

**Regular Meeting**  
Monday June 4 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, June 4, 2012. Present: Chairman Eddy Goodwin, Commissioners Keith Nixon, Jeff Smith, Emmett Winborne, John Mitchener, Ralph Cole and Ellis Lawrence.

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

Chairman Goodwin called the meeting to order and led the pledge. He then offered the invocation and requested prayers for the Tax Administrator's (Kep Kepley) mother.

**Public Comment**

Chairman Goodwin then asked for public comment in accordance with NCGS 153A-52.1. There was none.

**Consent Agenda**

Chairman Goodwin then presented the consent agenda.

**a. Tax Release and Collector's Report (attached)**

Baines, M.	\$128.74	Military
Bass, M.	130.17	SITUS - Tennessee
Cassini, N.	124.73	SITUS – Georgia
Cassini, N.	249.33	SITUS – Georgia
Castelloe, F.	125.03	Listed on wrong account
Cooper, G.	115.54	SITUS – Wilson County
Lewis, S.	166.75	Motor home sold in Florida
Proctor, A.	209.99	SITUS – Perquimans County
Go, W.	106.07	Vehicle Traded

**b. Budget Amendments**

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**BA-1112-072**

3616 Senior Ctr \$ 2,500 Increase revenue from registration fees

4268 Senior Ctr \$ 2,500 Increase expenditures for Travel Senior  
Center participants

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**BA-1112-073**

3343 Inspections/Pl \$16,304 Increase revenue from building permits and  
planning fees

9800 DSS renovation \$16,304 Increase expenditures for DSS renovation  
project capital project

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**c. Budget Transfers**

**BT-1112-015**

4140 Tax \$2,520 Decrease printing costs

4170 Elections \$2,520 Increase printing costs for election

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**BT-1112-016**

4140 Tax \$1,200 Decrease advertising

4110 Board of Comm. \$1,200 Increase contribution to professional  
services to cover Springstead invoice

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**BT-1112-017**

4245	Extension	\$4,000	Decrease utilities
4247	Northern Cho Com Ctr	2,000	Decrease utilities
4249	DF Walker/Rec	8,000	Decrease utilities
4261	Courthouse	8,500	Decrease utilities
4265	Jail	7,000	Decrease utilities
8200	Central Services	45,000	Decrease unemployment insurance
8200	Central Services	22,000	Decrease retiree health insurance
8200	Central Services	2,800	Decrease utilities for DMV rental space
9900	Contingency	<u>122,536</u>	Decrease contingency
		\$221,836	
9800	DSS Cap Proj	\$221,836	Increase contribution to DSS Capital Project

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Commissioner Nixon asked for clarification regarding the DSS capital project ordinance, with the project being \$221,000 plus \$16,000. He asked is the price coming in as anticipated or will this cause a budget overrun.

Mr. Lamb stated that the original budget anticipated coming in at around \$200,000. He stated that the main project will come in under budget around \$175,000. Approximately \$21,000 was also budgeted for IT.

Commissioner Nixon asked if the monies will this go into General Fund if the project comes in under budget.

Mr. Lamb stated yes, at close out, any remaining funds will be transferred to the General Fund..

Chairman Goodwin asked if the number includes the contribution from the State.

Mr. Lamb stated that the county will recoup those monies in the future; to date there has only been two change orders around \$1,000, to make two rooms into office space.

Commissioner Winborne asked if the county is planning to use utility monies for project because of mild winter.

Ms. Woodley stated the finance office is using excess funding in expenditures and using contingency.

Mr. Lamb noted that he did not want to use fund balance appropriated adding that the monies in utilities would have gone to fund balance. He stated that the board made it clear that they did not want to use fund balance. He stated that the utilities in the proposed budget were budgeted on last year's actual, and that if there is a cold winter we may be under budget.

Commissioner Winborne asked if there is an emergency what would cover that cost. Mr. Lamb stated it would have to come from savings or fund balance.

Commissioner Mitchener moved to approve the consent agenda as presented; Chairman Goodwin asked for all in favor, the motion passed unanimously (7-0).

### **Mowing bids**

Mr. Lamb provided the Board with a comparison of mowing bids. He stated that the low bidder was Four Seasons who is currently doing the work on basic services and mulching. He stated that he has considered looking at awarding the bids to multiple bidders. Mr. Lamb noted that COA's budget proposal includes \$200,000 which would include mowing. He stated that awarding the bids by building to multiple bidders may save some monies as some of the bids are low depending on the property. He asked for Maintenance Director Terry Rose to comment on the bids.

Mr. Rose stated he has received complaints on the current contractor.

Ms. Stallings explained that the RFP has specific requirements in it such as trimming, mulching and some of the bidders have stated that their bids include a re-work of some of the sites from their current condition, where they feel are in poor condition.

Commissioner Winborne stated that he would have some concern with using multiple contractors. He noted that three of the four bidders were local companies. He asked if any background or reference checks were done on the bidders.

Mr. Rose stated that he has received good feedback on three of the bidders.

Commissioner Nixon recommended that the Board table the bid consideration and asked that the manager simplify the bids. He stated that the board wants to have quality work but felt the bids were too complex.

Commissioner Mitchener stated he would prefer more clarification on pine straw and mulch pricing.

Commissioner Nixon stated he felt it was important to keep the mowing quotes separated by building.

Commissioner Nixon moved to table the discussion for a later meeting. Chairman Goodwin asked for all in favor, the motion passed unanimously (7-0).

### **External Committee Reports**

Commissioner Cole reported on the Health Department noting the Health Department is facing state funding reductions.

Commissioner Lawrence reported on the activities of the Airport Board. He reported on the COA Board and the programs being offered.

Commissioner Nixon stated that the Solid Waste Authority will meet that week, he stated he did not anticipate any rate increase. He stated that the TDA will meet next week to finalize the budget, including a possible office move to save money in their budget.

### **Planning Item**

Planner Landin Holland provided the Board with a draft of the proposed amended Animal Control Ordinance. He stated that he is requesting the Board schedule a public hearing noting that this amendment will define what is a dangerous dog, requiring dogs be penned, addition of a leash law, banning breeding and reporting ownership of the defined breeds. He stated that the proposed amendment would be part of the current animal control ordinance. He added that the amendment mirrors the language of the Town of Edenton Ordinance. He added that the amendments would receive legal review prior to the public hearing.

Commissioner Smith moved to schedule a public hearing for June 18th.

Mr. Lamb stated his concern over the language for prohibition of transfer of ownership of animals to persons not residing w/in the county.

Mr. Holland stated he would look into that section. He noted the proposed amendment mirrors the Town's language.

Chairman Goodwin asked if the proposed amendment was created by the planner or in place in other areas.

Mr. Holland stated that this ordinance has been in place since 2006 in the Town.

Commissioner Winborne asked who will enforce the ordinance.

Mr. Holland stated this will be enforced by the Sheriff's Office.

Commissioner Winborne asked for clarification on the areas included in the map.

Mr. Holland stated this includes Chowan Beach/Arrowhead Beach and Cape Colony.

Commissioner Winborne asked if Cape Colony supports the amendment.

Mr. Holland stated that Cape Colony POA agrees with the ordinance amendment.

Commissioner Winborne asked if hunting dogs are considered vicious.

Mr. Holland stated that specific breeds are mentioned in the language.

Chairman Goodwin asked for all in favor of the motion to schedule a public hearing, Chairman Goodwin asked for all in favor, the motion passed unanimously (7-0).

### **Public Hearing Proposed Budget FY 2012-13**

Mr. Lamb stated that since the last meeting, several things have occurred. He stated that the board requested staff look into the possibility of getting TDA to pay the \$8,000 to the school for utilities used by the Edenton Steamers. He stated he then removed \$8,000 from the budget. He stated that the TDA did not receive a request from the Steamers directly for an appropriation, and because of that, He stated the TDA did not feel comfortable in funding the utilities. He stated that last week, the county received bills from the school system for Hicks Field utilities. He stated that the County gives utility money to the schools. He stated he has reviewed the original agreement and it was intended that Chowan paid some towards utilities because the Recreation Department was going to share use of the field. He stated the recreation department has not used the field due to conflicts with scheduling. He stated that he has located a \$10,000 savings from Public Defender's Office moving, and proposed that the Board keep the \$8,000 appropriation for utilities at Hicks Field and transfer the money to the school systems current expense budget.

Commissioner Smith stated that he feels the Steamers are a vital part of community, which gives gives Chowan//Edenton a lot of exposure. He stated that he does not feel it is the county's responsibility to put money into a private non-profit. He stated that several civic groups and clubs previously received appropriations annually from the county and in recent years those contributions have been discontinued. He stated he felt the Steamers should make a request to the TDA for the funds.

Mr. Lamb stated that in previous years, the money has not gone directly to the Steamers, it has gone to the schools for the school to pay utilities. He stated that if the TDA agreed to give the money, it would go directly to the Steamers.

Commissioner Nixon asked if there is any legal agreement on file.

Mr. Lamb stated that to date he has not been presented with anything in writing.

Commissioner Nixon asked if the American Legion pay part of the utilities.

Mr. Lamb stated he was not sure if others contribute he stated that the schools have indicated the utility bill was around \$8,000 and the county provides that.

Commissioner Nixon stated that looking over the history of the appropriation the County was contributing \$1800, then it increased to \$3600. He stated his concern that others may have been contributing and then stopped. He stated he would like to see documentation on the agreement and that if the county had obligated itself he would like to know.

Commissioner Winborne asked who benefits from the lights being paid by the County.

Commissioner Mitchener stated that the American Legion has two leagues playing at Hicks Field.

Chairman Goodwin stated that the county has not obligated itself to use taxpayer money to pay utilities and did not feel it should pay it.

Commissioner Nixon added that he is on the TDA Board where this was discussed and during the discussion, it was indicated that the TDA Board would support the Steamers with advertising, more so than paying utilities.

The Board took no action to include the request to appropriate an additional \$8,000 for utilities at Hicks Field.

#### Public Hearing.

Commissioner Smith moved that the Board open the floor for the public hearing. Chairman Goodwin asked for all in favor, the motion passed unanimously (7-0). Chairman Goodwin asked for public comment on the proposed FY 2012-13 budget ordinance.

There was no public comment.

Commissioner Nixon moved to close the public hearing. Chairman Goodwin asked for all in favor, the motion passed unanimously (7-0).

Mr. Lamb reviewed the budget ordinance.

Commissioner Smith asked if the fire fund appropriation is based on a 5 year average number of calls.

Mr. Lamb stated that the data has been provided to the County by the Town..

Commissioner Smith asked if the County pays for a percentage of calls.

Mr. Lamb stated the figure is a rolling five year figure.

Commissioner Smith asked if the Town returns any unspent appropriation.

Mr. Lamb stated that any unspent funds go into the Town's General Fund Balance.

Commissioner Nixon clarified that the funds go into the Town's General Fund Balance.

Mr. Lamb stated the county does not receive any reconciliation but he could discuss this with the Town Manager at a later date.

Chairman Goodwin stated that the 911 budget should be discussed first with the Town with 27% of 911 center being used by Edenton Police Department.

Mr. Lamb stated he has discussed this with the Town Manager and she has indicated that she is investigating the 911 percentages.

Commissioner Nixon indicated his concern with the Water Fund appropriating fund balance annually.

Mr. Lamb stated that the Water Department has requested the purchase of meters. He stated that the Water Supervisor has indicated that he wants to build fund balance for future system needs. He stated the water supervisor has indicated that there are several places in the county where water main replacement requests were made but these were eliminated in initial administrative budget cuts. He stated that Mr. Lories has stated previously he feels there is a need to increase rates in the future however he is not recommending one at this time.

Commissioner Nixon asked for clarification on departmental transfers.

Ms. Woodley stated that departments can make these transfers now however, all transfers will be reported to the Board.

Commissioner Nixon discussed the section of the budget ordinance allowing the manager to sign contracts over \$50,000.

Ms. Woodley stated the Board can set this figure where they feel most comfortable.

Commissioner Nixon stated his concern is with reoccurring contract expenses.

Mr. Lamb noted that a repair is currently needed for the new social services building. He stated that under the current budget ordinance, a repair that needs immediate attention at \$20,000 would require Board approval although the monies are budgeted.

Commissioner Smith asked for clarification on Section 25.

Mr. Lamb stated this allows the manager and department head the flexibility to hire qualified candidates at ranges comparable with experience.

Commissioner Winborne stated he had no concerns with setting the contract amount at \$50,000 but would like the manager to continue to notify the Board of contracts.

Chairman Goodwin asked if there were any other comments or questions.

Commissioner Nixon stated that he was concerned about the Solid Waste payback of \$157,000 being transferred into the general fund. He stated that in 2010 the board made a recommendation to capture the cost and send it back to the general fund. He stated the resolution adopted allows the money to go into general fund, however the finance committee indicated its preference that the monies go into fund balance. He stated that it appears the county will reach the fund balance goal, however he would like to see this revenue go towards debt. He stated that if the county renegotiates the loans for lower interest and shorter terms, that money would be designated and could assist the Board with paying off all debt within 15 years. He stated he felt the Board should make paying off debt a top priority now that the fund balance goal will be met.

Mr. Lamb noted that Ms. Woodley has made contact with a couple of banks and will soon begin the process to restructure the bank loans. He stated the Town has budgeted the additional amount anticipating the County going up on payments (to go to principal). He stated that the county will not reach the 25% goal in the 11-12 year audit, but we should reach it in 12-13.

Chairman Goodwin stated he agreed a goal of the Board is to pay down debt. He stated he felt the money should be designated.

Commissioner Nixon stated another concern was the 911 Director position not being filled in this budget. He stated that he does have concerns with hiring a full time person in the Tax Office along with purchasing new software. He stated he hoped the position could be part time or contractual.

Commissioner Winborne stated that he was concerned about the, 911 Director position being vacant and hoped that when the Sheriff brought forward a candidate the Board would allow the position to be filled.

Chairman Goodwin asked if the Board wished to make a motion to allow the County Manager to hire the 911 director.

Commissioner Mitchener moved to allow the manager fill the 911 position.

Commissioner Winborne stated his concern that the position is supervised by the Sheriff.

Mr. Lamb stated that legally the position does not have to be under the Sheriff, however this position is currently is under direct supervision of the Sheriff. He added that appointment is the Sheriff's to make under the current county organization structure. He added that the Board would need to reorganize county government to change who makes the appointment.

Commissioner Mitchener requested that he be allowed to withdraw his motion. He then suggested the Board authorize the county manager to work with the sheriff to find the best way to fill the position.

Commissioner Nixon asked what was the reason as to why the position has not been filled.

Mr. Lamb stated that in his negotiations with the Sheriff to balance the budget, the 911 director position was frozen. He stated that in prior years, the sheriff has recommended the EM director fill that position on a full time basis. He added that the Sheriff proposes that the EM Director serve as a deputy, EM Coordinator and 911 Director. He stated that this request would allow him to hire another deputy. He stated that the Board has indicated concern with conflict of duties. He added that the position was defunded in the proposed budget.

Commissioner Smith stated he felt it was important to discuss the proposed salary increase, needs to be discussed before a budget is approved.

Mr. Lamb stated that the figure per employee is \$671 and monies are budgeted to go into a salary reserve. Every fund does not have that exact same average on funds. Some will require more or less monies.

Mr. Lamb discussed the eligibility of employees that are permanent, part time and temporary.

Mr. Lamb then requested that the Board consider adoption of the FY 2012-13 budget ordinance.

Commissioner Nixon then made a motion to set the solid waste payback from general fund to go into a debt service fund (this year's amount \$157,344).

Mr. Lamb noted that will unbalance the budget, and will require corresponding increased revenue estimates and reduced appropriations.

Commissioner Winborne asked the Manager if he knew of any possible cuts in the budget.

Mr. Lamb stated that he has cut over \$400,000 already in the budget.

Commissioner Nixon stated this is a policy for the Board to pay back the debt . He stated he appreciated the managers hard work but felt strongly that the Board should focus on paying down debt.

Chairman Goodwin stated his concurrence. Chairman Goodwin asked for all in favor of the motion, the motion passed (4-3 Smith, Winborne, and Mitchener).

Mr. Lamb requested that the Board make a decision be made on the 2% cost of living increase or \$671 per employee for the recommended salary increase.

Commissioner Winborne moved to give \$671 pay raise for all employees excluding the Sheriff, County Manager and Board of Commissioners.

Commissioner Smith discussed the actual cost to the county. Being no further discussion, Chairman Goodwin asked for all in favor, the motion passed unanimously (7-0).

### **Timely and Important Matters**

Chairman Goodwin reminded the board to complete the questionnaire from auditor.

Commissioner Mitchener recommended that the Board begin consideration of the future of the County Office Building.

Mr. Lamb asked the Board to approve the bill from Ward and Son in the amount of \$7531 for repairs to the air unit at the DSS building.

Commissioner Mitchener moved to approve the invoice, Chairman Goodwin asked for all in favor, the motion passed unanimously (7-0).

Commissioner Winborne asked for an update on a letter from Ms. Celia Copeland. Ms. Stallings stated she has provided Ms. Copeland with information requested.

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

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Edward C. Goodwin, Chairman

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Susanne Stallings, Clerk