

April 21, 2015

The Washington County Board of Commissioners met in a recessed session on Tuesday, April 21, 2015 at 6:00 PM in the Washington County Commissioners Room, 116 Adams Street, Plymouth, NC. Commissioners Johnson, Manning, Phelps, Sexton and Walker were present. Also present were County Manager Jerry W. Rhodes, Clerk to the Board Julie J. Bennett, Finance Officer Frank Milazi and County Attorney Curtis Potter.

Chair Sexton called the April 21, 2015 meeting to order.

ADDITIONS/DELETIONS: Add Closed Session pursuant to Closed Session pursuant to NCGS §143-318.11 (a)(3) (attorney client privilege) and Closed Session pursuant to NCGS §143-318.11 (a)(6) (personnel).

RESOLUTION: MODIFICATION OF RESTRICTIVE COVENANT OF USE: Mr. Potter explained that there was an error in the original document whereby a statutory reference omitted a numeral. This modification fixes that.

RESOLUTION

WHEREAS, the Washington County Board of Commissioners adopted a Resolution on March 2nd, 2015 approving and authorizing the execution and recording of an instrument entitled "Restrictive Covenant of Use" on certain property more particularly described therein; and

WHEREAS, Provision I (a.) of that Restrictive Covenant of Use provided: "At no time shall the Released Land be used in violation of the nondiscrimination requirements set forth in 13 C.F.R. § 302.2..."; and

WHEREAS, the foregoing statutory reference omitted a numeral and should actually refer to 13 C.F.R. § 302.20 as the proper statute; and

WHEREAS, the Washington County Board of Commissioners now desires to modify the previously approved Restrictive Covenant of Use by replacing the old statutory reference with the correct statutory reference shown above;

NOW THEREFORE, THE BOARD OF COUNTY COMMISSIONERS OF WASHINGTON COUNTY hereby resolves as follows:

1. That the conditions stated within the attached and revised "Restrictive Covenant of Use" instrument are hereby adopted and approved and shall be placed upon the property described therein in exchange for the EDA's release of its interest in said property through the PMA agreement.
2. That the Chair be authorized to execute said instrument as the act of the Board.

3. That the County Attorney be directed to prepare, review, exchange, and record any and all additional instruments reasonably necessary to facilitate such transaction.

ADOPTED this the 21st day of April 2015.

William R. Sexton, Jr, Chair
Washington County Board of Commissioners

Attest:

Julie J. Bennett, CMC, NCCCC
Clerk to the Board

Commissioner Johnson made a motion to approve the Resolution: Modification of Restrictive Covenant of Use. Commissioner Phelps seconded, motion carried unanimously.

RESOLUTION: SCHOOL BUILDING LEASING REFORM: Mr. Rhodes stated that at the previous Commissioners' meeting, the Commissioners asked County Attorney Potter to write a resolution supporting HB 554 School Building Leasing Reform which will help schools be able to spend more local funds on the school.

RESOLUTION SCHOOL BUILDING LEASING REFORM

WHEREAS, the North Carolina Constitution provides in relevant part that North Carolinians "have a right to the privilege of education, and it is the duty of the State to guard and maintain that right," and furthermore requires the General Assembly to provide "for a general and uniform system of free public schools, which shall be maintained at least nine months in every year, and wherein equal opportunities shall be provided for all students."; and

WHEREAS, the Washington County Board of Commissioners recognizes the value and importance of providing an opportunity for a free and sound basic public education;

WHEREAS, the methods of financing and sources of revenues used to provide and pay for public education in the State of North Carolina are complex and constantly changing; and

WHEREAS, county governments have traditionally borne the primary funding responsibility for public school infrastructure and facilities commonly referred to as capital outlay for public schools; and

WHEREAS, the public school infrastructure in much of North Carolina, and especially in rural and economically challenged communities such as Washington County is largely outdated, and in need of significant and costly repairs and/or replacement to bring that infrastructure up to modern standards in order to provide a safer and more

effective learning environment for the direct benefit of the students attending public schools and also for the indirect benefit of all citizens of the State of North Carolina; and

WHEREAS, Washington County is designated as a Tier I county and has extremely limited revenue sources and financing options available to it with which to meet the significant financial challenges faced in providing for the necessary and/or desirable repairs and/or replacement of its outdated school infrastructure and facilities; and

WHEREAS, the Washington County Board of Commissioners recognizes the need to pursue any and all available alternative sources of revenues and/or alternative methods of financing capital outlay needs in order to facilitate the repairs and/or replacement of its outdated school infrastructure and facilities; and

WHEREAS, S.B. 554 as filed on March 26, 2015 and attached to this Resolution has been described to the Washington County Board of Commissioners to provide authority for an additional and alternative method of financing some or all of its capital outlay needs for public school infrastructure and facilities using alternative operating lease authority and/or alternative sources of revenues for related lease payments generated from operational cost savings attributable to school consolidation.

NOW THEREFORE, the Washington County Board of Commissioners hereby resolves as follows:

1. That it supports the adoption of S.B. 554 by the General Assembly of the State of North Carolina to the extent that such legislation will legally provide additional authority, flexibility, and financing options available to Washington County with which to meet its capital outlay needs related to facilitating the repair and/or replacement of its school infrastructure and facilities using alternative operating lease authority and/or alternative sources of revenue for related lease payments generated from operational cost savings attributable to school consolidation; and provided further
2. That such legislation shall not result in the loss of any other methods of financing and/or sources of revenues otherwise currently available to Washington County with regard to meeting its capital outlay needs to make repairs and/or replacements of its school infrastructure and facilities.

ADOPTED this 21st day of April, 2015.

William R. Sexton, Jr., Chair
Washington County Board of Commissioners

ATTEST:

Julie J. Bennett, CMC, NCCCC
Clerk to the Board

Commissioner Walker made a motion to approve the Resolution: School Building Leasing Reform. Commissioner Manning seconded, motion carried unanimously.

OTHER ITEMS BY COMMISSIONERS, COUNTY MANAGER, ATTORNEY OR CLERK:

Chair Sexton spoke about HB640 (Outdoor Heritage Act) which addresses hunting on Sunday. Chair Sexton has been speaking with Rep. Tine. The House Bill states hunting can be done on Sunday with written permission from the landowner. Rep. Tine doesn't think this will pass now. Chair Manning asked what Farm Bureau's status was on this. Chair Sexton said Farm Bureau doesn't want hunting on Sunday's.

Ms. Bennett reminded the Commissioners that County Assembly Day is May 6. That is also the date of the Washington County Livestock Show.

HB 390 (Community College Reassignment) has had its third reading. It is now going to crossover per Mr. Rhodes.

2015 – 2016 BUDGET WORK SESSION: Mr. Rhodes explained the layout of the budget books to the Commissioners. Mr. Rhodes said that he and Mr. Milazi have met with all the Department Heads to discuss their budgets with them.

Commissioner Phelps asked Mr. Milazi about the school budget, the fire commission budget and Martin Community College's Budget. Mr. Milazi stated that the County just received the school budget; the County has not received the fire commission's budget, and the budget for MCC is one line item, \$16,000.00.

Mr. Milazi explained that the budget book is just a working document, nothing is balanced. The budget book works with 3 budgets: requested budget for 2016, current budget for 2015 and what was spent in 2014.

Commissioner Phelps asked about the Dues and Subscriptions and wondered if the County can cut any of these. Mr. Rhodes explained that by being part of some of these organizations the County is able to go to training and keep up to date on things that could affect our county. Ms. Bennett also explained that letters accompany the requests and yearly reports by some of the entities.

Commissioner Walker would like the Departments to set priorities on their dues and subscriptions.

Commissioner Phelps asked for breakdowns of the Finance Department's budget.

Commissioner Phelps asked Tim Esolen, Register of Deeds, about his request for a 2nd assistant. Mr. Esolen said he needs coverage for when someone is sick. Also the Register of

Deeds office is under pressure from the State to get all historical documents scanned. Commissioner Manning asked if Mr. Esolen's assistant has returned to work. Mr. Esolen replied that Ms. Allgood returned last Thursday; however she is still out a few days a week for therapy.

Commissioner Phelps asked about the increase he sees in fees for Edmunds. Ms. Fikes deferred the question to Mr. Milazi. Mr. Milazi said they are service fees for Edmunds making service calls to us. Mr. Rhodes said in the beginning the County had a maintenance fee discount when the County first started using the software. Commissioner Phelps feels that the County can renegotiate Edmunds fee due to the issues the County has been having with the Edmunds software with the Tax office. Ms. Fikes said the capital outlay equipment funds are for replacing the servers.

Commissioner Johnson asked the Sheriff about using ankle monitors on some of these repeat offenders. The Sheriff said this is the first he has heard of this. Commissioner Phelps asked about the priorities on the improvements that need to be made to the jail and detention. Mr. Rhodes said he has toured the jail and has seen the bathrooms, sinks, showers that need replacing. There are security doors being propped open that need repaired, not just patched. There are needs that have to be met.

The Fire Commission has not turned in their budget. The numbers in the budget book are what the County is currently giving them.

The Commissioners asked for the Chamber Director to attend the May 4, 2015 Commissioners meeting to tell how he is spending the County's money.

Terrell Davis, Health Dept. Director, said they are losing a lot of money this year. There is \$900,000 in fund balance at the current time. They are being monitored by the State. The Health Department is trying to find ways to generate revenue.

Mr. Rhodes said he is still waiting on a couple pieces of information on the DSS budget, so he has not completed his review of it yet. The Commissioners would like to know what items are reimbursed to DSS from the State/Federal Government. Mr. Milazi noted that insurance premiums are increasing for Riverlight Transit.

The Washington County School's (WCS) budget was just received on Monday. \$21,000 is for Driver's Ed which is not going to be funded by the state this year. WCS is asking for the teacher supplement to be increased to \$2,000 per teacher and also \$500 for supplies for each teacher.

Mr. Milazi noted that the Regional Landfill contract services were underfunded last year.

Commissioner Manning said the auditor mentioned that the County may need to increase water rates. Mr. Manning said he has made this request to the County Manager. Water rates need to be raised to break even. Mr. Rhodes said the County has to take \$200,000 out of the water fund to balance the budget. Mr. Rhodes also noted that Waterworks employees help with the mowing at this time of the year. It's been over 5 years that we have had a water rate increase.

Mr. Rhodes stated that he has not done his review of the EMS budget or the Plymouth Municipal Airport Budget.

Commissioner Johnson made a motion to go into Closed Session pursuant to NCGS §143-318.11 (a)(3) (attorney client privilege) and to NCGS §143-318.11 (a)(6) (personnel). Commissioner Manning seconded, motion carried unanimously.

At 9:45 pm, with no further business to discuss, Commissioner Johnson made a motion to recess the meeting until May 4 at 4:00 pm for another budget meeting then start the regular meeting at 6:00 pm. Commissioner Phelps seconded, motion carried unanimously.

William R. Sexton, Jr.
Chair

Julie J. Bennett, CMC, NCCCC
Clerk to the Board