

CITY OF NEW BERN
BOARD OF ALDERMEN MEETING
NEW BERN, NORTH CAROLINA

JANUARY 26, 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
Edward A. Wyatt, Interim City Manager
Daniel R. Meadows, Acting City Manager
Scott Davis, City Attorney
Veronica Mattocks, City Clerk

Other Attendees: the public

Court Reporter: Bobbie G. Newman

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Exhibit [A] Agenda, New Bern Board of Aldermen Meeting, January 26, 2010. Page 5

Exhibit [B] Resolution, To NCDOT from the New Bern Board of Aldermen and Mayor, re the monolithic barrier island on South Glenburnie Road at Dr. M.L. King, Jr., Boulevard.

COURT REPORTER'S NOTE: The Board Meeting of the New Bern Board of Aldermen commenced at 7:00 p.m. in the City Hall Building.

MR. LEE WILSON BETTIS, JR.: This meeting for the Board of Aldermen, Regular Session, for January 26 is now open. I'm going to turn it over to Sabrina Bengel.

MS. SABRINA BENDEL: I'd like to introduce tonight the Reverend Steve Fitzgerald from the First Baptist Church in downtown New Bern, and I'd like to welcome you and ask you to bring our opening prayer. Thank you.

REV. STEVE FITZGERALD: Let us pray. Lord, as we begin a new year and we are still celebrating First Night, it's a year where there will be many new openings, a bridge that opens hopefully in a number of days. A hands-on children's museum. And, Lord, as we wrestle with the economy and wrestle with tragedy around the world, we wonder where will the bridge lead you. We joke about bridges to nowhere and we pray that that's not the story that will be told around New Bern, that this will be a bridge that leads to a place that we all found to be a pleasant hospitality in downtown New Bern on the first night, the celebration of our 300th anniversary. So may all that we do only enhance the hospitality of this unique, loving and wonderful town as it becomes a place where people can come to rest and to be refreshed, to live and to grow. We pray for your divine guidance and wisdom as we see you're going to be putting in all that we dream of and all that we imagine and all that we do, for in Christ's name we pray, amen.

ALL: Amen.

MR. BETTIS: Thank you.

COURT REPORTER'S NOTE: All stand and recite the Pledge of Allegiance.

MR. BETTIS: Okay. The roll call.

CLERK: Mayor Bettis?

MR. BETTIS: Present.

MR. MEADOWS: Alderman Bengel?

MS. BENDEL: Present.

CLERK Alderman Taylor?

MR. VICTOR J. TAYLOR: Here.

CLERK: Alderman Bucher?

MR. DENNIS K. BUCHER: Here.

CLERK: Alderman Kinsey?

MR. JOHNNIE RAY KINSEY: Present.

CLERK: Alderman White:

MR. BERNARD W. WHITE: Here.

CLERK: Alderman Outlaw:

MR. DANA OUTLAW: Present.

CLERK: We have a quorum.

MR. BETTIS: Thank you very much, Madam Clerk. Do I have a motion from the floor?

MR. BUCHER: Yes, Mr. Mayor, I would like to make a motion that we make an amendment to our agenda (Exhibit [A]) for a proclamation.

MR. BETTIS: Do I hear a second?

ALL: Second.

MR. BETTIS: All in favor say aye.

ALL: Aye.

MR. BETTIS: All right. The agenda is so amended for a proclamation to Mr. Meadows, Mr. Danny Meadows a proclamation from the City. "Whereas Daniel Ray "Danny" Meadows is retiring with 27 years of service to New Bern as Public Works Director, and whereas, Danny and wife, Betty, were blessed with a son, Zack, and whereas, Danny's career and his whole hearted participation in many civic and charitable functions have earned him the respect of civic leaders and the affection of a host of area residents representing all ages and walks of life who are proud to call him friend; and whereas, the performance of his duties and responsibilities and his working relationships were always characterized by an obvious dedication to getting a job done well; and whereas, Danny's dedication, dedicated interest and devotion to duty have had a valuable effect on the efficiency and morale of the City; and whereas, his quotes, "money -- money can make a bear dance," "bah humbug," "love it," and "older than dirt," will all be missed by his coworkers and friends. And now, therefore, I, Lee Wilson Bettis, Jr., Mayor of the City of New Bern, on behalf of the New Bern Board of Aldermen and the citizens of New Bern, do hereby extend sincere thanks and appreciation to Danny Meadows for 27 years of loyal service. In witness thereof, I have unto set my hand and affixed the Seal of the City of New Bern, this the 26th day of January in the year of our Lord, 2010." Thank you, Mr. Meadows, from everybody on the Board of Aldermen. That's the Proclamation and we also have this from The Jewelry Company, which I'm sure you will enjoy. (Hands him the Proclamation and a closed envelope.)

MR. DANIEL R. MEADOWS: My wife probably will.

MR. BETTIS: And if you would like to say a few words to those present, please do.

MR. MEADOWS: Mr. Mayor, I would, and please sit down. First of all, I'm humbled. Not a lot of people have the opportunity to have a job and -- and see things accomplished and -- and really feel good about going to work. I've been blessed that I found the place 27 years ago that took me in, gave me an opportunity, and -- and with the help of -- of a lot of people, and -- and a lot of the folks sitting out there, and folks who sat behind that desk like you did, and many of you, since you've come on the Board, have really made all of this a lot of fun. And you don't in life get that opportunity; most people don't. And -- and I've just been blessed. I've enjoyed every minute of it. I've seen a lot of things happen in New Bern. I know a lot of things will continue -- are going to continue to happen in New Bern. And I said the other day at -- at the Swiss Bear Meeting, and I -- and I think it's something I'd -- I'd leave with the Board and with the citizens and -- and the staff and everyone else. In doing the business of the City,

what we've got to do is check our egos at the door and our personal agenda and New Bern will prosper. And -- and, I encourage the Board to do that; I encourage the staff to do that; and all the citizens of this City to do that; and we'll continue to grow and be greater. And, again, thank you, I appreciate it, and I wish everyone well.

MR. BETTIS: Thank you Mr. Meadows. I can tell you one thing, Mr. Meadows, that, you know, you're -- you're a household name and beloved by everybody in the City, number one. Number two, I was just speaking with Mr. Wyatt, and he came on and you know what he told me, and this is under your 27 years, he said, Mr. Bettis, you should know that we have the best employees that he's ever worked with. These are a wonderful group of employees, a wonderful group of employees with the City. He's -- I think he's met just about every department out there so far, and -- and, by and large, you know, it's the attitude that you brought with it. And so, thank you very much for -- for leaving us with this right now because we -- I told you I wanted you to stay, and I think you're leaving us with the best group of employees ever is a great thing; so thank you.

MR. MEADOWS: Thank you.

MR. BETTIS: Yes, sir.

MR. BUCHER: Mr. Mayor, I make a motion that we take a short recess to enjoy some of the goodies I think that have been prepared for this occasion.

MS. BENGEL: I second it.

MR. BETTIS: All in favor say aye.

ALL: Aye.

MR. BETTIS: All opposed say nay. All right, let's do it.

COURT REPORTER'S NOTE: There was an off-the-record break at 7:07 p.m. until 7:23 p.m. for a short reception honoring Mr. Meadows on his retirement.

MR. BETTIS: What a great -- what a great little celebration. Thank you, Mr. Meadows.

MR. MEADOWS: Thank you.

MR. BETTIS: Now, we're back on the agenda for tonight. Item Number 3, a presentation by the Highway 17 Association.

MR. MARC FINLAYSON: Thank you, Mayor Bettis.

MR. BETTIS: Thank you for being here.

MR. FINLAYSON: I'm glad to be here. For those of you who don't know me, I'm Marc Finlayson; I'm the Executive Director of the Highway 17 Association. I come before all the local governments that support our association at least once a year to update the elected officials on our -- our progress. And because you all are a relatively new Board, I thought I'd give a little bit of background on the highway itself and on our association to try to put what we're doing in perspective. Mr. Outlaw, you've heard this before so I apologize to you in advance. For those who do not know, Highway 17, of course, is a U.S. Highway, started construction in the 1920s. We call it the Ocean Highway

because we know it to run along the coast, but, in fact, it begins in the northernmost point of the Shenandoah Valley of Virginia in Winchester, and it actually cuts diagonally across Virginia Tidewater and then across the coast through North Carolina, South Carolina and Georgia and into Florida. And when it gets south of Jacksonville it cuts west again. It actually terminates south of Tampa. It's about 1,200 miles long, of which North Carolina has 300 miles. So, we have roughly a fourth of the road that we are responsible for in our State. And of that 300 miles, some of it's in pretty good shape, but we still have approximately 50 miles that are in two-lane, in very poor condition. And if you go either north or south out of New Bern on Highway 17 you know exactly what I'm talking about. We've got dramatic problems in Jones County to get between here and Jacksonville. We've got problems between Vanceboro -- well, really between Bridgeton and Chocowinity going north. So, part of our challenge as an association is to get Highway 17 as fully improved as is possible and certainly to four-lane, the two-lane sections. Now this Highway 17 Association has actually been around since 1975, but it was an ad hoc organization for most of that time. It was advocated for by business leaders and local government leaders in their spare time. And after a while, it got to the point where nothing more was being accomplished, really, except for inviting the Secretary of Transportation to lunch once a year and yell at him. So a bunch of local government leaders in 2006 got together and said we're going to have to be more proactive and more intentional about our advocacy or we need to step away because we're not having the impact we need to have. In 2006, local governments pooled their resources, opened an office, and hired an advocate. That became me, I'm happy to tell you. And, we began to really formally approach the advocacy for Highway 17 with our stake holders, our policy managers. And, I work very closely with DOT and work closely with our State legislators and I work closely with our congressional delegation, all of which have some say so on the funding and the progress of Highway 17. We want to improve the safety of our citizens who use the road; we want to improve the mobility, getting to here or there. We want to improve economic development opportunities that only a four-lane with improved facility can bring, and that is to serve the military growth, to serve industrial improvement, to serve tourism, to serve our seaports and airports, to provide safe and efficient routes in the event of a storm evacuation. There are many reasons to get Highway 17 improved. And Craven County probably knows these reasons better than -- than any other place. We want to get all our projects fully funded on the State Transportation Improvement Program, and that's a big task. We've already spent about a billion dollars already on Highway 17 improvements over the last 30 years. We still have about a billion and a half that we need to spend in today's dollars, which, by the way, will increase. But, we have about a

billion and a half more we need to spend, only half of which, 750 million, is actually in the TIP assigned to the year you're serving and assigned to the project. So we have a big financial lead, and that's why we're all the time asking the General Assembly and asking other policy makers to give us the money. And then, once we have the money, we need to facilitate each project and get it moving. I'm happy to say that we have made a lot of progress in the 3-plus years we've been doing this formally. Since that time, we've gotten commitments from DOT to invest over 120 million dollars in Highway 17 that was previously unfunded, so that's real money by anybody's standard and we're delighted about that. We've got two projects underway right now; of course, you all are familiar with the New Bern by-pass. That is about 30 percent completed; it's moving along at a very, very good pace. There's a project north of us in Beaufort County, the Washington By-Pass, which is, in fact, DOT's single largest, single most expensive project underway in North Carolina right now, \$325 million, give or take. That's going to be 15 miles of new highway, the bottom two-thirds of which will open some time this year. By the end of this calendar year, we will have three more Highway 17 projects under construction. And, as best I can research it, that will be the most we've ever had underway -- under construction at any one time, so we're thrilled about that. The Wilmington by-pass, we'll break ground and we'll start working down there. Improvements to the Jacksonville by-pass will get underway and some improvements along 17 in Bridgeton. We're also working very hard to get Jones County moving forward. I will applaud the folks in Jones County and the DOT for holding a very productive and civil public hearing on that project back at the end of December. The issue down there is which route to take to by-pass the community of Belgrade. The DOT proposed that it by-pass Belgrade and Maysville on the northern route between Jacksonville and New Bern. The Corps of Engineers, in an effort to save some acres of wetlands, proposed to go through the middle of Belgrade and by-pass Maysville. As you might expect, the folks in Belgrade didn't necessarily favor that approach, but DOT, I think, is at the point now where they can persuade the Corps to see it their way and by-pass both communities and control the access to the facility which will be helpful. We work very closely with other kinds of stake holders in the corridor and certainly counties scattered up and down the eastern seaboard through which 17 runs. We're planning right now our annual meeting that will occur in New Bern sometime in the next four to six weeks once we get the speaker lined up. We'll let you know about that and you'll get the invitation. We're working with Coalition of Tourism Professionals on an effort to get Highway 17 a Federal Heritage designation. If we're able to do that, we could receive up to a million dollars per year appropriated to us from Congress to market and promote tourism destinations in the corridor. Tourism professionals

from all 13 counties, all three regions, are involved in this, and we think it's very exciting. We're also pursuing a grant for a broader economic impact study for Highway 17 corridor looking at what Eastern North Carolina would be if we could get our road improved. We think obviously it would improve economic prospects in all different areas industry, tourism, etc. I'm working with the local COG, and their RPO, Royal Planning Organization, to develop an interactive map with the Highway 17 corridor that interested citizens can access for information about the project status and also information about the counties and municipalities themselves. And, I'm on my barnstorming tour speaking to the 13 counties and the 14 or so municipalities that support us. And I will be doing that for the next couple of months. In that regard, I want to thank New Bern very much for your support from the very beginning and -- and your steadfast support for what we're doing over the years. You have in your packet our progress report. We publish them quarterly so you can tell what we're up to as an organization, and you were distributed tonight a project status report with my card attached that is this quarter's update on all the projects that went on in the corridor, and the card's there for your use in the event that you need to call me with questions or comments. I'm available to you any time. That is the extent of my formal remarks, Mr. Mayor. I'm happy to answer any questions that you all have.

MR. BETTIS: Thank you very much. Let's open it up to the Board. Any questions?

MS. BENGEL: Well, I just -- I do have a comment and just, you know, Go for it, Marc, because I'm so excited. 17 is our 95 (I-95). We've been the red-headed stepchild of the State as far as that's concerned. We see what 95 has done for other communities, tourism and economic development wise. And I think if we can get 17 in line, it will -- it will do some of the same things for us, bringing tourists and people traveling that road. I see what it has done at the connection to 13 through Virginia and headed up north. We have so many residents that live here that came from New York, New Jersey, Virginia, Delaware and that's a great route for them to take. And once it's improved, I think we're going to see a big boost, so thank you for your efforts.

MR. FINLAYSON: Certainly.

MR. BETTIS: Thank you Ms. Bengel. Any other questions?

MR. OUTLAW: Marc, on the Federal level, how is -- are we getting a lot of support in that this is kind of a Tri-State function here? Are we getting -- I mean, is it a 80 percent project? I mean, does it help any for the State to know that we're getting help from our senators or anything on it?

MR. FINLAYSON: Sure, a couple have asked about that. The contribution that we get from the Federal government to support highway construction in North Carolina

is limited somewhat. We are what's known as a donor state. We collect more in Federal gasoline tax revenues that we remit to Washington than we get back in return as our share of Federal highway funding. So, we're a little behind the eight ball in that regard. But, we still get, you know, hundreds of millions of dollars, \$800 million comes through the Federal government at least each year. The Federal Trust Fund is in bad fiscal shape. That's like the State's Trust Fund is, because receipts are not keeping pace with needs. But what we have learned is that our congressional delegation, Congressman Butterfield, Congressman Jones, Congressman MacIntyre and the senators are supporting what we're trying to do. And we have gotten in excess of \$600,000 from special appropriations through them in addition to what we ordinarily get through appropriations through DOT. So they're aware of what we're trying to do. They have funded projects specifically in Craven County, in Beaufort County, and we've got one in the hopper for Onslow. So, they're very receptive and they've proven to be helpful when we needed them to intervene with other stake holders like the Corps of Engineers. So, to the extent they can help us in Washington, they're typically working with us.

MR. OUTLAW: Well, what I was wondering, you know, President Eisenhower, back in the '50's, the whole interstate highway program was designed for emergency needs on a national level. And, obviously, with as much traffic as there is on 95, if it could be proven to national senators that, you know, it's kind of a priority that we get some of that traffic off of 95 and put it on 17, that would be a win/win for us to get a lot of the Federal monies that are needed.

MR. FINLAYSON: Yeah, I agree with you 100 percent. I'd like to see some DOD money, the Department of Defense, money invested because the 17 approved for Jones County is the number one priority of the military to run cavalry force NC-I and east.

MR. OUTLAW: Right.

MR. FINLAYSON: I'd also like to get the Department of Homeland Security more interested in the storm evacuation route. It's fortunate that we do have Congressman David Price from the Triangle who is a North Carolina legislator who chairs the Appropriations Committee for Homeland Security. But those are the kind of things we're thinking about, because, just as you say, 95, in its poor repair, is swinging traffic over. When 95 is tolled, as it inevitably will be, that will cause more traffic to come to 17 and we need to be ready for that.

MR. OUTLAW: Thank you.

MR. BETTIS: Thank you very much. Any other questions or comments? Thank you very much for coming in.

MR. FINLAYSON: Thank you very much for having me.

MR. BETTIS: All right. Number 4 on the agenda "Approve the Advertising of Tax Liens." Who is here for that one.

MR. WYATT: Come forward, please.

MR. BETTIS: Mr. Wyatt, would you like to take over that one?

MR. WYATT: Every year, and if you'll come to the meeting microphone, thank you. I don't know why folks are so shy. She wasn't told beforehand so --

MR. WYATT: The first time -- is this the first time you're here?

MS. DORIS MCCOY: Yes, sir.

MR. WYATT: Okay. These people are nice folks.

MS. MCCOY: Oh, I know that.

MR. WYATT: Mary is the --

MS. MCCOY: I know a lot of them.

MR. WYATT: I know you do. Mary was at a meeting about finances at Chapel Hill. What is she -- what's she's going to ask you is to allow us to advertise these liens, and if you'll elaborate on that, please.

MS. MCCOY: Fine; okay. Honorable Mayor, and members of the Board of Aldermen. General Statute 105369 requires me to report to you by the second Monday in February, outstanding taxes which are subject to become tax liens on the real estate property. And in order for these to become liens, and also for me to start foreclosure proceedings on these outstanding real estate taxes, I have to ask you all to approve a certain date for me to advertise my tax liens, which I have asked be April 5, 2010, which is on a Monday.

MR. BETTIS: Thank you. Anything further?

MS. MCCOY: That's it.

MR. BETTIS: All right.

MS. MCCOY: Nothing more.

MR. BETTIS: Mr. Wyatt, anything further?

MR. WYATT: No, I would recommend that all adopt that.

MR. BETTIS: Mr. Davis?

MR. DAVIS: I need a motion to advertise the tax liens.

MR. OUTLAW: So move.

MR. TAYLOR: Second.

MR. BETTIS: Second?

MS. MCCOY: Thank you.

MR. BETTIS: Roll call vote?

MR. DAVIS: No. Voices are fine for the record.

MR. BETTIS: All right. All in favor say aye.

MR. OUTLAW: You have a question over there.

MS. BENGEL: I have a question for you. I'm sorry, I have a question. Ms. McCoy, it said for our meeting here tonight that the entire printout of the delinquent property owners would be available, so --

MS. MATTOCKS: Mr. Wyatt has it.

MS. BENGEL: You know, I see we have a sum of \$873,000. Is the bulk of that the Sky Sail? Is the bulk of that -- is that bulk of that, you know, is there a large --

MS. MCCOY: Well, the bulk of it is Sky Sail. And

also, the Carolina Commons Town Homes and the Hilton, they have not paid yet. And so, that takes up a big amount of it.

MS. BENGEL: Okay.

MR. BETTIS: Do you know about how much?

MS. BENGEL: He has the printout and that's why --

MS. MCCOY: Yes, I've given him a printout that breaks down everything by detail as to who owes what. Now some of that has been paid today.

MR. WYATT: Can you look up the Hilton while we're talking?

MS. MCCOY: Excuse me?

MR. WYATT: You can probably find the Hilton, and after that, we'll just pass the lien list over here so people can peruse it.

MS. BENGEL: I mean, I don't need to go into detail, but I saw it was such a large amount and I just wanted to make -- make certain.

MS. MCCOY: Okay; okay. Currently, the Trent Neuse Hotel outstanding is \$66,519.48 and that's principle only. And then there's -- to what extent do you want me to go? I mean --

MS. BENGEL: That's enough; that's fine, Mary.

MS. MCCOY: Because --

MS. BENGEL: As long as it's available, I can check it.

MR. WYATT: Mr. Mayor, one thing we might do, and this is ad libbing, if she might give you 10 or 20 of the top ones and put in a little memo and send it to each of you -- you can do that, can't you?

MS. MCCOY: Yes, I can.

MR. WYATT: Yeah, I think that might be beneficial.

MS. BENGAL: Yeah, that will be helpful; thank you.

MR. WYATT: If you'll leave this document -- if you'd pass the document over here, I'd appreciate it.

MR. BETTIS: Thank you very much.

MR. MEADOWS: It -- it might be important to the Board, and I haven't asked this question, but I think you can probably answer it; is -- is this amount any greater than previous years to any great percentage?

MS. MCCOY: Can you all hear me okay?

MR. BETTIS: Absolutely.

MS. MCCOY: Okay.

MR. WYATT: But we do need that recording, so if you'll go back to the mike.

MS. MCCOY: Okay. Last year, at the end of January, our collection percentage was 93.82 percent collected, which is not bad. As of today, we are 92.18 percent collected. Now, we are down in our special district, our municipal special district, which is our downtown area. Now a lot of that is because of the Sky Sail and also because the Hilton has not paid yet. But, it's not unusual that the Hilton has not paid because they usually work with us to get it paid, and they do get it paid before the end of June.

MR. BETTIS: Thank you.

MS. MCCOY: And so, that will kind of give you an idea of where we're at, you know, with collections coming in to last year.

MR. BETTIS: Any further questions from the Board? Now do we have the motion, Mr. -- Mr. Outlaw.

MR. OUTLAW: Yes, I'll make the motion and you can second it.

MR. TAYLOR: Second.

MR. BETTIS: Second it? All right. All in favor of setting the date to advertise unpaid 2009 real property taxes for April 5, 2010 say aye?

ALL: Aye.

MR. BETTIS: All opposed, say nay. The aye's have it. All right. Number 5 on the agenda is going to be "Adopt Ordinance Setting New Rate Schedule for Economic Development Rate 4." Who is here to discuss this matter?

MR. WYATT: I am.

MR. BETTIS: All right. Come on up.

MR. WYATT: Electricities -- and I'm going to give you just a little background, but I'll be brief, has been helping cities over an extended period of time in helping them in their economic development which has become formalized in the last ten years establishing growth in economic development. They provide an incentive to the industries based on the criteria that Jon is going to elaborate on, essentially those reporting tax values et cetera and this is a 5-year incentive program. Jon will indicate the specifics but it has been very welcome by the municipalities that that help is there because they are at different points in electric territories competition. And, certainly, we want to try to get and increase our customers -- and by the way, this staff has done a very good job of it, in my opinion. So, and -- and I also would say that if we had asked earlier, the Electricities staff would have been here. We have had this ED rate heretofore, and we respectfully ask you that it be adopted. It is only a tool and hopefully an effort to attract industry to our community. And the way it works is they fund this criteria that he will elaborate on. The Electricities provides funds to the City and those funds pass through to the industry as an incentive of relocating or expanding. Now, I'll call on Jon.

MR. BETTIS: Thank you, Mr. Wyatt.

MR. JON RYNNE: The rate structure that is being proposed to be adopted into our Rate 4 ordinance is essentially, as Mr. Wyatt said, a tool such that if a -- a group wanted to develop within New Bern, we could provide a rate to them that would be advantageous to them building a new facility or expanding an existing facility. As Mr. Wyatt said, this rate also, depending on the size of the customers, in their kW demand, can also be contributed to by Electricities with a pass through that they -- they help to lower that rate. This becomes particularly important when

you have a customer that is possibly building outside of the city limits where there's a -- a customer choice situation, and we might be in competition with Progress Energy. The rate structure that you have in front of you, essentially, for a customer that would have a generator on site and it would be a larger commercial and industrial customer, that they could get down to the level with the Electricities' rider in addition to the same -- the same rate approximately that Progress Energy or Carteret Coop would charge you. So, this -- this rate basically is in preparation so that if we have the opportunity as a City to have somebody that was maybe going to make a choice about expanding here in the New Bern area with their facility, or someone who wanted to bring a facility into the city of New Bern, we could offer this rate as part of the package to get them to come here. And it's a very good thing to have one on the books and ready to go, such that when those things occur, you can move pretty quickly in a pretty efficient manner to get them a proposal to do that kind of thing.

MR. BETTIS: Thank you very much.

MR. RYNNE: And that's what we're -- we're asking.

MR. BETTIS: Mr. Wyatt, I -- I did not hear mainly because I have bad ears, but it is your recommendation that we would adopt such an ordinance?

MR. WYATT: Highly recommended.

MR. BETTIS: Highly recommended?

MR. WYATT: Highly recommended.

MR. BETTIS: Yes, sir.

MR. WYATT: And happy to.

MR. BETTIS: Yes, sir. I'm going to now open up -- Mr. Outlaw.

MR. OUTLAW: Why did you look at me, sir?

MR. BETTIS: Because we either start at that end or we start at this end. All right, we can do it this way.

MR. OUTLAW: No, I'll -- I'll do it; I'm sorry. I'm not being funny, but I was being curious. Did you think I had something against it or something?

MR. BETTIS: No, no, no, no. You can start --

MR. OUTLAW: Well, I actually do. I do have something against it.

MR. BETTIS: No, Mr. Outlaw.

MR. OUTLAW: Was the convention center an example? Did we not do the convention center and I know we pulled a rate on them and put them on the regular rates; was that not the same thing?

MR. RYNNE: The convention center was on the previous Economic Development Rate.

MR. OUTLAW: Right.

MR. RYNNE: As the power supply cost increased 18 percent, that Economic Development Rate was no longer viable.

MR. OUTLAW: Uh-huh.

MR. RYNNE: We could not buy the power for what we were selling it to them for.

MR. OUTLAW: Okay. This is an example of -- of several things that came up in my previous four years, and I just would really like -- it you think you had a lot of questions tonight about a bridge, your rate structures, I don't -- we have eight or nine different rates?

MR. RYNNE: We have numerous different rates.

MR. OUTLAW: Yes. And -- and I'm not -- if -- if the Board so pleases to vote on this tonight, so be it, but I would -- this is something that would be really appropriate for an Electric Advisory Board of qualified members of an Electric Advisory Board to advise this Board on. That would be my position.

MR. KINSEY: I have a question.

MR. RYNNE: Sure.

MR. KINSEY: Like most offices here in New Bern have generators now, do they sell us back the power; how does that work; explain that to me?

MR. RYNNE: They actually offset their peak demand during -- during that certain period of the month. And what they do is they actually enjoy a rate for doing that that gives them a lower cost per kilowatt hour. So, essentially, what we do is shave the peak demand in the entire power system which lowers the City's bill, and then we pass that savings through to the people that actively do that.

MR. BETTIS: Okay. And now, let's go down to Ms. Bengel.

MS. BENDEL: I had an opportunity to talk to Jon earlier today, and I -- I understand that basically what they're doing here is they're charging the economic rates, you know, the lowest rate that they can charge to get them to -- to bring development, big stores, what have you in here; it's good for five years. And I think that's reasonable. And after that point, they have to go on the regular rate schedule. So I -- I don't think I have an issue with this.

MR. BETTIS: Thank you. Mr. White? Oh, anything further on that?

MS. BENDEL: No, thank you.

MR. BETTIS: Sorry, I get a little --

MS. BENDEL: That's okay.

MR. BETTIS: -- I get a little in a hurry. But I just want to make sure, anything else on that?

MS. BENDEL: No, I'm good.

MR. BETTIS: Mr. White?

MR. WHITE: Yes, sir. I have two things that come across my mind, is that, I agree with the issues you all are talking about because I see it as, if I would come buy something and you go back, or ask you how much it costs, and you've got to come around to come up with a price, you're talking about automatically having the price already there. The other thing I agree with, I agree with Dana that the Electric Board that we have, whether they may be sitting on it and Mr. Jon may be sitting there with them to see if they can get it right and they could get it faster.

MR. BETTIS: I don't -- I don't understand. Let's -- I mean -- all right, let's just put it this way. Can you -- can you field that question?

MR. RYNNE: Are you asking about the Electric Service Board?

MR. WHITE: Yes.

MR. RYNNE: At this point, the Electric Service Board by ordinance doesn't approve the rate structures, only -- only you guys do.

MS. BENGEL: Uh-huh.

MR. RYNNE: So they don't -- they don't have that purview at this point. They -- they can review them and make comment on them, but -- but it still comes down to you folks to approve the schedule.

MR. BETTIS: Mr. Wyatt, do you have a comment?

MR. WYATT: I would certainly like to make a comment. I realize the -- the issue about what responsibilities the Board has is a contemporary issue. I think if you want to begin to delegate some of your policy-making authority, I would strongly suggest that we sit around the table and talk this issue through.

MR. BETTIS: This particular issue that we're discussing now or the issue of the Electric Advisory Board?

MR. WYATT: About providing more empowerment to the Advisory Board. I have some experience with them, if you want me to elaborate on them. But, I think that we need to talk that through. Having said that, and I hope you won't think I'm terribly off point, I did mention this earlier. In spite of trying to get some of the primary things done now, we are actively working on trying to take a look at whether our administrative charges to the Electric Fund as well as water and sewer are appropriate. And there's no -- there's no exclusive answer on that, but the tendency is because it's easier to increase the utility rate rather than taxes, cities sometimes take the path of least resistance.

MR. WHITE: Hear, hear.

MR. WYATT: My point -- my point of it is, I'm working with Mary and Jon trying to take a look at maybe we are excessively charging too much for the support of certain activities, whatever they happen to be. And it may be the need for some adjustments. They may not be profound, but it might make -- it will be more equitable. So, we're trying our very best to move forward with it. And please understand, it's a two-edged sword because, unfortunately, like most cities, throughout, Electricities has become dependant upon electric utilities balanced on rates.

MR. BETTIS: Okay. What I'm -- what I'm hearing though is -- what I'm hearing from you, just so that I can recap, is that the issue of this economic rate is distinguishable from the issue of what we should do with our Electric Board; correct?

MR. WYATT: Yes. Since the comment was made, I hope I wasn't terribly out of line with that.

MR. BETTIS: Right, And -- just because the

acoustics can be bad in here, I just want -- I just want to say loud enough so that if anybody's listening on the TV, they can -- and I've heard from people that they don't hear on the TV.

MR. WYATT: Mr. Outlaw raised a --

MR. BETTIS: Mr. Outlaw raised a concern that, you know, we need to do something with our Electric Board and perhaps get them advised. What you're saying right now is that the electric -- we're the ones who make the electric rates, and that this issue that we're deciding on, which is the Economic Development Rate, is distinguishable from the issue of the Electric Advisory Board, and you're saying that this is -- you agree with this Economic Development Rate?

MR. WYATT: Yes.

MR. BETTIS: And you're also agreeing with Mr. Outlaw that we need to sit down around this table and discuss it?

MR. WYATT: Absolutely.

MR. BETTIS: All right. Now -- now, we're on the same page. Hold on. Wait until everybody's done. Mr. -- Mr. White, do you have another question?

MR. WHITE: No, sir.

MR. BETTIS: Now we're going to go over to Mr. Taylor.

MR. TAYLOR: Well, I'm in favor of the lower rates. If it's going to bring businesses to the community, we need that. We need more business in the community, and as long as they're under the understanding that -- it's for five years, you say?

MR. RYNNE: Yes.

MR. TAYLOR: And then they go back to the full rate?

MR. RYNNE: Yes. Every one of the customers that we've viewed would be on this rate in the ordinance itself that specifies that they have an agreement that it comes to you folks and -- and you guys accept that agreement, and it has a set time period.

MR. BETTIS: Thank you. Mr. Taylor?

MR. TAYLOR: That's all I got.

MR. BETTIS: That's all you've got?

MR. TAYLOR: That's all on rate.

MR. BETTIS: Now to Mr. Johnnie Ray Kinsey?

MR. KINSEY: No.

MR. BETTIS: Now to Mr. Bucher?

MR. BUCHER: Jon, if I heard you correctly, you said this would make us competitive with the counties around the -- the price of electricity or similar projects in counties around us?

MR. RYNNE: Yes. Actually, with a customer of about 500 kW on this rate that has a generator, it can get down to -- with the electricity rider, down to about 5.8 cents per kilowatt hour, and that is competitive with what Progress Energy would charge for that type of customer.

MR. BUCHER: Okay, and I'm not being facetious, but you don't know of any reason why we shouldn't approve this?

MR. RYNNE: No.

MR. BUCHER: I ask the question is, what's the down -- is there any down side?

MR. RYNNE: There -- there's no down side to this.

MR. BUCHER: I don't -- I don't see any.

MR. RYNNE: I don't know any, Mr. Bucher.

MR. BUCHER: I don't see any, but I wanted to know if you thought there was any.

MR. BETTIS: Mr. Wyatt, what's the down side to this?

MR. WYATT: I'd have to stretch to give you a down side, but I'm sure residents would say why can't we have the same thing. The fact of the matter is, incentives are generally inequitable. But if we want to be competitive and we want to grow our customers, and, hopefully, we make more money than we're making right now, we need to do that. But I can understand commercial customers and residents not necessarily liking this, but these funds actually are essentially returning some of our funds and what we have at the Electricities. And, I certainly highly recommend it.

MR. BETTIS: All right. So what you're saying is that there will be an increase in revenues from jobs and taxes and -- and increase businesses in town. All right. Mr. Outlaw?

MR. OUTLAW: I just have two questions. Jon, would the rate actually be a loss to the City?

MR. RYNNE: No, this -- this particular rate is set up such that the power supply cost that we pay, it covers that and it also covers a small part of our operational expense. It does not cover our full operational expense for that five-year period. That is -- that is where --

MR. OUTLAW: So, you actually do lose money on it?

MR. RYNNE: You -- you are not offsetting what you put in -- in the same span of time, so you're not paying off your infrastructure cost as fast.

MR. OUTLAW: Uh-huh.

MR. RYNNE: So you're not technically losing anything because you're bringing in the power and selling it for more than what you're bringing it in at.

MR. OUTLAW: Okay. I'm all for -- I'm all for what Mr. Davis is here to present and I just think that it's -- this -- this particular item is something that unless it just immediately needs approval, I would like to -- Mr. Davis, how long would it take for an Advisory Board, if the Board so chooses to reorganize the Advisory Board, how long, if -- if, you know, within a reasonable two-week period or a month, this Board decided to revise that Advisory Board, how long would the legal end of it take for us to have that in place?

MR. DAVIS: Well, my recollection is it was created by a resolution. So, legally, all we'd have to do is -- is amend to that resolution to change the structure. What I'm not prepared to comment on is whether the City has the legal authority to delegate rate-making authority to --

MR. BETTIS: Just to -- just to call us back to the -- just to call us back to what we're doing tonight. Tonight, according to the agenda, we're simply -- and there's nothing on here about changing anything. What we're on here about is to adopt an ordinance setting a new rate schedule for Economic Development Rate Number 4. That's what -- that's what we're going to vote on. That's -- if there's a -- that's what's on the agenda. Are there any other questions on that issue?

ALL: (No response.)

MR. BETTIS: If there are no other questions, with that, do we -- do we have a motion on the floor?

MR. BUCHER: I make a motion we vote to adopt the new electric rate schedule Economic Development Rate 4.

MR. TAYLOR: Second.

MR. BETTIS: I heard a second from Mr. Taylor. All in favor say aye?

MR. DAVIS: Roll call.

MR. BETTIS: A roll call? Let's do a roll call.

CLERK: Alderman Bengel?

MS. BENGEL: Yes.

CLERK: Alderman Taylor?

MR. TAYLOR: Yes.

CLERK: Alderman Bucher?

MR. BUCHER: Yes.

CLERK: Alderman Kinsey?

MR. KINSEY: Yes.

CLERK: Alderman White?

MR. WHITE: Yes.

CLERK: Alderman Outlaw?

MR. OUTLAW: No.

MR. BETTIS: In the opinion of the -- it appears that the yeses outweigh the nays, and so it appears that this resolution will be adopted; correct? All right. With that being said, Mr. -- just -- we're taking notes, Mr. Davis. Would you please make a -- make a note, and, Mr. Outlaw, will you please explain to Mr. Davis right now while -- while we're still talking, what you'd like him to do with the -- the Board?

MR. OUTLAW: No, I -- I'm not speaking for this Board. This Board needs to do that. It's not fair for me to instruct Mr. Davis.

MR. BETTIS: Okay.

MR. OUTLAW: The full Board needs to do that.

MR. DAVIS: It might be helpful.

MR. BETTIS: And let's -- let's move on to the next -- let's move on to the next item on the agenda. "Discuss the Traffic Barrier at South Glenburnie Road." Who's here to discuss that? Mr. Meadows?

MR. MEADOWS: Mr. Mayor and members of the Board, I guess by default, I will be talking about the -- the island at the intersection of Glenburnie and Martin Luther King, Jr. Boulevard. The NCDOT has a part of their requirements

for a driveway improvement to be used. Candlewood -- Candlewood Suites required that an island be constructed that in effect cut off right -- not right turn, left turn movement into and out of the Candlewood Suites. In the process of that requirement, and DOT has kind of taken that stand in a -- in a very large way over the past several years and -- and do that quite often in a number of places. But, in the process of approving that driveway and -- and the means -- the island that -- that will stop the left turn, it actually affected several other driveways. I think BB&T, the Shriners -- was there one more?

MR. OUTLAW: What about the steel complex?

MR. MEADOWS: I think there's two or three, two or three driveways that -- that were effected and had historically had the agreement to make right and left hand turn movements, had permits from the NCDOT and had functioned, as far as I know, reasonably well and would have and should have continued function reasonably well as long as those obeyed the rules of the road. It was put in probably a month ago. There was a flurry of phone calls; Alderman Outlaw got some calls; he called me and folks were already calling me as well. I called DOT and their statement was it was requiring the driveway permit, it -- it would have to go in, but they would look after the issue and recognized that there was probably going to be some concern and they would look into the issue. Several days after that, probably a week, someone had called my office about the -- the barrier, and I didn't return -- or when I went into the office and when I returned his call, his -- his statement and again, I can't remember who the gentleman was, but his statement was that he had talked to someone with DOT and the issue was going to be resolved. I didn't think any more about it really, and left it there and -- until Alderman Outlaw brought it up at the last meeting, or the other day that he wanted it on the agenda. And I -- I talked to the NCDOT, the resident, division resident maintenance engineer, and asked him what the -- the issue was. Because I thought it had been resolved, and -- or at least something was in the making. His statement to me was that it was a requirement of the permit and as he knew right now, the DOT was not planning on making any removal nor modifications to the island. But that being said, if there were enough issues brought by, then they may -- might do something. But -- but, at this point in time, there's nothing that DOT is looking at doing to address that option and it's on their street there and we really don't have much authority, other than just give them a request.

MR. BETTIS: All right. Thank you very much. Mr. Bucher, do you have a question?

MR. BUCHER: Yes. Mr. Meadows, do you know if the developer of the hotel, were they aware of this in advance, or was this sprung on them after they put the building up?

MR. MEADOWS: Well, what happened, and -- and I guess it's a flaw that has crept [sic] into issues of

development over the years with the NCDOT, there is a requirement for him to come to the City and -- and request development. And he has to go through the Department of Review. We review what he is asking for. We make sure it meets our policy and so on and so forth. And, in the case of NCDOT systems where he's looking at that access, all we can tell him is you've got to apply to the DOT and -- and you're required to -- whatever the DOT puts on you, you're going to be required to do it. But there's a flaw in that process that's happened over the last several years, is the City does have to sign off on that driveway, and I signed off on that driveway. The -- the issue is now, years ago when the DOT -- they did their study, and the last name to go on there was -- was the City. Now before the DOT will accept it, I'd have to sign it. I signed it based upon on what they had given to us, and I might -- remember, I do not remember an island was on their -- on their plan. We didn't require it; it wasn't shown; the developer didn't want to do it, but the only way he was going to get it is if DOT required it and that's only on the permit. So, it actually came back and until then, I had no earthly idea he was going in with that. Probably we did the application, waited five or six months, and we stick it in a file, and maybe we should look at it. But the DOT controls it, so it, again, it's their road and they're in control. And, as I said, over the past several years, there's been a big issue with DOT about these left turn movements. And I -- and I can appreciate it from the standpoint of -- of clear sailing, but, you know, they're so insulated that they don't understand, especially in a City and -- and an urban setting like we've got. When you start limiting those movements, you know, even to make it safer, you're creating a whole lot of stuff that makes your folks miserable.

MR. BETTIS: Thank you. All right. Do we have any other questions? Mr. Outlaw?

MR. OUTLAW: Mr. Mayor and Board Members, I'm handing out the aerial of that location and it has a GIS map on it. When this happened, I called Mr. Meadows and the crew was out there doing it, installing it. I got quite a few calls from BB&T customers, and I went right on over there and they were just about through forming up all this. And so, I talked to Mr. Meadows about it. I got on the phone and talked to the district -- well, excuse me, I left word with the district engineer and the resident engineer, and left voice mails to them. And the resident engineer finally called me back about two weeks later. And, I expressed to him that the York Rite Temple and BB&T had been there a long time and I understand that things change with highways, but that if anybody, you know, took the -- the hit for the new construction of the hotel, I thought it ought to be the hotel and that the long-time customers of BB&T, particularly, thought it was very inappropriate and inconsiderate to do it without at least letting somebody know about it. I don't know that many people know, but BB&T

actually does not own that property. The York Rite Temple up on the corner owns the land. And some time ago, the bank was deciding whether or not to stay there or not, and -- and I think if they thought at this time that this was going to happen, that might have been of interest to them, but they -- several years ago, they renegotiated a lease with York Rite to lease that property. And, in good faith, tore the old bank down and built a new one. And up and along comes a new customer on the corner. And on this aerial map, I'm showing you to show you and I know that my writing is not legible enough for you to truly see what I was trying to get across to you, but if you look up toward the Harris Teeter, you see that the -- at the confluence of Highway 17, there's a left turn lane. And what I propose that the State consider doing is to permanently put a left turn lane for 17 going south and to make a barrier like you see out at Highway 70 in the James City area that kind of directs you into one of these little -- these little barrier type things that kind of moves. Pick one to turn into BB&T and York Rite Temple. It would -- it would corral them into that turning apparatus. I think that York Rite can speak for either one, but obviously what is presently -- has been presently installed by the -- the State is incongruent with the patterns of -- of use for both the Temple and the bank. My -- my suggestion would be for the State to work with the City and mitigate this process by, again, corralling the left turn traffic to where you can safely turn into a -- Dan, do you have a term for that -- what I'm trying to call it?

MR. MEADOWS: Yeah.

MR. OUTLAW: John.

MR. MEADOWS: It's the Jersey -- the Jersey right/left.

MR. MIKE AVERY: Michigan left.

MR. MEADOWS: Michigan left, yes; thank you.

MR. OUTLAW: And -- and then, knowing that the traffic leaving BB&T and York Rite cannot get back on Glenburnie as you head north, and that traffic would -- would egress it -- well, it would leave after passing out the BB&T if that was preferred. So, in other words, a person could leave BB&T and York Rite and take a right and go out, but they could not take a left and go out with that type of a -- a Michigan -- what did we call it?

MR. AVERY: Michigan left.

MR. OUTLAW: Michigan left. That would be my request or suggestion. Wait until it happens in your ward -- and you've got some, Mr. Bucher, and....

MR. BETTIS: And can I ask you, what -- how would you propose that we would get the State to do this; do we do --

MR. OUTLAW: Did we bring something? Did you --

MR. MEADOWS: All right.

MR. OUTLAW: I talked with Mr. Meadows.

MR. MEADOWS: I'll get back up here again. I spoke

with Alderman Outlaw earlier because he had put this on the agenda, and after I found out what it was in, I took the liberty of drafting a resolution (Exhibit [B]). I didn't go into as much detail as -- as Alderman Outlaw was talking about, but -- but, basically, if the Board chooses to adopt this resolution, you would go on record, number one basically would be opposed to the island and request DOT look at either taking it out or doing some kind of alteration to -- to address the -- the issues out there. I think it would be appropriate if the Board wanted to adopt this ordinance directing myself or -- or Mr. Wyatt to write a letter to -- to DOT and ask them, you know. That way you're making your official intent that you want something done, and then we can see what we can negotiate and make happen.

MR. BETTIS: Mr. Meadows, may I see the -- may I see the resolution?

MR. MEADOWS: I passed it to -- that's what I gave to you. There's one for each Board member.

MR. BETTIS: Okay, I'm sorry.

MR. MEADOWS: And probably more. I've got one for you, too.

MR. BETTIS: Hold on one second. Mr. Outlaw, have you looked at this resolution previously?

MR. OUTLAW: No, sir. I talked with Mr. Meadows on the phone about it.

MR. BETTIS: Mr. White, did you see a copy of it?

MR. WHITE: No, I didn't.

MR. MEADOWS: No. None of them did. There should be enough.

MR. BETTIS: Can I have one more, please?

COURT RECORDER'S NOTE: Mr. Meadows gives him a copy.

MR. BETTIS: Thank you. Mr. Outlaw, take a -- take a second just to read it and tell us if this is a resolution that you would -- you would like adopted.

MR. OUTLAW: Well, the bottom part, "Therefore, be it resolved by the Board of Aldermen of the City of New Bern, that the City of New Bern, by this resolution, is asking NCDOT to reconsider their requirement for the island on South Glenburnie Road for access to the Candlewood Suites Hotel and either modify or remove it in its entirety." I would appreciate, and we might have to hold this over two weeks if we want to get it exactly like we want it. I really frankly was concerned with BB&T and York Rite. I -- I would have thought, Mr. Bettis, that when this stuff was all going through planning, and, again, I don't want to totally put anybody on the spot on the City, because I know how the DOT works. I've been working on another issue where I've been assured that there will not be any left turn traffic, and they've just sure as the world are going to allow it now. They'd been pretty much saying that they're not going to allow it, and then they're going to. So, I know what you're having to work against these fine folks

that come in here and kind of, you know, put us in our place. But I want -- I want a resolution formed exactly what I think is -- is the appropriate means of -- of coming to a conclusion on this and that will be the Michigan --

MR. AVERY: Left.

MR. OUTLAW: -- Michigan left. So, we might need to revise it a little bit.

MR. BETTIS: Mr. Outlaw, would you like to take five minutes and revise this and write it now, or would you like to wait the two weeks and have -- work with Mr. Avery and write it the way you would like to have it written?

MR. OUTLAW: I think I'll -- I think I need to look it over again. I'm --

MR. MEADOWS: I mean either way, I -- I can appreciate where you are. I think this would get your message across and we could do it in a letter beyond that, but however the Board wants to do it. If you want to wait two weeks and --

MR. BETTIS: Mr. Outlaw, your resolution, you just -- your motion, is this what you're happy with or do you want to rewrite it?

MR. MEADOWS: Don't you think it --

MR. OUTLAW: Well, I'll make -- I'll make the motion because time is of the essence to come to some closure on this, and I would so appreciate that Mr. Meadows, when somebody is -- that has the authority to make that decision, if it's the district or resident engineer, to involve me in the extension and represent us with what we're talking about tonight. So I will make a -- a motion for approval of this resolution.

MS. BENGEL: Second.

MR. MEADOWS: And -- and that, that would come out of the Division Office, not the local office.

MR. BETTIS: I hear --- I hear a second. And this is going to be a roll call.

CLERK: Alderman Bengel?

MS. BENGEL: Yes.

CLERK: Alderman Taylor?

MR. TAYLOR: Yes.

CLERK: Alderman Bucher?

MR. BUCHER: Yes.

CLERK: Alderman Kinsey?

MR. KINSEY: Yes.

CLERK: Alderman White?

MR. WHITE: Yes.

CLERK: Alderman Outlaw?

MR. OUTLAW: Yes.

MR. BETTIS: And it appears that the yeases have it, so this resolution's passed. Now, let's move on to Number 7 on the agenda, "Update on the Trent Road Culvert Project at Trent Village." And, Mr. Meadows, I believe you have the floor.

MR. MEADOWS: All right. Mr. Mayor and members of the Board, unfortunately, this is going to be very quick.

We are still working with NCDOT on -- on the project. And Alderman Outlaw has been asking for this for what, two years? I think we've been working through this thing about two years, and I -- I did contact them. We -- we have had a meeting just before Christmas with all the parties and everyone to get together out there and re-think and re-look at what has to be located and get ready. But the best I can tell you, is they have promised me that they, the -- the bridge division will be ready to go to work on this sometime in the spring; that's the last word I got. I can tell you that the City of New Bern, we have purchased the pipe as we agreed. It's sitting on the NCDOT's yard, so we have done our part, the first part. And we have committed to relocating our water line and the sewer line that's actually going to have been relocated and committed doing that. And we, unfortunately, had -- and understanding their issues of money and time and pushing it here and there, we're still at their mercy. They're going to be the ones to solve it; they will be the ones that would close the road down and -- and I do not have a definitive answer.

MR. BETTIS: Just -- and just so -- so we all know who we're talking about, it's the DOT. Do you have a name at the DOT who you've been dealing with?

MR. MEADOWS: Reid Smith, the bridge -- the bridge crew, Brad Price; they've got a new bridge maintenance supervisor, John -- and don't hold me to it -- I think it's Oakes, but they've been in meetings. The City has been represented there by myself many times by Engineering and also who are they today -- Century Link. Century Link, which used to be Embarq. They -- they come to the table; they have issues. They have an issue about having to move their cable without being paid for it. That finally got worked through and now they still got to move the cable. And the gas company, they have a gas line there. So the parties that have come to visit the table on several different times, and again, I -- I think it's going to happen. And all I can say is -- is they've given me a Spring date and we're ready to go.

MR. BETTIS: Thank you. Mr. Outlaw?

MR. OUTLAW: Yeah, I would just like to make a couple of comments and give Mr. Avery and Mr. Meadows support on them if that be the case. There's a new construction next-door and I had asked the engineers way back to consider along with Mr. Meadows some of that, or all that drainage going to the two-foot culvert at Dr. Bullock's office. And it is my understanding that that water is going to go that way. And the developer in meeting with many staff members, along with the HOA president of Trent Village, that's the way that water's going. Now the question will be whether or not the inverter will have the ability to, at the culvert at Trent Village, which you and I went out there and found that day that had been clogged up, that that water would run from Trent Village entrance back toward the Flite Bike Shop culvert and the water from --

from there, the rest of the water would run toward Dr. Bullock's two-foot culvert. Now that was the understanding from the engineer. And I say all that to say that if that's going to be the case, which --

MR. MEADOWS: You mean --

MR. OUTLAW: Has that been introduced to you?

MR. MEADOWS: No, no, I don't think what I'm -- I hope what I'm understanding is that, and I think they're called Camden Square now, is that what it is? The Camden Square, all of this storm water, first of all we capture it in a storm water pond. And then, it will be released along a swale that runs parallel to their property and the property line of the Trent Village Subdivision out to Trent Road, back down a ways to Dr. Bullock's and then under -- under the road there by Dr. Bullock's.

MR. OUTLAW: Right.

MR. MEADOWS: All of their water will be going in that direction.

MR. OUTLAW: Correct.

MR. MEADOWS: Now, if you're talking about the -- the only -- the only offer that I'm aware of that's been made to Trent Village, the only thing that really would work for Trent Village is they have -- they have offered the opportunity in several places in those backyards to make a breach in the -- the swale and allow the opportunity for some of that backyard water to get into their swale and back to Dr. Bullock. Now the storm drain that I think you're talking about that's in the back yard, there by the power line that goes out to --

MR. OUTLAW: Well, I'm not going to talk about that. All that goes back to the big canal.

MR. MEADOWS: All that goes to the big canal.

MR. OUTLAW: All I am actually saying is I would appreciate any staff of the City that will assist Trent Village in making sure any and all waters from the capillary effect of leaving Trent Village and entering into the swale at the new development, if you would help those people at Trent Village, to the people in particular that came within one inch of getting water in their -- in their houses, which also sometimes makes those streets -- that the streets are in dire need of -- of replacement anyway, that when that water just sits there and just ponds for days on end, it further deteriorates -- it does in a couple of places.

MR. MEADOWS: It feeds back.

MR. OUTLAW: For the most part it goes out. There's some places it ponds, but -- but again, that would so much help Trent Village if you could make sure the City staff and -- and I mean the time -- I mean this is the time to be making sure all that's done because once that berm was put in place for separating Trent Village, if there's any preclusions to that, and that's just not going to be -- they're not going to be like happy campers in Trent Village.

MR. MEADOWS: I agree with that and -- and through the whole process, the developer has -- has made that offer.

Kent Mattox, who is the engineer, I'm sure he's aware of the problem. We're all aware of it, and anything that they put in, anything they can do to help relieve them, they're -- they're willing to do it, so I don't think that's an issue, other than, like I said, pay attention to it.

MR. BETTIS: Thank you, Mr. Meadows, for that update on Trent Village. Are there any other questions on the update for Trent Village?

ALL: (No response.)

MR. BETTIS: Anybody? Going once, going twice; thank you. Now, Number 8 on the agenda, the "Appointments." And

-- what's that?

MS. BENGEL: Do you need some help?

MR. BETTIS: Yes, I do need some help on this one.

MS. BENGEL: Well, I think you've got them listed.

MR. BETTIS: I haven't listed -- let's see, opening on the -- the first one is the Electric Services Board vacancies. Openings on the Electric Services Board includes Ward 3, Ward 6 and a minority seat.

MS. BENGEL: Mr. Mayor, I'd like to make a motion that we table those appointments for -- I mean, have we decided what we're going to do with that Electric Board? I thought we had decided that at one other meeting unless somebody else may have something --

MR. BETTIS: Well, let's --

MS. BENGEL: -- I mean Ward 6.

MR. BETTIS: First of all, let's just open it up. We understand. Let's go to Ward 3, there's an opening.

MR. BUCHER: I don't have anybody for that appointment and I will not ask anyone until we clarify exactly what the job is going to entail -- contain. And as Mr. Wyatt suggested, that will require discussion of this Board and maybe some modifications.

MR. WYATT: I mean the workshop session would be very helpful at --

MR. BETTIS: Yes, sir. Let's go to Ward 6.

MR. OUTLAW: Ditto for Ward 6.

MR. BETTIS: And let's go -- there's a minority's seat. Does anybody want to speak on a minority seat?

MR. TAYLOR: Yes, sir. I do have a candidate which I have in mind, but like the rest of the Board members say, I can hold that name until we have a time -- have a chance to sit down and discuss it with you.

MR. BETTIS: All right. So the appointment on the -- so what I'm hearing is there's a motion to table the appointment of anybody on the Electric Services Board until a later date; correct, Ms. Bengel?

MS. BENGEL: Yes.

MR. BETTIS: Okay. Do I hear a second?

MR. KINSEY: Yes.

MR. BETTIS: Mr. Taylor -- I'm sorry. Mr. Kinsey seconds. All in favor say aye?

ALL: Aye.

MR. BETTIS: All right, it's tabled. The next one is the appointment of Commissioners to the North Carolina Eastern Municipal Power Agency Board of Commissioners. The Board needs to appoint one or two commissioners to the North Carolina Eastern Municipal Power Agency that has been vacated. Yes, sir?

MR. WYATT: I'd like to make a comment.

MR. BETTIS: Yes, sir.

MR. WYATT: I would hope, and I know your time is valuable --

MR. BETTIS: Yes, sir.

MR. WYATT: -- that you would appoint several people to that. I think there's only -- well, there's a commissioner and then two alternates. Jon happens to be the commissioner right now, but I can tell you that there's been a good trend in always having more elected officials on there. And it's been hard for the time for people to go in the middle of the day, but this rate thing is a -- is a struggle. I was surprised to learn that they're meeting as regularly as they're meeting. They used to only meet quarterly; now they meet each month. And I think several of you, and I know Jon would be pleased to carry you, is -- would be on that Board if you -- if you could spare the time to see what some of the issues are and the dynamics of it. And -- and there's no silver lining, I can assure you, but I -- I think when you all are engaged first hand, rather than through the staff, in this momentous issue about rates and what we pay electric, actually the power agencies, I think it would be helpful to a better understanding of where we are and perhaps hopefully where we're going.

MR. BETTIS: All right, so for the folks at home, this -- this Board is -- this Board, the Municipal Power Agency, they're the ones who discuss and decide on the rates --

MR. WYATT: Yes.

MR. BETTIS: -- on the electric rates that we're now paying?

MR. WYATT: Yes.

MR. BETTIS: And, by we, the City of New Bern; correct?

MR. WYATT: Yes.

MR. BETTIS: All right. Does anybody -- let's start out with Mr. -- and we have -- let's see.

CLERK: Two.

MR. BETTIS: We need to appoint one or two commissioners. Mr. Wyatt recommends that we appoint two commissioners. Mr. -- Mr. White, did you have a comment?

MR. WHITE: Yes, sir. I would -- I would say that what Mr. Wyatt was saying, it's simply all right for Jon to attend those meetings and get the input, and then probably look towards him for input because most of us wouldn't have the know how -- the skill he has.

MR. OUTLAW: Are you -- and just like -- just like are you attending meetings regularly now?

MR. RYNNE: Yes, currently I'm -- I'm our only commissioner to the Board of Utilities.

MR. BETTIS: Okay.

MR. RYNNE: So they could be adding, up to two of these could be added.

MR. BETTIS: All right. So it's open now to discussion. Do any of the Board members have the interest and the time to attend?

MR. OUTLAW: Mr. Mayor, I again think that it would be wise and prudent for this Board to get an Electric Advisory Board comprised of people knowledgeable of the electric industry, that they can advise us preferably as to who to put on that Board.

MR. BETTIS: Am I hearing, do you want to table this?

MR. OUTLAW: I would like to tell you to get an Electric Advisory Board in place.

MR. BETTIS: Mr. Wyatt, you have the floor.

MR. WYATT: I don't want to get cross wise. But, my -- my plea is that with all the -- with everyone going through the electric rates, that I know where I used to work, the electric commission got frustrated and they took the commissioners seat. And I'm suggesting that not only one but two, and at least one of those two go to each meeting. Please don't substitute that. It is your -- it is your -- it is so such a big issue and it gets down to credibility, and I know you know Jon is a very trustful person, but you all need to be engaged in this even to the point if you want to be the lead commissioner. I'm sure Jon would be glad to just to be a secondary commissioner, substitute commissioner, or whatever the term is. And I have been on -- I was on that Board for an extended length of time, as well as the Electricities Board, and I plead with you to please engage yourself and see what we're dealing with. And -- and maybe a fresh outlook with you all might help.

MR. BETTIS: Mr. Wyatt.

MR. WYATT: And I -- I don't mean -- I'm afraid I'm being too strong in what I'm -- I'm saying, but I -- I know you all are asking what the rate issue is and ultimately when the budget situation comes up, and these rates have a profound effect on budget, you have to adopt or not adopt. I think one of the biggest factors, and obviously the biggest factor in the budget -- I mean, I know we have a \$130 million dollar budget, but a lot of this is swapping dollars and it plays a significant part in our annual budget. And I think you need to see it first hand, if you can possibly spare the time, to go and participate at that Board.

MR. BETTIS: Yes, sir. And my question to you is, after listening to Mr. Outlaw, and I wholeheartedly agree with Mr. Outlaw about getting our -- getting our Electric Rate Board down to -- Electric Service Board down the way Mr. Outlaw just described. Is there any reason that you can

think of that we need to vote on this tonight rather than wait 'til we deal with the Electric Service Board?

MR. WYATT: No. Please wait, I don't want to get across the line, but I appreciate you letting me express my view on it. And we can have -- I think around the table we can work -- work through that issue.

MR. BETTIS: Yes, sir.

MS. BENGEL: I want some more information about what day they meet, where they meet. I think we need to know.

MR. BUCHER: They meet in Wilson once a month.

MS. BENGEL: Oh, Wilson; okay.

MR. WYATT: They meet the third Wednesday each month, I believe it's still in Wilson at --

CLERK: At 10 a.m.

MR. WYATT: -- 10 a.m.

MR. BUCHER: But my question is, is it appropriate? I see that the prior Mayor and City Manager were on that Board. Would it be appropriate for us to possibly select one person and then when we hire a new City Manager, encourage he or she to be on that Board.

MR. WYATT: I think it would be helpful but what I would suggest in the meantime, if you'd like the City Manager to go on that Board, have the second person on that Board and then that person step aside.

MR. BUCHER: Okay.

MR. WYATT: Let me tell you why it's gotten so that things have changed. Electricities was delegated the responsibility for all practical purpose of running two power agencies. And -- and what has -- what has happened is because of this dramatic rate situation that the power agency becomes more than just a group that comes in and listens and adopts rather routinely rate increases. They used to only meet quarterly, and sometimes very short on that, and now they meet each month. So there's a serious intended purpose there to -- to deal with the issues that you ought to be dealing with. And it's heavy duty stuff and they provide a wealth of information. Charlotte, High Point, everything. But I think you all first hand need to -- to see. And this is happening in some communities because the elected officials hear more than the employees the frustration about rates. And they maybe with your input, it can help or at least get a better understanding of what they're wrestling with.

MR. BETTIS: Yes, sir.

MR. WYATT: And thank you for letting me say my piece.

MR. BETTIS: No, thank you for your -- thank you for your opinion. Now, we're back to the -- we're back to the Board of Aldermen. We have two commissioners we can appoint. Does anyone have an idea on who we should appoint?

MR. OUTLAW: I would like to see an appointment come after the Advisory Board advises us who they would want.

MR. BETTIS: Okay. We have a motion on the table to make the appointments after the Advisory Board advises us on

who to appoint. Is there a second on the motion?

MR. WHITE: Second.

MR. BETTIS: Who'd that second come from? I didn't hear it.

CLERK: Mr. White.

MR. BETTIS: It came from Mr. White? All right. All right. Is this a roll call Mr. Davis?

MR. DAVIS: Yes. It's a motion. It's a voice vote.

MR. BETTIS: What's that, voice vote?

MR. DAVIS: Voice vote.

MR. BETTIS: Okay, let's have a voice vote. All in favor say aye?

MS. BENGEL, MR. TAYLOR, MR. BUCHER: Aye.

MR. BETTIS: All opposed say nay?

MR. KINSEY, MR. WHITE, MR. OUTLAW: Nay.

MR. BETTIS: Let's -- let's just do this by show of hands. All -- all in favor say aye -- or raise your hands? Let the record show. (Three.) All -- all opposed raise your hands? (Three.) And I'm going to vote with -- I'm going to vote with Dana on this one. I believe that we have to wait until -- I really, you know, number 1, I think we're adequately represented with Mr. Jon going right now. He's been going. Number 2, I think we really need to get an elected official on there as soon as possible. And if it's going to be me, which I'm inclined to do, I'm inclined to make myself available. I would like -- since I work in a small law office, I'd like to speak with my -- I'd like to speak with my employer and make sure that it's going to be all right to have time off for it. And number 3, I do agree with Mr. Outlaw that taking an extra two weeks on this issue might -- might -- might be worth it. So I'm going to vote with -- I'm going to vote with the yeah's on tabling it right now. And that's the way the record's going to read. The motion's on the table; correct?

MS. BENGEL: That was not the motion.

MR. BETTIS: The motion was to table it; correct?

MR. OUTLAW: Yes.

MR. BETTIS: That is the motion. Next page.

Request for the appointment to the North Carolina Eastern Municipal Power Agency Board of Commissioners. Isn't that the one we just did?

CLERK: I think so.

MR. BETTIS: There are two pages of that. Let's see. Swiss Bear Board of Directors, Ward 1 representation, and I will turn that over to Ward 1.

MS. BENGEL: Mayor Bettis, the Swiss Bear Board at their Nominating Committee meeting recommended that I serve as the representative to fill Mr. Harr's position on the Swiss Bear Board. And if it is the pleasure of this Board, I would like to do that.

MR. OUTLAW: I make that motion.

MR. BETTIS: Do I hear a second?

MR. BUCHER: Second.

MR. BETTIS: All in favor say aye?

ALL: Aye.

MR. BETTIS: All opposed? (None.) All right, the aye's have it. Ms. Bengel, you're in.

MS. BENGEL: Thank you.

MR. BETTIS: All right. It looks like the last appointment here is the 1966 resolution between the City of New Bern and Craven County --

CLERK: Library.

MR. BETTIS: -- governing body should serve as ex officio members of the Library Board of Trustees. Mr. -- Mr. Davis, do you know what we're talking about?

MR. DAVIS: I don't.

MR. MEADOWS: Robert Raynor served on it for years. It's a library board. I don't really know what the function was.

MR. BETTIS: The Board of -- the Board of Aldermen appoint a member to serve as the representative at the Library Association, Library Board of Trustees.

MS. BENGEL: I was thinking it was the second ward -- or was it just the second ward appointment or was it just Mr. Raynor?

MR. MEADOWS: The Board just appointed him --

MS. BENGEL: Mr. Raynor was appointed. I see.

MR. MEADOWS: -- and he was for years.

MR. BETTIS: It's not a second ward. It's -- I guess we appoint a trustee.

MS. BENGEL: Is anyone interested; Victor, are you interested?

MR. OUTLAW: Mr. Mayor, it being in the first ward, my thought would be to Ms. Bengel but I do happen to see Mr. Taylor there a lot and I know you're at the library, so --

MR. BUCHER: At the library?

MR. TAYLOR: The library; yeah. Are you surprised?

MS. BENGEL: I make a motion that we nominate Mr. Taylor to fill that position.

MR. BETTIS: Do I hear a second?

MR. OUTLAW: Second.

MR. KINSEY: Second.

MR. BETTIS: I hear Johnnie Ray Kinsey and I seconding at the exact same time. All in favor say aye?

ALL: Aye.

MR. BETTIS: All opposed say nay? (None.) I didn't hear any nay's, so it appears that the Board is unanimous on that view. We're documenting a resolution. Thank you very much.

MS. BENGEL: Have you forgot the Eastern Council agenda. Yeah. And then I have one. Eastern Carolina Council says it's in our agenda. You don't have a letter for it but it is on the agenda. If you'll look under agenda page -- it's in the summary.

MR. BETTIS: All right. The Eastern -- the Eastern Carolina Council, the Board needs to appoint an elected official to the Executive Board of the Eastern Carolina Council. Currently, Barbara Lee is representing the City on

that Board. Ms. Bengel, do you have information on that Board that you'd like to share with us?

MS. BENDEL: No, but I believe Mr. Taylor does.

MR. BETTIS: Mr. Taylor, do you have --

MR. TAYLOR: No.

MR. BETTIS: Does anybody have --

MS. BENDEL: Is this the COG?

CLERK: Yes, it's the same as the COG.

MS. BENDEL: This is the COG, the counsel of governments which works a lot.

MR. OUTLAW: Mr. Mayor, I would say that I know that Mr. Kinsey has had quite a bit of experience with COG and -- would you be so honored to serve in that capacity?

MR. KINSEY: I accept.

MR. OUTLAW: I would make that motion that --

MS. BENDEL: And I'll second it.

MR. OUTLAW: -- Mr. Kinsey.

MR. BETTIS: All in favor say aye?

ALL: Aye.

MR. BETTIS: All opposed say nay? (None.) Mr. Kinsey, you're on there.

MR. KINSEY: Thank you.

MS. BENDEL: Mr. Mayor, I have one other appointment I'd like to bring to the table this evening.

MR. BETTIS: Which one's that?

MS. BENDEL: And it's an appointment to the 300th Committee. Currently, the 1st Ward had appointed Mr. Rick Fisher to serve on the 300th Committee, and he has been unable to fulfill that obligation. He is the Vice President of Carolina East Medical Center, Vice President there, and he has just not been able to attend any of the meetings since the inception of -- of the Committee. And so --

MR. BETTIS: Do you have another appointment?

MS. BENDEL: Yes, I have somebody I'd like to replace him. I'd like to nominate Carol Becton to fill that -- that seat on the 300th Committee. Now, Mr. --

MR. DAVIS: That would be more of a combined motion to -- to remove Mr. Fisher, given his lack of availability, and to substitute in his place your candidate.

MR. BETTIS: So the motion -- the motion on the table that you have is the combined motion to remove --

MS. BENDEL: Remove Mr. Fisher due his lack of availability --

MR. BETTIS: Okay.

MS. BENDEL: -- and to replace him with Carol Becton as that appointment.

MR. BETTIS: And this is for the 1st Ward.

MR. OUTLAW: Second the motion.

MR. BETTIS: Seconded motion. All in favor say aye?

ALL: Aye.

MR. BETTIS: All opposed nay? (None.) The aye's have it. So that concludes the appointments for tonight.

MS. BENDEL: Ms. Mattocks, would you please send that letter to Ms. Becton, as well as to Nelson, and also

send a letter to Mr. Fisher?

CLERK: Okay.

MS. BENGEL: Thank you.

MR. BETTIS: All right. That concludes the appointments. Moving on to the "Attorney's Report."

MR. DAVIS: Nothing to report -- nothing to report, sir.

MR. BETTIS: That moves on to Mr. Wyatt's "City Manager's Report."

MR. OUTLAW: Mr. Mayor, before you move from appointments, could I ask a question about appointments?

MR. BETTIS: Yes.

MR. OUTLAW: But first, Mr. White had a question.

MR. WHITE: Yes. I normally go by the sheet that we have and it states 3rd Ward, 4th Ward or whatever. I haven't seen anything up there for the 5th Ward, and do I continue to wait until I see something for the 5th Ward, or if I have somebody from the 5th Ward who would like to be appointed for a position, I don't know whether there's a vacancy or not. How do I go about finding the vacancies --

MR. BETTIS: And I think that you can talk to the -- you can talk to the Clerk or the City Manager.

MR. WHITE: -- as far as the Planning Zoning Board.

CLERK: I gave you a sheet for the places.

MR. BETTIS: All right. We're going to do this afterwards. You can get up with the Clerk. You can do this after. You get up with the Clerk and we'll get and she'll -- Madam Clerk, if you'll inform Mr. White of his questions?

CLERK: Yes.

MR. BETTIS: Correct. Mr. Wyatt, the floor's yours.

MR. WYATT: I have one item I think is of significance. And, please, let me explain to you that this is more for the information than anything else, but it is important information. And we hadn't worked through the issue -- the issues meeting the time of the agenda which was waiting. I had the opportunity to go out and saw with Mr. Hardison to look at the proposed improvements to the Stanley White Recreation Center renovation. And that's one of these projects I think that have been somewhat lagging over the last few months like other things we're trying to get moving. But anyway, I'm going to read this to you. I will be very brief and give you a copy. The Stanley White Recreation Center improvement project is ready for consideration. This project consists of the renovation 2,900 square feet to a facility that was built in 1976. The current project cost is 1.5 -- \$1,157,000 and we are able to receive part of these funds in the amount of one-half million dollars. The remaining project costs, \$657,000, was intended to be tied in with the installment purchase proceeds when the project was established. It is my recommendation at the time we continue this plan and finance the project as the grant fund needs to be spent in a timely manner and finance would lessen the -- lessen the effect on the general fund balance. At the next Board meeting,

February 9, we will take the liberty to advertise the public hearing to consider the financing for reasons of the matter I just mentioned. We would receive -- we haven't received an extension from the grantees, that's the ones that administer the cost issue, however, the Board will need to take action on financing on February 9 in order to continue with the process. Additionally, at the same Board meeting, you would need to consider approving this commission application for financing to the local government commission. The notice of the public hearing has been published this Friday and competitive financing for 10 or 15 terms of any sort from banks. Mr. Eure has done a value engineering review, which means lowering the price, and if we -- we feel that it's acceptable to the -- to the contractor. I wanted to bring this to your attention since it's a very significant cost to you and the neighborhood -- what I'm struggling a little bit to say, would not favor the local government commission and we -- we feel like that working through the system, they will approve this financing. But it is a project that I think that was intended to be moved on sooner than that. I'm pleased to report to you that we've got it in sequential order and, hopefully, we can move on.

I did take -- I did take the time to look at the improvements and it makes a lot of difference when you go and look at something and I think it would be a great addition to these improvements, so...

MR. BETTIS: Thank you Mr. Wyatt. Now we have one more matter, and that is an employment matter that needs to be discussed according to a Statute that Mr. Davis is going to recite for us right now.

MR. DAVIS: 143.311(a)(6).

MR. BETTIS: 143.311(a)(6); correct?

MR. DAVIS: Yes, sir.

MR. BETTIS: All right. We'd like to go into -- do I hear a motion to go into an Executive Session to hear this employment matter.

MR. OUTLAW: I make the motion.

MR. BETTIS: All right.

MS. BENGEL: And I second.

MR. BETTIS: All right. All in favor say aye?

ALL: Aye.

MR. BETTIS: All opposed say nay? (None.) We're in an Executive Session until we vote to come out of our Executive Session.

COURT REPORTER'S NOTE: There was an off-the-record break from 8:50 p.m. until 9:08 p.m.

MR. BETTIS: The Board is back in session. The Board went into the closed session under the Statue Mr. Davis read [NC General Statute 142.311(a)(6)].

MR. DAVIS: Was there a motion to close that closed session?

MS. BENGEL: Yes.

MR. BETTIS: There was a motion to close that closed

session, we voted on it and it was unanimous. We are out of closed session and we're back on-the-record. We have gone through everything on the agenda including the City Manager's Report. Is there a motion to adjourn?

MR. OUTLAW: I make a motion to adjourn.

MR. BETTIS: Do I hear a second?

MR. TAYLOR: Second.

MR. BETTIS: All in favor, say aye.

ALL: Aye.

MR. BETTIS: All opposed say nay. (None.) We are adjourned.

*****THE BOARD MEETING ADJOURNED AT 9:10 P.M.*****