

The Washington City Council met in a regular session on Monday, April 14, 2025 at 5:30pm in the Council Chambers at the Municipal Building. Present: Donald Sadler, Mayor; Anthony Tyre, Mayor Pro tem; Antwan Horton, Councilmember; William Pitt, Councilmember; and Richard Brooks, Councilmember. Also present, Jonathan Russell, City Manager; Franz Holscher, City Attorney and Cynthia Sullivan Bennett, City Clerk. Councilmember Lou Hodges was absent and excused.

Reverend Gardner delivered the invocation.

Mayor Sadler called the meeting to order and Mayor Pro tem Tyre led the Pledge of Allegiance.

APPROVAL OF MINUTES:

By motion of Councilmember Pitt, seconded by Councilmember Brooks, Council approved the minutes of March 3, 2025 as presented.

VOTE:	YES	NO
Mayor Pro tem Tyre	x	
Councilmember Hodges	absent	absent
Councilmember Brooks	x	
Councilmember Horton	x	
Councilmember Pitt	x	

APPROVAL/AMENDMENTS TO AGENDA

By motion of Councilmember Pitt, seconded by Councilmember Brooks, Council approved the agenda as amended.

- Add Closed Session under NCGS 143-318.11 (a)(5) Acquisition of Property

CONSENT AGENDA:

(The Consent Agenda is where routine items are approved as a group without Council discussion. If any Council member would like a separate vote or discussion on any Consent Agenda item, the item may be removed from the Consent Agenda and moved to New Business.)

- A. Approve – Application for Congressionally Directed Spending through Senator Thom Tillis’s Office

By motion of Councilmember Pitt, seconded by Mayor Pro tem Tyre, Council approved the Consent Agenda as presented.

COMMENTS FROM THE PUBLIC:

1. Each speaker must sign-in on the sign-up sheet on the table at the back of the Council Chambers.
2. During the Comments from the public portion of the agenda, the City Manager will call on individuals signed in to address Council
3. When called to speak, each speaker will identify him/herself by giving his/her **name and address**.
4. Each speaker will be limited to speaking one time on any topic. When you are finished speaking please step away from the podium and be seated.
5. Each speaker will be limited to **three (3) minutes** and each group's representative will be limited to a **maximum of five (5) total minutes**. Each group is encouraged to designate a single spokesperson for their group.

Anthony Northern, Joneice Carroll, Timolin Moore, Nick Fritz, Laura Briley, Josh Hardison, Beth Black Byrd, Dana Smith, Ellen Brabo, Sylvia Anderson, Jesse Earl Thompson, Bill Booth and Marie Freeman Barber spoke in regard to 15th Street.

BRIAN ALLIGOOD – RPO RTTC CHAIR

Brian Alligood, RTCC Chair (RPO) made the following presentation to Council regarding 15th Street. “Mr. Mayor, members of Council, it is good to be in front of you tonight. Thank you for the opportunity to speak regarding the 15th Street Improvement Project (U-5860). I speak tonight as the Chairman of the RPO’s TCC and appreciate the opportunity to help bring some clarity to the role of the RPO in this project. I understand that there are many public opinions about 15th Street and what improvements need or should be made to this transportation corridor. I hope that my comments tonight will help clear up several misunderstandings I have recently heard regarding this project.

A bit of history. In 2000, the North Carolina General Assembly enacted Chapter 136, Article 17, Section 136-210-213 of the General Statutes. This legislation established Rural

Planning Organizations (RPOs) to help address and improve rural area transportation planning processes. RPOs are made up of the lead planning agency, in our case, the Mid-East Commission, that provides support staff, the Technical Coordinating Committee (TCC), that is made up of staff representatives from local member governments, and the Transportation Advisory Committee (TAC) made up of local county and municipal elected officials, including members from the City of Washington. The TCC's role is to support and advise the TAC and the TAC is the governing policy board that provides policy direction for the transportation planning in our region. The process to develop, select, fund and construct a roadway project is extensive. RPOs identify transportation needs through public input and submit project proposals to NCDOT. As required by the Strategic Transportation Investments law, NCDOT uses the strategic mobility formula to allocate funding based on data-driven scoring and local input. Projects that score high enough are placed in the State Transportation Improvement Program (STIP). This is a 10-year program schedule and is only updated every two years.

In early 2014, NCDOT proposed a project to widen 15th Street from US 17 Business (Carolina Avenue) to Pierce Street from a four-lane undivided roadway to a four-lane divided roadway with channelized left-turn lanes. The proposed project (W-5008) would be a Federal Highway Safety Project. NCDOT would cover the costs of construction and right-of-way acquisitions and would also cover the costs of utility relocations if outside of the current right-of-way. The City of Washington acquired \$150,000 in discretionary funds from the Legislature to assist with utility relocations for this specific project.

Additionally, in 2014, following the recommendations of the Beaufort County Comprehensive Transportation Plan, the Mid-East RPO submitted a project proposal to widen 15th Street to a four-lane divided section with channelized left turn lanes from US 17 Business (Carolina Avenue) to Brown Street. Upon recommendation by the TCC, the TAC voted to place 100 local input points on the project. The project also receives 100 local input points from NCDOT Division 2. As a result of its anticipated safety benefits, and support from the Mid-East RPO and NCDOT Division 2, the project scored high enough for funding in the STIP as Project No. U-5860. In 2015, W-5088 (Carolina Ave to Pierce Street) fell through due to significant increased costs for utility relocations. U-5860 (Carolina Ave to Brown Street) however remained on the STIP. In 2016, NCDOT held public meetings to receive comments on U-5860. The City of Washington facilitated additional public input sessions and ultimately voted to not proceed with U-5860. In 2017, NCDOT requested that the RPO vote to remove U-5088 from the STIP. The RPO declined. In 2018, NCDOT again requested that the RPO vote to remove U-5088 from the STIP. The RPO again declined. In 2020, the City hired Stantec Consulting Services to develop a new design for 15th Street.

In 2021, the City voted to accept the Stantec design which included a two-lane section with a free-flowing center turn lane. The City sent the design to the RPO for consideration. In 2022, NCDOT studied the Stantec design, subjected it to traffic models and provided the RPO a preliminary score for the design. An outside engineering firm and the State Traffic Management Engineer both concluded that the design would function very poorly and create substantial delays and queuing within the project limits. Additionally, it scored too low to be funded in the STIP.

Here are the main points:

1. The Stantec design has been studied by the RPO, the NCDOT and outside engineering firms with the same conclusion: the design will not work for the reasons previously stated and it scored too low to be funded in the STIP.
2. Common sense tells you that compressing the existing traffic volume on 15th Street into two lanes and turning that much volume head-to-head in a free-flowing left turn lane is extremely dangerous and will result in more vehicular crashes and potential fatalities.
3. U-5860 is in the STIP and funded for construction. Any proposed designs that change the four-lane, channelized left-turn design will have to go back through NCDOT scoring prioritization and will cause U-5860 to fall out of the STIP. If this occurs, funding for U-5860 will be returned to Division 2 and will likely be used to cover cost overruns of other Division 2 STIP projects outside of Beaufort County.
4. If you believe that changes are needed to improve the safety and flow of the 15th Street transportation corridor, U-5860 is that opportunity. It is one that has been over 10 years in the making and if passed on, it is unknown how many vehicle crashes and potential fatalities will occur before the opportunity comes again. Sadly, three fatalities have occurred in the last two years.

Thank you again for your time and I am happy to take any questions you may have.”

Mayor Sadler asked what agency owns 15th Street and Mr. Alligood stated, NCDOT. If Council would ask NCDOT to reconsider the Stantec plan, what would happen? Mr. Alligood stated there were design changes incorporated into the original NCDOT design. In 2014, a municipality had to pay for the installation of sidewalks. In 2025, if the municipality has a Comprehensive Plan, Bike Plan and Pedestrian Plan, NCDOT will pay for the installation of sidewalks.

Mayor Pro tem Tyre asked Mr. Alligood if anyone from the 15th Street Coalition gathered this information prior to this being presented tonight? Mr. Alligood noted he was unsure, but this project has been discussed for 10+ years. Mr. Alligood also noted that he has been approached by several individuals and he has explained the facts to them. Discussion was held regarding easements and drainage/utilities.

Jonathan Russell stated we are continuing to work with NCDOT and our citizens. Utility upgrades are part of this project including upsizing drainage pipes to increase volume and movement at no cost to the City. This project is a NCDOT project.

Stacy Drakeford stated in one week there was over 47,000 cars driving on 15th Street with an average speed of 36mph.

RECESS

PUBLIC HEARING 6:00PM - ZONING: NONE

PUBLIC HEARING 6:00PM- OTHER: NONE

SCHEDULED PUBLIC APPEARANCES: NONE

CORRESPONDENCE AND SPECIAL REPORTS:
MEMO – PO’S > \$50,000

The following budgeted purchase orders that are in excess of \$50,000 have been issued for the month:

<u>PO Number</u>	<u>Amount</u>	<u>Vendor</u>	<u>Description</u>
068875	\$77,341.00	Coastline Electrical Construction, Inc.	Plumbing & Electrical for dockside power centers on pier
068926	\$146,000.00	Eastern Aviation Fuels, Inc.	Aviation fuel purchases

MEMO – BUDGET TRANSFERS

The Budget Officer reallocated appropriations among various departmental totals of expenditures within authorized funds.

NC GS 159-15 states that this shall be reported to the Council at its next regular meeting and be entered in the minutes.

030-8180-7400	-\$4,200.00
030-8140-0201	\$2,500.00
030-8140-0705	\$200.00
030-8140-1700	\$1,500.00
035-7251-7400	-\$4,426,094.00
035-8370-7400	-\$25,000.00
035-8375-7400	-\$180,885.00
035-8390-7400	-\$750,000.00
035-8390-7400	-\$100,000.00
035-8390-7400	-\$200,000.00
035-8390-7400	-\$288,000.00
035-6612-0207	\$5,969,979.00
010-4350-4503	-\$7,500.00
010-4910-0400	\$7,500.00

	Department	Account Number	Project Account	Account Name	Amount
FROM:	Water Fund	030-8180-7400		Capital Outlay	\$ 4,200.00
TO:	Water Fund	030-8140-0201 030-8140-0705 030-8140-1700		Salaries – Overtime Employer 457 Contribution Maint. / Repair Vehicles	\$ 2,500.00 \$ 200.00 \$ 1,500.00

For the purpose of: Balancing budget and manage spending within the Water Dept. for fees associated with overtime, employer benefits, and vehicle maintenance expenses.

	Department	Account Number	Project Account	Account Name	Amount
FROM:	Electric	035-7251-7400 035-8370-7400 035-8375-7400 035-8390-7400 035-8390-7400 035-8390-7400 035-8390-7400	AMI Meter Sub Recond LM Peak Shav TR2 Asb Ch Rd TR3 Down Eng TR4 BCCC Mkt Slatestone	Capital Outlay Capital Outlay Capital Outlay Capital Outlay Capital Outlay Capital Outlay Capital Outlay	4,426,094.00 25,000.00 180,885.00 750,000.00 100,000.00 200,000.00 288,000.00
TO:	Electric	035-6612-0207	None	Salary Adjustment	5,969,979.00

For the purpose of: project carryforward no longer needed, move to this account so it will close to fb at eoy.

	Department	Account Number	Project Account	Account Name	Amount
FROM:	Inspections	010-4350-4503		Contract Services – Demo	\$7,500
TO:	Planning	010-4910-0400		Professional Services	\$7,500

For the purpose of: To Return Funds not used for demolition of 302 W 7th (Needed to pay Mid-East Commission)

REPORTS FROM BOARDS, COMMISSIONS AND COMMITTEES:
REPORT – WASHINGTON TOURISM DEVELOPMENT AUTHORITY - No report

REPORT – WASHINGTON-WARREN AIRPORT AUTHORITY
The City Manager stated the projects at the airport are moving forward.

REPORT – HUMAN RELATIONS COUNCIL - No report

REPORT – WASHINGTON ELECTRIC ADVISORY BOARD - No report

**REPORT – BROWN LIBRARY ANNUAL REPORT & CERTIFICATE OF
RECOGNITION FOR OUTSTANDING PROGRAMMING AWARD (TALKING WITH
TERRY: AN INTERVIEW WITH A COMMUNITY HELPER)**



ANNUAL REPORT 2024



A message from the Director:

As we reflect on another successful year at Brown Library, we are proud to share the progress we've made toward achieving our strategic goals while staying true to our mission of providing access to engaging collections, programming for all, and preserving our community's rich history. Our library continues to serve as a vital hub for learning, connection, and growth, ensuring that every individual has access to the resources they need to thrive.

In alignment with our strategic plan, we have made significant strides in creating opportunities for lifelong learning, curiosity, and connections, as well as strengthening community partnerships. We've worked tirelessly to preserve and celebrate the stories that define our community's past. Our accomplishments are a testament to the dedication of our staff, the invaluable support of our volunteers, and the unwavering commitment of our Library Board of Trustees.

We are deeply grateful to the City Council, Friends of Brown Library, and our community members, whose continued support makes it possible for us to fulfill our mission. As we look to the future, we remain focused on expanding our services, enhancing our facilities, and maintaining our role as a cornerstone of knowledge, culture, and community. Together, we will continue to build a library that is not only a resource but a place where everyone belongs and the history we share is preserved for generations to come.

Thank you for your continued support, dedication, and belief in the importance of libraries.

Kimberly Davenport
Kimberly Davenport
Library Director

washington-nc.libguides.com

(252) 946-4300

George H. & Laura E. Brown Library

2024 YEAR IN REVIEW

Top Books Borrowed by Adults, Teens, and Children:



By the numbers:

- History Room Inquiries: 1,233
- PastPerfect collections viewed: 1,303
- Free paperbacks shared: 1,747
- Computer sessions: 1,512



54,136

Visitors to the Library
The library averaged over 1,041 visitors each week!

584

New Cardholders



94,636
Items Checked Out

629
Programs Offered

8,219
Program Attendance



159,879
Wireless Engagement



25,890
Visits to our website



541
Volunteer Hours

George H. & Laura E. Brown Library

2024 | IN ACTION

Month of Magic



Pick-Up Kit Days



Bilingual Programs



- 50+ programs
- 2,500+ attendees
- 900+ educational kits distributed
- 9,000+ items checked out

ADVENTURE
— Begins at —
YOUR LIBRARY

Brown Library's 2024 Summer Library Program brought six weeks of fun, excitement, and adventure! We are deeply grateful to the Friends of Brown Library for their support and to all of the presenters and volunteers who made this program a success.



Library Card Sign-Up Month



Community Partnerships



Kid & Teen Backpack Giveaway

This year, the Local History Room successfully accessioned 21 new collections into PastPerfect, expanding access to our archival collections. These collections include a fascinating array of items, such as silver spoons, a family Bible, war medals, a sword and scabbard, artifacts from the USS Picket, costumes from the Tulip Festival, a steamer trunk, and much more.

One particularly special donation—a family Bible—sparked an exciting collaboration with the Keyes family, UNC Chapel Hill, UNC Media, and our library. The story behind the Keyes family Bible and its rich legacy is now featured on mediahub.unc.edu, where you can explore the history and connections it uncovered. We were honored to be part of this story, helping to unite the family to a part of their heritage.



BROWN LIBRARY
The voice of your future...

George H & Laura E Brown Library
122 Van Norden | Washington, North Carolina 27889 | (252) 946-4300 | <https://washington-nc.libguides.com/home>

FRIENDS OF BROWN LIBRARY

SUPPORTING THE LIBRARY

The Friends of Brown Library play a vital role by providing volunteer support, advocacy, and supplemental funding for projects and materials that extend beyond the library's budgetary constraints.

To further these important initiatives, the Friends of Brown Library host an annual book sale and offer a variety of programs that highlight cultural, historical, and literary themes. Furthermore, the group actively promotes library activities and fosters collaboration with other organizations to enhance leadership and strengthen community connections with the library.

How we helped:

- Funded the Summer Library Program for all ages.
- Provided platform fees and content funding for Libby.
- Provided Ancestry and African American Ancestry databases.
- Fully funded Anime Club for teens.



A message from the president:

Thanks to the continued community support from the Friends membership and public involvement, we have been able to fund extra programs for the library through dues and the annual book sale. We hope to continue providing this support by adding new members to the Board of Directors.


Katie Lake




THANK YOU TO OUR DONORS!

BOARD OF TRUSTEES


2024




Joanna Rieg
Secretary




Magfirah Dahlan
Board Member




Melissa Gonzalez
Board Member




Sharon Johnston
Board Member




Leesa Payton Jones
Board Member



Ray Midgett
Board Member



Lou Hodges
City Council Liason



Steve Moler
Chairman of the Board

A message from the chairman:

On the evening of March 17, 1911 a group of 8 Washington citizens assembled in rooms of the "Young Men's Christian League" to devise plans for the establishment of a public library for the City of Washington.


It is the mission of the Board of Trustees to continue their legacy for another 100 years. Brown Library is the heart of our community and a place where citizens of Washington and the surrounding communities can meet and learn.

Please continue to use and support our library throughout the year.

Keep On Reading! *Steve Moler*

Goals accomplished:

- Updated the strategic plan with focus on the enhancement of programming, resources, space, and technology to meet the needs of the community.
- Expanded outreach services through strategic partnerships to strengthen early literacy initiatives and foster greater cultural and community engagement.
- Offered a diverse range of in-house programming for individuals of all ages, from early childhood development to lifelong learning, while also hosting bilingual initiatives to foster inclusive engagement.
- Successfully upgraded to fiber-optic internet connectivity, enhancing speed and efficiency for both staff and community users.



NCPLDA
North Carolina Public Library
Directors Association

CERTIFICATE OF RECOGNITION


AWARDED TO

George H. and Laura E. Brown Library


FOR

Outstanding Programming Award- Small Library

Talking with Terry:
An Interview with a Community Helper



Rishara Finsel
President



April 3, 2025
Date

The North Carolina Public Library Directors Association commends and thanks you for sharing your excellent work with North Carolina's Public Libraries.

APRIL 14, 2025



REPORT – OTHER BOARDS/COMMISSIONS/COMMITTEES – NONE

**APPOINTMENTS:
BROWN LIBRARY BOARD OF TRUSTEES**

By motion of Councilmember Horton, seconded by Councilmember Pitt, Council appointed Randa Flournoy to the Brown Library Board of Trustees to fill a VACANT unexpired position. Term to expire June 30, 2026.

**OLD BUSINESS: NONE
NEW BUSINESS:**

ADOPT – GENERAL FUND CAPITAL PROJECT BUDGET ORDINANCE
BACKGROUND AND FINDINGS: Donations were received to support the museum project.

By motion of Councilmember Horton, seconded by Councilmember Brooks, Council adopted the General Fund Capital Project Budget Ordinance.

VOTE:	YES	NO
Mayor Pro tem Tyre	x	
Councilmember Hodges	Absent	Absent
Councilmember Brooks	x	
Councilmember Horton	x	
Councilmember Pitt	x	

**CAPITAL PROJECT ORDINANCE FOR GENERAL FUND PROJECT FUND
CITY OF WASHINGTON, N.C.
FOR THE FISCAL YEAR 2024-2025**

BE IT ORDAINED by the City Council of the City of Washington, North Carolina:

Section 1. That the Estimated Revenues in the General Fund Capital Project Fund be increased or decreased in the following accounts and amounts:

125-3609-2001	Donations	\$200,000
	Project Museum	

Section 2. That the following appropriation accounts in the General Fund Capital Project Fund be increased or decreased by the following amounts to fund museum repairs:

125-6111-4502	Construction	\$200,000
	Project Museum	

Section 3. All ordinances or parts of ordinances in conflict herewith are hereby repealed.

Section 4. This ordinance shall become effective upon its adoption.

Adopted this the 14th day of April, 2025.


MAYOR

ATTEST:

CITY CLERK



**APPROVE – LETTER OF AGREEMENT AND ADOPT RESOLUTION OF THE
SPONSOR FOR AIRPORT SAFETY/MAINTENANCE PROJECTS WITH NCDOT
DIVISION OF AVIATION**

BACKGROUND AND FINDINGS: The NCDOT requires a Commitment and Release of Liability statement to be on file in order to provide and oversee maintenance and safety improvements on the operational surfaces of the Washington Warren Airport.

By motion of Councilmember Brooks, seconded by Councilmember Pitt, Council approved the Letter of Agreement for Airport Safety/Maintenance Projects and adopted the Resolution of the Sponsor required by the NCDOT Division of Aviation.

VOTE:	YES	NO
Mayor Pro tem Tyre	x	
Councilmember Hodges	Absent	Absent
Councilmember Brooks	x	
Councilmember Horton	x	
Councilmember Pitt	x	

LETTER OF AGREEMENT FOR
AIRPORT SAFETY/MAINTENANCE PROJECTS

THIS AGREEMENT is made, this 14th day of April, 2025 by the City of Washington as owner and operator (hereinafter referred to as “Sponsor”) of the Washington Warren Airport (hereinafter referred to as “Airport,”) and the North Carolina Department of Transportation (Division of Aviation), an agency of the State of North Carolina (hereinafter referred to as “Department”), for the purposes of future and as-yet unspecified safety or maintenance services to be performed by said Department in accordance with the terms, conditions and provisions hereof.

WITNESSETH

WHEREAS, the Sponsor is primarily responsible for maintaining the facilities of the Airport to protect and preserve the safety of flight operations at, from and to the Airport; and

WHEREAS, and the Department shares the interest of the Sponsor in the prompt and adequate maintenance and repair of the paved surfaces of the Airport which support aircraft movements on the Airport; and

WHEREAS, the Sponsor and the Department may, from time to time, mutually determine that certain paved surfaces and adjacent areas on the airport have aged and deteriorated and/or that other infrastructure is in need of maintenance or repair, and that the Sponsor could benefit from the assistance of the Department in accomplishing such maintenance and repair; and

WHEREAS, pursuant to Article 7 of North Carolina General Statute 63, the Department is authorized to undertake safety improvements of aircraft movement areas, on publicly owned and operated airports in North Carolina; and

WHEREAS, the Sponsor and the Department agree that upon the request by the sponsor and the acceptance by the Department, certain needed improvements at the Airport may be undertaken by the Department in conformance with the provision of North Carolina General Statute 63; and

WHEREAS, the Department requires a Commitment and Release of Liability statement to be on file in its offices, in order to be able provide and oversee such maintenance and repair at the Airport;

NOW THEREFORE, the Sponsor does hereby commit to the following measures:

1. This Letter of Agreement supersedes all prior agreements between the Department and Sponsor with respect to the subject matter of this Letter of Agreement.

2. Upon the Sponsor's approval, the Department, using NCDOT state forces and/or private contractor(s) under a Purchase Order Contract, may perform the requested maintenance and repair to the Airport. This work may include, but not be limited to; Joint and Crack Sealing, Pavement Repairs and Patching, Surface Treatments, Maintenance Overlays, Electrical, Grading, Drainage Improvements, Pavement Markings, or other infrastructure maintenance.
3. The Sponsor will receive notification from the Department of the Department's willingness to perform (or pay to have performed) any item or items of work approved by the Sponsor and a proposed schedule for performing the work and the force or contractor the Department proposes to perform the work.
4. If the schedule and the force or contractor proposed by the Department for performing the work is acceptable to the Sponsor, the Sponsor shall authorize the Department (or its contractors) to enter upon the property of the Airport during the scheduled time to perform the work.
5. If the schedule and the force or contractor proposed by the Department for performing the work is unacceptable to the Sponsor, the Sponsor shall inform the Department of the reasons for its objections and the Sponsor and the Department will engage in dialogue with the intent of determining if an alternative schedule or force or contractor is acceptable to both the Sponsor and the Department. If the Sponsor and the Department cannot reach agreement through the process described in paragraph 4 then the Department will withdraw its offer to perform the requested work.
6. The Sponsor hereby represents to the Department that the title to the pavement and adjacent areas of the Airport is vested in the Sponsor.
7. The Sponsor agrees to provide a duly authorized representative who will be present and/or available at all times the work is in progress (including nights and weekends, as applicable) to monitor project operations and assist the Department's representative.
8. The Sponsor agrees to provide a duly qualified operator who will monitor the airport's UNICOM radio transceiver at all times the work is in progress (including nights and weekends, as applicable) and will issue airport advisories as necessary on the UNICOM radio transceiver.
9. The Sponsor agrees, when needed, to formally close any runway, taxiway, or apron at all times when the work is in progress on that pavement area and to take appropriate steps to prohibit use of such areas by aircraft and/or ground vehicles while the work is being performed or the subject pavement areas are in an unsafe or uncured condition due to the conduct of the work.
10. The Sponsor agrees to issue and keep current the necessary Notices to Airmen (NOTAMS) through the Federal Aviation Administration (FAA) until all work is completed and the Department's representative notifies the Sponsor's representative that the affected areas may be returned to service.

11. The Sponsor agrees that the Department may, in its sole discretion, determine the design, scope of work, materials to be used, and methods of accomplishing the authorized work. The Department covenants that any and all such work as it performs or has performed at the Airport pursuant to this agreement will meet or exceed all relevant State of North Carolina and Federal Aviation Administration specifications for the type of pavement concerned and the type of maintenance or repair that is being performed.

12. To the maximum extent allowed by law, the Sponsor shall indemnify and hold harmless the Department and its officers and employees from all suits, actions, or claims of any character because of injury or damage received or sustained by any person, persons, or property resulting from work performed under this Commitment. This indemnity does not extend to causes of action arising from the negligence of the Department, its officers and employees or any of Department's contractors who performed the work.

13. Should Sponsor fail to comply with any material duty required of it under this Agreement the Department shall give written notice to the sponsor of the details of its non-compliance and provide a reasonable period in which the Sponsor can cure its non-compliance. Upon the expiration of said cure period without the Sponsor having come into compliance, the Sponsor agrees that, at its sole and unlimited discretion, the Department shall have the right to immediately stop all work being performed at the Airport and release the work area to the jurisdiction of the Sponsor.

14. The Sponsor understands that for the Department to perform maintenance or safety services, the Airport and Sponsor must be in good standing on all State and Federal Grant Requirements and Assurances before any project shall be performed under this Commitment.

15. Subject to the provisions of paragraph 13 above, this Commitment will expire on December 31, 2028. Subject to the provisions of paragraph 13 above, this Commitment may be terminated by either the Department or the Sponsor by providing written notification of termination. The effective date of termination pursuant to this paragraph shall be the date of receipt of the notice of written termination by the non-terminating party.

NC Division of Aviation

BY:  DATE: 04/16/2025
DocuSigned by:
9C4D45D897794C2
Nicholas Short, P.E., P.L.S.
Interim Aviation Director

WITNESS WHEREOF, the Sponsor has executed this Commitment on the date first written on Page 1 of this document.

FOR THE LOCAL AIRPORT SPONSORING AGENCY

Signed: _____

Title: _____

Official Sponsor: _____

Attest: _____

SEAL OF THE SPONSOR



A digital copy of this LETTER OF AGREEMENT in adopted form should be emailed to the Statewide Program Manager and your Airport Project Manager. General telephone number is: (919) 814-0550.

Statewide Program Manager – Raj Kondapalli, P.E. rkondapalli@ncdot.gov
Airport Project Manager (NW) – Caleb Whitby, P.E. cwhitby@ncdot.gov
Airport Project Manager (NE) – Robin Peele, P.E. rdpeelee@ncdot.gov
Airport Project Manager (SW) – Emily Ferreira. eafferreira@ncdot.gov
Airport Project Manager (SE) – Tommy Mann, P.E. tmann@ncdot.gov

Resolution of the Sponsor

A motion was made by (Name and title) Richard Brooks, Councilmember
and seconded by (Name and Title) William Pitt, Councilmember
for the adoption of the following resolution, upon being put to a vote it was duly adopted:

THAT WHEREAS the City of Washington (hereinafter referred to as "Sponsor") the North Carolina Department of Transportation (hereinafter referred to as "Department") requires a Commitment and Release of Liability statement to be on file, in order to provide and oversee maintenance and safety improvements on the operational surfaces of the Washington Warren Airport; in accordance with the provisions of North Carolina General Statute 63.

NOW THEREFORE, BE IT AND IS HEREBY RESOLVED, that the
(Title of Airport Official) Jonathan Russell, City Manager
of the Sponsor be and is hereby authorized and empowered to enter into a Commitment and Release of Liability with the Department, thereby binding the Sponsor to fulfillment of its obligation as incurred under this resolution and its commitment to the Department.

I, (Name and title) Cynthia S. Bennett, City Clerk,
of the City of Washington, do hereby certify that the above is a true and correct copy of the minutes of (Name of Authorizing Board of the Sponsoring Agency) the City Council meeting, held on April 14th, 2025.

WITNESS my hand and the official seal of the Sponsor.
This the day of April 14th, 2025.
Signed: Cynthia S. Bennett



**AWARD – NORTH GA AREA TAXILANES, HANGARS AND DRONE PAD
PROJECT TO A.R. CHESSON CONSTRUCTION COMPANY, INC. AND APPROVE
SUBSEQUENT PURCHASE ORDER**

BACKGROUND AND FINDINGS: The City of Washington received notification of an award for \$13.5M in TRDF grants for multiple projects at Washington Warren Airport. The "North General Aviation (GA) Taxilanes, Hangars, and Drone Pad" is one of nine projects identified to be funded with these funds. Bids were initially received in January 2025; however, only one bid was received. Per the City of Washington Purchasing Policy, the bid was not opened, and the project was rebid. Bids were then opened and received in February 2025. Two (2) bids were received with A.R. Chesson Construction Company Inc., submitting the lowest responsible bid of \$4,515,779.35. There is no local match required for this project.

By motion of Councilmember Brooks, seconded by Councilmember Pitt,
Council awarded the North GA Area Taxi lanes, Hangars, and Drone Pad project, in

the amount of \$4,515,779.35 to A. R. Chesson Construction Company, Inc., and approved a subsequent purchase order for the same amount.

VOTE:	YES	NO
Mayor Pro tem Tyre	x	
Councilmember Hodges	Absent	Absent
Councilmember Brooks	x	
Councilmember Horton	x	
Councilmember Pitt	x	

AUTHORIZE – CITY MANAGER TO EXECUTE WORK AUTHORIZATION NO. 25-01, NORTH GA AREA TAXILANES, HANGARS AND DRONE PAD, CONSTRUCTION ADMINISTRATION AGREEMENT FOR TALBERT AND BRIGHT PROJECT NO. 4207-2501 AND APPROVE SUBSEQUENT PURCHASE ORDER

BACKGROUND AND FINDINGS: The City of Washington received notification of an award for \$13.5M in TRDF grants for multiple projects at Washington Warren Airport. The "North General Aviation (GA) Taxilanes, Hangars, and Drone Pad" is one of nine projects identified to be funded with these funds. This Work Authorization commits a portion of these TRDF funds for the Construction Administration of this project.

By motion of Mayor Pro tem Tyre, seconded by Councilmember Brooks, Council authorized the City Manager to execute Work Authorization No. 25-01, North GA Hangers and Drone Pad, Construction Administration agreement for Talbert and Bright project No. 4207-2501 in the amount of \$431,506, and approved the subsequent purchase order of the same amount.

VOTE:	YES	NO
Mayor Pro tem Tyre	x	
Councilmember Hodges	Absent	Absent
Councilmember Brooks	x	
Councilmember Horton	x	
Councilmember Pitt	x	

APPROVE – HANGAR J GROUND SITE LEASE AGREEMENT REQUIRING HANGAR CONSTRUCTION AND FIXED BASE OPERATION – AIRCRAFT MANAGEMENT SERVICES – AGREEMENT

BACKGROUND AND FINDINGS: Mr. Tripp is seeking a ground site lease and is prepared to build 3 new hangars at the airport, this will benefit the airport in the ability to house more aircraft and attract more operations and business and fuel sales. At the end of the lease the hangar buildings will transfer ownership from MR. Tripp to the City/Airport.

By motion of Mayor Pro tem Tyre, seconded by Councilmember Horton, Council approved the ground site lease for Mr. Jeffrey Tripp. (Hangar J, K, and I {25 year term with two additional five year renewal terms})

VOTE:	YES	NO
Mayor Pro tem Tyre	x	
Councilmember Hodges	Absent	Absent
Councilmember Brooks	x	
Councilmember Horton	x	
Councilmember Pitt	x	

NORTH CAROLINA
BEAUFORT COUNTY

HANGAR J GROUND SITE LEASE REQUIRING HANGAR CONSTRUCTION AND
FIXED BASE OPERATION – AIRCRAFT MANAGEMENT SERVICES – AGREEMENT

THIS HANGAR J GROUND SITE LEASE REQUIRING HANGAR CONSTRUCTION AND FIXED BASE OPERATION – AIRCRAFT MANAGEMENT SERVICES – AGREEMENT ("Agreement") is made, entered into, and executed in duplicate originals as of the 29 day of April, 2025 ("Agreement Effective Date") by and between **THE CITY OF WASHINGTON**, a body politic and corporate under Chapter 160A of the North Carolina General Statutes having a principal address of P. O. Box 1988, Washington, North Carolina 27889, ("Lessor") and **PACTOLUS INVESTMENTS, LLC**, a North Carolina limited liability company having a principal address of 148 Blue Heron Drive, Blounts Creek, North Carolina 27814 ("Operator").

WITNESSETH

WHEREAS, Lessor is the owner of the Washington-Warren Airport ("Airport"), with improvements thereon, which is located in Washington Township, Beaufort County, North Carolina and desires to contract with Operator to lease certain portions of the Airport, construct a hangar thereon, as well as provide a certain fixed base operation at the Airport.

WHEREAS, Operator desires to lease certain portions of the Airport, construct a hangar thereon, as well as provide a certain fixed base operation at the Airport. More specifically, Operator intends to conduct an aircraft management services business.

WHEREAS, Operator has represented that Operator is fully capable of performing the fixed base operation described in this Agreement and Lessor has relied on such representations to select Operator to perform this Agreement.

NOW THEREFORE, pursuant to Chapter 63 of the North Carolina General Statutes, including but not limited to North Carolina General Statute § 63-53 and other relevant statutory authority, and for and in consideration of One Dollar (\$1.00) and other good and valuable consideration, the receipt and legal sufficiency of which are hereby acknowledged, and in consideration of the mutual covenants contained herein as well as the valuable consideration paid and to be paid, Lessor does hereby demise and lease unto Operator, and Operator does hereby accept from Lessor, that certain tract or parcel of land ("hangar ground site" or "premises") lying and being at Washington-Warren Airport ("Airport") in Washington Township, Beaufort County, North Carolina, more particularly described as follows:

Measuring 60 feet by 65 feet, containing 3,900 square feet, more particularly shown as Hangar J on Exhibit A attached hereto and incorporated herein by reference.

TO HAVE AND TO HOLD said land and premises together with all privileges and appurtenances thereto belonging to it, Operator, upon the following terms and conditions.

SECTION ONE
Use of Airport

Subject to the express conditions contained in Section 7 hereof, Lessor grants Operator the non-exclusive use, in common with others similarly authorized, of the Airport, together with all adequate space and facilities consisting of sufficient ground area to permit the efficient taxiing, servicing, taking off; equipment; improvements and services which have been or may hereafter be provided at or in connection with the Airport from time to time, including, but not limited to, the landing field and any extensions thereof or additions thereto, roadways, runways, aprons, taxiways, floodlights, landing lights, beacons, signals, radio aids, and any and all other conveniences for flying, landing, and takeoff.

Lessor grants Operator the non-exclusive right, in common with others similarly authorized, to load and unload persons and property as is customary in said Airport so long as the normal routine of Airport operations is not interfered with or made burdensome and to install, maintain, and operate radio communications, meteorological and aerial navigations and such other equipment and facilities, in, on or about the premises herein leased, as may be necessary and convenient for Operator's operation so long as all applicable city, county and governmental regulations are complied with.

Lessor grants Operator, its employees, contractors, customers, passengers, guests, sub-lessees and other licensees or invitees (collectively, "Operator's permittees"), the non-exclusive use, in common with others similarly authorized, of all public space in the terminal building of the Airport as well as all additional public space that may hereafter be made available therein and any additions thereto.

SECTION TWO
Acceptance, Maintenance and Use of Hangar Ground Site

Operator accepts the hangar ground site and the grounds immediately adjacent thereto in the physical condition in which the same now are. Operator further agrees to maintain the hangar ground site and the grounds immediately adjacent thereto in at least a like condition during the term of this Agreement; provided, however, Lessor reserves the right to install such concrete as it desires. Said maintenance shall include mowing, if applicable, such that any grass shall not reach a height of more than six (6) inches and other customary upkeep. Operator further agrees to maintain the hangar ground site and the grounds immediately adjacent thereto in a clean, neat and orderly manner so as to promote the use of the Airport, and further agrees to abide by such reasonable requests as may be made by Lessor for the proper use and maintenance of the Airport to the end that the general welfare of the public may be promoted and served thereby, and that there not be permitted any accumulation of equipment or discarded junk or the discharge of hazardous or regulated chemicals onto the Airport. Upon termination or the earlier expiration of this Agreement, Operator shall surrender the hangar ground site back to Lessor in as good a condition as the same now is. As used herein, "grounds immediately adjacent" shall mean twenty-five (25) feet extending from each side of the hangar or half the distance to a neighboring hangar, whichever is applicable.

Operator shall construct and maintain an aircraft hangar on the hangar ground site as specified in Section 7 of this Agreement as well as construct and maintain any necessary foundation, aircraft parking apron, paved access to and from the hangar and taxiway, rear access (paved or graveled), and/or automobile parking lot as may be specified in Section 7.

Lessor hereby grants Operator the non-exclusive privilege to engage in, and Operator agrees to engage in an aircraft management services business in and from the premises whereby Operator solicits as well as arranges for aircraft to be located in as well as moved into and from the hangar and Operator will service, maintain, move, and support the aircraft located therein. In this regard, the hangar ground site is to be used only for aircraft related operations and the fixed base operation described herein. Storage of aircraft in the hangar is limited to private aircraft owned or managed by Operator. Unairworthy aircraft may only occupy the hangar for maintenance and repairs that are necessary in order for Operator to restore them to an airworthy condition within a reasonable period of time. No other use of the premises will be permitted without the written consent of Lessor and this Agreement does not authorize Operator to engage in any other fixed base operation or to provide any other aeronautical service to third parties. If Operator desires to engage in any other fixed base operation or to provide any other aeronautical service to third parties, a separate fixed base operation agreement would be required.

By virtue of the interest of the public in, and the efficient operation of, the Airport and the responsibility reposed in Lessor to see that such interest is protected as nearly as may be, Lessor reserves the right, during the term of this Agreement, to authorize additional operators to enter upon the Airport and use the buildings and properties situated thereon, saving and excepting therefrom the premises leased to Operator hereby.

SECTION THREE Parking Space

Operator and Operator's permittees may utilize such parking areas and/or parking spaces as are provided by Lessor at the Airport. Lessor reserves the right for Lessor's City Manager, Airport Operations Technician or other personnel designated by the City Manager ("Lessor's designated Airport operator") to designate the specific parking areas and/or parking spaces that are to be utilized by Operator and Operator's permittees. First consideration and priority shall be given to the general public's use of such parking areas and/or parking spaces, their convenience, and their use of the Airport.

SECTION FOUR Right of Ingress and Egress

Operator shall have at all times the full and free right of ingress to and egress from the hangar ground site and facilities referred to in this Agreement for Operator and Operator's permittees. Such rights also extend to persons or organizations supplying materials or furnishing services to Operator, to include vehicles, machinery and equipment reasonably required by such persons or organizations.

**SECTION FIVE
Term**

Subject to earlier termination as provided for herein, the term of this Agreement shall be for a period of twenty-five (25) years, beginning on the Rent Commencement Date (as hereinafter defined) and ending on the anniversary of the Rent Commencement Date that is twenty-five (25) years after the Rent Commencement Date, unless sooner terminated as provided for herein. Operator shall have the right to renew this Agreement on substantially the same terms and conditions for two additional renewal terms of up to five (5) years each by providing written notice to Lessor of Operator's intent to renew this Agreement. Such notice shall be provided by Operator to Lessor at least ninety (90) days before the expiration of the initial or subsequent renewal term, as the case may be, and shall specify the length of the additional term [up to five (5) years]. Notwithstanding Operator's right to renew, prior to any such renewal provided for herein, the parties shall conduct good faith negotiations in order to consider any modification of this Agreement and enter a new written agreement. For the purposes of this Agreement, "conduct good faith negotiations" shall mean to engage in a serious and honest effort to reach an agreement, with both parties acting reasonably and transparently without deception or manipulation.

Upon termination by expiration of the initial term or subsequent renewal term, as the case may be, Operator shall have the first right of refusal to lease the hangar from Lessor upon such terms and conditions as Lessor may require.

**SECTION SIX
Rental**

Operator agrees to pay Lessor for the use of the premises, facilities, rights, services, and privileges granted in this Agreement the sum of \$0.25 per square foot of the hangar ground site for 3,900 square feet per year (\$975.00), due and payable each year in one lump sum, beginning on or before the Rent Commencement Date (as hereinafter defined) and on or before the same date each and every year thereafter until the termination of this Agreement. The annual rental amount due hereunder (initially \$975.00) per square foot of the hangar ground site per year) shall be reestablished for the sixth year and for every sixth year thereafter to reflect the average adjustment in the Consumer Price Index (BLS – CPI all items, Southeastern Region) over the previous five year period. The readjusted annual amount due hereunder shall be applicable for the next five years until the next readjustment consistent herewith.

**SECTION SEVEN
Rights, Privileges, Obligations, Responsibilities, and Conditions**

A. In its use of the Airport as well as related facilities, Operator is granted and accepts the following specific rights, privileges, obligations, responsibilities, and conditions.

(1) Operator has the right to add any additional capital improvements on the hangar ground site under the exclusive control of Operator, including the right to install, maintain, and remove additional, adequate storage facilities and appurtenances, for the purpose of carrying out

the activities provided for herein subject to advance approval from Lessor, which approval shall be exercised in Lessor's sole discretion, as well as consistency with any other conditions herein generally or particularly set forth. All improvements so added by Operator will be and become the property of Lessor at the termination of this Agreement without cost to Lessor as further consideration hereof unless Lessor requires Operator to remove the same. Any improvements that involve alterations to other Airport premises under the non-exclusive control of Operator shall be subject to advance approval from Lessor, which approval shall be exercised in Lessor's sole discretion, and all improvements so added by Operator will be and become the property of Lessor at the termination of this Agreement without cost to Lessor as further consideration hereof unless Lessor requires Operator to remove the same.

B. In its use of the Airport and related facilities, Operator accepts the following obligations and responsibilities.

(1) Operator, at its own expense, shall construct a new hangar facility and make other site improvements at the hangar ground site in accordance with Operator's proposed site plans as the same may be modified, supplemented, or amended and only if said site plans, modifications, supplements, or amendments are accepted by Lessor. Said accepted site plans including sketch and/or specifications are attached hereto or will be attached hereto as Exhibit "B" and incorporated herein by reference without further amendment hereto. Operator, at its own expense, shall construct any paving, including for access, from the existing taxiway to the leased premises; any aircraft parking apron; any automobile parking lot; and any paving or graveling to gain access to the rear of the hangar from any existing pavement or gravel. All such paving or graveling shall be completed in accordance with the site plans, including specifications, approved by Lessor. On or before three (3) months from the Agreement Effective Date, Operator shall submit the site plans, including specifications, to Lessor. Operator shall commence construction of the hangar within six (6) months of the Agreement Effective Date. Operator shall complete construction of such improvements within twelve (12) months of Lessor's written approval thereof, which written approval shall not be unreasonably withheld or delayed. The date of Lessor's written approval of Operator's site plans shall be the Rent Commencement Date. In the event Operator makes any such improvements without Lessor's approval or inconsistent with Lessor's approval, then, upon notice to do so, Operator shall remove or alter the same consistent with said notice, or, Lessor, at its option, may cause the same to be removed or altered to the satisfaction of Lessor and Operator shall pay the cost thereof to Lessor as additional rent. If Operator fails to comply with such notice within thirty (30) days or to commence to comply and diligently pursue compliance to completion, Lessor may affect the removal or alteration and Operator shall pay the cost thereof to Lessor as additional rent.

(2) Operator shall submit to Lessor a proposal, including location and specifications, for the construction of any other improvements, which proposal may be modified, supplemented, approved and subsequently amended by Lessor in Lessor's sole discretion. Operator shall construct and maintain any such improvements consistent with Lessor's approval as the same may be modified, supplemented, and/or amended.

(3) Operator expressly agrees in the making of any and all improvements that, except with written consent of Lessor, it will neither give or grant, nor purport to give or grant, any lien

upon the hangar ground site or upon any improvements thereupon or which is in the process of construction or repair, nor allow any condition to exist or situation to develop whereby any party would be entitled, as a matter of law, to a lien against said hangar ground site and improvements thereon, and Operator will discharge any such lien within thirty (30) days after notice of filing thereof. Notice is hereby given by Lessor to all persons that no lien attaches to any such improvements.

Any and all improvements constructed or made by Operator on the hangar ground site shall be constructed and made in accordance with airport industry standard practices. Operator further covenants and agrees that any and all improvements constructed by Operator on the hangar ground site shall correspond in design and appearance with other facilities constructed or to be constructed on the Airport, will be in accordance with any existing Airport plan adopted by Lessor, and shall be subject to the approval of the City of Washington Building Inspector.

(4) Operator shall provide aircraft management services operations as more specifically described herein. Said aircraft management services shall meet any and all applicable Federal Aviation Administration ("FAA"), North Carolina Division of Aviation ("NCDOA"), and Airport Rules and Regulations requirements and shall be operated in a businesslike manner. In this regard, Operator shall perform its fixed base operation in a manner such that Operator serves as an ambassador of and to Lessor.

(5) Operator shall require the owner of each aircraft under Operator's management located in the hangar to sign a release of liability agreement which indemnifies and holds harmless Washington-Warren Airport, the City of Washington, its officers, employees, agents, and representatives from any and all claims, injuries and/or damages, that may arise as a result of the use of the Airport by the respective aircraft owners and the location of their aircraft in the hangar. Said release of liability agreement, its form, substance and any revision thereof, shall be subject to Lessor's approval. Operator shall conduct its fixed base operation in accordance with the applicable Airport Rules and Regulations, as may be amended. Said Airport Rules and Regulations, as may be amended, are incorporated herein by reference as if fully set forth.

(6) The use, occupancy, and maintenance of the hangar ground site and the grounds immediately adjacent thereto by Operator shall be without cost or expense to Lessor. Except as specifically provided for herein, it is understood and agreed that Lessor is not obligated to furnish any utility services such as electric, water, sewer and gas to Operator during the period of occupancy. If Lessor operates or maintains utility services to the hangar ground site, it will continue to furnish such utility services at the request of Operator provided that Operator shall assume and pay for any meters that are necessary for measuring said service and the charges for providing such services.

(7) Operator shall also assume and pay for any and all costs or charges for additional utility services furnished to or required by Operator, as may be agreed to by Lessor, during the term hereof, including any and all extensions or connections of such services as may be necessary or required in the operation and maintenance of the premises to any and all existing

storm and sanitary sewers, water, and utility outlets and shall otherwise pay for any and all service charges incurred or used on the premises.

(8) Operator shall maintain and be responsible for all repairs to the hangar following its construction by Operator on the hangar ground site. Operator agrees, at its own expense, to cause the hangar ground site and the buildings, improvements, appurtenances thereto, including grounds immediately adjacent thereto, to be maintained in a presentable condition and equal in appearance and character to other similar improvements on the Airport. All tools, machines, parts and maintenance equipment shall be stored inside the hangar.

(9) Operator agrees, at its own expense, to cause all waste, garbage and rubbish to be removed from the hangar ground site and agrees not to deposit the same on any of the Airport premises, except Operator may temporarily deposit the same on the hangar ground site in an approved container or enclosure in connection with their collection or removal. Operator agrees it will not allow the accumulation of rubbish, waste, foul material, contaminant, or otherwise create an unhealthy or hazardous condition on the hangar ground site.

(10) Subject to the approval of Lessor's designated Airport operator and consistency with any applicable ordinance, Operator shall be permitted to establish as well as maintain a normal company identification signs(s) on the premises and a sign(s) or other posting(s) on the Airport premises that describes Operator's services and the location of Operator's fixed base operation. Operator will not suffer or permit to be maintained upon the outside of any improvements located on the premises any billboards or advertising signs except as specifically provided for hereinabove.

(11) Operator will make no unlawful, improper or offensive use of the premises.

(12) Any and all activities in furtherance of the fixed base operation and any and all improvements to, use of, or activities upon the hangar ground site shall conform to and be consistent with the then current Airport plan as well as the minimum standards, rules and regulations adopted for the Airport by Lessor, as may be amended. It is expressly agreed that Lessor's approval of any plans for, inspections of, or acceptance of, any improvements, including such materials, equipment or work undergone by Operator shall not constitute or be construed as (a) a guarantee by Lessor of the quality or fitness of such materials, equipment or work; (b) relieving Operator of the duty to supply good and sufficient materials, equipment or work; or (c) a waiver of any obligations elsewhere in this Agreement imposed upon Operator for maintaining the hangar ground site in good condition and repair, or repairing, rebuilding, or replacing the same due to damage or destruction by fire or other casualty. It is covenanted and agreed that, in the approving of plans and specifications, making of inspections, or accepting any improvements contemplated hereunder, Lessor is acting for and on its behalf and not as an agent of Operator.

(13) Operator, in its fixed base operation and its use of and improvements to the premises and facilities of the Airport including hangar ground site, shall not, on the grounds of race, color, sex, or national origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by law and shall otherwise use the premises in

compliance with all other requirements imposed by or pursuant to Title VI of the Civil Rights Act of 1964, as may be amended.

(14) In performing its fixed base operation and activities contemplated by this Agreement which may affect the overall operation of the Airport, Operator shall consult as well as coordinate with Lessor's designated Airport operator, as necessary and appropriate, and advise as well as report to Lessor's designated Airport operator, as necessary or appropriate, such compliance or other matters that come to its attention with respect to any FAA, NCDOA, USPA or other regulatory agencies.

(15) Operator shall provide the fixed base operation and activities contemplated by this Agreement on a reasonable, and not unjustly discriminatory, basis to all users thereof, and charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that Operator may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume customers and purchasers.

C. Notwithstanding anything herein to the contrary, for any and all matters herein that require Operator to obtain approval from Lessor, any and all such approvals: 1) shall be in Lessor's sole discretion, 2) must be received in writing as well as in advance of any action taken pursuant thereto by Operator, and 3) must ultimately be received from, or be approved by, Lessor's City Manager or his designee.

SECTION EIGHT **Taxes and Assessments**

Operator shall be responsible for and promptly pay before default any and all real and personal property taxes or special assessments, if any, that may be levied or assessed against the hangar ground site or any improvements or other property situated thereon, it being the mutual intention of the parties that Lessor shall not be required to pay any taxes on either real or personal property by reason of permitting Operator to use said premises as herein described. Operator also agrees to indemnify Lessor against any loss or liability resulting from any and all claims or liens in connection with such taxes and assessments.

Operator shall insure that Operator's and Operator's permittees aircraft that are located in the hangar are listed on the tax rolls of Beaufort County, North Carolina. Operator shall verify, if requested, that any aircraft owned or leased by Operator and Operator's permittees or other personal property owned by Operator and Operator's permittees located on the premises or Airport that are required to be listed on the tax rolls of Beaufort County, North Carolina for the current year and any of Operator's aircraft that are utilized in Operator's fixed base operation are listed on the tax rolls of Beaufort County, North Carolina for the current year.

SECTION NINE **Maintenance and Utilities**

Except as otherwise specified herein, during the term(s) of this Agreement, Lessor shall maintain and keep in good repair so much of the Airport premises as are not under the exclusive

control of the individual Operators or lessees, including, but not limited to the terminal building; vehicle parking areas and all roadways, runways, aprons and taxiways. Subject to the conditions expressly set forth in Section 7 hereof, Lessor shall also maintain and operate all sewage and water facilities, electrical and electronic facilities and such other appurtenances and services as are now or hereafter connected with the operation of the Airport.

**SECTION TEN
Rules and Regulations**

Operator agrees to comply with all laws, statutes, codes, acts, ordinances, orders, judgments, decrees, injunctions, rules, regulations, permits, licenses, authorizations, directions, assurances and requirements of and agreements with all governments, departments, commissions, boards, courts, authorities, agencies, officials, officers and other parties, foreseen or unforeseen, ordinary or extraordinary, which now or at any time hereafter may be applicable to the fixed base operation; the Airport, including premises or any part thereof, or any of the adjoining property; or any use or condition of the premises or any part thereof. Further, Operator shall comply with any and all local, state, federal or other rules and regulations as well as all applicable environmental rules and regulations, including, but not limited to, such rules and regulations regulating hazardous or similar substances or conditions, their storage and disposal.

Operator agrees to observe and obey the rules and regulations with respect to its fixed base operation and use of the Airport, including hangar ground site; provided, however, that such rules and regulations shall be consistent with all rules, regulations, and orders of the Federal Aviation Administration; and provided further, that such rules and regulations shall not be inconsistent with the provisions of this Agreement or the procedures prescribed or approved from time to time by the Federal Aviation Administration with respect to Operator's fixed base operation or Operator's use of the Airport, including hangar ground site. Operator further agrees to indemnify and hold Lessor harmless for any and all damage of any kind arising from Operator's failure to comply with the aforementioned rules and regulations, including, but not limited to, the cost of clean-up, restoration fees, mitigation costs, and attorney's fees caused or occasioned by Operator and Operator's permittees.

Operator agrees to abide by and cooperate with Lessor in the enforcement and implementation of applicable Airport security regulations, safety plan standards, and measures as may be adopted by Lessor.

**SECTION ELEVEN
Subordination**

This Agreement shall be subject and subordinate to the provisions of any existing or future agreement between Lessor and the United States, the State of North Carolina, or any agencies thereof, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal or state funds for the development or operation of the Airport or as a condition precedent to the acquisition of the Airport facilities by Lessor. It is specifically understood by Operator that this Agreement is subject to the recapture clause and other conditions of grant agreements and/or assurances with

the Federal Aviation Administration, Navy Department, Civil Aeronautics Administration, and the State of North Carolina, or their respective replacement administration/agency or other successor. Lessor shall, to the extent permitted by law, use its best efforts to cause any such agreements and/or assurances to include provisions protecting and preserving the rights of Operator in its fixed base operation and to the hangar ground site, and to compensation for the taking thereof, interference therewith and damage thereto, caused by such agreements and/or assurances or by actions pursuant thereto by Lessor or the other parties named hereinabove.

**SECTION TWELVE
Indemnification**

Lessor shall stand indemnified by Operator as hereinafter provided. It is expressly understood and agreed by and between the parties hereto that Operator herein is and shall be deemed to be an independent contractor, responsible to all parties for its respective acts or omissions as well as the acts or omissions of Operator's permittees and Lessor shall in no way be responsible therefor. It is further agreed that, in the use of the Airport, the maintenance, erection, or construction of any improvements thereon, and the exercise or enjoyment of the privileges herein granted, Operator agrees to indemnify and save harmless Lessor from any negligence of Operator or Operator's permittees.

Operator specifically agrees to indemnify, defend, and hold as well as save harmless Lessor against any and all liability for injuries to persons or damage to property caused by, arising from, or in any way related to Operator's fixed base operation or caused or occasioned by Operator's or Operator's permittees' use or occupancy of the premises or Airport; provided, however, that Operator shall not be liable for any injury, damage, or loss occasioned by the negligence of Lessor or its agents or employees; and provided further that Lessor shall give to Operator prompt and timely notice of any claim made or suit instituted which in any way, directly or indirectly, contingent or otherwise, affects or might affect Operator, and Operator shall have the right to compromise and defend such claim or suit to the extent of its own interest.

**SECTION THIRTEEN
Insurance**

A. Operator shall procure and maintain in force necessary commercial general liability insurance, including contractual liability, coverage for the premises and Operator's activities thereon, including Operator's permittees' activities thereon, in the minimum amount of \$1,000,000.00 for personal injury, death and property damage, including any environmental damage as well as damages related to or arising from any hazardous material or product, resulting from each occurrence and \$1,000,000.00 aggregate to indemnify and hold harmless Lessor from any and all liability for claims of loss, damage, or injury to persons or property caused by, arising from, or in any way related to the use of the premises or the Airport by Operator or Operator's permittees or their respective activities on or at the Airport during the term of this Agreement. In addition, Operator shall procure and maintain in force necessary insurance coverage as follows: 1) third party liability insurance which provides coverage for the fixed base operation activities; 2) \$1,000,000.00 – products/completed operational aggregate limit; 3) \$1,000,000.00- personal/advertising injury aggregate limit; 4) \$250,000.00/\$500,000.00

– hangars keepers limit any one aircraft/any one occurrence; and 5) statutory worker's compensation insurance in amounts required by law and, unless exempted by applicable law, employer's liability insurance at a minimum of \$500,000.00 for bodily injury by accident each employee, \$500,000.00 for bodily injury by disease each employee, and \$500,000.00 bodily injury by disease policy limit.

All insurance shall be carried by a responsible company and shall be in a form satisfactory to Lessor. Lessor shall be furnished any and all copies of all insurance policies obtained by Operator in compliance with this requirement on or before Operator begins occupancy of the premises or operation of its fixed base operation. Operator agrees to maintain sufficient coverage on a current status and that all such insurance policies obtained by Operator in compliance with this requirement, with the exception of statutory worker's compensation or employer's liability insurance, name Lessor as additional insured and provide a thirty (30) day written notice to Lessor of termination, material change in the terms thereof or non-renewal of such policies.

Operator shall also provide Lessor with a copy of the Certificate of Insurance for any aircraft located at the Airport under Operator's management or utilized in conjunction with its fixed base operation.

B. Waiver of Subrogation. Operator releases and relieves Lessor and waives Operator's entire rights of recovery against Lessor for loss or damage arising out of or incident to any of the perils insured against under this Agreement as well as any insurance policy Operator might own, whether loss or damage is due to the negligence of Lessor or their agents, employees and/or invitees. Operator shall give notice to its insurance carriers that this waiver of subrogation is contained in this Agreement and cause the carriers to accept this waiver of subrogation, to the extent permissible by applicable law.

C. Operator shall require the owners of any aircraft located in the hangar under Operator's management to carry insurance consistent with the requirements of the Airport Rules and Regulations. All such policies shall name Lessor as additional insured. Operator shall provide Lessor with copies of all such insurance policies prior to an aircraft being located in the hangar.

SECTION FOURTEEN Termination and Default

A. This Agreement shall terminate at the end of the initial term or subsequent renewal term, unless sooner terminated as provided for herein. No holding over by Operator after the expiration or earlier termination of this Agreement shall operate to extend or renew this Agreement for any further term whatsoever; but Operator will, by any such holding over, become the tenant at will of Lessor. After any written notice by Lessor to vacate the hangar ground site, continued occupancy thereof by Operator shall constitute Operator a trespasser.

B. This Agreement shall be subject to termination by either party in the event of any one or more of the following events.

(1) The abandonment of the Airport as an airport or airfield for any type, class, or category of aircraft.

(2) Damage to or destruction of all or a material part of the premises or Airport facilities necessary for Operator's fixed base operation or use of the hangar ground site.

(3) The lawful assumption by the United States, the State of North Carolina, or any authorized agencies thereof, of the operation, control or use of the Airport, or any substantial part or parts thereof, in such a manner as to restrict substantially Operator from using the hangar ground site for a period in excess of ninety (90) days.

C. This Agreement shall be subject to termination by Operator upon any of the following events.

(1) The default by Lessor in performance of any of the terms, covenants, or conditions of this Agreement and the failure of Lessor to remedy, or undertake and diligently pursue to remedy, such default for a period of thirty (30) days after receipt of written notice from Operator to remedy the same.

D. This Agreement shall be subject to termination by Lessor in the event of any one or more of the following events.

(1) Operator fails to submit site plans, commence construction of the hangar, or complete construction of the hangar in accordance with the requirements contained in Section 7 hereof.

(2) The default by Operator in the performance of any of the terms, covenants, or conditions of this Agreement, and the failure of Operator to remedy, or undertake and diligently pursue to remedy, such default for a period of thirty (30) days after receipt of written notice from Lessor to remedy the same. Notwithstanding the foregoing, if Operator abandons the premises for any period of time, allows the hangar thereon to remain vacant (unoccupied by aircraft) for a period in excess of ninety (90) days, fails or neglects to make any payment of rental when due, or fails or neglects to have any aircraft or personal property listed on the tax rolls of Beaufort County at any time during the term as more specifically required hereunder, Lessor may, at its option and without any other notice, demand, or legal proceeding, declare this Agreement void, terminate this Agreement, require Operator to vacate, enter the premises, and eject Operator therefrom or may pursue any other lawful right or remedy.

(3) Operator has a petition filed against it for an involuntary proceeding under any applicable bankruptcy, insolvency, or similar law now or hereafter in effect and such petition shall not have been dismissed within ninety (90) days of filing.

(4) A Court having jurisdiction shall have appointed a receiver, liquidator, assignee, custodian, trustee, sequestrator, or similar official of such party for any substantial portion of its property or ordered the winding up or liquidation of its affairs.

(5) Operator files a voluntary proceeding or reorganization plan under any applicable bankruptcy, insolvency, or other similar law now or hereafter in effect; shall have made a general or other assignment for the benefit of creditors; shall have failed generally to pay its debts as they become due; or is adjudicated as bankrupt.

SECTION FIFTEEN

Surrender of Possession: Title to Improvements and Repairs

Upon termination by expiration of the initial term or subsequent renewal term of this Agreement or upon earlier termination under any circumstances, Operator's rights to use the premises, facilities, and services described in this Agreement shall cease; Operator shall surrender the premises in approximately the same condition as upon taking possession, surrender the hangar, and vacate the premises without unreasonable delay. Upon termination by expiration of the initial term or subsequent renewal term of this Agreement or upon earlier termination under any circumstances, Operator shall have no further right or interest in any of the premises or the improvements thereon unless specifically provided for herein to the contrary. Unless specifically provided for herein to the contrary, it is mutually agreed that title to any and all improvements, including hangar, currently situated, hereafter erected, or hereafter constructed upon the hangar ground site or Airport shall remain the property of Operator for so long as this Agreement shall remain in effect, but such improvements, including hangar, shall revert to or become owned and possessed by Lessor upon the expiration or earlier termination of this Agreement, without any additional payment or consideration to Operator therefor, free and clear of all claims or liens through or on the part of Operator on account of any construction, repair, or improvement work. The vesting of title in Lessor at the time specified is a part of the consideration for this Agreement. Lessor shall not be liable to Operator or Operator's contractors or subcontractors for the value of such improvements, including hangar, currently situated on, hereafter erected, or hereafter constructed upon the hangar ground site.

SECTION SIXTEEN

Inspection by Lessor

Upon seventy-two (72) hours notice from Lessor's designated Airport operator, Lessor's designated Airport operator may enter and inspect the premises for any purpose necessary or incidental to the performance of its obligations under this Agreement. Operator will provide access to the hangar ground site including the hangar subsequently constructed thereon for said inspection. This inspection may be made at least semi-annually with a fire department official. Any discrepancies or violations must be corrected within thirty (30) days or this Agreement may be terminated.

SECTION SEVENTEEN

Assignment and Subletting

Except as specifically permitted herein, Operator shall not at any time sell the hangar and/or this Agreement or sublease, assign, or in any manner surrender personal control of any part of the property or rights herein leased without approval from Lessor's designated Airport operator concerning the same, which approval shall not be unreasonably withheld or delayed. In

addition, any sale of the hangar and/or this Agreement or assignment of this Agreement shall require written approval from Lessor and shall require an assignment of this Agreement, or other written agreement, entered and executed by the purchaser and/or assignee, as the case may be, the Operator, and Lessor. The terms and conditions of any such assignment, or other written agreement, must be approved by Lessor in Lessor's reasonable discretion. For any sublease to a potential subtenant of Operator, Operator shall make a written request to Lessor's designated Airport operator for approval, which approval shall not be unreasonably denied or delayed. In the event Lessor's designated Airport operator does not respond to such a request in writing within fourteen (14) days, the request shall be deemed approved.

Provided, however, that the foregoing shall not prevent the assignment or subletting of such rights to any corporation with which Operator may merge or consolidate, or which may succeed to the business of Operator, or to the United States Government or any agency thereof. No such assignment or subletting contemplated hereunder shall release Operator from its obligations to pay any and all of the rentals or charges set forth in this Agreement. It is recognized that the interest of all parties will be promoted and served by the increased use of the Airport facilities and it is not the intention of this provision to so restrict this use, but rather to insure that the same is accomplished with the view of serving the public interest vested in Lessor.

SECTION EIGHTEEN

Notices

Notices provided for in this Agreement shall be sufficient if sent by registered mail, postage prepaid, and addressed as follows:

TO LESSOR: City of Washington
 Attn: City Manager
 Post Office Box 1988
 Washington, NC 27889

TO OPERATOR: Pactolus Investments, LLC
 Attn: Jeffrey B. Tripp
 148 Blue Heron Drive
 Blounts Creek, NC 27814

Any notice so given to either party hereunder shall be conclusively considered to have been received on the third business day following the proper mailing thereof. Each party shall give written notice to the other of any change of address at least thirty (30) days in advance of the date such change is to become effective, whereupon the address so given shall control.

**SECTION NINETEEN
Governing Law**

This Agreement has been entered into in the State of North Carolina, County of Beaufort, and all questions with respect to the construction and performance of this Agreement and the rights and liabilities of the parties hereto shall be governed by, construed, and enforced in accordance with the laws of the State of North Carolina. The parties agree that the exclusive venue for any legal action initiated or concerning this Agreement, or arising in any way from or out of this Agreement, shall be brought in Beaufort County District or Superior Court, North Carolina. The parties hereto hereby submit to the jurisdiction of said Courts and waive any right they may have to venue in any other jurisdiction.

**SECTION TWENTY
Severability**

Any covenant, condition, or provision of this Agreement that is held to be invalid by any court of competent jurisdiction shall be considered deleted from this Agreement, but such deletions shall in no way effect any other covenant, condition or provision of this Agreement, so long as such deletion does not materially prejudice Lessor or Operator in their respective rights and obligations contained in the valid covenants, conditions, or provisions of this Agreement.

**SECTION TWENTY ONE
Effect of Waiver**

The waiver of any breach, violation or default in or with respect to the performance or observance of the covenants and conditions contained herein shall not be taken to constitute a waiver of any such subsequent breach, violation or default in or with respect to the same or any other covenant or condition hereof.

**SECTION TWENTY TWO
Effect of Agreement**

All covenants, conditions, or provisions in this Agreement shall extend to and bind the legal representatives, permitted successors, and permitted assigns of the respective parties. This Agreement is in lieu of any Agreement heretofore executed between the parties hereto and any such prior Agreement is hereby terminated and no longer in effect.

**SECTION TWENTY THREE
Attorney's Fees**

In the event any action is filed in relation to this Agreement, the unsuccessful party in the action shall pay to the successful party, in addition to all sums that either party may be called on to pay under this Agreement, a reasonable sum for the successful party's attorney's fees.

**SECTION TWENTY FOUR
Entire Agreement**

This Agreement shall constitute the sole agreement between the parties hereto and it is understood that the provisions contained herein shall not be altered, modified or changed in any manner except by written agreement executed by Lessor and Operator, and no oral contract, agreement, or informal memorandum shall have the effect of so modifying, altering or changing this Agreement. Any prior understanding or representation of any kind preceding the date of this Agreement shall not be binding on either party except to the extent incorporated in this Agreement.

Notwithstanding anything herein to the contrary, this Agreement shall be interpreted and, if necessary, amended, to insure and preserve its compliance with any applicable Federal obligation. If Operator refuses to effectuate any amendment that may be required to insure and preserve compliance with any applicable Federal obligation, such refusal shall constitute an event of default and this Agreement may be terminated as a result thereof upon notice from Lessor to Operator.

**SECTION TWENTY FIVE
Modification of Agreement**

Any modification of this Agreement or additional obligations assumed by either party in connection with this Agreement shall be binding only if in writing signed by each party or an authorized representative of each party.

IN WITNESS WHEREOF, each party to this Agreement has caused it to be duly and properly executed by their duly authorized officers and/or agents as evidenced by the duly authorized signatures below.

(SIGNATURE PAGES TO FOLLOW)

PRE-AUDIT CERTIFICATE

This Agreement has been pre-audited pursuant to North Carolina General Statute § 159-28 in the manner required by the Local Governmental Budget and Fiscal Control Act.



ATTEST:

Cynthia S. Bennett
Cynthia S. Bennett, City Clerk

Tammy Swindell (SEAL)
Tammy Swindell, Administrative Services Director
City of Washington

LESSOR:
CITY OF WASHINGTON
Jonathan Russell
Jonathan Russell, City Manager

DATE: 4/15/25

STATE OF NORTH CAROLINA
COUNTY OF BEAUFORT

I, Jessica Green, a Notary Public of the State and County aforesaid, do hereby certify that CYNTHIA S. BENNETT personally appeared before me this day and acknowledged that she is the City Clerk of the CITY OF WASHINGTON, a body politic and corporate, and that by authority duly given and as the act of the corporation, the foregoing instrument was signed in its name by its Manager, sealed with its corporate seal and attested by herself as its City Clerk.

WITNESS my hand and Notary seal, this the 15 day of April, 2025.

Jessica Green
NOTARY PUBLIC
My Commission Expires: July 24, 2027



OPERATOR:
PACTOLUS INVESTMENTS, LLC
a North Carolina limited liability company

[Signature]
By: Jeffrey B. Tripp, Member/Manager

DATE: 4-29-25

STATE OF NORTH CAROLINA
COUNTY OF Beaufort

Before me, a Notary Public in and for the County and State aforesaid, this day personally appeared JEFFREY B. TRIPP and acknowledged that he is the Member/Manager of PACTOLUS INVESTMENTS, LLC, a North Carolina limited liability company, and that he, in that capacity, being authorized to do so, executed the foregoing instrument.

Witness my hand and Notarial Seal, this the 29 day of April, 2025.

Jessica Green
NOTARY PUBLIC
My Commission expires: July 24, 2027





APPROVE – LEASE PROPOSAL FOR THE PAMLICO ROWING CLUB BUILDING

City Manager Jonathan Russell noted Pamlico Rowing Club building owners are planning to use the second story for event meeting space, this requires a secondary ingress and egress.

By motion of Councilmember Horton, seconded by Councilmember Pitt, Council approved the Lease Proposal with Pamlico Rowing Club to allow for the installation of steps.

VOTE:	YES	NO
Mayor Pro tem Tyre	x	
Councilmember Hodges	Absent	Absent
Councilmember Brooks	x	
Councilmember Horton	x	
Councilmember Pitt	x	

ANY OTHER ITEMS FROM CITY MANAGER:

Budget workshops conflict with the NCLM conference and will be rescheduled to a later date.

ANY OTHER BUSINESS FROM THE MAYOR OR OTHER MEMBERS OF COUNCIL:
NONE

CLOSED SESSION:

By motion of Mayor Pro tem Tyre, seconded by Councilmember Horton, Council entered into closed session under NCGS 143-318.11 (A)(5) Acquisition of Property at 7:44pm.

By motion of Councilmember Brooks, seconded by Mayor Pro tem Tyre, Council returned

to open session at 7:51pm.

By motion of Councilmember Brooks, seconded by Mayor Pro tem Tyre, Council authorized City staff to move forward with purchasing the property located at 224 E. 7th Street owned by Artis Moore for \$25,000.

VOTE:	YES	NO
Mayor Pro tem Tyre	x	
Councilmember Hodges	Absent	Absent
Councilmember Brooks	x	
Councilmember Horton	x	
Councilmember Pitt	x	

ADJOURN:

By motion of Councilmember Brooks, seconded by Mayor Pro tem Tyre, Council adjourned the meeting until May 12, 2025 at 5:30pm in the City Council Chambers.

Cynthia S. Bennett, MMC
City Clerk