

JUNE 6, 2006 CITY COUNCIL MEETING

The City Council of the City of Clinton, North Carolina met in regular session at 7:00 p.m. on June 6, 2006 at city hall auditorium. Mayor Starling presided. All councilmembers were present. The city attorney Dale Johnson; city clerk Betty Fortner; city manager John Connet; director of administration Joe Best; finance director Betty Brewer; fire chief Phillip Miller; planning and community development director Jeff Vreugdenhil; planner Mary Rose, police chief Mike Brim; public works director Chris Doherty; and recreation director Judi Nicholson were present.

Rev. Lynn Blackburn, Clinton Free Will Holiness Family Worship Center, gave the invocation.

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Becton, the minutes of the May 1, May 9, May 18 and May 25, 2006 city council meetings were unanimously approved.

P & Z—DeVane Street—Marshburn

Vonnie Marshburn appeared asking relief from the fencing requirements for a proposed duplex located at 126 DeVane Street. Mrs. Marshburn said at the April council meeting, she was granted a conditional use permit to develop a duplex at 126 DeVane Street subject to a fence being erected along three sides of the property. She said she talked to the adjoining rear property owner who agrees to fast-growing wax myrtles being planted along Cattail Branch rather than erecting a fence. City Manager Connet stated the city mows along the branch, and any planting should be done away from the ditch to allow for mowing. Councilmember Becton moved to rescind the fencing requirement placed on the conditional use permit approved for developing a duplex at 126 DeVane Street on April 4, 2006. Councilmember Harris seconded the motion and it passed 4-1 with Councilmember Strickland voting against the motion.

Public Hearing—Downtown

Mayor Starling opened a public hearing to provide information regarding the city's plan to obtain a loan from Rural Development of the United States Department of Agriculture for phase II of the downtown revitalization project. City Manager Connet told council the proposed loan is for \$650,000. He added construction bids for the project will be opened June 8, 2006.

Upon a motion made by Councilmember Turlington, seconded by Councilmember Becton, the resolution was unanimously adopted:

Be It Resolved that the City of Clinton accepts the conditions set forth in a Letter of Conditions dated June 6, 2006 and Form RD 1942-47-1, "Loan Resolution, and

That the City Council of the City of Clinton approves the budget as shown on, Form RD 442-7 – Operating Budget, and

That the Mayor and City Clerk be authorized to execute all forms necessary to obtain a loan from Rural Development, including, but not limited to the following forms:

Form RD 1942-47-1	Loan Resolution
Form RD 1942-46	Letter of Intent to Meet Conditions
Form RD 442-7	Operating Budget
Form RD 400-1	Equal Opportunity Agreement
Form RD 400-4	Assurance Agreement
Form RD 1940-1	Request for Obligation of Funds
Form RD 1910-11	Application Certification Federal Collection Policies
Form RD AD-1047	Certification Regarding Debarment Primary Covered Transactions
Form AD-1048	Certification Regarding Debarment Lower Tier Covered Transactions
1940-Q, Exhibit A-1	Certification for Contracts, Grants and Loans
Unnumbered Form	Certificate of Compliance

That if the interest rate charged by Rural Development should change between this date and the date of the actual approval, the Mayor and City Clerk be authorized to execute new forms reflecting the current interest rate and revised payment as required by Rural Development.

That the City Council elects to have the interest charged by Rural Development to be the lower of the rate in effect at either the time of loan approval or loan closing.

This resolution is to become a part of the official minutes of the Council meeting held on June 6, 2006.

Upon a motion made by Councilmember Turlington, seconded by Councilmember Becton, the resolution was unanimously adopted:

LOAN RESOLUTION
(Public Bodies)
(Real Estate Only)

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CLINTON AUTHORIZING AND PROVIDING FOR THE INCURRENCE OF INDEBTEDNESS FOR THE PURPOSE OF PROVIDING A PORTION OF THE COST OF ACQUIRING, CONSTRUCTING, ENLARGING, IMPROVING AND/OR EXTENDING ITS DOWNTOWN REVITALIZATION PHASE II (HEREINAFTER CALLED FACILITY) TO SERVE AN AREA LAWFULLY WITHIN ITS JURISDICTION TO SERVE.

Whereas, it is necessary for the City of Clinton

(Herein after called the Public Body) to raise a portion of the cost of such undertaking by the approval and execution of an Installment/Purchase Contract (herein after called Contract) in the principal amount of SIX HUNDRED FIFTY THOUSAND AND

NO/100 DOLLARS (\$650,000) pursuant to the provision of NORTH CAROLINA GENERAL STATUTES; and

WHEREAS, the Public Body intends to obtain assistance from Rural Development, United States Department of Agriculture (herein called the Government) acting under the provisions of the Consolidated Farm and Rural Development Act (7 U.S.C. 1921 et seq.) in the planning, financing, and supervision of such undertaking.

NOW THEREFORE, in consideration of the premises the Public body hereby resolves:

1. To have prepared on its behalf and to adopt an ordinance or resolution for the adoption of the Contract containing such items and in such forms as are required by State statues and as are agreeable and acceptable to the Government.
2. To refinance the unpaid balance, in whole or in part, of the Contract upon the request of the Government if at any time it shall appear to the Government that the Public body is able to refinance its debt obtaining a loan for such purposes from responsible cooperative or private sources at reasonable rates and terms for loans for similar purposes and periods of time as required by section 333© of said Consolidated Farm and rural Development Act [U.S.C.1983©].
3. To provide for, execute, and comply with Form RD 400-4, "Assurance Agreement," and Form RD 400-1, "Equal Opportunity Agreement", including an "Equal Opportunity Clause," which clause is to be incorporated in, or attached as a rider to, each construction contract and subcontract involving in excess of \$10,000.00.
4. To indemnify the Government for any payments made or losses suffered by the Government on behalf of the Public Body. Such indemnification shall be payable from the same source of funds pledged to pay the loan or any other legal permissible source.
5. That upon default in the payments of any principal and accrued interest on the loan or in the performance of any covenant or agreement contained herein or in the instruments incident to making or insuring the loan, the Government at its option may (a) declare the entire principal amount then outstanding and accrued interest immediately due and payable, (b) for the account of the Association (payable from the source of funds pledged to pay the loan or any other legally permissible source), incur and pay reasonable expenses for repair, maintenance, and operation of the facility and such other reasonable expenses as may be necessary to cure the cause of default, and/or (c) take possession of the facility, repair, maintain, and operate or rent it. Default under the provisions of this resolution or any instrument incident to the making or insuring of the loan maybe construed by the Government to constitute default under any other instrument held by the Government and executed or assumed by the Public Body, and default under any such instrument may be construed by the Government to constitute default hereunder.
6. Not to sell, transfer, lease, or otherwise encumber the facility or any portion thereof, or interest therein, or permit others to do so, without the prior written consent of the Government.
7. Not to defease the Contract, or to borrow money, enter into any contract or agreement, or otherwise incur any liabilities for any purpose in connection with the facility (exclusive of normal maintenance) without the prior written consent of

the Government if such undertaking would involve the source of funds pledged to pay the indebtedness.

8. To comply with all applicable State and Federal laws and regulations and to continually operate and maintain the facility in good condition.
9. To provide for the receipt of adequate reserves. Revenue accumulated over and above that needed to pay operating and maintenance, debt service and reserves may only be retained or used to make prepayments on the loan. Revenue cannot be used to pay any expenses which are not directly incurred for the facility financed by Rural Development.
10. To acquire and maintain such insurance and fidelity bond coverage as maybe required by the government.
11. To establish and maintain such books and records relating to the operation of the facility and its financial affairs and to provide for required audit thereof as required by the government, to provide the Government a copy of each such audit without its request, and to forward to the Government such additional information and reports as it may from time to time require.
12. To provide the Government at all reasonable times, access to all books and records relating to the facility and access to the facility so that the Government may ascertain that the Public Body is complying with the provisions hereof and of the instruments incident to the making or insuring of the loan.
13. That if the Government requires that a reserve account be established and maintained, disbursements from that account may be used when necessary for payments due if sufficient funds are not otherwise available. With the prior written approval of the Government, funds may be withdrawn for:
 - (a) Paying the cost of repairing or replacing any damage to the facility caused by catastrophe.
 - (b) Repairing or replacing short-lived assets.
 - (c) Making extensions or improvements to the facility.Any time funds are disbursed from the reserve account; additional deposits will be required until the reserve account has reached the required funded level.
14. To provide adequate service to all persons within the service area who can feasibly and legally be served and to obtain Rural Development's concurrence prior to refusing new or adequate services to such persons. Upon failure to provide services which are feasible and legal, such person shall have a direct right or action against the Public Body.
15. To comply with the measures identified in the Government's environmental impact analysis for this facility for the purpose of avoiding or reducing the adverse environmental impacts of the facility's construction or operation.
16. To accept a grant in an amount not to exceed \$0.00 under the terms offered by the Government; that the MAYOR and CITY CLERK of the Public Body are hereby authorized and empowered to take all action necessary or appropriate in the execution of all written instruments as may be required in regard to or as evidence of such grant, and to operate the facility under the terms offered in said grant agreement(s).

The provisions hereof and the provisions of all instruments incident to the making or the insuring of the loan, unless otherwise specifically provided by the terms of such instruments, shall be binding upon the Public Body for the life of the loan. The provisions of sections 6 through 16 hereof may be provided for in more specific detail in

the Contract, to the extent that the provisions contained in such Contract should be found to be inconsistent with the provisions hereof, these provisions shall be construed as controlling between the Public Body and the Government or assignee.

The vote was: Yeas 5 Nays 0 Absent 0

IN WITNESS WHEREOF, the City Council of the City of Clinton has duly adopted this resolution and caused it to be executed

Budget

Mayor Starling opened a public hearing on the 2006-2007 budget. City Manager Connet reviewed the budget and stated the changes which council requested at the budget workshops were made. He said a no across the board salary increase is proposed, but employees will be eligible for merit increases after employee evaluations are done. No one else wished to be heard and the hearing was closed. Adoption of the budget is scheduled for June 20, 2006.

PH—Annexations—Clinton High School

Mayor Starling opened a public hearing on the question of the petition annexation of the proposed Clinton High School site. No one appeared to be heard, and the hearing was closed. Upon a motion made by Councilmember Harris, seconded by Councilmember Becton, the following ordinance # 2006.06.01 was unanimously adopted:

AN ORDINANCE TO EXTEND THE CORPORATE LIMITS OF THE CITY OF CLINTON, NORTH CAROLINA

WHEREAS, the City Council of the City of Clinton, North Carolina has been petitioned under G.S. 160A-31 to annex the area described below; and

WHEREAS, the City Council of the City of Clinton has by resolution directed the City Clerk to investigate the sufficiency of the petition; and

WHEREAS, the City Clerk has certified the sufficiency of the petition and a public hearing on the question of this annexation was held at City Hall Auditorium at 7:00 P.M. on June 6, 2006, after due notice by publication on May 23, 2006.

WHEREAS, the City Council of the City of Clinton finds that the petition meets the requirements of G.S. 160A-31;

NOW, THEREFORE, BE IT ORDAINED by the City Council of the City of Clinton, North Carolina that:

Section 1. By virtue of the authority granted by G.S. 160A-31, the following described territory is hereby annexed and made part of the City of Clinton as of June 30, 2006:

AREA 1 BEGINNING at an existing iron stake in the center line of Indiantown Road (SR 1226), said beginning corner being further located south 43 degrees 43 minutes 3 seconds east 239.20 feet to an iron stake and runs from the beginning point so located with the center line of Indiantown Road south 43 degrees 43 minutes 3 seconds east 61.85 feet to an iron stake set (an existing PH nail in the center line of the pavement of said road); thence south 32 degrees 14 minutes 2 seconds west 468.12 feet to an existing iron stake; thence south 43 degrees 43 minutes 3 seconds east 55.86 feet to an existing iron stake; thence south 32 degrees 1 minutes 2 seconds west 1071.20 feet to an existing iron stake; thence south 62 degrees 8 minutes 47 seconds east 356.28 feet to an existing concrete monument; thence south 18 degrees 41 minutes 22 seconds west 655.01 feet to an iron stake; thence 44 degrees 4 minutes 45 seconds west 320.38 feet to a stake; thence north 1 degree 32 minutes 30 seconds east 610.55 feet to a stake; thence north 32 degrees 14 minutes 2 seconds east 1576.67 feet to the beginning corner, containing 8.60 acres, more or less, as described in a deed recorded in Book 1468, Page 376 of the Sampson County Registry.

AREA 2 BEGINNING at an existing iron stake in the center line of Indiantown Road (SR 1226), said stake being further located south 43 degrees 43 minutes 1 second east 1777.50 feet from an existing iron stake in the center of the intersection of Boykin Bridge Road (SR 1214) and Indiantown Road (SR 1226) and runs from the beginning corner so located with the center lines of Indiantown Road south 43 degrees 43 minutes 3 seconds east 461.70 feet to an iron stake; thence south 32 degrees 14 minutes 2 seconds west 1576.67 feet to a point; thence south 1 degree 32 minutes 30 610.55 feet to a point; thence north 44 degrees 4 minutes 45 seconds west 1244.35 feet to an existing iron stake in the ditch; thence with the existing ditch north 86 degrees 42 minutes 23 seconds east 751.58 feet to an iron stake set; thence north 29 degrees 5 minutes 38 seconds east 1230.57 feet to an iron stake set in the ditch; thence north 11 degrees 45 minutes 40 seconds east 270.99 feet to the beginning corner, containing 20.56 acres, more or less, as described in a deed recorded in Book 1468, Page 378 of the Sampson County Registry.

Section 2. Upon and after June 30, 2006, the above described territory and its citizens and property shall be subject to all debts, laws, ordinances, and regulations in force in the City of Clinton and shall be entitled to the same privileges and benefits as other parts of the City of Clinton. Said territory shall be subject to municipal taxes according to G.S. 160A-58.10.

Section 3. The Mayor of the City of Clinton shall cause to be recorded in the office of the Register of Deeds of Sampson County, and in the office of the Secretary of State, Raleigh, North Carolina, an accurate map of the annexed territory, described in Section 1 above, together with a duly certified copy of this ordinance. Such a map shall also be delivered to the Sampson County Board of Elections, as required by G.S. 163-288.1.

Appointments

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Becton, the following were reappointed to the Recreation Advisory Board for three year terms ending June 30, 2009: Brian DeMay, District 2; Mac Purcell, District 4; Dawn Ballard, District 5; and Jay Tilley, at-large.

Water and Sewer

Upon a motion made by Councilmember Becton, seconded by Councilmember Turlington, and unanimously passed, the following water, sewer and garbage charges for the period November 1, 2004 – October 31, 2005 were written off as uncollectible:

ACCOUNT NUMBER	CUSTOMER NAME	CHARGE OFF AMOUNT
1001000.94	LISA HERRING	\$ 15.82
1001600.96	CORNER POCKET	\$ 21.94
1002690.98	PLATINUM RECORDS	\$ 576.60
1009875.97	OMEGA BAIL BONDS	\$ 557.65
1016300.91	VALLICE TROUBLEFIELD	\$ 389.13
1019700.96	EVIE HOLLOWAY	\$ 9.49
1017800.91	MARY FRYAR	\$ 76.50
1019100.81	CORDELL, RALPH	\$ 20.00
1022200.91	LENZIE LEACH	\$ 9.96
1022565.96	DIEITRICH TUCKER	\$ 16.31
1022576.94	ANNIE JOYNER	\$ 74.91
1026400.89	MI MEXICO LINDO	\$ 206.50
2000300.92	DETAIL PLUS	\$ 8.80
2006350.88	EVETTE MEADOWS	\$ 123.32
2006720.94	RONALD BARBER	\$ 84.95
3000115.94	E & A FAISHIONS	\$ 169.00
3000600.92	EXECUTIVE WOMEN'S	\$ 8.56
3011400.87	TONY NANCE	\$ 62.71
3015700.89	DANA WHITMORE	\$ 45.03
4000600.96	ANNETTE TYSON	\$ 6.15
4001602.97	LAYRINDA MCCOY	\$ 32.61
4003600.92	MARCUS COOPER	\$ 209.93
4003900.86	BRAIN SCHRAGE	\$ 163.54
4006200.93	DELLA SPELL	\$ 76.58
4007210.78	DION MATTHIS	\$ 56.70
4007220.84	NOEL UPTON	\$ 15.02
4009200.94	CHARLES BRADSHAW II	\$ 71.93
4014800.91	ALICIA PULLEN	\$ 96.73
4017800.92	LEROY SIX	\$ 25.68
5001000.97	ACME CLEANERS	\$ 273.08
5004800.76	BERNICE HALL	\$ 23.14
5011900.86	SANDRA LAROUCHE	\$ 487.66
5020000.97	LARRY J. SMITH	\$ 99.40
6002400.92	SYLVIA NEWKIRK	\$ 62.17
6003300.92	DAISY ESCALANTE	\$ 138.91
6006800.91	LA'KESIA CHANCE	\$ 70.79
6006800.92	PAULA CURTIS	\$ 84.93
6008100.87	MARCUS JOSEPH	\$ 56.59
6008900.88	CHAZ HICKS	\$ 173.03
6010100.94	SHNETTA CORBETT	\$ 68.20
6010900.89	LOUISE W. MORRISEY	\$ 2.92
7003300.95	ERIC LIPSCOMB	\$ 12.50
7003450.87	ALICE MCCOY	\$ 9.19
7004540.94	LULA MATHIS	\$ 50.01

7005600.93	MARY M. WILLIAMSON	\$	8.84
7006400.93	WILLIAM FREDERICK	\$	57.78
7009900.81	TERESA TATTLEY	\$	26.71
7010100.95	SELENA BENNETT	\$	67.90
7010300.82	CHRIS MURPHY	\$	58.21
7011700.82	CARMEN VILLIBORD	\$	10.18
7011700.83	TANNUE S. SHARP	\$	3.33
7013400.82	RACHEL HARRIS	\$	38.87
7013500.84	BRAIN HARDISON	\$	86.32
7013700.90	GLEN LANE	\$	78.84
7015000.96	LUIS LANDEROS	\$	76.30
7016950.95	TONEIKA MURPHY	\$	323.01
7017300.93	MARY BOOMER	\$	26.15
7019130.92	IRISH W. GRICE	\$	99.25
7021540.79	CARLTON BRATTEN	\$	32.23
8003700.95	HELEN PAYTON	\$	79.86
8006450.92	JOSE GUIFARRO	\$	43.52
8006700.92	MARCUS JOSEPH	\$	97.71
8007600.98	MILDRED BOYKIN	\$	132.88
8008200.97	MINGER MELVIN	\$	64.29
8008300.90	MARIE E.KELLY	\$	96.27
8008700.91	LINDA WILLIAMS	\$	70.47
8008750.94	STEPHANIE MAYE	\$	100.32
8009100.80	JIMMIE HOWARD JR.	\$	37.04
8009200.79	KENNETH ROUSE	\$	95.19
8009300.87	CORA SMITH	\$	141.26
8009750.88	ROBIN THOMPSON	\$	46.36
8009850.86	JACQUELINE OWENS	\$	62.98
8009970.90	KENNETH EVANS	\$	40.81
8011300.93	MICHAEL MCCANTS	\$	34.82
8011600.94	MICHELLE WILLIAMS	\$	131.38
8011900.95	GLORIA WHITTED LEE	\$	41.05
8016000.97	ROSE HARRIS	\$	43.93
8018530.98	MARIE JACOBS	\$	220.95
8018800.94	WANDA CORBETT	\$	128.26
8019200.89	BRENDA BRIGHT	\$	98.24
8019500.89	SHAWNETTE LANE	\$	26.90
8019520.79	DARRELL MOORE	\$	15.74
8019900.89	KIMMIE MCCARAE	\$	80.99
802000.85	CYNTHIA FAISON	\$	133.73
9006100.80	JEFFREY MCMILLAN	\$	75.12
9014300.94	REBECCA MCKIVER	\$	176.66
9015100.93	SUSAN BASS	\$	21.65
9019450.80	LORETTA JEFFERSON	\$	7.29
10002200.98	MRS J A STEWART JR	\$	35.90
10003200.92	LISA A JONES	\$	38.29
10009600.81	WILLIAMS TYNDALL	\$	54.88
10011100.96	DEBRA CHEEK	\$	75.58
10013625.88	SYNETHA A CREECH	\$	67.72
10013800.97	JAMES HOWARD MATTHIS	\$	88.54
10016200.97	PEARLY LAMB	\$	32.55
10017700.91	HEIDY MENDEZ	\$	31.76
10022200.91	SHERRY LYNETTE SELLERS	\$	50.16

11000100.86	GWENDA ATKINS	\$	22.85
11001200.93	LULA D HEMMINGWAY	\$	36.31
11001500.92	VANESSA FAYE CANADY	\$	94.87
11002400.96	NATASHA A HOWARD	\$	35.30
11003900.92	TIMOTHY EDISON MOORE	\$	181.79
11003900.93	GEORGE DUDLEY MOORE	\$	117.89
11004000.89	HARRY PARKER	\$	52.99
12000850.98	COM, INC.	\$	48.61
12004400.84	KRISTI ASHLEY BLACKWELL	\$	36.92
12005700.98	CAROL R COX	\$	129.88
12007650.97	TEESHA S WORRELL	\$	33.91
12012800.97	HAYES I WHEELER	\$	32.66
12016500.94	ANNIE HOBBS THOMPSON	\$	190.07
12021620.94	COREY SMITH	\$	68.15
12021660.93	WANDA DENISE HENRY	\$	100.70
12025325.85	FELICIA WARREN	\$	103.81
12040230.94	TAMARA R THOMPSON	\$	6.65
12040270.95	DEWEY & DELLA BRYANT	\$	27.72
12061350.94	MATEO PEREZ	\$	158.11
12065300.96	EDNA CARROLL	\$	232.11
13000600.96	BEVERLY STANLEY FORNES	\$	125.72
13001600.85	ESTER SAMPSON	\$	63.76
13005200.90	RODRICK SHAN MATHIS	\$	40.65
13012400.80	MANUEL ANGEL COLON JR. AMADOR RAMIRIZ	\$	90.44
13014600.90	VELAZQUEZ	\$	45.41
14036400.96	DENISSA ARCILES	\$	101.10
14037910.95	ERIC SOTO	\$	124.33
14045600.92	DANIEL HARRY NMARILYN NINITA	\$	7.62
14045600.93	SAUNDERS	\$	40.01
14052500.95	ALBA JEANNETHE ROSALES	\$	96.30
14059400.87	KIARA RENEE WILLIAMS	\$	86.91
14059750.87	WILLIAM HENRY BROWN JR.	\$	89.91
14065700.89	KAREN ANN TREADWELL	\$	57.54
14071750.96	ALICE P. BUTLER	\$	18.51
14076400.92	MARIZ SUSANAN FAULKNER	\$	10.31
14080200.86	ALLEN WARREN	\$	129.37
14115755.97	LASHAUN EVANS	\$	102.08
15034801.98	BESTWAY REMEDIATION	\$	52.43
15034925.94	RT 3 MOTORS	\$	136.77
15053700.83	JENNIFER DAW JOSEOH LINWOOD	\$	97.70
15056900.95	JOHNSON	\$	14.19
15057400.89	FELICIA ASHLEY BRUNSON	\$	47.94
15059800.98	INEZ HONEYCUTT	\$	100.26
15074040.96	CARLA FAITH ARMSTRONG	\$	34.95
15077980.86	TOMIKA L VANN CHARMAINE LOUISE	\$	13.94
15077990.90	REDFERN	\$	19.09
15079100.91	FREDDRICK J EVANS	\$	6.93
15081000.94	TATUM INVESTMENTS, LLC	\$	1,668.36
15090300.95	MYRL'S ISLAND GRILLE	\$	373.35
16024000.93	GERALD THOMAS	\$	71.61

	HEINZMAN		
16085450.90	JAMIE DARRYL ROBINSON	\$	2.44
16085450.91	INES FIGUEROA	\$	5.47
17016950.90	VONDA K HOLLINGSWORTH	\$	81.36
17021000.86	STERLING MINTZ	\$	57.66
17027400.84	ALBERT TANTLE	\$	121.11
		\$	14,506.37

Ordinances—City Code—Privilege License

Upon a motion made by Councilmember Harris, seconded by Councilmember Turlington, the following ordinance #06.06.02 was unanimously adopted:

**ORDINANCE #06.06.02
AMENDMENT TO CHAPTER 14-43**

Be It Ordained that Section 14-43 of the Clinton City Code of 1987 is hereby amended to read as follows:

Every person selling bakery products shall pay the following license taxes:

- | | |
|-----------------------------|---------|
| (1) At wholesale, per annum | \$25.00 |
| (2) At retail, per annum | 25.00 |

Taxes—Hicks

City Manager Connet requested council to release unpaid taxes, interest and liens totaling \$7,942.95 and billed to Claudie Hicks for property located at 209 DeVane Street. He said this property was foreclosed for unpaid taxes, thus the tax balance should be removed from the tax levy and the tax collector released from collection of these amounts. Upon a motion made by Councilmember Turlington, seconded by Councilmember Becton and unanimously passed the tax collector was released from collection of \$7,942.95 in delinquent taxes and liens billed to Claudie Hicks and the same amount was removed from the tax levy.

Resolutions—Airport—Budget

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Turlington, the following resolution was unanimously adopted:

**RESOLUTION ESTABLISHING AN
AIRPORT CAPITAL RESERVE FUND**

Whereas, there is a need in the city of Clinton, North Carolina to fund the joint operation of the Clinton-Sampson Airport; and

Whereas, the city annually budgets money towards the operation; and

Whereas, all funds are not always spent during the fiscal year in which they are budgeted; and

Whereas, the unexpended funds cannot be carried over, but must be budgeted in the next fiscal year.

Now, Therefore, Be It Resolved by the City Council of the City of Clinton, NC that:

1. The city council hereby creates a Capital Reserve Fund for the purpose of funding the city's share of the airport expenses.
2. This resolution shall become effective upon adoption.

Ordinances—Budget

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Becton, the following amendment #2006.06.03 was unanimously adopted:

Budget Ordinance Amendment #06.06.03

Be it ordained by the City Council of the City of Clinton, NC that the following amendment be made to the annual budget ordinance for the fiscal year ending June 30, 2006.

Section 1. To amend the General Fund the expenditures are to be changed as follows:

DEPARTMENT	DESCRIPTION	DECREASE	INCREASE
Expenditures:			
104100.0400	Professional Services		10,000
104100.1400	Travel & Education		800
104100.2600	Advertising		2,200
104100.5700	Miscellaneous		1,500
TOTAL			14,500
104200.1200	Office Supply	1,800	
104200.1400	Travel & Education		1,000
104200.2700	Minute Indexing		3,000
104200.7400	Capital Outlay		2,855
TOTAL		1,800	6,855
104900.0200	Salaries	8,601	
104900.1400	Travel & Education	1,000	

104900.2600	Legal Advertising		4,000
104900.3300	Department Supplies		15,000
104900.5401	Workman's Comp	192	
104900.5402	Auto Insurance	550	
104900.7400	Capital Outlay	8,657	
TOTAL		19,000	19,000
105100.0200	Salaries	22,500	
105100.0400	Professional Services		3,000
105100.0500	FICA	5,500	
105100.0600	Group Insurance	7,000	
105100.0700	Retirement	2,000	
105100.0701	401(k)	1,000	
105100.1100	Telephone		2,500
105100.1300	Utilities		1,800
105100.1301	Tipping Fee		600
105100.2600	Advertising		1,000
105100.3100	Auto Supply		24,000
105100.3300	Supplies & Materials	8,000	
105100.3600	Uniforms		3,500
105100.5402	Auto Insurance	6,500	
105100.5403	Insurance Building		1,200
105100.5401	Insurance/Public Liability	1,600	
105100.5701	Special Funds		3,000
105100.7200	K-9 Dog Supplies		1,500
105100.7400	Capital Outlay		12,000
TOTAL		54,100	54,100
105300.0200	Salaries		5,700
105300.0203	Part-time Salaries	5,700	
105300.0500	FICA	900	
105300.0600	Group Insurance	500	
105300.0700	Retirement	1,500	
105300.1000	Transfer to Dept		8,300
105300.1300	Utilities		1,000
105300.1400	Travel & Training	1,500	
105300.1402	Fire & Life Safety		400
105300.1500	Maint & Repair Bldg	4,000	

105300.3100	Auto Supplies		4,000
105300.3303	Haz-Mat Supplies		95
105300.3601	Turn-out Equipment		11,000
105300.5402	Insurance/Auto	677	
105300.5403	Insurance/Building		568
105300.7400	Capital Outlay		4,900
105300.4500	Contracted Service	2,000	
TOTAL		16,777	35,963
105550.0200	Salaries	6,000	
TOTAL		6,000	
105600.0200	Salaries	33,000	
105600.0201	Temporary Salaries		33,000
105600.0600	Group Insurance	6,700	
105600.1100	Telephone		300
105600.3100	Auto Supplies		15,000
105600.3301	Street Maint. Supplies	300	
105600.3400	Small Tools & Equipment		300
105600.4501	Cover For Debris Area	4,500	
105600.5401	Workman's Comp		500
105600.5402	Insurance Auto	2,800	
105600.5700	Misc.		1,200
105600.7400	Capital Outlay	3,000	
TOTAL		50,300	50,300
105610.0201	Temporary Salaries		7,076
105610.1300	Utilities		1,000
105610.1301	Tipping Fees		550
105610.1600	Maint & Repair Equipment		1,200
105610.3100	Auto Supplies		1,200
105610.3200	Office Supplies		300
105610.3300	Supplies & Materials	500	
TOTAL		500	11,326
105700.0200	Salaries	5,000	
105700.3100	Auto Supplies		8,000
105700.1601	Maint & Repair Containers		7,000
TOTAL		5,000	15,000

105800.1600	Maint & Repair Equipment	2,000	
105800.3100	Auto Supplies		10,000
105800.3600	Uniforms		300
105800.5401	Workman's Comp		400
105800.5402	Insurance Auto	650	
TOTAL		2,650	10,700
105850.0200	Salaries	3,000	
105850.3100	Auto Supplies		12,000
105850.3300	Departmental Supplies		500
105850.5401	Workman's Comp		435
105850.5402	Insurance/Auto	435	
TOTAL		3,435	12,935
106200.0200	Salaries		14,500
106200.0600	Group Insurance	3,000	
106200.1200	Office Supplies/Printing		4,000
106200.1300	Utilities	5,000	
106200.1301	Tipping Fees	1,500	
106200.1400	Travel & Education	700	
106200.2600	Advertising	2,000	
106200.3301	Athletic Supplies		10,000
106200.5403	Insurance/Building	1,000	
106200.7400	Capital Outlay	1,000	
TOTAL		14,200	28,500
106400.0200	Salaries	3,600	
106400.0201	Temporary Salaries		3,600
106400.0400	Recording Deeds	500	
106400.0500	FICA	1,600	
106400.1600	Maint & Repair Equipment		1,500
106400.3100	Auto Supplies		7,000
106400.3600	Uniforms		1,000
106400.4500	Contracted Services		550
106400.7400	Capital Outlay	1,500	
TOTAL		7,200	13,650
106600.0200	Rescue Squad Expense		3,500

106600.0500	County Planning Fees	10,000	
106600.0601	Employee Medical Ins. Reimbursement		2,000
106600.0602	Retiree's Medical Insurance	5,500	
106600.1000	Misc. Professional Service		8,000
106600.1500	Maint City Hall & Graham House		6,000
106600.3700	Out of State Sales Tax		4,000
106600.5404	General Liability	5,500	
106600.5800	Citizen Newsletter		6,000
106600.5900	Employee Relations		2,200
106600.6000	Housing Demolition		13,000
106600.6100	Hamilton Beach Property		42,000
106600.7000	Transfer to PARTF Grant		65,000
TOTAL		21,000	151,700
TOTAL EXPENDITURE INCREASE		201,962	424,529

Section 2. The following revenues are anticipated to be available to fund these changes:

Revenues:

103040.0200	Insurance Revenue		6,043
103160.0000	Lot Cleaning		12,500
103360.0400	Rent/Diversified Recycling		72,000
103470.0000	ABC Revenue		7,200
103480.0200	NC Dept of Health		2,600
103560.0100	Firemen's Relief Funds		4,092
103560.0300	Fire & Life Safety		1,406
103567.0000	RT Revenue		6,000
103570.0000	County Subdivision Fees	10,000	
103612.0321	Rental Fees		3,667
103612.0480	Concession Fees		1,300
103612.0490	Sport Registration Fees		1,100
103990.0000	Fund Balance Appropriation		114,659
TOTAL REVENUE INCREASE		10,000	232,567

Section 3. To amend the Water and Sewer Fund the expenditures are to be changed as follows:

**WATER &
SEWER**

306600.0400	Misc. Professional Services		2,500
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306600.1500	Utility Billing Maintenance	5,000
306600.7400	Capital Outlay	2,200
306600.8000	Contingency	35,000
TOTAL		35,000
308100.1601	Maint & Repair Equipment	10,000
308100.3100	Auto Supplies	7,000
308100.3301	Small Tools & Equipment	1,500
308100.3303	Service Pipe & meter box	17,000
308100.5700	Misc.	1,500
TOTAL		37,000
308200.0400	Instrumental Contract	2,000
308200.3300	Dept. Supplies	3,000
TOTAL		5,000
308300.1600	Maint. & Repair Wells	27,000
308300.3100	Auto Supplies	1,500
308300.3301	Lab Chemicals & Equipment	500
308300.3302	Water Chemicals	16,000
308300.3303	Water Analysis	7,000
TOTAL		52,000
308400.1600	Maint of Lift Stations	6,000
308400.7400	Capital Equipment	2,000
TOTAL		8,000
TOTAL EXPENDITURE INCREASE:		35,000
		111,700

Section 4. The following revenues are anticipated to be available to fund these changes:

Water & Sewer Revenues:

303710.0000	W & S charges	41,423
303040.0000	Insurance Revenue	2,419
303350.0000	Misc.	2,300
303700.0000	Sewer Surcharge	22,000
303730.0000	W & S Tap Fees	3,200
303750.0000	Service Fees	4,800
303810.0000	Sale & Ser of Materials	558
TOTAL		76,700

Section 5. Copies of this amendment shall be furnished to the City Clerk, City Manager and Finance Director for their direction.

Ordinances—Budget—Downtown

Upon a motion made by Councilmember Harris, seconded by Councilmember Becton, the following ordinance #2006.06.04 was unanimously adopted:

**CAPITAL PROJECTS ORDINANCE
Downtown Revitalization, Phase II**

BE IT ORDAINED by the City Council of the City of Clinton, North Carolina, that, pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

Section 1. The project authorized is the construction of a downtown revitalization project.

Section 2. The officers of this unit are hereby directed to proceed with the capital project within the terms of the grant documents and the budget contained herein.

Section 3. The following amounts are appropriated for the project:

554970.0400	Engineering and Design	\$ 80,000
554970.2600	Advertising	3,500
	TOTAL	\$ 83,500

Section 4. The following revenues are anticipated to be available to complete this project.

553020.0000	From Community Dev. Fund	\$ 83,500
	TOTAL	\$ 83,500

Bids—Street

Public Works Director Doherty presented the following bids for street paving and resurfacing:

<u>COMPANY</u>	<u>BID</u>
APAC	\$261,959.00
Barnhill	\$202,492.50
Johnson Brothers	\$195,255.00

It was the consensus of the council to pave dirt streets rather than resurface streets.

Upon a motion made by Councilmember Becton, seconded by Councilmember Harris, the low bid from Johnson Brothers in the amount of \$195,255.00 was unanimously accepted.

Water—Premium Standard Farms

City Manager Connet reviewed the history of a stand-by water fee charged to Lundy Packing Company/Premium Standard Farms since the 1950's. He said in 2005 Premium Standard installed a metered connection to the city's water system, thus he is requesting the stand-by fee be eliminated. Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Strickland, and unanimously passed, approval was given to eliminate the stand-by fee charged to Premium Standard Farms effective July 1, 2006.

Contracts—Sampson County—Tax

City Manager Connet presented a proposal from Sampson County for collection and billing of city taxes at a cost not to exceed 2% of the city's annual tax levy. If approved, council should appoint the Sampson Tax Collector, Glenn Spell, as the city's tax collector. Mayor Starling disclosed his law firm is Sampson County's tax department legal representative.

Upon a motion made by Councilmember Harris, seconded by Councilmember Becton, unanimous approval was given to entering into a contract with Sampson County for the billing and collection of city taxes at a cost not to exceed 2% of the city's annual tax levy and to appoint Glenn Spell as city tax collector.

Subdivisions

Upon a motion made by Councilmember Strickland, seconded by Councilmember Harris, unanimous approval was given to a three-lot preliminary plat requested by Willis Enterprises, Inc., consisting of 12.8 acres off Fontana Street.

Upon a motion made by Councilmember Turlington, seconded by Councilmember Harris, unanimous approval was given to a two-lot preliminary plat requested by Alicia Blue Caison, consisting of .13 acres off Sampson Street.

Tax

City Manager Connet presented a "Report of Insolvents" for Alamac Knit Fabrics, Inc., tax accounts #146622 and 24110. According to G. S. 105-373(a)(2) council must determine insolvency which will relieve the tax collector of the charge of accounting for the taxes. Upon a motion made by Councilmember Strickland, seconded by Councilmember Harris the "Report of Insolvents" for Alamac Knit Fabrics, Inc. was unanimously accepted.

Upon a motion made by Councilmember Turlington, seconded by Councilmember Becton, the following resolution was unanimously adopted:

Whereas, property taxes are due September 1st of each year in North Carolina, and

Whereas, the tax official is charged with the liability of collecting the unit's property taxes, and

Whereas, the governmental jurisdiction has the authority to approve an insolvent tax account, and

Whereas, the governmental jurisdiction has the authority to relieve the tax official from the liability of collecting and crediting the account to the annual settlement.

Now, Therefore, Be It Resolved that the city of Clinton governmental unit relieves the current tax official from collection of the solvent tax account.

Be It Further Resolved that this insolvent account be credited to the current tax official's annual settlement and that this resolution be recorded in the minutes of the June 6, 2006 meeting of the City Council of the City of Clinton, NC.

REPORTS

The code violations, finance, fire, personnel, police, and tax reports were acknowledged.

City Manager Connet reported the release of \$60.76 for taxes billed to Marlin.

City Manager Connet informed council that staff will soon be reviewing engineering proposals.

City Manager Connet invited council to a June 14, 2006 luncheon hosted by Sampson County Economic Development for the purpose of meeting an industrial prospect.

Miscellaneous

Councilmember Strickland thanked public works and planning employees for having property on Nicholson Street cleaned.

A person appeared and requested a copy of the public nuisance ordinance. He was asked to see the planning department the following morning.

RESOLUTIONS—CLOSED SESSION

Upon a motion made by Councilmember Stefanovich, seconded by Councilmember Harris, the following resolution was unanimously adopted:

RESOLUTION TO ENTER CLOSED SESSION

Be It Resolved that the regular meeting of the City Council of the City of Clinton, North Carolina held June 6, 2006 enter closed session as allowed by G. S. 143-318.11(a)(6) to discuss personnel and G. S. 143-318(a)(3) to discuss litigation.

Council re-entered regular session. Mayor Starling reported council discussed personnel. Upon a motion made by Councilmember Becton, and seconded by

Councilmember Turlington unanimous approval was given to an agreement between Dwight Miller and the city which is the result of court action.

Upon a motion duly made, seconded and passed the meeting was continued until June 20, 2006 at 7:00 p.m.

Clerk

Mayor