

**MONDAY, FEBRUARY 2, 2009**

The Pender County Board of Commissioners met in regular session on Monday, February 2, 2009 at the Pender County Public Assembly Room, 805 South Walker Street, Burgaw, North Carolina.

**MEMBERS PRESENT:** Chairman Jimmy Tate, presiding; Vice Chairman George Brown; and Commissioners Norwood Blanchard, F.D. Rivenbark and David Williams.

**MEMBERS ABSENT:** None.

**OTHERS PRESENT:** Rick Benton, County Manager and Clerk to the Board; Paul Parker, Assistant County Manager; Trey Thurman, County Attorney; Glenda Pridgen, Deputy Clerk to the Board; other staff and members of the Press and public.

**CALL TO ORDER**

Chairman Tate called the meeting to order at 4:00 p.m. and thanked and welcomed all to the meeting.

**INVOCATION**

Mr. Williams offered the Invocation.

**PLEDGE OF ALLEGIANCE**

Mr. Rivenbark led the Pledge of Allegiance.

**PUBLIC INFORMATION**

**1. Presentation of Flag Flown over the State Capital in Honor of National County Commissioners Week: State Representative Carolyn H. Justice.**

Ms. Justice said she had received notice that the NCACC or the State Association of County Commissioners would honor commissioners all over the state this week, but when she called to see why it wasn't in the NCACC newsletter, she found out it is in May. She said she wants to present the flag to the Pender County Commissioners anyway, and said she is honored to thank them for what they do.

Representative Justice spoke about the insurance rate increases and distributed information about the increase and decreases. She read a letter sent to the Outer Banks Homebuilders Association by Representative Tim Spears, the sponsor of House Bill 26, in which she and Representative Bonner Stiller co-sponsored, and noted the Outer Banks Homebuilders Association does not support the bill. The letter gave statistics on rate increases and surcharges and said if this bill is passed, it will go a long way in helping avoid extreme increases in deductibles and surcharges. Representative Justice said that as Representative Spears points out, it is going to be hard to get inland legislators to have much sympathy for the cost when many of their areas are going to see a reduction with the rule as it currently stands, so they had to craft a bill they can get the whole General Assembly to vote on. She urged the Board to support Dare County and others in their fight against the Insurance Commission. Mr. Tate and Mr. Williams agreed with Ms. Justice and thanked her for her input.

Ms. Justice introduced Mr. Andy Wood of the Audubon Society. Mr. Wood explained that he is here to ask the Board to adopt a resolution he has concerning the acquisition of the largest remaining privately owned tract of land on Lea Island. Mr. Williams asked if this will prevent potential development of the other lots on the island and protect the island. Mr. Wood said the island would be conserved but it would still be open to the public. Mr. Tate asked Mr. Wood to read the resolution for the benefit of the public, and Mr. Wood did. The resolution was titled "Resolution Supporting the Acquisition of Lea Island, Pender County, NC for Permanent Protect as a State Natural Area." Mr. Tate said it is Board policy to have a motion and unanimous vote to add any items to the agenda after it is published. Mr. Williams made a motion to add this item to the agenda, Mr. Blanchard seconded the motion and it was unanimously approved. Mr. Brown asked why it is so urgent that this be

approved today. Mr. Wood said there is urgency because they have to make application with the Clean Water Management Trust Fund and said the Board's supplemental endorsement will carry a lot of weight in getting the application approved. He said the owner of the property only let them know today that they could acquire the property. The resolve clause of the resolutions states "**NOW THEREFORE, be it resolved** that, the Pender County Board of Commissioners support efforts of Audubon North Carolina to secure grant funds for acquisition of Lea Island for the purpose of permanent protection as a State Natural Area." Mr. Williams made a motion to approve the resolution, Mr. Blanchard seconded the motion and it was unanimously approved.

**2. Update on Pender Memorial Hospital: David Long, CEO.**

Mr. Long delivered a Power Point presentation which included: FY 09 Pillar Goals – People, Quality, Service, Finance, and Growth; FY 08-09 Financial Performance; Pender Health & Diagnostics in Rocky Point; Old DMV Office; and Focus on January. The full presentation is on file with the permanent records in the County Manager's Office. Mr. Long said that with respect to growth, they are focusing on maintaining growth in Home Health Service. With respect to the old DMV Office which they lease for \$1 per year from the County, he said they have nothing in writing saying they can sub-lease it to the specialized doctors who work there and said he wants authorization to work with Mr. Benton to get this. The Board agreed to this. Mr. Rivenbark said the picture of the Hospital Mr. Long presented was not present before Mr. Long came to Pender Memorial. Mr. Williams agreed and said it paid off working with the New Hanover Network and said the Hospital facilities are outstanding. Mr. Thurman said we need to get Mr. Long a letter saying we consent with him to sub-lease the building to these doctors. Mr. Tate thanked Mr. Long for keeping the public informed.

**3. Presentation on Integra Water Company: Joan Young.**

Ms. Young said Integra Water had been contacted by area developers interested in the provision of regional wastewater treatment service in Pender County. Mr. Williams asked if they more or less will be looking for some kind of franchise area of the County and Ms. Young said yes. Ms. Young's presentation included: the company typically works in partnership with local governments in the development and provision of private and public utility services; they are interested in exploring opportunities for private and/or public wastewater treatment services in Pender County, as well as a potential partnership with the County; Integra is a family-owned business with more than 100 years experience; their core competencies include purchase of existing water and/or wastewater plants and distribution/collection systems; they are not an engineering firm but they partner with engineer firms for them to do Integra's design work; they assume financial responsibility, relieving local government of capital liabilities; they provide capital needed to own, acquire, build, maintain and expand water/wastewater systems; they give a ten-year rate agreement; they provide a revenue stream to the community and provide individualized solutions to deliver a cost effective, customized approach to infrastructure delivery; and the benefits include no community debt, no taxes for infrastructure, no financial risk, economic development opportunities, local professional involvement, no environmental risk, professional management team, and public/private partnership. Ms. Young then presented some examples of projects Integra had completed. Mr. Blanchard asked what the County's obligations will be besides franchising them. Ms. Young said the County can provide permits, apply for rights-of-ways, and oversee the rates. She said Integra builds the system, turns it over to the County, and then leases it back. She said the company brings the financial aspect and the County provides the governmental aspect and that partnering with them brings advantages to the County and to them. She added environmental groups love their concept. Mr. Blanchard asked where the closest system to us that they have now and Ms. Young said they hope to bring one to the Raleigh area soon. Mr. Williams said there are franchises and there are "exclusive" franchises. He asked if we agree to partner with Integra, won't we have to invite other entities as "come one, come all." Mr. Thurman said the County cannot grant a franchise; only the Public Utilities Commission could grant a franchise. He said exclusive franchises are approved but they have to go through the State and said we can work with Integra but we have to be careful what language we use. Mr. Williams said our long range plan does call for public and private partnerships, and you can see the advantages. Ms. Young reiterated that the County would own the system and Integra would lease it. She said their goal is to provide regional systems. She said today she is only asking the Board to consider whether they are interested in them exploring options. Mr. Blanchard made a motion to let the County Manager and Attorney move ahead to the next level for Integra representatives to explain more about their

program. Mr. Williams said he would second the motion, with the caveat that if other entities wished to pursue the same opportunity, the County would agree. The motion was unanimously approved.

### CONSENT AGENDA

Mr. Tate presented the five items on the Consent Agenda and asked for any questions or discussion. There being none, Mr. Rivenbark made a motion to approve the Consent Agenda as presented, Mr. Blanchard seconded the motion and the Board voted unanimously to approve the Consent Agenda as follows:

4. Approval of Minutes for the Regular & Closed Session Meeting of January 21, 2009.
5. Resolution Accepting Petition to Add Old Lane's Ferry Road in Rocky Point, to the State Maintained System and Authorizing the County Manager to Submit the Petition to N.C. Department of Transportation.
6. Resolution Approving Tax Releases and Refunds to the Individuals Listed Herein.
7. Resolution Authorizing Purchase Order for Emergency Repairs to the Bulkhead at the Transfer Station to Waste Industries in an Amount Not-to-Exceed \$6,000.
8. Budget Ordinance Amendment Approving Additional Crisis Intervention Payment Funds: \$43,346; & LIEAP and Crisis Administration Funds: \$6,707.

### RESOLUTIONS

#### 9. Resolution Requesting Support for Modern Department of Social Services Facilities.

Social Services Director Dr. Reta Shiver said twenty years from now when her grandson asks her what she remembers most about her job as Social Services Director, she will tell him having to go to the Board too many times to request space needs, due to growth. Mr. Tate asked Dr. Shiver to read the resolution for the benefit of the public, and she did. The resolution resolve clause of the resolution states "**NOW, BE IT THEREFORE RESOLVED THAT THE BOARD OF COMMISSIONERS OF PENDER COUNTY** recognizes the current DSS facility at 810 South Walker Street, Burgaw, North Carolina is deficient in many respects for the provision of DSS programs and services including but not limited to providing for sufficient staff and client work space, providing for client privacy, and providing for adequate storage of files and records; and that the Board advocates, supports and recommends efforts to develop financial resources from a variety of sources to assist in funding construction of a new, modern DSS facility to serve the citizens of Pender County." Mr. Williams asked if they support the resolution and in five years we still don't have a building, would there be repercussions. Mr. Thurman said there is potential for some litigation. He said he has worked with Dr. Shiver and her staff and he knows her well enough that she wouldn't be asking for something unless she truly needs it. Mr. Williams asked what purpose the resolution serves and Dr. Shiver said in her search for funding, she needs the Board's support and this will give her the go ahead to approach legislators. Mr. Rivenbark made a motion to approve the resolution, Mr. Williams seconded the motion and it was unanimously approved.

#### 10. Resolution Authorizing a Purchase Order to Tarheel Landscape Co., Inc: Installation of Irrigation System for Pender Memorial Park Expansion and Phase II of Hampstead Kiwanis Park: \$51,750.

Parks and Recreation Director Dee Turner explained that seven vendors requested bid documents and Tarheel Landscape Company, Inc. was the low bidder on both projects. Mr. Brown asked if Tarheel is a local company and Ms. Turner responded they are out of Surf City. Mr. Blanchard asked if they get paid by draws or at the end of completion of the project; Ms. Turner said at the end of completion. Mr. Williams made a motion to approve the resolution, Mr. Brown seconded the motion and it was unanimously approved.

#### 11. Resolution Opposing Coastal Homeowners Insurance Rate Increase.

Mr. Benton explained that the N.C. Department of Insurance has approved insurance rate increases which will result in a nearly 30% increase for homeowners in mainland areas and a 17.5% increase for the barrier islands; that legal proceedings have been initiated challenging the increases and cities and counties within the impacted have been solicited to join the legal challenges as well as contribute financially; and that this Board requested the following action items be presented for consideration: 1) a resolution opposing the increases and requesting legislative assistance in challenging the increases; 2) a resolution approving Pender County's joining as a party

to the lawsuit; 3) a resolution authorizing a financial contribution; 4) a resolution approving Pender County's joining the lawsuit, authorizing a financial contribution and budget amendment, and adopting a separate resolution opposing the increases and requesting assistance from our legislative delegation in challenging the increases; and 5) give Mr. Thurman authorization to execute a conflict waiver and multi-party representation agreement. Mr. Benton said he left the amount of contribution blank, but the budget amendment would authorize the transfer of \$5,000 to the litigation account. Mr. Williams said he would consider going higher than \$5,000 if we need to. Mr. Rivenbark said counties that gave larger amounts are much more capable to give larger amounts than Pender County and we can always go back and add more if need be. Mr. Rivenbark made a motion to approve the resolution, Mr. Blanchard seconded the motion and it was unanimously approved.

**12. Resolution to Consider Establishing the Rocky Point-Topsail Water and Sewer District Connection Fee Hardship Payment Plan.**

Utilities Director Michael Mack said the Board from continued this item from the last meeting and highlighted some of the points he had made before. Mr. Mack said that nine of the eleven purveyors contacted charge some form of tap, capacity, or system development fee at the time of application; that of those nine, six offered no payment or financing options and three offered a payment plan (not a finance plan) but all three required a tap fee to be paid in full prior to tap installation; that if this is passed Pender County Utilities will provide twelve months interest free to make partial payments of \$72.92 per month towards the tap fee of \$850 and inspection fee of \$25; that upon payment in full of the \$875, the water tap will be installed and water service can begin; that once the tap and inspection fees are paid, the applicant may finance the capacity fee amount of \$1,440 interest free in 36 equal monthly payments of \$40, in addition to their regular water bill each month; and that there is a risk of default on the account if the resident sells/moves. Mr. Brown asked, of the three purveyors who offered a payment plan, do they require that it is done through a Hardship Plan and Mr. Mack said no, but two of them weren't over \$650 in total fees. Mr. Brown said some people may not qualify for hardship and he wants to see this for all Pender County residents. He added that people are having it hard right now with the economy, and that at the last meeting we even talked about foregoing the 3.5 cent tax that is due this fiscal year. Mr. Brown said we could do it for all County residents and review the plan after a year to see how it is working out. Mr. Rivenbark asked of the other entities that offer a plan, did Mr. Mack get any feel how it is working and Mr. Mack said no. Mr. Rivenbark said he agrees with Mr. Brown but the one year should be changed to six months. Mr. Williams said we just went through this when we waived the Capacity fee. He said he would support it only if they can truly prove hardship. Mr. Brown said when they waived the Capacity fee, it was a matter of not enough advertising, not a hardship matter. He asked if someone buys a home from someone, will the new owner have to pay the remaining balance if it is not paid. Mr. Tate said we can make that a part of the agreement, that if they buy, they have to pay. Mr. Blanchard said he is not prepared to vote on this tonight because there are too many unknowns, like what the impact would be if someone moves, and the potential for liabilities. Mr. Tate said he agrees with Mr. Brown about the hardship and the 3.5 cent tax. He said staff could work out the small details and that he sees folks everyday that don't meet DSS guidelines, but still need help. Mr. Mack noted the guidelines are from the Federal Department of Housing and Urban Development, not DSS. Mr. Williams said if we don't have guidelines, folks that have the money could apply for this and keep their money. Mr. Tate said folks shouldn't have to have their income verified. Mr. Brown suggested the Board let staff explore this a little more and come up with something the Board will feel comfortable with. Mr. Williams said he is ready to move ahead on this. Mr. Rivenbark said his comments were to review the pay plan after six months, not to change it. Mr. Tate asked, said for the benefit of those who have concerns, what would it take for everyone to agree? Mr. Williams said he would go along with Mr. Mack's plan with income guidelines as presented. Mr. Tate said this would put additional hardship on DSS staff and they are already overworked. Mr. Mack said Dr. Shiver already has the mechanics in place and wouldn't have to reinvent the whole plan. Mr. Blanchard said he would go along with Mr. Williams concerning the income guidelines and they can review the plan after six months. He asked the Manager and Attorney to put in language concerning what to do if a person that is on the plan sells their home. Mr. Blanchard made a motion to approve the resolution. Mr. Williams seconded the motion and it was approved by a 3-2 vote, with Mr. Blanchard, Mr. Williams and Mr. Rivenbark voting in favor of it, and Mr. Tate and Mr. Brown voting in opposition.

**13. ITEMS FROM THE COUNTY MANAGER**

Mr. Benton noted the attached schedule for Board meetings to be held in the County Districts and said it is subject to Board review and approval. The Board generally agreed to the schedule. Mr. Tate thanked Mr. Benton for getting the schedule together.

**ITEMS FROM THE COUNTY ATTORNEY**

Mr. Thurman said he, Mr. Davenport and the Chief Inspector had been involved in a case concerning a house that had burned and hadn't been moved and a neighbor was complaining about it. He said they allowed the owner some additional time for insurance purposes. He said he later learned that the insurance company had written a check and the house had been demolished so the owner didn't appear at a meeting they had set up. Mr. Thurman said that with respect to the insurance rate increase lawsuit, the Department of Insurance declined to have a hearing on last Friday and Dare County took action to file an appeal. Mr. Benton said it is possible there might be a public meeting on it on Friday. Mr. Brown asked if the increases will still take place if the rate hikes are overturned; Mr. Tate said it is usually the case to impose the increase when it goes into effect, unless someone gets a stay. The insurance companies would later reimburse people if the rate hike is overturned.

**ITEMS FROM THE COUNTY COMMISSIONERS**

Mr. Williams congratulated Mr. Benton and staff on a Retreat that went well. He said Pender County right now is in the best shape it has ever been; that we have good employees; and that he appreciates the way everything was presented at the Retreat.

Mr. Rivenbark said he will be attending an Intergovernmental Council meeting the next two days, at no cost to the County. He requested staff to send a letter to the Schools requesting how the money was spent that the Board allocated to them last year for the Teachers' Master Degree program.

Mr. Tate said he received a call from Mr. Bill Kopp, former New Hanover County Commissioners, and he and Mr. Benton will be meeting with him. Mr. Tate invited Board members to attend a Boy Scout breakfast on next Tuesday at 7:00 a.m. at Pender Adult Services – he will be the speaker. He said the Pender County Historical Society will be holding Historical Day on February 21<sup>st</sup>, in which he also will be the speaker. Mr. Tate said he agrees that the Retreat was good and thanked Surf City, Topsail Beach and all who participated.

**PUBLIC COMMENT**

Mr. Hiram Williams, a citizen and developer, thanked the Board for caring for citizens on the insurance issue.

**ADJOURNMENT**

There being no further business, Mr. Blanchard made a motion to adjourn and the meeting adjourned at 5:50 p.m.

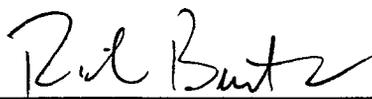
Respectfully Submitted,



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Glenda Pridgen, Deputy Clerk to the Board

Reviewed By:



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Rick Benton, Clerk to the Board