

**Minutes  
Kinston City Council  
Monday, August 7, 2017  
5:30 pm**

Mayor BJ Murphy called the regular Kinston City Council meeting to order at 5:31 pm.

Mayor Pro Tem Swinson led the prayer followed by the Pledge of Allegiance.

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

Those absent: Councilmembers Wynn Whittington

Late arrival: Councilmember Felicia Solomon arrived at 5:46 pm.

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

**ADOPTION OF THE AGENDA**

Councilmember Tyson made the motion, seconded by Mayor Pro Tem Swinson and upon a unanimous vote (Councilmembers Whittington and Solomon were absent.) the agenda was adopted.

CITIZEN COMMENT

MINUTES

Consider approval of the minutes of the City Council meeting held Monday, July 17, 2017  
.....Monique Hicks

Mayor Pro Tem Swinson made the motion, seconded by Councilmember Aiken and upon a unanimous vote (Councilmembers Whittington and Solomon were absent.) the minutes were approved.

ACTION AGENDA

**1. Consider approval a Special Events Permit for a half marathon on Saturday, October 21, 2017 from 7:00 am to 11:00 am.....Alonzo Jaynes**

Alonzo Jaynes, Police Chief, stated this event is to raise funds for SMART and requires several street closures.

Councilmember Aiken asked if the organization will pay for all the officers needed. Chief Jaynes stated officers on shift and the Lenoir County Sheriff’s Department will assist.

Mayor Pro Tem Swinson made the motion, seconded by Councilmember Tyson and upon a unanimous vote (Councilmembers Whittington and Solomon were absent.) the special event permit was approved.

**2. Consider adoption of an Ordinance to establish a capital project budget for the relocation of utility poles on North Queen Street and adoption of an Ordinance to amend the Queen Street Sewer Rehabilitation project budget.....Catherine Gwynn**

Catherine Gwynn, Budget Administrator, stated a request has been received to establish a capital budget for the relocation of utility poles on North Queen Street that have to be moved due to an encroachment to existing sewer lines. Booth and Associates has estimated the cost to be \$215,000 and this will be funded through a transfer from the Electric Fund. There was damage to the existing sewer lines and a separate appropriation in the Queen Street Sewer rehabilitation project budget will be made in the amount of \$128,000 and will be funded with a transfer from the Electric Fund.

Councilmember Tyson introduced the following Ordinances:

2017-15

**AN ORDINANCE TO ESTABLISH THE  
QUEEN STREET UTILITY POLE RELOCATION  
CAPITAL PROJECT FUND**

**WHEREAS**, damage was discovered within the City’s sanitary sewer system a result of recent infrastructure improvements in that location and it has been determined that utility poles installed circa 1970 have encroached on the sanitary sewer main on North Queen Street, and

**WHEREAS**, it is necessary to appropriate expenditures so the City may relocate the utility poles to remedy the issue. This will be funded with a transfer from the Electric fund.

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

<u>Queen Street Utility Pole Relocation</u>	<b>Current Budget</b>
Revenues:	
Transfer from Electric Fund	\$ 215,625.00
Total Revenues	<u>\$ 215,625.00</u>
Expenditures:	
Construction Work-Electric	\$ 215,625.00
Total Expenditures	<u>\$ 215,625.00</u>

2017-16

**AN ORDINANCE AMENDING THE  
QUEEN STREET SEWER REHABILITATION CAPITAL PROJECT**

**WHEREAS**, the City Council established the Queen Street Sewer Rehabilitation Project Budget Ordinance on August 18, 2014 for the replacement of aged sewer infrastructure along Queen Street from Springhill Street North to Heritage Street, and

**WHEREAS**, it is necessary to appropriate expenditures to repair damage from encroaching electric utility poles to a sewer main on North Queen Street discovered during the construction process. The work will be funded with a transfer from the Electric Fund.

**THEREFORE BE IT ORDAINED** by the City Council of the City of Kinston, North Carolina that the following Project Budget Ordinance is amended as follows:

<u>Queen Street Sewer Rehabilitation Project</u>	<u>Current Budget</u>	<u>Amended Budget</u>	<u>Increase (Decrease)</u>
Revenues:			
Debt Issued - SRF Loan Phase I	\$4,470,000.00	\$ 4,470,000.00	\$ -
Debt Issued - SRF Loan Phase II	2,500,000.00	2,500,000.00	-
Transfer From Wastewater Fund	139,400.00	139,400.00	-
Transfer From Electric Fund	-	128,800.00	128,800.00
Appropriated Fund Balance	-	-	-
Total Revenues	<u>\$7,109,400.00</u>	<u>\$ 7,238,200.00</u>	<u>\$ 128,800.00</u>
Expenditures:			
Loan Closing Cost	\$ 139,400.00	\$ 139,400.00	\$ -
Construction - Queen St. Sewer PH I	4,470,000.00	4,470,000.00	-
Construction - Queen St. Sewer PH II	2,500,000.00	2,500,000.00	-
Construction Work - Sewer Lines		128,800.00	128,800.00
Total Expenditures	<u>\$7,109,400.00</u>	<u>\$ 7,109,400.00</u>	<u>\$ 128,800.00</u>

Councilmember Aiken made the motion, seconded by Mayor Pro Tem Swinson and upon a unanimous roll call vote (Councilmembers Whittington and Solomon were absent.) the ordinances were adopted.

**3. Consider adoption of an Ordinance to establish a capital project budget for the Harvey Parkway Extension Electric Facilities Relocation project...Catherine Gwynn**

Catherine Gwynn, Budget Administrator, stated a request has been received to establish a budget for the relocation of the facilities on Hugo and Dickerson Roads. This is part of NCDOT expansion of the Harvey Parkway to NC 11. NCDOT will reimburse the city for the full amount of the cost for relocating the overhead electric lines. Booth and Associates has estimated the cost at \$139,000.

Mayor Murphy stated he suspects the project time line will be moved up versus slowed down.

Mayor Pro Tem Swinson introduced the following Ordinance:

2017-17

**AN ORDINANCE TO ESTABLISH THE HARVEY PARKWAY  
EXTENSION ELECTRIC FACILITIES RELOCATION  
CAPITAL PROJECT FUND**

**WHEREAS**, the NC Department of Transportation is extending Harvey Parkway to NC Hwy 11 and the City has electric overhead distribution lines on both Hugo and Dickerson Roads that conflicts with the proposed road construction, and

**WHEREAS**, the NC Department of Transportation and the City have entered into an agreement to move the conflicting distribution lines and NCDOT has agreed to fully reimbursed the City due to City utility easements in the conflicting locations. This will be funded with NCDOT reimbursement revenue.

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

<b>Harvey Parkway Extension Electric Facilities Relocation Project</b>	<b>Current Budget</b>
Revenues:	
NCDOT Reimbursements	\$ 139,411.63
Total Revenues	\$ 139,411.63
Expenditures:	
Construction Work-Electric	\$ 139,411.63
Total Expenditures	\$ 139,411.63

Councilmember Aiken made the motion, seconded by Councilmember Tyson and upon a unanimous roll call vote (Councilmembers Whittington and Solomon were absent.) the Ordinance was adopted.

**4. Consider adoption of an Ordinance to amend the Queen Street Bridge Replacement Electric Line Relocation project budget.....Catherine Gwynn**

Catherine Gwynn, Budget Administrator, stated City Council adopted a capital project budget for the Queen Street Bridge electric line relocation in April 2014 and it was primarily reimbursed by NCDOT. March 2015 the ordinance was amended for additional costs that were encountered. There are additional costs for installation of a 12.4 KV distribution circuit that was temporarily

removed to accommodate the bridge construction. NCDOT will fund approximately \$146,000 and the remainder will be a transfer from the Electric Fund.

Mayor Murphy asked if something happened on this project. Rhonda Barwick, Public Services Director, stated when NCDOT initially obtained their permits to work in the wetlands, they had to revise their permits at an additional cost to NCDOT. The \$16,000 will be to increase the wire size, but NCDOT will not reimburse us for the upgrade.

Councilmember Tyson referred to the recent incident that occurred on Ocracoke Island and asked if there is any one circuit that could put the city in the same situation without power. Tony Sears, City Manager, stated absolutely, we also receive our electricity from a single POD (Point of Delivery) at the former power plant. One thing we did when we sold our assets in 2015 was fund a second POD, and we are currently working on it. We are in the planning phase and it could take two to three years to complete the project.

Councilmember Tyson introduced the following Ordinance:

2017-18

**AN ORDINANCE TO AMEND THE QUEEN ST.  
BRIDGE ELECTRIC RELOCATION CAPITAL PROJECT FUND**

**WHEREAS**, on April 21, 2014 the City Council Created the Electric capital project fund for the Queen St. Bridge Electric Relocation Project, and

**WHEREAS**, it is necessary to appropriate expenditures necessary to fund the installation of the 12.4 KV distribution circuit that was temporarily removed to accommodate bridge construction. This will be funded with an increase in the NCDOT reimbursement revenue and Transfers from Electric Fund line items.

**THEREFORE BE IT ORDAINED** by the City Council of the City of Kinston, North Carolina that the following capital project budget ordinance is amended as follows:

<u>Queen St. Bridge Replacement-Elec. Line &amp; Easements</u>	<u>Current Budget</u>	<u>Amended Budget</u>	<u>Increase (Decrease)</u>
Revenues:			
NCDOT Reimbursements	\$ 540,267.00	\$ 686,851.00	\$ 146,584.00
Transfer from Electric Fund	106,800.00	123,369.00	16,569.00
Total Revenues	<u>\$ 647,067.00</u>	<u>\$ 810,220.00</u>	<u>\$ 163,153.00</u>
Expenditures:			
Construction Work-Electric	\$ 647,067.00	\$ 810,220.00	\$ 163,153.00
Total Expenditures	<u>\$ 647,067.00</u>	<u>\$ 810,220.00</u>	<u>\$ 163,153.00</u>

Mayor Pro Tem Swinson made the motion, seconded by Councilmember Aiken and upon a unanimous roll call vote (Councilmembers Whittington and Solomon were absent.) the Ordinance was adopted.

**5. Consider the award of a bid to T.A. Loving in the amount of \$1,945,971.62 for Phase II of the Queen Street Sewer rehabilitation project .....Steve Miller**

Steve Miller, Assistant Public Services Director, stated we bid the project three times between August 2016 and February 2017 to get the project within our budget and enough bidders. The last bid from T. A. Loving was still above the project budget, and we have been working to get the project scope within the budget and not request additional funds. The project scope will include finishing the three blocks on Queen Street between Bright and Gordon Streets and they will be slip-lined. Afterwards they will move north of Capitola Avenue. There will be pipelining between Capitola and Summit Avenue and pipe replacement between Daniels and Plaza Boulevard. There are areas where the Electric division will move the poles and contractor will do the repair work. T. A. Loving was the low bidder.

Councilmember Tyson asked if we had to give up anything and if so was it significant. Mr. Miller stated the original scope was to replace the line from Capitola to Airport Road. There are places where the pipes are on the shoulder and not under the asphalt. It would have been nice to line or replace all of the pipes, but we will only fix the areas where we see problems in the foreseeable future.

*Councilmember Solomon arrived at 5:46 pm.*

Councilmember Tyson asked how much more would it cost to do everything? Mr. Miller stated approximately another \$1 million. We have needs here, but we have needs in a lot of places that are probably in worse shape than what we will have left on Queen Street.

Councilmember Tyson stated his concern is that sometimes new work can cause pressure on work that was not been done and cause issues. Mr. Miller stated he does not see it as a problem because Queen Street is not one system, but several subsections and it doesn't all drain in the same direction and point repairs will be just for that particular section.

Councilmember Aiken asked the longevity of the repairs. Mr. Miller stated the estimated life for the new pipes is 50-60 years. Some locations may last longer and some may not. It depends on the conditions and quality of the pipe.

Councilmember Aiken made the motion, seconded by Councilmember Tyson and upon a unanimous vote (Councilmember Whittington was absent.) the bid award was approved.

**6. Consider approval of Amendment 4 for the Engineering Contract for the Queen Street Sewer Rehabilitation project .....Steve Miller**

Steve Miller, Assistant Public Services Director, stated the engineers are on contract for both phases one and two of all the work being done on sewer on Queen Street. There were additional expenses in phase I for the pipe encasement that required the redesign of the repair work. Phase two was split into two contracts to get us better bids. They did redesign work and negotiated with the contractor to get the prices down. For less impact the original intent was for phase one and two to occur simultaneously so that inspections and project administration work could be

done at the same time. Unfortunately, now the projects will occur consecutively which adds to the cost. The amendment request is for \$151,500 and we are still within the funding from the State Revolving Fund and the overall project cost does not increase.

Mayor Murphy confirmed that any of the loan amount not used will not have to be paid back. Mr. Miller stated we have \$7 million in loans with \$1.5 million in forgiveness, and we pay back the remaining loan at 0% interest over 20 years.

Mayor Pro Tem Swinson made the motion, seconded by Councilmember Tyson and upon a unanimous vote (Councilmember Whittington was absent.) the amendment was approved.

**7. Consider the award of a bid to Gregory Poole Equipment Company in the amount of \$116,777.03 for the purchase of a 2016 Caterpillar backhoe .....Rhonda Barwick**

Rhonda Barwick, Public Services Director, stated \$120,000 was appropriated in the budget to purchase a backhoe for Water Operations. We are replacing a 2003 Caterpillar backhoe that is in poor condition.

Mayor Murphy asked what will happen to the old one. Mrs. Barwick stated it will be salvaged so that we can get funds from it.

Mayor Pro Tem Swinson made the motion, seconded by Councilmember Solomon and upon a unanimous vote (Councilmember Whittington was absent.) the bid award was approved.

**8. Consider the award of a bid to Lee Electrical Construction, Incorporated in the amount of \$155,316.70 for the relocation of a distribution circuit related to the Queen Street Bridge project .....Rhonda Barwick**

Rhonda Barwick, Public Services Director, stated we move our distribution line out of the way of construction and now we are moving it back as well as upgrading it. The amount includes the upgrade which is approximately \$16,000 and includes a 10% contingency.

Mayor Murphy confirmed the contingency is not used if not needed and asked if the City has done work with Lee Electrical in the past. He noted the difference in the amount of their bid. Mrs. Barwick stated that is correct, and we have worked with Lee Electrical in the past and we have been very satisfied.

Mayor Pro Tem Swinson made the motion, seconded by Councilmember Aiken and upon a unanimous vote (Councilmember Whittington was absent.) the bid award was approved.

**9. Consider acceptance of an offer to purchase from Chris Nobles for two city-owned parcels on Herbert Drive and McCaskill Drive and initiate the upset bid process.....Adam Short**

Adam Short, Planning Director, stated the request is to purchase 1000 McCaskill Drive and 900 Herbert Drive for the total amount of \$2,400 at \$1,200 per parcel. The initial bid has been secured with a deposit.

Councilmember Aiken asked if this is part of Kinston Teens’ Adopt-A-Lot program. Mr. Short stated no, these parcels are in the Upland Parks subdivision. This area was purchased following Hurricane Floyd to relocate flood victims.

Mayor Murphy confirmed that Upland Parks has all residential lots.

Mayor Pro Tem Swinson made the motion, seconded by Councilmember Tyson and upon a unanimous vote (Councilmember Whittington was absent.) the offer to purchase was accepted and initiated the upset bid process.

**10. Consider adoption of an Ordinance amending the FY 2018 annual operating budget .....Donna Goodson**

Donna Goodson, Finance Director, stated this is to amend the annual operating budget to reestablish encumbrances for outstanding purchase orders as of June 30<sup>th</sup>. A purchase order rollover list has been provided and it mostly represents construction or service contracts. It also includes amendments for the Electric Capital Reserve Fund and Capital Project budgets. The total amount is \$360,994 and will be funded with an appropriation from the Electric Fund balance.

Mayor Pro Tem Swinson introduced the following Ordinance:

**2017-19**

**AN ORDINANCE AMENDING THE ANNUAL OPERATING BUDGET**

**WHEREAS**, the City Council adopted the annual operating budget on June 19, 2017 authorizing appropriations for the General Fund, Water Resources Fund, Wastewater Fund, Electric Fund, Environmental Services Fund, Public Services Fund, and Facilities & Property Management Fund, and

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

**WHEREAS**, the City Council approved appropriations necessary to fund outstanding purchase orders as of June 30, 2017 in the General Fund, Water Resources Fund, Wastewater Fund, Electric Fund, Environmental Services Fund, Public Services Fund and Facilities & Property Management Fund. This will be funded with an appropriation of fund balance for each respective fund, and

**WHEREAS**, it is necessary to appropriate expenditures in the Electric Fund to finance additional costs for the Queen Street Bridge Electric Line Relocation Capital Project, the Queen Street Utility Pole Relocation Project, and the Queen Street Sewer Rehabilitation Project to repair sewer lines damaged by electric utility poles. These will be funded with an appropriation of transfer of revenues from the Electric Capital Reserve Fund, and



**WHEREAS**, it is necessary to appropriate funds in the Electric Capital Reserve Fund to fund transfers to the Electric Fund in order to finance the additional costs for the Queen Street Bridge Electric Line Relocation Capital Project, the Queen Street Utility Pole Relocation Project, and the Queen Street Sewer Rehabilitation Project to repair sewer lines damaged by electric utility poles. These will be funded with an appropriation of fund balance in the Electric Capital Reserve Fund.

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

<b>General Fund</b>	<b>Current Budget</b>	<b>Amended Budget</b>	<b>Increase (Decrease)</b>
<b>Revenues:</b>			
Appropriated Fund Balance	\$ 1,487,809.00	\$ 1,763,424.01	\$ 275,615.01
Total Other General Fund Revenues	23,431,067.00	23,431,067.00	-
<b>Total Revenues</b>	<b>\$ 24,918,876.00</b>	<b>\$ 25,194,491.01</b>	<b>\$ 275,615.01</b>
<b>Expenditures:</b>			
City Manager			
Data Processing Equipment	\$ -	\$ 4,721.01	\$ 4,721.01
Other City Manager Expenses	546,313.00	546,313.00	-
Management Information Systems			
Other Repairs and Maintenance	233,800.00	236,355.67	2,555.67
Other Management Information Systems Exp.	528,418.00	528,418.00	-
Collections			
Building Repair and Maintenance	-	1,734.69	1,734.69
Other Collections Expenses	451,034.00	451,034.00	-
Accounting Services			
Building Repair and Maintenance	500.00	8,981.59	8,481.59
Capital Outlay-Other Equipment	-	7,312.38	7,312.38
Other Accounting Services Expenses	579,793.00	579,793.00	-
Planning			
Professional Service-Consultant	47,500.00	72,500.00	25,000.00
Building Demolition	125,000.00	158,798.00	33,798.00
Other Planning Expenses	214,714.00	214,714.00	-
Inspections and Code Enforcement			
Building Demolition	11,500.00	25,989.00	14,489.00
Other Inspections and Code Enforcement Exp.	274,779.00	274,779.00	-
Recreation - Programs			
Capital Outlay-Recreation Equipment	5,000.00	10,860.93	5,860.93
Other Recreation-Programs Expenses	1,035,121.00	1,035,121.00	-
Recreation - Parks			
Capital Outlay-Motor Vehicles	5,000.00	31,694.00	26,694.00
Capital Outlay-Other	50,000.00	104,967.74	54,967.74
Other Recreation-Parks Expenses	1,410,566.00	1,410,566.00	-
Organizational Support			
Capital Outlay-Data Processing Equipment	200,000.00	290,000.00	90,000.00
Other Organizational Support Expenses	736,800.00	736,800.00	-
Total Other General Fund Expenses	18,463,038.00	18,463,038.00	-
<b>Total Expenditures</b>	<b>\$ 24,918,876.00</b>	<b>\$ 25,194,491.01</b>	<b>\$ 275,615.01</b>
<b>Water Resources Fund</b>			
<b>Revenues:</b>			
Appropriated Fund Balance	\$ -	\$ 376,221.13	\$ 376,221.13
Total Other Water Resources Revenues	10,414,579.00	10,414,579.00	-
<b>Total Revenues</b>	<b>\$ 10,414,579.00</b>	<b>\$ 10,790,800.13</b>	<b>\$ 376,221.13</b>
<b>Expenditures:</b>			
Water Production			
Equipment Repair/Maintenance	\$ 152,000.00	\$ 238,161.13	\$ 86,161.13
Other Water Production Expenses	1,159,223.00	1,159,223.00	-
Water Operations			
Capital Outlay-Distribution System	65,000.00	355,060.00	290,060.00
Other Water Operations Expenses	2,608,849.00	2,608,849.00	-
Total Other Water Resources Fund Expenses	6,429,507.00	6,429,507.00	-
<b>Total Expenditures</b>	<b>\$ 10,414,579.00</b>	<b>\$ 10,790,800.13</b>	<b>\$ 376,221.13</b>

<b>Wastewater Fund</b>	<b>Current Budget</b>	<b>Amended Budget</b>	<b>Increase (Decrease)</b>
<b>Revenues:</b>			
Appropriated Fund Balance	\$ -	\$ 100,000.00	\$ 100,000.00
Total Other Wastewater Revenues	6,097,100.00	6,097,100.00	-
<b>Total Revenues</b>	<b>\$ 6,097,100.00</b>	<b>\$ 6,197,100.00</b>	<b>\$ 100,000.00</b>
<b>Expenditures:</b>			
Wastewater Treatment			
Service & Maintenance Contracts	\$ 342,200.00	\$ 442,200.00	\$ 100,000.00
Total Other Wastewater Fund Expenses	5,754,900.00	5,754,900.00	-
<b>Total Expenditures</b>	<b>\$ 6,097,100.00</b>	<b>\$ 6,197,100.00</b>	<b>\$ 100,000.00</b>

<b>Electric Fund</b>	<b>Current Budget</b>	<b>Amended Budget</b>	<b>Increase (Decrease)</b>
<b>Revenues:</b>			
Appropriated Fund Balance	\$ -	\$ 339,006.71	\$ 339,006.71
Transfers from Capital Reserve-Electric Fund	-	360,194.00	360,194.00
Total Other Electric Revenues	48,839,189.00	48,839,189.00	-
<b>Total Revenues</b>	<b>\$ 48,839,189.00</b>	<b>\$ 49,538,389.71</b>	<b>\$ 699,200.71</b>
<b>Expenditures:</b>			
Electric - Operations			
Distribution Supplies	\$ 600,000.00	\$ 685,220.66	\$ 85,220.66
Capital Outlay-Motor Vehicles	65,400.00	233,172.30	167,772.30
Capital Outlay-Distribution System	188,540.00	274,553.75	86,013.75
Transfers to Capital Projects	1,548,360.00	1,908,554.00	360,194.00
Total Other Electric Fund Expenses	46,436,889.00	46,436,889.00	-
<b>Total Expenditures</b>	<b>\$ 48,839,189.00</b>	<b>\$ 49,538,389.71</b>	<b>\$ 699,200.71</b>

<b>Capital Reserve-Electric Fund</b>	<b>Current Budget</b>	<b>Amended Budget</b>	<b>Increase (Decrease)</b>
<b>Revenues:</b>			
Appropriated Fund Balance	\$ -	\$ 360,194.00	\$ 360,194.00
Total Other Capital Reserve Electric Revenues	2,383,743.00	2,383,743.00	-
<b>Total Revenues</b>	<b>\$ 2,383,743.00</b>	<b>\$ 2,743,937.00</b>	<b>\$ 360,194.00</b>
<b>Expenditures:</b>			
Transfers to Other Funds			
Transfers to Electric Fund	\$ 2,383,743.00	\$ 2,743,937.00	\$ 360,194.00
<b>Total Expenditures</b>	<b>\$ 2,383,743.00</b>	<b>\$ 2,743,937.00</b>	<b>\$ 360,194.00</b>

<b>Environmental Services Fund</b>	<b>Current Budget</b>	<b>Amended Budget</b>	<b>Increase (Decrease)</b>
<b>Revenues:</b>			
Appropriated Fund Balance	\$ 84,477.00	\$ 101,312.16	\$ 16,835.16
Total Other Environmental Services Revenues	3,617,404.00	3,617,404.00	-
<b>Total Revenues</b>	<b>\$ 3,701,881.00</b>	<b>\$ 3,718,716.16</b>	<b>\$ 16,835.16</b>
<b>Expenditures:</b>			
Residential Solid Waste			
Capital Outlay-Motor Vehicles	\$ -	\$ 16,835.16	\$ 16,835.16
Total Other Environmental Services Fund Exp.	3,701,881.00	3,701,881.00	-
<b>Total Expenditures</b>	<b>\$ 3,701,881.00</b>	<b>\$ 3,718,716.16</b>	<b>\$ 16,835.16</b>

<b>Public Services Fund</b>	<b>Current Budget</b>	<b>Amended Budget</b>	<b>Increase (Decrease)</b>
<b>Revenues:</b>			
Appropriated Fund Balance	\$ 170,000.00	\$ 245,413.43	\$ 75,413.43
Total Other Public Services Revenues	2,185,378.00	2,185,378.00	-
<b>Total Revenues</b>	<b>\$ 2,355,378.00</b>	<b>\$ 2,430,791.43</b>	<b>\$ 75,413.43</b>
<b>Expenditures:</b>			
Public Services Billing & Customer Service			
Capital Outlay-Other Equipment	\$ -	\$ 20,613.43	\$ 20,613.43
Capital Outlay-Building Improvements	-	54,800.00	54,800.00
Total Other Public Services Fund Expenses	2,355,378.00	2,355,378.00	-
<b>Total Expenditures</b>	<b>\$ 2,355,378.00</b>	<b>\$ 2,430,791.43</b>	<b>\$ 75,413.43</b>

  

<b>Facilities &amp; Property Management</b>	<b>Current Budget</b>	<b>Amended Budget</b>	<b>Increase (Decrease)</b>
<b>Revenues:</b>			
Appropriated Fund Balance	\$ 131,900.00	\$ 137,400.00	\$ 5,500.00
Total Other Facilities & Property Mgmt. Rev.	351,800.00	351,800.00	-
<b>Total Revenues</b>	<b>\$ 483,700.00</b>	<b>\$ 489,200.00</b>	<b>\$ 5,500.00</b>
<b>Expenditures:</b>			
Public Service Complex			
Capital Outlay-Building Improvements	\$ 15,500.00	\$ 21,000.00	\$ 5,500.00
Total Other Fac. & Prop. Mgmt. Fund Expenses	468,200.00	468,200.00	-
<b>Total Expenditures</b>	<b>\$ 483,700.00</b>	<b>\$ 489,200.00</b>	<b>\$ 5,500.00</b>

Councilmember Tyson made the motion, seconded by Councilmember Aiken and upon a unanimous roll call vote (Councilmember Whittington was absent.) the Ordinance was adopted.

**11. Consider approval of the proposed SPCA Agreement.....Tony Sears**

Tony Sears, City Manager, noted Jerry Henderson with the SPCA was present. This is an agreement between the City and the Lenoir County SPCA. This agreement carries over the course of five years with a defined dollar amount to be paid per animal. The SPCA takes care of approximately 800 animals a year for the City of Kinston and their cost is about \$96 per animal, up to 800 animals and that is \$76,800. Their cost to operate the facility is a set cost. At the 801<sup>st</sup> animal the cost is \$22 per animal so it is a deescalating schedule after 800 animals. It is essentially the same dollar amount that we are currently paying the SPCA. Lenoir County has already approved this. In order for the SPCA to borrow the money to build the new facility they have to show they have a guaranteed source of income.

Councilmember Aiken asked if the SPCA has extended the time to euthanize animals.

Jerry Henderson, President of the SPCA Board, stated we try not to euthanize an animal unless we run out of space or out of money, so we don't have a set time. The State law and County ordinance requires us to keep an animal for three business days. We are asking for funding for those three business days. After the 3 days all expenses are paid by the SPCA. As long as we have space and money to feed and care for the animal then we don't euthanize. Temperament, illness and injury are the three things that usually cause a euthanization.

Councilmember Solomon made the motion, seconded by Councilmember Tyson and upon a unanimous vote (Councilmember Whittington was absent.) the agreement was approved.

Mayor Murphy thanked Mr. Henderson for working with the City on this agreement.

Mr. Henderson stated on behalf of the SPCA he would like to express his appreciation and thanks for City Council's willingness to help them obtain the funding for a new facility and it will have a positive impact on the community, people and the animals.

Councilmember Aiken asked the location for the new location. Mr. Henderson stated it will be located on Highway 258 North near the veterinarian office.

Councilmember Tyson asked if the SPCA can be reimbursed by FEMA for the animals rescued during a hurricane. Mr. Henderson stated no. As long as the animals are at a shelter with a resident, FEMA would take care of them, but once the shelter closes the program does not cover an animal unless it is attached to a human as a family pet. If it is a stray or dislocated animal, they are not covered.

Councilmember Aiken asked if there is website to show missing animals. Mr. Henderson shared [www.petfinder.com](http://www.petfinder.com) and stated that every animal that comes into the shelter will have a picture posted. He also shared [www.lenoircountyspca.org](http://www.lenoircountyspca.org), and added that unfortunately the rehoming of pets is very low, around 10%.

#### UPDATES AND INFORMATION

**1. Grainger Stadium Phase 2.....Bill Ellis**  
*THIS ITEM WAS ADDED TO THE AGENDA.*

Mr. Sears shared that Mr. Ellis has announced that he will retire as of October 1, 2017.

Bill Ellis, Parks and Recreation Director, stated we want to finish phase 2 of Grainger Stadium. The architect has drawn plans and the Rangers have endorsed them. He showed several drawings of the proposed renovations and upgrades and gave a detailed description of a proposed two level, open air Duck Club which could accommodate up to 500 people.

Mayor Murphy asked if closed circuit televisions will be installed. Mr. Ellis stated there will be televisions because attendees would not have a view of the scoreboard. We have done a lot of work this season to prepare for next season. We have already run the cable and all we need is a camera and a switch to be operated from the press box. Another improvement will be for the front office staff. They have four full-time and about five part-time employees and they don't have space for them. We will build a 550 square foot office addition. Bids will go out for the outfield structure August 17, 2017. Parks and Recreation staff will sub the office addition in house. We hope to have everything done by March 16, 2018, so it is about a 25 week project. Today we are putting up a new shelter by the concession stand, all the lights have been replaced in the video scoreboard which will eventually have to be replaced. We have put in a new PA system and several other items that were more than originally planned.

Mayor Pro Tem Swinson asked if they plan to rent out the stadium after the season. Mr. Ellis stated it should be available year around. The Ranger would have the rights during the season and the City could rent it off season.

Mayor Pro Tem Swinson stated he would prefer it have walls instead of being total open air so that it could be used year around. Mr. Ellis said the concern is if the number of rentals would justify the additional costs. It could be bricked up later, but once you brick it up you add the cost to install heating and air conditioning and other items and it becomes too costly. It could be done with one level. The Wood Ducks were looking at putting the most people in an area and being able to sell to groups to increase attendance and this will allow groups to gather and be seated in the same area. This is the concept that the Rangers wanted.

Councilmember Solomon asked who receives the rental fees. Mr. Ellis stated he will have to review the lease, but he believes during the season the Rangers and off season the City. The City provides a service versus generating revenue so our fees are affordable for the community and would not generate revenue. There are a lot of people who cannot afford \$500 - \$600 to rent facilities. There is an opportunity for this to be rented during the fall and spring for events, but you also have to have someone to staff it. This structure will tie into the existing improvements.

**2. NCDOT Queen Street Bridge Lighting Agreement.....Rhonda Barwick**  
*THIS ITEM WAS ADDED TO THE AGENDA.*

Rhonda Barwick, Public Services Director, stated in July 2013, the City signed an agreement with NCDOT, but it did not address the lighting. NCDOT will provide an amount not to exceed \$110,000 to install lights on the bridge, and they will only reimburse us for what we spend.

Mayor Murphy asked if the lighting will be consistent with the lighting we currently have. Mr. Sears stated this is the enhancement program. NCDOT is working on the entrance of downtown heading north. It is better to work with NCDOT and what they are doing from an enhancement standpoint for the entranceway from Highway 70. The preliminary drawings are very nice and it will exceed expectations. The previous bridge did not have lights, but this bridge will have lights. The original idea was to have the lights match existing lights on Queen Street, yet we will wait to see what NCDOT's enhancement division proposes after the bridge is complete.

Councilmember Solomon confirmed that NCDOT will only spend up to \$110,000.

Councilmember Aiken asked when the project for installing lights on South Queen will take place. Mr. Sears stated staff hopes to have it done before the end of the year.

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

**3. Lawrence Heights Infrastructure CDBG Funding Survey.....Steve Miller**

Steve Miller, Assistant Public Services Director, stated there will be a community meeting for the Lawrence Heights subdivision related to the proposed water and sewer project. If the City is

successful in obtaining the grant, the water and sewer lines will be replaced and the streets will be resurfaced throughout the neighborhood. Part of the requirement for the grant is we have to obtain income surveys from residents. To apply for the funding, we have to have 70% response from the 300 homes in the neighborhood. Kinston Teens has been assisting us. We still have problems getting people to come to their doors. The meeting will be held Wednesday at the Star of Bethlehem Church on Old Snow Hill Road.

Mr. Sears stated there will be gift cards given away as incentives. We will have people available to assist with the completion of the surveys. If we don't receive 70% of the surveys, we will not receive the funding. Without this funding it will be extremely difficult to replace the sewer in this area and this project will not happen.

Mayor Pro Tem Swinson asked if Highland Avenue is included in this project. Mr. Miller stated the utilities within Highland Avenue are not included because Highland Avenue is a NCDOT street. The neighborhood being addressed is bordered by Old Snow Hill and Highland towards Joyner. A notice of the meeting was delivered to every resident this morning and tomorrow we will use our CodeRed system to call the residents.

Rhonda Barwick, Public Services Director, encouraged citizens to go to the website at [www.kinstonpublicservices.com](http://www.kinstonpublicservices.com) and click on the CodeRed icon on the right to receive updates and information through email, telephone calls and/or text messages.

Mayor Murphy confirmed that they will be able to sign citizens up for CodeRed at the meeting.

#### CITY ATTORNEY'S REPORT

#### COUNCILMEMBER REPORTS

Councilmember Aiken thanked the Police, Sheriff and Fire Departments for their participation and success with National Night Out at Grainger Stadium.

Mayor Pro Tem Swinson stated he and Mayor Murphy attended a social event hosted by Social House Beverage at North Carolina State University Saturday evening and it was good to be outside of Kinston and hear people talk about all the good things that are taking place in Kinston.

#### CLOSED SESSION

Mayor Pro Tem Swinson made the motion, seconded by Councilmember Tyson and upon a unanimous vote (Councilmember Whittington was absent.) City Council entered into closed session pursuant to North Carolina General Statute 143.318-11 a(5), Real Property Acquisition at 6:48 pm.

Mayor Pro Tem Swinson made the motion, seconded by Councilmember Tyson and upon a unanimous vote (Councilmember Whittington was absent.) the City Council returned to open session at 7:36 pm.

ADJOURNMENT
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Councilmember Solomon made the motion, seconded by Mayor Pro Tem Swinson and upon a unanimous vote (Councilmember Whittington was absent) the City Council meeting was adjourned.

Respectfully submitted,

Monique Hicks, City Clerk