

**PASQUOTANK COUNTY, NORTH CAROLINA
AUGUST 17, 2009**

The Pasquotank County Board of Commissioners met today in a regular meeting on Monday, August 17, 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: 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. Jacob L. Burke, Sr., Pastor of Harvest Christian Fellowship Church, gave the invocation and Vice-Chairman Lloyd Griffin led in the Pledge of Allegiance to the American Flag.

1. DISCUSSION REGARDING DISMAL SWAMP REFUGE:

Chairman Stevenson recognized Mr. Chris Lowie, Dismal Swamp Refuge Manager, to discuss the Dismal Swamp Refuge. Mr. Lowie explained that the refuge was established in 1974 through a donation from Union Camp. He presented a map showing the 112,000 acres in the refuge, and advised that one-third of the acreage is in Chesapeake, one-third in Suffolk, and one-third in the three counties in North Carolina. He said the refuge was established to protect and restore a unique and outstanding ecosystem. He stated that the Dismal Swamp is rich in history, starting with George Washington who was the first documented land owner in the Dismal Swamp and who dug the first ditch to drain the swamp, log it, and farm it. The swamp is also part of the Underground Railroad Network to Freedom which was designated in 2005. Mr. Lowie advised that the 15-year plan for the refuge was developed in 2006. Some of the key projects going on that might impact residents of Pasquotank County include restoration and management of hydrology in the swamp and restoration of Atlantic White Cedar which was destroyed by Hurricane Isabel in 2003. This project was moving very well until last year's fire which wiped out a lot of the cedar restoration area. Another project is to log out the hardwoods from one of the mixed pine/hardwood forests and leave the pines for the red-cockaded woodpecker which is an endangered species. Mr. Lowie reported that the refuge has an active fire program and prescribes burning on a regular basis around the refuge. He said their secondary management purpose is for public use and they have a hunting program for deer and bear, fishing in the lake, and environmental education and interpretation. He stated that Lake Drummond is the heart of the swamp and is the largest natural lake in the State of Virginia. He said the refuge has a new education pavilion and is replacing the Washington Ditch Boardwalk Trail. He advised that the refuge will be celebrating its 35th anniversary on August 29.

Mr. Lowie provided some pictures and statistics on the South 1 fire last year which was caused by a piece of logging equipment. He stated that the fire began on June 9, 2008 and was out on October 7, 2008, cost \$12 million to fight, and involved up to 450 personnel at one time. He said the fire had a severe impact on the refuge, however vegetation is beginning to slowly come up in some of the burn areas.

Mr. Lowie advised that there are various volunteer and youth opportunities in the Dismal Swamp Refuge including internships, public events, office and field work, the Dismal Swamp Coalition, and the Youth Conservation Corps.

The Board thanked Mr. Lowie for his report.

2. DISCUSSION REGARDING VOLUNTARY AGRICULTURAL DISTRICTS:

Chairman Stevenson called on Extension Director Travis Burke to discuss voluntary agricultural districts. Dr. Burke reported that he recently spent time with one of the attorneys and the person at N.C. State who coordinates the Voluntary Agricultural District Program for the state. He passed out to the Board a list of the proposed Voluntary Agricultural District committee members. He said the first thing the Board needs to do is to establish a committee. He stated that the names on the list include farmers from the different townships and members of the Extension Advisory Council. He said after a committee is established meetings will be held over the next several months with various departments that would be affected by the Voluntary Agricultural Districts. An ordinance would then be drafted and presented to the Board of Commissioners for approval. Dr. Burke stated that the purpose of the VAD's is to preserve the agricultural merits of a community and promote co-existence between agriculture and the general public in the community. He said between now and early December he anticipates that a series of meetings will be held with the committee.

3. COMMENTS FROM MELBA PURKETT:

Chairman Stevenson recognized Ms. Melba Purkett of 610 Laura Lee Street. Ms. Purkett asked if any progress has been made regarding the drainage and flooding in her area since she last appeared before the Board. Commissioner Bill Trueblood responded that he, Rodney Bunch, and Ronnie Sawyer from DOT walked the area to look at the direction the water seemed to be flowing. He said there appeared to be some discrepancy between the way the culverts were laid versus the way the water is intended to go. He stated that they requested Mr. Sawyer to see if some elevations could be shot along Laura Lee and he understands this was done last week. He said they also requested that a hydrologist do some hydrology work in regards to the bypass and Halstead Boulevard.

Assistant County Manager Rodney Bunch advised that he had a message today from the DOT Division Engineer who informed him that he has followed up to request a hydrologist look at this situation.

Chairman Stevenson requested that Ms. Purkett be notified of any action on this matter.

4. COMMENTS FROM MICHAEL GRAY:

Mr. Michael Gray of 853 Body Road stated that he farms with his brother and his father and they recently planted about 80 acres of cabbage. He said from Wednesday afternoon to Friday afternoon this crop had seven inches of rain and he could have rowed a boat almost anywhere in his crop of cabbage. He stated that there have been big rains in this area before but he has never known of water to stay around as long as it has this time. He said it is still too soon to tell how many acres of cabbage he will lose, but he will lose some. He added that something needs to be done with the Knobbs Creek Drainage District to get the water off of the property and he believes something is blocking the water from flowing as it should.

5. COMMENTS FROM TOMMY STEVENSON:

Mr. Tommy Stevenson of 1305 Four Forks Road explained that several roads on the south side of Elizabeth City, specifically Glade Road, Simpson Ditch Road, Body Road, Blount Road, and Peartree Road, do not drain properly and there appears to be alligatorweed, trees, and trash blown from garbage trucks in the ditches. He stated that the ditch is still full of water on Simpson Ditch Road from Oak Stump Road back towards the highway. In the other direction the ditch is half to two-thirds empty, so something appears to be stopped up. Mr. Stevenson said that water from the Friday night rain was still across Glade Road on Sunday morning. He said if DOT could mow the roadside ditches more regularly it would help keep the ditches from getting blocked up so much when they do mow.

Commissioner Wood noted that roadside ditches clearly appear to be the problem and DOT is responsible for the ditches. Chairman Stevenson said he and Commissioner Trueblood witnessed a farmer cleaning and mowing the bottom of a roadside ditch to keep the water from backing up on his cabbage crop. He stated that DOT said their mowing machine was being repaired and that their mowing funds had been cut. Commissioner Trueblood stated that he would talk with Mr. Wilkins from DOT to find out the status.

Mr. Rufus Jackson of 917 Halls Creek Road stated that he has lived on Halls Creek Road since 1977 and bought a farm there in 1972. He said since 1972 not a single ditch on that road going to the swamp has been cleaned out. He stated that he farms land on Simpson Ditch Road, Glade Road, and Halls Creek Road and there is a problem getting the water off of these farms. He said

the culvert at Oak Stump Road is too high and needs to be lowered so the water coming from U.S. 17 can keep on moving toward the landfill. He stated that two years ago the state put new culverts under Simpson Ditch Road near the landfill, however they are not deep enough or big enough to take care of the water even with a normal rain. Mr. Jackson said this is hurting their crops and something needs to be done.

Commissioner Dixon noted that he thought DOT had moved some of last year's secondary road money to maintenance projects and he asked if some of this money could be used for ditching and drainage rather than secondary road improvements. Assistant County Manager Rodney Bunch stated that he would need to follow up with DOT. Commissioner Trueblood added that some secondary road money was freed up when two roads were removed from the paving list.

Commissioner Trueblood stated that he would like to comment to those who have water going to Knobbs Creek that the Board has tried for the last two years, has identified the Knobbs Creek Basin, and did its very best a few months ago through a public hearing to ask those people to accept a small tax in that district to do some work in Knobbs Creek. He said the proposal was however rejected by the public. He asked for input and help from those who are requesting that improvements be done when the county is trying to implement this plan. He stated that he understands no one wants the tax, but somebody has to pay the bill. He stated that the Knobbs Creek Drainage Basin has been established, however there is no funding for it. He added that public support is needed in order to implement a tax and do the drainage work. He said the work was planned to begin at Main Street Extended where there has been concerns regarding the culverts.

Commissioner Wood noted that the Board has a choice of either taxing everyone in the county to address drainage issues or creating service districts and taxing the property owners in the districts. He said the problem with taxing everyone in the county is that the city already assesses a drainage tax to all city property owners. He stated that the only option appears to be the drainage districts and support is needed to do that.

Chairman Stevenson said there appears to be two problems: 1) The Knobbs Creek Drainage District has been established but funding has not been implemented; and 2) the road ditches need to be addressed by DOT. He asked if pressure could be put on DOT by possibly inviting District I Board of Transportation Member Stan White to discuss the drainage issues that are caused by DOT ditches. Commissioner Wood suggested that a tour be developed to include the problem areas with regard to drainage and traffic problems as well. The Board agreed that staff should work with DOT to create the tour.

Commissioner Perry noted that he believes the county will continue to have the problems it is having until it is everybody's problem. He said if people are not affected by flooding on their property they might be affected if they cannot get to the hospital in an emergency because of flooding or if emergency vehicles cannot respond to calls because of flooding.

Commissioner Wood added that he and Commissioner Trueblood feel there is a need to establish all of the other drainage districts and they would like to start that process. He stated that the Stormwater Management Committee will begin the process.

County Attorney Mike Cox stated that there are several options he would like to discuss with the Stormwater Committee when it discusses drainage districts.

6. 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 request from EMS Board to purchase two convalescent ambulances from Albemarle Hospital and the equipment needed to upgrade them, and approval to increase mileage rate from \$8.50 per loaded mile to \$10.50 per loaded mile; 2) Approval of Solid Waste Ordinance change to level the fees for all counties in the region; and 3) Award of water tank painting contract to Southern Corrosion, Inc. for \$140,848.

Motion was made by Matt Wood, seconded by Lloyd Griffin to amend the agenda to add the three items recommended by the Finance Committee to the consent agenda. The motion carried unanimously.

7. APPROVAL OF CONSENT AGENDA:

The Board considered the consent agenda. Commissioner Jeff Dixon requested that Item 7E, Approval of Amendments to AEDC Bylaws, be moved from the consent agenda to the regular agenda for further discussion.

a. Approval of Minutes of August 3, 2009 Commissioner Meeting

b. Approval of Tax Releases

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

Releases:

		County	City
1.	Wanda Byrum Rogers	101.48	88.03
2.	Gary Michael Cressman	567.53	
3.	Karsan Dev Ltd	126.95	
4.	Queenswood Property Owners	107.06	
5.	Janet D. Jones	234.00	
6.	Samuel O. Jones, Jr.		145.80
7.	Debbie B. Holley	405.07	
8.	Melvin & Bettie Parker	308.25	202.50
9.	Leolia Mitchell	445.14	
10.	Johnnie W. Muse	120.00	
11.	Douglas M. & Sophia Sawyer	120.00	
12.	Lessie Griffin	194.00	
13.	Robert Steven Josvai, II	109.13	
14.	Corey Scott Leon Johnson	118.69	
15.	Tiffany Diane Johnson	118.69	
16.	Joanna Easter Delavergne	113.19	
17.	Casey Jean Kloft	116.44	
18.	Nancy W. Sample	243.95	
19.	Samuel S. Davis, III	744.20	516.15
20.	Irma T. Hall Wood	334.70	201.15
21.	Irma T. Hall Wood	609.06	
22.	Suckin Inc.	124.32	95.63
23.	Judith B. Dickerson	308.25	202.50
24.	Lawrence E. & Virginia T. King	442.51	
25.	Doris B. & Alan Middleton	216.11	131.63
26.	Floyd Chester Hampton, Jr.	308.25	202.50
27.	Finis V. Culliver	217.28	132.53
28.	Debra Lee Bankord	186.86	109.13
29.	Robert Vaughn & Roena Darlene Walker	120.00	
30.	Neia Woolard	406.82	278.33
31.	Joan S. Ellis	381.96	259.20
32.	K.L. & Sophia J. Winslow Lf Est	264.08	
33.	William E. & Jean Tarkington	715.70	
34.	Douglas L. Simpson	308.25	
35.	Annie B. Reid	241.56	151.20
36.	Raymond C. & Camilla C. Piasecki	295.09	
37.	Austerberto R. Sr. & Joanne E. Palis, Etal	308.25	
38.	Irvin T. Morgan	293.92	
39.	Eliza W. Mercer Lf Est	243.90	
40.	Marieta Jordan	292.75	
41.	Alverta Lilly Lf Est	516.51	
42.	Geneva W. Lamb	367.04	
43.	Frances H. Harris	430.81	296.78
44.	Suella F. Dew	171.36	97.20
45.	Toniette Tarkenton Critcher	551.90	
46.	William W. Cooper Lf Est & Bonnie Cooper Norton	930.98	
47.	Goldia Britton	265.84	169.88
48.	Thomas Ross Baker	308.25	202.50
49.	Mary Ann Aydlett	447.77	309.83
50.	Curtis & Shirley Horne	263.25	
51.	Gillian Hatch Carlsen	570.33	404.10
52.	Donn C. & Lorraine S. Miller	308.25	
53.	Elmer Jennings	266.42	170.33
54.	Johnnie Ray Gray	109.35	49.50
55.	Joyce Key	462.98	

56.	Timothy S. & Susan R. Witwer	1,164.23	839.25
57.	Big Lots Stores Inc #1891	309.76	238.28
58.	Roy & Janet P. Savin	331.70	

c. Approval of Budget Amendments

The Finance Committee has recommended the approval of the following budget amendments:

Pepsi Grant

Increase	026.0991.4991.00	Fund Balance Appropriated	2,286.00
Increase	026.5873.5310.00	Travel	1,000.00
Increase	026.5873.5311.00	Training	1,286.00

Emergency Management

Increase	010.0991.4991.00	Fund Balance Appropriated	6,507.00
Increase	010.4330.5500.00	Capital Outlay	6,507.00

BFP-Hospital

Increase	026.0991.4991.00	Fund Balance Appropriated	3,421.00
Increase	026.5866.5440.00	Contracted Services	3,421.00

Local Grant

Increase	026.0991.4991.00	Fund Balance Appropriated	9,590.00
Increase	026.4984.5650.00	Local Grant Expenses	9,590.00

d. Approval of Bids for the Mowing of Halstead Boulevard Extended

The Finance Committee has recommended that the Board approve Pasquotank County's share of the cost of mowing/maintaining the landscaping on Halstead Boulevard in the amount of \$8,022 per year.

e. Approval of Recommendations from EMS Board for Purchase of Ambulances and Mileage Increases

The Finance Committee has recommended that the Board approve a recommendation from the EMS Board to purchase two convalescent ambulances from Albemarle Hospital that were previously used by the Hospital for its transport service. The two ambulances would cost a total of \$17,000 and the equipment needed to upgrade them for EMS use would be an additional \$10,144.64 for a total cost of \$27,144.65. The Finance Committee also recommended an increase in the mileage rate from \$8.50 per loaded mile to \$10.50 per loaded mile. The purpose of the increase is to keep pace with the mileage reimbursement rate allowed by Medicare.

f. Approval of Amendment to Solid Waste Ordinance

The Finance Committee has recommended approval of an amendment to the Solid Waste Ordinance that would change the rate charged to dispose of waste that did not originate in Pasquotank or Camden Counties. Rather than being charged double the rates, the rate would be the current commercial rate. Section IV.C.3 would be amended as follows:

That any persons who shall deliver garbage or waste to the Pasquotank County landfill if the waste did not originate in Pasquotank or Camden Counties shall be charged the current commercial rate set forth hereinabove, provided further, that said landfill manager shall have the right and privilege to refuse such garbage, bulky waste, commercial waste or industrial solid waste.

g. Award of Contract for Painting Esclip Road Water Tank to Southern Corrosion

The Finance Committee has recommended that the Board award a contract to Southern Corrosion, Inc. to paint the Esclip Road water tank for its base bid of \$140,848.

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

The following requests for release or refund of the solid waste availability fee have been approved by the Tax Administrator:

OWNER'S NAME	PARCEL ID NUMBER	REASON FOR RELEASE
Cheyretta L. Boone	58-H-39	Unoccupied since 1999
Janice & Hattie Poole	P95-2	Unoccupied for 4 years

Rubenia S. Williams	56-B-8	Unoccupied since 1991
Andrew & Rubenia Williams	25-J-10	Unoccupied since 2003
James R. & Carolyn H. Waters	P36-73	Unoccupied for 2 years
Lenton Ruben Griffin	P80-34A	Unoccupied since 2001
Kathryn J. Bass	23-R-10	Unoccupied since January 2008
Eudora B. Harvey	29-D-24	Unoccupied for 30 years
Eudora B. Harvey	26-A-4	Unoccupied for 3 years
Eudora B. Harvey	P122A-70	Unoccupied for 10 years
Mrs. G.E. Halstead Heirs	P95-46	Unoccupied since 1985
Debra & Edgar Griffin	P140-79A	Unoccupied for 6 years
Hazel T. Godfrey	P8A-36	Unoccupied since mid 1990's
Eunice Mitchell Heirs	P123-12	Unoccupied since 1998
Donnie & Cheryl Russell	P7-26A	Unoccupied since 1994
Charlie E. & Blanche Price	32-H-12B	Unoccupied since 2004
Adams Landing NC, LLC	P89B-10	Unoccupied; model house not sold
Adams Landing NC, LLC	P89B-11	Unoccupied; model house not sold
Adams Landing NC, LLC	P89B-12	Unoccupied; model house not sold
Adams Landing NC, LLC	P89B-35	Unoccupied; model house not sold
Adams Landing NC, LLC	P89B-36	Unoccupied; model house not sold
Adams Landing NC, LLC	P89B-40	Unoccupied; model house not sold
Adams Landing NC, LLC	P89B-41	Unoccupied; model house not sold
Adams Landing NC, LLC	P89B-42	Unoccupied; model house not sold
Adams Landing NC, LLC	P89B-43	Unoccupied; model house not sold
Adams Landing NC, LLC	P89B-48	Unoccupied; model house not sold
Mary E. Walker	P95-27	Unoccupied since 2003

8. APPROVAL OF AMENDMENTS TO AEDC BYLAWS:

The Albemarle Economic Development Commission Board of Directors has approved amendments to its bylaws and has requested approval of the Board of Commissioners and the City Council. The changes remove references to Camden County since Camden has withdrawn from the AEDC.

Motion was made by Matt Wood, seconded by Lloyd Griffin to approve the amended Bylaws for the Albemarle Economic Development Commission Board of Directors.

Discussion followed and Commissioner Dixon said he would like to remind the Board that the Tourism Development Authority is being left off. He stated that he represents the county on the Tourism Board. He explained that there are three entities in this county that make up economic development: the Economic Development Commission, the Chamber of Commerce and Tourism. He stated that he finds that Tourism is being left off of the configuration of the Economic Development Commission. He noted that the AEDC has representatives from the Coast Guard on its board and he cannot understand why the Tourism Development Authority does not have a representative. Vice-Chairman Griffin explained that the AEDC was addressing the issue of Camden County no longer being a paying member of the Board. He noted that the Tourism Director attends all of the AEDC meetings. Commissioner Wood added that the Tourism Director is an active participant in the AEDC meetings, but is not a voting member just like the President of College of The Albemarle and the Chancellor of Elizabeth City State University. He stated that this amendment only adjusts the voting members of the AEDC. He said the AEDC is also trying to include more private sector involvement. Commissioner Wood said he would consider taking a recommendation to the AEDC to include the Tourism Director as an ex officio member of the AEDC.

Commissioner Perry stated that the AEDC needs to look at how it can bring in the African American segment of the community because there can be years that there is no African American involvement at all.

Commissioner Wood said the Chancellor of ECSU has been very active in the AEDC and has attended a lot of the meetings as a non-voting member, and Commissioner Perry has been on the board for several years, so there is representation by the African American community. He suggested that Commissioner Perry make a more specific recommendation.

The motion to approve the amendments to the AEDC bylaws carried by a five to two vote with Commissioners Perry and Dixon voting against approval.

9. APPROVAL OF PRELIMINARY PLAT EXTENSION FOR CREEKSIDE FARMS, PHASE II:

Planning Director Shelley Cox explained that Main Street Development has requested an extension of the preliminary plat approval for Creekside Farms, Phase II due to current economic conditions. Creekside Farms' original approval consists of two phases containing a total of 75 residential lots. Phase I contained 29 lots and received final approval on November 19, 2007. Phase II contains the remaining 46 lots. The Subdivision Ordinance provides that the final plat for Phase II must be submitted within 48 months of the approval of Phase I. Based upon this requirement, the preliminary plat for Phase II will expire on November 19, 2009. Due to the economic circumstances Main Street Development has requested a one year extension of the preliminary plat to give them more time to get all of the final plat improvements in place. Ms. Cox said they have already done a significant amount of work for Phase II, including drainage improvements, road grading and installation of water lines in that section. She stated that they feel they are unable to proceed with the final plat at this time and are requesting an extension. Ms. Cox stated that she recommends approval of the one-year extension.

Motion was made by Lloyd Griffin, seconded by Cecil Perry to approve a one year extension of the preliminary plat for Creekside Farms, Phase II. The motion carried unanimously.

10. CONSIDERATION OF FINAL PLAT FOR FERRY POINTE, PHASE 7:

Ms. Cox explained that Albemarle Associates is requesting final approval for Ferry Pointe, Phase 7 consisting of eight residential lots. She advised that the property is zoned R-25 Residential and lot sizes are proposed to range from 25,000 square feet to 33,236 square feet. She stated that at the time the analysis was done, several concerns were noted, however some of those concerns have been addressed. She provided some pictures showing the problem areas. She listed the following concerns that have not been addressed:

- In areas where erosion has occurred, sediment build-up should be removed and the ditch re-graded to ensure proper drainage. Ditch slopes and swales should be re-seeded and stabilized to prevent further erosion.
- The earthen berm that is adjacent to the road bed should contain weep holes every 100' - 150' to ensure that surface water can quickly escape from the stone base;
- Potential erosion of the Mueller driveway ditch should be addressed.
- The 18" culvert located in the outfall ditch (on Mueller property) should be removed or adequately sized.
- State permits must be modified to reflect current owners.
- Deed restrictions, as required by the state stormwater permit, must be provided.
- The street maintenance bond must include ditching improvements and culverts.
- Maintenance responsibility of the open space must be established.

Mr. Jason Mizelle with Albemarle Associates reviewed the list of items and stated that some of the items have been addressed just today and others will be taken care of in the next few days. He said it is the developer's wish to get approval tonight even if it is conditioned upon these items being addressed.

Chairman Stevenson asked Ms. Cox what staff's recommendation would be. Ms. Cox responded that she is recommending that the final plat not be approved until the outstanding items are addressed.

Motion was made by Matt Wood, seconded by Bill Trueblood to table action on the final plat for Ferry Point, Phase 7 until the next meeting in order to see what action is taken to improve the outstanding issues. The motion carried by a six to one margin with Commissioner Harris voting against the motion.

11. ADOPTION OF RESOLUTION RELATING TO THE AUTHORIZATION OF A WATER AND SEWER SYSTEM REVENUE BOND, SERIES 2009:

The Board considered adoption of a resolution that begins the process of the revenue bond issue for the RO Water Plant. The resolution makes the necessary findings regarding the issuance of the revenue bond and authorizes the appropriate staff to act on behalf of the county in executing the necessary documents. The Clerk noted that at the end of tonight's meeting, the Board should recess until August 25, the date of the joint meeting with the city, in the event further action is needed on the issue before the next regular meeting.

* * * * *

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

**RESOLUTION RELATING TO THE AUTHORIZATION
OF A WATER AND SEWER SYSTEM REVENUE
BOND, SERIES 2009 OF THE COUNTY OF
PASQUOTANK, NORTH CAROLINA**

WHEREAS, the County of Pasquotank, North Carolina (the "County") owns and operates certain facilities comprising a water and sewer system of the County (the "Water and Sewer System"); and

WHEREAS, the Board of Commissioners for the County (the "Board") has determined that it is necessary to acquire and construct certain additional improvements to the Water and Sewer System including the construction of a reverse osmosis water treatment plant with an initial production capacity of two million gallons per day on a site of approximately 10 acres, four water production wells, 12 and 24-inch raw water mains, approximately five miles of 24-inch transmission mains, approximately 19 miles of a 12-inch discharge force main and a discharge header located approximately 2,000 feet off shore in Albemarle Sound and the acquisition of any necessary land, rights-of-way and equipment therefor (the "Additional Improvements"), which Additional Improvements will expand the water production and distribution capacity of the Water and Sewer System to enable the County to provide better water service to the residents of the County and other units of local government; and

WHEREAS, the Board is considering authorizing the issuance of a revenue bond of the County in a principal amount not exceeding \$16,500,000 and designated "Water and Sewer System Revenue Bond, Series 2009" (the "Series 2009 Bond") pursuant to a bond order adopted by the Board on April 13, 1994 (the "Bond Order") for the purpose of providing funds, with other available funds, for paying the cost of the Additional Improvements, funding a debt service reserve account with respect to the Series 2009 Bond and paying expenses incidental and necessary or convenient thereto; and

WHEREAS, it is necessary to take certain related action at this time;

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

Section 1. The Board hereby finds and determines in connection with authorizing the issuance of the Series 2009 Bond that (i) the issuance of the Series 2009 Bond is necessary or expedient for the County to be able to pay the cost of the Additional Improvements in order to provide better water service to the residents of the County and other units of local government, (ii) the proposed principal amount of the Series 2009 Bond, with other available funds of the County, will be sufficient but not excessive for the proposed purpose of such issue because it is based upon contractors' bids received by the County with respect to the Additional Improvements and the County's best estimates of related costs for which it has not received contractors' bids, (iii) the proposed financing described above is feasible because the net revenues of the Water and Sewer System are expected to be sufficient to pay the costs of operating and maintaining the Water and Sewer System and debt service on the Series 2009 Bond, (iv) the County's debt management procedures and policies are good and are managed in strict compliance with law and (v) under current economic conditions the Series 2009 Bond can be marketed at a reasonable interest cost to the County.

Section 2. The County Manager, the Finance Officer and the County Attorney of the County are each hereby designated as a representative of the County to file an application for approval of the issuance of the Series 2009 Bond with the Local Government Commission of North Carolina (the "Local Government Commission") and are authorized to take such other actions as may be advisable in connection with authorizing the issuance of the Series 2009 Bond; and all actions heretofore taken by any of such officers or any other officer of the County relating to such matter on behalf of the County are hereby approved, ratified and confirmed.

Section 3. The Local Government Commission is hereby requested to sell the Series 2009 Bond at private sale without advertisement to any purchaser or purchasers thereof, at such prices as the Local Government Commission determines to be in the best interest of the County, subject to the approval of the County.

Section 4. The Board recommends the selection of the following professionals to be on the financing team for the authorization and issuance of the Series 2009 Bond and that their services be utilized to the extent required and where appropriate:

Bond Counsel	Robinson, Bradshaw & Hinson, P.A., Charlotte, North Carolina
Appropriate Consultant	Hobbs, Upchurch & Associates, P.A. Southern Pines, North Carolina
Trustee, registrar, transfer agent and paying agent	First-Citizens Bank & Trust Company Raleigh, North Carolina

The Board hereby requests the Local Government Commission to approve its selection of such professionals as members of such financing team.

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

Upon motion of Commissioner Griffin, seconded by Commissioner Trueblood, the foregoing resolution was passed by the following vote:

Ayes: Commissioners Stevenson, Griffin, Wood, Trueblood, Perry, Dixon, and Harris.

Noes: None

* * * * *

12. REPORTS FROM COUNTY ATTORNEY:

County Attorney Mike Cox said at the last meeting there was discussion regarding a parcel of property in Camden County owned by Albemarle Hospital, Pasquotank County and Albemarle Mental Health on which NCDOT would like to acquire a right of way and an easement in order to widen Highway 158. He stated that this is moving forward and he anticipates having some type of an agreement for the Board to consider at the first meeting in September.

Mr. Cox stated that Attorney Herbert Mullen sent the Board a letter a few weeks ago regarding a piece of property on Crooked Run Road. He said the county was hesitant to issue a building permit for this property because of a boundary dispute. He stated that it is staff's opinion that the parties should get private attorneys to try and settle this.

13. REPORT FROM CLERK:

Clerk to the Board Karen Jennings explained that the Board had previously requested that a letter be sent to the Commissioner of Insurance inviting him to meet with the Board to discuss insurance rates. She said that Commissioner Goodwin is available to meet with the Board and has provided three dates he will be available. The Board agreed to schedule the meeting on September 2 at 1:00 PM.

14. APPOINTMENT TO TOURISM DEVELOPMENT AUTHORITY:

Commissioner Trueblood reported that the Appointments Committee met today and voted to accept a recommendation from the City Council to appoint Councilwoman Jean Baker to replace Councilman Kirk Rivers on the Tourism Development Authority.

Motion was made by Bill Trueblood, seconded by Lloyd Griffin to appoint Jean Baker to replace Kirk Rivers as the City Council representative on the Tourism Development Authority. The motion carried unanimously.

15. REPORTS FROM COMMISSIONERS:

Commissioner Cecil Perry reported that Chowan County has expressed an interest in joining the District Jail Commission and being part of the Albemarle District Jail. He stated that the Jail Commission will be discussing this at its September 17 meeting.

Chairman Stevenson reminded those Commissioners who have not contributed to the Commissioners' Flower Fund to do so.

Chairman Stevenson asked if there was any further business to come before the Board. There being no further business;

Motion was made by Matt Wood, seconded by Jimmie Harris to recess the meeting at 8:45 PM to be continued at 7:00 PM on August 25, 2009 in the Community Room of the Pasquotank County Public Safety Building on Colonial Avenue. The motion carried unanimously.

CHAIRMAN

CLERK

**PASQUOTANK COUNTY, NORTH CAROLINA
AUGUST 25, 2009**

The Pasquotank County Board of Commissioners met today in a special joint meeting with the City Council of Elizabeth City on Tuesday, August 25, 2009 in the Community Room at the Pasquotank County Public Safety Building. The Board reconvened its meeting from August 17, 2009 which was recessed in the event additional documents needed to be approved in connection with the RO plant financing.

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

MEMBERS ABSENT: Jeff Dixon (*Due to Family Illness*)

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

Also present were the Mayor and City Council, the City Manager, City Clerk, City Attorney, and city staff. The meeting was called to order at 7:00 PM by Chairman Marshall Stevenson and Mayor Steve Atkinson. Councilman Rickey King gave the invocation and everyone recited the Pledge of Allegiance to the Flag. Chairman Stevenson and Mayor Atkinson welcomed everyone.

1. DISCUSSION REGARDING OLD ELIZABETH CITY MIDDLE SCHOOL BUILDING:

County Manager Randy Keaton stated that several members of City Council toured the old Elizabeth City Middle School Building today. He said the county understands that the city is in the process of performing a space needs study and the county has expressed an interest in someone making a productive use of the building. He said the main building that was built in the mid 1920's is structurally sound and has a new membrane roof system which was replaced after Hurricane Isabel. The HVAC system is approximately 15 years old. Mr. Keaton explained that the building has a total of about 50,000 square feet of space on the upper two floors. He said the annex needs to eventually be torn down and a new entranceway to the gym built. He stated that the county is in the process of leasing the gym to the Police Athletic League to provide more recreational activities. The site contains approximately 8.16 acres of land. Mayor Atkinson said when the city's study is completed, Council will know more about its options and the old middle school will be included as one of the options. The City Manager advised that a draft of the study should be completed by the end of September.

2. PRESENTATION REGARDING CONSTRUCTED WETLANDS:

Chairman Stevenson introduced Mr. Mark Powell, Coordinator for Albemarle Resource Conservation & Development Council which represents ten counties in the region. Mr. Powell explained that the Albemarle Sound is not just a natural resource, but is an economic asset and is what in part drives the economy for the whole region. He stated that Northeastern North Carolina is fortunate to have a lot of clean water resources, lots of land, good air quality, and a good quality of life. He said that the population in the ten counties around the Albemarle and Pamlico Sounds served by Albemarle RC&D is projected to increase by 34% over the next 25 years. He explained that this development will put a lot of pressure on counties, towns and municipalities to provide infrastructure for the development, including sewer, water, roads, schools, and stormwater management. Albemarle RC&D has been working over 35 years in the ten counties balancing conservation of natural resources with economic and community development. He said when this balance does not occur the area could experience problems similar to those being experienced in the Chesapeake Bay area. He noted that hundreds of millions of dollars have been spent trying to clean up the Chesapeake Bay over the last 30 years and those problems still do not appear to have been corrected. He presented pictures of retention/detention ponds that are commonly used in North Carolina to handle stormwater runoff. He pointed out that most are liabilities, have maintenance issues and are unsightly. Mr.

Powell stated that a better way to handle stormwater is with the use of constructed wetlands. He provided pictures showing examples of constructed wetlands in Pasquotank County and in other local counties. He explained that the wetlands filter water and carry it out to rivers and sounds. He said the Resource Conservation & Development Council is encouraging counties and municipalities to utilize constructed wetlands, especially in developing commercial parks. He noted that water quality is directly correlated to economic and community development. He challenged the city and the county to think innovatively and try to put these systems in place. He said a wetland can be constructed anywhere a detention pond can be constructed. He noted that a detention pond does nothing for water quality, however N.C. State University research has shown that wetlands take out about 50% to 70% of nitrates, 60% of phosphorous, and over 90% of heavy metals in runoff.

Mayor Atkinson and Chairman Stevenson thanked Mr. Powell for his presentation. Chairman Stevenson said the waterways are a great asset in Northeastern North Carolina, development is occurring around the water, and the waterways need to be protected.

3. DISCUSSION REGARDING POSSIBLE CONSOLIDATION OF CITY AND COUNTY PARKS AND RECREATION DEPARTMENTS:

City Manager Rich Olson explained that over the years the city and county have discussed consolidation of services. A number of departments are now jointly funded by the city and the county including Central Communications, Animal Control, Economic Development, Fire Department, Airport Authority, and Recreation/Senior Center. He explained what is currently involved in the city's recreation department and what is involved in the county's recreation department, as well as the funding levels. He reported that the city Parks & Recreation Director is planning to retire on December 31 and now might be the time to consolidate city and county recreation departments.

County Manager Randy Keaton stated that an interlocal agreement between the city and county for recreation has been in place for a number of years. He explained that the county stepped up its funding level a few years ago to reflect the level of participation from people outside the city limits. He said the city and county jointly funded the construction of the Senior Center and it has been a 50/50 operation since that time. He said the county got into the recreation business in the 1990's when it decided to construct Fun Junktion on vacant land created when the landfill was closed. The county received a PARTF grant to build the facilities. Until that point the county had never been in the recreation business but had always supported the city's operation. In addition to Fun Junktion, the county operates Meads Pool which did not open this year due to budget cuts, Sawmill Park, Weeksville Boardwalk, South Park, River Road Sports Complex, and baseball and soccer fields at River Road Middle School. Mr. Keaton stated that the cooperation between the city and county recreation programs is extraordinary right now and the joint recreation projects have gone very smoothly. He added that once the old middle school gym is opened back up it will be an additional facility to expand recreational opportunities even more.

Mr. Keaton and Mr. Olson both stated that they do not believe there will be significant cost savings for either the city or the county if the recreation departments are consolidated, however consolidation may allow the city and county to offer a higher level of service at the same cost.

Commissioner Cecil Perry asked if there is a possibility of the city and county receiving stimulus money to hire young people during the summer months to help with mowing and yard maintenance at the various parks. He said this would save the city and county money. Mr. Keaton responded that the county was able to hire several young people this summer through a stimulus program and some of them worked for the Parks & Recreation Department.

Mayor Atkinson advised that staff's recommendation is for the City Manager, County Manager, and County and City Parks & Recreation Directors to meet and explore the possibility of consolidation and formulate a recommendation for consideration by both governing bodies.

Motion was made by Lloyd Griffin, seconded by Matt Wood to request the City Manager, County Manager, County Parks & Recreation Director, and City Parks & Recreation Director to meet and explore the possibility of consolidation of city and county recreation departments or continuation of the recently expired interlocal agreement and formulate a recommendation to be brought back to both governing bodies in 45 days. The motion carried.

City Council passed an identical motion.

4. UPDATE ON AVIATION PARK PROJECT:

City Manager Rich Olson provided an update on Phase One of the Aviation Park. He said Phase One is substantially complete at this time and he anticipates final completion by September 15. He stated that there are still some minor items to be done and change orders by the contractor to be executed. He presented several pictures showing lightning damage to the runway that still needs to be repaired by the contractor. He reported that the city has deeded the 15 acres to Elizabeth City State University, however it is not known whether the deed has been recorded. He said the restrictive covenants for the Aviation Park have been recorded. Mr. Olson presented several aerial photos showing the park and the site where four additional hangars will be constructed. He provided a spreadsheet showing the various funding sources and grants involved with this project and what part of the overall project they have paid for. He explained that the county has approved with conditions DRS's site plan to construct four additional hangars. He advised that at the current time DRS has 270 employees and has hired 83 new employees since the project began. As soon as the total of new employees reaches 100, a number of the grants can be closed out with the exception of the Golden LEAF grant which requires that DRS employ 500 people over a five year period. Mr. Olson advised that one of the problems being experienced at the Aviation Park is the ability to hire qualified individuals. He said based on the agreement with DRS 60% of their employment workforce must come from the counties of Pasquotank, Perquimans, Camden, and Gates. He stated that they are working with COA on a training program to prepare students for the DRS jobs.

County Manager Randy Keaton noted that an interlocal agreement between the city and county was executed years ago in which the county agreed that if the city did not annex the airport property, the county would share half of any tax revenue generated at the airport. Since then the DRS hangars have been built and other improvements have been made. Mr. Keaton said he estimates that this year the city will get back approximately \$45,000 in tax revenue which will offset the amount the city is paying as a subsidy to the Airport Authority. He said previously about \$10,000 was returned to the city annually.

Economic Developer Wayne Harris reported that today the Deputy Secretary of Commerce and another Department of Commerce official were in town for the TCOM ceremony. Following the ceremony they went to DRS. He said DRS is meeting the 60% threshold, but would like to hire more from the local counties. He stated that they had a meeting with COA President Lynne Bunch who explained what is happening with the program they hoped to have at the airport. He said the Community College System does not have any money for new programs. The capital investment is being funneled through the University System to get the FAA certified A&P Program in place and it was not funded this year and will likely not be funded next year. Mr. Harris said there is no place to put the program if there is also no money to launch the program. He stated that North Carolina has one of the best industry training benefits in the country and if the industry makes a decision to hire someone they are not sure is fully qualified to do the job, then the Community College System could provide training for that person. If the A&P Program were in place as it is in Craven County, the community college program would become the gateway for local people to be certified to become qualified for those jobs. Mr. Harris stated that COA has applied for grants to fund that program and has been rejected.

Commissioner Wood noted that COA would like to have a standalone program. He added that the community college is working very closely with DRS and is training people and is moving things forward. He said there is a lot of frustration in the community about how to access DRS jobs. He stated that this two-year program is the key.

Mr. Harris added that it would also be nice to diversify the industrial base at the Airpark and he said an independent training program through COA is absolutely critical in order to do that.

Commissioner Trueblood stated that he believes it is time to ask the neighboring counties to step up and provide more funding for COA in order for this program to be offered since the citizens of those counties would benefit from the training program.

It was suggested that the public schools get involved as well in order to provide the appropriate preparatory courses to enable students to get into the training program at COA and eventually obtain employment at DRS.

Commissioner Wood informed everyone that the Airpark Project is the envy of every community in the State of North Carolina. He said it has been done with a tremendous amount of cooperation from city and county government and the federal government. He said there are already many success stories for those who have gotten jobs at the Airpark and have had their lives turned around. He stated that this is a wonderful accomplishment in which everyone should have a lot of pride.

5. DISCUSSION REGARDING SALES TAX DISTRIBUTION METHOD:

The two boards discussed a request from the city that the county change the method of sales tax distribution from the ad valorem method to the per capita method. County Manager Randy Keaton presented a chart prepared according to a template from the School of Government. He showed with the current distribution method a citizen of the city has a per capita advantage of \$78, while a citizen of the unincorporated area has a \$73 disadvantage. Based on the current ad valorem formula which uses the total sales taxes that were assessed, the total comes out to about 75% county and 25% city. The per capita formula uses the ratio of population and it would come out to about 67% county and 33% city in which case there would be a greater spread in the advantage of a citizen of the city over a citizen of the unincorporated area of the county. Mr. Keaton explained that the 75%/25% ratio using the ad valorem method has remained fairly constant over the last 20 years. Mr. Keaton said when he and Chairman Stevenson met with the Mayor and City Manager the question arose as to whether the county would look at changing the formula when the economy improves. He stated that his recommendation would be to not change the formula because it is not an economic issue but a fairness issue. He said as long as county services such as schools, library, social services, and jail are received by all county residents, the sales tax formula should not change because it provides the most benefit of sales tax for all the citizens, not just to citizens who live in one particular part of the county.

Members of City Council stated that the largest portion of sales taxes is generated in the city limits and the city provides the services for these businesses. Mr. Keaton explained that county taxes pay for a broad range of services and many city residents think they are paying double taxes when in essence they are not because they are paying taxes for different services. He said the majority of city taxes go for an enhanced level of police and fire protection. The only services a city is required to provide are building inspections and fire marshal. He said the majority of county services are mandated by the state including schools, social services, the court system, jails, Sheriff's Department, Register of Deeds. He stated that cities can pick and choose the services they provide whereas counties cannot. Mr. Keaton said the method of sales tax distribution that provides the greatest amount of taxes to the county as a whole is the fairest way of distribution of sales tax.

Councilman Stimatz noted that when the county raises property taxes like it did this year, next year it will put a big hole in the city's budget of about \$140,000. He said the county creates a problem for the citizens of the city because the city has to either reduce services or raise taxes. He suggested some sort of hold harmless agreement to prevent this from happening.

Commissioner Trueblood asked Mr. Stimatz which portion of Social Services, which portion of COA, and which portion of the School System budget the city would like to pick up.

Commissioner Perry said he feels that both the city and county can use various formulas to show that the other is not making a particular contribution, but he said he believes that no changes will be made as long as the city implies that the county is in some way taking money from the city. He stated that he believes it would be beneficial to look at city and county services and consider combining some of those services. He added that the state gave counties the authority to determine the method of sales tax distribution. He stated that responsibilities go with the money. He said he pays city and county taxes and he knows that part of what he pays in county taxes pays for the schools and the jail.

Mayor Atkinson suggested that the City Manager and the County Manager further discuss this issue and the comments and suggestions that have been made tonight.

6. COMMENTS FROM COMMISSIONERS AND COUNCIL MEMBERS:

Mayor Atkinson asked if members of City Council would like to comment on any matters. Councilman Stimatz stated that City Council discussed the Main Street culverts at its meeting last night and there is a big problem there as it appears the culverts are not carrying a load. He asked if something can be done to get funding to address this sooner rather than later to prevent additional flooding. Assistant County Manager Rodney Bunch advised that the county has

already requested that the Department of Transportation have the hydrologist look at these culverts again. DOT anticipates a response in the next couple of weeks. Mr. Bunch stated that the county installed tide gauges some time ago and has been collecting data from those gauges that will show where there are buildups. He said this information has been forwarded to Engineer Greg Johnson who has been compiling the information and providing it to the hydrologist. He added that the county is trying to get this problem resolved.

Councilwoman Jean Baker stated that she feels tonight's meeting has been a good meeting. She said the TCOM event today was wonderful. She said the aerostat that was christened today is the technology centerpiece of the national defense system and it was built in Elizabeth City. She remarked that a lot of good things are going on in Elizabeth City.

Councilwoman Anita Hummer said she thinks tonight's meeting has been one of the best joint meetings the city and county have ever had and there has been a willingness to listen.

Chairman Stevenson asked if any members of the Board of Commissioners would like to make comments. Commissioner Trueblood stated that he spoke today with Board of Transportation Member Stan White and Engineer Sterling Baker about the Main Street bridge and culvert. He said DOT is hearing from a lot of local people that there is a problem. He stated that Mr. White informed him that DOT would be glad to do anything that the county could fund, but right now DOT does not have the funding. Vice-Chairman Lloyd Griffin said he does not understand how it could be so difficult to take an excavator and dig a hole and put in bigger pipes and rocks to fix the problem.

Commissioner Harris stated that he believes the information presented tonight was very clear and understandable and he enjoyed the presentations.

Mayor Atkinson stated that there are a lot of positive things going on in the community and he thinks everyone should focus on the positive.

The meeting was adjourned at 9:22 PM.

CHAIRMAN

CLERK