderman Bengel stated she has reviewed many budgets and this was the first to have grafts, pie diagrams, and a lot easier to understand.

4. Approval of Minutes.

Alderman Bengel made a motion to approve the minutes for May 11, 2010, seconded by Alderman White. The vote carried unanimously.

5. Public Hearing on the Contents of the 2010 CDBG-HD Grant Application.

Mike Avery, Director of Planning & Inspections, explained as part of the HUD citizen participation requirements to apply for CDBG grants, two (2) public hearing must be conducted. The first public hearing was conducted at the Board of Aldermen meeting on May 11, 2010. This will be the second public hearing to receive public comment on the contents of the CDBG-HD grant application. There will be 76 multifamily affordable housing units built for seniors aged 55 and older, located on Pinetree Drive.

Alderman Outlaw made a motion to open the public hearing on the contents of the 2010 CDBG-HD Grant Application, seconded by Alderman Taylor. The motion carried unanimously.

The public was given an opportunity to speak. There was no public comment.

Alderman Bengel made a motion to close the public hearing, seconded by Alderman White. The motion carried unanimously.

6. Consider Response to the Department of the Navy Regarding Location and Restoration of the F11-A Tiger Aircraft.

Mayor Bettis allowed the public to comment on the location and restoration of the aircraft.

Paul Gauthier, 413 Avenue A, New Bern stated he was a retired marine; he would like to see the aircraft restored to its original luster. There are a group of volunteers that are interested in assisting or helping to refurbish the aircraft. The current location is not feasible and should be moved to a new location.

Anthony Bonnici, 512 Jefferson Avenue, New Bern stated any aircraft that is located within twenty miles of the river needs special maintenance, due to corrosion. Relocating it to Lawson Creek would be too close near the water. Mr. Bonnici suggested the aircraft be located at the Coastal Carolina Regional Airport. He realizes this location is in Craven County, but it will give the city an opportunity to work with Craven County Commissioners. The aircraft will be very visible considering the volume of traffic daily at the airport. He is willing to work with the volunteers in helping to refurbish the aircraft. Mayor Bettis suggested Mr. Bonnici and Mr. Gauthier present a written proposal to the board with their plans on refurbishing the aircraft.

Roger Whitney, 410 Simmons Street, New Bern suggested the board consider the relocation of the aircraft on the green space at the Electric Utilities Department at the intersection of Trent Road and First Street. This is city property with available parking as well as being adjacent to Fort Totten Park. Originally, a plane was located at Fort Totten Park. This location is in the vicinity of Downtown, Five Points and walking distance. Another location for consideration is Speight Park located on Simmons Street and Dr. M.L. King, Jr. Boulevard. This park does have some parking but it is not paved.

Alderman Outlaw addressed the letter from Department of the Navy, National Museum of Naval Aviation requesting the city to respond by June 1, 2010 in reference to the restoration of the aircraft. Having spoken with Mrs. Watson, Alderman Outlaw apologized for not stepping forward earlier to begin the process of restoration. The board needs to decide what steps to take to begin the restoration of the aircraft. If the city does not fill its obligations on restoring the aircraft, the state may garnish the power funds to ensure the work gets done. Mrs. Watson inspected the aircraft in 2004; she was not happy with the finding.

Alderman Outlaw made a motion the City of New Bern write a letter to Helen Watson, Loan Manager for the Department of the Navy. This letter is to advise Mrs. Watson the enumerating sequential events to take place in the restoration of the aircraft. In conjunction, ask Bobby Aster to coordinate with volunteers, civic groups, Cherry Point Marine Base as well as making monthly updates on the progress being made informing Mrs. Watson the disassembling of the aircraft to the museum requirements and immediate transport to Cherry Point to begin the restoration process. Also, Mr. Aster to initiate fund raising efforts, assemble volunteer groups, partnering as available with other parties to successfully complete the restoration of the aircraft and relocate it to Lawson Creek Park. The motion was seconded by Alderman Kinsey.

Alderman Taylor stated; he has "heart burn on moving the aircraft to Lawson Creek Park". Upon researching, a letter dated January 1980 from Washington, D.C. stated the requirements and history of the aircraft. Each year a status and condition report was required by the navy. According to this letter a report was done on the status and condition of the aircraft in 1988-1995, after 1995 nothing was done. Nowhere in any correspondences (from the navy) was it stated the city would be responsible for the

expenses of shipping it back to Florida. A letter dated April 8, 2010 was received in the agenda book for the April 13, 2010 meeting requesting a June 1, 2010 deadline for a decision to be made. The letter signed by Chief Aster stated "several weeks ago, he completed a Certificate of Loaned Government Property for the F11-A Tiger Aircraft on loan to the City of New Bern from the Department of Navy. By signing this document the City of New Bern agreed to repair and refurbish the F11-A to further prevent rust and corrosion damage to the airplane". The letter to the navy took place before it came before the board. The Board of Aldermen did not approve the Certificate of Loaned Government Property. The board received correspondence on May 12, 2010 with a letter date of April 20, 2010 expressing a June 1, 2010 deadline. It is six weeks from the date of the letter, but only two weeks from the date he received the letter. This only gives the board two weeks to make a decision on the restoration and location of the aircraft. He has no problem with refurbishing the aircraft, but relocating it to Lawson Creek Park is not a suitable location.

Alderman Bucher stated the aircraft is in Ward 3, and it physically cannot stay at the present location. He has spoken with the neighbors and they would like to see the aircraft moved. Several months ago, Swiss Bear presented a proposal at a Work Session with a plan in place for refurbishing the aircraft and fundraising to support the restoration and relocation. At a later board meeting, a resolution came before the board for adoption, collectively the board voted "no", "by the way I voted 'yes'. Now the city has the burden of doing the work on the aircraft. Alderman Bucher stated he was not sure if Chief Aster has the time or expertise to manage this process. Swiss Bear had a group of volunteers in place, and the board voted "no"; it is an unfortunate situation.

Chief Aster explained he has a complete file of paper work on the F11-A dating back to 1990 on all the loan forms that was properly signed. He received a letter from Mrs. Watson on April 26, 2010, and responded to Mr. Wyatt on May 6, 2010, there is a possibility the letter sat on my desk for a couple of days, but he responded as quick as possible. Chief Aster stated he has a lot of conservation with different people and he would like to see the City partner with Swiss Bear in getting some of the original committee members back in place to work out a solution for getting the aircraft refurbished and relocated. Chief Aster expressed he would be willing to work with whomever to head-up this project.

Ernie Richardson, 503 Pollock Street, New Bern stated the Swiss Bear Board met previously with Aldermen Bucher, Bengel, Kinsey, Outlaw and we tried to contact Alderman Taylor. Alderman Taylor wanted it clarified; he received no notification via email or call. Before the meeting, Aldermen Outlaw and Kinsey met with Ernie Richards and Sonny Roberts to discuss the aircraft; it was a productive conversation. Swiss Bear is willing to cooperate and discuss the situation.

Alderman White stated he voted no previously because Swiss Bear stated they had received financial commitments, but the donations were dependent upon having a permanent location. He understood that if the donation was not received the city would be responsible for raising necessary funds. No one is going to drive into Lawson Creek Park to view the aircraft. This park is a recreational facility used primarily for soccer games.

Alderman Kinsey suggested the City move forward in the direction of refurbishing and relocating the aircraft. The City is up against a deadline, and time is of the essence.

Alderman Bengel is concern with the language of the motion, asking Chief Aster to take on additional responsibilities of fundraising. She would like to see the City partner with Swiss Bear to head up the fundraising. Chief Aster stated; he would like to see the City partner with Swiss Bear and the many volunteers to spearhead this project. He is willing to work with Swiss Bear to accomplish this project.

Mayor Bettis suggested a vote to the response to the Department of the Navy regarding location and disposition of the F11-A aircraft to a vote. A voice vote: Aldermen Bengel, Bucher, Kinsey, and Outlaw voted "yes", Aldermen Taylor and White voted "no". The vote was in favor 4-2.

7. Adopt Resolution Approving the Monument Project Request by The Families of New Bern & Craven County Group.

This item had been previously discussed at the March 23, 2010 meeting and May 18, 2010 Work Session. David French, 1719 Spencer Avenue, New Bern briefly explained after meeting with City officials, the proposed location had been changed to the plot located beside City Hall which current house a bust of Baron de Graffenried. The bust, monument and plaque would be incorporated into the design for the proposed Heritage Park. The monument will be honoring American Indians, early and late settlers of the area, native African and African-Americans, and other groups who played a part in the area's history.

Alderman Bengel made a motion to adopt the resolution approving the monument project requested by the families of New Bern and Craven County, seconded by Alderman Outlaw. On a roll call vote, the motion carried unanimously.

Alderman Bucher made a motion for the board to take a 5 minute recess, seconded by Alderman Bengel. The motion carried unanimously, time being 9:00 P.M. The meeting resumed, time being 9:10 p.m.

8. Adopt Resolution Approving the Sustainability Advancement Volunteer Effort (Save) Project and Establishing a Volunteer Committee.

Agenda item #8 was tabled.

8a. Adopt Resolution Approving Fee Schedule for Parks and Recreation.

A proposal fee schedule was presented to the board at the March 30, 2010 Work Session. The fee schedule is used for collection of various programs and facility fees. There has not been an increase of fees since FY2004/2005 the increases will help defray operational expenses and generate additional revenues.

Alderman Bengel questions to Mr. Hardison, how will the fees be determine for teams participating, and will the recreation card be used for the aquatics only or for all services provided by the department. Mr. Hardison stated the teams would be determined as City or non-City teams, and the recreation card is for all the services.

Alderman Bucher made a motion to adopt the resolution approving the fee schedule for Parks and Recreation, seconded by Alderman White. On a roll call vote, the motion carried unanimously.

8b. Adopt Resolution Opposing United State Senate Bill 3194.

Chief Palombo explained, this resolution opposes collective bargaining that passed the House several months ago. If this bill becomes law, it will require cities and towns to collectively bargain with labor unions that represent public safety employees. North Carolina law expressly prohibits strikes by public employees. If this proposal becomes law, another unnecessary unfunded mandate will be placed on cities and towns and public safety.

Alderman Outlaw made a motion to adopt the resolution opposing Senate Bill 3194, seconded by Alderman Bengel. On a roll call vote, the motion carried unanimously.

9. Adopt Resolution Approving Grant Agreements with the N. C. Department of Cultural Resources for FY 2010 Historic Preservation Fund Grant.

Annette Stone, City Planner informed the board the City was awarded a grant from the North Carolina Office of Archives and History for developing a city preservation plan in the amount of \$15,000 and \$10,000 local match. The Historic Preservation Foundation is a federal program administered by the National Park Service, and grants for local projects are made available to local governments, non-profit organizations and educational institutions.

Alderman Bucher made a motion to adopt the resolution approving the grant agreements with the N.C. Department of Cultural Resources, seconded by Alderman Kinsey. On a roll call vote, the motion carried unanimously.

10. Adopt Resolution Call for a Public Hearing on the Closeout of the 2008 CDBG Infrastructure Hook-up Grant.

Mike Avery, Planning & Inspection Director stated the board needs to call for a public hearing at the June 8, 2010 meeting to receive public comment on the closeout of the 2008 CDBG Infrastructure Hook-up grant.

Alderman Bengel made a motion to adopt the resolution call for a public hearing on closeout of the 2008 CDBG Infrastructure hook-up grant to be held on June 8, 2010, seconded by Alderman Outlaw. On a roll call vote, the motion carried unanimously.

11. Adopt Resolution Approving Submission of Grant Application under the US EPA Brownfields Area-Wide Planning Pilot Program.

Mike Avery, Planning & Inspection stated the City is currently the recipient of an EPA Brownfields Assessment Grant. The City has already completed an inventory and ranking of potential brownfields sites which includes Five Points, Riverstation and the Broad Street corridor. This area-wide brownfields planning grant will be used to supplement the ongoing brownfields assessment project and update the completed New Bern Urban Design Plan 2000.

Alderman Outlaw made a motion to adopt the resolution approving submission of grant application under the EPA Brownfields area-wide planning pilot program, seconded by Alderman Bengel. On a roll call vote, the motion carried unanimously.

12. Adopt Resolution Adopting the 2010 Urgent Repair Grant Assistance Policy and a Procurement and Disbursement Policy.

Mike Avery, Planning & Inspection stated the City of New Bern was awarded a \$75,000 grant by North Carolina Housing Finance Agency, and the city will provide an additional \$7,500 in local match. This program is designed to assist very-low and low income households with special needs in addressing housing conditions which pose threats to their life and/or safety. The program can also provide accessibility modifications and other repairs necessary to prevent displacement from their homes, such as elderly persons or person with disabilities. The assistance policy describes in detail eligibility in the 2010 Urgent Repair Program, how to apply, how the applications will be rated, what form of assistance, how the contractors will be selected as well as paid, and how the process will be managed.

Alderman Bucher made a motion to adopt the resolution for the 2010 Urgent Repair Grant Assistance Policy, seconded by Alderman Kinsey. On a roll call vote, the motion carried unanimously.

13. Adopt Ordinance Amending Section 70-99 of the New Bern City Code Entitled, “Stop Intersection” in Pinecrest Estates.

Bobby Aster, Fire Chief, stated the Public Works Department received a requested from Craven County Board of Education. They requested stop signs be placed at the intersections Powell Street and Midyette Avenue, Powell Street and Pinecrest Avenue. These streets are located in Pinecrest Estates, and the 4th Ward.

Alderman Bengel asked Mr. Wyatt to state the Ward that represents the streets.

Alderman Bucher made a motion to adopt the ordinance amending Section 70-99 entitle “Stop Intersection” for certain streets located in Pinecrest Estates, seconded by Alderman Kinsey. On a roll call vote, the motion carried unanimously.

14. Adopt Ordinance Amending Section 70-99 of the New Bern City Code Entitle, “Stop Intersections” in Brices Crossing Subdivision.

Bobby Aster, Fire Chief stated the Public Works Department received a request from Donald Lawrence, LPS Developers, LLC. He requested stop signs be placed at certain streets located in Brices Crossing Subdivision, and the 3rd Ward.

Alderman Bucher made a motion to adopt the ordinance amending Section 70-99 entitle, “ Stop Intersection” for streets located in Brices Crossing Subdivision, seconded by Alderman Kinsey. On a roll call vote, the motion carried unanimously.

15. Adopt Ordinance amending Section 70-132 of the New Bern City Code Entitled, “Maximum Speed limits on Specific Streets – Twenty-Five Miles Per Hour” in Brices Crossing Subdivision.

Bobby Aster, Fire Chief stated the Public Works Department received a request from Donald Lawrence, LPS Developers, LLC. He requested Brices Crossing Boulevard, Judge Manly Drive, Tesie Trail, and Weathersby Drive be designated as 25 MPH streets. These streets are located in Brices Crossing Subdivision, and the 3rd Ward.

Alderman Outlaw asked the board to look into traffic calming measures, such as speed humps or speed tables to be placed in other subdivisions at a later date.

Alderman Bucher made a motion amending Section 70-132 entitled, “Twenty-Five Speed Limits on specific Streets located in Brices Crossing Subdivision, seconded by Alderman Kinsey. On a roll call vote, the motion carried unanimously.

16. Adopt Resolution Approving Financing Agreement.

Mary Muraglia, Director of Finance explained the financing of the tub grinder refurbishment and the purchase of a used chip trailer. First Citizen has agreed to finance this project. The total amount to finance is \$101,800 and will be repaid over four years at an interest rate of 3.58%. This item was previously discussed at a Work Session, and these items are necessary for the expansion of the mulching operation which will generate significant revenues for the City.

Alderman Bengel made a motion to adopt the resolution approving financing agreement, seconded by Kinsey. On a roll call vote, the motion carried unanimously.

17. Adopt Resolution Approving Submission of 2010 Department of Justice Ballistic Vest Partnership Grant Program.

Frank Palombo, Chief of Police requested the board approval to apply for annual solicitation of grant funds for Ballistic Vest Partnership program. The grant funds enable the Police Department to obtain ballistic vest for officers with 50% of the funds coming from the grant and 50% coming from the Police Department uniform budget. Vests are purchased on five (5) year rotations, as that is the warranty life of each vest. New Bern is eligible to submit for approximately \$3,730 in funding for vest replacement.

Alderman Bengel made a motion to adopt the resolution approving Submission of 2010 Department of Ballistic Vest Partnership Grant Program, seconded by Alderman Taylor. On a roll call vote, the motion carried unanimously.

18. Adopt Resolution Approving Submission of Justice Assistance Grant and Call for a Public Hearing on the Grant Proposal.

Frank Pamombo, Chief of Police requested the board approval of application for annual solicitation of formula grant funds from the Justice Assistance Grant Program. These grant funds enable the Police Department to obtain equipment that the Police Department would not otherwise have funds to purchase. New Bern is eligible to submit for a JAG formula amount of \$16,087, there is no City match. There is a need to purchase two bar code printers for evidence collected in the field, along with electronic signature pads to record receipts of that evidence. Driver's license magnetic strips readers are being researched as an addition to this grant. Having this kind of equipment in patrol cars will expedite traffic stops for officers in serving the public.

Alderman Bengel made a motion to adopt the resolution approving submission of Justice Assistance Grant and call for a public hearing on June 8, 2010, seconded by Alderman Outlaw. On a roll call vote, the motion carried unanimously.

19. Appointments.

There was no appointment at this time.

20. Attorney's Report.

Attorney Davis had nothing at this time. He reminded the board of the Special Call meetings.

Alderman Outlaw made a motion to call for a Special Call Meeting to interview the last candidate for the city manager's position on June 1, 2010, 5:00 P.M., at City Hall. The motion was seconded by Alderman Bucher. The motion carried unanimously.

Alderman Bucher made a motion to call for a 2nd Special Call Meeting on June 1, 2010, 7:00 P.M., at City Hall for the first Public Hearing on FY 2010/11 budget. The motion was seconded by Alderman Kinsey. The motion carried unanimously.

21. City Manager's Report.

Mr. Wyatt, Interim City Manager had a request to change the scheduled Board of Aldermen's meeting date, June 22, 2010 to June 21, 2010.

Alderman Bengel made a motion to reschedule the regular Tuesday, June 22, 2010 meeting to Monday, June 21, 2010 to accommodate scheduling issues for Mr. Wyatt and her. The motion was seconded by Alderman Outlaw. The motion carried unanimously.

22. Announcements.

Alderman Bengel announced the Historic Preservation Foundation will be hosting training classes on preservation, Monday, June 7, 2010, 7:00 P.M., at Tryon Palace. Also, she would like to thank Mr. Marshall Van Winkle and the Antique Car Show committee members for a great weekend. Having spoken with the downtown merchants this was one of the biggest/best weekends for sales.

23. Adjourn.

Alderman Bucher made a motion to adjourn, seconded by Alderman Outlaw and unanimously carried, time being 9:45 P.M.

