

**PASQUOTANK COUNTY, NORTH CAROLINA
DECEMBER 13, 2010**

The Pasquotank County Board of Commissioners met today in a work session on Monday, December 13, 2010 in the Community Room at the W.C. Witherspoon Memorial Library.

MEMBERS PRESENT: Lloyd E. Griffin, III, Chairman
Bill Trueblood
Cecil Perry
Joseph S. Winslow, Jr.
Gary G. White
Dr. William R. Sterritt

MEMBERS ABSENT: Jeff Dixon, Vice-Chairman

OTHERS PRESENT: Randy Keaton, County Manager
Rodney Bunch, Assistant County Manager
R. Michael Cox, County Attorney
Karen Jennings, Clerk to the Board

The work session was called to order at 4:00 PM by Chairman Lloyd Griffin.

1. UPDATE ON BUDGET:

County Manager Randy Keaton presented an update on the current year budget. He reviewed the various revenue line items and explained that revenues are currently at 53% for the fiscal year. He said that expenditures for departmental budgets are running at 44.8% which is slightly above where they should be at this point in the fiscal year. He noted which revenues are restricted for only certain uses and which are unrestricted. He provided historical information on the total budget, the tax rate, and the number of positions added or lost over the last several years. He listed the services the county is mandated to provide and the non-mandated services the county provides. Mr. Keaton outlined the increased costs he knows about thus far for the 2011-12 budget. He said he believes the schools and COA will be the biggest unknowns in the upcoming fiscal year. He also reviewed a chart detailing all of the county's outstanding debt. He explained that debt payments for next year will total \$5.5 million.

2. DISCUSSION REGARDING FINANCING FOR THE NORTHEASTERN HIGH SCHOOL ROOF PROJECT:

The Board discussed the Northeastern High School roof replacement project and the Board's action last week to finance the cost with \$550,000 in Qualified School Construction Bonds. Mr. Keaton reported to the Board that the Local Government Commission voted at their meeting last week to not approve the county's application for the project unless the county corrects the deficit fund balance in the landfill fund. He explained that the deficit is about \$950,000 and in order to correct it, the general fund would have to transfer \$950,000 to the landfill fund. The Board discussed this project at length and questioned whether the roof actually needs to be replaced or if it can be repaired. Mr. Keaton asked for direction from the Board as to whether to continue to pursue \$550,000 in QSCB financing and transfer \$950,000 to the landfill fund. He advised that the Local Government Commission would have to approve the loan whether it is through interest-free Qualified School Construction Bonds or conventional financing, so the landfill deficit will have to be addressed before the county can borrow any additional money.

After lengthy discussion, the Board concurred to not move forward with QSCB financing for the Northeastern High School roof project. The Board will discuss at Monday's meeting how to proceed with repair or replacement of the roof and how to pay for it after receiving additional information from the Board of Education.

3. COMMENTS FROM COMMISSIONERS:

Commissioner Bill Trueblood asked how the Fire Marshal position is working out now that the county is handling its own Fire Marshal services. Assistant County Manager Rodney Bunch stated that the position is working well. Mr. Keaton explained that the county previously had a contract with the city to handle Fire Marshal services and the city has been providing those services for a number of years, however the county's cost has been increasing and would have been \$105,000 for 2010-11. The county's Chief Building Inspector, Paul Kahl, had gotten his

Level 3 Fire Marshal certification in addition to his Level 3 Building Inspection certification, and was fully licensed and capable of doing fire inspections. As part of the budget deliberations, when looking at the slowdown in construction and building inspections, the Board felt the county could allow Mr. Kahl to take on the duties of fire inspections since there were two additional building inspectors who could handle building inspections. Mr. Keaton said the county has ended the contract with the city and Mr. Kahl has taken over Fire Marshall duties as of July 1, 2010. Mr. Bunch stated that this has worked very well and is saving the county about \$80,000 per year.

Commissioner Trueblood stated that the county funded a portion of a Code Enforcement Officer position in this year's budget with an increase in the solid waste fee. He asked if this individual is able to devote sufficient time to Code Enforcement to justify the additional solid waste fee. Mr. Bunch advised that serving Child Support papers is also part of this officer's duties and he is struggling to keep up. He said that Wednesdays and Fridays of each week are however devoted to Code Enforcement, and the officer drives to every recycling center in the county on those days and investigates any problems they may have.

Chairman Griffin stated that in January he plans to have a meeting similar to a retreat to review information from the last three retreats. He said he believes this will provide a better understanding of the projects the county has been working on and the ongoing issues.

Commissioner Trueblood reported that he is working with the Chairman on committee assignments. He stated that hopefully the appointments can be made at the next meeting.

There being no further business;

Motion was made by Gary White, seconded by Cecil Perry to adjourn the meeting. The motion carried and the meeting was adjourned at 6:10 PM.

CHAIRMAN

CLERK TO THE BOARD

**PASQUOTANK COUNTY, NORTH CAROLINA
DECEMBER 20, 2010**

The Pasquotank County Board of Commissioners met today in a work session on Monday, December 20, 2010 in the Community Room at the W.C. Witherspoon Memorial Library.

MEMBERS PRESENT: Lloyd E. Griffin, III, Chairman
Jeff Dixon, Vice-Chairman
Bill Trueblood
Cecil Perry
Dr. William R. Sterritt
Gary G. White
Joseph S. Winslow, Jr.

MEMBERS ABSENT: None

OTHERS PRESENT: Randy Keaton, County Manager
R. Michael Cox, County Attorney
Shelley Cox, Planning Director
Karen Jennings, Clerk to the Board

Also present were Economic Developer Wayne Harris, Andrew McKee from Iberdrola Renewables, and property owners Horace Pritchard, H.C. Pritchard and Ed Winslow. The work session was called to order at 3:02 PM by Chairman Lloyd Griffin who stated that the purpose of today's work session is to have discussion on proposed regulations to regulate wind energy facilities.

Planning Director Shelley Cox explained that the draft regulations are based on the model North Carolina Wind Energy Ordinance and apply to the utility scale wind turbines. She stated that the proposed regulations permit large scale turbines in the A-1 and A-2 agricultural districts with a conditional use permit which requires review by the Planning Board and the Board of Commissioners. The maximum height proposed for the turbines is 600 feet and setbacks would be required based on distance from roads, property lines, and occupied buildings.

Mrs. Cox presented pictures of wind turbines that were taken during a recent visit to Somerset County, Pennsylvania. She advised that what is pushing this movement toward wind energy is legislation adopted several years ago that requires all investor owned facilities in North Carolina to supply 12.5% of their energy from renewable resources by 2021, and all electrical co-ops and municipal utilities to supply 10% of their energy from renewable resources by 2018.

Mrs. Cox stated that the concerns with the wind turbines include noise, shadow flicker, and decommissioning when the turbines are taken out of service, and the proposed regulations address these concerns. She noted that there was very little noise generated by the wind turbines the day they visited the wind farm in Somerset County. The advantages of the wind turbines are creation of jobs-both permanent and temporary, lease payments to landowners, taxes and fees generated, and wind energy is a renewable energy source.

Mr. Andrew McKee from Iberdrola Renewables explained the process by which wind energy connects to the electric grid.

Mr. Wayne Harris, Economic Developer, advised that the mountain and plain areas of the state, where there are reliable winds, are largely built out, and the wind companies are looking at the coastal areas as areas where wind based services are economically viable. He said from an economic aspect, the utility scale wind turbines are a high dollar value capital investment industry with a small but very well paid employment impact. Additionally, the industry would be a small consumer of county services once it is in place. Mr. Harris said it is estimated that during construction 300 to 600 jobs would be created. Approximately 42 land owners in the desert would be impacted.

Mrs. Cox stated that the next step would be for the Board of Commissioners to call for a public hearing in January. She said the Planning Board has already reviewed the ordinance.

After discussion and questions from members of the Board;

Motion was made by Bill Trueblood, seconded by Joe Winslow to move the proposed wind ordinance regulations forward to the Board of Commissioners to call for a public hearing in January; and to concurrently accept conditional use applications from land owners who want wind farms constructed on their property. The motion carried unanimously.

Motion was made by Bill Trueblood, seconded by Joe Winslow to adjourn the work session. The motion carried unanimously and the meeting was adjourned at 3:50 PM.

CHAIRMAN

CLERK TO THE BOARD

**PASQUOTANK COUNTY, NORTH CAROLINA
DECEMBER 20, 2010**

The Pasquotank County Board of Commissioners met today in a regular meeting on Monday, December 20, 2010 in Courtroom C in the Pasquotank County Courthouse.

MEMBERS PRESENT: Lloyd E. Griffin, III, Chairman
Jeff Dixon, Vice-Chairman
Bill Trueblood
Cecil Perry
Dr. William R. Sterritt
Gary G. White
Joseph S. Winslow, Jr.

MEMBERS ABSENT: None

OTHERS PRESENT: Randy Keaton, County Manager
Rodney Bunch, Assistant County Manager
R. Michael Cox, County Attorney
Karen Jennings, Clerk to the Board

The meeting was called to order at 7:00 PM by Chairman Lloyd Griffin. The Rev. Robert E. Lee, Pastor of Powerhouse Church of Redemption, gave the invocation and Chairman Griffin led in the Pledge of Allegiance to the American Flag.

1. APPROVAL OF CONSENT AGENDA:

The Board considered the following consent agenda:

a. Approval of Minutes of December 1 and December 6, 2010 Commissioner Meetings

b. Approval of Tax Releases, Refunds and Solid Waste Fee Releases

The Finance Committee has recommended approval of the following tax releases, refunds and solid waste fee releases:

Releases

| | | County | City |
|-----|----------------------------|---------------|-------------|
| 1. | Thomas Wayne Arnold | 598.95 | |
| 2. | Richard Bradley Fertig | 147.65 | |
| 3. | Richard Bradley Fertig | 108.05 | |
| 4. | Robert Johnson, Jr. | 374.68 | |
| 5. | Roscoe & Cathy Foreman | 242.00 | 186.00 |
| 6. | Edward Earl Loyd | 102.25 | |
| 7. | Delton Wayne Stuck | 144.72 | |
| 8. | Hanis Richard Dunaway, Jr. | 121.79 | |
| 9. | Beau LLC | 132.00 | |
| 10. | Joy A. Myers | 439.34 | 272.22 |
| 11. | Buena Balance Etal | | 3,044.40 |
| 12. | David & Sheila Lawyer | | 160.00 |
| 13. | David & Sheila Lawyer | | 160.00 |
| 14. | David & Sheila Lawyer | | 160.00 |
| 15. | David & Sheila Lawyer | | 160.00 |
| 16. | David & Sheila Lawyer | | 185.00 |
| 17. | David & Sheila Lawyer | | 175.00 |
| 18. | David & Sheila Lawyer | | 175.00 |
| 19. | David & Sheila Lawyer | | 165.00 |

Refund

| | | | |
|----|------------------------------|--|--------|
| 1. | BB&T Equipment Finance Corp. | | 494.67 |
|----|------------------------------|--|--------|

Solid Waste Fees

| OWNER'S NAME | PARCEL ID # | REASON FOR RELEASE |
|----------------------|-------------|--------------------|
| Vivian Butts Etal | P142-15 | Not livable |
| Ralph & Linda Mercer | P126-28 | Not livable |

c. Approval of Funding Request from Community Relations Commission

The Finance Committee has recommended approval of a request from the Community Relations Commission for funding in the amount of \$124.03 for expenses related to the recent reception for the Witherspoon-Harris Community Service Awards Ceremony.

d. Approval of Resolution for Albemarle RC&D Council

The Albemarle RC&D Council has requested that the Board adopt the following resolution of support that will be used during their contacts with legislators in Washington in February:

WHEREAS, Albemarle RC&D Council, Inc. is a local non-profit tax exempt charity serving the Albemarle region which includes Pasquotank County; and

WHEREAS, Albemarle RC&D Council, Inc. has a mission to promote environmental quality and conservation while working to ensure sustained economic development; and

WHEREAS, Albemarle RC&D Council, Inc. has completed over 89 region-wide projects and 45 projects within our County since 1972 benefitting the citizens in the Pasquotank County service area; and

WHEREAS, Albemarle RC&D Council, Inc. is committed to continuing to serve the citizens in the Pasquotank County service area; and

WHEREAS, All programs and services of Albemarle RC&D Council, Inc. are offered on a non-discriminatory basis, without regard to race, color, national origin, religion, sex, sexual orientation, age, marital or family status, disability or political beliefs.

BE IT RESOLVED that we, the Pasquotank County Commissioners fully support Albemarle RC&D Council, Inc. and the work this organization does to make our communities better places in which to live and work.

BE IT FURTHER RESOLVED that this resolution be spread upon the Meeting Minutes of the Pasquotank County Board of Commissioners on December 20, 2010 as a permanent record of the achievements of Albemarle RC&D Council, Inc.

Motion was made by Bill Trueblood, seconded by Cecil Perry to approve the consent agenda as amended. The motion carried unanimously.

The following tax releases have been approved by the Finance Officer:

Releases:

| | | County | City |
|-----|-------------------------------|--------|-------|
| 1. | Michael Lawrence Christiansen | 57.80 | |
| 2. | Joseph Russell Berent | 35.33 | |
| 3. | Joseph Russell Berent | 26.02 | |
| 4. | Trackside Rentals, Inc. | 8.41 | |
| 5. | Laura Pauline Klenke | 13.25 | 10.19 |
| 6. | Thomas Anthony Brown | 5.62 | 4.32 |
| 7. | Jacob Dante Wycoff | 14.04 | |
| 8. | Justin Roger Young | 42.41 | 39.70 |
| 9. | Richard Thursten Harvey | 35.88 | |
| 10. | Richard Thursten Harvey | 8.83 | |
| 11. | Richard Thursten Harvey | 4.30 | |
| 12. | John Dana Meacham | 26.68 | 25.52 |
| 13. | Christopher Michael Hickman | 28.84 | 22.19 |
| 14. | Travis Lee Lollis | 8.31 | 11.39 |
| 15. | Travis Lee Lollis | 14.65 | 11.27 |
| 16. | William Blanchard Shannon | 18.27 | |
| 17. | Jack Allen Mills, Jr. | 50.64 | |
| 18. | Eundene Gernell Brown | 22.81 | 17.53 |
| 19. | William Ernest Landers | 54.45 | |
| 20. | Geneva Marie Caldwell | 4.30 | |

| | | | |
|-----|-----------------------------------|-------|-------|
| 21. | Curtis Dillon Albertson | 17.19 | |
| 22. | Jessica Joannie Faulkingham | 62.01 | 52.70 |
| 23. | Joshua Alan Faulkingham | 57.51 | 49.24 |
| 24. | Williams Scotsman, Inc. | 26.32 | |
| 25. | Williams Scotsman, Inc. | 26.35 | |
| 26. | Elmus & Helen Barnard | 50.00 | |
| 27. | Darryl Gregory | 13.17 | 10.13 |
| 28. | Quinten Moore | 5.27 | 4.05 |
| 29. | Corey Knatt | 52.30 | 45.23 |
| 30. | Christopher Timothy Ruppert | 19.66 | |
| 31. | Christopher Timothy Ruppert | 72.78 | |
| 32. | Sherika Ayesha Johnson | 2.97 | 2.43 |
| 33. | Wendy Hope Gregory | 61.84 | |
| 34. | Jerrell Marquis Tatem | 12.93 | 9.95 |
| 35. | Brian Wade Pike | 15.79 | |
| 36. | Omar Ivan Menendez | 22.02 | 21.93 |
| 37. | Barbara Sue Davis | 5.57 | |
| 38. | James Edwin Davis | 5.51 | |
| 39. | Ramondo Seneres | 24.28 | 18.68 |
| 40. | Nicole Marie Moore | 51.13 | |
| 41. | Nicole Marie Moore | 42.06 | |
| 42. | Mary Lewis Humphries | 31.22 | |
| 43. | Albemarle Business Concepts | 25.60 | 19.67 |
| 44. | Roanoke Bible College, Inc. | 35.39 | 32.20 |
| 45. | Robert James Teal III | 71.87 | 60.24 |
| 46. | James Joseph Magee | 42.88 | 32.99 |
| 47. | Olivia Buckhanon | 17.55 | 18.50 |
| 48. | Olivia Buckhanon | 7.43 | 10.72 |
| 49. | Olivia Buckhanon | 54.64 | 47.03 |
| 50. | Anthony Jerome Beasley | 2.54 | 1.95 |
| 51. | Andrew Dunkan Haersch | 4.24 | 3.26 |
| 52. | Albemarle Hospital Authority | 83.25 | 64.04 |
| 53. | James Louis Berube | 75.82 | 63.32 |
| 54. | James Louis Berube | 16.56 | 17.74 |
| 55. | James Bernard Stanton | 9.89 | 7.61 |
| 56. | Jeffrey Ross Mailley | 15.97 | |
| 57. | William Jerome Boncek | 14.52 | |
| 58. | Kimberly Mae Marcin | 63.06 | 53.51 |
| 59. | Jason Ball | 81.96 | 68.05 |
| 60. | Beatrice Golladay Bosin | 57.74 | 49.42 |
| 61. | Michael A. Doncevic | 38.43 | |
| 62. | Courtney Nicole Bazemore | 50.49 | 38.84 |
| 63. | Ethel Mae Gillard | 23.38 | 17.21 |
| 64. | Brenda Faye Duff | 36.18 | 27.81 |
| 65. | Tyrone Randolph | 26.29 | |
| 66. | Mark D. & Betty Swain | 5.45 | |
| 67. | Cardal Properties LLC | 77.26 | |
| 68. | Robert Anthony Hearrell | 44.69 | |
| 69. | David Boutz | 6.34 | 4.87 |
| 70. | Natalie Ann Sotos | 30.79 | |
| 71. | Mid-Atlantic Christian University | 11.68 | 13.97 |
| 72. | Eric James Kramer | 77.63 | |
| 73. | Eric James Kramer | 5.85 | |
| 74. | Justin T. James | 53.24 | |
| 75. | Kimberlee Parks White | 37.15 | |
| 76. | Tim Bradley McGarvey, Jr. | 5.56 | |
| 77. | Marty Bruce Jacobs | 9.35 | |
| 78. | OCJ Enterprises, LLC | 38.93 | 29.92 |
| 79. | Mark Steven Passaro | 31.65 | |
| 80. | Paul Richard George | 51.92 | 39.94 |
| 81. | Loyce W. Twiford | 15.61 | |
| 82. | Loyce W. Twiford | 32.49 | |
| 83. | Linda Dunten Brumsey | 6.55 | 5.04 |
| 84. | Ryan Patrick Shaw | 67.04 | |
| 85. | Godfrey's Wallpapering & Paint | 2.52 | |

2. AMENDMENTS TO THE AGENDA:

Chairman Griffin asked if there were any amendments to the agenda. It was requested that the agenda be amended to add the following items that were recommended at today’s Finance Committee meeting and work session: 1) Approval of proposal to accept offer for sale of Southern Shores property; 2) Approval to fill vacant Medicaid position at Social Services; 3) Approval of educational leave for Social Services employee; and 4) Approval of recommendation to call for a public hearing on wind energy regulations.

Motion was made by Cecil Perry, seconded by Jeff Dixon to approve the amendments to the agenda as recommended. The motion carried unanimously.

3. APPROVAL OF TRANSFER OF PROPERTY TO EAST CAROLINA UNIVERSITY FOR A PROPOSED DENTAL CLINIC:

County Attorney Mike Cox explained that the Finance Committee today discussed in depth the proposed transfer of the Vicki-Villa property to East Carolina University for a dental clinic. The property consists of approximately 1.92 acres. ECU has a list of restrictions they are suggesting for the property and their Board of Trustees has reviewed the proposed transfer. Mr. Cox stated that the Finance Committee reviewed the recommendations and found them acceptable with the addition that the property be returned to Pasquotank County should construction not begin within five years. He recommended if the Board approves the transfer of the property that a formal metes and bounds description be done.

Motion was made by Bill Trueblood, seconded by Gary White to accept the proposal from East Carolina University to transfer the Vicki-Villa property to East Carolina University to be used for a dental clinic with one stipulation beyond what has been previously recommended which would require that the property be returned to Pasquotank County unencumbered in the event it is not built upon within five years.

Discussion followed and Chairman Griffin asked how this stipulation would be attached since ECU does not want any restrictions included in the deed. Mr. Cox responded that the deed will reference a separate agreement that would include all of the restrictions. He stated that the other restrictions are that the property would be used for dental clinic purposes, dental education and the provision of any other public, nonprofit healthcare or education services; there will be a 2011 valuation of the property and the county would have right of first refusal for a period of 30 years; if ECU at some point in the future sells the property to some entity other than the county, ECU shall pay the county the 2011 valuation.

Chairman Griffin asked who would pay for the appraisal. Dr. Chadwick from ECU said he would assume the university would pay for the appraisal.

The motion carried unanimously.

4. ADOPTION OF RESOLUTION FOR MODIFICATION OF WATER SYSTEM REVENUE BOND:

County Manager Randy Keaton advised that the county has an opportunity to refinance the Water System revenue bond with BB&T to lower the interest rate from 5.02% to 4.37%. The total savings to the county will be \$1,295,000 over the remaining life of the bond. The cost of the modification is a \$5,000 bank fee and attorney’s fees. The Board needs to adopt a resolution approving the modification of the revenue bond.

* * * * *

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

RESOLUTION APPROVING A MODIFICATION AGREEMENT AND APPROVING AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION WITH CHANGING THE TERMS OF A REVENUE BOND OF THE COUNTY OF PASQUOTANK, NORTH CAROLINA.

WHEREAS, the Board of Commissioners for the County of Pasquotank, North Carolina (the "County") on April 13, 1994 adopted a bond order authorizing and securing Water and Sewer System Revenue Bonds of the County and on September 11, 2009 adopted an order supplementing such bond order (such bond order, as supplemented, being hereinafter referred to as the "Order"); and

WHEREAS, pursuant to Section 210 of the Order and a series resolution passed by the Board of Commissioners for the County (the "Board") on September 11, 2009, the County sold and issued a \$16,500,000 Water and Sewer System Revenue Bond, Series 2009 of the County (the "Bond") to Branch Banking and Trust Company (the "Bank") as the purchaser thereof; and

WHEREAS, the County and the Bank now desire to change the rate of interest on the Bond, to change the redemption provisions with respect to the Bond and to make certain other changes with respect to the Bond; and

WHEREAS, it is now necessary or advisable for the Board to approve a modification agreement and to approve and authorize certain actions in connection with making such changes with respect to the Bond; and

WHEREAS, there has been presented for consideration by the Board a copy of a draft of a Modification Agreement, dated December 28, 2010, between the County and the Bank (the "Modification Agreement"), which would make such changes with respect to the Bond;

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

Section 1. The Board hereby finds and determines that it is in the best interest of the County to enter into the Modification Agreement in order to effectuate the changes with respect to the Bond as described above and in the Modification Agreement.

Section 2. The form and content of the Modification Agreement, 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 and the Clerk to the Board or their designees are hereby authorized and directed to execute and deliver the Modification Agreement, as may be applicable, in substantially the form 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 rate of interest on the Bond does not exceed 4.37% per annum.

Section 3. 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 4. 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 changes contemplated by the Modification Agreement.

Section 5. 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 Bond, as changed by the Modification Agreement, 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 on the Bond, as changed by the Modification Agreement, being includable in the gross income of the recipient thereof under Section 103 of the Code, as more specifically provided therein.

Section 6. The County hereby finds, declares and represents that (a) it reasonably expects that it, all entities subordinate to the County 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 \$30,000,000 of tax-exempt obligations (not counting private-activity bonds and certain refunding bonds as provided in Section 265(b)(3)(C)(ii) of the Code) during calendar year 2010 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 the Bond, as changed by the Modification Agreement, as a "qualified tax-exempt obligation" for the purposes of Section 265(b)(3) of the Code.

Section 7. 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 Griffin, Dixon, Perry, Trueblood, Winslow, Sterritt, and White.
Noes: None.

* * * * *

5. DISCUSSION ON JANUARY MEETING SCHEDULE:

The Board again discussed the January meeting schedule due to the fact the second meeting falls on Martin Luther King, Jr. Day. County Manager Randy Keaton said there are several issues to consider including a possible meeting with the Board of Education and a joint meeting with the City Council. He asked the Board when it would like to meet in January, if it wants to meet with the Board of Education, and if it still wants to schedule a joint meeting with the City Council on January 31. The Board concurred to delay a meeting with the Board of Education until February or March.

Motion was made by Jeff Dixon, seconded by Cecil Perry to hold only one regular meeting in January on Monday, January 10th and to then hold a joint meeting with the City Council on Monday, January 31st. The motion carried unanimously.

6. APPROVAL OF EDUCATIONAL LEAVE FOR SOCIAL SERVICES EMPLOYEE:

The Finance Committee has recommended that the Board approve a request for educational leave for a Social Services employee, Juanita Baum, to take a Spanish class at Elizabeth City State University during work hours. The class would be for 50 minutes three days per week. Mr. Keaton said the county's personnel policy provides for educational leave, however final approval from the Board is required. The policy also provides that employees who are granted educational leave must successfully pass the class in order for the county to pay their expenses related to the class.

Motion was made by Cecil Perry, seconded by Joe Winslow to approve the request for educational leave from Juanita Baum to take a Spanish class at ECSU. The motion carried unanimously.

7. APPROVAL TO FILL VACANT SOCIAL SERVICES POSITION:

The Finance Committee has recommended that the Board approve filling a vacant Medicaid position at the Department of Social Services. The employee left the position to go back to her home county. Since this is one of the areas DSS needs to keep fully staffed, they have requested to fill the vacant position.

Motion was made by Cecil Perry, seconded by Jeff Dixon to approve filling a vacant Medicaid worker position at the Department of Social Services. The motion carried unanimously.

8. CALL FOR PUBLIC HEARING ON WIND ENERGY ORDINANCE:

The County Manager noted that the Board agreed at its work session today to call for a public hearing on the proposed wind ordinance regulations and to concurrently accept conditional use applications from land owners who want wind farms constructed on their property. After discussion;

Motion was made by Cecil Perry, seconded by Gary White to call for a public hearing on the proposed wind ordinance regulations and to concurrently accept conditional use applications from land owners who want wind farms on their property. The motion carried unanimously.

9. OFFER FOR SOUTHERN SHORES PROPERTY:

County Attorney Mike Cox explained that the Finance Committee has recommended that the Board propose to accept an offer from Towne Bank for the purchase of the Southern Shores property consisting of 1.57 acres for \$1.6 million. If the Board proposes to accept the offer, an advertisement would be placed in the newspaper and the ten-day upset bid process would begin once the 5% deposit is received. After the upset bid period has ended, the Board would make a final decision to accept or reject the offer. Mr. Cox added that there is a 120-day feasibility

period if the Board votes to accept the offer. He noted that one-half of the proceeds from the sale of the property would go to Albemarle Hospital.

Motion was made by Cecil Perry, seconded by Joe Winslow to declare the Southern Shores property under lease to Albemarle Hospital Authority as surplus and to propose to accept an offer of \$1.6 million from Towne Bank for the property and advertise for upset bids. The motion carried unanimously.

10. REPORT FROM COUNTY MANAGER:

County Manager Randy Keaton updated the Board on the USDA financing for the new jail. He explained that when the county borrowed the money for the jail it had a commitment from USDA Rural Development for a \$12 million loan. Since it was a \$19 million project, an additional \$7 million was borrowed from RBC Bank. A construction loan was provided by Bank of America for \$12 million while the project was underway because USDA Rural Development does not provide the permanent loan until after the project is completed. Mr. Keaton stated that there were a number of issues that previously prevented closing on the USDA loan. These issues included a number of documents USDA was requiring that the county's bond counsel said could not be signed in North Carolina based on the type of financing. USDA's national office has now approved new documents as of last week which will affect all of North Carolina. Mr. Keaton stated that he and the County Attorney have been working to try to finalize the documents and it appears that closing will move forward over the next few days. He said the dry closing will be held this Thursday, December 23rd and final closing will be next Tuesday, December 28th when the money will be transferred. He added that closing must be done by December 31st since that is when all of the commitments and the Bank of America loan will expire. Mr. Keaton added that the original interest rate for the USDA loan was 4.125% and it has now dropped to 3.75%. He said this will result in significant savings over the 40 year term.

11. APPOINTMENTS TO BOARDS AND COMMITTEES:

Commissioner Bill Trueblood presented for the Board's approval the following slate of Commissioner appointees recommended by the Appointments Committee. He said that all appointments will be effective January 1, 2011:

Cable TV Advisory Board – Appoint Bill Sterritt, Gary White and Jeff Dixon
Central Communications Advisory Board – Appoint Joe Winslow
COA Board of Trustees – Appoint Joe Winslow
Commerce Park Ad Hoc Committee – Appoint Bill Sterritt
Criminal Justice Advisory Committee – Appoint Gary White
Economic Development Commission – Appoint Jeff Dixon
Elizabeth City Area Chamber of Commerce – Appoint Jeff Dixon
EMS Board – Appoint Gary White
Greenways Committee – Appoint Bill Sterritt
Health Board – Appoint Bill Trueblood
Intercounty Transit Authority – Appoint Bill Trueblood
Local Emergency Planning Committee – Appoint Lloyd Griffin
Newland Water Management Advisory Board – Appoint Joe Winslow
Pasquotank-Camden Library Board – Chairman is automatically ex officio member
Public Safety Committee – Appoint Joe Winslow
Solid Waste Commission – Appoint Bill Trueblood and Gary White
SPCA Advisory Committee – Appoint Bill Sterritt

Motion was made by Cecil Perry, seconded by Bill Trueblood to approve the slate of appointments recommended by the Appointments Committee. The motion carried unanimously.

Chairman Griffin stated that he passed out a list of standing committee assignments at today's work session. The appointments are as follows:

Finance Committee – All Commissioners, Jeff Dixon-Chairman
Board Appointments Committee – Joe Winslow, Lloyd Griffin, Cecil Perry-Chairman
Building & Grounds Committee – Gary White, Jeff Dixon, Lloyd Griffin-Chairman
Personnel Committee – Bill Sterritt, Cecil Perry, Jeff Dixon-Chairman
Special Projects Committee – Gary White, Lloyd Griffin, Cecil Perry-Chairman

Stormwater Management Committee – Bill Sterritt, Joe Winslow, Bill Trueblood-Chairman
Water Committee – Gary White, Jeff Dixon, Bill Trueblood-Chairman

12. REPORTS FROM COMMISSIONERS:

Commissioner Perry reported that at the last meeting of East Carolina Behavioral Health a decision was made to request that each county affiliated with ECBH appropriate a minimum of \$2.00 per capita. He said this was a decrease from the \$2.79 previously discussed.

Commissioner Perry stated that the Jail's auditor presented a report on the jail audit at the last Jail Commission meeting. He suggested that a report on the status of the Jail finances be presented at the Board's next Finance Committee meeting.

Chairman Griffin reported that last week five veterans participated in a hand-casting for the N.C. Veterans Memorial. Those who participated were Earl Luton, James Doyle, Judith Dickerson, James Hoggard, and John Armstrong. Chairman Griffin stated that the process took about two and one-half hours and he appreciates the patience of the veterans and their family members who accompanied them. He also thanked Commissioners, staff and others who were present for the casting.

Chairman Griffin said he would like to thank the Social Services staff for the luncheon they provided last week.

Chairman Griffin stated that he has had the opportunity to sign a few checks over the last two weeks, and some of the checks have been for \$1.70 or \$1.75. He asked if the county can opt to not send checks for small amounts. The County Manager stated that he checked with the tax office and found that the county does not have the option to not send checks for small tax refunds. He noted that any amount less than \$1.00 is not refunded and is absorbed or applied to other taxes the individual may have. He said anything above \$1.00 has to be refunded. He added that there is a minimum amount for billing of \$2.50, but for refunds anything above \$1.00 has to be sent back.

Chairman Griffin stated that there has recently been some discussion about the hunting dog legislation the Board had requested last year. He asked the County Attorney to address this issue. Mr. Cox explained that Doug Lane came to see him several weeks ago and he had a letter from Representative Owens saying that the prior Board of Commissioners had requested this legislation and that it is his policy that this new Board would have to support that legislation. Mr. Cox noted that he had sent a copy of the letter to each of the Commissioners.

Vice-Chairman Dixon stated that the County Manager had pointed out some areas in the proposed Central Communications agreement drafted by the city that might not be necessary. Mr. Keaton explained that the city has added things to this agreement that we currently do not have in other agreements with the city such as the fire agreement and parks and recreation agreement. He said he was trying to point out the discrepancies between the agreements, and if there are standards in one agreement, they should be in the other agreements. He stated that the city has had more issues with the need for this agreement than the Board of Commissioners has had. He asked for some direction from the Board. Commissioner Trueblood asked why this agreement is needed. Mr. Keaton noted that there is a resolution in place that had been adopted by the city, the county, and Camden County from day one that governs Central Communications. He said the Central Communications Advisory Committee has the authority to address these issues.

Motion was made by Bill Trueblood, seconded by Gary White to direct the County Manager to take no action at this time on an agreement for Central Communications. The motion carried unanimously.

Vice-Chairman Dixon asked if there is any update on the RO wells. Mr. Keaton said as of last week, A.C. Schultes has given up on the Ownley well and is making plans to move over and begin drilling a new well on the site. He said an additional 20 feet of property will need to be purchased for the perimeter of the well site in order to have the required 100 foot radius around the well. Mr. Keaton said for the Larabee well, the tremmie pipe was removed and now Magette is proceeding with trying to clean and pump the well again.

Vice-Chairman Dixon reported that he recently completed the required ethics training for County Commissioners and received his certification.

Chairman Griffin asked if there was any further business to come before the Board. There being no further business;

Motion was made by Jeff Dixon, seconded by Cecil Perry to adjourn the meeting. The motion carried and the meeting was adjourned at 7:50 PM.

CHAIRMAN

CLERK TO THE BOARD