



MINUTES
Board of County Commissioners Meeting
Tuesday, February 21, 2023 4:00 PM
Pender County Public Assembly Room

MEMBERS PRESENT:

Fred McCoy
Jacqueline A. Newton
Jerry Groves
Brad George
Wendy Fletcher-Hardee

MEMBERS ABSENT:

OTHERS PRESENT:

David Andrews, County Manager
Trey Thurman, County Attorney
Nancy Avery, Interim Clerk to the Board
Allen Vann, Assistant County Manager
Other Staff and Members of the Press and Public.

1 CALL TO ORDER

2 INVOCATION

3 PLEDGE OF ALLEGIANCE

4 VACANT COMMISSIONER SEAT

- 4.1 Appointment of vacant Commissioner seat in District 1 and administration of Oath of Office

Chair Newton read the correspondence received from the Pender GOP dated February 15, 2023, regarding the District 1 commissioner vacancy:

"With the resignation of Dr. Jimmy Tate, the Pender County GOP Executive Committee has reached a recommendation for appointment to the vacant District 1 commissioner seat. We recommend appointing

Brad George to replace Dr. Jimmy Tate representing District 1. To avoid any delays in delays in current Commissioner matters, we strongly recommend moving forward and appointing Mr. George as County Commissioner to District 1 as quickly as this process allows".

Judge Kent Harrell administered the Oath of Office to Commissioner Brad George.

Moved by Fred McCoy, seconded by Wendy Hardee

Motion to appoint Brad George as Commissioner for District 1.

	For	Against	Abstained	Absent
Fred McCoy	x			
Jacqueline A. Newton	x			
Jerry Groves	x			
Wendy Hardee	x			
	4	0	0	0

CARRIED.

5 ADOPTION OF AGENDA

Moved by Fred McCoy, seconded by Wendy Hardee

Motion to adopt the agenda with one amendment - removal of item 8.1 from the Consent Agenda "Consideration of granting an easement to NCDOT for minor drainage infrastructure and roadway improvements" to the agenda for the March 13, 2023, meeting.

	For	Against	Abstained	Absent
Fred McCoy	x			
Jacqueline A. Newton	x			
Jerry Groves	x			
Wendy Hardee	x			
Brad George	x			
	5	0	0	0

CARRIED.

6 PUBLIC INFORMATION

6.1 Presentation of the FY2022 Audit Report

Erica Brown, with Martin, Starnes and Associates CPAs, P.A. stated:

- We issued an unmodified audit opinion or a clean audit,
- There were no material or misleading statements,
- We performed a single audit performance testing four programs,
- A GASB 87 change was implemented regarding reporting of leases,
- The audit was approved by the Local Government Commission (LGC),
- General Fund revenue decreased by 2% or \$1.8 million and expenditures increased by 8% or \$10 million due to a large FEMA grant not repeated in 2022 and Covid salary revenue not reported in the second year,
- Fund balance increased 21% by \$8.8 million. \$4 million in proceeds from sale of surplus property including lots in Pender Commerce Park contributed to this,
- Available Fund Balance is \$60,331,920 which increased by \$12,458,539 from prior year 2021,
- County has about eight months of reserve on hand,
- LGC uses these percentages to compare with other counties. Average in the peer group is 39% and Pender is above the average,
- Enterprise Fund Resource recovery (landfill), the unrestricted net position (working capital) and cash flow for operations increased this year and overall net income increased in current year,
- Utilities fund (all utilities) unrestricted net position increased, cash flow from operations decreased, net income decreased due to water and water treatment plant,
- One key performance indicator was the audit was submitted five months after the deadline. This is our second year doing the audit and the audit the year before was late which impacted our audit. That 2020 audit was issued in August. Our audit was reported the end of January. We are catching up and your Finance Department has hired additional staff to assist.
- There was one statutory violation for budget. This is also a performance indicator. The Rescue District Fund was over budget due to year end accruals that the County could not predict and amend the budget for.
- There is a significant audit adjustment finding. It is a proposed correction that might not have been found without auditing procedures. There is a responsibility letter to the Board along with the Financial Statements that lists these adjustments. They are mainly related to receivables and grants, and leases.
- Positives are the General Fund available fund balance percentage is 69% as compared to peer group of 39%.
- Quick ratio enterprise is well above the 1% minimum.

- There is a stable property tax valuation and collection rate of 96.8 %.
- Tourism Development occupancy tax revenue increased by 34% due to increase in tourism and expenditures decreased 62% due to increase in marketing and advertising expenditures.
- Total fund balance has increased \$41,989 over last two years.

6.2 Pender County Bicycle and Pedestrian Plan Update

Long Range Planner Greg Feldman gave an update on the ongoing Bicycle and Pedestrian Plan:

- In collaboration with the Wilmington Metropolitan Planning Organization (WMPO) a consultant is working on this plan in the southern portion of the County.
- It is a WMPO funded project.
- Goal is to understand challenges of bicycling and walking and to obtain input from citizens.
- Adoption goal is June 2023.
- Such a plan does not exist for the County, and it will open the door for future grants.
- There is a survey citizens can take to give their input.

Vice Chair Hardee and Chair Newton encouraged citizens to participate in the survey and give their input.

6.3 Project Manager Work Plan

Buddy Avery, project manager, stated he is a new project manager with the County and gave an overview of projects in the works:

Parks

- Penderlea Community Park - plans are underway for a picnic shelter and restroom.
- Central Pender Park - this is a new 58+ acre park to include restroom, picnic shelter, concession stand, playground, multipurpose fields, walking path, parking lot, lighting.
- Kiwanis Park Phase 4 - this will be 23.8 acres with restroom and picnic facilities, tennis courts, pickleball courts, basketball courts, multi-purpose fields, walking path, parking lot.
- Abbey Nature Preserve - this acreage was deeded to the county via Mungo Homes in coordination with its subdivision. The plan is for a parking lot, re-work of the trail head to the existing nature preserve, nature themed playground, and restroom and picnic facility.

Other projects are:

- Health and Human Services new facility
- Commerce Park Department of Transportation road ownership

- Potential property acquisitions

7 PUBLIC COMMENT

8 CONSENT AGENDA

- 8.1 Approval of Purchase Order to MCCi for Laserfiche Document Management System Annual Renewal in the amount of \$42,142.50.

Moved by Fred McCoy, seconded by Jerry Groves

Motion to approve the Consent Agenda

	For	Against	Abstained	Absent
Fred McCoy	x			
Jacqueline A. Newton	x			
Jerry Groves	x			
Wendy Hardee	x			
Brad George	x			
	5	0	0	0

CARRIED.

9 APPROVALS AND RESOLUTIONS

- 9.1 Approval for a Purchase Order to Fairway Ford for a 2022 Ford Escape in the amount of \$28,390.

Health Director Moser stated:

The Environmental Health staff for food and lodging inspections needs a replacement vehicle in the middle of the fiscal year. Only two bids were received. We used extra revenue accrued over the year and salary budgeted but not paid due to vacancies.

Moved by Brad George, seconded by Fred McCoy

Motion to approve purchase order to Fairway Ford for 2022 Ford Escape in amount of \$28,390.

	For	Against	Abstained	Absent
Fred McCoy	x			
Jacqueline A. Newton	x			
Jerry Groves	x			
Wendy Hardee	x			

Brad George	x			
	5	0	0	0

CARRIED.

9.2 Approval of Purchase Order and Budget Amendment to Purchase a Truck Capable of Towing 19,200 Pounds for up to \$95,000

Utilities Deputy Director Proctor requested approval for a purchase order up to \$95,000 to purchase a truck capable of towing 19,200 pounds. The 1989 dump truck we had has broken down and cannot be fixed. We cannot get a state contract price now for this type of vehicle with the way the market is. There is a long wait for these types of vehicles. We are asking for up to \$95,000 to give us a chance to shop and buy when one is found.

Vice Chair Hardee stated this is a good price for this type of vehicle that will have multiple uses and we should move forward with the purchase.

Moved by Wendy Hardee, seconded by Brad George

Motion to approve purchase order and budget amendment to purchase a truck capable of towing 19,200 pounds up to \$95,000.

	For	Against	Abstained	Absent
Fred McCoy	x			
Jacqueline A. Newton	x			
Jerry Groves	x			
Wendy Hardee	x			
Brad George	x			
	5	0	0	0

CARRIED.

9.3 Approve Contract with Veolia/Utility Service Co. Inc. to Service PCU above ground water tanks and all associated maintenance for 10 year contract, and associated purchase order.

Deputy Utilities Director Proctor stated we have not had a contract in place in a few years for tank maintenance. We reached out to six companies and three responded. We recommend Veolia/Utility Service Co. Inc and are asking the Board for approval of the contract at a cost of \$1.6 million over a 10-year period. This is a set number that doesn't vary.

Discussion:

Commissioner George asked if this will include additional new tanks and if so, will that cause a renegotiation of the contract?

Deputy Director Proctor answered we can add new tanks to this contract after the warranty period ends and it will not cause a renegotiation of the contract.

Chair Newton asked to what standard is the water held? Should there be issues with harmful chemicals, can your company clean the tank appropriately?

The representative from Veolia replied yes, we can clean the tanks of those kind of elements. We are regulated by state and federal agencies.

Commissioner Groves asked if the ten-year contract was to keep the price where it is?

Deputy Director Proctor said we did not want a contract for five years because it is easier for a vendor to push off maintenance and it never gets done. It is hard to do that over a ten year period.

9.4 Approval of Purchase Order Increase for Tire Recycling & Disposal Services with Central Carolina Holdings, LLC

Utilities Director Keel said the Board approved a purchase order for FY23 and new 5-year contract with Central Carolina Holdings, LLC on June 20, 2022. The new contract included a significant increase in freight charges due to fuel cost escalations and other related cost increases. As a result, staff was unable to accurately forecast our costs for tire disposal over the entire fiscal year. Now that we are beyond the half-way point of the year, we see that we will need additional funds for this service to complete the fiscal year. The original Purchase Order (PO) was approved for \$110,000. Existing PO# 50 needs an additional \$55,000 added to ensure that we can continue tire disposal services through the end of FY23. Currently budgeted funds are available to increase purchase order #50 from its original funding account (75-404500). Staff is requesting the Board approve an increase of \$55,000 to purchase order #50 for tire disposal service.

Moved by Wendy Hardee, seconded by Fred McCoy

Motion to approve increase in Purchase Order in amount of \$55,000 for tire recycling and disposal services with Central Carolina Holdings, LLC. as presented.

	For	Against	Abstained	Absent
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Fred McCoy	x			
Jacqueline A. Newton	x			
Jerry Groves	x			
Wendy Hardee	x			
Brad George	x			
	5	0	0	0

CARRIED.

9.5 Approval of Budget Amendment and related transfers for the SCIF Grant Projects

Finance Director Blue stated the County received a State Construction and Infrastructure Fund (SCIF) Grant in the amount of \$250,000.00 for courthouse renovations and repairs that was previously accepted and budgeted. In December, the contract for the related renovation and repair work was awarded. This agenda item is to review and approve the revisions of the budget and related transfers needed for final reporting for the Courthouse Renovation project to include the SCIF Grant, both for the Courthouse and for the Emergency Management portion - and note for the record that the Award made in December was to Newcomb & Company allocated to the following accounts in the following amounts: 60-407400-6503 \$176,278.34 60-407400-6501 \$ 44,736.66 \$ 221,015.00. This is for accounting purposes only. She requests Board approval of the Budget Amendment and related transfers for the SCIF Grant Projects as presented.

Motion to approve Budget Amendment and related transfers for the SCIF grant projects as presented.

CARRIED.

9.6 Approval of Reimbursement Resolution, Capital Project Ordinance, Budget Amendment and related transfers for the DHHS Building Project

Health Department Director Moser said the Health and Human Services Building, to house Health and Social Services, is underway. The Request for Qualifications for this design-build project was previously awarded to Bobbitt Construction. After working with the Contractor and USDA, we are establishing this project budget and funding sources according to the attached Capital Project Ordinance, along with the initial transfer to fund the Architectural and Engineering Design work from the Health Department restricted portion of the General Fund Balance. The Reimbursement Resolution will allow the County to reimburse initial costs from related loan proceeds. We will also provide a

plan for this project to include timeline and milestone approval requirements. She requested Board approval of the Reimbursement Resolution, Capital Project Ordinance, Budget Amendment and related transfers.

Moved by Brad George, seconded by Wendy Hardee

Motion to approve Reimbursement Resolution, Capital Project Ordinance, Budget Amendment and related transfers as presented.

	For	Against	Abstained	Absent
Fred McCoy	x			
Jacqueline A. Newton	x			
Jerry Groves	x			
Wendy Hardee	x			
Brad George	x			
	5	0	0	0

CARRIED.

9.7 Approval of Contract and Purchase order for FY2023 Audit to recommended firm - Martin Starnes & Associates, CPA, P.A.

Finance Director Blue said Finance put out a Request for Proposal (RFP) to audit firms that perform county audits. Staff recommended a very reputable firm in the North Carolina Governmental auditing industry - Martin Starnes & Associates, CPA, P.A. They perform almost a quarter of County audits in North Carolina and have a very respected reputation with the NC Local Government Commission. Since then, many of the firms that were performing this work have removed themselves from the pool of available governmental auditors. At a recent regional meeting of Finance personnel from surrounding local governments, one of the main topics of conversation was finding and keeping a good, qualified audit firm, mentioning Martin Starnes & Associates by name. We are pleased to continue our relationship with them per our initial RFP/Contract, appreciate their efforts in keeping things on track to complete the audit earlier than in many recent years, and look forward to more progress together in the future. This contract is for Martin Starnes & Associates, CPAs, P.A. to complete the FY2023 audit. This expense is budgeted annually in 660-404501. She requested approval of Contract and Purchase order for FY2023 Audit to recommended firm Martin Starnes & Associates.

Moved by Fred McCoy, seconded by Wendy Hardee

Motion to approve contract and purchase order for FY2023 audit to Martin Starnes and Associates as presented.

	For	Against	Abstained	Absent
Fred McCoy	x			
Jacqueline A. Newton	x			
Jerry Groves	x			
Wendy Hardee	x			
Brad George	x			
	5	0	0	0

CARRIED.

10 APPOINTMENTS

10.1 Appointment to Nursing Adult Care Homes Board

Interim Clerk Avery requested the Board appoint Susan H. Williford to a new term on the Nursing/Adult Care Homes Board.

Moved by Jerry Groves, seconded by Wendy Hardee

Motion to appoint Susan H. Williford to the Nursing/Adult Care Homes Board.

	For	Against	Abstained	Absent
Fred McCoy	x			
Jacqueline A. Newton	x			
Jerry Groves	x			
Wendy Hardee	x			
Brad George	x			
	5	0	0	0

CARRIED.

10.2 Appointments to Parks and Recreation Advisory Board

Interim Clerk Avery requested the Board appoint Tandra Shephard Henderson to a new term and re-appoint Brandi Odom to a second term to the Parks and Recreation Advisory Board.

Moved by Jerry Groves, seconded by Fred McCoy

Motion to appoint Tandra Shepherd Henderson to a three-year term as an at large member and re-appoint Brandi Odom to a three-year term as District 3 member on the Parks and Recreation Advisory Board.

	For	Against	Abstained	Absent
Fred McCoy	x			
Jacqueline A. Newton	x			
Jerry Groves	x			
Wendy Hardee	x			
Brad George	x			
	5	0	0	0

CARRIED.

10.3 Appointments to Board of Equalization and Review

Interim Clerk Avery stated the Board of Equalization and Review has four vacancies. The main purpose of the Board is to hear taxpayer appeals. Applications received are:

1. Chip Garman - District 1 - new appointment
1. Kathleen Sumner - District 1 - new appointment
1. Larry Bolick lives -District 5 - new appointment
1. Leslie Green - District 5 - re-appointment for 2nd term

She requested appointment of Chip Garman, Kathleen Sumner and Larry Bolick and re-appointment of Leslie Green to the Board of Equalization.

Moved by Fred McCoy, seconded by Brad George

Motion to appoint Chip Garman, Kathleen Sumner, Larry Bolick, and Leslie Green to the Board of Equalization.

	For	Against	Abstained	Absent
Fred McCoy	x			
Jacqueline A. Newton	x			
Jerry Groves	x			
Wendy Hardee	x			
Brad George	x			
	5	0	0	0

CARRIED.

11 BOARD OF HEALTH

11.1 2022 Annual Communicable Disease Report

Health Director Moser gave an update on the 2022 annual communicable disease report as follows:

- Salmonella -the Environmental Health staff stay in compliance with restaurants in the County and are on the road quite a bit.
- There has not been much change in the number of sexually transmitted diseases.
- Chlamydia is the new number one disease.
- There are no new cases of syphilis.
- There are two new cases of HIV.

12 ITEMS FROM THE COUNTY ATTORNEY, COUNTY MANAGER, ASSISTANT COUNTY MANAGER, & COUNTY COMMISSIONERS

13 CLOSED SESSION (IF APPLICABLE).

Moved by Jerry Groves, seconded by Fred McCoy

Motion to go into closed session as per NCGS -143.318.11(3) attorney client and (5) land acquisition.

	For	Against	Abstained	Absent
Fred McCoy	x			
Jacqueline A. Newton	x			
Jerry Groves	x			
Wendy Hardee	x			
Brad George	x			
	5	0	0	0

CARRIED.

14 7PM PUBLIC HEARINGS: SPECIAL USE PERMITS/ZONING MAP AMENDMENTS/ RESOLUTIONS

14.1 REZONE 2022-39: Request to rezone one tract in the Topsail Township from the RA, Rural Agriculture to GB, General Business.

Planner Brantley stated the Michael Nadeau, applicant on behalf of Earl Brown, owner, is requesting the approval of a Zoning Map Amendment to rezone one tract totaling approximately 1.85 acres of land from Rural Agriculture zoning district to General Business. The property is located on the west side of Highway 17, approximately 540 feet from the intersection of Whitebridge Road and Highway 17 in the Topsail Township.

Attorney Thurman administered the oath to those wishing to testify.
Chair Newton opened the Public Hearing.

Michael Nadeau, with Creative Commercial Properties, representing the Browns testified that somehow this one single tract still remains as RA on the highway even after multiple rezonings in that area.

Chair Newton closed the Public Hearing as no one else wished to speak.

Moved by Wendy Fletcher-Hardee, seconded by Fred McCoy

Motion to rezone this property (case 2022-39) from Rural Agriculture to General Business.

	For	Against	Abstained	Absent
Fred McCoy	x			
Jacqueline A. Newton	x			
Jerry Groves	x			
Brad George	x			
Wendy Fletcher-Hardee	x			
	5	0	0	0

CARRIED.

15 PUBLIC COMMENT

15.1 Michael Nadeau stated he is here to ask the Board's help for two County residents, the Taylor. They own a lot that adjoins at Hoover Road near the Hampstead Annex. This property has had two Highway 17 driveway accesses for years. Twenty years ago, DOT widened the intersection, and they lost the second driveway. Last year a traffic plan by DOT removed a connecting easement with another property.

16 CLOSED SESSION

Moved by Fred McCoy, seconded by Jerry Groves

Motion to go into closed session at 7:26 pm as per NCGS 143-318.11(3) attorney client and (5) land acquisition.

	For	Against	Abstained	Absent
Fred McCoy	x			

Jacqueline A. Newton	x			
Jerry Groves	x			
Brad George	x			
Wendy Fletcher-Hardee	x			
	5	0	0	0

CARRIED.

17 ADJOURNMENT

Moved by Fred McCoy, seconded by Jerry Groves

Motion to adjourn 9:10 pm

	For	Against	Abstained	Absent
Fred McCoy	x			
Jacqueline A. Newton	x			
Jerry Groves	x			
Brad George	x			
Wendy Fletcher-Hardee	x			
	5	0	0	0

CARRIED.