

CITY OF NEW BERN
BOARD OF ALDERMEN WORK SESSION
NEW BERN, NORTH CAROLINA

FEBRUARY 9, 2010

Present:

Lee Wilson Bettis, Jr., Mayor
Sabrina Bengel, Alderman
Dennis K. Bucher, Alderman
Johnnie Ray Kinsey, Alderman
Dana Outlaw, Alderman
Victor J. Taylor, Alderman
Bernard W. White, Alderman

Other Participants:

Edward A. Wyatt, Interim City Manager
Scott Davis, City Attorney
Veronica Mattocks, City Clerk
Bobby Aster, Chief, New Bern Fire and Rescue
Johnny Metcalf, NC DOT, Resident Engineer
Thomas Drda, US Highway Administration, Resident Engineer
Hugh Overholt, Member, NC DOT Board, Division 2
Neil Lassiter, NC DOT, Division Engineer, Division 2
Dan Holderman, NC DOT, Bridge Maintenance Engineer
John Hughes, NC DOT, Division Bridge Maintenance Engineer

Other Attendees: The public

Court Reporter: Bobbie G. Newman

INDEX OF HANDOUTS/EXHIBITS

Exhibit [A] Agenda, New Bern Board of Aldermen
Work Session, February 9, 2010.

Page 3

Exhibit [B] Memorandum, from Edward A. Wyatt, Interim
City Manager, to Neil Lassiter, DOT
Division 2 Engineer.

Page 3

COURT REPORTER'S NOTE: The Work Session of the New Bern Board of Aldermen commenced on February 9, 2010, at 5:35 p.m., in the City Hall Building. The Work Session was to discuss the Alfred Cunningham Bridge and Board Street projects. (See the agenda, Exhibit [A].)

MR. LEE WILSON BETTIS, JR.: We're going to call this meeting to order tonight. First of all, I want to thank the DOT for being here and coming here, and I want to thank you on behalf of the citizens of New Bern, and this Board of Aldermen, and myself, so thank you. The way we're going to -- the way we're going to go about this meeting tonight is -- well, strike that. The reason for this meeting tonight is because the Board of Aldermen and the citizens of New Bern have a lot of questions about what's going on with the bridge. You've been supplied with those questions (Exhibit [B]), and hopefully we can get through those questions. We don't have a lot of information right now. There isn't a lot of information out there. So, the sole purpose of this meeting tonight is just to -- is just to get your take on it, to meet you guys, to meet the key players because this is a new Board, and to have you guys give -- you know, respond to the questions that we -- that we brought. We are not going to be making any decisions tonight on anything. This is far too important an issue to ever just listen and then make a decision on. We're going to need time to reflect. And I don't know if there's a decision to be made or not, but we would like as much information as we can get and then reflect on it. All right? We may, after tonight, have -- we may, after tonight, have more enlightened questions. I don't -- you know, you saw the questions that we had, and I don't even know if those are the right questions to ask, but we gave it a stab the first time. So, you know, this is going to be a respectful -- the Board of Aldermen is going to be respectful, and we appreciate that you came out here. With that being said, I believe the opening comments and background are from Mr. Overholt.

MR. HUGH OVERHOLT: We appreciate the invitation --

MR. BETTIS: Yes, sir.

MR. OVERHOLT: -- and we're not going to saw any saw dust. We'll advance this as quickly and respectfully as we can. The first thing I want to do is introduce Neil Lassiter, the Division Engineer, and he will introduce the team that we've been able to get together, and then I have a few comments.

MR. NEIL LASSITER: Okay. Again, my name is Neil Lassiter. I'm the Division Engineer for the North Carolina Department of Transportation. I'm in charge of Division 2, and Division 2 is -- is primarily eight coastal counties. We cover Beaufort, Pitt, Greene, Pamlico, Lenoir, Craven, Jones, and Carteret -- I'm thinking if I missed any, but we cover this area here. And, again, we're in charge of all the maintenance, all the construction, most of the -- all

the transportation issues that generally come up in that eight county region, so. I'm very happy to have members of both our division staff and members from Raleigh and, as well, from the Federal Highway Administration. I'd like to, at least, introduce those to everybody. To my left here, I have Mr. Dan Holderman. Dan is our State Bridge Engineer. He's in charge of all of our -- our bridge maintenance and management systems in the whole state of North Carolina, so he's here from Raleigh tonight.

MR. BETTIS: Well, thank you very, very much for coming.

MR. LASSITER: I'd also like to introduce Mr. Tom Drda. Tom is from the Federal Highway Administration. He's our bridge engineer for the -- the whole state of North Carolina. He's here to answer any questions that may come up about any federal participation with the -- the federal regulations and policies that -- with respect to that, so we appreciate Tom being here from Raleigh as well.

MR. BETTIS: Thank you very much for coming in on such a bad night.

MR. LASSITER: Okay. I have, also, Mr. Johnny Metcalf here. He's our Resident Engineer. A resident engineer is in our construction department. Johnny has been in charge of the contract administration for the replacement of the Alfred Cunningham Bridge, so he's located here in New Bern. He's staffed to the Division 2 office, and we appreciate Johnnie taking his time and being here as well, too. I'd also like to recognize Mr. John -- John Hughes. John is our Division Bridge Engineer, and John's responsible for all the maintenance, upkeep, and heavy, I guess, the heavy construction, heavy maintenance of all the bridges in -- in this region, Division 2, so I wanted John here as well in -- in case there's issues involving the maintenance, operation of movable span bridges and -- and any bridge-related questions that -- that you may have as well, so John's here for that -- for that purpose.

MR. BETTIS: Okay. Thank you very much.

MR. OVERHOLT: The -- I think the best thing to do, and we've gone through the questions that we got, and we had about a 24-hour response period, so we -- some of these, we're -- we're going to give very fairly definitive answers. Others are at pay grades above us in Raleigh such as some of the budget questions and what, and we can get back to you on those if you feel they are necessary after this. I'd like to keep this discussion very informal, and -- and so you can add to or break in into anything we have to say. I -- my position here is I'm -- I'm appointed as the Division 2 DOT Board representative, and, in that sense, represent the Secretary of Transportation in -- in policy matters. I don't know a thing about paving roads or -- or fixing bridges; that ain't -- that ain't my deal, but I very much want to see eastern North Carolina prosper, and the way to do that is through good roads, good bridges, and -- and that is my overall goal. And, I have great confidence in the

team that we've put together tonight, and I think the best way to start out, Mayor, is by Neil giving a little run down on the history on why -- on why we built the Trent River Bridge and the -- the background on that, and then I'll add a little to that. Neil?

MR. LASSITER: Okay.

MR. OVERHOLT: Is that satisfactory --

MR. LASSITER: So --

MR. OVERHOLT: -- to y'all?

MR. BETTIS: Absolutely. Look --

MR. OVERHOLT: Okay. Yeah.

MR. BETTIS: -- and -- and the main thing is, you know, I -- when we first came -- when we first came out, I -- you guys indicated you wanted the questions written out, and I --

MR. OVERHOLT: Yeah.

MR. BETTIS: -- I want to stick to that -- I want to stick to that format as -- as much as possible. And if you wanted -- I believe I heard you say you would entertain follow-up questions?

MR. OVERHOLT: Sure. Absolutely.

MR. BETTIS: Okay.

MR. OVERHOLT: And I think that Alderman Kinsey had asked about the history of the project, so we will -- we'll address that and then that may answer many of the other questions then.

MR. LASSITER: Okay. I was -- since I've been in the Division, I was -- I had -- I didn't have as much experience in the planning for the Neuse River Bridge that's currently in place, but there's some questions and all that -- that may pertain back to that project. But there and about the -- it was early in 2002, we had been approached by the City to -- to consider improvements to, then, the old Alfred Cunningham Bridge. At the time, the bridge was a -- it was a swing span trestle bridge. It was in dire need of -- of maintenance and rehabilitation. It was -- it was in need of painting. There was some design issues that -- that needed to be -- that needed to be addressed. We had it in our TIP, which is our transportation improvement program for the -- for the Department. We were looking at rehabbing that structure. Mr. Holderman reminded me it's -- it was about \$12 million at the time, and that was to go towards the -- the painting, the rehabilitation of that existing structure, and so that was a significant amount of money. Shortly after, again, the bridge was open, the Neuse River Bridge was opened, and then the -- the attention of the City turned its efforts over to try to -- to look at this, you know, that bridge as well. Well, when we -- when we first became aware of that, the -- the questions, then, from the City was should we look at maintaining the existing bridge or should we look at perhaps entertaining the replacement of the bridge, what were other options that were out there. We had been to a number of meetings. And actually, what had happened is, was presented to our, then, our board member,

Mr. Cam McRae, would -- if the possibility of the bridge could be replaced and -- instead of -- instead of the rehabilitation. And the reason being is because the -- there was a red lead paint issue, there was some environmental issues encapsulating the whole -- the whole -- the bridge and trying to get -- take care of that. And the thought was, while we're spending that -- that \$12 million or so, should we not even consider maybe even replacing the structure in -- in its --

MR. BETTIS: Who --

MR. LASSITER: -- entirety.

MR. BETTIS: -- who from the City, if you recall, was -- was asking for that?

MR. LASSITER: Well, at this time, it came from -- it was a letter from the Craven County Transportation Committee, which -- I think there's a place -- the City was represented in that as well, but that -- that was the -- I guess, the initial inquiry came from there. There was later meetings certainly between the -- the City that -- that took place after this initial meeting took place. But, with that, we looked at -- and -- and the request came through our Board member. He asked us if -- if it was a possibility and -- with respect to the bridge just to -- just to replace it, and the problem was the additional funding that was going to occur with the replacement of the bridge. We later had another meeting. I know the Mayor was attending, and the former City -- City Manager. I mean, I was in attendance. There was a number of people there, but -- and our Board member. And, at that time, the City came to us in this big

-- practically -- former Mayor Bayliss, and City Manager, and all, and they said, Well, look, with the -- with the amount of money, you know, associated with the -- the full replacement of the bridge, there's going to -- we -- we need some type of participation on there. And, that's when the proposal came, well, you know, if -- if the City would maintain the bridge, would that, you know, satisfy, you know, DOT. And, at the time, you know, it was one of these things we would consider, and we looked into it and said, yeah. And in an effort to -- to assist the City and -- who really, at the time, we really -- they wanted -- really wanted the bridge. And, primarily, the bridge, the timing of it was -- was very -- was -- was very crucial because there was a need to have the bridge replaced before the -- the tricentennial celebration. I think that was very important. They -- the powers to be asked us if -- if we could potentially get the bridge in operation before that -- that tricentennial, so that's -- that's how that kind of came to be. And with that, we -- we drew up a -- you know, a municipal agreement. It went back and forth several times on -- I see Scott Davis, the City Attorney, here. I think he -- well, I know he worked with staff of DOT in trying to craft the language in that municipal agreement that actually -- that once we built the bridge, then we're going to turn

over the maintenance of the structure to the City. Now along with that, there was side conversations that along with the -- the construction of the bridge, the City also asked us, in -- in an effort to -- to finalize their streetscape and their long range planning for their streetscape and the, I guess, Broad Street, or Front -- yeah, it was Broad Street, from the River down to the Five Points area, if we could also look at making those improvements, the improvements being to reduce the section -- the roadway section, of the -- the street, and to make it more pedestrian, more bicycle friendly, reduce the width, and -- and so on, and so on. So, that -- that project was also included in this -- in the consideration, so it was basically a package deal, so to speak, whereby we would actually contribute up to \$3.5 million towards the construction of the Broad Street Project. And at the time that project was completed and the bridge was completed, we would turn it over to the City, so those -- that was our understanding. And, subsequent, the -- the agreement was worked out between the City and DOT, was executed, and that -- and from that, we proceeded on with those two projects, which, you know, we're here -- here today with.

MR. BETTIS: Okay. That was a very good start. With that being said, let's -- let's just ask if any of the Aldermen have a question now?

MS. SABRINA BENGEL: Okay. I do. I just --

MR. BETTIS: Ms. Bengel?

MS. BENGEL: -- I just want to make sure I understand some facts. Was the bridge originally on the TIP for like 2012, 2013 for -- 2013 for replacement?

MR. LASSITER: It wasn't --

MS. BENGEL: Was that originally the case?

MR. LASSITER: -- it wasn't for the replacement. Originally, it was just for the rehabilitation, which was the painting and -- and all --

MS. BENGEL: Okay. And that --

MR. LASSITER: -- so --

MS. BENGEL: -- was in the --

MR. LASSITER: That was in --

MS. BENGEL: -- 2012, 2013, so it was somewhere in the -- in the TIP.

MR. LASSITER: It --

MS. BENGEL: At some point, it was -- there was going to be funding for -- to --

MR. LASSITER: Just the -- just the rehabilitation -

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MS. BENGEL: Rehabilitation.

MR. LASSITER: -- the paint, yeah --

MS. BENGEL: Okay.

MR. LASSITER: -- and that was on an earlier TIP.

MS. BENGEL: Yeah. Okay. And -- so then -- because, I guess it was my understanding, I want to make sure I'm perfectly clear about this, that the bridge -- the deal was really the Broad Street and not the bridge that --

that -- because the City wanted Broad Street to be redone, that the City took the bridge so that they could get Broad Street done, not so much that Broad Street -- not so much that the bridge could be replaced; that's what I'm saying. I -- I would like clarify that because I'm unclear on that.

MR. LASSITER: No. Actually, the -- the -- the initial discussions could -- came because of the bridge. The replacement --

MS. BENGEL: Okay.

MR. LASSITER: -- of the bridge. And at the same time, we were asked to consider, also, those improvements to Broad Street.

MR. OVERHOLT: The bridge came first.

MS. BENGEL: Okay. So --

MR. OVERHOLT: Bridge -- bridge was the issue.

MS. BENGEL: -- if they had never asked for Broad Street to be redone, you would have still, maybe, had done the deal to say take over the maintenance of the bridge because we're going to replace it versus rehab it.

MR. LASSITER: Right. I think the -- the piece that the City was going to participate in was the operating and the ownership of the bridge once it was built.

MS. BENGEL: Regardless of Broad Street.

MR. LASSITER: Right.

MS. BENGEL: Okay. I just wanted -- I was unclear about that.

MR. OVERHOLT: That's a good question. I --

MR. LASSITER: It was -- it was --

MS. BENGEL: Okay.

MR. LASSITER: -- it was tied into that same -- that --

MS. BENGEL: Well, because I had understood it differently --

MR. OVERHOLT: And --

MS. BENGEL: -- and I just wanted to make sure that --

MR. OVERHOLT: -- and I -- and --

MS. BENGEL: -- I understood that correctly.

MR. OVERHOLT: -- and most of you -- I mean, let's -- let's face it, a lot of you were here. Hell, I live in New Bern, by the way, and for the record, so I've been around when some of this happened, and there was quite a bit of discussion when the big bridge was built across the Neuse River as to whether or not we would have the -- the off cut into New Bern or have one entrance into New Bern, and we spent \$12 million more in order to accommodate the entrance into New Bern because there was the -- the thought of having really a good waterfront, having the bridge still there, and -- and the whole history place, the Tryon Place, and the river walkway, kind of, that was in the -- the plans. And Cam McRae, who was, at that time, the -- the person responsible for -- for DOT money, very much wanted to accommodate that if he could. Most of the DOT efforts, by the way, are shared cost deals any more. We -- we ask for --

- we can contribute money. We ask for -- or for shared costs, and there was.

MR. BETTIS: Pardon me. What does -- what does that mean?

MR. OVERHOLT: That means that the -- the recipient puts some money into the project.

MR. BETTIS: Okay. Like the City?

MR. OVERHOLT: Yes.

MR. BETTIS: Okay.

MR. OVERHOLT: Federal, it's mostly federal.

MR. JOHNNY METCALF: Well, in this -- in this situation, this is a -- this was a bridge replacement project, so the Feds -- the federal -- the federal government was participating up to --

MR. OVERHOLT: Yeah.

MR. METCALF: -- I think it was 80 percent, if I'm not mistaken.

MR. OVERHOLT: Uh-huh.

MR. BETTIS: All right. We'll get to that in a minute.

MR. OVERHOLT: Yeah, you'll get to --

MS. BENGEL: Okay.

MR. OVERHOLT: -- that 'cause we're going to --

MR. BETTIS: And -- and I just want to thank you, Ms. Bengel --

MS. BENGEL: Okay.

MR. BETTIS: -- for that. Mr. Bucher, at this point?

MR. DENNIS K. BUCHER: Not right now. I don't -- unless somebody else has -- I've got a couple of questions. I could --

MR. BETTIS: No, no. No, we're just -- just for this subject.

MR. BUCHER: Just on this subject, no, I don't have anything on this.

MR. VICTOR J. TAYLOR: I don't have anything right now.

MR. OVERHOLT: Well, I -- I did want to say there was a lot of conversation about just removing the bridge all together, not -- not doing anything, and that was overruled pretty much by --

MR. BETTIS: Correct. Thank you. Mr. White, on --

MR. BERNARD WHITE: No, sir.

MR. BETTIS: -- what we've heard so far?

MR. WHITE: I'm -- I'm just listening right now. I already got -- know what I'm going to ask, but I don't now.

MR. BETTIS: Mr. Outlaw?

MR. DANA OUTLAW: Not right now.

MR. BUCHER: Johnnie Ray?

MR. BETTIS: I already asked Johnnie Ray.

MR. BUCHER: Okay.

MR. BETTIS: Yeah. My -- my question is when, and I just want to clarify what we're talking about, the original

agreement -- the original agreement that I read called for, what was it a, just so we can know what bridge we're talking about, it was a \$25 million-something bridge?

MR. LASSITER: It was -- it was -- in the -- in one of the original drafts of the -- and actually, I think it's -- it's in this final draft.

MS. BENGEL: Uh-huh.

MR. LASSITER: At -- well, at that time, our best estimate was that the cost to replace the Alfred Cunningham Bridge was \$25 million.

MR. BETTIS: Okay. So that was the agreement that the City signed. Were there subsequent agreements after that I haven't seen?

MR. LASSITER: I -- I don't believe so.

MR. OUTLAW: Mr. Mayor, I believe -- Mr. Davis, wasn't it about like \$28.4 million on that contract?

MR. SCOTT DAVIS: I've got it right here.

MR. OUTLAW: It was not \$25 million. It was --

MS. BENGEL: I had \$26.1 million.

MR. DAVIS: It could have been.

MS. BENGEL: I have \$26.1 million. Excuse me, \$25.7 million, "not to exceed \$25.7 million" was the original.

MR. OUTLAW: But I believe the final agreement was a little different. It doesn't -- it's -- don't let me hold things up.

MR. BETTIS: No, let's just be accurate, so I think -- I believe it was \$25.7 million.

MR. EDWARD A. WYATT: I believe it came in at -- at closer to \$40 million.

MR. BETTIS: Mr. Aster, do you have an answer for that?

MR. BOBBY ASTER: It was \$25.7 million on the original -- on the agreement.

MR. BETTIS: So I just want to -- I just wanted to know if that's what we were talking about originally. All right. Back to you guys.

MR. OVERHOLT: We're -- we're ready to answer your questions in any serial way that -- that you want to, Mayor.

MR. BETTIS: Well, you've had a chance to, and I know that you've -- you've had a chance to look over our --

MR. OVERHOLT: We sure have.

MR. BETTIS: And if you want to go through -- and you know -- you know the key players better than I do here, and if you want to look through the -- the questions and then assign them to the -- to the person who would best be able to answer them, I think that would be a more -- most helpful.

MR. LASSITER: Mayor, if you'd like to, we've already -- that's why we're here, so if you want to ask us questions, we'll divert -- we'll -- we'll make sure that the appropriate person --

MR. OVERHOLT: Yeah.

MR. LASSITER: -- answers them.

MR. BETTIS: All right. Let's open it up. Let's

open it up. We'll go inverse.

MR. OUTLAW: Mayor, it was my understanding that you -- questions needed to be sent to you by Monday and that you had enumerated a total of 50-some questions?

MR. BETTIS: Right.

MR. OUTLAW: And I was not prepared to -- in other words, I -- I -- I don't want to have a redundant number of questions here. If you've already got 50-some questions, I -- I would imagine that's going to be pretty contemporaneous.

MR. BETTIS: All right. Let's just go through them. Number one. Who was responsible for the design review -- or who was responsible for the design of the bridge and were there changes to the -- to the design of that bridge over the course of its building?

MR. LASSITER: This -- I guess that there was a first part of that -- that -- the bridge failure, I think that was an issue about bridge releasing.

MR. BETTIS: I'm just trying to figure out -- I guess -- sorry; I've been in depositions all day, so I'm still in lawyer mode, and --

MR. OVERHOLT: Okay. Sure.

MR. BETTIS: -- I completely apologize.

MR. OVERHOLT: Yeah, kind of like -- like a --

MR. BETTIS: I completely apologize.

MR. OVERHOLT: Well, for the first --

MR. BETTIS: Seven hours of depositions will --

MR. OVERHOLT: -- for -- for --

MR. BETTIS: -- do that to you.

MR. OVERHOLT: Yes, it will; I -- I recognize that, but the first seven questions, there -- there haven't been any failures in the bridge, no. I -- I don't know how that got started. It must be an urban legend, but there --

MR. BETTIS: And you know what, Mr. Overholt? That's exactly one of the reasons why we're --

MR. OVERHOLT: Yeah.

MR. BETTIS: -- and --

MR. OVERHOLT: Well, that pretty well takes care of that.

MR. BETTIS: Now, the -- the original -- the original design of the bridge, was it -- was it altered from the time it was designed? This is -- maybe this is another one of those urban legends, but it -- was it initially to start out as a metal span bridge?

MR. OVERHOLT: There was quite a bit of discussion at the original formation of building the bridge of what kind of bridge there -- we were going to have. We could have the old swing bridge, we could have a high rise bridge, or we could have the bascule, the -- the one that we've got, and I'm not privy, and some of you all may be. Neil, you --

MR. LASSITER: I'll -- I'll jump in on that.

MR. OVERHOLT: Okay.

MR. LASSITER: You know, part of this, we had to go through the NEPA process, which is the National

Environmental Policy Act, and -- and what that did is there was a series of public -- public meetings. Many of you in here probably attended those meetings. And, at the time, we -- we solicited information from the public. There were a number of different alternates that were looked at. He mentioned whether that they were a high rise and others being considered. There were, you know, obviously, the bascule, the swing -- there was a -- there was a long list of considerations given. From that, we took that input back and then went through the process. We were able to determine, based on the needs, both the navigational needs and the needs of this community, that the bascule was the appropriate, you know, design for the bridge.

MR. BETTIS: Okay. Now, just reformulate. Once -- let's put it this way. When -- when the City entered into the agreement to accept this -- the bridge, at that time, have there been major substantial changes to the bridge since the time the City made the agreement?

MR. LASSITER: Not really.

MR. DAN HOLDERMAN: No.

MR. LASSITER: No.

MR. BETTIS: When -- when we accepted it -- when the City accepted it, it was always going to be concrete bascules?

MR. LASSITER: There was -- it was -- the intention was the bascule so that -- they knew -- the City was aware that there would be some operate -- some operational obligations there in a movable sense.

MR. BETTIS: Yes, sir?

MR. WHITE: In other words, the City had changed their mind or they knew it wasn't going to be a high rise? All -- all the time I was thinking it was supposed to be a high rise 'til they started building it.

MR. LASSITER: The -- the high rise, the issues came in based on the tide -- the tying in into either side of the river, and --

MR. WHITE: Okay.

MR. LASSITER: -- it was -- the high rise was discounted because of how it was going to be -- have to be designed for coming in.

MR. BETTIS: Okay. Can you tell us -- can you tell us how the bridge went from a \$25 million bridge to a \$41 million bridge, and -- and were there change orders that caused -- to cause that? Or -- or just tell me the process, tell us the process, please.

MR. LASSITER: The process, and we were constantly dealing with a moving target as far as estimates and -- and -- evolving with the bridge.

MR. BETTIS: Why is that?

MR. LASSITER: Because, at this time -- about the time the bridge was let, we were in an explosive construction period. We had extraordinary inflation to some of our projects. We do, and on all of our projects, we do an engineer's estimate, or design estimate, on what it was

going to cost, and we -- that's what typically happens. We usually -- we use that figure to arrive at the number that -- that was found in the -- the agreement. When the project was actually let, I'll -- I'll be, you know, when it came in at \$41 million, it rose -- it -- it was concerning to us because there -- the -- we had -- here, we had a bridge that was programmed at \$25 million, yet it came in at \$41 million, so that we were -- there was some difference in the amount of money that we actually had to program the bridge. The decision was made to go ahead and -- and award the project because we were, you know -- were under the gun to get the bridge awarded and have it under -- and in operation before the tricentennial.

MR. OVERHOLT: There was a cost overrun.

MR. BETTIS: I'd say.

MR. HOLDERMAN: Let me add another thing.

MR. BETTIS: Yes, sir?

MR. OVERHOLT: That ain't the first one.

MR. HOLDERMAN: The estimates in the TIP, the formula that they used really had not been -- been modified and -- and brought up to, as Neil says, back there in that 2005-2006. I mean, prices are going crazy. It was only two years ago that we modified the -- the unit costs that are in our formulas for determining those costs, so that -- that compounded the -- the issue that they were not really current estimates that -- that you see in the mandate. Today, we -- we bring them up. Before, they were kind of -- the formula wasn't exactly keeping up, okay. Does that make sense?

MR. OVERHOLT: And it's fair to say that there were other projects in the state that --

MR. HOLDERMAN: True.

MR. DRDA: Nation wide.

MR. HOLDERMAN: And what's happened is --

MR. OVERHOLT: -- it was a nation wide issue.

MR. DRDA: That related to the escalation from China, the Olympics, there was the -- the cement -- there was a whole bunch of issues that the --

MR. LASSITER: Cement.

MR. HOLDERMAN: Cement, steel crisis.

MR. DRDA: Steel crisis. There was like a 76 percent escalation in cost around that '04 to '08 period in construction costs.

MR. BETTIS: Okay. I guess my -- my other question then would follow up. Were -- were any of the cost overruns due to structural changes or change orders that came in afterwards?

MR. HOLDERMAN: No.

MR. LASSITER: Nothing -- nothing significant I would say.

MR. DRDA: No. No.

MR. BETTIS: Okay.

MR. HOLDERMAN: I guess the only thing I could think of, Johnny, would it not be we went to concrete deck instead

of an open deck for environmental issues, and then that -- that extra weight is considerable for a movable bridge. The whole bridge would have cost more to design and -- and really, there was a lot more to the bridge once you did that.

MR. BETTIS: All right. Please, explain that to me. That's -- that's -- originally, were those spans supposed to be just metal?

MR. HOLDERMAN: They -- they --

MR. LASSITER: Right.

MR. HOLDERMAN: -- would be metal with an open -- open floor to keep the weight down. And then, I believe, it was an environmental issue that says we no longer can dump water into the -- the river.

MR. LASSITER: In order to get a DWQ permit, you cannot have a direct discharge into the river because of the high quality of the river. So, what they asked us to do is to build a concrete deck and then have the water drain off the deck so that it wouldn't direct -- drain directly into the river, so that was a requirement of DWQ -- I mean --

MR. BUCHER: So --

MR. LASSITER: -- DHNR.

MR. BUCHER: -- so the, maybe, "urban legend" that it was because of noise is not correct? That was -- that's what -- that's what's been --

MR. LASSITER: I haven't --

MR. BUCHER: That because the concrete bridge is quiet and the metal bridge was going to be --

MR. OVERHOLT: Noisy.

MR. BUCHER: -- there will be noise --

MR. LASSITER: Oh, no, sir.

MR. OVERHOLT: Make a racket, yeah.

MR. LASSITER: Somebody may -- I -- I -- I'm not -- I'm not aware of that.

MR. BUCHER: That's not -- that's --

MR. OVERHOLT: I'm not aware of that.

MR. BUCHER: -- that's -- that's interesting.

MR. OVERHOLT: I'm not aware.

MR. BUCHER: Another urban legend.

MR. OVERHOLT: Now, we -- we had to spill some water --

MR. BUCHER: Yeah, but the water part makes sense.

MR. OVERHOLT: -- and -- and you understand.

MS. BENGEL: Yeah, it does make sense.

MR. OVERHOLT: The environmental issues, by the way, in general, in dealing with any type of road or bridge construction are -- are huge any more, and that's probably -- maybe as it should be, but they are. They add cost and a lot of different designs.

MR. BETTIS: All right. I guess the -- the next question would be unless any Aldermen? How many of these -- how many of these bridges of this nature exist in North Carolina to your knowledge?

MR. HOLDERMAN: What, the double E bascule?

MR. BETTIS: This type. Is -- is there a specific type of name for this bridge?

MR. HOLDERMAN: We call that the double E bascule.

MR. BETTIS: Okay.

MR. OVERHOLT: Bascule.

MR. HOLDERMAN: Yeah.

MS. BENGEL: Uh-huh.

MR. HOLDERMAN: One, two, three -- four. Four others.

MS. BENGEL: Are they concrete?

MR. HOLDERMAN: No.

MS. BENGEL: We're the only one who has a concrete -

-

MR. HOLDERMAN: Right.

MS. BENGEL: -- deck.

MR. HOLDERMAN: They're all open.

MR. BUCHER: Because they were built before that --

MS. BENGEL: Uh-huh.

MR. BUCHER: -- requirement?

MR. DRDA: Yes, sir.

MR. HOLDERMAN: Concrete is better.

MR. BUCHER: What?

MR. DRDA: The concrete -- I think concrete, long term maintenance wise, should be less issue and it will help prevent the waters from going down and deteriorating here. I -- I -- there's some advantage here; it's additional cost incurred to provide that concrete deck, but it should provide a better structure --

MR. HOLDERMAN: That's true.

MR. DRDA: -- long term maintenance wise.

MR. BETTIS: And --

MR. HOLDERMAN: And future ones, we're probably going to have to do exactly what we're doing here is putting solid --

MS. BENGEL: That makes sense.

MR. HOLDERMAN: -- floor down.

MS. BENGEL: Yeah.

MR. METCALF: There's -- there's also engineering reasons to put the concrete deck up there and not just environmental, but -- the -- having the concrete deck was actually -- actually provided the engineers who were designing the bridge to use shallower main girders so that there would be less frequent openings, bridge openings, because of the boat traffic, so that -- that was an advantage as well. And -- but that -- those changes were not made after the \$25 million. You know, that -- that -- that was all construction cost related. The -- the increase from \$25 million to \$40 million, that was -- that was just the cost of doing business at the time. That was not a -- it was my understanding, that was not a change from steel deck to concrete deck.

MR. BETTIS: Okay. And I guess you could help me with this question, too. How many -- how many other cities in North Carolina operate bascule bridges?

MR. HOLDERMAN: None. They're all state owned.

MR. BETTIS: Okay. Have you -- have you done the figures -- have -- have you researched the figures and -- and determined how much the cost on the average to operate and maintain bridges of this sort throughout -- the -- the other four?

MR. HOLDERMAN: We have records on -- on the other four, yes.

MR. BETTIS: Can -- can you tell us from your experience what the operation and maintenance cost of such a bridge are?

MR. HOLDERMAN: The operation part, which is your bridge tenders, power, water, sewer, that sort of thing, I think John Hughes ran out a few numbers, but it's somewhere between \$100,000 to \$200,000 a year. The maintenance, when it's new, it's not going to be much. When they -- when they start getting older, then they can be anywhere from \$50,000 a year to millions of dollars a year. You -- like the -- the vertical lift bridge there in -- in Wilmington right now, the Cape Fear Memorial, is between -- in two years now, we're going to spend close to \$20 million to -- to paint, to upgrade the electrical system, to do a lot of different things, so. It's -- it's a piece of equipment. It's a piece of machinery that -- that -- that you don't know when --

MS. BENGEL: Moving parts.

MR. HOLDERMAN: -- something is going to happen so that it's hard to -- to judge. I mean, I think John ran out some numbers here, some -- Harker's Island, just the last year was -- was over \$200,000, 'cause we had to replace --

MR. BETTIS: Just in maintenance?

MR. HOLDERMAN: -- some of it. Yes.

MR. HUGHES: No, the operational cost.

MR. OVERHOLT: Operational costs.

MR. BETTIS: The operational cost --

MR. HOLDERMAN: Yes.

MR. BETTIS: -- at Harker's Island were \$200,000?

MR. HUGHES: Using DOT operators, their salaries, and benefits. In comparison, the Beaufort drawbridge, we contracted labor out on that one, and so just under \$115,000. And then that one, we mandated that they pay their tenders at least \$8.85 an hour.

MR. BETTIS: And do you have the figures on maintenance for each of those bridge?

MR. HUGHES: Well, that's -- it's an older bridge, so about \$33,000 last year, but they're getting ready to do a rehab on that one also, which is \$900,000.

MR. BETTIS: Okay. And the one -- the bridge down in --

MR. HUGHES: Harker's Island?

MR. BETTIS: Wilmington, the bridge --

MR. HUGHES: Oh.

MR. BETTIS: -- down in Wilmington that there's a -- there's a \$1 million renovation coming up on it?

MR. HOLDERMAN: No, that was a vertical lift bridge; it's a little bit different. But, again, it's -- that's over -- that's going to be close to \$20 million that we have to spend on that.

MR. BETTIS: Okay. And --

MR. DRDA: Those aren't apples to apples; they're bridges though. There - there's much different --

MR. HOLDERMAN: Right.

MR. OVERHOLT: They're different bridges and they are used -- and one in Wilmington is used far, far more than this one will ever be used; that's about it.

MR. BETTIS: How -- how old is that bridge down in Wilmington?

MR. HOLDERMAN: Like '64, 1964.

MR. OVERHOLT: 50 years old.

MR. BETTIS: Okay.

MR. WHITE: I have a question.

MR. OVERHOLT: But in the out years, it will be more expensive to maintain any bridge.

MR. BETTIS: Okay. Mr. White?

MR. WHITE: Yes, sir. I would like to know how long is the liability on the bridge? I mean, the contractors or the people that will -- after we -- that we will take the bridge over or how long would it be before y'all release it, I mean, if something were -- say, we took it and it broke down?

MR. OVERHOLT: The warranty -- there's a warranty on the bridge, Johnny?

MR. METCALF: Yeah, there's a one year warranty after acceptance of the bridge.

MR. WHITE: One year warranty?

MR. METCALF: Yeah.

MR. WHITE: I get a longer warranty on a car.

MS. BENGEL: Unless it's a Toyota.

MR. BETTIS: Mister -- Mister -- thank you. Mister -- and -- and let's -- let's --

MR. ASTER: Mayor? Mayor?

MR. BETTIS: -- and I appreciate the -- hold on -- and I appreciate the question, but let's -- let's keep the -- let's keep this professional. Mr. Aster, it's yours.

MR. ASTER: Yeah, Mayor, I'm -- just wanted to inform you on the estimated cost as it would cost that we have from Liberty Support Services, which is a contractor that is prepared to operate and maintain the bridge for the City of New Bern. They will provide the bridge tenders and provide the maintenance, typically called greasing of the bridge, and I have an estimate annual budget of \$115,992 for the bridge tending services. And if we choose, they'll do \$1,500 annual cost for the greasing of the -- the bridge or the maintenance that is -- is -- I'm not sure at this point if it's a weekly or monthly -- monthly maintenance \$1,500 a year to provide that maintenance.

MR. BETTIS: Mr. Outlaw, what -- you had questions about a sinking fund that -- that go along with this. Could

you please elaborate on that for us?

MR. OUTLAW: Well --

MR. BETTIS: And I -- I apologize for --

MR. OUTLAW: Point of order and everything, I -- I think everybody in the room is pretty much following this. I -- I don't even know where you are on these questions --

MS. BENGEL: Me neither.

MR. OUTLAW: -- but I -- I would appreciate if we could just stay with -- with that procedure, but I will be glad to answer that. On anything that I'm -- I've ever been around, there's a reserve, sinking fund, money market, that you put away for future reserves for replacement and -- and I was a little -- I thought it was a little remiss that there's no -- never been any talk of that, and certainly, I don't know of anybody in the City of New Bern that has any experience with those kind of things, and -- and so, again, while we're figuring annual cost, we would definitely need to be putting something aside, and what would that figure be, sir? Well, I mean, again, see, we're -- and -- and I know I've put you on the spot, and that's the same spot that the City's on that you've never had to have somebody ask that question. This -- this is a city of 28,000 people, and this is going to be a huge liability and expense to this city. And, again, I -- I hate to put you on the spot, but -

MR. BETTIS: All right. I think I --

MR. OUTLAW: -- if you guys don't know what it is, I don't know who would.

MR. BETTIS: All right. I think the question is, and -- and I'll just -- and I'll take it from Mr. Outlaw. I think the question is, in your experience with bridges, similar bridges, what have been, I think, the sinking cost funds? What -- what's that called?

MR. OVERHOLT: It just reserve.

MR. BETTIS: What's the reserve --

MR. OVERHOLT: It's reserve.

MR. BETTIS: -- funds that people would -- that you've put away on the bridges that you own?

MR. HOLDERMAN: Well, we don't -- we don't have to.

MR. OUTLAW: You don't have to.

MR. HOLDERMAN: We have tax money.

MR. OUTLAW: You've got the money.

MR. BETTIS: Exactly. That's -- that's -- no, I think that's what Mister -- Mr. Outlaw was getting at.

MR. OUTLAW: Yeah, you got -- you got 9,200,000 people to -- to do it; we don't have that.

MR. BETTIS: And I think that -- I think that the -- the question can, then, be restated, what -- what would be a responsible amount of reserve for us to put away if -- if we know such a figure?

MR. HOLDERMAN: Well, there's certain things --

MR. OVERHOLT: We do not know such a figure, but we can find one out, so let us get back to you on it, Dana.

I -- I'm sure that we've got people up in Raleigh that can figure that out.

MR. BETTIS: And I think Mr. Outlaw would -- I think it would be -- we would all agree that there would be a necessity for such -- there would be a necessity for such a reserve; correct?

MR. HOLDERMAN: Absolutely.

MR. BETTIS: Okay.

MR. LASSITER: Mayor -- Mayor, would it be helpful if we spoke a little bit about --

MR. BETTIS: Hold on. Please, we're holding a meeting over here. (To public attendees talking.)

MR. LASSITER: Mayor, would it be helpful, particularly with Mr. Drda in here, to -- to just inform you of some of the phases of maintenance? There, you know, the -- the federal government will participate in -- in some of the upkeep, say, for the preservation of the structure or future long term maintenance, so it's not like the City would be burdened by the entire amount of these -- these improvements at -- at a future time. Would that be helpful and --

MR. BETTIS: Absolutely. We're -- we were leading up to that. I'm just going slowly, but --

MR. DRDA: Okay.

MR. BETTIS: -- go ahead.

MR. DRDA: No. North Carolina, they receive about \$1 billion in -- in federal funds annually, of which about between -- on -- annually, about \$120 million goes to the bridge program. The needs stand, I don't know what your needs are, but it's in the billions range for your backlog issue. You have a huge tax base, but you have a huge backlog in needs. And the federal -- from the federal side, the Highway Bridge Program pays for rehab, replacement, and most recently allowing for preservation of -- of structures. We realize, just like a car, you need to be spending money on those structures so that you just don't run it into the ground. Obviously, when you come time to do a -- a rehab or a replacement at 30, 50, 60 years, the project would be eligible for federal reimbursement.

MR. BETTIS: The entire -- the entire cost?

MR. DRDA: It is 80/20 at this time. Under the current program, which has been for many, many years, is 80/20, 80 percent federal, 20 percent matched by the local agency, whether DOT or local municipality.

MR. BETTIS: And -- and that's a -- that's a good question. So, while we're on that, you -- how many other local municipalities do you know that operate such a bridge?

MR. DRDA: You know, North Carolina's unique. There's 18,000 bridges with only about 800 of them are locally owned. Across the country, it's rather diverse. It can be 50/50 locals owning. Unfortunately, I wanted, with the short timeframe, I was going to try to get that information, but our D.C. headquarters is down, so I could not get that. They shut down with the snow. They got a two

foot -- two foot-plus event, and they are getting another one as we speak, so I did not get that information as to how many are owned by other cities. But, I don't know that number, but I can get that for you.

MR. BETTIS: If you could get the number of how many, 'cause I'd like -- I'd like to actually speak with some of these other cities --

MR. DRDA: Yeah.

MR. BETTIS: -- that operate bascule bridges, and I'd like to talk to them about their experiences. So, if we can find out the number of other cities and -- and what cities they are, so we can determine their -- so --

MR. DRDA: Yeah.

MR. BETTIS: -- you know, let's just talk to them, say, Hey, what's going on; how -- how did it work out for you guys to run a bascule bridge.

MR. DRDA: Absolutely, and -- and I know -- I -- I looked into that, but I couldn't get through the data for you to have -- to have that for you today just --

MR. BETTIS: And I believe that --

MR. DRDA: -- in the short timeframe.

MR. BETTIS: -- I believe that we've already been told no other city in North Carolina operates a bascule bridge.

MR. DRDA: But -- but, again --

MR. BETTIS: But across the country, if you could find us one --

MR. DRDA: Absolutely.

MR. BETTIS: -- I would -- I would love that information because I -- you know, just city to city, let's talk to them and figure out what --

MR. DRDA: Absolutely.

MR. BETTIS: -- what's going on.

MR. LASSITER: All right.

MR. DRDA: That makes sense.

MR. OVERHOLT: Absolutely.

MR. DRDA: Related to that -- I will get that information for you. Is there any more questions about the 80/20 split for rehab versus replacement? If not, I was going to get into preservation and maintenance.

MR. OUTLAW: Well, one question about that would be are the -- are the other 49 states, do they have provisions where some states allow local municipalities to generate revenues for this type of thing? I think there are some states, and I think maybe Illinois would be one. I don't know that for a fact. But, again, that would kind of like moot that point if these 800 bridges are in states where the state allows the municipality to generate revenues because we're not in the position.

MR. BUCHER: Such as toll?

MS. BENGEL: Yeah.

MR. OUTLAW: Yes.

MS. BENGEL: City of New York, they own -- they own their bridges. They own them.

MR. BETTIS: They -- New York owns? We don't need to get into what New York owns, but...

MR. DRDA: If you have a specific question, if it's specific to tolls, I'd like to see that in writing and allow our --

MR. OUTLAW: Yeah.

MR. DRDA: -- our folks to give you an answer specific in writing --

MR. BETTIS: Let me understand the question so I can --

MR. DRDA: -- because tolls are very --

MR. OUTLAW: I -- I would just segregate out of the 800 those bridges that are -- that the local municipality has the funds by which -- by revenue source that they -- in other words, the Chicago Transit Authority, I know nothing about it, but I would assume that they probably have revenue generating abilities. And so, to go take the Chicago as an example of a bascule bridge and how it operates, I don't think would be germane to our discussion.

MR. BETTIS: All right. And I under -- I understand the question. I -- I wrote it down. I think the -- the other question that leads us into, Mr. Outlaw, was, and we'll take this back to you guys, did you -- did, in your discussions with the -- the prior administration or the prior Board, was there any discussion on how this would be funded by the City?

MR. LASSITER: How the -- no, we basic -- they were -- the discussions were that they were -- there was federal money that was available, and, you know, as far as the ongoing maintenance of it, so that --

MR. OVERHOLT: Uh-huh.

MR. LASSITER: -- was -- that was the extent of the discussion.

MR. BETTIS: And is that the 80/20 that we're talking about --

MR. LASSITER: Yeah, basically.

MR. BETTIS: -- or was there federal money that we can pay the whole thing with?

MR. LASSITER: I'm not aware of any type of federal, not for 100 percent, but 80/20, yeah.

MR. DRDA: 80/20 is --

MS. BENGEL: Is it just on --

MR. DRDA: -- it's --

MS. BENGEL: -- maintenance though, not 80/20 for like the operation of it or anything like that?

MR. LASSITER: Oh, oh, no.

MS. BENGEL: No, just the maintenance?

MR. DRDA: I had talked about rehabs and replacement. I didn't get into --

MR. BETTIS: All right. Let's -- let's go.

MR. DRDA: -- the preservation.

MR. BETTIS: I'm sorry. Go ahead.

MR. DRDA: Maintenance and operation under U.S. Code

is always the responsibility of the owner; that has always been our program. It wasn't until recently that we started paying for what we call preventative maintenance, and what we allow is the use of federal funds at a 80/20 split to be used for preservation activities.

MR. BETTIS: And before we -- just the maintenance and operation, let's stop there for one second. What can we expect in the way of federal regulation that New Bern would have to abide by?

MR. DRDA: Okay. There are probably two entities that you need to talk with or one -- two entities, Federal Highways being one, the other is the U.S. Coast Guard. From the Federal Highways perspective, we expect the -- when federal funds are used, the -- the owner properly maintains that facility, and so, you know, that -- that's y'all doing your maintenance. Plus, biannually, there has to be a bridge inspection; that's your biannual bridge inspection that's required for all bridges in the United States, so.

MR. BETTIS: And I -- and I guess -- I guess one of my questions, and I guess this is a question that the Board's going to -- the Board want to know, and it's in here --

MR. DRDA: Uh-huh.

MR. BETTIS: -- what happens if we have budget shortfall a year and we can't afford to maintain the bridge?

MR. DRDA: You know, that -- that -- I think we're going to have to cross that hurdle when we get to it. You know, obviously, we'll -- the -- our -- our concern is the safety of the traveling public. We want a safe travel way for the citizens going across the structure. You know, two year inspection is firm. Dan is -- we've really -- NCDOT takes that very seriously for the safety; it's a safety issue. So, when it comes to that, I think we'll have to -- we'll have to deal with that issue when it comes.

MR. BETTIS: Have -- have you had that experience with other -- with other municipalities which own --

MR. DRDA: There are --

MR. BETTIS: -- bridges?

MR. DRDA: -- there has been other experiences. And typically, our Federal Highways contract is with -- our agreement is with NCDOT.

MR. BETTIS: Okay.

MR. DRDA: We administer the program through NCDOT, and our expectation is that it will be administered. NCDOT, and I think in this agreement, there is a provision to collect monies if something were -- like that to occur. I -- if I'm not mistaken.

MR. OUTLAW: You can garnish our power funds is what you can legally --

MR. DRDA: Yes.

MR. OUTLAW: -- do.

MR. DRDA: Yeah, I think that's --

MR. OUTLAW: And you will do if we don't maintain it.

MR. BETTIS: No, I'm -- I'm just talking if we -- if -- if -- you know, New York City went bankrupt one time, not that that's what is going to happen.

MR. DRDA: Yeah, I -- I mean, we can't deal with the "what ifs," you know.

MR. BETTIS: Okay.

MR. DRDA: You know, we're going to try to --

MR. BETTIS: All right. Fair enough.

MR. DRDA: -- work with you --

MR. BETTIS: Fair enough.

MR. DRDA: -- you know.

MR. BETTIS: Fair enough. Let's -- let's move on from that. Thank you.

MR. DRDA: But for -- I just want to get through on the preservation --

MR. BETTIS: Yes, sir.

MR. DRDA: -- and maintenance; I'm sorry. That -- those are eligible activities. What Dan talked about, the lift span in -- in Wilmington, we're paying --

MR. LASSITER: They were paying --

MR. DRDA: -- 80/20. There's a 80/20 split on that. That's not all incurred by NCDOT. And -- and preservation activities, cleaning and painting, when you go to do a deck replacement or an overlay, those are eligible activities, replacing joints, if it's done through a systematic process. However, I will put the caveat on there, North Carolina has a lot of needs out there for their infrastructure. Those projects have to compete just as your -- when you went to replace this bridge, it has to compete with all of the other projects that are being proposed out there. So, there -- there is an opportunity for preservation funds, the 80/20 federal, but it does have to compete with the other funding.

MR. BETTIS: What percentage of the -- of the bridge did -- did the federal government pay for this time, I mean, to build it?

MR. DRDA: On this -- on this -- for the -- 80/20 of this.

MR. BETTIS: So, you -- you -- you put in 80 percent of the money?

MR. DRDA: Yes.

MR. BETTIS: The feds?

MR. OVERHOLT: Yes, sir.

MR. DRDA: The federal government is 80 percent.

MR. OVERHOLT: Yes, sir.

MR. DRDA: So that contract amount, 80 percent.

MR. BUCHER: Can -- on that same 80/20 thing, the inspection, did I understand you to say, is biannual?

MR. DRDA: Biannual, every --

MR. BUCHER: Biannual.

MR. DRDA: -- other year.

MS. BENGEL: Annual?

MR. BUCHER: Okay. Every other year --

MR. DRDA: Yeah.

MR. BUCHER: -- the bridge has to be inspected. Do

we have an idea of what that cost of that is?

MR. DRDA: I refer to Dan on that.

MR. HOLDERMAN: What that entails is looking at everything. It needs to be looking under water, you're looking at the super structure, you're looking at machinery, electrical, mechanical, the whole thing, and somewhere \$50,000 to \$75,000, probably.

MR. BUCHER: And that would be every other year and that would be 80/20?

MR. HOLDERMAN: Yes.

MR. BUCHER: Okay. So we could look at -- and -- and -- and that's -- that's going to only change as inflation pushes it up as we go down the road.

MR. HOLDERMAN: Right.

MR. BUCHER: Okay.

MR. HOLDERMAN: One, it could be done by private engineering firms. We don't inspect, ourselves, municipal bridges, so you would be dealing with private engineering firms to get that done.

MR. BUCHER: Since you do that -- and you do it for how many bridges, thousands of bridges?

MR. HOLDERMAN: Thousands of bridges.

MR. BUCHER: We're going to own one bridge. And are we going to be at a disadvantage from a cost standpoint; how does that work? In other words, how does --

MR. HOLDERMAN: No, I don't think so.

MR. DRDA: The -- the -- can I --

MR. BETTIS: Yes, sir.

MR. DRDA: The way NCDOT has been doing is they have an agreement that the municipalities that -- like yourself, with only one or two bridges, can use their consultants at their -- that they already have prearranged consultants so that you can use them. It relieves the burden of you all having to set up the consultant agreement. They know the federal process, they do it, and then you reimburse them for the 20 percent. Is that not correct, Dan?

MR. HOLDERMAN: That's correct.

MS. BENGEL: Mayor, can I ask a question? I just want to make sure because I heard you say about, you know, these are competing projects, the 80/20 are competing projects. So, is it possible that we have to compete with somebody else to pay for the inspection; did I misunderstand that?

MR. DRDA: No.

MS. BENGEL: Okay.

MR. DRDA: Inspections are set aside.

MS. BENGEL: Not inspections, just on the preservation? So, if we want to paint the bridge or do something to do preventive -- preventative maintenance, then we have to basically get in line with the other people who are --

MR. DRDA: It will have to compete. Dan, if you want to --

MS. BENGEL: -- compete with other projects; is that

correct?

MR. HOLDERMAN: Correct.

MS. BENGEL: So, there's no guarantee we're going to get 80 percent of the money if we do something preventative; correct?

MR. HOLDERMAN: That's correct.

MS. BENGEL: Okay.

MR. HOLDERMAN: If you --

MS. BENGEL: I just want to make sure I understood that.

MR. HOLDERMAN: Yeah. If you want to go ahead and do it, it -- it will be your cost probably.

MS. BENGEL: Okay.

MR. BETTIS: Okay. I guess -- and before we get back, though, you said there were two sets of federal regulations, first, was the Federal Highway. The second is the U.S. Department of the Navy or Coast Guard?

MR. OVERHOLT: Coast Guard.

MR. DRDA: Coast Guard.

MR. BETTIS: All right.

MR. DRDA: Yes.

MR. BETTIS: And what -- what can we expect in terms of regulations from the Coast Guard?

MR. DRDA: You would have to contact them for that. You know, obviously, there's an opening schedule. If there are any problems that, for some odd reason, you couldn't open it, they'd have to be notified immediately.

MR. BETTIS: All right.

MR. DRDA: But the Coast Guard, you'd have to talk to Coast Guard on that. I can't -- I can't speak on their behalf.

MR. BETTIS: Are there Army Corps of Engineer regulations or anything like that that we need to fall under?

MR. DRDA: If you go through a permitting process, and I -- that's not my --

MR. OVERHOLT: There's no --

MR. DRDA: -- area.

MR. BETTIS: I mean, to -- for maintenance --

MR. DRDA: That's for operation.

MR. BETTIS: -- or upgrades or any of that stuff? I'm just trying to figure it out.

MR. DRDA: No.

MR. OVERHOLT: No.

MR. BETTIS: All right. What -- and we'll just go down to -- quickly because, you know, we're running -- we got another meeting, but -- and I -- and I appreciate.

MR. OVERHOLT: That's fine.

MR. BETTIS: What's the life expectancy of this bridge?

MR. HOLDERMAN: Probably 75 years with -- and you probably will have at least one major rehabilitation during that time, which will be electrical/mechanical.

MR. BETTIS: And -- and when can we -- when would we

expect that sort of major renovation to occur?

MR. HOLDERMAN: 30 to 40 years.

MR. BETTIS: So, 30, 40 years? And, by major, you mean tens of millions of dollars?

MR. HOLDERMAN: Well, we replace -- to replace the electrical system on that particular bridge would be -- they quit making all of these different parts to the bridge, to the electrical components, and then you can't find them, and that's -- that's a real headache, so to replace that system right now would probably be \$4 million to \$5 million.

MR. BETTIS: Okay. Mr. Wyatt?

MR. WYATT: Yes, sir.

MR. BETTIS: You had a group of questions you wanted to ask as well.

MR. WYATT: Yes, sir. And I think some of them may be redundant. Mine are probably more simple and less complex. I think Mr. Outlaw's actually answered that just a moment ago. If the city does not accept responsibility for manning the bridge tending booth, how would DOT go about carrying out this responsibility? It would probably go against the power bill I guess.

MR. BETTIS: All right. I didn't hear what you said actually.

MR. WYATT: Okay. I'm sorry. I didn't --

MR. OVERHOLT: Well, that -- that depends on the opening the bridge, Ed, you know, quite frankly. The -- we -- I think that's the answer. I mean, depends on the opening of the bridge. We don't have any plan to man the bridge. We have a plan to open the bridge and deliver it to the City. I mean, let's make that clear, that's what our plan is. There are some variations of that, I suppose, but, hopefully, that's what we're going to do and start the traffic going, and -- and have a nice ceremony.

MR. WYATT: Chairman, you were rather pointed on that. What you're saying is it's up to the City to man that bridge in terms of opening and closing and --

MR. OVERHOLT: Or -- or a city contractor.

MR. WYATT: Yeah, well, that -- that --

MR. OVERHOLT: Yeah. Yeah.

MR. WYATT: -- would be responsible.

MR. OVERHOLT: Response -- yes.

MR. WYATT: But if -- if the City does not do that, then it remains to be seen what you all will do because -- will that be fair to say?

MR. OVERHOLT: Well, at my level, I suspect we would open the bridge and leave it open. That would be the only option I could think of because we have to keep the waterway clear.

MR. BETTIS: All right.

MR. WYATT: I think I understand it right well. And -- okay. And I -- and I would inject that it does require some lead time to get folks trained to -- to operate the opening and closing. We do have a backup plan where we'll use city employees, but that's only as a -- a backup,

but I only mention that because Bobby has been working on that and waiting for some direction. If at all possible, please project the annual costs the City would have in accepting responsibility for the bridge. We're certainly aware of the cost associated with the bridge tender, however, please project the City's cost with regard to the upcoming fiscal year and long range expenses. By and large, I think that's been answered.

MR. OVERHOLT: Pretty much, so I can't -- we haven't nailed it right down, but I think we've been within \$10,000 of what your costs are.

MR. WYATT: And the next question is what type of repairs and maintenance qualify, and I think the gentleman here has mentioned the 80/20 split from the Surface Transportation Assistance Act that provides funding federal highways and bridge replacement. I -- I would ask Bobby, who's been working on this for us, are you clear as to what is eligible and not eligible in terms of maintenance costs?

MR. ASTER: I am, yes.

MR. WYATT: If you have any questions, please --

MR. ASTER: No, I'm -- I'm clear. Fortunately, the Department of Transportation, Mr. Henry Black, has been very helpful in answering our questions, and I would add that Mr. Black has already informed me that he would be willing to add this bridge on to his contract for the inspection, and we would be responsible only for the 20 percent, and he would apply for the federal funds on behalf of the City. And this is for the both bridges because we -- we also own a small bridge over on -- on Island Drive is -- in fact, we're working on the inspection contract for that one right now.

MR. BETTIS: Okay. Bridges of this type, do they have -- I know for a house you need a certificate of occupancy. Is there -- is there -- has a -- has the final inspection been done on the bridge?

MR. METCALF: No, sir.

MR. OVERHOLT: No.

MR. BETTIS: And what is the final inspection of the bridge -- describe it and -- and -- and tell us when that's going to happen.

MR. METCALF: Well, we're going to have possibly two -- two phases of a -- of a final inspection. The first phase will be complete, hopefully, by February 26. We would label that in-house as a deck and rail inspection, deck and rail acceptance. We would have a punch list prior to that date that we have been reviewing; we're going over it right now with my --

MR. BETTIS: Has the -- has --

MR. METCALF: -- boys.

MR. BETTIS: Pardon me. I didn't mean to interrupt. Has the punch list been generated?

MR. METCALF: The punch list is an ongoing list. It's -- that is dynamic and will change up until the date, you know, that we accept the bridge, so it -- it has been worked on, it's being generated, and -- and it's -- it's a

living, breathing document, and it's going to be -- it's going to change right up until the time we accept the bridge.

MR. BETTIS: And what do you mean by "We accept the bridge," the City?

MS. BENGEL: DOT.

MR. HOLDERMAN: DOT.

MR. LASSITER: DOT.

MR. METCALF: We, DOT.

MR. OVERHOLT: DOT.

MR. BETTIS: Oh, right, so you haven't accepted the bridge yet?

MR. OVERHOLT: No.

MR. METCALF: No, sir.

MR. BETTIS: All right. Are you working in conjunction with any city officials to go over the -- the punch list?

MR. ASTER: Yes, sir, I -- I --

MR. BETTIS: So, do you have a copy of that punch list and you're working with them?

MR. ASTER: I do not have a copy of the punch list, but Mr. Metcalf has assured us that we could have tag along inspectors and -- to make sure that the interest of the City of New Bern is represented.

MR. BETTIS: Have you been doing that?

MR. ASTER: Well, as -- as far as I know, we're not read -- they're not ready for us yet.

MR. BETTIS: Oh, okay. All right. That's --

MR. ASTER: They're not --

MR. BETTIS: -- what I was trying to get at.

MR. ASTER: They're not ready for us to -- to -- for that inspection yet.

MR. BETTIS: All right. So, the first one is going to be the -- the -- the first phase inspection --

MS. BENGEL: February 26.

MR. BETTIS: -- and what's the second -- what's the second inspection going to be?

MR. METCALF: Well, that would be our final acceptance of the bridge.

MR. BETTIS: And when would that be?

MR. METCALF: Well, it -- it's difficult at this time to say, but we are probably -- in order to put traffic on the bridge by February 26, we are mainly concerned with the operation of the bridge and the deck of the bridge, the driving surface of the bridge, the lights also, the asphalt approaches, and so forth that allow a driver to drive from end of the bridge to the other. And then, when boats come through, for the bridge to be operated, so that's -- that's what we're looking for. Now, there are -- there are things that are taking a back burner, just to be blunt about it. Painting the interior of the -- of the tender's house, that is not an important thing, in my opinion. Although the contractor is doing a very good job trying to schedule these things, if we have to not paint the interior of it in order

to put traffic on it, we will let that slide until we get traffic on it and the contractor can go back in there and do it. So, that -- that's a -- that's the kind of things that would be on a punch list. You know, the -- light bulbs also inside the tender's house might be blown and have to be replaced, those things make it onto the punch list.

MR. BETTIS: So, let -- let me just -- I just -- I'm trying to get the procedure down. As of yet, the State DO -- the -- the DOT has not even accepted possession of the bridge?

MR. METCALF: No, sir.

MR. OVERHOLT: No.

MR. BETTIS: Okay. And when do you plan on taking possession of the bridge, after the final inspection?

MR. METCALF: Yes, that would be my understanding that, upon final acceptance of the bridge, we would release the contractor from his burden --

MR. BETTIS: Okay. And so --

MR. METCALF: -- if we accept the maintenance.

MR. BETTIS: -- and I guess my question then is when can we expect that final -- when can we expect that final inspection to take place, in, on, or around?

MR. METCALF: Looking at the way the contractor's working right now and weather permitting, I mean, we -- it is our goal to deliver that project on the 26th of February, painting inside the tender's house and everything, so, you know, that is -- that is something we are striving to do. I --

MR. OVERHOLT: I think there's a difference here, Mayor, between being operational and having the cosmetic part of the bridge completed. We believe that it all be done by the 25th, but we will certainly be ready right now to open the bridge to safe traffic on the 26th, and that's been my goal; I think it's been stated, and we need to get on with that. If we have to slide a little bit and we could get over that on painting a rail or something, then it may be a week later, but I don't think we're talking about any serious delay.

MR. BETTIS: So, the final -- the final inspection, complete, final inspection, is going to be on the 25th; is that what we're thinking.

MR. OVERHOLT: No. The inspection that will -- that will give it -- make it safe to use will be done then.

MR. BETTIS: All right. When will the second inspection --

MR. METCALF: It could be, like Mr. Overholt said, a week later. It could be two or three weeks later. It could be the same day. We -- at this point, we don't know.

MR. OVERHOLT: But my -- it's -- it's not going to run over a month.

MR. BETTIS: Okay. And New Bern's -- New Bern's obligation to man and operate the bridge will commence once the -- the State DOT takes control of it and then transfers it to New Bern.

MR. OVERHOLT: (Indicates affirmative.)

MR. BETTIS: So, if it's safe on the 26th, but New Bern doesn't own it, who would operate it at that point?

MR. OVERHOLT: New Bern.

MR. BETTIS: Pardon me? Let me just go through it.

MR. OVERHOLT: Oh, sure. Absolutely. Absolutely

MR. BETTIS: This -- this will save -- this will save time. What time -- Mr. Aster? Chief Aster?

MR. ASTER: Mr. Mayor, I just wanted to -- to -- some of the problems associated with that is, is that the contractor is providing training, and that training starts as early as the 15th, and -- and we need to have (A) city personnel involved in that training, or (B) contractors involved in that training. It's very valuable training. The electrical part of it, which John Staton and some other public works personnel is going to be able to work side by side with the installers, Otis Equipment, and go through every bit of the electrical aspects of that bridge and learn everything they can about that bridge from the people that installed it. And then, starting on the 22nd of February, we -- we need to have our operators' training take place, and that training needs -- needs -- is going to take place with some city staff as well as, if -- if we can, we really need to try to get the contractors trained at that time, too, and -- and that training is provided by the contractor of the bridge, so that's some very important dates and timelines that we need to try to -- to work towards.

MR. BETTIS: Okay. Nobody's making a statement right now as that that -- that won't occur.

MR. ASTER: Oh, I -- I understand this.

MR. BETTIS: We are on a fact finding mission.

MR. WYATT: Well, I -- I want to -- I think it's important to know that we -- we need to retain a contractor and -- and to -- that contractor to have his persons trained in operations.

MR. ASTER: Correct. The contractor is, you know, needs some -- some leadway to come into New Bern, actually advertise for the positions, hire the positions, and then be -- have his staff on board before the 22nd training, the training that takes place on the 22nd, so they can be certified as bridge operators.

MR. BETTIS: And I think that that -- I think that's a -- it's -- it's a valid point. I agree that that's a valid point, but it may be distinct from what we're discussing here in this meeting tonight, and we can discuss that. Mister -- Mr. Wyatt, that's --

MR. WYATT: Well, I -- I hope I'm not out of order, but I -- what I'm saying is, if -- we need to proceed. We certainly, from a staff standpoint, are not going to enter into a contract with a provider without an understanding from the governing body what you will allow us to do. So, if we -- we go on for a while, and I think this is germane, then we're not going to -- we certainly would not presume to

go out and employ a firm, or whatever it is, \$150,000 to -- to tend the bridge.

MR. BETTIS: I completely understand, Mr. Wyatt.

MR. WYATT: Okay.

MR. BETTIS: And the -- the issue we're here tonight, as we stated from the beginning, to -- to find out -- to find out what the City wants to do with the bridge. We want to find out all the information. And I think, at this time, you know, we'll set up a special meeting for that, and I have no problem with that.

MR. WYATT: I -- I hope I'm not out of order, but I would be remiss not to call that to your attention.

MR. BETTIS: Absolutely, and I agree with you 100 percent, but --

MR. WYATT: Thank you.

MR. BETTIS: -- I think that -- I think that the Aldermen wanted to hear some questions answered tonight. I don't know what their feelings are on the bridge; I haven't the foggiest notion right now, and I don't think it's -- I don't think there's a foregone conclusion on what's going to happen. I think, you know, we may have some, you know, we may have some follow-up questions. I haven't the foggiest -- you know. So, I agree. Soon as -- as soon as we get a consensus amongst the Aldermen, then we will -- we'll give you a -- the Alderman will give you their position, so. And that's coming, Mr. Wyatt.

MR. WYATT: Thank you for letting me raise that question.

MR. BETTIS: Yes, sir.

MS. BENGEL: Can I ask a question associated with what you were just talking about as the acceptance --

MR. BETTIS: Yes, ma'am.

MS. BENGEL: -- of the bridge, because it was one of my questions --

MR. BETTIS: Yes.

MS. BENGEL: -- on the list. And I'm just saying, based on the agreement signed by the City and DOT, the acceptance of the bridge, based on the contract I read, is on (1) the completion of Broad Street, which I don't know where that's at, and (2) acceptance by DOT of both projects, it says in the contract, and approval by the DOT Board. I don't know when the DOT Board meets. So, if the bridge is opening on February 26, will the DOT accept responsibility for the operation and maintenance until the above takes place, and what would be the anticipated timeline? I don't know where we're at with those other projects. Is that correct, based on the agreement, Mr. Lassiter?

MR. LASSITER: Yeah -- yes, ma'am. One of the things we're working on now is the completion of -- of Broad Street.

MS. BENGEL: Broad Street.

MR. LASSITER: And, for the most part, our efforts are complete. There are some efforts from the city utilities that have to be completed. My understanding, or

the latest information we have, it may be around June as far as those -- the utility issues --

MS. BENGEL: Other --

MR. LASSITER: But, again, I think the decision -- we were concerned about that earlier on -- certainly have worked with the City in -- in trying to meet our -- our completion. I feel like that was a responsibility the City undertook as far as their utilities and -- and the rightaway associated with Broad Street. We're in a position, if -- if -- if it's a matter of getting our -- our contractor out there, we can -- we can complete our sidewalk and be finished with it pretty quickly.

MS. BENGEL: Okay.

MR. OVERHOLT: But we would have to --

MR. LASSITER: And -- and, I mean --

MS. BENGEL: I withdraw the question.

MR. OVERHOLT: Yeah. Yeah. Because we can finish Broad Street --

MR. LASSITER: We can probably --

MR. OVERHOLT: -- next week.

MS. BENGEL: Okay. So that's --

MR. OVERHOLT: Exactly.

MS. BENGEL: -- there's -- so that's finished.

MR. OVERHOLT: But we don't, you know, we -- we want --

MS. BENGEL: I mean for the --

MR. OVERHOLT: -- to work with the City.

MR. LASSITER: We really -- really want to work with y'all on that.

MR. OVERHOLT: Yeah.

MS. BENGEL: Oh, yeah. I mean, you put so much time and effort into the --

MR. OVERHOLT: Yeah.

MS. BENGEL: -- streetscape, you want to --

MR. LASSITER: Yes, ma'am.

MS. BENGEL: -- complete it correctly.

MR. BETTIS: All right. We -- we have -- we have about 15 minutes before our next meeting is going to start. I want to -- I just want to wrap up. Number one, we're going to get --

MS. BENGEL: But he didn't answer the question about acceptance of it. Does the DOT Board, I mean, you accepted, does your Board have to meet and accept it before it's official.

MR. OVERHOLT: No, no.

MS. BENGEL: So that's all?

MR. OVERHOLT: No, it's been done already.

MS. BENGEL: Okay. It has? Okay. I just want --

MR. OVERHOLT: Yeah.

MS. BENGEL: -- to make sure.

MR. BETTIS: All right.

MS. BENGEL: Thank you.

MR. BETTIS: I guess we're going to -- I guess we're going to get comparables. Would -- would you make a note, please, and get us comparables for operate -- operation of -- of the comparable bridges in -- throughout the state in maintenance, operation, you know, everything we need to know? You are going to -- you --

MR. DRDA: Number of bridges?

MR. BETTIS: Yeah, the number of bridges, and you're going to get us the names of the -- the other municipalities that -- that own and operate bascule bridges of this type so that we can talk to them and find out what -- what problems they have.

MR. DRDA: And you were going to provide me a follow-up question on revenue.

MR. BETTIS: Yes, sir. And -- and I'm going to -- I'm going to send you -- before I leave, may I have -- will you -- will you make sure Mr. Wyatt has your information?

MR. DRDA: Uh-huh.

MR. BETTIS: We'll do that. I have -- I have just a general question. I mean, who is ultimately responsible in North Carolina for the highway -- the state highway system? You said something -- you said something that -- that struck me.

MR. OVERHOLT: Yeah?

MR. BETTIS: You said something that struck me at the beginning, and I -- and I liked what you said. Initially, Craven County asked for this bridge to be replaced, and you -- you -- you talked about, you know, this -- the bridge is good for all of eastern Carolina, and it's for the good of the state. This bridge will be for the good of the state; would you agree with that?

MR. OVERHOLT: Yeah.

MR. BETTIS: And it would be for the good of -- I mean, New Bern's part of the state, and it's -- and people like to come here. So, my question is -- my question is if the bridge is for the good of the state, it's going to be used by people throughout Craven County, it's going to be used by people in Trent Woods, it's going to be used by people in Carteret County. What is the rationale for New Bern bearing the -- the brunt of that?

MR. OVERHOLT: That's the way we could build -- that we could afford to build the bridge at the time. It's the way that we could get the matching money in order to -- to make the numbers work.

MR. BETTIS: Correct. And -- and it's my understanding, and my math is terrible, but at a 41 --

MR. OVERHOLT: Mine's not much better, but --

MR. BETTIS: -- at four -- at four --

MR. OVERHOLT: -- refer that to Neil.

MR. BETTIS: -- at \$41 million, the bridge was \$41 million --

MR. OVERHOLT: Uh-huh.

MR. BETTIS: -- the -- the federal government put in 80 percent, which would be \$32 million, correct?

MR. LASSITER: Uh-huh.

MR. OVERHOLT: That's right.

MR. LASSITER: Plus or minus.

MR. BETTIS: So, the bridge cost the state \$9 million or \$10 million, which would have been the exact same amount to refurbish the old bridge; correct?

MR. OVERHOLT: Roughly.

MR. LASSITER: Roughly.

MR. OVERHOLT: Roughly. Yeah, it's, I think, \$8 million.

MR. DRDA: What -- what -- what you're -- I'm sorry.

MR. OVERHOLT: Go ahead.

MR. DRDA: What I'm hearing is there's eight -- \$8 million to \$9 million incurred by the DOT. If they had done a rehab, that would have been a 80/20 split, so they would have incurred --

MR. LASSITER: At that time --

MR. DRDA: -- whatever that --

MR. LASSITER: -- it probably been --

MR. DRDA: -- less than \$2 million --

MR. LASSITER: -- \$2 million. Yeah, it would have -- we would have been -- we would have been in at \$2 million, right.

MR. BETTIS: So, at present, it's about \$7 million that you guys are -- it's \$7 million that the DOT incurred rather -- by building this new bridge, the DOT has incurred \$7 million more in expenses than it would have if we had rehabbed the other bridge; is that fair to say?

MR. LASSITER: That's fair to say with that logic, yes, sir.

MR. OVERHOLT: With that logic, yeah.

MR. BETTIS: All right. I thank you very, very much for your time. I -- you know, this is -- the -- the issues here -- the issues here are tough. The -- the process -- the process of -- of resolving the issues is -- is what's important, and I can't -- can't guarantee you the outcome of this, and I don't think we know the outcome of it. But what I can say is I thank you very much for coming in and giving us your time.

MR. LASSITER: Certainly.

MR. BETTIS: And -- and I -- and this was -- this was very good for all of us, so we appreciate it.

MR. OVERHOLT: If you have any follow-up questions, get with Neil.

MR. BETTIS: Yes, sir.

MR. OVERHOLT: He'd be happy to --

MR. BETTIS: Yes, sir.

MR. LASSITER: I'll -- I'll make sure Mr. Wyatt has my email address.

MR. BETTIS: Yes, sir. Thank you very much.

*****THE WORK SESSION CONCLUDED AT 6:45 P.M.*****