

**PASQUOTANK COUNTY, NORTH CAROLINA  
NOVEMBER 6, 2006**

The Pasquotank County Board of Commissioners met today in a regular meeting on Monday, November 6, 2006 in Courtroom C in the Pasquotank County Courthouse.

**MEMBERS PRESENT:** Cecil Perry, Chairman  
Lloyd E. Griffin, III, Vice-Chairman  
Matt Wood  
Bill Trueblood  
Marshall Stevenson  
John "Hank" Krebs  
Jeff Dixon

**MEMBERS ABSENT:** None

**OTHERS PRESENT:** Randy Keaton, County Manager  
Rodney Bunch, Asst. County Mgr. for Planning & Econ. Dev.  
R. Michael Cox, County Attorney  
Karen Jennings, Clerk to the Board

The meeting was called to order at 7:00 PM by Chairman Cecil Perry. The Rev. Tony Rice, Pastor of New Beginning United Fellowship Church, gave the invocation and Vice-Chairman Lloyd Griffin led in the Pledge of Allegiance to the American Flag. Chairman Perry welcomed everyone present, including Miss Kelly Hughes and Mr. Willie Joyner, both freshmen at Northeastern High School, and members of the Pasquotank County Youth Council.

**1. PUBLIC HEARING AND ADOPTION OF RESOLUTIONS REGARDING COPS REFUNDING:**

County Manager Randy Keaton explained that this COPS refunding is a refinancing of the current installment financing agreement that was done in 1995 for additional school facilities. The resolution will provide for certain findings of the Board.

Commissioner Bill Trueblood introduced the following resolution, a copy of which had been provided to each Commissioner and which was read by its title:

**RESOLUTION MAKING CERTAIN DETERMINATIONS CONCERNING A  
PROPOSED INSTALLMENT FINANCING AGREEMENT TO REFINANCE A  
PORTION OF THE COST OF CERTAIN EXISTING FACILITIES AND  
PROVIDING FOR CERTAIN RELATED MATTERS.**

WHEREAS, the County of Pasquotank, North Carolina (the "County") and the Pasquotank County Public Facilities Corporation entered into an Installment Financing Agreement, dated as of December 1, 1995 (the "1995 Installment Agreement") to finance pursuant to G.S. §160A-20, as amended, a portion of the cost of a project consisting of the acquisition, construction and equipping of a new middle school, additional school facilities and improvements to and renovations of existing school facilities and land for the construction of other additional school facilities (collectively the "Project"); and

WHEREAS, the County is considering entering into an installment financing agreement and certain related documents pursuant to G.S. §160A-20, as amended, for the purpose of providing funds in an amount not to exceed \$14,825,000, with any other available funds, for the refinancing of all or some portion of the County's obligations under the 1995 Installment Agreement in order to realize debt service savings for the County; and

WHEREAS, it is necessary to take certain related action at this time;

NOW, THEREFORE, BE IT DETERMINED AND RESOLVED by the Board of Commissioners for the County as follows:

Section 1. The Board of Commissioners for the County (the "Board of Commissioners") hereby finds and determines in connection with such proposed agreement that (a) such proposed agreement is necessary or expedient in order to realize debt service savings for

the County, (b) such proposed agreement is preferable to a bond issue of the County for the same purpose because (1) there is not sufficient time to authorize and issue general obligation bonds of the County for such purpose without putting the opportunity to realize debt service savings at greater risk and (2) the Project is not appropriate for refinancing with revenue bonds of the County, (c) the sums estimated to fall due under such proposed agreement are adequate and not excessive for its proposed purpose because (1) the proposed principal components of such sums are based upon the County's best estimates of the funds needed for such purpose and the sources of funds available to the County for such purpose and (2) interest rates applicable to such proposed agreement are relatively low currently, (d) the County's debt management procedures and policies are good and its debt will continue to be managed in strict compliance with law, (e) any increase in taxes necessary to meet the sums estimated to fall due under such proposed agreement will not be excessive because the County expects that it will realize debt service savings in connection with its entering into such proposed agreement and (f) the County is not in default regarding any of its debt service obligations.

Section 2. The County Manager, the Finance Officer and the County Attorney of the County are each hereby designated as a representative of the County to file an application for approval of such proposed agreement with the Local Government Commission of North Carolina and are authorized to take such other actions as may be advisable in connection with the negotiation of such proposed agreement and the development of the related refinancing; and all actions heretofore taken by any of such officers or any other officer of the County relating to such matter on behalf of the County are hereby approved, ratified and confirmed.

Section 3. The Board of Commissioners hereby requests the Local Government Commission of North Carolina to approve such proposed agreement under Article 8 of Chapter 159 of the General Statutes of North Carolina, as amended.

Section 4. The Board recommends the selection of the following parties and professionals to be on the financing team for such proposed agreement and that their services be utilized to the extent required and where appropriate:

Special Counsel	Robinson, Bradshaw & Hinson, P.A.
Underwriter	Wachovia Bank, National Association
Counsel to Underwriter	Helms, Mulliss & Wicker, PLLC
Non-Profit Corporation	Pasquotank County Public Facilities Corporation
Counsel to Non-Profit Corporation	Trimpi & Nash
Trustee and Escrow Agent	U.S. Bank National Association
Counsel to Trustee and Escrow Agent	Hunton & Williams

The Board hereby requests the Local Government Commission of North Carolina to approve such parties and professionals as members of such financing team.

Section 5. This resolution shall take effect immediately upon its passage.

Upon consideration of the foregoing resolution and motion duly made and seconded, the foregoing resolution was passed by the following vote:

Ayes: Commissioners Cecil Perry, Lloyd E. Griffin III, Matt Wood, Bill Trueblood, Marshall Stevenson, John H. Krebs, and Jeff Dixon.

Noes: None.

Thereupon, the Chairman of the Board of Commissioners for the County of Pasquotank, North Carolina (the "County") announced that this was the hour, day and place fixed for the public hearing for the purpose of considering whether the Board of Commissioners for the County (the "Board of Commissioners") should approve a proposed installment financing agreement and certain related documents pursuant to G.S. §160A-20, as amended, for the purpose of providing funds in an amount not to exceed \$14,825,000, with other available funds, for the refinancing of all or some portion of the County's obligations under the 1995 Installment Agreement hereinafter described in order to realize cost savings for the County. The County would secure the repayment by it of moneys advanced pursuant to such proposed agreement by granting a security interest in a portion of the Project hereinafter described and certain related property.

The 1995 Installment Agreement consists of the Installment Financing Agreement, dated as of December 1, 1995, entered into between the County and the Pasquotank County Public Facilities Corporation (the "Corporation") to finance a portion of the cost of the Project consisting of the acquisition, construction and equipping of a new middle school, additional school facilities and improvements to and renovations of existing school facilities and land for the construction of other additional school facilities.

Notice of this public hearing was published in The Daily Advance not less than 10 days before the date of this public hearing.

The County Manager and the County Attorney of the County then described such refinancing as currently proposed. Such refinancing would be accomplished by the execution and delivery of additional certificates of participation pursuant to (a) a Trust Agreement, dated as of December 1, 1995, and entered into between the Corporation and First Union National Bank of North Carolina, succeeded by U.S. Bank National Association, as trustee (the "Trustee"), as amended by a First Supplemental Trust Agreement, to be dated as of December 1, 2006 and proposed to be entered into between the Corporation and the Trustee, (b) the 1995 Installment Agreement, as amended by a First Amendment to Installment Financing Agreement, to be dated as of December 1, 2006 and proposed to be entered into between the Corporation and the County, (c) a Deed of Trust, made as of December 1, 1995, by the County to Daniel J. Ober, succeeded by Allison Lancaster – Poole or another successor thereto (the "Deed of Trust Trustee"), for the benefit of the Corporation, as amended by a Modification of Deed of Trust, to be dated as of December 1, 2006 and proposed to be entered into among the County, the Deed of Trust Trustee and the Corporation, and (d) an Escrow Deposit Agreement, to be dated as of December 1, 2006 and proposed to be entered into among the County, the Corporation and U.S. Bank National Association, as escrow agent. Such First Amendment to Installment Financing Agreement is the proposed installment financing agreement that is the subject of this public hearing.

The County Manager and the County Attorney of the County then presented and described drafts of such First Amendment to Installment Financing Agreement, such First Supplemental Trust Agreement, such Modification of Deed of Trust and such Escrow Deposit Agreement and a proposal from Wachovia Bank, National Association, as underwriter, to purchase such additional certificates of participation.

The Chairman of the Board of Commissioners then announced that the Board of Commissioners would immediately hear anyone who might wish to be heard on such matter.

No one appeared, either in person or by attorney, to be heard on such matter and the Clerk to the Board of Commissioners announced that no written statement relating to such matter had been received.

Thereupon, the Board of Commissioners determined to proceed with the proposed refinancing.

Thereupon, the Chairman of the Board of Commissioners announced that the public hearing was closed.

Thereupon, Commissioner Bill Trueblood introduced the following resolution, a copy of which had been provided to each Commissioner and which was read by its title:

RESOLUTION APPROVING THE PROPOSED SALE BY PASQUOTANK COUNTY PUBLIC FACILITIES CORPORATION OF CERTIFICATES OF PARTICIPATION IN CERTAIN INSTALLMENT PAYMENTS TO BE MADE BY THE COUNTY OF PASQUOTANK, NORTH CAROLINA AND A PROPOSED FIRST AMENDMENT TO INSTALLMENT FINANCING AGREEMENT TO REFINANCE A PORTION OF THE COST OF CERTAIN EXISTING FACILITIES, APPROVING CERTAIN OTHER DOCUMENTS AND ACTIONS RELATING THERETO AND AUTHORIZING OTHER ACTIONS IN CONNECTION THEREWITH.

WHEREAS, the County of Pasquotank, North Carolina (the "County") and the Pasquotank County Public Facilities Corporation (the "Corporation") entered into an Installment Financing Agreement, dated as of December 1, 1995 (the "1995 Installment Agreement"), to finance pursuant to G.S. §160A-20, as amended, a portion of a project consisting of the acquisition,

construction and equipping of a new middle school, additional school facilities and improvements to and renovations of existing school facilities and land for the construction of other additional school facilities; and

WHEREAS, in connection with the 1995 Installment Agreement, the Corporation and First Union National Bank of North Carolina, succeeded by U.S. Bank National Association, as trustee (the "Trustee"), entered into a Trust Agreement, dated as of December 1, 1995 (the "Trust Agreement"), pursuant to which the Corporation executed and delivered its Certificates of Participation (1995 Elizabeth City – Pasquotank Public Schools Project) in the principal amount of \$23,195,000; and

WHEREAS, in connection with the 1995 Installment Agreement, the County executed a Deed of Trust, made as of December 1, 1995 (the "Deed of Trust"), by the County to Daniel J. Ober, succeeded by Allison Lancaster – Poole or another successor thereto (the "Deed of Trust Trustee"), for the benefit of the Corporation; and

WHEREAS, the Board of Commissioners for the County (the "Board") has determined to proceed with the refinancing of all or some portion of the County's obligations under the 1995 Installment Agreement in order to realize cost savings for the County; and

WHEREAS, to effectuate such refinancing, the County and the Corporation have been negotiating certain documents and arranging for the negotiated sale of certificates of participation in certain installment payments to be made by the County pursuant to an amendment to the 1995 Installment Agreement to be entered into by and between the County and the Corporation, pursuant to the authority granted to the County under G.S. 160A-20, as amended; and

WHEREAS, the County has determined that it is in the best interests of the County that the County and the Corporation enter into such amendment to the 1995 Installment Agreement to make available to the County funds with which to effectuate such refinancing; and

WHEREAS, the County and the Corporation have retained an investment banker for the purpose of underwriting said certificates of participation; and

WHEREAS, said certificates of participation are expected to be marketed in the expectation of executing a contract of purchase with respect thereto and delivering said certificates of participation on or about December 7, 2006; and

WHEREAS, in connection with such refinancing, it is necessary for the County to approve the sale of said certificates of participation by the Corporation and certain documents and actions relating thereto and to authorize other actions in connection therewith;

WHEREAS, there have been presented at this meeting copies of the following documents relating to the delivery of the 2006 Certificates (hereinafter defined) constituting said certificates of participation:

(a) a draft of a Contract of Purchase, to be dated on or about November 29, 2006 (the "Contract of Purchase"), between the Corporation and Wachovia Bank, National Association (the "Underwriter"), relating to the underwriting by the Underwriter of the 2006 Certificates, which Contract of Purchase includes a Letter of Representation (the "Letter of Representation") to be executed by the County;

(b) a draft of a First Amendment to Installment Financing Agreement, to be dated as of December 1, 2006 (the "First Amendment to Installment Financing Agreement"), between the County and the Corporation, amending the 1995 Installment Agreement;

(c) a draft of a First Supplemental Trust Agreement, to be dated as of December 1, 2006 (the "First Supplemental Trust Agreement"), between the Trustee and the Corporation, amending the Trust Agreement and pursuant to which the Trustee would make available to the County a portion of the proceeds of not exceeding \$14,825,000 of Refunding Certificates of Participation, Series 2006 (the "2006 Certificates") evidencing proportionate undivided interests in the installment payments to be made by the County under the First Supplement to Installment Financing Agreement in order to refinance all or some portion of the County's obligations under the 1995 Installment Agreement;

(d) a draft of a Modification of Deed of Trust, to be dated as of December 1, 2006 (the "Modification of Deed of Trust"), among the County, the Deed of Trust Trustee and the Corporation, amending the Deed of Trust;

(e) a draft of an Escrow Deposit Agreement, to be dated as of December 1, 2006 (the "Escrow Deposit Agreement"), among the County, the Corporation and U.S. Bank National Association, as escrow agent; and

(f) a draft of a Preliminary Official Statement (the "Preliminary Official Statement") relating to the public offering of the 2006 Certificates;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

Section 1. The Board hereby approves the sale of the 2006 Certificates by the Corporation. The 2006 Certificates shall mature in such amounts at such times and shall bear interest at such rates as shall be determined by the President of the Corporation; provided, however, that the aggregate principal amount of 2006 Certificates shall not exceed \$14,825,000 and the final maturity of the 2006 Certificates shall not extend beyond June 1, 2020.

The 2006 Certificates shall be issued in fully registered form in denominations of \$5,000 or any whole multiple thereof. Interest with respect to the 2006 Certificates shall be payable on June 1, 2007, and semiannually thereafter on each June 1 and December 1 until the 2006 Certificates are fully paid. Payments of principal and interest with respect to the 2006 Certificates shall be made by the Trustee to the registered owners of the 2006 Certificates in such manner as is set forth in the Trust Agreement, as amended by the First Supplemental Trust Agreement.

Section 2. The 2006 Certificates shall be subject to prepayment at the times, upon the terms and conditions, and at the prices set forth in the Trust Agreement, as amended by the First Supplemental Agreement.

Section 3. The proceeds of the 2006 Certificates shall be applied as provided in Section 2.06 of the First Supplemental Trust Agreement.

Section 4. The forms, terms and provisions of the First Amendment to Installment Financing Agreement, the Modification of Deed of Trust, the Escrow Deposit Agreement and the Letter of Representation are hereby approved in all respects and, insofar as they are applicable to the County, the terms and provisions of the First Supplemental Trust Agreement are hereby approved in all respects. The Chairman of the Board, the County Manager, the Finance Officer of the County, the Clerk to the Board and the County Attorney are hereby authorized and directed to execute and deliver the First Amendment to Installment Financing Agreement, the Modification of Deed of Trust, the Escrow Deposit Agreement and the Letter of Representation in substantially the forms presented, together with such additions, changes, modifications and deletions as they, with the advice of counsel, may deem necessary or appropriate, including, but not limited to, additions, changes, modifications and deletions necessary to incorporate the final terms of the 2006 Certificates as shall be set forth in the Contract of Purchase, and such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Board and the County.

Section 5. The Board hereby approves the award of the 2006 Certificates to the Underwriter pursuant to the Contract of Purchase; provided, however, that the true interest cost shall not exceed 4.50% per annum and the Underwriter's discount shall not exceed \$8.00 per \$1,000 of principal amount of the 2006 Certificates.

Section 6. The Board hereby approves the Preliminary Official Statement in substantially the form presented, together with such additions, changes, modifications and deletions as the Chairman of the Board, the County Manager and the Finance Officer of the County, with the advice of counsel, may deem necessary or appropriate, and approves and authorizes the distribution and use of the Preliminary Official Statement by the Corporation and the Underwriter in connection with the public offering of the 2006 Certificates. The Board hereby also approves and authorizes the preparation of an Official Statement, in substantially the form of the Preliminary Official Statement, with such changes as are necessary to reflect the maturities and interest rates of the 2006 Certificates and other information required by Rule 15c2-12 of the Securities and Exchange Commission (the "Official Statement"); and the Chairman of the Board, the County Manager and the Finance Officer of the County are hereby

authorized to execute, on behalf of the County, the Official Statement in substantially such form, together with such additions, changes, modifications and deletions as they, with the advice of counsel, may deem necessary or appropriate. Such execution shall be conclusive evidence of the approval thereof by the Board and the County, and the Board hereby approves and authorizes the distribution and use of copies of the Official Statement by the Corporation and the Underwriter in connection with the public offering of the 2006 Certificates.

Section 7. The Board hereby approves, ratifies and confirms the actions of the County Manager, the Finance Officer of the County and the County Attorney in connection with this matter and approves and authorizes the distribution and use of copies of the First Amendment to Installment Financing Agreement, the First Supplemental Trust Agreement, the Modification of Deed of Trust, the Escrow Deposit Agreement and the Contract of Purchase by the Corporation and the Underwriter in connection with the public offering of the 2006 Certificates.

Section 8. The officers and employees of the County are authorized and directed (without limitation except as may be expressly set forth herein) to take such other actions and to execute and deliver any other documents, certificates, undertakings, agreements or the instruments as they, with the advice of counsel, may deem necessary or appropriate to effectuate the transactions contemplated by the documents approved hereby. In particular, the officers and employees of the County are authorized and directed to negotiate with MBIA Insurance Corporation with respect to obtaining from it a commitment to issue a financial guaranty insurance policy (the "Policy Commitment") and a financial guaranty insurance policy relating to the 2006 Certificates and to approve, execute and deliver the Policy Commitment.

Section 9. The County covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Internal Revenue Code of 1986, as amended, as applicable to the 1995 Installment Agreement, as amended by the First Amendment to Installment Financing Agreement, except to the extent that the County obtains an opinion of bond counsel to the effect that noncompliance would not result in interest with respect to the 2006 Certificates being includable in the gross income of the owners of the 2006 Certificates for purposes of federal income taxation.

Section 10. This resolution shall take effect immediately upon its passage.

Upon consideration of the foregoing resolution and motion duly made and seconded, the foregoing resolution was passed by the following vote:

Ayes: Commissioners Cecil Perry, Lloyd E. Griffin III, Matt Wood, Bill Trueblood, Marshall Stevenson, John H. Krebs, and Jeff Dixon.

Noes: None.

Mr. Keaton noted that several issues were resolved today in a conference call. He said that MBIA has waived the requirements for an appraisal and will accept the insured values. He said that several schools will be released from the original collateral. These properties include Elizabeth City Middle School, Northeastern High School, and the pecan orchard beside River Road Middle School. Mr. Keaton stated that if the certificates were going to market today, the savings would be about \$563,000 which is 3.33% on a net present value basis.

## **2. AMENDMENTS TO THE AGENDA:**

Chairman Perry asked if there were any amendments to the agenda. It was requested that the agenda be amended to include the following: 1) recommendation from Finance Committee to authorize staff to proceed with discussions with property owner and to obtain a survey of property for a public beach access project; 2) recommendation from Finance Committee to increase prices of property in the Commerce Park; 3) adoption of resolution concerning jail financing; and 4) Closed Session to discuss the acquisition of property and to preserve the attorney client privilege.

Motion was made by Lloyd Griffin, seconded by Marshall Stevenson to approve the amendments to the agenda as presented. The motion carried unanimously.

**3. APPROVAL OF CONSENT AGENDA:**

The Board considered the following consent agenda:

*a. Approval of Minutes of October 16 and October 30, 2006 Commissioner Meetings*

*b. Approval of Tax Releases and Refunds*

The Finance Committee has recommended approval of the following tax releases and refunds:

Releases:

		County	City
1.	Nixon & Nixon		132.00
2.	Francis A. Bargardo, III	119.11	100.01
3.	Sheldon White Stokely	110.88	
4.	Peter Lawrence Beavis	175.81	
5.	Mark Allan Washburn, II	111.13	
6.	Marlvis Evett Stokes	131.21	
7.	American Legion Inc.	107.00	132.00
8.	Leonard Edward Cortez	125.33	
9.	Shenita Ann Brother Moore	170.02	140.61
10.	Ray Spencer Meiggs, Jr.	121.55	101.95
11.	Michael Travis Kane, Sr.	178.17	
12.	Oliver S. & Jess Robinson	249.60	
13.	Edwin Cordero	138.24	
14.	Stephen Jon Goyette	143.22	
15.	Phillip Leroy Hickman, Jr.	138.68	
16.	James Louis Berube	185.30	152.80
17.	Roger Clayton Ferrell	189.59	

Refunds:

1.	Jack D. & Sylvia L. Crank	309.83	258.19
2.	William Ambrose	313.63	261.36

*c. Adoption of Resolution Approving Plans and Specifications for New District Jail*

The Board is required by USDA Rural Development to adopt a resolution approving the plans and specifications for the new Albemarle District Jail facility. The resolution is as follows:

WHEREAS, The Albemarle District Jail Commission, Pasquotank County, Perquimans County, and Camden County have agreed to construct a new facility for Albemarle District Jail; and

WHEREAS, The Albemarle District Jail Commission has contracted with Brennan Associates to prepare the final plans and specifications for the construction of the new jail facility; and

WHEREAS, Pasquotank County has agreed to finance the construction of the jail facility, including acting as the agent for the construction project;

NOW THEREFORE BE IT RESOLVED that the Pasquotank County Board of Commissioners has reviewed the final plans and specifications and hereby approves them.

ADOPTED this the 6<sup>th</sup> day of November, 2006.

*d. Award of Contract for Jail Construction, Subject to Approval by Local Government Commission*

The Board needs to give final approval to the award of a contract to N.C. Monroe Construction for construction of the new Albemarle District Jail, subject to final approval of the financing by the Local Government Commission. The Board had previously approved a letter of commitment with N.C. Monroe Construction. The Local Government Commission will meet on November 7 and the construction documents will be finalized on November 17.

*e. Approval of Resolution Requesting the Addition of Ashley Drive, Scotland Drive, Edrieann Drive, and Amber Street to the State System for Maintenance*

The Board considered a petition from the developer of Nixonton Terrace Subdivision requesting that Ashley Drive, Scotland Drive, Edrieann Drive, and Amber Street be added to the state

system for maintenance. The Board needs to adopt a resolution to be sent to the Department of Transportation requesting approval.

*f. Adoption of Resolution Appointing Debbie Plymel as a Review Officer for Signing Subdivision Plats*

The Assistant County Manager has requested that Debbie Plymel be approved as a Review Officer to sign subdivision plats since Planning Director Shelley Cox is currently the only Review Officer in the Planning Department. The following resolution will need to be adopted to approve the appointment as Review Officer:

WHEREAS, S.L. 1997-309 (S875) makes a number of significant changes in the procedures for recording maps and plats; and

WHEREAS, the main purpose of the law is to transfer the responsibility for reviewing plats to determine whether they meet recording requirements from the Register of Deeds to a Review Officer; and

WHEREAS, amendment of Chapter 47 of the General Statues of North Carolina requires the board of county commissioners in each county, by resolution, to appoint a person to serve as Review Officer to review each plat before it is recorded and certify that it meets the statutory requirements for recording; and

WHEREAS, it is the desire of the Pasquotank County Board of Commissioners to insure an expeditious review of all maps and plats as required by N.C. Gen. Stat. 47-30.2 before they are presented to the Register of Deeds for recording.

NOW THEREFORE, BE IT RESOLVED, AS FOLLOWS:

1. Debbie Plymel, Planner for Pasquotank County, is appointed Review Officer with responsibility to perform all duties set forth in Chapter 47 of the General Statutes of North Carolina.
2. A copy of this resolution shall be transmitted to the Pasquotank County Register of Deeds for recordation in that office and indexed in the grantor index in the name of Debbie Plymel, Review Officer.
3. This resolution is effective upon its adoption.

ADOPTED the 6<sup>th</sup> day of November, 2006.

Motion was made by Hank Krebs, seconded by Lloyd Griffin to approve the consent agenda as presented. The motion carried unanimously.

The following tax releases and refunds less than \$100 have been approved by the Finance Officer since the last meeting:

Releases:

		City	County
1.	Zachariah Deon Commander	21.76	17.36
2.	Christopher Lynn Pendergrass	87.22	
3.	Christopher Lynn Pendergrass	7.56	
4.	Patricia Karen Avila	37.17	
5.	Ayanna Christine Dorsey-Byrd	75.70	
6.	David Allen Gale, Jr.	81.12	72.60
7.	David Allen Gale, Jr.	90.53	80.44
8.	James Lewis West	11.72	
9.	Carl Wesley Davis	30.89	25.74
10.	William Benjamin Luton	19.37	
11.	Michael B. Wyrick	56.11	51.76
12.	Michael James Ochs	7.94	
13.	Brady Adkins	89.63	76.49
14.	Scott A. Campbell	95.66	
15.	Scott A. Campbell	33.26	
16.	Hollis Derril Hutta	16.26	12.97

17.	Brenda Gayle Dunford	26.55	
18.	Terrence Tyrone Greene	93.75	74.78
19.	Stephen Andrew Conner	27.81	
20.	Glenn Edward McGinnis, Jr.	7.19	
21.	Bruce Andrew Bright, Jr.	33.10	
22.	William Lawrence Hawkins	35.20	
23.	Constance Meads Byrum	9.08	
24.	Patricia Ownley Daniels	22.23	
25.	Kerita Elizabeth Snowden		22.55
26.	David Corey Hicks	3.02	2.41
27.	Adriene Bean Meads	8.82	
28.	Timothy Conell Stallings, Jr.	3.24	2.58
29.	Guillermo Navarro Verde, Jr.	75.98	
30.	John Alexander Lewis	75.13	59.93
31.	Rosa Brothers Frost	10.67	
32.	Beverly Jane Casteel	37.28	32.28
33.	Beverly Jane Casteel	41.92	33.44
34.	Sandra Whidbee Gibson	21.75	
35.	Betty Bright Allen	75.35	60.10
36.	Margaret Simpson Liverman	3.32	2.65

Refunds:

1.	Kimberly Buckley Gordon	22.81	18.19
2.	Kimberly Buckley Gorfon	15.38	12.27

The following requests for release or refund of the solid waste availability fee have been approved by the Tax Administrator:

OWNER'S NAME	PARCEL ID NUMBER	REASON FOR RELEASE
Brickhouse Riddick	P11-35	Unoccupied since 1998
L.M. Twiford, Jr.	43-C-533A 5335	Unoccupied since 1998
L.M. Twiford, Jr.	48-C-12	Unoccupied since 2002
L.M. Twiford, Jr.	32-H-19	Unoccupied since 1998

**4. CONSIDERATION OF ENGINEERING SERVICES AGREEMENT WITH HOBBS UPCHURCH & ASSOCIATES FOR RO WATER PLANT PROJECT:**

The Board considered a recommendation from the Water Committee and the Finance Committee to approve a proposed engineering services agreement with Hobbs Upchurch & Associates for the RO water plant project. The total amount of the engineering fees is \$1,340,000 which includes design of the water treatment plant and process infrastructure, and the Pasquotank County distribution mains. The total estimated cost of the project including engineering fees is approximately \$17 million.

Motion was made by Jeff Dixon, seconded by Hank Krebs to approve the proposed engineering services contract with Hobbs Upchurch & Associates in the amount of \$1,340,000 for design of the RO water plant, the process infrastructure, and the Pasquotank County distribution mains. The motion carried unanimously.

**5. CONSIDERATION OF FINAL PLAT FOR NIXONTON TERRACE, SECTION F, PHASE II, CONSISTING OF SIX LOTS IN NIXONTON TOWNSHIP:**

The Board considered the final plat for Nixonton Terrace, Section F, Phase II consisting of six lots in Nixonton Township. The preliminary plat was approved by the Board on November 7, 2005. Assistant County Manager Rodney Bunch explained that the road construction has been completed and a performance bond for the street improvements has been submitted in the amount of \$10,800 to insure maintenance of the streets until they are accepted by the North Carolina Department of Transportation. He commented that at preliminary review by the Board of Commissioners, two changes were noted that needed to be made to the restrictive covenants. One was the reflection of a maximum built upon lot area of 30% as required by the stormwater permit. The second was that trailers shall not be used as temporary structures, as was allowed in the restrictive covenants. Mr. Bunch stated that both of these items have been changed in the covenants, but the new submittal is still not clear on these two items and staff has requested that they be clarified prior to the plat being recorded. In addition the as-built drainage plan lacks elevations being denoted for some swales and lot corners. Also, the shoulders of the roads have not been seeded and grass has not been established. Mr. Bunch said staff would recommend final plat approval provided it can be confirmed that these items are corrected before the final plat is signed.

Motion was made by Marshall Stevenson, seconded by Hank Krebs to approve the final plat for Nixonton Terrace, Section F, Phase II, contingent upon the restrictive covenants being clarified regarding maximum built upon area and trailers not to be used as temporary structures; elevations for swales and lot corners being shown on the as-built drainage plan; and the shoulders of the roads being seeded and grass established. The motion carried unanimously.

**6. APPROVAL OF RESOLUTION IN SUPPORT OF LOCAL FEES FOR FOOD AND LODGING INSPECTIONS:**

The Board considered a request from Albemarle Regional Health Services to adopt a resolution supporting the imposition of a local fee to cover costs associated with inspections of food and lodging establishments by the Health Department. The Health Department has indicated that it costs approximately \$129,000 per year to provide the services, however the state currently provides less than \$20,000 per year to support the inspections. The County Manager noted that it has been a goal of the North Carolina Association of County Commissioners to raise these fees to the point they would cover the cost of the inspections. The Health Department is asking for support from the counties to have a local option to increase the fees on these establishments so they can cover their expenses. Commissioner Marshall Stevenson added that the Health Board was unanimous in voting for this resolution at their last meeting and has requested that each county in the district approve similar resolutions. Commissioner Matt Wood stated that there is statewide support for this proposal.

Note – Commissioner Trueblood left the meeting at this time.

Motion was made by Marshall Stevenson, seconded by Matt Wood to adopt the proposed resolution in support of local fees for food and lodging inspections. The motion carried by a four to two margin with Commissioners Dixon and Griffin voting against the motion, and the following resolution was adopted.

**RESOLUTION IN SUPPORT OF LOCAL FEES FOR FOOD AND LODGING**

WHEREAS, the State of North Carolina mandates that local government provide Food and Lodging support and inspections; and

WHEREAS, the State provides less than \$20,000 per year in support of providing Food and Lodging support and inspections; and

WHEREAS, it costs the local taxpayers of the Albemarle Regional Health Services' service area (Bertie, Camden, Chowan, Currituck, Gates, Pasquotank, and Perquimans counties) upwards of \$129,000 to meet the State mandated requirements of the Food and Lodging Program; and

WHEREAS, the Albemarle Regional Health Services' Food and Lodging Program strives to be compliant with the State mandate; and

WHEREAS, Albemarle Regional Health Services fully supports holding the State Environmental Health Division harmless for the funding to develop and maintain the environmental health data system; and

WHEREAS, the Albemarle Regional Health Services' Board of Health believes fee for service funding for Food and Lodging support and inspections would be more equitable than asking county residents to bear the cost of this State mandated service through the use of ad valorem taxes; and

WHEREAS, other State mandated services such as the On-Site Sewage Program, Swimming Pool Program, and Tattoo Parlor Program are funded using a fee for service approach; and

WHEREAS, the newly mandated Private Well Monitoring Program will be funded using fee for services; and

WHEREAS, Food and Lodging facility owners and operators draw financial benefit from such facilities; and

WHEREAS, The Albemarle Regional Health Services' Board of Health in regular session on Tuesday, October 24, 2006 did approve a similar resolution;

THEREFORE, the PASQUOTANK COUNTY BOARD OF COMMISSIONERS, meeting in regular session, hereby requests the General Assembly to enact legislation empowering local government to enact and collect fees for providing Food and Lodging support and inspections from such enterprises operating within their boundaries.

This the 6<sup>th</sup> day of November, 2006.

**7. DISCUSSION REGARDING LETTER TO STATE AUDITOR REQUESTING PERFORMANCE AUDIT OF ALBEMARLE MENTAL HEALTH CENTER:**

The Board discussed a draft letter to the State Auditor requesting a performance audit of Albemarle Mental Health Center. The County Manager said the purpose of placing this on the agenda is to clarify exactly what the Board is requesting. He stated that at the last meeting, the motion was to ask for a performance audit, and in discussions with the State Auditor's Office, they had asked that the request be more specific. He said the letter was drafted based on the comments he received from various Board Members as to what they wanted to specifically see in a performance audit. Members of the Board approved the letter to the State Auditor, however requested that the phrase *board retreats* be changed to *board conferences*.

**8. DISCUSSION ON PUBLIC BEACH ACCESS PROJECT:**

The Board considered a recommendation from the Finance Committee to authorize that a survey be conducted for property being considered for a Public Beach Access Project. County Manager Randy Keaton explained that information has been received from Coastal Area Management that \$1.6 million in funds are available on a fast track basis for a beach access project. These are funds that were left over from previous projects. If the county agrees to submit an application, it would have to be submitted by November 16 in order to qualify. Mr. Keaton said it has been a long-standing goal of the county to try to find a piece of property for a beach access. He stated that a piece of private property has been identified between the Coast Guard Base and Brickhouse Point consisting of about twelve acres. He said there would have to be an agreement with the property owner who has indicated that he is interested in selling the property to the county, and a survey of the property would have to be completed to submit with the grant application. He noted that the survey would be the only expense at this time. He said if the grant is awarded, it could be used to purchase the property, and then a second grant could be applied for in the spring to do the improvements. He stated that they are also looking at several other grant sources.

Motion was made by Lloyd Griffin, seconded by Marshall Stevenson to direct staff to continue discussions with the property owner and to have a survey performed of property being considered for a public beach access area. The motion carried.

**9. APPROVAL OF INCREASE IN PRICES FOR COMMERCE PARK LOTS:**

The Board considered a recommendation from the Finance Committee to increase the price per acre for lots in the Commerce Park from \$25,000 to \$30,000. Assistant County Manager Rodney Bunch stated that the Commerce Park Ad Hoc Committee met last week and voted to recommend the price increase. He said the committee feels that the increase in revenue from lot sales will provide funds for expansion of infrastructure to areas of the park that have not been developed.

Motion was made by Hank Krebs, seconded by Lloyd Griffin to approve an increase in the price of lots in the Commerce Park to \$30,000 per acre effective immediately, except for potential clients the county is currently working with who have been quoted a price of \$25,000 per acre. The motion carried.

**10. ADOPTION OF RESOLUTION APPROVING JAIL FINANCING:**

The County Manager stated that the Board needs to adopt a resolution approving an installment financing contract and other documents, and authorizing certain actions in connection with the financing for the new Albemarle District Jail. He explained that the intercounty agreement provides that the property will be owned by Pasquotank County for the duration of the installment financing contract which will be approximately 30 years. Once the debt is paid off, the property will revert to the three counties as tenants in common on a pro rata basis according to the population at that time. If the property ceases to be used for a jail, the entire property will revert to Pasquotank County.

Commissioner Matt Wood introduced the following resolution, a copy of which had been provided to each Commissioner and which was read by its title:

RESOLUTION APPROVING AN INSTALLMENT FINANCING CONTRACT  
AND CERTAIN OTHER DOCUMENTS AND APPROVING AND  
AUTHORIZING CERTAIN ACTIONS IN CONNECTION WITH THE  
FINANCING OF A PORTION OF THE COST OF A NEW JAIL OF THE  
COUNTY OF PASQUOTANK, NORTH CAROLINA.

WHEREAS, the County of Pasquotank, North Carolina (the "County"), is a validly existing political subdivision of the State of North Carolina (the "State"), under and by virtue of the Constitution and laws of the State; and

WHEREAS, the County has the power, pursuant to Section 160A-20 of the General Statutes of North Carolina, as amended, to (a) finance the purchase of real and personal property by installment agreements that create in the property purchased a security interest to secure payment of the purchase price to the entity advancing moneys for such transaction and (b) finance the construction of fixtures or improvements on real property by agreements that create in such fixtures or improvements and in the real property on which such fixtures or improvements are located a security interest to secure repayment of moneys advanced or made available for such construction; and

WHEREAS, the County, Camden County, North Carolina and Perquimans County, North Carolina (collectively, the "Participating Counties") have determined to participate in an undertaking, pursuant to Section 153A-219 and Chapter 160A, Article 20, Part 1 of the North Carolina General Statutes, as amended, to finance a portion of the cost of a project to provide improved regional or district jail or confinement facilities for housing prisoners from the Participating Counties; and

WHEREAS, such project consists of the construction of a jail and related site improvements on approximately 15 acres of land owned by the County in Pasquotank Commerce Park and the acquisition of furnishings and equipment therefor (the "Project"); and

WHEREAS, the Participating Counties are authorized to enter into agreements in order to execute such undertaking; and

WHEREAS, it is now necessary for the Board of Commissioners for the County (the "Board") to approve an installment financing contract and certain other documents related thereto and to approve and authorize certain actions in connection therewith; and

WHEREAS, there have been presented for consideration by the Board copies of the following documents relating to such matter:

(a) a draft of an Installment Financing Contract, dated November 17, 2006 and between the County and RBC Centura Bank (the "Installment Financing Contract"), under which RBC Centura Bank (the "Bank") would advance funds to finance a portion of the cost of the Project and the County would be obligated to make Installment Payments (as defined therein) to repay the funds advanced to it and to make certain other payments, among other requirements, such obligations being subject to termination by the County under certain circumstances as provided therein;

(b) a draft of an Escrow Deposit Agreement, dated November 17, 2006 and among the County, the Bank and RBC Centura Bank as escrow agent (the "Escrow Deposit Agreement"), which provides for the expenditure of funds advanced pursuant to the Installment Financing Contract to pay Project costs; and

(c) a draft of a Deed of Trust and Security Agreement, made and entered into as of November 17, 2006 (the "Deed of Trust"), which the County would execute and deliver to a trustee for the benefit of the Bank and which would encumber the site of the Project and the improvements on such site and certain related property, subject to certain exceptions, as security for the County's obligation to repay the funds advanced to it pursuant to the Installment Financing Contract; and

(d) a draft of an Intercounty Agreement Concerning a New Regional Confinement Facility, dated November 17, 2006 and among the Participating Counties (the "Intercounty Agreement"), which affirms the creation of the Albemarle District Jail Commission (the "Jail

Commission”) and provides for the ownership of the Project, the financing and construction of the Project by the County, the lease of the Project to the Jail Commission for operation by the Jail Commission and the participation of the Participating Counties in the cost of constructing and operating the Project; and

(e) a draft of a Lease, dated November 17, 2006 and between the County, as lessor, and the Jail Commission, as lessee (the “Lease”), which provides for the lease of the Project by the County to the Jail Commission;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

Section 1. The Board hereby confirms that the Project and its use are essential for the County and that the Project will permit the County to carry out public functions that it is authorized by law to perform.

Section 2. The Board hereby finds and determines that it is in the best interest of the County to enter into the Installment Financing Contract, the Escrow Deposit Agreement, the Deed of Trust, the Intercounty Agreement and the Lease in order to effectuate the financing of a portion of the cost of the Project as described above.

Section 3. The form and content of the Installment Financing Contract, the Escrow Deposit Agreement, the Deed of Trust, the Intercounty Agreement and the Lease, each of which will be a valid, legal and binding obligation of the County in accordance with its terms, are hereby approved in all respects and the Chairman of the Board, the County Manager of the County, the Finance Officer of the County, the County Attorney of the County and the Clerk to the Board are hereby authorized and directed to execute and deliver the Installment Financing Contract, the Escrow Deposit Agreement, the Deed of Trust, the Intercounty Agreement and the Lease, as may be applicable, in substantially the forms presented to the Board, together with such additions, changes, modifications and deletions as they, with the advice of counsel, may deem necessary and appropriate, and such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Board and the County; provided, however, that the due date of the final Installment Payment is not later than December 1, 2026 and that the aggregate amount of the principal components of the Installment Payments does not exceed \$7,000,000.

Section 4. The Board hereby approves, ratifies and confirms the actions of the County Manager, the Finance Officer and the County Attorney of the County in connection with this matter.

Section 5. The officers and employees of the County are authorized and directed (without limitation except as may be expressly set forth herein) to take such other actions and to execute and deliver such other documents, certificates, undertakings, agreements or other instruments as they, with the advice of counsel, may deem necessary or appropriate to effectuate the transactions contemplated by the Installment Financing Contract, the Escrow Deposit Agreement, the Deed of Trust, the Intercounty Agreement and the Lease.

Section 6. The County covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Internal Revenue Code of 1986, as amended (the “Code”), as applicable to the Installment Financing Contract except to the extent that the County obtains an opinion of nationally-recognized bond counsel to the effect that noncompliance would not result in the interest components of the Installment Payments being includable in the gross income of the recipient thereof under Section 103 of the Code, as more specifically provided in the Installment Financing Contract.

The County hereby finds, declares and represents that (a) it reasonably expects that it, all subordinate entities thereof and all entities which issue obligations on behalf of the County (all within the meaning of Section 265(b)(3)(E) of the Code) will not issue in the aggregate more than \$10,000,000 of tax-exempt obligations (not counting certain current refunding obligations and private-activity bonds except for qualified 501(c)(3) bonds as defined in the Code) during calendar year 2006 and (b) no entity has been or will be formed or availed of to avoid the limits described above. In addition, the County hereby designates its obligation to make Installment Payments under the Installment Financing Contract as a “qualified tax-exempt obligation” for the purposes of Section 265(b)(3) of the Code.

Section 7. If any section, phrase or provision of this resolution is for any reason declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions of this resolution.

Section 8. All motions, orders, resolutions, ordinances and parts thereof in conflict herewith are hereby repealed.

Section 9. This resolution shall take effect immediately upon its passage.

Upon motion duly made and seconded, the foregoing resolution was passed by the following vote:

Ayes: Commissioners Cecil Perry, Lloyd E. Griffin III, Matt Wood, Marshall Stevenson, John H. Krebs, and Jeff Dixon.

Noes: None.

**11. REPORTS FROM COUNTY MANAGER:**

County Manager Randy Keaton reminded the Board of a meeting with the Board of Education scheduled for Thursday, November 9 at 5:00 PM to receive a report on the feasibility study for the Elizabeth City-Pasquotank Public School System. Also, he asked at the end of tonight's meeting that the Board recess the meeting until Thursday at 5:00 PM in case there are further actions the Board needs to take with regard to the COPS refinancing. This would prevent the Board from having to call a special meeting for this purpose.

**12. REPORTS FROM COUNTY COMMISSIONERS:**

Commissioner Krebs reported that he received a letter from Representative Owens this week thanking him for the box of goodies he took when he visited his office in Raleigh recently.

Commissioner Dixon thanked those who attended the reception Friday night at Groupers for the Elizabeth City State Homecoming. He said although he was out of town and unable to be there, he understands there was a good turnout with about 125 attendees. He stated that the Elizabeth City Area Convention & Visitors Bureau placed 800 welcome/goody bags in the various hotels throughout the city.

Commissioner Dixon asked the correct name of the Aviation Research and Development Commerce Park. Mr. Rodney Bunch stated that the name on the grant application was Elizabeth City Aviation Research and Development Commerce Park, however the project has not yet been given an official name.

Commissioner Wood suggested that the Pasquotank County Youth Council be requested to make a quarterly presentation to the Board of Commissioners on issues that are important to them, things that are going on in their schools, and things they are concerned about.

Vice-Chairman Griffin reported that he recently heard a report about water and the amount of water available. He stated that local governments have always felt that water was a cheap commodity, however areas that are continuing to provide it as a cheap resource are finding they are water-starved because they are not properly managing their water resource and controlling the asset and how it is developed. He said a lot of areas are now having to limit development because of the amount of water usage.

Chairman Perry said he participated in the Elizabeth City State University Homecoming Parade this weekend as a representative of the Board of Commissioners. He stated that he thinks the economic impact from the homecoming weekend will probably be as great as it has been in the area in some time because of the large number of visitors in the area.

Chairman Perry stated that he felt the joint city-county meeting last week was very positive and very beneficial. He said he thought a lot was accomplished at the meeting.

**13. RECOMMENDATIONS FROM APPOINTMENTS COMMITTEE:**

Commissioner Marshall Stevenson reported that the Appointments Committee met today and voted to appoint Jon Crouse to the Albemarle Commission as the private sector appointment which has once again rotated to Pasquotank County. Final action on this appointment will need to be placed on the next meeting agenda. He said the Appointments Committee also voted to appoint Commissioner Matt Wood to the Greenways Committee to replace Commissioner Krebs.

Motion was made by Marshall Stevenson, seconded by Cecil Perry to appoint Commissioner Matt Wood to the Greenways Committee to replace Commissioner Krebs. The motion carried.

**14. REPORT FROM COUNTY ATTORNEY:**

County Attorney Mike Cox reported that he had drafted a letter and sent to Board Members to review regarding the ambiguity in sex offender registry laws in different states. He asked if anyone has any objections or recommendations regarding the letter before he sends it to legislators. The Board agreed that Mr. Cox should send the letter as it is drafted.

Mr. Cox stated that Kitty Hawk officials have requested to meet with the Board regarding the Putter Lane issue. He said the Board had previously stipulated that an appraisal and a survey be obtained before meeting with Kitty Hawk officials. He advised that Kitty Hawk has not obtained an appraisal or a survey however they would like to meet with the Board. The Board agreed to meet with Kitty Hawk officials at a future meeting if they want to talk with the Board. The County Attorney agreed to provide the Board with a map of the property to give an idea as to the size of the tract of land.

**15. CLOSED SESSION TO DISCUSS THE ACQUISITION OF REAL ESTATE AND TO PRESERVE THE ATTORNEY CLIENT PRIVILEGE:**

Chairman Perry asked if there was any further business to come before the Board in Regular Session. There being no further business, he asked for a motion that the Board enter Closed Session to discuss the acquisition of real estate and to preserve the attorney client privilege.

Motion was made by Lloyd Griffin, seconded by Matt Wood that the Board enter Closed Session to discuss the acquisition of real estate and to preserve the attorney client privilege. The motion carried.

Upon the end of Closed Session;

Motion was made by Lloyd Griffin, seconded by Hank Krebs that the Board return to Regular Session. The motion carried.

Chairman Perry asked for a motion to recess the meeting.

Motion was made by Matt Wood, seconded by Hank Krebs to recess the meeting until 5:00 PM Thursday, November 9, 2006 when it will reconvene at the Elizabeth City-Pasquotank Public School Administrative Offices. The motion carried and the meeting was recessed at 8:30 PM.

---

CHAIRMAN

---

CLERK