

THE BOARD OF COMMISSIONERS OF THE COUNTY OF CRAVEN MET IN REGULAR SESSION IN THE COMMISSIONERS' ROOM OF THE CRAVEN COUNTY ADMINISTRATION BUILDING, 406 CRAVEN STREET, NEW BERN, NORTH CAROLINA, ON MONDAY, AUGUST 16, 2010. THE MEETING CONVENED AT 8:30 A.M.

MEMBERS PRESENT:

- Chairman Perry L. Morris
- Vice Chairman Johnnie Sampson, Jr.
- Commissioner Lee Kyle Allen
- Commissioner Jason R. Jones
- Commissioner Theron McCabe
- Commissioner M. Renée Sisk
- Commissioner Steve Tyson

STAFF PRESENT:

- Harold Blizzard, County Manager
- Jack B. Veit, III, Assistant County Manager
- Richard F. Hemphill, County Finance Officer
- Gwendolyn M. Bryan, Clerk to the Board
- Jim Hicks, County Attorney
- Aaron Arnett, County Attorney Associate

Following an invocation by Commissioner Tyson and the Pledge of Allegiance, Commissioner Sampson moved to approve minutes of August 2, 2010 regular session, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

CONSENT AGENDA

Budget Amendments

Craven County Finance Officer, Rick Hemphill, submitted the following budget amendments for the Board's approval. Commissioner Sampson moved for their approval, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

Pass through – DJJDP Youth/Parent Life Skills

REVENUES	AMOUNT	EXPENDITURES	AMOUNT
101-0564-348-13-00	\$15,005.00	101-0564-450-91-13	\$17,088.00
Life Skills state grant		life skills	
101-00-399-01-0	\$ 2,083.00		
Fund Balance			
TOTAL	\$17,088.00	TOTAL	\$17,088.00

Justification: Federal reimbursement program for community-based youth gang prevention. Mediation Center files for reimbursement of eligible expenses. County receives reimbursement and passes-through to Mediation Center. There is \$17,088 of the initial allocation that has not been filed for/reimbursed. Need to budget these remaining funds in FY 11. A portion of that (\$2,083) was fronted by DJJDP and is reimbursable at close of program.

Grant-ARRA

101-7013-377-15-00	\$241,152.00	101-7013-450-26-03	\$119,082.00
Grants/ARRA Grant		Maintenance Repair Auto Truck	
		101-7013-450-73-01	\$118,670.00
		Capital Outlay over \$5,000.00	
		101-7013-450-73-21	\$ 3,400.00
		Capital Outlay \$500-\$4,999	

TOTAL	\$241,152.00	TOTAL	\$241,152.00
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Justification: FY 2010 ARRA grant funding that was not expended by June 30, 2010 but approved for expenses.

DSS 7295 (Senior)

101-7295-336-39-00 \$70.00 Senior-Donations	101-7295-450-39-37 \$70.00 Health Promo/Title III
TOTAL \$70.00	TOTAL \$70.00

Justification: Funds received from YOGA class attendees (2 @ \$35) which are not eligible to attend at no cost due to age requirements.

Convention Center

101-0000-399-01-00 (\$3,445.00) Fund Balance	101-8201-430-96-64 (\$3,445.00) Sp app convention center 300 th
TOTAL (\$3,445.00)	TOTAL (\$3,445.00)

Justification: Convention Center 300th anniversary appropriation has a remaining balance of \$46,457 as of 7/1/10. This will correct the original budgeted amount of \$50,719. Correction needed to adjust for invoices paid in FY10 before the year-end closing was complete.

Tax Releases and Refunds

Craven County Tax Administrator, Ronnie Antry, submitted the following tax releases and refunds for the Board’s approval. Commissioner Sampson moved for their approval, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

Credits

TAXPAYER NAME	TICKET#	AMOUNT
BETTIS, JODI LEIGH DOUBLE LISTED-SEE ACCT 78673	2009-0004610	\$69.63
BLOOMBERG, GEORGE W CORRECTED TMA DISCOVERY-NO BUSINESS	2009-0091432	\$402.44
GORE, RANDY DID NO OWN 1/1/2003	2003-0091219	\$33.44
GORE, RANDY DID NOT OWN 1/1/2004	2004-0020371	\$31.31
GORE, RANDY DID NOT OWN 1/1/2005	2005-0021095	\$35.27
GORE, RANDY DID NOT OWN 1/1/2006	2006-0090399	\$32.99
GORE, RANDY DID NOT OWN 1/1/2007	2007-0090506	\$21.49
GORE, RANDY DID NOT OWN 1/1/2008	2008-0090464	\$19.93

GORE, RANDY DID NOT OWN 1/1/2009	2009-0090517	\$18.37
MASSENGILL, NOAH VERNON & CARM DID NOT OWN 1/1/2005 SEE #85167	2005-0090698	\$128.24
MASSENGILL, NOAH VERNON & CARM DID NOT OWN 1/1/2005	2006-0034694	\$116.38
MASSENGILL, NOAH VERNON & CARM DID NOT OWN 1/1/2005	2007-0035695	\$110.23
MASSENGILL, NOAH VERNON & CARM DID NOT OWN 1/1/2005	2008-0090638	\$99.26
MASSENGILL, NOAH VERNON & CARM DID NOT OWN 1/1/2005	2009-0036474	\$88.89
MEYERS, ERIC CRAWFORD SOLD BUSINESS IN 2006	2007-0090679	\$415.42
MEYERS, ERIC CRAWFORD SOLD BUSINESS IN 2006	2008-0090702	\$304.09
MEYERS, ERIC CRAWFORD SOLD BUSINESS IN 2006	2009-0090690	\$234.37
	17 – CREDIT MEMO (S)	\$2,161.76

Refunds

LEWIS, DELLA COWARD BILLED INCORRECT OWNER	2009-0033913	\$96.94
PURIFOY, ANDREW A JR & TERESA DID NOT OWN 1/1/09 8-240-13000	2009-0046146	\$42.82
	2 – REFUND (S)	\$139.76

Highway 17 Association Request for Resolution

The Board received a request from the Highway 17 Association for a resolution of support for improving US 17. Commissioner Sampson moved to adopt the following resolution, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

RESOLUTION

WHEREAS, US 17, the Ocean Highway, was once the primary north-south transportation route in the coastal plain of eastern North Carolina; and

WHEREAS, the building of the Interstate Highway System diverted significant amounts of traffic away from US 17; and

WHEREAS, US 17 has not received the attention and funding required to upgrade the facility, leaving more than 50 miles in dangerous, inadequate two lane condition; and

WHEREAS, because of a lack of an improved US 17, eastern North Carolina lags behind the rest of the state in recruiting manufacturing industry, attracting tourists to the region’s destinations, providing the transportation infrastructure needs of our state’s two ocean ports and meeting the growth demands of the military; and

WHEREAS, there is a substantial amount of poverty, economic distress and social difficulty in North Carolina due to the lack of economic opportunity that safe and adequate highways provide; and

WHEREAS, an improved US 17 will enable eastern North Carolina to recruit and retain industrial jobs whose companies require access to four lane highways that will link products and services to eastern US markets; and

WHEREAS, an improved US 17 will enable the tourism industry to showcase the wonderful recreational, environmental and heritage tourist destinations found in eastern North Carolina, that other states can promote because of access to the Interstate System; and

WHEREAS, an improved US 17 will greatly enhance the ability of North Carolina's ocean ports at Wilmington and Morehead City to move goods in and out of those facilities and link the ports to markets across the country; and

WHEREAS, some of the most strategically important military bases in the United States are found in eastern North Carolina, and whose growth is negatively impacted by an unsafe , inadequate two lane US 17; and

WHEREAS, the true benefit of US 17 as a fully improved, four lane coastal corridor cannot be known definitively unless a comprehensive economic impact analysis is conducted; and

WHEREAS, such an economic impact study for the US 17 corridor will encourage the North Carolina Department of Transportation to fully fund the improvements to the highway and accelerate the planning, design, permitting, right of way and construction processes; and

WHEREAS, such a study will provide reliable facts and data and insightful analysis that will greatly benefit counties, municipalities and regional economic partnerships in their business recruitment and development activities.

NOW THEREFORE BE IT RESOLVED that the undersigned County does hereby join with its neighbors on the US 17 Corridor in requesting that funds in the amount of at least \$250,000 be appropriated or granted to enable the completion of a comprehensive study to demonstrate the economic impact of a four lane corridor for eastern North Carolina.

Adopted this 16th day of August, 2010.

ABC BOARD PRESENTATION

Donna Rouse, Craven County ABC Manager, presented a request for approval of payment to local ABC Board members, pursuant to recent legislation, which requires an affirmative statement from the appointing authority, in this case the Board of Commissioners, for compensation levels that are above \$150. Current Craven County ABC members receive \$190 per month, and the Chairman receives \$286 per month. Commissioner Jones asked if any research had been done on what salary levels are in surrounding counties and comparable size counties. Mr. Whitford volunteered to find out information for counties with comparable sales. It was the consensus of the Board to defer consideration until the September 7 meeting.

AIRPORT IMPROVEMENT GRANT

Chairman Morris asked that the Board amend the agenda to allow Airport Director, Tom Braaten, to speak on a time sensitive matter. He sought the Board's approval to apply for an FAA grant in the amount of \$1,317,191, which will cover 95% of an airport improvement project cost, matched by 5% by the airport. Commissioner Allen moved to

approve the grant application, as requested, seconded by Commissioner Sampson and unanimously carried.

TAX DEPARTMENT MATTERS

Revaluation Update

Tax Administrator, Ronnie Antry and Chief Appraiser, Glenn Jones, presented to the Board an update of the 2010 revaluation, reporting that staff obtained more updated information on sales during the fourth quarter. To date, 1,500 appeals have been reviewed, with about 3,000 remaining. The department does not wish to delay billings unduly and will bill 5,700 parcels already reviewed and defer the other 3,000 until after review, thus avoiding long refund/release lists. Commissioner Tyson asked when the reviews will be finished. Mr. Antry responded that they should be complete before the end of the year. He stated that the Board of Equalization & Review has extended its session to December 31 to ensure that all appeals will be heard. Revaluation costs are approximately \$500,000, and could be affected by a shorter cycle, but not significantly. Commissioner Jones stated that the western end of the County, which is rural, is being assessed the same as other areas, which will hurt the rural areas. He commented that he does not know how helpful it is to go to the Board of E&R.

2009 Settlement

Mr. Antry presented the settlement of 2009 taxes, and pursuant to GS 105-373, requested that the Board accept this settlement for year ended June 30, 2010 taxes, as follows, and enter it into its minutes. The ninety eight percent (98%) collection rate is down 1/10 of one percent (1%) from last year and 2/10 of one percent (1%) from two years ago. Although the real estate percentage is down, the vehicle collection is higher. The variation in vehicle tax collected for 2009 compared to the previous year is reflective of lower vehicle tax assessment. Commissioner Tyson moved to approve the settlement, as presented, seconded by Commissioner Sampson and unanimously carried.

**CRAVEN COUNTY, NORTH CAROLINA
YEAR ENDED JUNE 30, 2010**

General Fund Original Levy	\$ 41,526,431.87
Fire District Original Levy	<u>1,563,834.90</u>
Total Original Levy	\$ 43,090,266.77
Add:	
Afterlists	1,868,832.98
Additions	2,405.14
Plus Adjustments	<u>-0-</u>
Total	\$ 44,961,504.89
Less:	
Write-offs	24,874.81
Adjustments	-0-
Releases	<u>735,184.98</u>
Net Levy	\$ 44,201,445.10
Collected	\$ 43,317,010.14
Uncollected as of June 30, 2010	\$ 884,434.96
Percentage of 2009 taxes collected-----98.00	

Net taxable valuation--\$6,977,756,448

ANNUAL REPORT OF REAL PROPERTY, CERTIFIED VALUATION AND PERSONAL PROPERTY OTHER THAN REGISTERED MOTOR VEHICLES

General Fund Original Levy	\$ 36,743,669.50
Fire District Original Levy	<u>1,371,458.96</u>
Total Levy	\$ 38,115,128.46

Add:

Afterlists	1,868,832.98
Plus Adjustments	-0-
Additions	<u>2,160.93</u>
Total	\$ 39,986,122.37

Less:

Write-offs	3,690.86
Adjustments	-0-
Releases	<u>358,671.71</u>

Net Levy \$ 39,623,759.80

Collected \$ 39,161,062.83

Uncollected as of June 30, 2010 \$ 462,696.97

Percentage of 2009 taxes collected-----98.83

Net taxable valuation--\$6,255,012,142

ANNUAL REPORT OF REGISTERED MOTOR VEHICLES

General Fund Original Levy	\$ 4,782,762.37
Fire District Original Levy	<u>192,375.94</u>
Total Original Levy	\$ 4,975,138.31

Add:

Additions	244.21
Plus Adjustments	<u>-0-</u>
Total	\$ 4,975,382.52

Less:

Write-offs	21,183.95
Adjustments	-0-
Releases	<u>375,513.27</u>

Net Levy \$ 4,577,685.30

Collected \$ 4,155,947.31

Uncollected as of June 30, 2010 \$ 421,737.99

Percentage of 2009 taxes collected-----90.79

Net taxable valuation--\$722,744,306

Charge to Collect 2010 Taxes

The Board was requested to adopt the following order required by NCGS 105-321(b), authorizing Tax Administrator, Ronnie Antry, to collect 2010 taxes. Commissioner Allen moved to approve the charge to the tax collector, seconded by Commissioner Sisk and unanimously carried.

TO THE TAX COLLECTOR OF THE COUNTY OF CRAVEN

You are hereby authorized, empowered, and commanded to collect the taxes set forth in the tax records filed in the office of the Craven County Tax Collector and in the tax receipts herewith delivered to you, in the amounts and from the taxpayers likewise therein set forth. Such taxes are hereby declared to be a first lien upon all real property of the respective taxpayers in the County of Craven, and this order shall be a full and sufficient authority to direct, require, and enable you to levy on and sell any real or personal property of such taxpayer, for and on account thereof, in accordance with law.

Witness my hand and official seal, this 16th day of August, 2009.

BROAD CREEK PARK CONSTRUCTION CONTRACTS APPROVAL

In early May of this year, Avolis Engineering, the firm hired by Craven County for the Broad Creek Park construction project, made available to contractors bid packets which included detailed plans describing the scope of work. On May 27th bids from six contractors were received, as follows:

Contractor	Bid Item 001	Bid Item 002	Bid Item 003	Bid Item 004
Hardy Construction (John Hardy)	\$168,000			\$32,000
W.O. White-Neil White	\$127,412	\$156,700		
Bobby Cahoon Construction		\$158,817		
Jimmie Morris & Sons (Terry Morris)	\$168,584			\$64,690
Prescott Marine		\$100,600		
Turner Marine Construction		\$112,990		

The project was broken into four components whereas the contractor could bid on any one item, or a combination of items. Bid item 001 consisted of constructing the roadway, parking lot and connecting side walks. Bid item 002 was all timber-framed pier work. Bid item 003 was asphalt overlay over walking trails. Bid item 004 was to gravel walking trails. Staff recommended W.O. White Construction for bid item 001, Prescott Marine for bid item 002, and Hardy Construction for bid item 004. No bids were received for bid item 003, which was optional. Bid item 004, gravel walking trails, meets all the requirements for the grant and ADA. Assistant Recreation Director, Eddie Games, stated that bids were in line with budgeted amounts, and that bid item 003 will not be executed at this time. Commissioner Jones moved to approve the bid awards, as recommended, seconded by Commissioner McCabe.

FINDINGS RESOLUTION FOR QUALIFIED SCHOOL CONSTRUCTION BOND

The Board was asked to pass the findings resolution, which follows, authorizing the Finance Officer to take the necessary steps toward completing the QSCB financing for the school projects, and to schedule a public hearing for September 7.

**Resolution supporting an application to the Local Government Commission
for its approval of financing arrangements for public school improvements**

WHEREAS--

The Craven County Board of Commissioners has previously made a preliminary determination to cooperate with the Craven County Board of Education for the undertaking and financing of various public school improvements, including roof repairs, bathroom renovations and other similar projects.

The County will carry out the financing under its authority for installment financing under Section 160A-20 of the North Carolina General Statutes. The County expects this financing to qualify under federal law as a “qualified school construction bond,” which will enable the County to borrow the intended funds at a net interest cost close to or equal to zero percent.

The North Carolina Local Government Commission will have to approve the County’s financing arrangements. Under the LGC’s guidelines, this governing body must make certain findings of fact to support the County’s application for the LGC’s approval of the financing arrangements.

BE IT RESOLVED by the Board of Commissioners of Craven County, North Carolina, that the County confirms its preliminary determination to proceed with financing up to \$2,163,000 to pay for various construction and renovation projects for Craven County schools. The Board will approve final financing terms and conditions by a subsequent resolution.

BE IT FURTHER RESOLVED that the Board of Commissioners makes the following findings of fact:

(1) The proposed projects are necessary and appropriate for the County under all the circumstances.

(2) The proposed installment financing is preferable to a bond issue for the same purpose under all the circumstances.

The County has no existing capacity to issue general obligation bonds for this project. The relatively small amount to be financed lends itself better to an installment financing than to a voter-approved bond issue. As the County expects to have a net interest cost close to, or equal to, zero percent, proceeding with general obligation bond issue would be more expensive for the County because of the higher transaction costs. Using installment financing for these projects will allow the County to better match the timing of the financing to the timing of the project, and to take advantage of current favorable conditions in the construction market. It will also enable the County to complete the program in compliance with a deadline in the State program for qualified school construction bonds.

(3) The estimated sums to fall due under the proposed financing contract will be adequate and not excessive for the proposed purpose. All amounts to be financed will reflect contract prices or well-developed estimates acceptable to the County and the LGC. The County will closely review proposed lending rates and debt service levels with the LGC.

(4) As confirmed to the Board at this meeting by the County’s Finance Officer, (a) the County’s debt management procedures and policies are sound and in compliance with law, and (b) the County is not in default under any of its debt service obligations.

(5) The County estimates that this financing will have no tax rate impact for the County. The County and the Board of Education have agreed that amounts from the existing level of County capital outlay funding for schools may be used to pay the debt

service on this financing.

(6) The County Attorney is of the opinion that the proposed projects are authorized by law and are purposes for which public funds of the County may be expended pursuant to the Constitution and laws of North Carolina.

BE IT FURTHER RESOLVED, as follows:

(a) The Finance Officer is authorized and directed to take all appropriate steps toward the completion of the financing, including completing an application to the LGC for its approval of the proposed financing. All actions of the County’s Finance Officer and other County representatives in furtherance of the completion of the contemplated financing are ratified, approved and confirmed.

(b) The County intends that the adoption of this resolution will be a declaration of the County’s official intent to reimburse project expenditures from financing proceeds. The County intends that funds that have been advanced for project costs, or which may be so advanced, from the County’s general fund, or any other County fund, may be reimbursed from the financing proceeds.

(c) The Board will hold a public hearing on this matter. The County Manager is authorized and directed to schedule the public hearing in his discretion. The Clerk to this Board is authorized and directed to publish a notice of such public hearing in the manner provided for by law, in consultation with the County Manager.

(d) This resolution takes effect immediately.

* * * * *

I certify as follows: that the foregoing resolution was properly adopted at a meeting of the Board of Commissioners of the Craven County, North Carolina; that such meeting was properly called and held on August 16, 2010; that a quorum was present and acting throughout such meeting; and that such resolution has not been modified or amended, and remains in full effect as of today.

Dated this 16th day of August, 2010.

Finance Officer, Rick Hemphill, will file an application with the Local Government Commission by the first of September. The following projects are to be financed with this borrowing.

Bathroom Renovations: \$728,000.00

A.H. Bangert \$288,000.00
Vanceboro FL \$340,000.00
Trent Park \$100,000.00

Roofing: \$970,000.00

W.J. Gurganus \$700,000.00
Brinson \$270,000.00

Chiller Replacements: \$225,000.00

Havelock High \$ 90,000.00
West Craven High \$134,000.00

Doors & Windows: \$150,000.00

Vanceboro FL (gymnasium windows)
(auditorium doors)

<u>Energy Management Upgrade:</u>	\$90,000.00
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Grover C. Fields

Total All Projects	\$2,163,000.00
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Gurganus Elementary School will be collateral for this borrowing, which means schools will transfer to Gurganus and to the County. The Board was requested to set a public hearing for September 7, 2010 at 7:00 p.m. Commissioner Sampson moved to set a public hearing for September 7 at 7:00 p.m., to adopt the findings resolution and to direct the Finance Officer to proceed, seconded by Commissioner Tyson and unanimously carried.

UPCOMING APPOINTMENTS–SEPTEMBER

The Board was advised that terms are due to expire in September on the Firemen’s Relief Fund Board of Trustees and the Criminal Justice Advisory Board. The Board deferred these appointments until their next meeting.

COUNTY MANAGER’S REPORT

Assistant County Manager, Jack Veit, pointed out to the Board a packet received from Pamlico County on Friday, August 13, regarding Neuse River Buffer Rules, containing a request that Craven County support a resolution adopted by Pamlico County. Commissioner Allen moved to adopt the following resolution supporting Pamlico County’s position, seconded by Commissioner McCabe and unanimously carried.

RESOLUTION

WHEREAS, the Craven County Board of Commissioners is charged with providing procedures and standards for the development of real estate and the platting thereof in order to provide for the orderly growth and development of the County; and

WHEREAS, the Neuse River Buffer Rules adopted by the North Carolina Division of Water Quality in August of 2000 did not exempt lots platted prior from those rules; and

WHEREAS, the variance procedure made available to owners of lots platted prior to the adoption of the Neuse River Buffer Rules did not provide permanent relief for past, present, or future owners of such lots; and

WHEREAS, there remains no clear understandings as to the potential use of lots platted prior to the adoption of the Neuse River Buffer Rules for present or future owners of such lots; and

WHEREAS, this cloud of uncertainty has created an unusual burden for many property owners and future owners of property in Craven County.

NOW THEREFORE BE IT RESOLVED that the Craven County Board of Commissioners will seek to have the North Carolina Legislature revise the Neuse River Buffer Rules to exclude all lots platted and recorded in Craven County prior to the adoption of those rules on August 1, 2000, from the strict requirements of those rules.

Adopted this the 16th day of August, 2010.

COMMISSIONERS’ REPORTS

Commissioner Jones announced a Friends of Cove City Library meeting on September 9 at 7:00 p.m.

Commissioner Allen announced a meeting with Commissioner McCabe and the Senior Citizens Services in the Havelock area to discuss the congregate meals program.

Commissioner Sampson reported on his attendance at the Structured Day Reporting Center closing out activity for its summer participants which was held at Union Point. He asked citizens to continue protesting high gas prices. He commented on the opening at Hatteras Yachts for the new Cabo line, and stated that this new industry will be a good thing for Craven County. He urged support of the entire community in the Duffyfield improvements.

Commissioner Morris reminded citizens to drive carefully on highways and to exercise caution for school kids and young drivers. He announced a meeting on September 19 at the Coates Center and on September 20 in Morehead regarding green energy.

At 9:40 a.m. Commissioner Allen moved to adjourn, seconded by Commissioner McCabe and unanimously carried.

Chairman Perry L. Morris
Craven County Board of Commissioners

Gwendolyn M. Bryan
Clerk to the Board