

**Regular Meeting**  
**Tuesday January 22, 2013**  
**8:00 am**  
**Chowan County Public Safety Center**  
**305 West Freemason Street**

Minutes

The Chowan County Board of Commissioners held their regular meeting on Tuesday, January 22, 2013 at 8:00 am at the Chowan County Public Safety Center. Present: Chairman Keith Nixon, Commissioners Jeff Smith, Ellis Lawrence, Greg Bonner, Emmett Winborne, Alex Kehayes and John Mitchener (arrived 5 minutes after meeting started).

Staff present: County Manager Zee Lamb, Finance Officer Kim Woodley and Board Clerk Susanne Stallings.

Chairman Nixon called the meeting to order. He then requested approval of the agenda as presented. Commissioner Smith moved to approve the agenda. Chairman Nixon asked for all in favor, the motion passed unanimously (6-0)

**Public Comment**

Eddy Goodwin, 1015 Macedonia Road Edenton requested that the Board discuss the School Board terms for the Edenton-Chowan Board of Education. He stated that he feels this should be discussed by the Board of Commissioners adding that he feels as a matter of fairness to children in Chowan County Schools the terms be reduced. He stated that many residents do not run for the Board of Education because of the length of the terms. He stated he felt 6 years is a long commitment. He stated that a deadline to bring the matter to the General Assembly for a vote is approaching. He stated there are only 3 or 4 other counties in the state that allow terms of six years where others are 4 years. He thanked the Board for the opportunity to speak.

Commissioner Mitchener arrived to the meeting.

There was no further public comment.

**Finance Committee**

Chairman Nixon stated that in the worksession meetings an agenda item will be for the Board to meet and discuss items as the finance committee. He stated this is an opportunity for Board members to review pending budget amendments and to ask questions related to finances. He stated that the Board will generally hold off on voting during the worksession unless an agenda item requires a vote or there is an emergency vote needed.

Commissioner Winborne stated that he had some questions regarding the 6 month departmental budget report. He stated that while many budgets are within budget for six months (50%) he asked if those that were above 50% were notified or had justifications for the amounts.

Ms. Woodley stated that department heads are provided a budget printout each month. She stated that the budgets over 50% have provided a reasonable explanation. She provided information on some that were above 50% noting some were because bills are paid once per year which would have a budget line at 100%.

Commissioner Winborne asked if the departments whose budgets were above 50% had received warnings.

Ms. Woodley stated the department heads have been told to remain within their operating budget.

Mr. Lamb noted that he is closely monitoring the EMS budget adding that while \$175,000 was appropriated from the general fund, based on current spending and revenue levels, the total appropriation may be around \$300,000 to balance the fund.

Ms. Woodley stated that during the year, the EMS revenues are recorded on a cash basis. She stated revenues will be accrued based on the billings and the reimbursements are 1 to 1 ½ months behind because the fund is an enterprise fund. She added that the collection agency met with her the previous week and the collections are at 84% based on the good reports being received from EMS.

Mr. Lamb added that the county EMS revenues are affected by cuts in Medicaid and Medicare reimbursements. He stated the general fund contribution may be less than \$300,000 but more than the appropriated \$175,000.

Commissioner Winborne stated that EMS is a fund that is always being monitored because the fund is not able to pay its own way. He asked if there have been any solutions for this.

Mr. Lamb stated that the previous fiscal year, there was some remaining fund balance and monies were transferred from 911 for the cost of the ambulance purchase. He stated he has met multiple times with the EMS department head and have looked at various options. He stated that private transports appear to make up 45% of the total revenue. He stated that if the county chose to stop providing transports it would hurt the fund more than help it. He stated another option is closing the EMS location at Center Hill Crossroads Fire Department and that he doubted that would be supported in the northern part of the county.

Commissioner Winborne stated he would not be in support of that.

Mr. Lamb stated that collecting reimbursement from private insurance, Medicaid and Medicare is affected by reimbursement rates set by insurance companies and the legislature. Mr. Lamb

suggested that in order for the County EMS to provide a higher level of service, including 2 stations, outlays from the general fund were currently necessary.

Commissioner Winborne asked if the county has explored an EMS tax similar to the existing fire tax.

Mr. Lamb stated that the county could implement a 2 cent EMS tax or a 2 cent increase of the tax in the General Fund.

Chairman Nixon stated he would support this tax being added to the water bills and added that he hoped the landfill tax may be reduced in the future.

Mr. Lamb stated the only concern is that the tax is not income tax deductible if the tax is in the water bill.

Chairman Nixon stated that many of the users of the EMS service pay water bills, but may not pay county taxes. He asked that the proposed tax be researched on the legality of it.

Mr. Lamb stated he would do that research in preparation of the FY 13-14 budget.

Chairman Nixon asked that the Board clerk provide the Board members with a copy of a feasibility study performed by the County's auditor on the EMS fund. He stated that he supports privatization of transports.

The Board discussed the proposed budget amendments.

Chairman Nixon asked if budget amendment 042 could be itemized to departments. He asked if departments could absorb the expense.

Ms. Woodley stated that the bill for unemployment is \$40,000, but the county budgeted for \$25,000.

Mr. Lamb noted that the county next fiscal year will have to pay unemployment upfront like private businesses rather than waiting until the expense is billed.

Chairman Nixon stated that he would prefer that the finance officer look at the individual budgets with department heads to locate savings to absorb the cost. He requested that staff locate the monies within the departmental budgets.

Commissioner Winborne stated his support of Chairman Nixon's request stating he did not want the Board to get in the habit of pulling monies from fund balance.

Ms. Woodley noted that staff is monitoring article 44 because some prior collected sales tax monies are being taken back from the County due to a tax audit performed by another county.

Mr. Lamb noted the county appears to be on track on sales tax, and is ahead in the collection of ad valorem tax collections.

Commissioner Smith asked how much the state is expected to charge for the collection of vehicle tax.

Mr. Lamb stated that he expects them to take up to 1 ½- 2% for collection of the tax, however he stated he felt the county would be closer to 100% on vehicle tax collections.

### **COA – Heating**

Mr. Jim Turdici stated that after researching the questions from the previous Board meeting, that maintenance is included in the contract. He stated that the installation costs could be reduced if the contract is awarded both phases of the repair.

County Maintenance Director Terry Rose stated that training for himself and employees is also included in the cost.

Mr. Turdici stated that these items will be incorporated into the contract.

Mr. Rose added that he is familiar with that type of system and will be able to perform repairs on it.

Commissioner Lawrence asked if the system could be tied into a solar energy system.

Mr. Turdici stated that it was possible but the system would be fueled by gas packs.

Mr. Rose stated the water/steam system would no longer be used.

Chairman Nixon asked what contractor was being recommended.

Mr. Turdici stated Armstrong Heating and Air.

Mr. Rose stated a pipe ruptured the previous week.

Commissioner Smith asked why staff is adding water if the system is connected to the water system.

Mr. Rose stated the system has been rigged over the years and he feels a new system would be more efficient.

Mr. Lamb asked about a time line for the replacement.

Mr. Turdici stated Phase I would be immediate and phase two would be done in July.

Commissioner Lawrence expressed his concern with the condition of the current system.

Mr. Turdici noted the concern will not go away until after phase two is completed.

Mr. Rose added that running the system after Phase one would be less strain on the system until Phase two is completed.

The Board members agreed that the item would be placed on the February meeting agenda for a vote.

Commissioner Winborne asked if the security cameras had been installed.

Mr. Turdici stated that power is being run to the poles for the cameras.

### **Chowan Water Department**

Water Supervisor Nick Lolie stated that Well 5 is out of service. He stated that there are two options to consider for replacement or repair of the well. He stated one option is to install a slip line into the well and repair it. He stated the cost is approximately \$30,000. He stated that if he reduces the size of the casing the volume of water would also decrease. He stated that the well is over 40 years old. He stated another option is to drill a new well, using the existing equipment (pump and motor are less than one year old). He stated that by drilling a new well, there is potential to increase the volume of water. He stated the cost for the second option is around \$58,000.

The Board discussed the budget for the water department and existing monies budgeted in the capital line.

The Board discussed the possibility of utilizing the water development fee to cover the costs associated with the project.

Mr. Lolie stated he has also looked into exploratory drilling as an option. He stated there is potential to locate better quality water. He stated the current well is 200-250 feet deep. He stated that if the well was drilled to 600 feet there may be better water which would require less treatment. He stated the costs for exploratory drilling is \$15,000.

Commissioner Winborne asked if there was data to show there were potentially better water aquifers at 600 feet.

Mr. Lolie stated that there are three other known aquifers in addition to the current. He stated the water is cleaner and while it has salt in it, the water is better quality.

Mr. Lolie stated that the county needs to either fix the existing well or drill a new well. He stated the current well meets the state requirements for capacity of raw water but exploration could potentially benefit the county in the future.

Commissioner Smith asked Mr. Lolie to provide the Board with information on the potential savings with regards to treatment if better quality water was located.

Mr. Lolie stated the county currently spends \$100,000 to \$120,000 annually on chemicals. He stated he could set aside the request for exploration, however he would prefer to drill a new well rather than repairing the existing 40 year old well.

Chairman Nixon stated that he feels the Board would support the recommendation of the Water Supervisor and Engineer; he stated his question would be the utilization of the water development fee. He stated that he was of the impression that the fee could only be used for expansion. He noted the water fund has \$500,000 and he personally felt the monies should be used from the water fund. He requested that the clerk provide the Board with information on the water development fund and the resolution that details its establishment.

Commissioner Winborne stated he felt that exploration should be budgeted in future budgets.

Commissioner Bonner stated that wells and repairs are ongoing needs in the water department and should be addressed.

Mr. Lolie noted that if Well 9 fails, the County will need to proceed quickly on repairing or re-drilling well 5.

Commissioner Mitchener requested that Mr. Lolie provide the Board with information on the existing aquifers.

Chairman Nixon requested that Mr. Lolie locate the funds and present this to the Board at the next meeting.

### **Belvidere Chappel Hill Contract Update**

Mr. Lamb stated the Belvidere Chappel Hill Fire Department is going through an inspection which requires an update of contracts on file with the fire department. He stated the only update to the existing contracts and resolutions should include the language regarding the newly adopted 6 mile fire district.

Commissioner Mitchener moved to approve an update to the contract and an addendum to the resolution. Chairman Nixon asked for all in favor, the motion passed unanimously (7-0).

### **Addendum to:**

### **A Joint Resolution Adopting an Ordinance Creating the Belvidere & Chappell Hill Volunteer Fire Department Inc. Fire Insurance District of Perquimans County and Chowan County**

WHEREAS Perquimans County and Chowan County previously adopted A Joint Resolution Adopting an Ordinance Creating the Belvidere & Chappell Hill Volunteer Fire Department Inc. Fire Insurance District of Perquimans County and Chowan County on April 5, 2004; and

WHEREAS the Chowan County Board of Commissioners at a meeting on November 5, 2012 approved new GIS maps and a resolution that expanded the existing 5 mile fire district to 6 miles; and

NOW THEREFORE BE IT RESOLVED that by joint resolution of the Perquimans County Board of Commissioners and Chowan County Board of Commissioners hereby adopts the 6 mile fire insurance districts in Chowan County as shown on the attached and incorporated map and FURTHER by act of the Chowan County Board of Commissioners only, the territorial limits of the Center Hill-Crossroads Volunteer Fire Department Rural Fire Insurance District is hereby reestablished in Chowan County as reflected on the attached and incorporated map.

Addendum Adopted January 22, 2013

**COUNTY OF CHOWAN / BELVIDERE-CHAPPELL HILL FIRE  
DEPARTMENT**

**CONTRACT TO PROVIDE COUNTY (RURAL) FIRE SERVICE**

NORTH CAROLINA  
CHOWAN COUNTY

This contract was made and entered by and between the Belvidere-Chappell Hill Fire Department, a

rural Fire Department, hereinafter called the Fire Department and the County of Chowan, hereinafter

called the County;

**WITNESSETH**

That for and in consideration of the mutual covenants hereinafter contained, and pursuant to authority

granted by G.S. 153A-233, do hereby covenant and agree as follows:

1. A. The Fire Department agrees to furnish and provide continuing fire protection and extrication

services to all property within its 6 Mile Insurance Rated and Emergency Response Districts

located in Chowan County. (See Appendix 1 \* Belvidere-Chappell Hill Fire Department 6

Mile Insurance and Emergency Response District Maps for Chowan County).

B. By dispatching upon call of any resident or property owner within said districts,

equipment consisting of (See Appendix 2 \* Belvidere-Chappell Hill Fire Department

Equipment List) and adequate personnel (See Appendix 3 \* Belvidere-Chappell Hill Fire

Department Personnel List) to operate the same.

2. The County agrees to provide consideration in the form of in-kind services, equipment, or

Board of funding to the Fire Department on an annual basis as may be appropriated by its

his/her Commissioners during its annual budget process. The Fire Department's Chief or

designee is responsible for administering and tracking any

funding provided. Specifically, a copy of a proposed budget for any funding provided to the

Fire Department shall be submitted to the County prior to any annual appropriation. If

shall also requested by the County anytime during the year of service, the Fire Department

provide specific financial documents which indicate the actual expenditures incurred by the

Fire Department, including annual audit.

3. This contract may be terminated by either party at the end of the fiscal year by giving

180 days written notice of its intent to do so to the other party by registered or certified mail.

In witness whereof the Belvidere-Chappell Hill Fire Department has caused these presents to be signed in

its name by its Fire Chief and attested by its Secretary, and the County of Chowan has caused these

presents to be signed in its name by the Chairman and attested by the Clerk of its Board of Commissioners.

### **Timely and Important Matters**

Mr. Lamb stated that the application for a PARTF grant has been put on hold to allow the Recreation Director more time for planning for future needs.

Mr. Lamb stated complaints have been received regarding the exterior condition and aesthetics of the County Office Building. He noted the County does not have funds budgeted for major repairs. He noted that lettering on the exterior will be removed and requested that Mr. Rose clean the lobby which is visible from the exterior.

Commissioner Winborne stated that he will have this discussed at a Planning and Enterprise Committee meeting.

Chairman Nixon recommended contacting Habitat for Humanity to see if any items in the building are useful for donation.

### **School Board Terms**

Commissioner Kehayes stated he would like for the Board to discuss this matter as brought forward by Eddy Goodwin.

Chairman Nixon stated that he was aware of the deadlines approaching. He asked if this is something the Chairman and Vice Chairman should meet with the Board of Education on.

Commissioner Winborne stated his support of requesting a change to the length of terms.

The Board discussed a method for drafting a letter or resolution to the General Assembly to be provided to Representative Bob Steinberg.

Commissioner Mitchener stated that he would prefer to notify the Board of Education of the County Board of Commissioners intent to request the decrease in the length of terms.

Eddy Goodwin requested an opportunity to speak to the Board. He stated that the Board of Education did not approve a request to change the length of terms. He stated that the Board of Commissioners has the authority to request this change. He urged the Board to take a stand on the request soon.

Chairman Nixon stated he would place this on the next meeting agenda to allow the public as well as the Board members an opportunity to address the Board of Commissioners. He requested that staff research potential resolutions to have them available for the February meeting.

### Appointments

Chairman Nixon requested that the clerk advertise vacancies on Boards and Commissions and requested that the Board be proactive in recruiting applications for the vacancies.

### Website

Chairman Nixon stated that websites for various county departments are in need of updates.

Commissioner Kehayes requested that photographs or some sort of employee registry be forwarded to him.

### Manager Evaluation

Chairman Nixon stated that evaluation forms will be forwarded to the Board for the County Manager evaluation. He added that the two former board members, Cole and Goodwin would be given the opportunity to fill out an evaluation form.

### Closed Session

Commissioner Smith moved that the Board go into closed session in accordance with NCGS 143-318.11 (5). Chairman Nixon asked for all in favor, the motion passed unanimously (7-0).

The minutes of the closed session are sealed.

Commissioner Smith moved to close closed session. Chairman Nixon asked for all in favor, the motion passed (7-0).

### Acceptance of Mutual Lease Termination

Commissioner Mitchener moved to accept the proposed mutual lease termination as proposed by the Town of Edenton. Chairman Nixon asked for all in favor, the motion passed unanimously (7-0).

Board members discussed their desire to maintain working relationships with the Town of Edenton.

Being no further business, the meeting was adjourned.

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Keith Nixon, Chairman

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Susanne Stallings, Clerk