

Chowan County Board of Commissioners
Regular Meeting
Monday June 4, 2007
6:00pm
Chowan County 1767 Courthouse
East King Street

MINUTES

The Chowan County Board of Commissioners met in regular session on Monday, June 4, 2007, at 6:00 pm in the panel room of the 1767 Chowan County Courthouse, 117 East King Street.

Present: Jimmy Alligood, Ralph Cole, Louis Belfield, Bill Gardner, Kenny Goodwin and Harry Lee Winslow. Also present were County Manager, Cliff Copeland; County Attorney, Peter Rascoe; County Clerk, Susanne Stallings.

Board of Equalization and Review

Lynda Hendricks served as the clerk to the Board of Equalization and Review.

Chairman Cole called the regular meeting of the Board of Commissioners to order and Commissioner Belfield presented the invocation.

Consent Agenda

Commissioner Alligood noted one correction to the May minutes, page 7, paragraph 4, should read, "Ms. Stallings received the oath of office as County Clerk from Mrs. Morgan". He then moved that Consent Agenda, including the correction to the May minutes and the following tax releases and budget amendments also be approved.

Budget Amendments

4268 Senior Center	increase	\$1815	Senior Center Reimbursement
5321 DSS	increase	\$3500	Adult Day Care Funding
4710 Solid Waste	increase	\$2076	Scrap Tire Grant
6132 Recreation	increase	\$31, 815	NCDENR Water Resources Grant

Tax Releases

C Herman	\$106.27	Military
C Pierce	\$550.00	Mistake in Billing

Chairman Cole asked for all in favor, the motion carried unanimously.

Chairman Cole noted a change in the agenda and asked Chief Building Inspector, Holly Colombo to present the next item:

Demolition- 948 Yeopim Road

Chief Building Inspector, Holly Colombo said that his office has received complaints on the above mentioned property. He said that after investigating the property, he declared an order for demolition. He said he sent a letter to the property owner and set up a hearing for March 16, 2007. Mr. Colombo said that the owner did not show up at the hearing. Mr. Colombo stated that he sent a hearing participation letter to the owner and the owner call and promised to get a contract with someone to carry out the demolition. A 60 day time clock was set and then expired. Mr. Colombo said that he was given a copy of a contract for demolition from the property owner today. He said the Contractor called and said containers were being set up on site. Mr. Colombo said a \$5,800 cost estimate has been submitted for demolition.

Peter Rascoe noted that this case had been given attention because of the attraction of the building to children. He said he would request an order from the Commissioners with a reasonable time to remove the building.

Commissioner Alligood suggested giving the property owner two (2) weeks to start work and if the building is not down within four (4) weeks, then the County should proceed with demolition.

Chairman Cole asked for all in favor, the motion carried unanimously. (6-0)

Chairman Cole then noted that the Board would open the first public hearing on the agenda:

Zoning Ordinance Text Amendment

Planner, Wes Haskett presented a text amendment to the Chowan County Zoning Ordinance amending Article 7, Section 7.05 to allow Special Use Permit review for Wireless Telecommunication Structures and Antennas. The current ordinance text provides that the Board of Commissioners has final approval for such Conditional Use Permits. The proposed amendments provide that the Planning Board will have final approval instead.

Chairman Cole then declared a public hearing and asked for public questions or comments.

Jim Brock, citizen, asked staff what was the purpose of the amendment.

Mr. Haskett said this would shorten the duration of approval or denial of an application for wireless telecommunications projects.

Mr. Rascoe added that under the previous County Ordinance, only applications for towers over 50 feet required a permit. He said that staff was not interested in changing the rights of applicants, just the procedure of review.

Ed Britt, citizen, noted this would give all power to the Planning Board.

Sue Brown, citizen, said that in her opinion, elected officials should make those decisions.

There being no further comment, Chairman Cole then closed the public hearing and asked for discussion on the application.

Commissioner Gardner recommended that the Commissioners not change the ordinance and give up review of Wireless Telecommunication applications at this time.

Chairman Cole asked for all in favor, the motion carried unanimously. (6-0)

Chairman Cole then noted that the Board would open the next public hearing on the agenda:

RiverSound Final Plat

Planner, Wes Haskett presented a request from RiverSound Development seeking approval for its submitted final plat for a 225 lot subdivision at Drummonds Point Road. The Planning Board previously recommended approval of the preliminary plat in August 2006. He noted that all recommended conditions have been met and added that staff recommends approval of the application.

Developer Larry Bragg presented the plat and his group, the Waterfront Group out of Cornelius North Carolina. He said he was requesting approval of a 225 lot subdivision for single family residences. He said all natural features have been considered, including the wetlands.

Chairman Cole then opened the floor for the public hearing.

County Manager, Cliff Copeland asked that the developer give specific details on the sewer system

Mr. Bragg said that the soils are poor for individual septic systems, thus a central sewer system is needed. He said the system will collect, treat and dispose of the waste water. He said the quality of the treated water is cleaner than pool water, using the latest technology. He said the wastewater will be disposed of in infiltration basins. He said all sewage will be treated.

Mr. Copeland asked if a licensed operator would run the treatment facility and did the facility meet the state requirements and tests.

Mr. Bragg said that the permits from Raleigh require a licensed operator, and have to be renewed every five (5) years.

Mr. Copeland asked Mr. Bragg to describe the bonds with regards to the infrastructure.

Mr. Bragg said that all bonds have been posted for Roads, Utilities and Sewer. He added that the bonds have been verified by the County Engineer.

Engineer, Keith Anthony with Shield Engineering said that the system meets the 100 year flood requirements. He said that their drainage plan actually improves the on site drainage. He said the treatment system will have a generator.

Mr. Bragg added that his firm is not qualified to run the treatment system, but they would turn it over to Aqua America to own and maintain it.

Commissioner Alligood noted that the roads are currently in bad shape from the large trucks. He asked if there was an agreement between the State and developer on who was responsible for fixing the roads.

Mr. Bragg said the roads are breaking apart from the dump trucks. He said the roads are not built to current DOT specifications. He said they are currently talking to DOT about getting the roads repaired.

Mr. Copeland said that he will discuss this with the District Engineer for DOT.

Chairman Cole then opened the floor for the public hearing.

Sue Brown, citizen, said in her opinion, the trucks are overloaded. She stated her concern over the trucks driving fast. She also expressed concerns over the wetlands conservation. She stated her concern over noise in their quiet community. She asked who was responsible for vehicle damage from the road. She also asked about the drainage when the creek floods.

Mr. Bragg said that the wetlands delineation was a long process; he said they hired consultants as well as the US Army Corps of Engineers worked on this project, and signed off on the plat. He said the system is designed for water to drain away from Drummonds Point Road.

Alvin Earley, citizen, asked where the waste water will go.

Mr. Bragg said once it is treated, it will go into infiltration basins on site.

Walter Holly, citizen, stated his concern for privacy with vehicles being parked in his driveway.

Mr. Copeland asked Mr. Bragg to please address this issue with the workers.

Ronald Musante, citizen, was concerned about the trucks on the road without license plates. He stated his concerns over the conditions of the road. He asked when the large trucks should be gone.

Mr. Bragg said their schedule depends on the weather. He said in approximately 30-45 days they should be done hauling sand, but will still have to have gravel and asphalt brought in after that.

Mike Skinner, citizen, asked who takes care of the roads. He also stated his concerns over lack of services in the area such as fire departments.

Mr. Copeland said that he has met with residents in the area, and the new budget for the 2007-08 year allows for a consultant to be hired to review and assess needs in that area of the County.

Kevin Doughty, citizen, said he was a former waste water system operator and asked if Aqua America had a centrally located operator with regards to response time.

Keith Anthony said Aqua America would have 2-3 people dedicated to the system. He said he was not sure of their location. He noted there is a stand by generator on site. He said the plant requirements are highly protected by the State requirements.

Sue Brown, citizen asked how many applications for subdivisions there were for that area.

Mr. Copeland said currently, there are two.

Craig Overton, citizen, said he was an adjoining property owner and stated his concern over the water being re-routed and the easement to his property.

There being no further public comment, the Chairman closed the floor to public comment.

Commissioner Alligood then moved that the Board of Commissioners approve the final plat.

Chairman Cole asked for all in favor, the motion carried unanimously. (6-0)

Chairman Cole then noted that the Board would open the next public hearing on the agenda:

Cypress Landing Condominiums

Mr. Haskett presented a request seeking approval of a Conditional Use Rezoning and Conditional Use Permit, rezoning the property located at 251 and 233 Cowpen Neck Road from A-1 Agricultural to CU-R-5 Conditional Use Residential District to allow for 48 unit multi-family condominium development. Mr. Haskett noted that the County Planning Board recommended approval with conditions. He noted that the Commissioners could vote to approve the Conditional Use Permit although they may find that it is inconsistent with the Land Use Plan. He read the following statement from Elizabeth Bryant, Planner into the record. "It was staff's opinion that the amount of open space conserved by the Cypress Landing development as proposed is greater than that which would be required for a typical acre-lot residential subdivision, and that the development as proposed is more in line with the County's preference for cluster development."

Mr. Haskett noted the following five conditions that were recommended by staff.

Prior to the filing of a final plat, the developer shall post a bond to provide for all necessary traffic improvements (according to NCDOT cost estimates); for interior roads (built to NCDOT standard); for utility connections (water built to County standard & sewage treatment build to State standard); and for drainage/storm-water detention improvements.

2. Storm water / drainage shall meet NCDOT and NCDENR regulations; drainage plan shall be reviewed by Soil & Water Conservation Staff.
3. All proper NCDOT permits required for accesses to Cowpen Neck Road shall be issued.
4. Covenants shall be recorded providing for a Property Owners Association responsible for the maintenance of all open space and recreational areas, and utilities.
5. All details/improvements shall be installed/constructed according to Chowan County Development Code requirements.

County Attorney Peter Rascoe noted that in 2005 the General Assembly passed a bill that requires Boards to vote on consistency with Land Use Plans. He noted that to rezone the property would be contingent on the Board of Commissioners also subsequently granting a Conditional Use Permit.

Mr. Rascoe administered the oath to all who wished to speak on the application.

Commissioner Gardner moved that the Board find that the application is inconsistent with the current Land Use Plan.

Chairman Cole asked for all in favor, the motion carried unanimously. (6-0)

Chairman Cole then opened the floor to the public hearing on the rezoning.

Developer, Max Busby provided a PowerPoint presentation on the development. He said the condos would be 48 total 3 bedrooms, 2 bath units, with three buildings total. He said there is a total of 24 acres on site and the condos will occupy 2/3 of the lot. He said the disposal system will not allow for any future residences on that site. He described the phases of the proposed work. He said after completion of land improvements, disposal system, paving and pilings the first building will be constructed. He said it will take 30 days to complete construction. He said the units are modular that are fabricated on site. He said the actual building units have been approved by State Building code. He said the local Building Inspector will approve the set up of the units. He said in the future the Homeowners Association (HOA) will hold a meeting to plan any recreational amenities for the site. He said he has obtained all State permits except for the 3rd part of the disposal system. He said the covenants for the HOA have been established.

Mr. Busby said there are four public concerns about the project. One concern is the inconsistency with the Land Use Plan, and said that was addressed by staff. He noted the County is at the end of the 10 year planning period and in the process of re-writing the document. He said the new plan encourages cluster development to conserve open space. He said another concern was the amount of traffic, the curve in the road and the bridge. He noted that NC DOT has issued all the access permits, and the Engineer said that the roads can absorb the traffic. He said another concern is that of flooding. He presented a survey of the site showing the distance from the flood zones. He said the final concern was on the disposal system. He said the company, Envirotec that will maintain the system has 65 similar systems currently. He said there are only two small domes that are visible to the public and those domes would be landscaped. He said there will be backup for each component of the system. He said the State will perform numerous inspections on the system. He noted there is an additional back up area in the event that the system fails, and added that a generator would be on site. He said the Town has open air portions to their system; this system would not have an odor. He introduced his engineers, David Ryan, David Klebetz and Bill Fenner.

Chairman Cole then opened the floor to public hearing.

Lorraine Bass, citizen, said that she sent a letter on her concerns about the development. She said the housing is not in harmony with the neighborhood, because all surrounding homes are single family dwellings. She stated her concerns with heavy traffic, the sewage system, disposal fields, possible overflow of sewage into the water and the incompatibility of farming with the proposed development. She said she was concerned about the property owner who owned two lots inside the proposed subdivision and asked how the development would affect that property.

Norma Welch, citizen, said that she lived across the road from the development. She said she was concerned about the wastewater treatment on site, traffic on the road, proximity to her residence, flooding on site, wetlands, and ditches overflowing with rain. She noted additionally 96 residents will be added to the traffic flow. She asked what would happen if the units became non-owner occupied. She said she was concerned about the units not being properly maintained by renters.

Kevin Doughty, citizen, said that in his opinion, Mr. Busby is the sole beneficiary of the development. He said he was concerned that the contractors that build the development would be from out of town. He said he was concerned about bull rush growing on the site. He said he called the State to check on the status of the permits and the state said the permits were not finished and that there were several items that needed to be ironed out. He asked what would happen if the telephone system on the treatment plant failed. He asked if the vents on the tank would be air tight. He said the local Health Inspector would need training on the system. He asked what the remaining acreage is without the wetlands. He noted the development is in no way

Bill Fried, with Envirotec said the vents will allow gas to vent out. He said the vents are above flood elevation.

Mr. Busby said the remaining acreage, minus the wetlands is about 3-4 acres.

David Ryan, engineer, said the State has completed two of the steps in their approvals of the treatment system and they are waiting on construction authorization. He said the system will operate on remote telemetry. He noted there will be emergency storage. He said the disposal is a drip that is far from surface waters and the location of the tanks was approved by the state. He said the ground elevation is built up to prevent back flow.

Lauren Goodwin, citizen, stated her concern about development in the area. She noted that a sign at the bridge says the road is subject to flooding. She said the tree buffer is not thick enough and she would see the back of the condos.

Mr. Busby said with regards to the two parcels, the owners will have access and can use the entrance road. He said the parcel does not have legal access.

Commissioner Alligood asked if the property owners of the two parcels were present to address any concerns.

Wes Haskett said that the owners have been in contact with the Planning Department and were notified of the meeting.

There being no further public comment, the floor was closed.

Commissioner Winslow requested that the Board have a brief recess.

Chairman Cole declared a recess.

After a five minute recess, the Board Reconvened

Commissioner Alligood asked what Commissioner Winslow found.

Commissioner Winslow said that according to the tax card on the property, 8 ½ acres of the property is sand and 4.93 acres are waterfront. He said according to the USDA soil survey, that category is well suited for the proposed use. He recommended approval of the Conditional Use Rezoning and Conditional Use Permit to include all suggested conditions made by staff.

Chairman Cole asked for all in favor, the motion carried unanimously. (6-0).

Sandy Point

Mr. Haskett presented a request from the developer for a 1-year extension of the previously approved preliminary plat for Sandy Point. He said the developer is waiting for the final permit to be issued by the US Army Corps of Engineers, and after that, the developer will be able to proceed with the project.

Sam Young, the developer said they have all State permits. He said that he believes they are close to obtaining a federal permit and then they will be able to begin on the project.

Commissioner Alligood moved that the one year extension be granted.

Chairman Cole asked for all in favor, the motion carried unanimously. (6-0).

Proposed Water Quality Improvement and Water Management Study

County Attorney, Peter Rascoe presented a proposal for a county-wide storm water/drainage study for the Board's consideration. He said a Clean Water Management Trust Fund Grant was awarded to fund this study. Mr. Rascoe presented a contract between the County and Albemarle Resource Conservation and Development Council to perform this study, for the Board's consideration.

Commissioner Belfield moved that the Commissioners approve the contract.

Chairman Cole asked for all in favor, the motion carried unanimously. (6-0).

Resolution- Clean Water Act 2007

County Manager, Cliff Copeland presented a resolution as requested by the NC Rural Center in support of renewed efforts to secure a \$500 million bond, over the next 5 years, for public water, sewer and storm water utilities improvements.

By motion of Commissioner Allgood, the following resolution was approved unanimously (6-0).

Resolution of Support for the Clean Water Act of 2007

WHEREAS, North Carolina's continued prosperity depends on protecting the State's water resources for current use and future generations; and,

WHEREAS, North Carolina is expected to grow by 3.5 million people to exceed 12 million by the year 2030, placing pressures on the State's water resources and local water providers; and,

WHEREAS, North Carolina's businesses, traditional and emerging industries all depend on reliable supplies of clean water, reasonable utility costs, well maintained water infrastructure and an attractive natural environment; and,

WHEREAS, the 1998 Clean Water Bonds delivered significant benefits to North Carolina communities and citizens, supporting 1,103 projects in 97 counties, which

- Helped create or retain 42,000 jobs
- Corrected major regulator violations in 97 communities
- Addressed failing septic systems and contaminated wells in 59 counties
- Resulted in 50 communities receiving sewer service for the first time
- Encouraged regional efficiencies, sound planning and conservation practices; and

WHEREAS, North Carolina's public water, sewer and storm water utilities will require investments totaling \$16.63 billion to keep pace with necessary improvements and population growth over the next 25 years, including \$6.85 billion in investments within the next five years;

NOW THEREFORE BE IT RESOLVED the Chowan County urges the NC General Assembly to enact the "Clean Water Act of 2007" which provides for a \$500 million bond issue to be expended over the next five years, and an annual appropriation of \$50 million in recurring funding to address urgent needs.

Resolution- Evans Bass Road and Rocky Hock Road Intersection Improvements

Included in the Commissioner's packets was a proposed resolution supporting a project to realign the intersection of SR 1216 (Evans-Bass Road) and SR 1222 (Rocky Hock Road) and install a turn lane. This project will remove the bad skew off of Evans-Bass Rd and close the road in front of the Church to through traffic. It will also add a turn lane on Rocky Hock Road for cars turning onto Evans-Bass Road. DOT has secured additional funding for the project, at an estimated cost of \$200,000.

By motion of Commissioner Belfield, the following resolution was approved unanimously (6-0).

Resolution

WHEREAS, the North Carolina Department of Transportation has identified a safety concern for traffic turning at the intersection of SR 1216 (Evans-Bass Road) and SR 1222 (Rocky Hock Road); and,

WHEREAS, the North Carolina Department of Transportation has secured funds to realign the intersection at Evans-Bass Road and Rocky Hock Road and install a turn lane; and,

WHEREAS, this project will remove the bad skew off Evans-Bass Road, close the road in front of the Rocky Hock Church to through traffic, and will also add a turn lane on Rocky Hock Road for vehicles turning onto Evans-Bass Road; and,

WHEREAS, this project is funded at \$200,000.

NOW, THEREFORE BE IT RESOLVED, that the Chowan County Board of Commissioners does hereby support this realignment of Rocky Hock Road and Evans-Bass Road, as proposed by the North Carolina Department of Transportation to improve the safety of traffic at that intersection.

Resolution- North Carolina Coastal Studies Institute

The Albemarle Commission requested that the County consider the following resolution supporting continuation of the Coastal Studies Institute.

Resolution in Support of Funding
For
North Carolina’s Coastal Studies Institute

WHEREAS, the “Old North State” is blessed with a long and beautiful shoreline along the Atlantic Ocean; and,

WHEREAS, the bounty of the Atlantic Ocean waters, and inland estuarine waters, and saltwater marches, represent a treasure which needs to be better understood by coastal scientists, residents and the many visitors to the State’s shorelines; and,

WHEREAS, the University of North Carolina system of collaboration by multiple institutions and resources is the appropriate entity to conduct the needed studies of these Natural resources in order to maximize understanding of the eco-systems for future preservation and for more efficient and wiser present uses; and,

WHEREAS, the Coastal Studies Institute was established in 2002 as a program allowing such collaboration, resource sharing and research program initiation and enhancement for the benefit of local residents, visitors from all over the world, and indeed the Nation; and,

WHEREAS, the Coastal Institute is now conducting a varied set of programs and studies to increase the knowledge and appreciation of the coast of North Carolina and its ocean ecosystems, and with additional funding could be conducting studies of great potential long-range benefit.

NOW THEREFORE BE IT RESOLVED that, The Board of Commissioners of Chowan County supports appropriations from the General Assembly of North Carolina which would allow expansion of the important studies and programs of the Coastal Studies Institute for the greater benefit to all North Carolinians.

Board Appointments

Chowan County ABC Board

ABC Board member Betty Perry’s terms has expired and she is not eligible for reappointment. Milton Tynch has agreed to accept appointment to this position on the ABC Board, representing the northern sector of the County. Other members are John Fayton and Burton Jones.

Commissioner Alligood moved that Milton Tynch be appointed.

Chairman Cole asked for all in favor, the motion carried unanimously. (6-0).

Chowan County Jury Commission

The Board was asked to consider reappointment of Marion Goodman as it appointee to the Chowan County Jury Commission.

Commissioner Belfield moved that Marion Goodman be appointed.

Chairman Cole asked for all in favor, the motion carried unanimously. (6-0).

Airport Commission

Marge Soper was eligible for a second term as a County representative to the Airport Commission.

Commissioner Gardner moved that Ms. Soper be appointed.

Chairman Cole asked for all in favor, the motion carried unanimously (6-0).

Edenton Board of Adjustment

Larry McLaughlin's appointment to the Edenton Board of Adjustment expires June 30th. Larry McLaughlin was eligible to serve. Owen Maxwell's name was also submitted.

Commissioner Gardner moved that Owen Maxwell be appointed as the regular County member to the Board of Adjustment.

Chairman Cole asked for all in favor, the motion carried unanimously (6-0).

Edenton Planning Board

Carolyn Burns and Bob Partin have completed first terms as County representatives to the Edenton Planning Board and were eligible for reappointment.

Commissioner Goodwin moved that Carolyn Burns and Bob Partin be appointed as the County representatives to the Edenton Planning Board.

Chairman Cole asked for all in favor, the motion carried unanimously (6-0).

Hospital Directors Council

Dr. William Hope was appointed to fill an unexpired term which ending June 30th. Dr. Chris Reynolds will complete his initial three year term June 30th. Pete Dail currently serves as the Chairman of the Chowan Hospital Directors Council which is an annual appointment. All three gentlemen Dr. Hope, Dr. Reynolds and Mr. Dail are recommended for nomination to the Chowan Hospital Directors Council by the Board of Commissioners.

Commissioner Alligood moved that the three gentlemen be nominated to the Directors Council.

Chairman Cole asked for all in favor, the motion carried unanimously (6-0).

Budget Presentation

County Manager, Cliff Copeland thanked the Finance Committee for their work on the budget and then read the FY 2007-08 Budget Message into the record:

To the Chowan County Board of Commissioners and the Citizens of Chowan County

Like all County Budgets, this one proved to be most challenging.

The main operating fund for Chowan County is the General Fund. This year's General Fund totals \$19,298,776-an increase of \$1,553,810 over last year's budget. The proposed tax rate is .56 cents or a 1.5 cents increase over last year's budget. The County enjoyed a significant increase in our tax base of \$60,000,000. This generates \$336,000 actual tax revenues. Unfortunately, sales tax revenue remains extremely flat. The County actually budgeted less sales tax in this year's budget than last year's budget. The County remains aggressive in budgeting the Land Transfer Tax this coming year. While the transfer tax experienced actual reductions in last year's budget, we felt that we could aggressively budget the transfer tax given the subdivisions that will be under construction shortly. We do however plan to freeze all Capital Outlay items until we determine that we will meet budgeted revenue for the transfer tax.

Major Expenditure Items include the following:

- \$240,000 for the purchase of furniture and equipment for the Library Expansion
- \$500,000 earmarked for the Red Banks Athletic Complex
- 23% increase in expenditures for the Library to adequately fund operations costs associated with the new addition.
- \$300,000 to complete funding for the Library addition
- \$10,000 GIS Reserve Fund
- DSS, new position, caseworker Adult Medicaid \$30,582
- Sheriff Department, new position, SRO at elementary schools, \$33,717
- \$76,000 increase in Workman's Comp General Fund and general liability insurance
- 5% increase in Health Insurance
- 2% Cost of Living Increase for employees
- \$80,000 Document Imaging for DSS
- \$50,000 Phone System, DSS

Also, included in this year's budget is a 5% increase in current expense funding for schools, \$178,718. The School Board requested an increase of \$534,958 in its current expense funding. The School Board requested 4 major increases:

- \$180,723 State mandated salary increases
- \$53,078 State mandated health insurance increase
- \$135,000 for three new teachers
- \$92,457 Teacher supplement increases

This would increase the local supplement from 2.5% to 3.5%. The Finance Committee and I felt these are essential items that need to be addressed but unfortunately, the

increase in funding of \$178,718 will not fund these requests. Of 115 School Districts, Chowan County currently ranks 95th in local supplements paid. If we obtain relief from Medicaid funding, which is budgeted at this year's level, I hope we can revisit this allocation.

With regards to other funds, the Water rates will not increase. Monies are included in the Water Fund to repaint Valhalla Water Tank and for maintenance of the discharge ponds. Also, remember that the County imposed impact fees on new taps, to date this totals \$234,000. These monies are budgeted for future plant expansions.

The Fire Fund tax rate, remains at .05 cents. Monies are included in this year's budget to retain a consultant to look at the need for additional fire coverage in Southern areas of Chowan County. Additionally, the County has applied to the USDA for grant loan monies for the purchase of a new fire truck and extraction truck for the Center Hill Fire Department.

No increase is budgeted for Solid Waste fees. Hopefully, initiation of an aggressive recycling campaign in July will allow us to reduce the level of tipping fees paid to deposit waste in the Landfill.

Finally, the EMS Fund continues to be challenged by substantial growth of emergency and transfer calls. This year's budget includes two additional workers that will concentrate on transfers so that we may leave Unit 4, stationed at Center Hill Crossroads Fire Department, in the station, with a higher percentage of time.

There are many unmet needs in this budget. Both the Jail and Animal Shelter remain crowded. The County Office Building is nearing the end of its functional life as a County facility. And of course staffing concerns remain for many of our departments. But, as we look into the future, the County is poised for substantial growth that will enable us to financially address many of these concerns without additional tax rate increases. If we obtain substantial relief in Medicaid funding, I hope the County can more aggressively address lack of reserve funding for schools, reserve monies for an aquatic facility and also fund affordable housing initiatives. All three of these issues are top priorities. Remember, much has been accomplished. The County pledged three initiatives after Hurricane Isabel. One was the replacement of a Communications Tower. Done. Now our EMS personnel, Sheriff Deputies and Firemen can communicate with Central Communications Systems from anywhere in Chowan County via portable radios. Secondly, we promised that 911 would be removed from the flood zone. The Public Safety Center is now under construction behind the Hospital. This will give the Sheriff's Department, Town Police Department, Emergency Management and Central Communications facilities that they so desperately need. Finally, we promised that the Water System would be equipped with emergency generator power. Done. Many residents commented after Hurricane Isabel, that they could do without electricity but never without water. Hopefully this will give us additional protection.

The budget will be posted online and also available for review at the Finance Office.

Schedule Public Hearing

The Commissioners, by a motion from Commissioner Alligood, voted unanimously to schedule a public hearing for June 18, 2007 at 6:00pm for review of the proposed 2007-08 Budget (6-0).

Finance Report

Audit Contract- JP Timberlake

Finance Officer, Lisa Jones presented a contract from J.P. Timberlake to perform the audit for the 2007-08 year at \$77 per hour.

Commissioner Alligood moved to accept the contract.

Chairman Cole asked for all in favor, the motion carried unanimously (6-0).

Lisa Jones presented a resolution authorize the county manager, finance officer and assistant finance officer to conduct transactions for an RBC Centura investment safekeeping account with Comerica.

By motion of Commissioner Belfield, the following resolution was approved unanimously (6-0).

Resolution of Corporate Board

BE IT RESOLVED, That:

1. Comerica Bank ("Bank") is hereby designated as Custodian.
2. Bank is hereby authorized, from time to time, to receive cash deposited with it by anyone on behalf of, or for the credit of this corporation ("Depositor") and, from time to time, in accordance with instructions, to invest, disburse or otherwise dispose of or treat any of such cash, the increase thereof, or any other property received in exchange or substitution thereof;
3. Instructions of the depositor under which such cash is at all times to be held or disposed of by Bank shall be signed by the persons holding the offices or positions indicated below, or their successors from time to time as follows:

By any one of the following:

Cliff Copeland, County Manager
Lisa Jones, Finance Officer
Kimberly Smith, Assistant Finance Officer

4. Any person above named or his successor from time to time to his office or position is hereby authorized on behalf of Depositor to enter into contracts with Bank for the establishment and operation of one or more accounts with Bank and from time to time to provide Bank with specimen signatures of persons authorized to give instructions with respect to such accounts. Fore wire transfer clients: Each individual named above, or on a separate authorized signers list, shall be considered "Authorized Initiators" and "Authorized Confirmers" of Payment

- Orders and other Wire Transfer Requests as defined in the applicable Wire Transfer Authorization and Security Procedures document. If the Security Procedure for Non-Repetitive Payment Orders with Call Back option is selected, a separate Authorized Initiator/Confirmer Verification Form will need to be completed by each individual above and returned to Comerica under separate cover.
5. Until written notice to the contrary is duly serviced upon it, Bank may consider this resolution and the authority hereby granted to each of the above named persons and their successors in such offices or positions as continuing in force and effect;
 6. Whenever Bank shall be provided with a certificate signed by the of depositor to the effect that a person above named, or his successor, no longer holds the office or position named, that another person has been duly elected or appointed to such office or position, and that by virtue thereof such other person has authority to issue instructions in accordance with this resolution, then said certificate shall, as against Depositor, be conclusive evidence of the facts therein stated and thereafter Bank may comply with all instructions signed by such other person in the same manner as though such other person had been expressly named herein,”

Manager’s Report

County Manager, Cliff Copeland thanked Lisa Jones and the Finance Committee for their hard work on the 2007-08 proposed budget. He noted that there may be additional changes with the format of the Commissioner packets. He added that that he and Susanne will begin working on providing a weekly report of County activities to the Commissioners.

Public Comment

There was no further public comment

There being no further business before the Board, the meeting was adjourned.

L. Susanne Stallings
Chowan County Clerk