

**BRUNSWICK COUNTY BOARD OF COMMISSIONERS
OFFICIAL MINUTES
REGULAR MEETING
NOVEMBER 17, 2008
6:30 P.M.**

The Brunswick County Board of Commissioners met in Regular Session on the above date at 6:30 p.m., Commissioners' Chambers, David R. Sandifer Administration Building, County Government Center, Bolivia, North Carolina.

PRESENT: Commissioner William Sue, Chairman
 Commissioner May Moore
 Commissioner Tom B. Rabon, Sr.
 Commissioner Phil Norris, Vice-Chairman
 Commissioner J. Martin Cooke

STAFF: Marty K. Lawing, County Manager
 Steve Stone, Assistant County Manager
 Huey Marshall, County Attorney
 Jana Berg, Assistant County Attorney
 Debby Gore, Clerk to the Board
 Margie Stephenson, Deputy Clerk
 Ann Hardy, Fiscal Operations Director

Lt. Roger Harrington

I. CALL TO ORDER

Chairman Sue called the meeting to order at 6:30 p.m.
(Attached to these Minutes is an item called Board Action containing all items on this agenda and those items are incorporated herein.)

II. INVOCATION/PLEDGE OF ALLEGIANCE

Commissioner Cooke gave the Invocation and led the Pledge of Allegiance.

III. ADJUSTMENTS/APPROVAL OF AGENDA

Chairman Sue asked if there were any adjustments to the agenda. The following adjustments were made:

1. Commissioner Cooke requested to add as Item VII-4, the District 2 appointment to the Parks and Recreation Board.
2. Debby Gore, Clerk to the Board, requested to add as Item V-I, reimbursement of 160 hours of compensatory time for the Clerk.

Commissioner Cooke moved to approve the agenda as amended. The vote of approval was unanimous.

IV. PUBLIC COMMENTS

Chairman Sue asked if there was anyone in the audience who wished to speak regarding any item on the agenda or any matter that was not included in the agenda. The following citizens addressed the Board:

1. Ronald Moore, Water Distribution Superintendent, voiced concerns with Item VI-9, Vehicle Fringe Benefit, stating that he is concerned that his department will have to address new ways to handle emergencies if certain employees are denied the use of their take home a vehicle. Mr. Moore informed that Mickey Thompson and Ashley Babson are loyal employees who always respond to emergencies on week end and after hour emergency calls and wants to continue the level of service provided to the citizens of Brunswick County. Mr. Moore asks that the Board consider his request favorably.

V. APPROVAL OF CONSENT AGENDA

Commissioner Cooke moved to approve the Consent Agenda. The vote of approval was unanimous. The following items were approved:

A. Minutes

1. **October 20, 2008 Regular Meeting Minutes**

B. Tax

- 1. **Tax Releases for November 2008**
- 2. **Monthly Tax Collections Report for October 2008**

C. Finance

D. Operation Services – Water Management Project

Staff requests approval of proposed Water Management Project by the Mosquito Control Division on Mt. Misery Rd NE.

E. Operation Services – Water Management Project

Staff requests approval of proposed Water Management Project by the Mosquito Control Division on 1603 Lincoln Rd.

F. Department of Social Services – Hope Harbor Home Contract

Staff requests approval between Brunswick County Department of Social Services and Hope Harbor Home, Inc.

G. Juvenile Crime Prevention Council Program Agreements

Staff request approval of the Department of Juvenile Justice and Delinquency Prevention County Funding Allocation to include \$5,000 for the Boys & Girls Club and \$6,610 for JCPC Appropriation and the associated budget amendment.

Fund	Description	Code	Increase	Decrease
General Fund	JCPC Administration	105833-332000	\$6,610	
General Fund	JCPC Grant Subsidy	105833-465500	\$6,610	

H. Finance – Amendment to Policy for Disposal of Surplus Personal Property

Staff requests to approve amendments to the Brunswick County Policy for Disposal of Surplus Personal Property.

I. Clerk Compensatory (Added under Adjustments to the Agenda)

Request approval for reimbursement of 160 hours of compensatory time.

VI. ADMINISTRATIVE REPORT

1. Parks & Recreation – Lose & Associates Contract (Jim Pryor)

Staff recommends approving Contract with Lose & Associates to Complete the Comprehensive Parks & Recreation Master Plan and the associated FY 2008-09 budget amendment.

Jim Pryor, Parks and Recreation Director, explained that in August of 2008, a Request for Qualifications for the Parks & Recreation Comprehensive Master Plan project was distributed. The 6 firms that responded were evaluated by the Director of Parks & Recreation and scored on determined score sheets comprised of vital areas within the project. From this scoring, the field was narrowed to 3 firms receiving the highest scores to continue in the next phase of the process.

In September 2009, the finalists received a formal Request for Proposal regarding the project. The proposal asked that firms submit their proposals in writing and also included a 2 hour interview with each firm so they could present their proposal. A selection committee to review these proposals was form consisting of Jim Pryor, Director of Parks & Recreation, Ruthie McHugh, Fitness Coordinator, and Morry Watkins, Vice Chair of the Parks & Recreation Advisory Board. The selection committee completed interviews with all 3 firms on October 9. On October 15th, the selection committee met to score all the firms on a detailed score sheet containing key elements of the project and discuss the formal ranking of the firms. The firms ranked as follows: 1. Lose & Associates 2. Site Solutions 3. PROS Consulting.

The Parks & Recreation Advisory Board at their October 21, 2008 meeting reviewed the score sheets of the selection committee and discussed the ranking order of the firms. The Parks & Recreation Advisory Board made a motion to accept the ranking of the firms and engage Jim Pryor to enter negotiations to secure a contract within the project budget of \$50,000.

After negotiations, Lose & Associates agreed to complete the requested scope of services for the project. The contract indicates a Not-to-exceed amount of \$50,000, the budgeted amount for the project.

Fund	Description	Code	Increase	Decrease
General Fund	Parks Contingency	106132-457100		\$37,415
General Fund	COL-Shallotte Park	106132-457103		\$12,585
General Fund	Professional Services	106132-419900	\$50,000	

Commissioner Rabon moved to approve the Agreement with Lose and Associates to complete a Comprehensive Parks and Recreation Master Plan and the associated budget amendment. The vote of approval was unanimous.

2. Utilities – Notice of Award Ralph Hodge Construction Company (John Nichols)

Staff recommends to Award Construction Contract to Ralph Hodge Construction Company and Approve the Associated Budget Amendment and the Capital Project Ordinance.

John Nichols, Assistant Utilities Director, requested approval of the Notice of Award and authorize the chairman to execute the construction contract (contingent on the County Attorney’s review and approval of the construction contract, performance bond, payment bond, and insurance certificates) with Ralph Hodge Construction Company, for the construction of the

Booster Pump Station #6 Water Main Interconnect Project. The contract amount based on the base bid and alternate is \$730,000. Ralph Hodge Construction Company provided the lowest base bid amount. The engineer's estimate was \$1,200,000

The County authorized water transmission system improvements as part of the Capital Improvement Plan. One of the priority recommendations from the Brunswick County Water System Master Plan was the construction of a 16" water main to connect the existing 24" water main immediately downstream of Booster Pump Station No. 6 located on Washington Street in Shallotte to the existing 12" water main located in NC 179 (Brick Landing Road) near Village Point Road. The proposed interconnection will increase the amount of water available in the Southwest section of the County and lower the operating pressure at Booster Pump Station No. 6. This project is needed in order to meet growing peak demand transmission requirements in the southwest portion of the County (Calabash, Carolina Shores, Sunset Beach, Ocean Isle Beach).

The construction project was advertised and a total of twelve bids were opened on November 4, 2008. Using State construction guidelines, Black & Veatch has reviewed the bid proposals and recommends the project be awarded to the lowest, responsive bidder, Ralph Hodge Construction Company. □

Fund	Description	Code	Increase
Water Reserve Fund	Transfer to Water Capital Project	639800-498041	\$830,000
Water Reserve Fund	Transmission System Improvements	639800-464306	
Water Capital Project Fund	Transmission System Improv Construction	418247-464002	\$830,000
Water Capital Project Fund	Transfer from Water Capital Reserve	418247-398663	\$830,000

Staff recommends approval of the above budget amendment to transfer funds from the water capital reserve Transmission System Improvements fund appropriations for construction costs associated with the Transmission System Improvements Capital Project. Approval of the associated capital project ordinance below is requested:

**County of Brunswick, North Carolina
Capital Project Ordinance**

Transmission System Improvements Water Capital Project (418251)

Be it ordained by the Board of County Commissioners of Brunswick County that pursuant to Section 13.2 of the General Statutes of North Carolina, the following ordinance is hereby adopted:

Section 1. The following amounts are hereby appropriated in the Brunswick County Water Capital Projects Fund for the Transmission System Improvements Water Capital Project:

Project Cost \$1,070,000

Section 2. It is estimated that the following revenues will be available in the Brunswick County Water Capital Projects Fund:

Contributions from Water Capital Reserve \$1,070,00

Section 3. The following amounts are hereby appropriated in the Brunswick County Water Capital Reserve Fund:

Contribution to Water Capital Project	\$1,070,000
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Section 4. It is estimated that the following revenues will be available in the Brunswick County Water Capital Reserve Fund:

Current Funds Appropriated	\$1,070,000
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Section 5. This Capital Project Ordinance shall be entered into the minutes of the November 17, 2008 meeting of the Brunswick County Board of Commissioners.

Vice-Chairman Norris moved to award the Construction Contract to Ralph Hodge Construction Company and approve the associated budget amendment and capital project ordinance subject to approval by the County Attorney. The vote of approval was unanimous.

3. Utilities – Winding River Grinder Pump Maintenance (John Nichols)

Staff recommends approving the request of the Winding River Plantation Community Association for the county to assume the Responsibility of Installation, Maintenance and Repair of Grinder Pump Stations.

John Nichols, Assistant Utilities Director, explained that in June 2008, the Board of Commissioners approved a Grinder Pump Maintenance Policy whereby owners of sewer grinder pumps permitted in the County's name would pay a monthly fee (\$5) instead of the full cost for grinder pump station repairs. Grinder pump stations within the Winding River Plantation development were not included in this new policy because Winding River Plantation Community Association, Inc. traditionally handled installation, repair, and maintenance by contracting with private companies. On August 25, 2008, the Winding River Plantation Community Association, Inc., Board of Directors approved a resolution to have the County take responsibility for the installation, maintenance, and repair of grinder pump stations within the Winding River development. This was approved on October 13, 2008, by the Utility Operations Board. All of the Winding River development NC DENR Division of Water Quality sewer permits are in the County's name and responsibility for operation and maintenance for the grinder pump stations by Brunswick County is explicitly indicated in the permits.

Commissioner Moore moved to approve the request from the Winding River Plantation Community Association for the county to assume the responsibility of Installation, Maintenance and Repair of Grinder Pump Stations. The vote of approval was unanimous.

4. EMS – Debris Management (Scott Garner)

Staff recommends approving the Debris Management Plan. Copies of the Debris Management Plan are available in the Clerk's office for review.

Scott Garner, Fire Marshall, explained that on October 8, 2008 Brunswick County was declared by the President of the United States in accordance with the Disaster Relief Act. Staff requests approval of the County's proposed Debris Management Plan, which will allow utilization of the section of the Public Assistance Pilot Program. The Department of Homeland Security (DHS) Appropriations Act, 2007, Public Law 109-295, directs the Federal Emergency Management Agency (FEMA) to conduct Public Assistance (PA) Pilot Programs. The goal of the pilot program is to reduce cost associated with providing assistance, increase flexibility in grant administration; and, expedite the provision of assistance to States and local governments. The pilot program sections relates to debris removal and repair, restoration, and replacement of damaged facilities.

FEMA has reviewed and approved the plan; it just requires Board approval to allow funding options associated with the FEMA Pilot Program for Debris Management. The effect would relate to additional reimbursement of staff hours. The hours are associated with regular time for debris clean-up. A copy of the plan has been provided, along with the approval letter from FEMA.

Commissioner Cooke moved to approve the Debris Management Plan. The vote of approval was unanimous.

5. Utilities – Review Proposed City of Southport MOU Wastewater Treatment (Jerry Pierce)

For Discussion Only.

Jerry Pierce, Utilities Director, explained that the City of Southport requested that Brunswick County submit a proposal to them for the treatment of wastewater generated within the City. The County submitted two options for the City's consideration. The first option was the construction of a new Southeast Wastewater Treatment Plant to be constructed on the County-owned property at Sunny Point. The second option was for the City to construct a pipeline to the existing County-owned force main at St. James with wastewater treatment to be provided at the West Brunswick Water Reclamation Facility (WRF). After some discussion and evaluation of the two county alternatives and other non-County alternatives, the City selected the second option as the best option for the City.

The City of Southport and Brunswick County have negotiated a Memorandum of Understanding for the short-term use of County's treatment capacity in the West Brunswick Regional Wastewater Treatment System by the City of Southport. Under the terms of the proposal, the City will construct a new force main from the City limits to the existing County-owned force main located at the entrance to the Town of St. James. The County will charge the City of Southport a Capital Fee based upon their allocated treatment capacity in the West Brunswick Water Reclamation Facility. The County will also charge the same operation and maintenance rate to the City as the rate charged other utilities that contribute flow to the West Brunswick Regional Wastewater Treatment System. The Agreement calls for the County to perform a study when the flow in the West Brunswick WRF reaches 70% of its design capacity to determine the most cost-effective method of providing additional capacity. When plant flows reach 80% of its design capacity, the City of Southport must enter into an agreement to purchase additional capacity from the County or remove their flow for treatment at a non County-owned facility.

Staff recommends approval of the Agreement. The utilities that contribute flow to the West Brunswick WRF have been informed of this proposed Agreement.

Commissioner Moore moved to approve the Memorandum of Understanding with the City of Southport contingent upon approval by the City of Southport. The vote of approval was unanimous.

6. Utilities – Operations Center Contract Award (Jerry Pierce)

Staff recommends approving the Award of Construction Contract to John S. Clark Company for the construction of the Public Utilities Operations Center in the amount of \$4,591,574 and the associated budget amendment and capital project ordinance.

Jerry Pierce, Utilities Director, requested approval of a Notice of Award and to authorize the Chairman to execute the construction contract (contingent on the County Attorney's review and approval of the construction contract, performance bond, payment bond, and insurance

certificates) with John S. Clark Company, for the construction of the Public Utilities Field Operations Center Project. The contract amount based on the base bid plus the credits for the reduction in the scope of work for a total contract amount of \$4,591,574.

Bids were received on October 21, 2008, for the construction of the Public Utilities Field Operations Center Project. Bids were received from fifteen contractors. The low bidder on the project on the day of the bid opening withdrew his bid due to an error in calculating his bid. The architect on the project, Pease and Associates, has evaluated the bids and determined that the lowest responsive, responsible bid was received from John S. Clark Company of Wilmington, NC. The contractor has agreed to reduce their original bid by providing a credit for a reduction in the scope of work. The new contract amount is \$4,591,574.

The new Public Utilities Field Operations Center will consolidate all of the non-plant operations into one facility. The new facility will be constructed adjacent to the West Brunswick Water Reclamation Facility and will consist of office space, shops for the Distribution Division, Collections Division, and Instrumentation and Electrical Division. The existing warehouse and material storage yards will also be consolidated in the new facility.

Commissioner Cooke expressed concerns that he received his packet late Friday evening and did not have time to review this item over the week end and was hesitant to make a decision at this time.

Commissioner Cooke moved to table this item until the December 1, 2008 meeting and directed staff to set up meetings with Commissioner-elect Charles Warren and Commissioner-elect Scott Phillips for discussion. The vote of approval was unanimous.

7. Finance – Monthly Financial Reports for October 2008 for Information (Ann Hardy)

Ann Hardy, Fiscal Operations Director, presented the Monthly Financial Reports for October 2008 as information.

8. Finance – Cell Phone Fringe Benefit Wage Statement Reporting & Taxation (Ann Hardy)

Ann Hardy, Fiscal Operations Director, explained that a representative from the Internal Revenue Service conducted a presentation at the North Carolina State Treasurer’s Annual Government Finance Officers’ Conference and explained the regulations for record substantiation, fringe benefit reporting, and taxation for government issued cellular phones. The representative made a request for local governments to achieve compliance immediately. The following information in italics was provided by the IRS.

“Employers often provide employees with certain electronic and telecommunication equipment for use outside of the employer’s premises in the performance of their duties. These items (and other items listed in IRC 280F) are considered “listed property”. Because the nature of the property lends itself to personal use, strict substantiation requirements are in place. Employees are required to account for business and personal use. IRC 274(d); IRC 280F (d)(4); IRC 132(d)

Examples: *Cell phones, automobiles, computers, internet provider allowances*

“Listed Property” *IRC 280F(d)(4)*

- ❖ *Business use is excludable from the wages of the employee as a working condition fringe benefit.*
- ❖ *Personal use is included in the wages of the employee.*
- ❖ *If substantiation requirements are not met, all use is included in the wages of the employee.*

Substantiation Requirements

Records of business and personal use must be kept by the employee in order to determine whether the value of any of the use is included in the employee's wages. IRC 274(d)

Example: An employer provides an employee with a cell phone and pays the monthly charges. The employer requires the employee to highlight personal calls on the monthly bill. The employer includes the direct charges for personal use and a pro rata share of monthly fees and services in the wages of the employee. The business use is not taxable to the employee”.

There is currently an act (HR 5719) in the senate of the United States dated April 16, 2008 to remove cell phones from the category of “listed property.” However at this time, the rules above apply to Brunswick County. The County’s fringe benefit period runs from December 1, 2007 thru November 30, 2008 for reporting on the Employee 2008 Wage and Tax Statement (Form W2.) The county has not required employees to perform the substantiation requirements for cell phones during the fringe benefit reporting period and therefore 100% of the value of the cell phone is a fringe benefit in this reporting period.

Staff recommends that for the period from December 1, 2007 thru November 30, 2008, the County report 100% of the employee assigned cell phone bill as a fringe benefit to those employees assigned a cellular phone that are unable to provide documentation of business and personal use. Staff recommends that for those employees that are able to provide records, the fringe benefit is reported in accordance with IRS guidelines for valuation. Staff recommends that the county pay both the employee and employer FICA taxes, federal withholding taxes and State withholding taxes.

Staff recommends that for fringe benefit tax years beginning December 1, 2008, county departments transition to a cell phone stipend as soon as economically practical or when current contracts expire. Staff recommends that all employees assigned a county cell phone are advised that no personal use of the county provided cell phone is allowed. Staff recommends that all employees issued a county cell phone complete the IRS substantiation requirements from December 1, 2008 forward. Staff recommends that employees are personally responsible for any cell phone fringe benefit tax liability from December 1, 2008 forward.

Commissioner Rabon moved approval to transition to a cell phone stipend for fringe benefit tax years beginning December 1, 2008 as soon as economically practical or when current contracts expire and to advise all employees assigned a county cell phone that no personal use of the county provided cell phone is allowed and that all employees issued a county cell phone complete the IRS substantiation requirements from December 1, 2008 forward and that those employees are personally responsible for any cell phone fringe benefit tax liability from December 1, 2008 forward. The vote of approval was unanimous.

9. Administration – Vehicle Fringe Benefit Wage Statement Reporting & Taxation (Marty Lawing)

Staff recommends approving the Take Home Vehicle Plan to be effective December 1, 2008.

Marty Lawing, County Manager, explained that approximately sixty (60) non-law enforcement employees of Brunswick County have been required or authorized to drive a county-owned

vehicle home. In an effort to comply with a recent interpretation of the Internal Revenue Service regulations regarding personal use of county vehicles and to reduce operating costs, staff has developed a modified plan for take home vehicles and the method of calculating the fringe benefit value to the employees authorized or required commute. According to the IRS regulations, commuting to and from the workplace in a company owned vehicle is personal use.

The proposed plan outlined below significantly reduces the number of vehicles that will be taken home on a regular basis. In general, this proposed plan limits take home vehicles to employees that are on emergency call on a rotating basis, employees that can and do conduct business on the route to and from the workplace on a frequent basis and possibly those employees for which a vehicle was unquestionably included in their compensation package and approved by the County Manager or Board of Commissioners. Employees with the vehicle benefit will have the option of continuing to drive the vehicle home on a regular basis or receive a \$4,000 allowance in lieu of commuting. In either case the employee will be responsible for the tax liability on the lease value of the vehicle or the allowance.

In an effort to eliminate as many vehicles as possible from being taken home, a very conservative approach was taken in formulating this recommendation. In many cases, people in positions that have traditionally had a take home vehicle will no longer be authorized to commute in a vehicle. In many cases employees that are subject to call-out after hours and on weekends on an infrequent basis will be required to respond in their personal vehicle. When this occurs the county will reimburse the employee at the prevailing IRS mileage rate. Some of the employees that will be required to take the vehicle home will be subject to the \$3.00 per day Commuting Rule and the county will be responsible for the state and federal tax and social security liability. Employees determined to be subject to the Lease Valuation Rule will be responsible for the tax and social security liability. All employees driving vehicles home will be required to keep a detailed mileage log and distinguish between business and personal use.

Employees will be grouped into the following categories for purposes of explaining the proposed plan.

1. Department Heads, supervisors, superintendents and other administrative and operational employees, including maintenance personnel assigned to a specific water or wastewater plant that previously have driven a county vehicle home, will not be authorized to commute. In many cases these are employees that have technical, supervisory or management responsibilities, but the frequency of call outs after hours and on weekends are usually not significant. These individuals will be required to respond to emergencies, but they will respond in a personal vehicle and receive a mileage reimbursement for the mileage driven. These employees will continue to have a county vehicle to use during normal working hours. Approximately 26 employees will fall into this category.
2. Employees that can and do on a regular or frequent basis perform important job duties between their home and their worksite as required by the County. These employees will be permitted to continue to commute in the so long as they are required to perform these duties. In these limited cases, it is actually more efficient for the county to permit the commuting and avoid unnecessary driving and unproductive time. If the employee's residence location or workplace assignment changes and the efficiency can no longer be realized, the commuting will be stopped. These employees would qualify for the \$3.00 Day Commuting Rule and the county will be responsible for the tax and social security liability. Three employees currently fall into this category.
3. Employees that are assigned to frequent rotating on-call duty to respond to emergencies. The employees, primarily in Public Utilities Water Distribution and Sewer Collection Divisions and Emergency Management Services. These employees will be authorized to drive a county vehicle home when they are assigned to emergency on call duty. These employees will be required to maintain detailed mileage logs. These employees will

qualify for the \$3.00 / Day Commuting Rule and the county will be responsible for the tax liability associated with the commuting fringe benefit. Approximately 18 employees currently fall into this category.

4. Employees that are on call on a frequent or rotating basis and are assigned a qualifying vehicle as defined by the IRS. This includes one employee in Operation Services and several in the I&E Division of the Public Utilities Department. Because these employees drive a qualifying non-personal use vehicle there is no fringe benefit for commuting, therefore no tax liability or recordkeeping requirement. Four employees are in this category.
5. Emergency Management supervisory personnel that are subject to frequent emergency call out and drive a vehicle that is clearly marked as an emergency vehicle. The individuals will be authorized to drive an assigned vehicle home on a regular basis and the fringe benefit value of such commuting will be the Lease Valuation Rule. The employee will be required to keep detailed mileage logs specifying business and personal use. The employee will be responsible for the employee portion of the state, federal and social security on the fringe benefit. Four employees are in this category.
- 6.

Department directors, assistant directors and county management staff for which a vehicle was included in their employment agreement and approved by the county manager or the Board of Commissioners will be have an option of continuing to commute in their assigned vehicle on a regular basis or receive a \$4,000 vehicle allowance in lieu of commuting. If an employee elects to continue commuting they must maintain a mileage log specifying business and personal use. Under this plan the assistant county manager would receive a \$6,000 allowance and forego the use of an assigned county vehicle. Under either option, the employee will be responsible for the tax and social security liability on the fringe benefit. These employees would have a county vehicle for their use for county business. Seven employees fall into this category.

After a long discussion, Chairman Sue moved approval to accurately value and report vehicle fringe benefits for employees assigned a take home vehicle and the county to pay both employee and employer tax (FICA, federal and state withholding) for the 2008 W2 reporting period and for the period from December 1, 2008 through the first quarter ending March 31, 2009. The vote of approval was unanimous.

VII. BOARD APPOINTMENTS

1. Juvenile Crime Prevention Council

Commissioner Moore nominated Deanna Eddinger, Commissioner Sue nominated Blake Ivey. Commissioner Rabon moved to close the nominations. The vote of approval was unanimous. Commissioner Rabon moved to approve the appointments of Eddinger and Ivey. The vote of approval was unanimous.

2. Brunswick County Hospital Authority (District 3, & District 4 appointments)

Commissioner Moore nominated Bill Leuschner and Commissioner Rabon nominated Colinda Hewett. Commissioner More moved to close the nominations. The vote of approval was unanimous. Vice-Chairman Norris moved to moved to approve the appointments of Leuschner and Hewett. The vote of approval was unanimous. Bill Leuschner and Colinda Hewett were reappointed to serve another three year term that will expire on December 1, 2011.

3. Utility Operations Board (District 3 appointment)

Commissioner Moore nominated John Michaux. Chairman Sue moved to close the nominations. The vote of approval was unanimous. Chairman Sue moved to approve the appointment of

Michaux. The vote of approval was unanimous. John Michaux will fill the term of Susan Toth (resigned) that will expire on December 1, 2011.

4. Parks and Recreation Advisory Board (Added under Adjustments to the Agenda)

Commissioner Cooke nominated William Smith. Chairman Sue moved to close the nominations. The vote of approval was unanimous. Commissioner Moore moved to approve the appointment of Mr. Smith. The vote of approval was unanimous. William Smith will fill the unexpired term of Joseph Gore (deceased) that will expire on July 1, 2010.

VIII. COUNTY ATTORNEY'S REPORT

1. Deed of Dedication for Water & Sewer Lines for Seawatch at Sunset Harbor, Ph. 6A & 6B, Section 1

Huey Marshall, County Attorney, explained that these lines are ready for acceptance into the county system with a worth of \$82,464.00 for water lines and \$37,309.00 for sewer lines.

Vice-Chairman Norris moved to approve the Deed of Dedication for water and sewer lines for Seawatch at Sunset Harbor, Ph. 6A and 6B, Section 1. The vote of approval was unanimous.

2. Deed of Dedication for Water Lines for Wescott Farms

Huey Marshall, County Attorney, explained that these lines are ready for acceptance into the county system with a worth of \$47,971.00 for water lines.

Vice-Chairman Norris moved to approve the Deed of Dedication for water lines for Wescott Farms. The vote of approval was unanimous.

3. Closed Session

Vice-Chairman Norris moved to enter Closed Session at 7:46 p.m. pursuant to NCGS 143-318.11 (a) (3) and (a) (5) to consult with the Attorney to consider and give instructions concerning a potential or actual claim, administrative procedure, or judicial action and to establish or instruct the staff of agent concerning the negotiations of the amount of compensation or other terms of an employment contract. The vote of approval was unanimous.

Reconvened 9:13 p.m.

Chairman Sue called the Open Session back to order and announced that no action was taken in Closed Session.

Vice-Chairman Norris moved to execute the Fire Service Contract with the Town of Ocean Isle Beach instead of the Ocean Isle Beach Fire Department noting that the contract deed is the only change. The vote of approval was unanimous.

Commissioner Cooke moved to set the Register of Deeds salary at \$72,500 per year. The vote of approval was unanimous.

IX. OTHER BUSINESS/INFORMAL DISCUSSION

1. Communications Tower Lease

Marty Lawing, County Manager reviewed a proposal to modify an existing lease with a cellular phone provider for a Calabash Water Tower antennae. Mr. Lawing explained the proposed modification. There was discussion of the proposed modification and the possibility of revising the county ordinance. The Manager explained that this matter is to be brought before the

Planning Board for review and suggestions. It was consensus of the Board to delay action until after review by the Planning Board.

2. **Tax Administrator Selection**

Marty Lawing, County Manager, explained that to date, 10 applicants have applied for the Tax Administrator position. It was consensus of the Board that Chairman Sue and Commissioner Cooke review the applications with the County Manager to begin the hiring process.

X. ADJOURNMENT

Commissioner Moore moved to adjourn the Regular Meeting at 9:22 p.m. The vote of approval was unanimous.

William M. Sue, Chairman

Deborah (Debby) Gore, Clerk to the Board