

**PASQUOTANK COUNTY, NORTH CAROLINA  
JUNE 9, 2009**

The Pasquotank County Board of Commissioners met on June 9, 2009 in a budget work session. The meeting was held in the Commissioners Board Room in the Pasquotank County Courthouse.

**MEMBERS PRESENT:** Marshall H. Stevenson, Jr., Chairman  
Lloyd E. Griffin, III, Vice-Chairman  
Matt Wood  
Bill Trueblood  
Cecil Perry  
Jeff Dixon  
Jimmie Harris

**MEMBERS ABSENT:** None

**OTHERS PRESENT:** Randy Keaton, County Manager  
Rodney Bunch, Assistant County Manager  
R. Michael Cox, County Attorney  
Sheri Small, Finance Officer  
Karen Jennings, Clerk to the Board

The meeting was called to order at 5:30 PM.

**1. BUDGET WORK SESSION:**

The Board reviewed a spreadsheet showing the current hospital lease payment structure and a proposal for accelerated lease payments. Under the proposal the county would receive an additional \$2 million in 2009-10 to help balance the budget with reduced payments in subsequent years. The County Manager advised that with a 4¢ tax increase and by using \$590,317 of the accelerated hospital lease payment, salary cuts and layoffs for employees can be eliminated. The remaining \$1.4 million from the hospital could be put in fund balance to earn interest.

Board Members discussed the amount of tax increase each would support. The majority of the Board agreed to support a 3½¢ tax increase and gave the County Manager the authority to make cuts equal to the other ½¢.

It was also the Board's consensus to approve the accelerated lease schedule for the hospital which would provide the county with an additional \$2 million in the 2009-10 fiscal year of which approximately \$590,000 would be used to help balance the budget.

The proposed budget will be presented at the June 15 Commissioner meeting.

**2. CLOSED SESSION TO DISCUSS A PERSONNEL MATTER:**

There being no further business in Open Session, Chairman Stevenson asked for a motion that the Board enter Closed Session to discuss a personnel matter.

Motion was made by Bill Trueblood, seconded by Lloyd Griffin that the Board enter Closed Session to discuss a personnel matter. The motion carried unanimously.

Upon the end of Closed Session;

Motion was made by Jimmie Harris, seconded by Jeff Dixon that the Board return to Regular Session. The motion carried unanimously.

The meeting was adjourned at 7:30 PM.

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CHAIRMAN

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CLERK

**PASQUOTANK COUNTY, NORTH CAROLINA  
JUNE 15, 2009**

The Pasquotank County Board of Commissioners met today in a regular meeting on Monday, June 15, 2009 in Courtroom C in the Pasquotank County Courthouse.

**MEMBERS PRESENT:** Marshall H. Stevenson, Jr., Chairman  
Lloyd E. Griffin III, Vice-Chairman  
Matt Wood  
Bill Trueblood  
Cecil Perry  
Jeff Dixon  
Jimmie Harris

**MEMBERS ABSENT:** None

**OTHERS PRESENT:** Randy Keaton, County Manager  
Rodney Bunch, Assistant County Manager  
R. Michael Cox, County Attorney  
Karen Jennings, Clerk to the Board

The meeting was called to order at 7:00 PM by Chairman Marshall Stevenson. The Rev. Walter A. Godfrey, Assistant Pastor of Union Chapel Missionary Baptist Church, gave the invocation and Vice-Chairman Lloyd Griffin led in the Pledge of Allegiance to the American Flag.

**1. COMMENTS FROM HOLLY KOERBER REGARDING SPECIAL OLYMPICS AND BOCCE BALL TOURNAMENT:**

Chairman Stevenson recognized Ms. Holly Koerber and Mr. Robert Tadlock. Ms. Koerber stated that she is speaking as a volunteer for Special Olympics. She said last year the community partnered with law enforcement, volunteers, local governments, and businesses to participate in a simple game to demonstrate support for their special needs neighbors. She stated that they all played side by side with special needs neighbors and the impact on their lives and their families' lives was profound. She said the families were grateful their children were welcomed in a community event, and the children told them how incredible it was to be just like everybody else. Ms. Koerber stated that the community generously invested volunteer hours, products, money, and their hearts to make this happen. She said many of the Commissioners who already give so much of their time to the community gave more and played or volunteered in some way. She stated that the Board also decided to invest public dollars in tourism promotional funds which was critical in introducing a new game to the region that had the participation of six area law enforcement departments. She said the Elizabeth City Police Department and the Pasquotank Sheriff's Department raised enough funds for Special Olympics with this community's help that the departments' names are on 20,000 T-shirts distributed statewide. Ms. Koerber presented a plaque and a T-shirt to Sheriff Cartwright recognizing this accomplishment, and each Commissioner was presented with a T-shirt. She thanked everyone for their investment in the Bocce Ball Tournament for Special Olympics. She said the second annual Bocce Ball Tournament for Special Olympics will be held October 3 at Waterfront Park and she invited everyone to participate. She stated that she looks forward to the county's continued partnership with this event.

**2. COMMENTS REGARDING CONDITION OF TRACI DRIVE:**

Chairman Stevenson recognized Mr. Mike Ellis of 121 Madeline Lane. Mr. Ellis said he is a member of the Northside Civic League Crime Watch. He explained that he would like to address the road conditions and drainage in Providence Acres Subdivision because they are horrendous and are getting worse, particularly on Traci Drive. He stated that the roads have never been accepted by the state because they could not be brought up to state standards. He said the developer of the subdivision is responsible for maintaining the roads, but is doing nothing. He explained that the developer signed an agreement when the subdivision was constructed that makes him responsible for the roads. He stated that the residents of the subdivision do not have the means to fix the roads or hire an attorney. Mr. Ellis asked why the county cannot force the developer to do what he is obligated to do, and why the county would approve subsequent subdivisions by this particular developer based on his track record.

County Manager Randy Keaton stated that when this subdivision was developed in the late 1980's, the county did not have in place the requirement for a maintenance bond. Several years ago when Traci Drive was beginning to deteriorate, cost estimates for the repairs were obtained, however the cost was substantial enough that the property owners were not able to do it at that time. Later on, some of the conditions were so bad that the county determined it was a public safety hazard and the Board authorized \$5,000 in 2005 to make three patches to some of the larger holes. After some of the earlier subdivisions began experiencing these types of problems, the county changed the subdivision regulations and now requires maintenance bonds for subdivisions. Mr. Keaton explained that the developer met the county's requirements at the time this subdivision was constructed.

Assistant County Manager Rodney Bunch advised that when there were enough residents on Traci Drive to meet the state requirements for number of houses, the road had deteriorated to the point it did not meet state standards.

County Attorney Mike Cox explained that if a piece of property is zoned residential and a developer meets all of the development requirements, the Board of Commissioners is required to approve the subdivision. He said the county cannot deny a subdivision application based on a developer's previous record.

Chairman Stevenson asked if the residents would have to convince the developer to repair the road or get the road fixed themselves. Mr. Keaton said it would probably be a private action between the residents and the developer of the subdivision.

### **3. PUBLIC HEARING ON SUBDIVISION AND ZONING VARIANCE REQUEST** **SV 09-02:**

Chairman Stevenson declared the meeting to be a public hearing on Subdivision and Zoning Variance Request SV 09-02. Planning Director Shelley Cox and Mr. Ronnie White were sworn in by the Clerk to the Board.

Ms. Cox explained that the petitioner, Amanda White, is requesting to create a lot that does not have a minimum of 25 feet of state road frontage as required by Article 3, Section 303 of the Pasquotank County Subdivision Ordinance. Additionally, the applicants are requesting a variance from Article 8, Section 8.02 of the Zoning Ordinance which requires that buildable lots have at least 25 feet of state road frontage and be within 1,000 feet of a county water supply. Ms. Cox said the property involved is located off of Gumbridge Road and is zoned A1 Agricultural. The proposed lot will be approximately 1.21 acre with no state road frontage. A 25 foot wide access easement is proposed to provide access for the lot to Gumbridge Road. A family subdivision variance would allow for the creation of a lot that does not have a minimum of 25 feet of state road frontage. A zoning variance would allow this lot to be considered buildable without the 25 feet of road frontage and without being within 1,000 feet of a public water supply. Ms. Cox stated that this request meets all other conditions of the family subdivision requirements. She said all adjoining property owners have been notified and all legal advertisements have been posted as required. On May 28 the Planning Board reviewed this request and unanimously recommended approval. Ms. Cox reminded the Board that four findings of fact must be made in approving or denying a variance.

Chairman Stevenson asked if anyone from the public would like to comment. At the absence of comments, the public hearing was closed.

After comments from Board members;

Motion was made by Jimmie Harris, seconded by Bill Trueblood to approve Subdivision and Zoning Variance 09-02 for Amanda White based on the following findings of fact:

1. That there are special circumstances or conditions affecting said property such that the strict application of the provisions of this ordinance would deprive the applicant of reasonable use of his land. *There are special circumstances and conditions of not having 25 feet to purchase. A family right of way is available.*

2. That the variance is necessary for the preservation and enjoyment of a substantial property right of the petitioner. *The variance is necessary for the preservation and enjoyment of a substantial property right, so a home might be built on it on family property off the highway.*

3. That circumstances giving rise to the need for a variance are peculiar to the parcel and are not generally characteristic of other parcels in the jurisdiction of this ordinance. *The geography of the land necessitates the variance.*

4. That the granting of the variance will not be detrimental to the public health, safety, and welfare or injurious to other property in the territory in which said property is situated. *The granting of the variance will not be detrimental to other property because it is situated on family property including the dedicated right of way.*

The motion carried by a six to one margin with Commissioner Griffin voting against the motion.

#### **4. PUBLIC HEARING ON PROPOSED CREATION OF A SERVICE DISTRICT FOR THE KNOBBS CREEK WATERSHED:**

Chairman Stevenson declared the meeting to be a public hearing on the proposed creation of a service district for the Knobbs Creek Watershed. Assistant County Manager Rodney Bunch reviewed the boundaries of the service district that were included in the notices mailed to property owners in the Knobbs Creek Service District. He explained that the county identified nine different drainage districts throughout the county with Knobbs Creek being one of those. He said notices were mailed to anyone in the boundary of the Knobbs Creek Service District not in the city's planning jurisdiction. He advised that property owners in the city's jurisdiction did not receive notices of this public hearing. Mr. Bunch said after the notices were mailed, some of the outer limits of the boundary were changed due to input from property owners and field inspections. He provided a map and outlined the revised boundaries. He stated that a total of 18,455 acres is included in the Knobbs Creek Drainage Basin, with 3,581 acres in the city's jurisdiction and 14,874 in the county's planning jurisdiction.

Mr. Greg Johnson, with Patton Harris Rust & Associates presented an update on the Knobbs Creek Drainage Study. He presented an overview of the study that has been done, some observations of Ernesto storm elevations, Main Street Extended and the impact on the overall system, and investigation of other improvements that could be made. Mr. Johnson said he is keenly aware that people are anxious about their property flooding during hard rains. He explained that the Ernesto observations have been validated and some upgrades have been pursued with the North Carolina Department of Transportation. He suggested that environmental permits be explored and that some drainage to the west be investigated. Mr. Johnson said the Knobbs Creek Basin consists of just over 18,000 acres and the area used in the drainage study is very close to the area that Mr. Bunch just outlined. He explained that flows over and under Main Street Extended have become a real suspect in causing flooding in Oxford Heights. He said in preliminary calculations thus far it appears that could be the reason for the problems. He stated they are also aware that the bridge was replaced with culverts. With the additional funds that are being requested a thorough study and survey of Main Street Extended would be conducted and the culverts that are under U.S. 17 at Corinth Baptist Church would be studied as well. They would also look at the feasibility of making channel improvements.

Mr. Bunch noted that the flyer that was sent out to inform the public of the proposal to establish the Knobbs Creek Service District advised that a project in excess of \$200,000 would be undertaken, however the updated project now being considered which would focus more on Main Street Extended is reduced to approximately \$52,000 to \$53,000. He said it is felt the Main Street Extended area is one of the most critical areas. This would relate to a one cent tax rather than a two or three cents tax that was originally proposed.

Chairman Stevenson noted that people who live in the city will not be assessed this tax because they are already paying a stormwater drainage fee to the City of Elizabeth City. Mr. Bunch added that the city has indicated that it will pay a percentage of the cost of the project.

Chairman Stevenson recognized Mr. Tom Deatherage of 1714 Darian Drive in Northeastern Terrace. Mr. Deatherage stated that he understands the property owners are being asked to increase their property taxes in order to pay for a study. He said it is not any surprise that

because of the new flood maps all of their buildings within Northeastern Terrace have been classified as being in a flood zone where already their property values have dropped because they can no longer build on their property. He stated that the proposed development of a watershed district for the purpose of placing a tax on residents living in the Knobbs Creek tributary is a problem. He said he feels what has caused the flooding is Main Street Extended, new businesses that have been built on Halstead Boulevard, the U.S. 17 Bypass, new apartments that have been built near his subdivision, Winslow Nursing Home, and an illegal road that is located behind Northeastern High School. Mr. Deatherage stated that it appears county residents will be getting a 3.5¢ increase in their property taxes and now the watershed tax would put another 1¢ tax increase on the residents in the watershed district. He said what worries him is that this is for a study, not for a fix. He asked if the residents in the district would be taxed again to pay for the fix that will have to be done. He said the people along the Knobbs Creek Tributary are being punished for living where they do because of poor planning and poor development. He asked why the residents in this watershed district will have to continue to be taxed when it is not their fault they are in this situation.

Mr. Jarvis Elliott of 210 Reedy Creek Drive stated that it appears to him that the state, the county and the city created this problem by allowing development in flood zone areas and now the burden of fixing the mistakes is being put upon the taxpayers in the watershed area. He said there are areas of more pavement along the Halstead Connector and restricted flow on West Main Street where the state has removed a bridge and replaced it with a culvert. He explained that there are some areas in the county that are lower than others and water is always going to back up in those areas. He asked how development could have been allowed in flood zone areas. He said he is against the 1¢ tax and he feels this is a lot of money for a survey.

Mr. Carlisle Thompson of 111 Brantwood Drive said if a service district tax is assessed it will be forever and will not go away. He stated that he has lived in his house for over 25 years and is yet to be flooded. He explained that his homeowner's insurance went up 31% from August of last year to this year because of hurricanes that occur at the beach. He said their property taxes are going to increase by 3¢ and the state is going to increase sales taxes. He stated that he disagrees with any additional tax.

Mr. Thomas Eichler of 1 Eicher Lane stated that he lives close to the boundary of the watershed district. He said he did not receive any notification from the county that he is in the district however it appears from the map he is in the district. He asked why the county in the good years was not stashing money away for the lean years. He explained that where he lives is at the highest point in Pasquotank County and he has never had water in his yard during the 25 years he has lived there. Mr. Eichler asked if he is in the district and how he will be affected. Chairman Stevenson suggested that Mr. Eichler contact the Assistant County Manager and he will determine whether he is in the proposed district.

Mr. Thomas Gallop of 735 Creek Road said he has lived in his house for 26 years and has never had a problem with water. He stated that he understands there is a problem at Main Street Extended because the Department of Transportation removed the bridge and replaced it with two culverts. He said his water drains and he asked why he is being taxed because he does not have a problem. He stated that he feels that being taxed is unfair and he feels it is extremely disingenuous for the Board to even consider a tax with the current economic conditions.

Ms. Shirley Chambers of 209 Sample Drive stated that this is a very difficult time for everyone because of the economic situation. She said state and county employees are being furloughed and state employees do not know what the future will bring. She said to propose another tax is inconsiderate and should be thought about. She stated that two new subdivisions are being developed on both sides of Main Street Extended down from her home which will contribute to the problem. She asked if the developers should not bear part of the burden. She said the swamps need to be cleaned out which contributes to the flooding because property owners are not cleaning them out when trees have fallen. She also asked who will exactly bear the brunt of the cost of the repairs once the survey is completed. Chairman Stevenson explained to Ms. Chambers that if the Board votes to establish the drainage district, everyone in the district would be assessed the 1¢ tax.

Mr. Steve Hansford of 4005 Amstel Court stated that the current economic situation is astronomical and gas prices are going back up. He said a 1¢ tax does not seem like a lot, but he asked if it will be forever. He asked how much more it will cost and who will pay for it. He said the county is asking people to stretch. He noted that he has an 87 year old friend who is sick and

on a fixed income and additional taxes will hurt him. He asked that the Board consider the current economic situation and think about the older people and others who are not able to pay more taxes.

Judge Herbert Small noted that the updated Knobbs Creek Basin excludes certain areas that were in the original basin. He asked if this is a permanent line or if this may still be changed at a later date. Mr. Rodney Bunch said this is most likely permanent unless a property owner can show that their water does not go into the creek. Judge Small said the district appears to include a portion of Elizabeth City Township that is part of the Poindexter Creek which is pumped by the city. He stated that the railroad track that is north of that is the ridge between what flows into the Knobbs Creek and what flows into Poindexter Creek. Mr. Bunch explained that the Poindexter Creek and Tiber Creek boundaries were provided to the county by the city's engineer. Judge Small added that it is obvious that the water is higher upstream on Knobbs Creek and Main Street than it is downstream. He said a big part of the problem is the culverts under Main Street.

Mr. Chris Walkenshoff of 101 Merriwood Avenue said he lives close to the culverts on Main Street where the bridge used to be. He said since the state removed the bridge he has not had flooding in his yard, but his ditches stay a lot wetter. He stated that several property owners in the area have put pipes in their ditches and they are blocked up. During the last storm, the water would barely drain out. Mr. Walkenshoff said he believes it is the wrong time to bring up a new tax because people are being laid off from their jobs and nobody can afford the tax at this time. He suggested that the Board wait six months or one year and look at the economic situation. He added that he has not heard a resident from any of the flooded areas speak in favor of the tax.

Mr. J.C. Ferrell of 1800 Vine Street stated that he has lived in the county for 57 years and has lived at his current address for 30 years. He said he never had any problem with drainage until Creekside was developed. He explained that after Creekside was built he had eight inches of water on his property after the last hurricane. He said the developers hauled in dirt to build up the site and diverted the ditch beside his property and now it floods. He stated that something needs to be done about the drainage in the county or construction of subdivisions needs to be halted. Mr. Ferrell said he does not mind paying a tax to get this project going.

Mr. Darryl McKinley of 1716 Providence Road in Oxford Heights said his lot is one of the highest lots on his street, so his property was not impacted by the flooding from Tropical Storm Ernesto. He said although he was not required to, he recently purchased flood insurance. He stated that a lot of new development does not take into consideration the impact it will have on people three miles away. He said the bridge going into Oxford Heights always has water on each side of it. He said he knows something needs to be done about the water and although he does not want a tax increase, he believes it will probably be needed.

Mr. Jon Crouse of 102 Breezewood stated that development from some perspectives looks like it causes a lot of these problems, however some of the things developers are required to do address a lot of the drainage problems. He explained that over the last 50 years ditches and swamps have been filling up with silt, dirt and trees, and development is getting blamed for it. He said if the ditches could be cleaned out, it would go a long way towards taking some of the pressure off development getting blamed for some of the problems.

Mr. Tom Jenkins of 2606 Willis Drive said ten years ago he lived near J.C. Sawyer School and was flooded by Hurricane Floyd. He had to move and moved to an area that was not in a flood zone. He said he understands this flooding issue needs to be address, but feels it would be unfair for individuals in the Knobbs Creek Drainage Basin to be assessed this special tax. He stated that he feels that property owners who have not been affected by flooding should not have to pay a portion of the cost of this project. He asked why he is any different from anyone else in Pasquotank County and why the expense is not spread throughout the county.

At the absence of further comments, the public hearing was closed and Chairman Stevenson asked for comments from Commissioners.

Commissioner Bill Trueblood explained what was done in creating the nine prospective drainage basins throughout the county. He stated that an engineering firm was hired to go throughout the county and determine where all the water in the county drained to. He said that nine different basins were identified and it was determined that most of the problems, complaints and concerns were coming from water that was going through the Knobbs Creek Basin itself. It was also determined that anyone with water going into that basin would be the ones responsible for taking

care of the needs in that basin, not everyone throughout the county. He said that many people in the Knobbs Creek Basin do not think their water goes into Knobbs Creek. He stated that people in Newland or in Weeksville should not be assessed for something that is happening in Knobbs Creek. He noted that several people tonight have said they do not have a problem, however they are in the Knobbs Creek Basin and their water goes into the basin. He explained that in order to get a permit from the Corps of Engineers to allow any work to be done in the swamps, the county must have documentation. He said they are asking the people of the Knobbs Creek Basin to fund this particular project so the county may ascertain if the West Main Street area is the problem as is believed. Commissioner Trueblood said if the Knobbs Creek Watershed District is adopted tonight and eventually it is determined there is a fix to the problem, then the county would go back to the property owners for an assessment. He said the districts are being created to correct problems in particular areas of the county. He stated that there is already a district in the Newland area and the property owners in the district are assessed a tax per acre to fix the problems.

Commissioner Matt Wood said that three questions have been asked that he thinks are good questions: 1) Is the tax permanent? 2) Why now? and 3) What is next? He responded that the tax would be permanent as long as the Board of Commissioners continues to vote for it each year at budget time. He said it is being considered now because this is the time of the year when the Board sets the property tax rate and this tax would be assessed as part of the county budget. If the tax is not approved now, there would not be another chance until next year to implement the tax. Commissioner Wood stated that the county has been studying drainage issues for the past two or three years, has developed drainage basins, and is now at the point to do drainage projects. He said it is not known what is next. It would depend on the results of the study, obtaining permits from the Corps of Engineers, the estimated costs of improvements, and available grants or other funding to pay for the improvements. Commissioner Wood explained that this process began because the public came to the Board with the drainage problems. He said the Commissioners did not create this situation, however when trying to determine where the problem originated and who is affected by it, the Board tried to figure out a mechanism to resolve the problems. He stated that over the two or three years this has been discussed, it was felt that the creation of drainage districts was the best way to address problems in individual areas. He said the problems in the Knobbs Creek drainage district are being looked at now, however problems in other areas would be addressed in the same fashion. He said if the public does not want this, the Board is certainly capable of doing nothing, however he is concerned that there are drainage issues that will be ignored.

Vice-Chairman Lloyd Griffin said the concern he has is that during Tropical Storm Ernesto he saw areas flooded more than they had ever flooded before. He stated that Mr. Johnson has identified four areas of concern in his model, some of which he believes DOT has created. He said if the Board moves forward with the study, at some point it will have to go to the taxpayers to help pay for the project. He stated that the Board has already spent about \$70,000 in engineering costs and four years of its time to get to this point. He said if the problems are to be identified and relieved, more financial support from the taxpayers will be needed.

Commissioner Cecil Perry asked if it would be possible that the Corps of Engineers would not allow the swamps to be cleaned out. Mr. Johnson said it is possible the Corps of Engineers could deny the application. He stated that in initial conversations with the Corps of Engineers they led him to be optimistic, however environmental permits get complicated because site mitigation and spoil sites come into play and it will be a very challenging task.

Commissioner Wood asked how the county would make the case to DOT as part of the problem. He said right now there are a lot of opinions regarding the culverts at Main Street Extended. He explained that the study would help the county make a better case to DOT.

Commissioner Jeff Dixon thanked the Stormwater Committee for creating the nine basins. He said it is now evident where all the water is going in the entire county. He stated that he does not however like the plan. He explained that this Knobbs Creek Basin is probably going to be one of the biggest growth areas in the county and he does not think the people who have lived in the area for many years should be burdened. He said the county paid for the study to create the basins and every property owner paid for it through their taxes. He stated that the study of the Knobbs Creek Basin should be done the same way. He said once the study is complete and if the Corps of Engineers gives the go-ahead to do the work, he believes it will cost millions of dollars to fix the problems. He stated that he has no idea how the county will pay for the repairs. He said he does not support the 1¢ tax and believes future development should have to pay.

Commissioner Wood stated that it is not feasible to require future development to pay. He said Mr. Johnson studies every subdivision that is presented to the county and the developers are required to meet very rigorous standards with regard to drainage. They have to prove they have designed the development so that pre and post drainage are the same. Commissioner Wood said it would be hard to charge these developers a fee when they have already designed to a standard that says they are not contributing additionally to drainage.

Chairman Stevenson asked if the city is as stringent with its developments as the county is now, however no one in attendance was able to answer that question.

Mr. Curtis Chambers said he believes the initial fee needs to come from the county just like a new fire truck for a volunteer fire department is paid for by the county and not just by the people in that fire district. He stated that drainage is a shared problem. He explained that developers are able to bring in additional businesses and build new homes that will generate additional county revenues. He said that development in the Knobbs Creek Watershed is generating tax dollars that help the people in the lower end of the county that might not have that level of development. He suggested that the county raise property taxes enough to cover the cost of the study and that the residents in the watershed area not be required to pay for it.

Commissioner Wood noted that the county envisions this to be more than a one-time study, as there will be specific projects, although the Knobbs Creek project will probably be the largest.

Commissioner Wood made a motion that was seconded by Vice-Chairman Griffin for this proposal to lay on the table. He said he would like to apologize to Commissioner Trueblood who has put a lot of time into this project, however if the people are not supporting the proposal and the county is already going to have to increase the property tax by 3.5¢, he has been convinced that this is probably not the time to move forward with the project.

Commissioner Trueblood noted that of those from the public who spoke during the public hearing, nine spoke against creating the district and two spoke in favor.

Assistant County Manager Rodney Bunch explained to the Board that it can create the service district and not implement a tax. He said the service district would already be in place if at some time in the future the county wanted to do a project that would focus in this one area and implement a tax at that time.

Vice-Chairman Griffin withdrew his second to Commissioner Wood's motion to lay the proposal on the table.

Motion was made by Bill Trueblood, seconded by Lloyd Griffin to establish the Knobbs Creek Watershed Service District with no tax for the 2009-10 fiscal year based on the following findings of fact:

- 1) There is a demonstrable need for providing in the district watershed improvement projects.
- 2) It is impossible or impracticable to provide those services on a countywide basis.
- 3) It is economically feasible to provide the proposed services in the district without unreasonable or burdensome annual tax levies.
- 4) There is a demonstrable demand for the proposed services by persons residing in the district.

The motion carried unanimously.

Commissioner Trueblood said he would like to thank everyone who came out tonight and participated.

## **5. AMENDMENTS TO THE AGENDA:**

Chairman Stevenson asked if there were any amendments to the agenda. Commissioner Wood requested that the agenda be amended to add to the consent agenda the following items

recommended by the Finance Committee today: 1) Approval of fee for disposal of nuisance tires; and 2) Approval of additional budget amendments. It was also requested that Consent Agenda Item 7D, *Approval of Lease Proposal for Cell Phone Tower*, be removed from the consent agenda because the contract has not yet been received for the County Attorney to review.

Motion was made by Matt Wood, seconded by Lloyd Griffin to amend the agenda to add the two items listed above to the consent agenda and to remove the lease proposal for a cell phone tower from the consent agenda. The motion carried unanimously.

**6. REPORT ON REQUEST FOR IMPROVEMENTS TO INTERSECTION OF PEARTREE ROAD, FOUR FORKS ROAD AND PITTS CHAPEL ROAD:**

The Board reviewed a copy of a letter from the North Carolina Department of Transportation in response to the request for a stoplight at the intersection of Peartree Road, Four Forks Road and Pitts Chapel Road. The County Manager stated the DOT is not recommending a full traffic signal be installed, but is recommending that vegetation within the right of way be removed to improve the site distance, that the pavement markings at the intersection be improved, and that the existing intersection flasher be modified and supplemented with a vehicle entering when flashing sign and beacon. He said the recommendations to remove vegetation and improve the pavement markings are designed to improve the direct sight distance of vehicles approaching and pre-position vehicles at the stop condition to achieve the greatest sight distance possible. The modifications to the existing flasher are intended to provide motorists approaching the intersection on Peartree Road more information and warning of vehicular activity within the intersection. DOT advised that these improvements cannot be provided at this time because they must compete for funds on a statewide basis. The removal of the vegetation and pavement marking improvements will be attempted using limited local maintenance funds while the flasher modifications will occur once funding has been approved.

Commissioner Trueblood suggested that a letter be sent to the county's elected representatives in Raleigh asking for some type of special appropriation to move forward with these improvements. He said there has been another accident since this request was generated.

Motion was made by Bill Trueblood, seconded by Lloyd Griffin to request that special funds be appropriated to allow DOT to move forward with improvements at the intersection of Peartree Road, Four Forks Road and Pitts Chapel Road.

Discussion followed and Commissioner Dixon suggested that the Board request DOT to lower the speed limit to 45 mph at this intersection.

The motion was amended to add that a letter will be sent to DOT requesting that the speed limit be lowered to 45 mph on Peartree Road near its intersection with Four Forks Road and Pitts Chapel Road. The motion carried unanimously.

**7. APPROVAL OF CONSENT AGENDA:**

The Board considered the following Consent Agenda:

a. Approval of Minutes of May 26 and June 1, 2009 Commissioner Meetings

b. Approval of Tax Releases and Refunds

The Finance Committee has recommended approval of the following tax releases and refunds:

Releases:

		County	City
1.	Joan Phanord	110.70	95.77
2.	David Patton Sheppard	128.65	110.26
3.	Logan Thomas	100.82	87.49
4.	Anthony Wayne Hughes	286.28	
5.	John C. Morgan	190.91	156.20
6.	James C. Walizer	125.51	109.32

Refunds:

1.	David Patton Sheppard	133.10	188.90
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c. Approval of Budget Amendments

The Finance Committee has recommended approval of the following budget amendments from the June 1 Finance Committee meeting and from today's Finance Committee meeting:

RESOURCE OFFICER

Increase	010.0180.4242.00	Transfer Tax	2,500.00
Increase	010.4315.5261.00	Departmental Supplies	1,000.00
Increase	010.4315.5310.00	Travel	1,000.00
Increase	010.4315.5311.00	Training	500.00

GIS

Decrease	010.4915.5261.00	Departmental Supplies	1,000.00
Decrease	010.4915.5310.00	Travel	1,000.00
Decrease	010.4915.5311.00	Training	500.00
Decrease	010.0180.4245.00	Transfer Tax	2,500.00

CAPITAL RESERVE/GENERAL FUND

Decrease	021.8200.5960.03	Reserve-Public Safety	92,000.00
Increase	021.8200.5980.10	Transfer to General Fund	92,000.00
Increase	010.0700.4981.21	Transfer from Capital Reserve	92,000.00
Increase	010.4370.5500.00	Capital Outlay	92,000.00

SPECIAL APPROPRIATIONS

Increase	010.0230.4390.04	EDTAP	17,190.00
Increase	010.0230.4390.05	Rural General Public Program	16,757.00
Increase	010.6600.5620.02	EDTAP	17,190.00
Increase	010.6600.5620.03	Rural General Public Program	16,757.00

SPECIAL APPROPRIATIONS

Increase	010.0230.4360.05	Juvenile Justice-Pass Thru	131,744.00
Increase	010.0230.4360.02	Psychological Services	1,413.00
Decrease	010.6600.5640.01	Forestry	619.00
Increase	010.6600.5615.10	Juvenile Justice-Pass Thru	131,744.00
Increase	010.6600.5615.02	Juvenile Justice Match	300.00
Increase	010.5832.5190.00	Professional Services	1,732.00

COA BLDG EXPANSION

Increase	042.0500.4831.02	Interest Earned	22,926.00
Decrease	042.5920.5991.00	Contingency	79,390.00
Increase	042.5920.5395.00	Issuance Cost	2,316.00
Increase	042.5920.5590.00	Construction	100,000.00

BOARD OF ELECTIONS

Increase	010.0230.4370.00	State Grants	2,388.00
Increase	010.4170.5351.00	Maintenance-Building	2,388.00

REGISTER OF DEEDS

Increase	010.0991.4991.00	Fund Balance Appropriated	5,000.00
Increase	010.4180.5800.00	Automation & Preservation	5,000.00

SHERIFF/RESOURCE OFFICERS

Decrease	010.4310.5126.00	Salaries & Wages-Part Time (Sheriff)	29,730.00
Increase	010.4315.5121.00	Salaries & Wages	21,560.00
Increase	010.4315.5181.00	FICA	1,485.00
Increase	010.4315.5182.00	Retirement	2,120.00
Increase	010.4315.5183.00	Health Insurance	4,565.00

EMS

Increase	010.0400.4437.00	Revenue for Services	70,000.00
Increase	010.4370.5261.00	Departmental Supplies	70,000.00

DSS/PUBLIC ASSISTANCE

Decrease	011.5400.5684.02	Foster Care-IVE	99,704.00
Decrease	011.0700.4981.00	Transfer from General Fund	99,704.00

PUBLIC HEALTH

Decrease	010.4310.5126.00	Salaries & Wages-Part Time (Sheriff)	10,000.00
Increase	010.5110.5620.13	Medical Examiner Fees	10,000.00

NON-DEPARTMENTAL

Decrease	010.6170.5126.00	Salaries & Wages-Part Time (Pool)	16,000.00
Decrease	010.4335.5121.00	Salaries & Wages-Code Enforcement	8,500.00
Decrease	010.4350.5121.00	Salaries & Wages-Bldg Insp	20,000.00
Decrease	010.6600.5980.11	DSS/Public Assistance	99,704.00
Increase	010.4195.5186.00	Worker's Compensation	32,290.00
Increase	010.4195.5450.00	Insurance-General Liability	5,569.00
Increase	010.4195.5575.00	Land	106,345.00

OCCUPANCY TAX FUND

Increase	030.0220.4270.00	Occupancy Tax Revenue	480,000.00
Increase	030.4920.5625.01	Tourism Board	480,000.00

PARKS & REC

Increase	010.0700.4981.21	Transfer from Capital Reserve	256,320.00
Increase	010.0600.4940.08	Eliz City-Parks & Rec	84,000.00
Increase	010.6130.5581.04	South Park Complex	37,820.00
Increase	010.6130.5581.01	River Road Project	302,500.00

DSS

Increase	011.0240.4548.00	Crisis Intervention	157,049.00
Increase	011.5400.5688.00	Crisis Intervention	157,049.00

CAP RESERVE

Decrease	021.8200.5960.01	Capital Reserve-Unallocated	1,300,000.00
Increase	021.8200.5980.10	Transfer to General Fund	1,300,000.00

GENERAL FUND

Increase	010.0700.4981.21	Transfer from Capital Reserve	1,043,680.00
Decrease	010.0150.4231.00	Sales Tax-1% Article 39	300,000.00
Decrease	010.0150.4232.00	Sales Tax-1/2% Article 40	150,000.00
Decrease	010.0150.4233.00	Sales Tax-1/2% Article 42	150,000.00
Decrease	010.0150.4234.00	Sales Tax-1/2% Article 44	133,680.00
Decrease	010.0180.4240.00	Documentary Stamps	110,000.00
Decrease	010.0180.4245.00	Land Transfer Tax	200,000.00

*d. Approval of Family Subdivision Request 09-07 by Helen F. Perry to Create a Gift Lot on Old Hertford Highway*

Staff has recommended approval of Family Subdivision Request 09-07 by Helen F. Perry to create a gift lot for a grandchild in accordance with Article 3, Section 303 of the Pasquotank County Subdivision Ordinance. A total of 140 feet of road frontage for the proposed parcel is provided onto Old Hertford Highway. The total lot area proposed is 1.00 acre for the gift lot and 28± acres for the residual tract. Ms. Perry is requesting to give a lot to her granddaughter, Joi Weeks, and has provided documentation to show the property has been in continuous ownership for a period of over five years. Documentation has been provided that the plat qualifies as a family subdivision and Albemarle Regional Health Services has evaluated the site and determined that it is suitable for a septic system. Ms. Perry previously received approval for an adjacent lot through the Family Subdivision regulations in September 2008 for a gift lot for her son, Robert Perry. Staff has advised that the request meets the minimum requirements for a family subdivision.

*e. Reduction in Speed Limit for Section of Meadstown Road*

The Board received a letter from Cleve Meads requesting a reduction in the speed limit from 45 mph to 35 mph for a 1.3 mile section of Meadstown Road.

*f. Appointment of Jo Anne Kitchen to Senior Citizens Advisory Board*

The Appointments Committee has recommended the appointment of Jo Anne Kitchen to the Senior Citizens Advisory Board to replace Joe Lamb, Jr. who is not eligible for reappointment.

*g. Approval of Disposal Fee for Nuisance Tires*

The Finance Committee has recommended implementing an \$86 per ton fee for disposal of nuisance tires effective June 22, 2009.

Motion was made by Cecil Perry, seconded by Jimmie Harris to approve the consent agenda as amended. The motion carried.

The following tax releases and refunds have been approved by the Finance Officer:

Releases:

		County	City
1.	Celeste Roxanne Corrigan	96.53	83.98
2.	Amy Linda Swanson	61.27	
3.	James Michael Bowen	7.70	
4.	Goldie Forehand Temple	16.45	
5.	Sharnetta Maria Johnson	2.18	1.79
6.	Trina Lynette Gregory	42.66	34.90
7.	Linda Mae Miller	29.15	23.85
8.	Philip Nicholas Mayo	28.99	23.72
9.	Julio Cesar Mendoza	18.73	15.33
10.	Maria Guadalupe Carbajal	3.28	2.68
11.	Michael Scott Burris	22.72	
12.	Matthew Neil Dumont	46.30	37.97
13.	Javonda Donya Dillard	11.11	9.09
14.	Michael Anthony Ryan, Jr.	18.10	14.81
15.	Amy Lee Harris	68.31	
16.	Robert Kerey Skinner	13.81	11.30
17.	Tabitha Lea Bakely	99.11	86.09
18.	Thomas Edison Chappell	37.43	30.63
19.	Linda Bell Bell	12.05	9.89
20.	Godwin C. Umozurike	14.39	11.77
21.	Marcus Cleveland Jones III	99.77	86.63
22.	Erick Lee Shaw	11.14	
23.	Jean Lumsden Griffin	6.16	5.04
24.	Edgar L. Green, Jr.	81.07	
25.	Joandrew Derond Cousins	46.15	
26.	Sonya Lynn Dunn	12.87	
27.	Sabrina Yvonne Pope	28.95	28.74
28.	Sabrina Yvonne Pope	20.41	26.70
29.	Isis Andrews	94.82	
30.	Mason Scott Ferril	82.50	72.50
31.	James William Hicks	27.72	22.68
32.	David Emmanuel Lacasse	33.39	
33.	Christopher W. Teall	66.99	
34.	Michael Duane Bateman	44.39	
35.	Jonathan Edward Denson	52.75	48.16
36.	Mark William Schomers	18.87	
37.	Elizabeth Ann Colson	41.47	
38.	Tammy Devonne Shannon	61.11	
39.	Elder Osorio Santos	8.12	6.64
40.	Richard Michael Greger	42.63	
41.	David Mark Pozza	31.24	25.56
42.	Nicole Marie Moore	58.36	
43.	Edward Christopher Donaldson	3.96	
44.	Timothy Charles Spence	3.69	
45.	Kashara Tanae Walston	4.57	3.74
46.	Beulah Mitchell Lassiter	91.65	
47.	Kelvin Eugene Harney	90.92	79.39
48.	Latoyia Ford Gutierrez	45.98	37.62
49.	Lakeisha Chanell Kanen	31.96	
50.	Derrek R. Schneider	57.92	47.39
51.	Tabitha Agnes Waterfield	17.93	
52.	Jacob Dante Wycoff	14.52	16.88
53.	James Frederick Williams	17.55	14.36
54.	Bayside Services	14.44	
55.	Shawn Kelvin Heaton	45.49	42.22
56.	Shawn Kelvin Heaton	5.23	9.28
57.	Shawn Kelvin Heaton	15.80	17.96
58.	Robert Haley	93.50	
59.	Kevin Grant Routten	53.79	
60.	Anthonie Eugene White	74.42	

61.	Anthonie Eugene White	4.29	
62.	Jessica Nicole Burris	29.81	29.39
63.	Dustin Kyle Burris	80.74	71.06
64.	Terrecia Lynn Spellman	9.68	7.92
65.	Jonathan Edward Sullivan	60.50	
66.	Gumara Olivas Martinez	17.91	14.65
67.	Trisha D. Walten	53.96	44.15
68.	Irving R. Baccus, Jr.	13.04	10.67
69.	Timothy Jon Kuiper	60.67	54.64
70.	Scott E. Hartley	29.54	
71.	David Linn Warfield	53.08	
72.	Schaun Thomas Wrigley	67.60	
73.	Andrew Roland Poulin	21.45	22.55
74.	Julio Mendoza Mendoza	9.90	8.10
75.	Donnie Ray Lassiter, Sr.	3.50	
76.	Wilfred Charles Northruff	2.07	1.69
77.	Cory Shaw Alvarico	8.42	6.89
78.	Christopher Grant Chapman	70.68	
79.	New Life Assembly of God	20.38	
80.	Rosie Marie Ross	84.70	
81.	Marvin Odell Ross	20.57	
82.	Piedmont Natural Gas Co.	12.79	
83.	Shawn Maurice Harrington	39.98	36.89
84.	Shawn Maurice Harrington	46.15	42.84
85.	Vincent Lamont Hamilton	50.71	
86.	Regina Annette Powell	2.64	2.16
87.	Christopher George Wood	81.85	
88.	Peter Conrad Hentz, Jr.	81.46	
89.	James Calvin Sims, Jr.	15.31	12.52

Refunds:

1.	Elizabeth Ann Godfrey	52.43	
2.	Elizabeth Ann Godfrey	53.50	
3.	Elizabeth Ann Godfrey	58.85	

**8. APPROVAL OF DOCUMENTS RELATED TO EXTENSION OF CONSTRUCTION LOAN FOR ALBEMARLE DISTRICT JAIL:**

County Manager Randy Keaton explained that the Board needs to approve a second modification agreement between Bank of America and Pasquotank County that extends the date of the construction financing to March 31, 2010.

\* \* \* \* \*

Commissioner Stevenson introduced the following resolution, a copy of which had been provided to each Commissioner and which was read by its title:

RESOLUTION APPROVING A SECOND MODIFICATION AGREEMENT  
AND CERTAIN OTHER DOCUMENTS AND APPROVING AND  
AUTHORIZING CERTAIN ACTIONS IN CONNECTION WITH THE  
FINANCING OF A PORTION OF THE COST OF A NEW JAIL OF THE  
COUNTY OF PASQUOTANK, NORTH CAROLINA.

WHEREAS, the County of Pasquotank, North Carolina (the "County"), is a validly existing political subdivision of the State of North Carolina (the "State"), under and by virtue of the Constitution and laws of the State; and

WHEREAS, the County, Camden County, North Carolina and Perquimans County, North Carolina (collectively, the "Participating Counties") have determined to participate in an undertaking, pursuant to Section 153A-219 and Chapter 160A, Article 20, Part 1 of the North Carolina General Statutes, as amended, to finance a portion of the cost of a project to provide improved regional or district jail or confinement facilities for housing prisoners from the Participating Counties and, in order to execute such undertaking, entered into an Intercounty Agreement Concerning a New Regional Confinement Facility, dated November 17, 2006 (the "Intercounty Agreement"); and

WHEREAS, such project consists of the construction of a jail and related site improvements on approximately 15 acres of land owned by the County in Pasquotank Commerce Park and the acquisition of furnishings and equipment therefor (the "Project"); and

WHEREAS, pursuant to the Intercounty Agreement, the County financed a portion of the cost of the Project by entering into an Installment Financing Contract with RBC Centura Bank ("RBC"), dated November 21, 2006 (the "RBC Contract"), and financed another portion of the cost of the Project by entering into an Installment Financing Contract with Bank of America, N.A. ("BofA"), dated February 15, 2007, as modified by a Modification Agreement, dated April 14, 2008, between the same parties (the "BofA Contract"); and

WHEREAS, the County and BofA desire to modify further the BofA Contract to extend its term, to change the rate at which interest is payable and to make certain related changes; and

WHEREAS, pursuant to the Intercounty Agreement, it is now necessary or advisable for the Board of Commissioners for the County (the "Board") to approve certain documents and to approve and authorize certain actions in connection with modifying further the BofA Contract; and

WHEREAS, there have been presented for consideration by the Board copies of the following documents relating to such matter:

(a) a draft of a Second Modification Agreement, dated June 29, 2009 and between the County and BofA (the "Second Modification Agreement"), which would extend the term of the BofA Contract from July 1, 2009 to March 31, 2010, change the rate at which interest is payable by the County to BofA under the BofA Contract and make certain related changes; and

(b) a draft of a Second Amendment to Escrow Deposit Agreement, dated June 29, 2009 and among the County, RBC, BofA and RBC Centura Bank as escrow agent (the "Second Amendment to Escrow Deposit Agreement"), which would amend an Escrow Deposit Agreement, dated February 15, 2007 and among the same parties, as amended by an Amendment to Escrow Deposit Agreement, dated April 14, 2008 and among the same parties, that provides for the investment and disbursement of the proceeds of each of the RBC Contract and the BofA Contract so that such Escrow Deposit Agreement refers to the BofA Contract, as modified by the Second Modification Agreement; and

(c) a draft of a Second Amendment to Intercreditor Agreement, dated June 29, 2009 and among RBC, BofA and the County (the "Second Amendment to Intercreditor Agreement"), which would amend an Intercreditor Agreement, dated February 15, 2007 and among the same parties, as amended by an Amendment to Intercreditor Agreement, dated April 14, 2008 and among the same parties, that provides for the relative rights and duties of such parties with respect to certain provisions of the RBC Contract and the BofA Contract so that such Intercreditor Agreement refers to the BofA Contract, as modified by the Second Modification Agreement;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

Section 1. The Board hereby confirms that the Project and its use are essential for the County and that the Project will permit the County to carry out public functions that it is authorized by law to perform.

Section 2. The Board hereby finds and determines that it is in the best interest of the County to enter into the Second Modification Agreement, the Second Amendment to Escrow Deposit Agreement and the Second Amendment to Intercreditor Agreement in order to effectuate the modification of the BofA Contract as described above.

Section 3. The form and content of the Second Modification Agreement, the Second Amendment to Escrow Deposit Agreement and the Second Amendment to Intercreditor Agreement, each of which will be a valid, legal and binding obligation of the County in accordance with its terms, are hereby approved in all respects and the Chairman of the Board, the Finance Officer of the County and the Clerk to the Board or their designees are hereby authorized and directed to execute and deliver the Second Modification Agreement, the Second Amendment to Escrow Deposit Agreement and the Second Amendment to Intercreditor Agreement, as may be applicable, in substantially the forms presented to the Board, together

with such additions, changes, modifications and deletions as they, with the advice of counsel, may deem necessary and appropriate, and such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Board and the County; provided, however, that the due date of the final Installment Payment is not later than March 31, 2010 and that the aggregate amount of the principal components of the Installment Payments does not exceed \$12,000,000.

Section 4. The Board hereby approves, ratifies and confirms the actions of the County Manager, the Finance Officer and the County Attorney of the County in connection with this matter.

Section 5. The officers and employees of the County are authorized and directed (without limitation except as may be expressly set forth herein) to take such other actions and to execute and deliver such other documents, certificates, undertakings, agreements or other instruments as they, with the advice of counsel, may deem necessary or appropriate to effectuate the transactions contemplated by the Second Modification Agreement, the Second Amendment to Escrow Deposit Agreement and the Second Amendment to Intercreditor Agreement.

Section 6. The County covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), as applicable to the BofA Contract, as modified by the Second Modification Agreement, except to the extent that the County obtains an opinion of nationally-recognized bond counsel to the effect that noncompliance would not result in the interest components of the Installment Payments (as defined therein) being includable in the gross income of the recipient thereof under Section 103 of the Code, as more specifically provided therein.

Section 7. This resolution shall take effect immediately upon its passage.

Upon motion duly made and seconded, the foregoing resolution was passed by the following vote:

Ayes: Commissioners Marshall H. Stevenson, Jr., Lloyd E. Griffin III, Matt Wood, Bill Trueblood, Cecil Perry, Jeff Dixon, and Jimmie Harris.

Noes: None.

\* \* \* \* \*

**9. APPROVAL OF AMENDMENT TO LEASE AGREEMENT WITH ALBEMARLE HOSPITAL AUTHORITY:**

County Attorney Mike Cox presented proposed language to modify the existing lease with Albemarle Hospital Authority to provide the county with an advance payment of \$2 million. Beginning in the eleventh year of the lease, the 2010-2011 budget year, the lease payment would increase to \$1,250,000. Annual rent for each of the twelfth through the fifteenth years of the initial term and for each year of each renewal term shall be equal to the amount of the previous year's annual rent, increased or decreased at the beginning of each year by a percentage equal to the percentage increase or decrease in the Consumer Price Index during the previous year. Mr. Cox explained that the county would be giving up the cumulative CPI that has been compounding since 2000 when the lease was executed. After discussion;

Motion was made by Jeff Dixon, seconded by Matt Wood to approve the amendment to the lease agreement with Albemarle Hospital Authority as proposed.

Discussion followed and Chairman Stevenson said he is not comfortable with forfeiting the cumulative CPI for a CPI of the past year. He also commented that he feels the county should only take what it needs to balance the budget rather than taking \$2,000,000 in advance lease payments.

The motion carried by a five to two margin with Commissioners Stevenson and Griffin voting against the amendment to the lease agreement.

**10. PRESENTATION OF PROPOSED FY 2009-10 COUNTY BUDGET:**

Chairman Stevenson called on County Manager Randy Keaton to present the proposed county budget for the 2009-10 fiscal year. Mr. Keaton first read the budget message and stated that the proposed budget includes a 3.5¢ increase in the ad valorem tax rate to 58.5¢ per \$100 valuation. The budget has been reduced by 10% from last year's budget through a combination of reductions in operating expenses, elimination of vacant positions, and the final installment of the Medicaid/Sales Tax Swap that began in last year's budget. Mr. Keaton noted that since the budget was prepared he has received information that the Mental Health position in the Sheriff's Department is being eliminated, therefore the revenues will have to be adjusted before the budget hearing.

The Board discussed Mental Health and what the impacts might be with East Carolina Behavioral Health taking over local services. It was suggested at some point that Mr. Wilson with East Carolina Behavioral Health be invited to meet with the Board to provide information on the impacts.

A public hearing will be held on the proposed budget at a special meeting on June 29 at 7:00 PM.

**11. REPORT FROM ASSISTANT COUNTY MANAGER:**

Assistant County Manager Rodney Bunch reported that for the original work done on the Knobbs Creek Drainage Study a total of \$86,750 has been spent. A grant in the amount of \$39,000 was received from the Division of Water Resources and the county expended \$47,750.

**12. POSSIBLE JOINT MEEETING WITH CITY COUNCIL:**

Chairman Stevenson advised that he has spoken with the Mayor, and the city would like to have a joint city-county meeting. It had been suggested that the meeting be held on Tuesday, June 30 since the Board will be having its budget meeting on Monday, July 29. He said one item the city wants included on the agenda is discussion regarding changing the sales tax distribution method. Board members agreed that there is no interest in having that discussion with the city at this time, however if the city has other items to discuss, they would be willing to meet with the city on June 30.

**13. APPOINTMENTS TO BOARDS AND COMMITTEES:**

Commissioner Bill Trueblood presented the following recommendations from the Appointments Committee:

Tourism Development Authority – Reappoint Jeff Dixon, Kirk Rivers, Arthur McPherson, and Nick Patel to additional two-year terms.

Criminal Justice Partnership Advisory Board – Reappoint Melissa Stokely to an additional three-year term.

Health Board and Intercounty Transit Authority – Reappoint Chairman Marshall Stevenson to an additional three-year term.

Board of Zoning Adjustment – Reappoint Wayne White and James Pike to additional three-year terms.

Solid Waste Commission – Reappoint Pedro Holley, Marshall Stevenson and James Turner to additional two-year terms.

Adult Care Home Community Advisory Committee – Reappoint Rita M. Jordan to an additional three-year term.

Albemarle Commission – Reappoint Commissioner Lloyd Griffin to an additional two-year term.

Newland Water Management & Watershed Improvement Advisory Board – Reappoint Richard Parker and Linwood Williams to additional two-year terms.

Motion was made by Bill Trueblood, seconded by Lloyd Griffin to approve the reappointments to boards and committees as recommended. The motion carried unanimously.

**14. REPORTS FROM COUNTY COMMISSIONERS:**

Commissioner Cecil Perry stated that last year when the Bocce Ball Tournament was held he was out of town and he hopes he will be available to participate this year. He added that he has supported Special Olympics since 1980 and has contributed financially and otherwise to it.

Commissioner Lloyd Griffin referred to a letter received from John Sutherland with the Division of Water Resources regarding the Riverview Acres Navigation Project. He suggested that this issue be discussed at the next Finance Committee meeting. Mr. Bunch advised that he has spoken with Mr. Sutherland who informed him that Pasquotank County's application is still ranked number one and the county should anticipate receiving its money next budget year.

**15. MOMENT OF SILENCE IN MEMORY OF DR. TONY STEWART:**

Chairman Stevenson asked everyone to stand in a moment of silence in memory of Dr. Tony Stewart, Superintendent of Schools, who passed away this weekend.

Chairman Stevenson asked if there was any further business to come before the Board. There being no further business, the meeting was adjourned at 9:55 PM.

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CHAIRMAN

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CLERK

**PASQUOTANK COUNTY, NORTH CAROLINA  
JUNE 29, 2009**

The Pasquotank County Board of Commissioners met today in a special meeting on Monday, June 29, 2009 in Courtroom C in the Pasquotank County Courthouse.

**MEMBERS PRESENT:** Marshall H. Stevenson, Jr., Chairman  
Lloyd E. Griffin III, Vice-Chairman  
Matt Wood  
Bill Trueblood  
Jeff Dixon  
Jimmie Harris

**MEMBERS ABSENT:** Cecil Perry (*Out of Town*)

**OTHERS PRESENT:** Randy Keaton, County Manager  
Rodney Bunch, Assistant County Manager  
R. Michael Cox, County Attorney  
Karen Jennings, Clerk to the Board

The meeting was called to order at 7:00 PM by Chairman Marshall Stevenson. Commissioner Matt Wood gave the invocation and Vice-Chairman Lloyd Griffin led in the Pledge of Allegiance to the American Flag.

**1. COMMENTS BY TOM MEMOLO:**

Chairman Stevenson recognized Mr. Tom Memolo who said he is speaking on behalf of a lot of the homeowners in the area where he lives who are concerned about the tax increase. He said they are also concerned about the decrease in the value of their property and their homes. He asked why they are still paying the same amount of taxes on their homes when they are not worth what they used to be. He stated that many property owners are losing their homes because they cannot pay their mortgages, leaving those who can pay their mortgages with more of the tax burden. He said that people who are out of work cannot afford increased taxes. He stated that residents are unhappy about the property tax increase and feel the county should get the money elsewhere.

**2. PUBLIC HEARING ON FY 2009-10 COUNTY BUDGET AND ADOPTION OF BUDGET ORDINANCE:**

Chairman Stevenson declared the meeting to be a public hearing on the FY 2009-10 county budget. He asked if anyone would like to comment on the proposed budget. At the absence of comments, the public hearing was closed.

County Manager Randy Keaton explained several changes that have been made in the budget since it was presented two weeks ago. He said the budget was adjusted to reflect the elimination of a deputy position in the Sheriff's Department that was earmarked for Mental Health. The Sheriff's Department budget was reduced by \$51,864 as a result. Mr. Keaton stated that notification has been received from the city that they will not be providing a \$10,000 payment to the county for GIS. The Forest Service advised that they anticipate the county portion of their budget being reduced by approximately \$10,000 due to the loss of their temporary personnel. The revised budget also includes a \$2,500 contribution for the Group Work Camp that the Finance Committee had approved. Mr. Keaton said the total budget is now \$34,787,170 with these adjustments which is slightly less than the proposed budget. He reviewed graphs showing the sources of revenue and where the money goes, and compared them to last year's percentages. The overall budget represents a 10% decrease over last year's budget.

Motion was made by Matt Wood, seconded by Bill Trueblood to adopt the FY 2009-10 Budget as amended.

Discussion followed and Commissioner Dixon commented that this has been one of the toughest budgets the county has had to deal with in many years. He stated that the county does not have a cushion in its budget and is similar to many people who are living paycheck to paycheck. He said he hopes the accelerated lease payment from Albemarle Hospital will be a start and that the funds can be grown. He stated that some counties in the area did not have to raise taxes this year

because they have rainy day funds they could use to balance their budgets. He said he would like to challenge the County Manager and staff to work on a plan going forward. Commissioner Dixon stated that he will support the proposed budget with a 3½¢ tax increase.

The motion to adopt the following Budget Ordinance carried by a four to two margin with Commissioners Stevenson and Harris voting in opposition.

**BUDGET ORDINANCE  
FISCAL YEAR 2009-2010**

**BE IT ORDAINED THIS 29th DAY OF JUNE, 2009 BY THE BOARD OF COMMISSIONERS OF PASQUOTANK COUNTY, NORTH CAROLINA:**

**I. GENERAL FUND**

SECTION 1 – APPROPRIATIONS: The following amounts are hereby appropriated in the General Fund for the operation of county government and its activities for the fiscal year beginning July 1, 2009 and ending June 30, 2010, in accordance with the chart of accounts heretofore established for this county:

Governing Board .....	\$ 85,900
County Manager .....	319,911
Personnel/Payroll.....	90,553
Finance Department.....	254,871
Data Processing .....	246,611
Tax Administration.....	513,258
County Attorney .....	158,473
Court Facilities .....	55,042
Elections Board .....	275,986
Register of Deeds .....	234,831
Public Buildings .....	892,462
Health & Social Services Building.....	282,837
Non-Departmental .....	274,873
Sheriff's Department .....	2,905,076
School Resource Officers .....	276,245
Jail .....	2,198,918
Central Communications .....	874,820
Emergency Management .....	122,322
Central Fire Department .....	348,437
Intercounty Fire Department .....	45,600
Newland Fire Department .....	42,670
Weeksville Fire Department.....	41,010
Providence Fire Department.....	60,160
Nixonton Fire Department.....	35,170
Building Inspector .....	173,577
Fire Marshall/OSHA Inspector.....	80,000
Emergency Medical Services .....	2,319,743
Animal Control.....	256,848
Planning Department.....	123,103
Geographic Information Systems .....	105,073
Economic Development .....	117,272
Cooperative Extension Service.....	263,952
Soil & Water Conservation .....	49,719
Public Health .....	215,958
Public Schools .....	10,123,942
College of The Albemarle .....	1,098,516
Parks & Recreation.....	723,818
Special Appropriations:	
-Miscellaneous.....	244,931
-Contribution to:	
Public Assistance Fund .....	2,918,609
Mental Health.....	81,760
Pasquotank-Camden Library Fund.....	513,685
Airport Authority .....	35,000
Contingency.....	50,000
Debt Retirement.....	<u>4,655,628</u>
 TOTAL GENERAL FUND	 \$34,787,170

SECTION 2 – REVENUES: It is estimated that the following revenues will be available in the General Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

Ad Valorem Taxes.....	\$19,005,000
Sales Tax 1%.....	3,180,000
Sales Tax ½%.....	3,760,000
Land Transfer Tax.....	750,000
Franchise Fees.....	175,000
Wine & Beer Tax.....	95,000
NC Education Lottery.....	450,000
Inspection Fees.....	110,000
Recording Fees.....	200,000
Interest on Investments.....	180,000
ABC Store Revenue.....	120,000
EMS Revenue from Services.....	1,600,000
Revenue – Albemarle Hospital.....	600,000
Rent Revenue.....	1,064,985
Transfer from Capital Reserve.....	343,022
Other Revenue.....	2,376,394
Fund Balance Appropriated.....	<u>777,769</u>
 TOTAL GENERAL FUND	 \$34,787,170

**II. SOCIAL SERVICES FUND**

SECTION 1 – APPROPRIATIONS: The following amounts are hereby appropriated in the Social Services Fund for administration of and payments to recipients of public assistance for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

Administration.....	\$ 5,328,122
Special Assistance.....	600,303
Child Care Services.....	2,192,361
Smart Start Day Care.....	289,764
Foster Care.....	390,000
Adoption Assistance.....	66,254
Other.....	<u>196,657</u>
 TOTAL SOCIAL SERVICES FUND	 \$ 9,063,461

SECTION 2 – REVENUES: It is estimated that the following revenues will be available to the Social Services Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

Federal and State Grants & Other Sources.....	\$ 6,144,852
Contribution from General Fund.....	<u>2,918,609</u>
 TOTAL SOCIAL SERVICES FUND	 \$ 9,063,461

**III. PASQUOTANK-CAMDEN LIBRARY FUND**

SECTION 1 – APPROPRIATIONS: The following amounts are hereby appropriated in the Pasquotank-Camden Library Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010.

Operating Expenses.....	\$ 644,897
 TOTAL PASQUOTANK-CAMDEN LIBRARY FUND	 \$ 644,897

SECTION 2 – REVENUES: It is estimated that the following revenues will be available in the Pasquotank-Camden Library Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

Fees & Fines.....	\$ 12,000
Copies.....	10,000
Interest.....	4,000
Contribution from Camden County.....	105,212
Contribution from Pasquotank County General Fund.....	<u>513,685</u>
 TOTAL PASQUOTANK-CAMDEN LIBRARY FUND	 \$ 644,897

**IV. CAPITAL RESERVE FUND**

SECTION 1 – APPROPRIATIONS: The following amounts are hereby appropriated in the Capital Reserve Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

Transfer to General Fund.....	\$ 343,022
<b>TOTAL CAPITAL RESERVE FUND</b>	<b>\$ 343,022</b>

SECTION 2 – REVENUES: It is estimated that the following revenues will be available for the Capital Reserve Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

Fund Balance Appropriated.....	\$ 343,022
<b>TOTAL CAPITAL RESERVE FUND</b>	<b>\$ 343,022</b>

**V. EMERGENCY TELEPHONE FUND**

SECTION 1 – APPROPRIATIONS: The following amounts are hereby appropriated in the Emergency Telephone Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

Operating Expenses .....	\$ 134,800
Transfer to E-911 Reserve Fund.....	236,250
Capital Outlay.....	<u>48,950</u>
<b>TOTAL EMERGENCY TELEPHONE FUND</b>	<b>\$ 420,000</b>

SECTION 2 – REVENUES: It is estimated that the following revenues will be available in the Emergency Telephone Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

NC 911 PSAP.....	\$ 420,000
<b>TOTAL EMERGENCY TELEPHONE FUND</b>	<b>\$ 420,000</b>

**VI. NEWLAND DRAINAGE DISTRICT FUND**

SECTION 1 – APPROPRIATIONS: The following amounts are hereby appropriated in the Newland Drainage District Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

Maintenance .....	\$ 5,300
<b>TOTAL NEWLAND DRAINAGE DISTRICT FUND</b>	<b>\$ 5,300</b>

SECTION 2 – REVENUES: It is estimated that the following revenues will be available in the Newland Drainage District Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

Revenue from Assessments.....	\$ 5,300
<b>TOTAL NEWLAND DRAINAGE DISTRICT FUND</b>	<b>\$ 5,300</b>

**VII. OCCUPANCY TAX FUND**

SECTION 1 – APPROPRIATIONS: The following amounts are hereby appropriated in the Occupancy Tax Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

Tourism Board.....	\$ 470,000
<b>TOTAL OCCUPANCY TAX FUND</b>	<b>\$ 470,000</b>

SECTION 2 – REVENUES: It is estimated that the following revenues will be available in the Occupancy Tax Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

Occupancy Tax Revenue.....	\$ 470,000
<b>TOTAL OCCUPANCY TAX FUND</b>	<b>\$ 470,000</b>

**VIII. WATER SYSTEM FUND**

SECTION 1 – APPROPRIATIONS: The following amounts are hereby appropriated in the Water System Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

Operating Expenses .....	\$ 1,724,568
Capital Outlay.....	355,500
Capital Reserve.....	187,824
Contingency.....	12,465
Operating Expenses – Sewer Department .....	97,743
Capital Outlay – Sewer Department.....	<u>18,300</u>
 TOTAL WATER SYSTEM FUND	 \$ 2,396,400

SECTION 2 – REVENUES: It is estimated that the following revenues will be available in the Water System Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

Sale of Water .....	\$ 1,986,000
Hookups.....	82,000
Sewer Revenue .....	144,000
Interest on Investments.....	65,000
Penalties & Fees .....	68,400
Miscellaneous.....	<u>51,000</u>
 TOTAL WATER SYSTEM FUND	 \$ 2,396,400

**IX. LANDFILL FUND**

SECTION 1 – APPROPRIATIONS: The following amounts are hereby appropriated in the Landfill Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

Operating Expenses – Landfill .....	\$ 2,559,446
Operating Expenses – Solid Waste.....	<u>1,912,599</u>
 TOTAL LANDFILL FUND	 \$ 4,472,045

SECTION 2 – REVENUES: It is estimated that the following revenues will be available to the Landfill Fund for the fiscal year beginning July 1, 2009 and ending June 30, 2010:

Tipping Fees .....	\$ 2,300,045
Solid Waste Fees .....	2,013,500
Tire Disposal Fees .....	49,000
White Goods Disposal Fees.....	12,000
Miscellaneous.....	<u>97,500</u>
 TOTAL LANDFILL FUND	 \$ 4,472,045

**X. SCHOOL APPROPRIATIONS**

SECTION 1: The appropriation to the Board of Education first shall be made from any such funds which are dedicated to the use of the schools and secondly shall be made from general county fund revenues to the extent necessary to meet approved appropriations. The appropriations to schools are based on an estimated Public Law Fund - \$75,000 and fines and forfeitures of \$310,000.

SECTION 2: The total appropriation for Current Expense from General Fund is \$10,123,942.

SECTION 3: The total appropriation for Capital Outlay from General Fund is \$614,986.

**XI. OTHER PROVISIONS**

SECTION 1: The County Budget Officer is hereby authorized to transfer appropriations within a fund as contained herein under the following conditions:

- a) He may transfer amounts between objects of expenditure within a department except salary amounts without limitation.
- b) He may not transfer any amounts between departments or funds from any contingency appropriation within any fund.

SECTION 2: No expenditure may be made in any line item that exceeds the amount set forth in the chart of accounts without prior authorization by the County Manager or Board of Commissioners.

SECTION 3: The County Manager and Clerk to the Board are hereby authorized to execute the necessary agreements within funds included in the Budget Ordinance for the following purposes: (1) Form grant agreements to public and non-profit organizations; (2) Leases of normal and routine business equipment where the annual rental of each is not more than \$20,000; (3) Consultant, professional or maintenance service agreements where the annual compensation of each is not more than \$20,000; (4) Purchase of apparatus, supplies, materials, or equipment where formal bids are not required by law; (5) Agreements for acceptance of State, Federal, public, and non-profit organization grant funds, and funds from other governmental units for services to be rendered; (6) Construction or repair work where formal bids are not required by law; and (7) Liability, health, life, disability, casualty, property or other insurance or retention and faithful performance bonds (other than for the Sheriff and Register of Deeds). Other appropriate county officials are also authorized to execute or approve such insurance and bond undertakings as provided by law.

## **XII. FEES**

SECTION 1: There is hereby established a fee of \$66.00 per ton for residential garbage and \$69.00 per ton for commercial garbage disposed of at the Pasquotank County Transfer Station for the purpose of raising the revenue listed in the Landfill Fund – Part IX, Section 2 of this ordinance.

SECTION 2: There is hereby established a fee of \$48 per ton for land clearing and inert debris disposed of at the Pasquotank County LCID Landfill for the purpose of raising the revenue listed in the Landfill Fund - Part IX, Section 2 of this ordinance.

SECTION 3: There is hereby established a fee of \$48 per ton for construction and demolition material disposed of at the Pasquotank County C&D Landfill for the purpose of raising the revenue listed in the Landfill Fund-Part IX, Section 2 of this ordinance.

SECTION 4: There is hereby established a solid waste availability fee of \$120 per household for the purpose of raising the revenue listed in the Landfill Fund-Part IX, Section 2 of this ordinance. The solid waste availability fee will remain at \$75 for low-income senior citizens who qualify for the property tax reduction.

## **XII. TAX LEVY**

SECTION 1: There is hereby levied a tax at the rate of fifty-eight and one-half cents (58.5¢) per One Hundred Dollar (\$100.00) valuation of property listed for taxes as of January 1, 2009 for the purpose of raising the revenue listed in the General Fund - Part I, Section 2 of this ordinance.

SECTION 2: This rate of tax is based on a total valuation of property for the purpose of taxation of \$3,305,067,805 and an estimated rate of collection of 95%.

SECTION 3: There is hereby levied an assessment of twenty-seven cents (27¢) per acre for the Newland Drainage District for the purpose of raising the revenue to maintain the drainage in the service district.

Approved on June 29, 2009 by the following vote of the members of the Pasquotank County Board of Commissioners: four in favor; two opposed.

\_\_\_\_\_  
Marshall H. Stevenson, Jr., Chairman  
Pasquotank County Board of Commissioners

Attest:

\_\_\_\_\_  
Karen S. Jennings  
Clerk to the Board

**3. APPROVAL OF BUDGET AMENDMENTS:**

Finance Officer Sheri Small outlined several budget amendments needed to complete the 2008-09 fiscal year. After review;

Motion was made by Lloyd Griffin, seconded by Matt Wood to approve the following budget amendments as presented. The motion carried.

**CAPITAL RESERVE**

Decrease	021.0991.4991.00	Fund Balance Appropriated	1,579,671.00
Decrease	021.8200.5960.01	Capital Reserve Unallocated	1,579,671.00

**WATER SYSTEM**

Increase	060.0991.4991.00	Fund Balance Appropriated	1,349,000.00
Decrease	060.7140.5500.00	Capital Outlay	14,000.00
Increase	060.7140.5594.01	Waste Water Line	1,363,000.00

**SPECIAL APPROPRIATIONS**

Increase	010.0180.4330.00	Eliz City in Lieu of Taxes	21,172.00
Increase	010.6600.5610.06	Elizabeth City Housing Authority	21,172.00

**JAIL**

Increase	010.0600.4980.00	Jail-Perq/Camden	22,756.00
Increase	010.0991.4991.00	Fund Balance Appropriated	44,174.00
Increase	010.4320.5700.19	Jail-Debt Service	66,930.00

Commissioner Bill Trueblood noted that when looking at the Water System and the \$1.3 million that was appropriated for the wastewater line that goes to Commerce Park to help the north side of town to develop, he wants everyone to understand that this is not tax money, but is money coming from the water customers in Pasquotank County. He said this only represents about 40% to 50% of the county's taxpayers. He stated that everyone needs to be cognizant of the fact that revenues are being lost to the city because the county is failing to act in the proper manner to ensure that the Pasquotank County Water System can continue to grow by furnishing water to an entity that is not serving water. He said the county needs the fees for the water that is being furnished and the city can have the fees for electricity and sewer. He stated that anytime \$1.4 million is being invested in the economic growth of the county, somebody needs to give it serious thought.

Commissioner Matt Wood stated that this has been an ongoing discussion for months and it is hard to take apart pieces of the relationship between the city and the county. He said the relationship between the city and the county is an intricate relationship and involves public safety, public health and many other things. He stated that this particular issue can be easily addressed if the fees are put into the price of the water being sold. He said the county has a long term relationship with the city to purchase water and the price of that water should reflect all of the county's costs.

**4. APPROVAL OF SOLID WASTE DISPOSAL AND TRANSFER AGREEMENT:**

The Board considered a proposed solid waste disposal and transfer agreement with Waste Management of Virginia, Inc. Solid Waste Director Michael Etheridge explained that the draft agreement was finalized this morning by him, the County Attorney and the attorney for Waste Management. He said this is a proposal to provide a possible revenue stream for the Solid Waste budget which could net up to \$50,000 per year. After questions and discussion;

Motion was made by Lloyd Griffin, seconded by Matt Wood to approve the proposed Solid Waste Disposal and Transfer Agreement with Waste Management of Virginia, Inc. as presented. The motion carried.

Commissioner Wood stated that he would like to thank and commend Mr. Etheridge for being entrepreneurial and trying to find ways to create revenue, not just with this agreement, but in a variety of ways he has been creative in either cutting costs or finding extra revenue sources.

County Manager Randy Keaton reminded the Board that two bid openings will be held tomorrow. At 11:00 AM bids will be opened on the financing for the RO plant and at 2:00 PM bids will be opened on the RO plant construction. A preliminary report on the bid openings will be given at the Water Committee meeting this Wednesday, July 1.

Motion was made by Lloyd Griffin, seconded by Jimmie Harris to adjourn the meeting. The motion carried and the meeting was adjourned at 7:30 PM.

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CHAIRMAN

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CLERK