

Regular Meeting  
Monday, February 20, 2012  
9:00 am  
Chowan County Public Safety Center  
305 West Freemason Street

MINUTES

The Chowan County Board of Commissioners held their regular meeting on Monday, February 20, 2012 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 County Manager Zee Lamb and Board Clerk Susanne Stallings.

Commissioner Ellis Lawrence was absent.

Chairman Eddy Goodwin called the meeting to order.

**Public Comment**

Chairman Goodwin opened the floor for public comment in accordance with NCGS 153A-52.

There was none.

**Consent Agenda**

a. Recommended Budget Amendments

BA-1112-060			
3616	Sr. Center	\$ 1,245	Decrease revenue from Senior Center participant contributions
4268	Sr. Center	\$ 1,245	Decrease expenditures for Chowan Hospital Foundation Grant
BA-1112-061			
3612	Recreation	\$ 6,000	Increase revenue from Recreation Special Events – basketball tournament
6132	Recreation	\$ 6,000	Increase expenditures for Recreation Special Events to cover cost of basketball tournament
BA-1112-062			
3839	Tax	\$ 15,000	Increase misc. revenue – Town of Edenton audit cost
3839	Tax	\$ 15,000	Increase expenditures for Professional Services Tax Audit

Chairman Goodwin asked for clarification on BA-1112-062.

Tax Administrator Kep Kepley stated that the cost is deferred to the Town.

Commissioner Smith asked what percentage the County pays.

Mr. Kepley stated 30% is the amount paid to County Tax Services for discoveries. He stated the County does not pay until the bill is paid by the business.

b. BUDGET TRANSFERS

BT-1112-011

4950	Extension	\$5,000	Decrease salary line for lapsed salary
6130	Recreation	\$10,000	Decrease salary line for lapsed salary
4750	Forestry	\$8,000	Decrease Forestry Budget
		\$23,000	
4150	Legal/Prof Services	\$23,000	Increase contribution to Admin to cover legal expenses for the remainder of the year

Mr. Lamb stated that the monies were located as requested at the February 6<sup>th</sup> meeting.

Commissioner Winborne asked if this will cover the expenses for the remainder of the year.

Mr. Lamb stated that there are several projects underway including Riversound development but he hoped this should cover the remainder of the year.

c. Approval of Minutes

Attached are the minutes of the February 6, 2012 meeting for the Board's review and approval.

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

**NC 20 Resolution**

NC 20 provided the Board of Commissioners with a resolution requesting that Chowan County support opposition to a proposed increase of user fees for ferry system.

Commissioner Smith stated that the Albemarle Commission Board has discussed the proposed fees. He stated he personally did not oppose the fees but he felt the residents should not be charged.

Commissioner Nixon stated the legislature is having funding issues and this is a means to collect revenue. He stated that he felt people would pay the fees to use the ferry.

Commissioner Mitchener recommended that the Board postpone review of the resolution until the Board could be provided a copy of a proposed resolution from the Albemarle Commission.

### **Community Child Protection Team**

Letecia Newton presented the annual Community Child Protection Team (CCPT) report. A copy of the report is in the meeting file labeled February 20, 2012. She stated the Community Child Protection Team is still trying to locate four members to serve. The members should have affiliation with agencies that deal with child protection.

### **Salary Study Presentation**

Representatives with Springstead were unable to attend the meeting due to inclement weather in Richmond VA. The Board requested copies of the report in advance and decided to reschedule the presentation for the March 19<sup>th</sup> meeting.

### **Board Appointment - ABC Board**

Chairman Goodwin noted that there is one expired term and another coming up for renewal.

Commissioner Nixon requested that the vacancies be advertised.

### **DSS Relocation**

Clifton Hardison reported that staff has received state approval for the drawings of the relocation of DSS to the former Health Department Building located on Freemason St.

Mr. Lamb noted that the previous county manager entered into a contract with John Bassett, Inc for the renovation of the Adult Day Health Building for the DSS relocation. He stated that the project is not to exceed \$200,000 not including design fees. He then requested that the Board authorize staff on how to proceed with the relocation and funding for it.

Commissioner Mitchener moved that the Board approve the contract and authorize Mr. Bassett to proceed.

Mr. Lamb noted the that there is \$100,000 in contingency and the additional \$100,000 would need to be located within the current budget or in the next fiscal year.

Commissioner Nixon asked if the project would require formal bidding.

Mr. Lamb stated only if the project exceeded \$300,000 would it require formal bidding.

Commissioner Nixon stated he was concerned that the Board did not authorize Mr. Parker to enter into a contract for design/build but added that he had no concerns with the builder being Mr. Bassett but would recommend the Board bid out the renovation.

Commissioner Winborne asked if the \$15,000 for design was paid to Mr. Bassett.

Mr. Lamb said yes. He stated the contract was pre-audited and is valid.

Chairman Goodwin stated he did not want to slow the project down.

Chairman Goodwin asked for all in favor of Commissioner Mitchener's motion. The motion passed (5-1 Nixon).

Commissioner Nixon then moved that the Board do a budget transfer of \$100,000 from contingency to a line item for the DSS new building renovation.

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

Commissioner Smith stated his concern with not bidding out the project or the design/build contract.

### **Land Records Annual Report**

GIS/Land Records Manager, Julie Sharpe provided a report on Land Records activities for the past year.

After the presentation the Board discussed needs in the upcoming fiscal year for Land Records. Ms. Sharpe stated that a printer will be needed.

### **Elevator Service Contract**

Mr. Lamb provided the Board with a proposed maintenance agreement with Thyssen Krupp for the elevator at the Public Safety Center. He noted the agreement is proposed to cost \$190 per month. Mr. Lamb stated that there have been two repairs on this elevator this year. He stated that while the contract does not include parts and labor, there are four annual inspections of the elevator and that this is the only county owned elevator without a maintenance agreement in place. Mr. Lamb noted this was a recommendation of the Interim Maintenance Director Donald Wheeler.

Commissioner Nixon asked if the company was willing to offer a better deal to the county to cover all three county owned elevators.

Mr. Lamb stated that he has not spoken with this company but would call to negotiate a better rate.

Commissioner Nixon moved that the Board authorize Mr. Lamb to negotiate a contract for all three county owned elevators and bring a revised contract back. Chairman Goodwin asked for all in favor, the motion passed unanimously (6-0).

### **Bond Coverage for annual debt service USDA**

Mr. Lamb stated that USDA has requested that Chowan County increase the bond coverage on the annual debt service from \$50,000 (currently) to be equal to a reduced amount of the annual debt service which is USDA has approved to be set at \$250,000. He noted that USDA will allow the County to have the coverage set at \$250,000 where originally the County was required to

have it increased to \$766,046. He noted that additionally USDA has requested that the County increase the UDSA Reserve Account by \$5,582.

Commissioner Nixon noted that the County was allowed to go a few years without making any adjustments to the account.

Mr. Lamb stated that the County should comply with the requirement.

Chairman Goodwin stated that he felt the County will need to know what the deadline is for compliance and the dollar amount it will cost for the bonding.

Commissioner Nixon added that he would like to know if the reserve account is used for the last payment.

Mr. Lamb stated he would provide the additional information to the Board at a later meeting.

### **Edenton Chowan Partnership Resolution**

Mr. Lamb stated that several Commissioners and others in the community have been meeting to finalize the details for the Edenton/Chowan Partnership (ECP) an economic development initiative of both public and private partners. He stated that the Town Council met and approved a resolution approving certain changes to the Edenton Chowan Development Corporation (ECDC) He stated the resolution for the Board's consideration consents to the change of the name of ECDC to Edenton-Chowan Partnership, Inc., amended Articles of Incorporation, Bylaws for the Corporation and Declaration of Restrictive Covenants for the Edenton Chowan Partnership.

Commissioner Winborne asked if ECP has decided the funding it will request from the County.

Commissioner Nixon stated this resolution changes the function of ECDC to the ECP. He stated that a budget has not yet been developed by ECP. He stated that \$40,000 is estimated but has not been formally decided by ECP.

Mr. Lamb noted Exhibits A, B and C for the Board to review. He added that funding for ECP is proposed to begin July 1, 2012.

Commissioner Smith stated that he felt ECP was a great opportunity and added that he would like to see more business recruited to its membership. He stated that he wanted ECP to bring business and jobs to Chowan County.

Sy Rich stated that the by-laws attached keep the ECP within its current 501c3 status.

Commissioner Winborne stated his best wishes for the public private partnership.

Commissioner Mitchener questioned if this would require the transparency like that of an authority.

Mr. Climer stated that ECP would be run as a public entity. He stated the plan is to ensure that transparency is there. He stated that by receiving public funds the ECP will be held accountable.

Mr. Lamb noted that in the event of dissolution of the Edenton Chowan Partnership, property owned by ECP that was originally donated by the Town to the ECDC and subsequently to the ECP would revert to the Town of Edenton. And any property that was acquired in the future by the ECP would transfer to both the Town and County equally in the event of a dissolution of the ECP.

Mr. Rich explained that the current ECDC Board would vote to replace themselves with a slate of directors.

Mr. Lamb inquired the listing of him as the registered agent.

Mr. Rich noted the appointed secretary of the ECP would be named as registered agent once the secretary is appointed.

Commissioner Smith moved that the Board approve the resolution.

Commissioner Nixon noted that ECP will soon seek a location for its offices and he hopes this is a priority for the ECP Board.

Mr. Lamb stated did not object with being temporarily listed as registered agent.

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

**RESOLUTION OF THE BOARD OF COMMISSIONERS FOR CHOWAN COUNTY,  
NORTH CAROLINA, APPROVING CERTAIN CORPORATE CHANGES TO  
EDENTON-CHOWAN DEVELOPMENT CORPORATION**

Resolution No. 12-\_\_

WHEREAS, Chowan County, North Carolina (the "County"), is a political subdivision organized and existing under the laws of the State of North Carolina; and

WHEREAS, the County was instrumental in creating, with the Town of Edenton (the "Town"), a nonprofit corporation known as Edenton-Chowan Development Corporation (the "Corporation") in 1996; and

WHEREAS, the Corporation's Bylaws require the Chairman of the County Commissioners to appoint two (2) of the Directors of the Corporation; and

WHEREAS, the Town previously conveyed to the Corporation certain real property to be used to further the mission and purposes of the Corporation; and

WHEREAS, the Corporation is proposing to make changes to its Articles of Incorporation and Bylaws; and

WHEREAS, the Corporation is proposing to impose certain restrictive covenants on the Corporation's real property to ensure such property remaining in the name of the Corporation at the time of the Corporation's dissolution, reverts back to the Town as was originally intended at the time of the Town's deed conveyances to the Corporation; and

WHEREAS, although not legally required for the Corporation to take these actions, the Corporation has requested the County to consent to and approve the proposed corporate actions set forth in this Resolution.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Chowan County as follows:

Section 1. The County consents to and approves the change of the name of the Corporation to EDENTON-CHOWAN PARTNERSHIP, INC.

Section 2. The County consents to and approves the amended and restated Articles of Incorporation for the Corporation, a copy of which is attached hereto as Exhibit A.

Section 3. The County consents to and approves the amended and restated Bylaws for the Corporation, a copy of which is attached hereto as Exhibit B. The Board of Commissioners recognizes that, among other changes, the amended and restated Bylaws changes the number of directors of the Corporation to be appointed by the Chairman of the County Commissioners to "at least one but up to three members."

Section 4. The County consents to and approves the Declaration of Restrictive Covenants on lands of the Corporation, a copy of which is attached hereto as Exhibit C.

Section 5. This resolution shall take effect immediately upon its passage.

Adopted this 20<sup>th</sup> day of February, 2012.

### **Replacement of recording system**

Chief Deputy Andy Bunch with the Chowan County Sheriff's Office and Deputy Cord Palmer submitted a request to replace the recording system at the 911 center. Mr. Bunch explained that the current equipment is 5 years old and there are issues with the hardware and software. He stated that the equipment will need new hardware and a maintenance contract. He stated that he has researched two different systems. He stated that the purchase or lease would take ½ of the money from the E-911 Fund and the other ½ of the money from the Central 911 budget. Mr. Bunch stated that based on his research there are three available options. Option 1 includes leasing the equipment for 5 years with a cost of \$9,408 per year (he noted the current cost is \$11,108 per year). Option 2 would allow the County to buy the equipment outright and pay for a maintenance contract annually and Option 3 would allow the county to pre-pay the maintenance contract for 5 years and replace the system at a cost of \$40,274. He noted the maintenance contract allows for 24/7 technical and maintenance coverage.

Commissioner Cole asked which option was most economical for the County.

Mr. Bunch stated that Option 3 would be his choice because it covers upgrades to the equipment.

Mr. Lamb noted that this equipment would likely age out in 5 years as that is the standard life for this type of equipment.

Commissioner Smith asked if there is any value to the current equipment.

Mr. Bunch stated the current equipment does not have any software support.

Commissioner Winborne asked if there is an immediate need for the equipment.

Mr. Bunch stated he would recommend this be purchased from the current year budget as the maintenance contract on the current equipment ends in March. He stated there are monies remaining in the 911 and Central 911 budgets for the purchase. He stated some of the monies can be located in lapsed salaries.

Commissioner Nixon made a motion to allow the Sheriff's Office to purchase the equipment with the pre-pay of maintenance and to bring back a budget amendment or transfer (if needed) before the Board. Chairman Goodwin asked for all in favor, the motion passed unanimously (6-0).

### **Grant Pre-application Request**

Mr. Lamb presented a Grant Pre-application request for the Edenton-Chowan Recreation Department for an After School Plus Grant in the amount of \$33,289 which requires an in-kind-non cash match of \$7,970.

Commissioner Nixon expressed his concern with the grant application stating it involves education and tutoring. He stated he was concerned that those two aspects of the grant are not recreational services and stated he felt this program and grant would be best fit for the schools.

Mr. Lamb stated that the program is a function of the Recreation Department's Afterschool Program.

Commissioner Nixon stated another concern was that with the budgetary cuts in the past years to recreation, some of the programs may have to be stretched more and he stated that it concerns him that this program may take away from Recreation core services.

Chairman Goodwin stated his concern was that the aspect of the grant entitled "restitution and victim compensation" would not seem to be a recreational service.

The Board requested that Mary Sawyer (Interim Recreation Director) speak on the application. While staff located Ms. Sawyer, the Board continued with the agenda, the remainder of the discussion is continued below.

### **Timely and Important Matters**

#### **CDBG Grant**

Mr. Lamb presented the Board with a letter stating that there are no adverse findings associated with the most recent CDBG grant and the matter is resolved.

#### **Soundside Rd. Water Tower Site**

Chairman Goodwin stated his concern with the amount of materials on site at the Soundside Rd. Water Tower.

Ms. Stallings stated that she has discussed the conditions of the site with the Sheriff and was informed that the Sheriff and the Water Supervisor are working together to remove several of the items from the site. She added that many of the items must be returned to Fed Surplus and the Sheriff was working to get those items returned.

Mr. Lamb added that he will work with the Sheriff and Water Department and get the site cleaned up.

### **Grant Pre-application Request**

Mary Sawyer, Interim Recreation Department Director stated that she is not totally involved with this grant as she only processes the payroll aspect of it. She stated that Shannon Ray and Gwen Brown work with this program and could provide the Board with more information.

Chairman Goodwin asked that Shannon and Gwen be invited to the next Board meeting.

### **Timely and Important Matters**

#### **Auditor Contract Renewal**

Mr. Lamb presented a proposal from the County Auditor that has been reviewed. He stated that the auditor will continue to audit the TDA Books and are requesting an extension of the audit contract for 3 years at \$50,000. He stated that the auditor is willing to do a one year contract.

Commissioner Cole moved to renew the contract with the auditor for one year at \$50,000.

Commissioner Smith asked if the auditor would provide a new proposal for inclusion of TDA.

Mr. Lamb stated the price includes TDA and he will make sure it will be part of the audit.

Commissioner Nixon stated that he would like to check with the LGC to see if TDA has to be a separate audit and if it is required to keep its own books. He stated that while the County Finance Officer will serve on the TDA, he feels it could be included in the county books, but requested that the county get written confirmation from the LGC. He moved that the Board approve the contract renewal for one year. Chairman Goodwin asked for all in favor, the motion passed unanimously (6-0).

#### **FY 2012-13 Budget Planning**

Mr. Lamb noted that FY2012-13 budget planning will begin on Wednesday with packets being given to department heads.

#### **Riversound Attorney Reimbursement**

Mr. Lamb stated that he has verified that the bond company is not liable to reimburse the county for legal fees for Riversound.

#### **Health Department Driveway and Parking**

Mr. Lamb noted that Vident Health will be paving the driveway to the Health Department and will share parking with the health department under separate agreement between the two agencies.

Chairman Goodwin noted that the County Manager recently spoke with the Student Council at Chowan Middle School.

Commissioner Cole left the meeting early.

**Closed Session**

Commissioner Nixon moved that the Board go into Closed Session in accordance with NCGS 143-318.11(a) (5) (i) negotiating acquisition of real property.

The minutes of the closed session are sealed.

Commissioner Nixon moved to close the closed session. Chairman Goodwin asked for all in favor, the motion passed (6-0).

**Closed Session**

Commissioner Smith moved that the Board go into Closed Session in accordance with NCGS 143-318.11(a) (3 & 6) (i) to consult with an attorney and discuss a personnel matter.

The minutes of the closed session are sealed.

Commissioner Mitchener moved to close the closed session. Chairman Goodwin asked for all in favor, the motion passed (6-0).

**Adjourn**

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

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Chairman  
Edward C. Goodwin

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Clerk