

Special Meeting
RETREAT
Wednesday, February 25, 2026
9:00am
Chowan County Public Safety Center
305 West Freemason St.
Edenton, NC 27932

Present Chair Bob Kirby, Commissioners Ron Cummings, Larry McLaughlin, Chris Evans, Ellis Lawrence and Tony Shaffer. Commissioner Tray Taylor joined later in the meeting.

North Carolina Association of County Commissioners (NCACC) Outreach Associate Denise Stinagle was also present.

Staff present County Manager Kevin Howard, Finance Officer Cathy Smith and Board Clerk Susanne Stallings.

Board Chair Bob Kirby welcomed everyone in attendance.

Denise Stinagle welcomed the Board and thanked them for inviting her to the retreat. She provided a copy of the Highlights for Chowan County from the 2025 NCACC Map Book. A copy of the handout is in the meeting file labeled February 25, 2026.

County Budget Update and Projections

Fund Balance Estimate

Finance Officer Cathy Smith provided the Board with a General Fund Balance Calculation handout. A copy of the handout is in the meeting file labeled February 25, 2026. She noted that based on the projection, the fund balance percentage of available or unrestricted fund balance is 29.50%. They provided an additional handout that shows how the fund balance is calculated noting that monies went into the capital reserve fund. Mr. Howard noted that the revenues from tax/tags were increased this year as well as sales tax revenues were increased. It was noted that every department did well except for the jail. He noted that often the unknown health care expenses at the jail can impact this budget. Mr. Howard also reviewed a handout on the general fund revenues and expenditures for FY 2025. A copy of all handouts is in the meeting file labeled February 25, 2026.

Proposed DSS Reimbursement Changes

Mr. Howard called on DSS Director Tyeshia Phelps to discuss proposed changes to DSS reimbursement. He noted that it is unknown as to how the changes will impact the current and future budget. He stated that the federal government has cut funding without cutting mandated programs and this has been pushed down to the States. Mr. Howard provided the Board with copies of three presentations that County Managers were given regarding the HR1 fiscal impacts. (A copy of the three handouts is in the meeting file labeled February 25, 2026). He stated that beginning on October 1, 2026, the reimbursement for SNAP benefits will change from 50% reimbursement to 25%.

Ms. Phelps stated the state is looking at centralized Medicaid services, she said that state DSS Directors are opposed to this because there is no local contact to assist with filling out paperwork for Medicaid. She noted that the program requirements may be changed to reduce eligibility for Medicaid and FNS services

Mr. Howard stated that the statewide impact for FY 2026-27 is \$69 million. He stated the median county impact is around \$400,000. He noted that additional workload is expected to verify eligibility.

Property Tax Legislation

Mr. Howard stated there is discussion regarding changes to county property tax legislation. He said that NCACC is working to keep Counties up to date on the committee discussions. He noted that the committees are focusing on tax exempt properties as well as relief programs for the elderly and disabled to receive discounts.

Recreation Capital

Recreation and Senior Center Director Brian Chappell provided the Board with information on the facilities managed by the Recreation Department and Senior Center. A copy of the handout is in the meeting file labeled February 25, 2026. He reviewed the needs:

Northern Chowan Community Center (NCCC) for FY 26-27 and FY 27-28. The 26-27 needs are ceiling and air duct cleaning in the gym, bathroom floor replacement and floors buffed and waxed.

Walker Gym – Current year needs are repairs to the back of room, repair back storage room by stage and bleachers and repairs bathrooms and locker rooms. He noted that for next fiscal year door replacement.

Earnhardt Field – this project has been separated into two phases over two fiscal years, that include lighting, fencing, concessions, bathroom and storage and parking lot repairs. The second phase includes playground and gravel for parking.

Purser Fields – for FY 26-27 goals are needed, bleachers and benches, parking lot gravel, concessions and a septic pump. For FY 27-28 Fencing is needed.

Fisher Fields – For FY 26-27 Parking lot gravel, bleacher area and screening, score hut repair and gutters on concession stands. For FY 27-28 a third field will be requested.

Chowan Senior Center – Additional space is needed in the senior center. The current facility is 5,740 sq ft, the master plan calls for 9,300 square feet of space. For FY 26-27 the needs include heat/air in offices, parking lot resurfacing and renovating the stairs on the Church Street side of the building.

Miscellaneous needs include:

- A maintenance shed
- Reboarding the riverwalk at Cannons Ferry
- Replacing damaged boards on pier

The Board discussed the need for project design for Red Banks Farm. It was recommended that the Recreation Director come back at 3pm for additional discussion on this topic.

Break

The Board took a 15-minute recess for break, following the break Chair Kirby called the retreat back to order.

Water Plant and Distribution

Scott Godefroy, Kevin Cooper and Greg Churchill with Rivers and Associates Inc provided a PowerPoint update on ongoing water projects. Water Director Chuck Jones was also present. A copy of the PowerPoint presentation is in the meeting file labeled February 25, 2026.

Reverse Osmosis Water Treatment Plant

Mr. Godefroy provided updates on the planning for a 4/0 MGD (net)/5.0 MGD (gross) Regional Reverse Osmosis (RO) Water Treatment Plant (WTP). He provided mapping on the various test well sites that are currently in place and a Water Treatment Plan Conceptual Plan. He noted the six test wells that have been installed have demonstrated sufficient capacity and water quality. He noted that no exceptional pre-treatment and or chemical feed systems are anticipated. He stated that no exceptional post treatment systems are anticipated other than typical PH adjustment and chlorine disinfection. The waste discharge is proposed to be piped and discharged into the Albemarle Sound through a multi-port diffuser. Preliminary COREMIX dilution model findings suggest that an optimized multi-port diffuser should be able to achieve a dilution factor of 40-50 within the near-field mixing zone and will mitigate concerns during the NPDES permitting process and reduce the required effluent concentration. If the County were to construct the RO Plant in phases, the current 3 test wells will be sufficient to provide the raw water needs for the new plant. As demand increases and regional partners choose to participate, additional well sites can be developed, and the plant upsized with additional skids. Based on estimates an additional 3-4 production well sites can be developed to accommodate the increased demand.

Mr. Godefroy noted that GMA is completing the CORMIX modeling and report over the next two weeks and the engineering alternatives analysis will be finalized (estimated 4 weeks). After this an application for NPDES permit will be prepared for review and execution by the County. He noted that the unfunded portion of the project needs to be considered. The current agreement for engineering services included the application of for funding from USDA. The Board agreed by consent that the contract with Rivers should be amended to allow Rivers to go through DWI processes and approvals. The Board will need to agree on a capacity design and these items will come to the Board for future approval.

Existing System Improvements

It was noted that improvements at Cape Colony must be made before the R/O plant is online. A sampling station is needed and additional personnel for dedicated flushing and signage is a request/recommendation by the Department Head.

The group took a break for lunch for about 10 minutes and continued meeting while eating lunch.

Water Leak Adjustment Policy/ Water Rates

It was determined any policy for water leak adjustments would need to be codified by the Board.

A future meeting will be needed to discuss water rate adjustments that are needed in order to qualify for grants or state fundings to make the Cape Colony repairs as well as other projects.

RPO Projects

Ethan Sommers Transportation Planner, Albemarle Rural Planning Organization (RPO) discussed projects that are under consideration by the RPO. He provided a PowerPoint presentation, a copy of the presentation is in the meeting file labeled February 25, 2026.

Highlights included:

- Ongoing projects such as the West Queen Street Bridge Replacement, NC 32 (NC 37 to Virginia state Line) engineering only and Albemarle Sound Bridge Maintenance.
- Highway Maintenance Improvement Program (HMIP) projects that are future projects that could include changes before the contract is let.
- State Transportation Improvement Program (STIP), which are long term (10 year or more) projects and may be reprioritized every 2 years. The ARPO has 15 submittals and Division 1 has 10 submittals.
- Overview of Rail prioritization from Edenton to the Virginia State line, Aviation (additional box hangers at Northeast Regional Airport), Bike/Pedestrian and Highway (modernization of Rocky Hock Rd.)

Planning/Land Use

County Planner Robert Daniel discussed the following, (Handouts were provided to the Board and are in the meeting file labeled February 25, 2026).

- Data Centers. Zoning for and regulations to consider the impacts on infrastructure. The Board discussed the pros and cons of a data center. It was agreed that staff develop regulations for the Board to consider in the future.
- Status of Ordinance Update
This project was put on hold due to legislative changes, it is still ongoing and the Board will consider an amendment to the contract with Insight at their meeting on March 2nd.

- Nuisance Abatement/Enforcement for junk yards/long term yard sales
Staff noted these issues are complaint driven. There is no staff in place to ride around and enforce these types of issues. The process of sending letters requesting landowner compliance was reviewed with the Board. It was noted that many of these properties are in foreclosure or owned by multiple heirs that are not local, which creates challenges for staff when trying to enforce nuisance ordinances.

Commissioner Tray Taylor joined the meeting.

The Board discussed long-term yard sales and the complaints that have been submitted by adjoining property owners.

County Architectural Standards

Board members discussed their views on architectural standards.

Commissioner McLaughlin stated he would like to see more standards established in the County particularly with development of small chain stores such as Dollar General.

Commissioners Kirby and Shaffer discussed their concern with regulations and standards which would apply to all commercial development.

Farmland Preservation

Rodney Woolard, Agricultural Development and Farmland Preservation Discussed programs available for Farmland Preservation initiatives. He provided the Board with website resources for residents interested in farmland conservation easements. He noted these programs are voluntary and are used as a tool to ensure that farmland is not developed.

Chowan County Jail

Mr. Howard stated that over the past 2-3 years the Board has discussed the need for a new county jail. The County has looked at various options for replacement of the existing Chowan County Detention Center (Jail). Options that have been explored included the construction of a new jail, construction of a new regional jail with neighboring counties, as well as joining existing local regional jails. Mr. Howard provided the Board with estimated costs for each option. He noted the following:

- Current County Jail Budget \$1,165,820
- Cost to join Albemarle District Jail (ADJ) \$1,485,178, he noted there is currently space available and no new construction is required for Chowan to join ADJ. He noted this cost estimate does not include the costs for transport of Chowan inmates for court.
- Cost to buy in with Bertie Martin \$1,066,910 (he noted this cost estimate is based on Bertie Martin receiving state funding for capital costs for expansion. He stated that

Bertie Martin will not move forward with Chowan joining if they do not receive these funds).

- Construction of a Regional Jail with Gates and Washington Counties \$2,040,823. He noted that Gates and Washington Counties have opted to not move forward on this option.
- Cost to construct a new jail in Chowan County \$2,857,157, this is the annual cost, construction costs were estimated to be around \$25 million.

Mr. Howard stated he is requesting the Board consider approval to allow him to begin negotiations with ADJ. He stated he did not believe building a new jail is a viable option. He noted another concern about the Bertie-Martin proposal is that that jail is in a different judicial district from Chowan and ADJ.

Sheriff Edward Basnight and Chief Deputy John McArthur discussed the need to retain 4 employees to serve as detention officers for inmates that are being held in Chowan for court. Its estimated \$306,698.93 is needed. Additional monies are needed to purchase transport vehicles (2 vans -\$88,288) and the costs for fuel (\$7,332 annually).

Mr. Howard stated he is looking into the cost benefits for utilizing enterprise for lease agreements with Enterprise.

Recreation

Master Plan Items

Mr. Howard stated he spoke with Rivers and Associates. They are the County's Engineering firm for water projects, but they have a division that also specializes in Recreation development. He stated the cost for engineered drawings for development of the Red Banks Farm site is estimated to be around \$120,000. He stated he will ask to utilize CIP funds to pay for this design.

Ches Chesson with the Town of Edenton/ Director of Mainstreet Edenton discussed the work of a private group that got together after the bond referendum failed. The group has formed a nonprofit group under the ECP umbrella called ECREF (Edenton Chowan Recreation Enhancement Fund). The group is working to fundraise for a future Recreation complex. He stated his role is to advise the group on the new market tax credits.

Miscellaneous Topics

Town Updates – Mr. Chesson provided the Board with some updates on Town projects including Hotel Hinton and Project Teapot.

Commissioner Evans left the meeting.

Fire Substation – Mr. Howard has discussed a purchase price with the owners; they are considering if they wish to sell the property.

Meeting Room Acoustics- The Board discussed that room acoustics; it was determined that listening devices could enhance the sound for those who have trouble hearing speakers. The only other option is to locate another meeting space.

Commissioner Tray Taylor left the meeting.

Commissioner Computer Equipment – It was recommended that when future equipment is purchased the Board members are given the option of an iPad or PC.

Summary

Ms. Stinagle summarized the meeting:

- She feels the Board has good policies in place, good leadership and good staffing/department heads and added that the County's financials appear to be very strong thanks to these individuals and policies.

She thanked the Commissioners for inviting her to the retreat.

Being no further business Chairman Kirby declared the retreat adjourned.

Bob Kirby, Chairman

Susanne Stallings
Clerk