

Special Joint Meeting  
Monday, November 21, 2011  
9:00 am  
Chowan County Public Safety Center  
305 West Freemason Street

MINUTES

The Chowan County Board of Commissioners held a special meeting on Monday, November 21, 2011 at 9:00 am in the Chowan County Public Safety Center, 305 West Freemason Street Edenton NC. Present: Chairman Eddy Goodwin, Vice Chairman Keith Nixon, Commissioners, Jeff Smith Emmett Winborne, Ralph Cole and John Mitchener. Staff Present Interim County Manager John Ed Whitehurst and Board Clerk Susanne Stallings.

Commissioner Lawrence was absent.

Board of Education members present: John Guard, Ricky Browder, Win Dale, Kay Wright, Gene Jordan, Gill Burroughs and Board of Education Staff; Superintendent Dr. Alan Smith and Harriett Sawyer.

Chairman Eddy Goodwin called the meeting to order.

**Energy Performance Contracting**

Dr. Alan Smith presented information on Energy Performance Contracting. He stated that a performance contract is for engineering, construction, installation, maintenance etc. that specifies performance energy savings improvements in facilities resulting in sufficient avoidance of energy const to pay for associated costs over the life of the contract. He provided the Board with a PowerPoint handout (a copy is in the meeting file labeled November 21, 2011). He stated that there are advantages and disadvantages to the program. He stated that 20 years was a long time, but a 20% savings on utilities was advantageous. He noted the interest rates are low but there is a concern that contracts could out live the buildings. He stated that the Board of Education wanted to bring the proposal before the Commissioners for questions or comments.

Board of Education member Gill Burroughs stated that the project has been done for the past 10 years in the state and that based on his research out there with background information. He stated the program has been utilized more in the community college system.

Commissioner Cole asked about the success rate.

Dr. Smiths stated that most participants have found the program successful. He stated for those systems that had no success, the background work was not done. He stated the Energy Office has agreed to work with the schools on this project to provide assistance with the background work.

Board of Education Chairman Ricky Browder stated that the process is in depth and while the Energy Office can assist with many things, it will not be able to assist the schools with awarding the contract.

Mr. Burroughs stated the schools that were unsuccessful with their projects did not stay on top of the numbers. He added that Edenton-Chowan Schools participated in the project he would stay on top of the numbers himself.

Commissioner Mitchener asked if the state sets the standards for the projects.

Dr. Smith stated that the state provides boiler plate RFPs for the projects and review the statutes and standards, but not the quality of work.

Mr. Burroughs added that the companies are required to be bonded and state approved.

Dr. Smith noted that some local contractors could be involved in the project.

Mr. Guard stated that he wanted the Board of Commissioners to see that the Board of Education has asked many questions about the project.

Chairman Goodwin asked if the Board of Education has looked at the before and after number for those schools that participated.

Dr. Smith stated that the Board of Education has not visited sites but will do that before a decision is made regarding going forward.

Commissioner Nixon asked what is used as collateral for a loan.

Dr. Smith stated the county is not responsible; the collateral is within the contract. He stated the only responsibility of the county is to provide a resolution stated the allocation to the schools would not be reduced by the savings realized.

Mr. Cole asked if there is grant monies available to the schools.

Dr. Smith stated he is waiting for information on such grants. He added that for the project to be done, after acceptance of an RFP, there would be a preliminary audit. The Board of Education would have the opportunity to pull out but the costs of the energy audit would have to be absorbed by the schools.

Mr. Burroughs stated that the monies (about \$1 million) would not go very far for the project but other sources of funds would be pursued.

Dr. Smith stated he brought this project before the Board of Commissioners to see if there are any serious reservations on the performance contract program.

Commissioner Winborne stated his main concern was if there would be actual savings after the payback.

Dr. Smith stated there would initial inflation in utility costs.

Commissioner Winborne stated his concern was that the program could be too good to be true.

Commissioner Nixon stated his concern was with determining the funding without itemization. He stated the Board of Commissioners does not see that in the budget allocation and he had some concern with obligating funds for future Boards of Commissioners and not knowing what could happen with their revenue stream.

Dr. Smith stated the budget does show utility expenses, he added that student population would be considered with the budget that the appropriation is not across the board.

Mr. Burroughs stated he felt it was important that the county look into this program and educate future generations to conserve energy.

Dr. Smith stated he only wanted to put this in front of the Commissioners but the schools may not pursue it, there is much more research to be done.

### **Budget Schedule**

Interim County Manager John Ed Whitehurst stated that June 30<sup>th</sup> is the “drop dead” date for having the county budget finalized. He stated that the Board has indicated it prefers to have the budget completed by June 15<sup>th</sup>.

Dr. Smith stated that he will begin gathering information in February. He hoped to give something to the county in April or May.

Mr. Whitehurst asked if the Schools could provide a final figure by May with a tentative figure in April or even March.

Commissioner Nixon recommended scheduling a joint meeting in that time period.

Commissioner Winborne stated he thought a joint meeting would be beneficial.

Dr. Smith agreed with Commissioner Winborne. He added that he would talk with the new county manager when he starts in January to work on a calendar for joint meetings between the two boards.

Commissioner Nixon stated he felt it would be beneficial for the Superintendent and the County Manager to work together and have discussions on the budget.

Dr. Smith stated he would talk with Mr. Lamb once he begins in January and work in quarterly meetings of the two boards for 2012.

Being no further business between the two boards, the Commissioners took a 5 minute recess while the Board of Education members left.

Chairman Goodwin called the meeting back to order.

Present: Chairman Eddy Goodwin, Vice Chairman Keith Nixon, Commissioners, Jeff Smith Emmett Winborne, Ralph Cole and John Mitchener. Staff Present Interim County Manager John Ed Whitehurst, Human Resources Manger Carrie Byrum and Board Clerk Susanne Stalling

Amendment of Agenda

Commissioner Nixon moved that the Board approve the agenda as amended.

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

**Discussion of Interim Finance Officer Position**

Ms. Byrum noted that this vacancy is being advertised until January 15<sup>th</sup>.

Mr. Whitehurst asked if the Board is interested in appointing an interim finance officer.

Chairman Goodwin stated that staff has prepared all the necessary changes to accounts to allow access for Kim Smith. He stated that he is working with CPA firms to recruit an interim but he would continue to function as the authorized signer until an appointment is made in January.

Mr. Whitehurst stated he also forwarded a request on a list serve.

Commissioner Nixon asked if the county could contract with a CPA firm.

Carrie stated that she is working closely with Kim on any issues but did have concern about the position being vacant.

Chairman Goodwin stated he would be the point of contact for any concerns.

**Budget Amendments**

Chairman Goodwin presented the following budget amendments:

---

<b>BA-1112-042</b>			
3471	Scrap Tire	\$ 15,000	Increase revenue from NCDENR for scrap tire grants
4710	Scrap Tire	\$ 15,000	Increase expenditure to disburse scrap tire grants to PCG Landfill Commission for scrap tire disposal expense.

---



4. **FURTHER RESOLVED**, that, the Bank may cash checks, drafts or money orders payable to cash or to the Customer (irrespective of any special or restrictive endorsement thereon) when endorsed by an Authorized Representative in his or her individual capacity or representative capacity, and, further, that any Authorized Representative may from time to time designate in writing to Bank any other officers, employees, agents or persons who are authorized to cash checks payable in or to initiate electronic fund transfers in the Customer's name or trade name, if applicable, which authorization, unless limited by its terms, shall remain in effect until a written notice signed by any Authorized Representative is received by the Bank at the same office to which the original authorization was delivered.

5. **FURTHER RESOLVED**, that the Bank be, and it hereby is, authorized to honor, receive, certify or pay all instruments signed in accordance with the foregoing resolutions or electronic fund transfer initiated in accordance with the foregoing resolutions, even though drawn to cash, drawn or endorsed to the order of an Authorized Representative signing the same, or tendered by him or her for cash, in payment of the individual obligation of such Authorized Representative or for deposit to his or her personal account, and the Bank shall not be required or be under any obligation to inquire as to the circumstances of the issuance or use of any instrument signed in accordance with the foregoing resolutions or electronic fund transfer initiated in accordance with the foregoing resolutions, or the application or disposition of such instrument or the proceeds of such instrument or electronic fund transfer.

6. **FURTHER RESOLVED**, that, any Authorized Representative is authorized to execute a Safe Deposit Agreement, the terms of which are hereby incorporated by reference, by and between the Customer and the Bank.

7. **FURTHER RESOLVED**, that, any Authorized Representative is authorized to execute a Night Depository Agreement, the terms of which are hereby incorporated by reference, by and between the Customer and the Bank and is authorized to appoint agents to receive, open and process the contents of night depository bags and to revoke the appointment of such agents.

8. **FURTHER RESOLVED**, that, in connection with electronic fund transfers authorized in the foregoing resolutions, any Authorized Representative is authorized to execute an Electronic Funds Transfer Agreement, if required or otherwise requested by Bank, the terms of which are hereby incorporated by reference, by and between the Customer and the Bank and is authorized to designate "Authorized Agents" thereunder on Authorization Forms supplied by the Bank. **FURTHER RESOLVED**, that in connection with electronic fund transfers, the Bank may from time to time (i) issue a debit card or other access device to any Authorized Representative, such debit card or other access device to be in the name of the Customer and have printed thereon the name of the Authorized Representative, (ii) designate an Authorized Representative as the person authorized to access any funds, redeem any points or other rewards which may be earned and pooled under the Customer's name from time to time as a result of electronic fund transfers through use of debit cards and other access devices issued by the Bank to Authorized Representatives, and (iii) undertake or refrain from undertaking any and all other acts or actions with respect to electronic fund transfers authorized under the resolutions as the Bank may deem necessary or appropriate.

9. **FURTHER RESOLVED**, that, any Authorized Representative is authorized to execute a Cash Management Agreement, Master Repurchase Agreement, and Sweep Service Agreement, the terms of which agreement(s) is/are hereby incorporated by reference, by and between the Customer and the Bank.

10. **FURTHER RESOLVED**, that, any Authorized Representative, or such other persons as may be named by an Authorized Representative by written notice to the Bank, are authorized to place verbal orders for the purchase of RBC Bank (USA) commercial paper, pursuant to the terms and conditions of the RBC Bank (USA) Unsecured Master Notes Terms set forth on each Confirmation, which terms are incorporated herein by reference, or purchase of Repurchase Agreements for the account of the Customer. Unless limited by its terms, the authorization of other persons to act under this paragraph 10 shall remain in effect until a written notice signed by any Authorized Representative is received by the Bank at the same office to which the original authorization was delivered.

11. **FURTHER RESOLVED**, that, any Authorized Representative is authorized to execute the Bank's Indemnity Agreement or other agreement required by the Bank to induce the Bank to replace a lost check, instrument or security as described therein.

12. **FURTHER RESOLVED**, that the Bank is authorized to obtain information from ChexSystems or any other party concerning the Customer's previous banking relationships, and the Bank may provide information to such services concerning the Customer's accounts with the Bank.

13. **FURTHER RESOLVED**, that, any Authorized Representative is authorized to execute a RBC Bank Online Money Management Enrollment Agreement or other agreement for the use of either Quicken® Microsoft Money® or Quickbooks® software, or for use of any other internet, web banking or other online service offered from time to time by the Bank, including, without limitation, online transfers, online bill payment and online account aggregation. Customer acknowledges that payments and transfers of funds may be made electronically through an online network to which personal computer(s) will be connected and that one or more access passwords and/or personal identification numbers (PINs) will be provided to or selected by an Authorized Representative in order to control access and provide security to Customer's accounts and to the network system. Further distribution and security of the access passwords and PINs will be the responsibility of that Authorized Representative. **FURTHER RESOLVED**, that Customer assumes all responsibility for security of software, access passwords and PINs and agrees to protect them from use by unauthorized persons, and that Customer agrees to indemnify and hold Bank harmless from any and all damages and costs and expenses, including without limitation reasonable attorney's fees, incurred or perceived to be incurred resulting from unauthorized internet, web banking or other online use of any of Customer's accounts.

14. **FURTHER RESOLVED**, that this Resolution and Agreement, and each resolution herein, shall be continuing in nature and is within the scope and powers provided in the Customer's governing documents (whether they be articles of incorporation, by-laws, partnership agreement or other agreements or rules governing the Customer); that if any material change therein shall occur or if any change in ownership or organization of the Customer shall occur, or if there shall be a change in any of the Authorized Representatives named above, the Secretary or an Assistant Secretary (if the Customer is a corporation) or a manager or managing partner, agent or representative (if the Customer is other than a corporation) shall immediately certify such changes to the Bank by submission of a new Resolution and Agreement and deposit agreement and/or signature card for any account(s) thereby affected; that the Bank shall be fully protected in relying on such certifications and shall be indemnified and saved harmless from any claims, demands, expenses, loss or damage, including without limitation reasonable attorney's fees, resulting from, or growing out of, honoring such certifications or refusing to honor any notice not properly certified; that receipt of such certification shall not affect any action taken by the Bank prior thereto in reliance on this Resolution and Agreement; and that in the event of any dispute pertaining to any account(s) of the Customer, the Bank's records shall govern.

15. **FURTHER RESOLVED**, that, if the Customer is a corporation, the Secretary or an Assistant Secretary be, and hereby is, authorized and directed to certify these resolutions to the Bank and further to certify that the provisions hereof are in conformity to the Customer's charter and by-laws.

16. **FURTHER RESOLVED**, that if the following line is checked: , then an Addendum to this Resolution and Agreement is attached hereto (or is contained in a separate document) and all the provisions of such Addendum are incorporated into and made a part of this Resolution and Agreement as if fully set forth herein; provided, however, that a failure to check the foregoing line shall not affect the validity of any Addendum which clearly references that it constitutes a part of this Resolution and Agreement.

Commissioner Nixon moved that the Board approve the resolution as presented. Chairman Goodwin asked for all in favor, the motion passed (6-0).

Commissioner Cole left the meeting.

**Timely and Important Matters**

The Board discussed complaints received regarding a deer processing facility in Arrowhead Beach.

Commissioner Nixon stated his concern of having ordinances that are not enforced and asked if the Manager could see if there are funds available for enforcement.

Commissioner Smith echoed Commissioner Nixon's concern.

The Board requested the Mr. Whitehurst review the budget to see if monies are budgeted for clean up.

Mr. Whitehurst noted that the county is still waiting on a letter of clearance for use of the Walker Gym regarding the bat eradication.

Chairman Goodwin discussed the offer on the Bill Black property; he stated that the Board will continue to wait on a response from the County Attorney.

**Adjourn**

Being no further business before the Board, the meeting was adjourned

---

Chairman  
Edward C. Goodwin

---

Clerk