

**Regular Meeting**  
**Monday November 19, 2012**  
**6:00 pm**  
**Chowan County Public Safety Center**  
**305 West Freemason Street**

Minutes

The Chowan County Board of Commissioners held their regular meeting on Monday, November 19, 2012 at 9:00 am at the Chowan County Public Safety Center. Present: Chairman Eddy Goodwin, Commissioners Keith Nixon, Jeff Smith, Emmett Winborne, Ralph Cole and John Mitchener.

Commissioner Ellis Lawrence was absent.

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

Chairman Eddy Goodwin called the meeting to order.

**ECP Director Introduction**

Mr. Lamb introduced the newly hired executive director for the Edenton Chowan Partnership (ECP) Dr. Frank Miglorie.

Dr. Miglorie thanked the Board for the welcome and stated he looked forward to serving the needs of Chowan County and the Town of Edenton.

**Consent Agenda**

Chairman Goodwin presented the Consent Agenda.

**a. Approval of Minutes**

Minutes of the November 5, 2012 meeting for Board review and approval.

**b. Budget Amendments**

<b><u>BA 1213-033:</u></b>		INCR	DECR		
49-3591-234-00	Lottery Proceeds		3		
49-5913-607-00	JAHHS-Media Center Renov.		3		
Reduce budget for renovations to the JAHHS Media Center (fixed shelving) to amount actually spent.					
The excess lottery funds will be reverted to the unallocated balance by DPI.					

<b>BA 1213-034:</b>		INCR	DECR		
11-3110-012-00	2012 Ad Valorem Tax	60,000			
11-4140-191-00	Prof. Svcs-Tax Audits	60,000			

A tax audit conducted on Mediacom has realized \$123,460 in additional 2012 collections for the County. This is a discovery, therefore, it must be budgeted in the current year levy. This amendment covers the tax auditor's invoice and \$30,000 for any additional tax audits conducted for the fiscal year. Tax auditors are not paid until the discovery taxes have been collected.

<b>BA 1213-035:</b>		INCR	DECR		
11-3326-362-00	DRNCD-Soil & Water		2,624		
11-3326-372-00	Perquimans Co Soil Tech	1,312			
11-9900-999-00	Contingency		1,312		

The State awarded \$23,801 to Chowan County Soil & Water for FY 2013 technical assistance. This is to cover 1/2 of the technician's salary/fringe and travel expenses. The original budget included \$26,425 in State funding. This budget amendment aligns Chowan County's budget with the State's allocation. Perquimans Co. shares in 1/4 of the cost of the technician. The Soil & Water Department has \$9,923 in operating line items. Of this, the State is already paying a portion of \$7,000 in operating costs. There is \$1,423.00 in association dues in which the technician participates. There is not enough budget remaining to cut the \$2,624 from this department's budget without further reducing State funding.

<b>BA 1213-036:</b>		INCR	DECR		
11-3616-535-00	Donations-building improve.	4,644			
11-4268-351-00	Building maint/repair-equip.	4,644			

The Senior Center has received \$4,644 more than budgeted in donations for building improvements. This amendment appropriates these funds to be used to purchase fitness equipment.

<b>BA 1213-037:</b>		INCR	DECR			
11-3433-371-00	CERT Grant	2,000				
11-4331-605-00	CERT Grant	2,000				

Emergency Management has received a pass-thru CERT grant for the Shalom International Church. The CERT (CitizenCorps/Community Emergency Response Team) program provides training in emergency preparedness, planning, mitigation, response and recovery in a natural disaster. These grants must be awarded to a governmental unit.

<b>BA 1213-038:</b>		INCR	DECR			
11-3839-890-00	Miscellaneous revenue	321				
11-4350-122-00	Overtime	281				
11-4350-181-00	FICA	21				
11-4350-182-00	Retirement	19				
		321				

The Inspections assistant performed overtime work for the Town of Edenton in August 2012. The County processed these wages on its payroll system. The Town has repaid the County. This amendment appropriates the overtime wages and fringe paid in the Inspections Department.

<b>BA 1213-039:</b>		INCR	DECR			
<b>GENERAL FUND:</b>						
11-3990-990-00	Fund balance appropriated	21,033				
11-9800-980-24	Transfer to E911 Fund	21,033				
<b>E911 FUND:</b>						
24-3980-980-11	Transfer from General Fund	21,033				
24-4270-299-00	Departmental supplies	21,033				
The Finance Department coded \$21,032.33 in E911 revenues from August 2011 to a DSS revenue line item in Fund 11. This was not discovered until the 911 Board reviewed the 6-30-12 report in November 2012. The dollar amount of the revenues is material to the E911 Fund, therefore, the transfer must be recorded in FY 2013. This will result in a restatement of the E911 fund balance as of 6-30-12 in the FY 2013 audit. The E911 Board report has been corrected as of 6-30-12.						

**c. East Carolina Behavioral Health Fiscal Monitoring Report**

Attached is the September 30, 2012 fiscal monitoring report from East Carolina Behavioral Health. NCGS 112C-117 3(c) requires the report to be submitted to the Board of Commissioners.

Commissioner Nixon asked for clarification on Budget Amendment 1213-039.

Ms. Woodley stated that the revenues received in August 2011 were reported correctly in the 911 report however were not recorded correctly in the county books. She noted that approximately \$10,000 will have to be restated and a prior year adjustment will be reflected in the 12-13 audit. She noted that previous recordings of the revenues were incorrect.

Commissioner Smith asked for clarification on 1213-035.

Ms. Woodley stated that the salary line projection was not the amount actually approved by the Feds and the County was not in receipt of the actual allocation until October.

Commissioner Smith asked if the contribution from Perquimans also was adjusted.

Ms. Woodley stated yes.

Commissioner Cole asked for clarification on 1213-036, if these were private donations.

Ms. Woodley stated yes.

Commissioner Mitchener stated that he felt the county should send thank you cards for the donations if they were not already doing so.

Ms. Woodley stated she would check on this with Ms. Parker with the Senior Center.

Being no further discussion on the consent agenda, Commissioner Smith moved that it be approved with the correction to the minutes.

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

### **Audit Report**

The County's auditor Matt Braswell presented the FY 2011-12 audit to the Board. A copy of the audit is in the meeting file labeled November 15, 2012. A copy of the power point is also in the meeting file. The audit highlighted cooperative staff, internal control findings, and an increase in fund balance of \$1,607,570 with an available general fund balance of 29%.

Chairman Goodwin asked if the Board had any questions of the auditor.

Commissioner Nixon asked for more information regarding post employment benefits. He asked if the County could look into creating a fund or reserve for that expense.

Mr. Braswell stated he only knows of one county that has a fund like that set up. He stated that the County could look into this.

Mr. Lamb noted that a fund set up could reduce the percentage of fund balance as it would be part of the general fund.

Commissioner Nixon stated he feels this is something the county could look into.

Commissioner Nixon asked for clarification on the street assessment fund.

Mr. Braswell stated this fund is old and was set aside a long time ago. He noted that it would require Board action to consolidate this fund.

Commissioner Nixon asked that staff research the history on this fund.

### **Water Department Updates**

#### **RiverSound**

Water Department Supervisor Nick Lories and County Engineer Bill Diehl and RiverSound Project Manager Matt Wilson were present to provide the Board with updates from the Water Department and the progress of the River Sound project.

Mr. Wilson stated that the RiverSound project is still moving forward nearing completion of the infiltration ponds. He stated the weather has delayed some of the projects going on as well as contracting issues. He noted the backup power generators are being secured for the waste water treatment.

Mr. Lamb asked when the County could anticipate property owners being able to secure building permits.

Mr. Wilson stated that after state approvals are received he hoped to see the project finished up in the spring. He noted that testing will begin and all systems have to be verified by a state engineer before the building permits could be approved.

The Board discussed with the engineers the pros and cons of allowing the property owners association to purchase bulk water from the County.

Mr. Diehl stated that there is some concern that with the slow economy, that building out could be sluggish. He stated that if a water main were to break in the subdivision in an area that is not developed, there could be some time before the problem is noticed. He stated that he has discussed with the Water Supervisor and with the developer the possibility of having a master meter and purchasing water in bulk.

Mr. Lamb asked if the system could operate with 10 or less homes.

Mr. Diehl stated this is a question he has asked of the developer and will be something the developer will have to satisfy before the county approves the plant for operations.

Mr. Wilson noted he does not anticipate more than 10 homes being built in the first year.

Chairman Goodwin stated that water to the development is something the Board will have to consider.

#### Valhalla Discharge Violation

Mr. Diehl stated that in 2009 the County entered into a Special Order by Consent (SOC) with the Division of Water Quality (DWQ) for the wastewater discharge at the Valhalla Treatment Plant. He provided the Board with a review stating that the reason for the violation was that it was determined by the state that the wastewater discharge travels into an un-named tributary of Pollock's Swamp. He stated that in 2009 DWQ required the County to remedy the chloride discharge. He stated that the SOC allowed the county 5 years remedying the violation. He stated that since 2009 DWQ has realized that Chowan County is not the only treatment facility that does ion exchange and in fact, many other plants are also in violation with DWQ's policy. He stated that the solution for the problem at that time was estimated at costing the county \$3 million to have the water pumped to the river. He stated over the next years it became apparent that DWQ was not sure that a water line to the river was the way to go. He stated that the County met with Al Hodge multiple times and was advised by Mr. Hodge to hold off on the SOC until DWQ comes up with a solution. He stated the County was also told there was a good possibility that Chowan County will be relieved of the SOC order. He added that Mr. Hodge has retired in the past year and he has met with the person who has replaced him at DWQ. He stated that all indications have been that was Mr. Hodge advised the County remains the same. Mr. Diehl stated his advice to the County was not to proceed with any plans or spend any money until DWQ provides the County with a solution.

Mr. Lamb noted that all communications with DWQ have been verbal.

Mr. Lokies stated that the County's discharge permit runs out in November. He stated he has reapplied for the permit but has not heard from DWQ. He stated he was told it would be February before the County receives anything in writing.

Mr. Diehl noted it is not uncommon for a County to continue to operate under a permit until a new permit is issued. He stated he does not know what solution DWQ will give the County however he stated he has informed DWQ that he does not feel it is fair for Chowan County to be the guinea pig for the entire state on ion exchange wastewater discharge.

Chairman Goodwin thanked Mr. Lokies and Mr. Diehl for the update.

### **Vehicle Transfer**

Mr. Lamb stated that the Town of Edenton Fire Department is in possession of two vehicles purchased by Chowan County. He said that one vehicle is a 1997 Crash Truck from EMS and a 2003 Tanker Truck which was purchased by the County for the Fire Department and the titles of both vehicles are currently registered to Chowan County. He added that one of the vehicles (tanker truck) is currently insured by the County. Mr. Lamb stated that in 2012 the State of North Carolina required local governments obtain new permanent tags for their vehicles. During the process of obtaining tags, these two vehicles were noted to be in possession of the Town. Staff requests the Board review the ownership and determine if the title should remain registered to Chowan County or be transferred to the Town of Edenton.

Commissioner Mitchener moved to transfer the titles to the Town of Edenton with the understanding that all rights to surplus the vehicles belongs to the County.

Commissioner Nixon stated he would like for the Town to true-up the budget at the end of the year and clarify the unused funds for fire to ensure they are not going into the Town General Fund.

Mr. Lamb stated that the Town prefers to true-up rather than letting excess funds go into reserve. He stated he will be meeting with the Town leadership to discuss this and review all agreements in the near future.

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

### **IT Equipment Move**

IT Director Joe Sliva presented information to the Board on equipment that remains at the former County Office building on King Street. He stated that fiber from that building will need to be relocated and he would recommend a move of the equipment to the Detention Center. He stated that the cost for that move is \$6,000 and additionally fiber would need to be moved to Town Hall with a cost of \$15,000.

Commissioner Smith asked about the establishment of a private network.

Mr. Sliva stated this was a possibility but there is a monthly expense for this and the Town would lose access to the financial and tax software.

Commissioner Cole asked what would be the recommendation of Mr. Sliva.

Mr. Sliva stated the Town would not have access to the tax and financial software if they went to a private network. He stated he does not see any other option.

Commissioner Winborne stated his concern with using the jail and asked if there were any other possibilities.

Mr. Sliva stated the Courthouse is an option but there are servers currently in the Jail.

Commissioner Nixon asked if this move has to take place this fiscal year.

Mr. Lamb stated he would like to move the fiber out of the building and recommended allowing him to negotiate this with the Town Manager and Mr. Sliva.

Commissioner Nixon recommended that Mr. Lamb meet with the Town and report his findings back to the Board.

### **Maintenance Dept report.**

Maintenance Director provided the Board with an update of the activities of the Maintenance Department for the past year. A copy of the PowerPoint is in the meeting file labeled November 15, 2012.

Mr. Rose then provided the Board with information on needed repairs to the Courthouse on Broad Street.

Mr. Lamb noted that \$11,480 remains in insurance monies from Hurricane Irene.

Commissioner Nixon stated that this proposal should be presented to the Preservation Commission first for approval.

Mr. Rose stated he has submitted an application.

### **Timely and Important Matters**

#### **Generators**

The Board discussed generators. It was noted that Commissioner Winborne is negotiating the acquisition of new generators from Verizon that could potentially be used at Social Services.

Commissioner Nixon thanked Commissioner Winborne for his work.

#### **Fixed Assets**

The Board discussed fixed assets and requested that each member be provided with a list of fixed assets from each department.

Ms. Woodley stated the software would not allow the assets to be printed by category but she could provide something by department.

Commissioner Cole left the meeting.

### Golden Leaf

The Board discussed the various proposals that will be made to Golden Leaf. He noted that one proposal included improvements to Pembroke Creek. He asked the Board to discuss the requests and decide if it wants to support more projects.

Commissioners Nixon, Goodwin, Winborne and Mitchener indicated their support of the COA proposal to Golden Leaf.

Commissioner Nixon and Smith recommended that staff look into other grant sources for the repairs at Pembroke Creek.

Commissioner Winborne encouraged the Board to submit a letter of support for the proposal from COA to renovate the two story building at COA for expansion of the classes it offers.

Commissioner Smith moved to provide a letter of support from the County for the COA Golden Leaf proposal. Chairman Goodwin asked for all in favor, the motion passed unanimously (6-0).

### Redistricting

Mr. Lamb noted that based on the 2010 census a redistricting should have been done to at least two districts. He recommended that in December the Board appoint a committee to assure compliance with the voting right act and look into redistricting.

Mr. Lamb noted that this was the last full meeting for Mr. Cole and Chairman Goodwin. He thanked them for their work in the County and stated the past 11 months he has enjoyed working with the Board.

Chairman Goodwin stated that future Boards would have more work to do and should be diligent with oversight of County finances.

Being no further business, Commissioner Nixon moved to adjourn the meeting, the motion passed unanimously (6-0).

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Edward C Goodwin, Chairman

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Susanne Stallings, Clerk