

MINTUES
SNOW HILL BOARD OF COMMISSIONERS REGULAR MEETING
MONDAY, FEBRUARY 14, 2011
SNOW HILL TOWN HALL
201 NORTH GREENE STREET, SNOW HILL, NORTH CAROLINA

1. **Call to Order** – Mayor ProTem, Bobby Taylor called the meeting to order at 7:00 p.m. The Prayer was offered by Commissioner Scarborough. The Pledge was led by Commissioner Whitson.
2. **Roll Call** – The Roll was called by Cathy Webb. All members were present except Mayor Liles. He was out due to sickness. A quorum was declared.
3. **Consider Agenda Approval** – A motion was made by Commissioner Scarborough, seconded by Commissioner O'Brien, and carried unanimously to approve the agenda.
4. **Consider Minutes Approval** – A motion was made by Commissioner Scarborough, seconded by Commissioner Whitson, and carried unanimously to approve the minutes of January 26, January 27, and February 8, 2011.
5. **Presentation: Robert Masters-ECCOG Report** - Mr. Masters presented a memo to the Board concerning the report of activities of ECCOG. He gave out a draft of the audit report of ECCOG, which appeared to him to be adverse. He said that on February 10, 2011 the East Carolina Council Executive Management Committee and sub-committees met for more than seven hours. Primarily the meeting was centered on the Revolving Loan Fund. Loans totaling \$659,000 had been written off. He said that funds had now been suspended by the Federal Government-no loans could be made. He said that a letter had been written by The North Carolina Local Government Commission to the ECC President demanding action be taken to restore accountability and internal controls to protect taxpayer's money. ECC voted to retain another attorney and the first order of business for the attorney is to get the lending files in order. He feels that these additional legal expenses are an unnecessary expense to the taxpayers. He indicated that he had resigned as Treasurer of ECC. He indicated that Denny Garner represents Greene County on the East Carolina Council and that he and Mr. Garner disagree on where the problem lies and that he continues to support the existing management structure. He said that he could not even recommend that Snow Hill remain a member of the East Carolina Council. He said that if the Town did not want to be a member next year, that they should notify the Council before March 31st. He did reiterate that the program was a good program if managed properly. He said that the Town need to make an appointment to the Board to replace him. Commissioner Whitson asked why the Board did not make the changes in the

course of the twelve month period after they received the letter from the Local Government Commission. Mr. Masters said that he did not know the answer to this question. He had his opinion. He said that the three things that he could see where 1) Timing of audit and time to correct errors (2) Meeting times of the Board 3) Third party auditing the loans (NERDA) Commissioner Whitson asked about the statement made by Mr. Masters concerning the payback of the defaulted loans. He asked if the members were liable for the \$659,000. He said the Federal Government would probably say yes-but who would come up with the share of each member. He really didn't know. Commissioner Taylor asked how many people made up this Board. Mr. Masters said that they had 18-one County Commissioner from each County and one appointee from each municipality and that they were not experts in lending.

6. Report of Officers –

a) Town Administrator –

- 1) **Community Center Operation Agreement and Fee Schedule-** Mr. Hill presented the most up-to-date Agreement for the Community Center. He said that he went thru and highlighted the few things that were changed after a conversation with the Community Center Representative He said these were simply some minor wording changes. Also a fee schedule was attached. (included in minutes) He said that he had spoke with Ms. Atkinson and she asked if the Board would table this until the Association Board had some time to look at it. Mr. Hill said there was some question concerning the non-profit, community service organizations. He said as it stood now all groups would be charged a rental fee. Commissioner Scarborough said that she did not see how any fees could be waived until we see what the operational cost would be. Mr. Hill said that it had been discussed that the Association and the Town could use the building with no rental fee charged.
- 2) **Expense/Revenue Statement** - Mr. Hill asked if there were any questions concerning the expense/revenue statements. He indicated that he thought we had pretty good numbers and some of the line items would probably be going over but budget amendments could be made.
- 3) **Pump Station Replacement-** Mr. Hill said that we applied for Loan funds to replace the pump station. He said that the funds were suppose to be awarded in January but the state are holding funds and anticipate awarding those funds in late March. He would like to order the parts for the station and his understanding is that the monies will be reimbursed to the Town when and if we receive the loan. Mr. Board would like for the Board to consider giving him the authority to order the parts.

4) **Planning Board Applicants** – Mr. Hill asked that this item be tabled until the full Board is present.

5) **Carolina Opportunities/Tinoco Resolution** - Mr., Hill said that there was some discussion after the meeting concerning the resolution of Carolina Opportunities. Commissioner Whitson said that after the last meeting that he called Mr. Hill concerning the resolution. He wanted to get more information on this. Mr. Masters said that this had been done in the past. He also said that he had a letter that needed to be signed by the Mayor-he would discuss that with him after the meeting. Commissioner Scarborough asked if the loan was not repaid-would the Town be liable to pay it back. Attorney Pridgen said that he had talked with USDA and was told that the Applicant get a letter or resolution from the Town in which the business is located in support of it. Mr. Pridgen said there would be no financial liability on the Town. Commissioner Scarborough asked what the funds would be used for. Mr. Abrego said that he wanted to create some more jobs. Mr. Master said that he also wanted to purchase some equipment so that he would not have to rent the equipment. Commissioner O'Brien if he handed out any paperwork on what the funds would be used for at the last meeting. He said he did not. She also asked Mr. Masters if he had any involvement with Tinoco Construction and she wanted the truth. Mr. Abrego said that Mr. Masters was his business manager. Commissioner O'Brien questioned Mr. Abrego about the fact that he had told her that Mr. Masters was his business partner. Mr. Abrego said that he did say that but that he did not know how to word it.

6) **Surplus Property** – Mr. Hill said that several years ago the Town purchased seven sets of big area lights and they cannot be used by the Town. He said they paid about \$1500 for them. He was approached a few weeks ago and asked if the Town would like to sell them. He said the gentlemen was willing to pay \$1500 for them.. He would like for the Board to declare the items surplus and authorize the sale.

7) **Report of Boards, Committees, and Commissions:**

1) **Planning Board – Zoning Change Request** – Mr. Hill said that Gary Chrisman approached the Planning Board and said that he had bought some property on 3rd Street and is doing some remodeling and some long range planning. He plans to put an office in one of the building and a BBQ carryout restaurant in another. Two of the

buildings are zoned residential and he would like to have them rezoned to downtown commercial.

8) Unfinished Business:

- a) **Tabled Zoning Ordinance Amendment** – Mr. Hill said that one person at the previous meeting had a question on this amendment and that he had met with the Planning Board and discussed it with them. Mr. Hill said that this item was listed under the action items.
- b) ECCOG Appointment – Mr. Hill said that the Town needed to appoint someone to the ECCOG. Commissioner O'Brien said that she would be glad to serve on this board.

9) Public Comments:

- 1) Mr. Denny Garner that he would like to address some of the comments that Mr. Masters made concerning ECCOG. He said they he would like to clarify some comments made at the last meeting. He said that his and Mr. Masters's relationship had been less than adversarial for the past eighteen months-since Mr. Masters became Treasurer of the ECC Board. Mr. Garner said that Mr. Masters told the Board at the last meeting that Ms. Riggs, President, quit last week- however the truth is -Ms. Riggs was not reappointed. Mr. Garner said that they did have problems with the Revolving Loan Program. He said that they were trying to get the problems straightened out. He also said that if the Town did not want to be a member of the ECCOG, that they needed to send a letter to them by March 1 not March 31st as stated by Mr. Masters. He said that their meetings had been very contentious in the past eighteen months. He said that some meetings had been going on without the knowledge of the Board. He said that Mr. Masters had implied that there was a conflict of interest in his serving on two Boards. However, Mr. Master's business, Carolina Opportunities could be a conflict of interest for Mr. Masters. He said that the was glad that they Town had appointed one of their own to the Board and encouraged Ms. O'Brien to attend the meetings and make her own decision.

10) **Action Items:**

- a. **Consider Approval of Community Center Operating Agreement and Fee Schedule-** A motion was made by Commissioner Whitson, seconded by Commissioner Shackelford, and carried unanimously to table the approval of the Community Center Operating Agreement.
- b. **Consider Appointment to Fill Town Seat on Planning Board** – This item was tabled until a full Board is present.
- c. **Consider setting a Public Hearing for Zoning Change as Proposed by Planning Board for March 14, 2011** – A motion was made by Commissioner Whitson, seconded by Commissioner Shackelford, and unanimously to set the Public Hearing for March 14, 2011.
- d. **Consider Adoption of Zoning Ordinance Amendment-Change Section 6;05B, 2(v) Game Rooms, Pool Halls, Taverns..... From permitted Use to Special Use in Highway and Downtown Commercial Districts.**
A motion was made by Commissioner Whitson, seconded by Commissioner O'Brien, and carried unanimously to approve this amendment.
- e. **Consider Authorizing the Disposal of (7) area lights** - A motion was made by Commissioner Whitson, seconded by Commissioner Shackelford, and carried unanimously to approve the sale of the area lights.
- f. **Consider Appointment to ECCOG Board** - A motion was made by Commissioner Whitson, seconded by Commissioner Scarborough, and carried unanimously to appoint Commissioner O'Brien to the ECCOG Board.
- g. **Pump Station Replacement** - A motion was made by Commissioner Scarborough, seconded by Commissioner Shackelford, and carried unanimously to allow Mr. Hill to order the parts necessary to replace the pump station not to exceed \$100,000.

11. **Commissioners Comments** – Commissioner Whitson said that he and Mr. Hill attended the ECCOG meeting and he got a chance to ask the new President and the Board if there was a conflict of interest regarding Mr. Garner's position at the Council and the Neuse River Council of Government. He was assured that there was no conflict at all.

12. **Adjourn** – A motion was made by Commissioner Shackelford, seconded by Commissioner Scarborough, and carried unanimously to adjourn. The meeting Adjourned at 8:35 p.m.

Mayor

Clerk