

CUMBERLAND COUNTY BOARD OF COMMISSIONERS
NOVEMBER 1, 2010 – 9:00 AM
117 DICK STREET, 1ST FLOOR, ROOM 118
REGULAR MEETING

PRESENT: Chairman Billy King
Commissioner Jeannette Council
Commissioner Kenneth Edge
Commissioner Marshall Faircloth
Commissioner Jimmy Keefe
Commissioner Ed Melvin
Commissioner Phillip Gilfus
James Martin, County Manager
Juanita Pilgrim, Deputy County Manager
Amy Cannon, Assistant County Manager
James Lawson, Assistant County Manager
Rick Moorefield, County Attorney
Sally Shutt, Communications Manager
Karen Long, General Manager of the Crown Coliseum
Sharon Sanders, Director of Veterans Services
Candice White, Deputy Clerk to the Board
Marie Colgan, Clerk to the Board

INVOCATION Commissioner Billy R. King, Chairman

Minister:

Reverend Reginald A. Wells, Co-Pastor of Lewis Chapel Missionary Baptist Church-West and Assistant to the Pastor for Administration

Pledge of Allegiance

Recognition of Ms. Sharon Sanders, Director of the Veterans Services Office

Ms. Sanders distributed a brochure entitled “Summary of VA Benefits” to the Board and the following are highlights from the information Ms. Sanders shared with the Board:

- Cumberland County has over 46,000 veterans.
- In 2009 the county residents received \$315,440 from the Department of Veteran Affairs.
- The county is third in the state in veteran population but first in monies. This figure does not include any retired pay veterans receive from the Department of Defense.
- The Veterans Service Office (VSO) assists veterans, spouses, widows and children of veterans and act as a liaison between the client and the Department of Veteran Affairs.
- The VSO assists with disability, pension, education and death benefits, as well as assists clients in finding resources for other needs they may have. They work

closely with other county offices such as the tax office and the Department of Social Services.

- The VSO is comprised of the Director, three other Veteran Service Officers, and two administrative personnel. VA work study students and senior aides are also used. All four of the VSOs are state certified and three are nationally certified.
- The office averages between 750 and 800 office visits and handles between 2000 and 3000 phone calls a month. About 500 claims are processed each month with an 80% approval rate.
- Outreach is being increased by holding Town Hall meetings which consist of a short overview of VA benefits and a question and answer session. Funeral homes and nursing homes are currently being contacted to ensure all veterans and family members are getting benefits to which they are entitled.
- Our veteran population will continue to grow because of members of the Reserves and National Guard who are activated. Also the civilian employees who are moving here with BRAC are veterans.

Ms. Sanders closed her presentation by stating that the goal of the VSO is to ensure that every veteran is aware of the benefits due them and Ms. Sanders invited the Commissioners to visit their office.

Commissioner Melvin thanked Ms. Sanders for the great job she and her office does in taking care of the county's veterans. In response to a question from Chairman King, Ms. Sanders advised their office is located on the ground floor of the Department of Social Services and advised that if a veteran cannot get into the office during their normal working hours, they will make arrangements to get them in and can also do home visits if necessary. Ms. Sanders provided the web address (www.va.gov) as a site where individuals can access links to other agencies for veterans help.

County Manager Martin requested that Item #6 be removed and rescheduled due to the sickness of Jody Risacher.

1. Approval of Agenda

MOTION: Commissioner Edge moved to approve the agenda as presented with the removal of Item #6.

SECOND: Commissioner Council

VOTE: UNANIMOUS

2. Consent Agenda

Commissioner Keefe advised requested changes under Item 2.B.3 were requested in order to help small businesses in Cumberland County. If passed, local contractors, to the greatest extent possible, will be considered first for contracts under \$30,000. Commissioner Keefe urged small businesses in the County check to ensure they are listed with the County.

Chairman King asked Ms. Cannon to brief the board on Item 2.I.4. regarding the funding source of the \$2M+. Ms. Cannon advised these are sales tax funds that are segregated for the schools and a one-time entry is completed each year once the schools decide on a project.

- A. Approval of minutes for the October 18, 2010 regular meeting.
- B. Approval of Cumberland County Policy Committee Report and Recommendations:
 - 1) Working Lands Protection Plan for Cumberland County

BACKGROUND: The purpose of this plan is to provide an assessment of the agricultural industry in Cumberland County, identify its challenges and opportunities, and develop strategies and action steps to protect the county's working lands, while promoting the county's agricultural economy. The support of this plan was provided by the N.C. Agricultural Development and Farmland Preservation Trust Fund, Fort Bragg BRAC Regional Task Force, and The Lois G. Britt Agribusiness Center at Mount Olive College. The plan was completed with the input of the following team members: Cooperative Extension, Cumberland County Planning and Inspections, USDA Natural Resources Conservation Services, Regional Land Use Advisory Commission, Fayetteville Technical Community College, Sustainable Sandhills, NC Farm Center for Innovation & Sustainability, Fayetteville Chamber of Commerce, and Cumberland County Farm Bureau.

It should be noted that Cumberland County Farm Bureau was not a component of the original planning of this document. However, the planning team members were of the opinion that Farm Bureau serves as a representative of the farmers in the county. Therefore; the plan incorporates comments and input made on behalf of farmers associated with Cumberland County Farm Bureau. (The Working Lands Protection Plan for Cumberland County will be housed at the N.C. Cooperative Extension Service in Cumberland County.)

RECOMMENDATION/PROPOSED ACTION: The recommendation of the County Extension Director and the Working Lands Protection Planning Team is to consider approving the proposed Working Lands Protection Plan for Cumberland County.

- 2) Cumberland County Community Development Loan Program

BACKGROUND: Community Development has a loan portfolio of 256 loans for a total outstanding balance of \$11,068,465.00 (principal and interest).

- Affordable Housing Development;
- Housing Rehabilitation (owner –occupied);
- Rental Rehabilitation (rental);

- Homebuyer Assistance; and
- Economic Development

Whereas, the overall collection rate is good for the size of our loan portfolio, the department has found that loan repayments lag from time to time. A review of the department's current servicing policy revealed that although it makes reference to payments being "past due" if not received by the 15th of each month; it does not address what punitive measures may be taken if a payment is received after that date.

As an additional servicing tool to address late payments, the department proposes to implement late fees to its current servicing policy. Late fees will be structured as follows:

An account is considered past due if the scheduled payment has not been received by the 15th of each month, after which time the account is assessed a late fee of 5% of the principal and interest payment.

RECOMMENDATION/PROPOSED ACTION: Approve the Community Development department's proposal to incorporate the above suggested late fees structure into its policy effective November 1, 2010. (This policy is housed with the Community Development department.)

3) Cumberland County Purchasing Policy Amendments

BACKGROUND: At the request of Commissioner Keefe, the Policy Committee considered a policy to establish a local preference for purchasing to the extent it is allowed under state statutes. A draft proposal prepared by the County Attorney was discussed by the Committee. After discussion the Committee recommended that the existing purchasing policy be modified by adding the following language:

It is the policy of Cumberland County that all contracts for the provision of services in any amount and all contracts for the purchase of apparatus, materials, supplies and equipment in which the aggregate purchase price in any single contract is less than \$30,000 shall be awarded to local vendors or suppliers, to the greatest extent possible, in accordance with the further conditions set out herein.

For the purpose of implementing this policy, local vendors or suppliers shall be those who demonstrate that they pay business personal or real property taxes to Cumberland County and are either self-employed residents of Cumberland County or employ at least one resident of Cumberland County as an employee or officer of the contracting business entity.

RECOMMENDATION/PROPOSED ACTION: Approve recommendation of Policy Committee to modify existing purchasing policy by including the language referenced above. (This policy is housed in the Purchasing Department.)

C. Approval of Transfer of Surplus Health Department Medical Equipment and Furniture to Stedman-Wade Health Services.

BACKGROUND: Margaret Covington, CEO of Stedman-Wade Health Services, Inc., has requested surplus medical equipment and furniture. Stedman-Wade Health Services, Inc. is a 501(c) (3) organization operating in Cumberland County. Their mission is to provide quality, accessible, affordable primary and preventive medical and dental care in a compassionate and cost effective manner to all populations.

Stedman-Wade Health Services will be opening a satellite site in downtown Fayetteville and needs assistance to furnish/equip the site. They have requested the following items:

17 Blue Waiting Room Chairs \$170.00	4 Children Waiting Room Chairs \$12.00
3 Wall Cabinets \$150.00	1 Privacy Screen \$10.00
3 Bulletin Boards \$6.00	3 Exam Tables \$1,500.00
2 Wooden Desks \$100.00	2 4-Drawer File Cabinets \$50.00
1 Small Metal Desk \$15.00	1 Blue Side Chair \$15.00
2 Bookshelves \$40.00	5 Office Chairs \$125.00
3 Small Metal Tables \$45.00	TOTAL VALUE \$ 2,238.00

RECOMMENDATION/PROPOSED ACTION: Staff and Management recommend that said furniture and medical equipment be declared surplus to the needs of Cumberland County Health Department and that the same be transferred to Wade-Stedman Health Services, Inc.

D. Approval of Swap of Land by Board of Education.

BACKGROUND: NCGS 115C-518 requires school boards to offer any real property deemed unnecessary for education purposes to the Board of County Commissioners at a fair market or negotiated price before selling the property to another party. The Cumberland County Board of Education wishes to swap Parcel 3 shown on the subdivision survey for K & G Developers, LLC, and consisting of 0.80 acres for Parcel 2, owned by K & G Developers, LLC, shown on the same plat and also containing 0.80 acres. Parcel 3 lies on the south side of E. E. Miller Elementary School and Parcel 2 lies on the north side of the school. Such exchanges of real property are authorized by Article 12 of Chapter 160A, applicable to school boards.

RECOMMENDATION/PROPOSED ACTION: Decline the offer by adopting the following resolution:

COUNTY OF CUMBERLAND NORTH CAROLINA

RESOLUTION

Be it resolved that the Board of Commissioners declines the offer of the Board of Education for the acquisition of a 50' wide strip of land at the south end of the property of E. E. Miller Elementary School which the Board of Education proposes to swap for another strip of land adjoining this school property to the north.

Adopted this 1st day of November, 2010

E. Approval of Declaration of Surplus County Property and Authorization to Accept Insurance Settlement.

BACKGROUND:

DATE OF ACCIDENT	October 15, 2010
VEHICLE	2007 Dodge Grand Caravan
VIN	1D4GP24E97B251600
FLEET #	SS8
MILEAGE	103,538
DEPARTMENT	Social Services
SETTLEMENT OFFER	\$8413.58
INSURANCE COMPANY	Travelers

This is a total loss settlement offer.

RECOMMENDATION/PROPOSED ACTION: Management recommends that the Board of Commissioners:

1. Declare the vehicle described above as surplus
2. Authorize the Risk Manager to accept \$8,413.58 as settlement
3. Allow Travelers Insurance to take possession of the wrecked (surplus) vehicle.

F. Approval of Sale of Surplus County-Owned Real Property Acquired by Tax Foreclosure – 1 Acre Dixon Land, Vacant Lot Off Ankon Drive Near Sudbury Drive – PIN: 9496-31-8373; Seventy-First Township.

BACKGROUND: On or about December 4, 2007, the County acquired by tax foreclosure the above property. The amount currently owed on the foreclosure judgment including interest and cost for the property is \$2,731.22.

Gloria Ray Whitted has offered to purchase the County's interest in the property for \$2,731.22 and has deposited \$273.12 in the Finance Office. The tax value of the property is \$10,000.00.

This property is surplus to the needs of the County and, according to N.C.G.S. §153A-176 and N.C.G.S. §105-376, the County has the authority to sell such property. Management has reviewed this offer and it is now being submitted for the Board to consider whether or not to accept Gloria Ray Whitted's bid. The property has been advertised and this office has not received any upset bids. The bid period is now closed.

RECOMMENDATION AND PROPOSED ACTION: That the Board of Commissioners consider whether to accept the offer of Gloria Ray Whitted to purchase the above property for the sum of \$2,731.22, plus advertising and recording costs, and authorize the Chairman to execute a deed upon receipt of the balance of the purchase price.

G. Approval of Sale of Surplus County-Owned Real Property Acquired by Tax Foreclosure – Lots 98 & 99; 419 Neville Street, PIN: 0438-81-8972; Cross Creek Township.

BACKGROUND: On or about May 3, 2005, the County acquired by tax foreclosure the above property. The amount currently owed on the foreclosure judgment including interest and cost for the property is \$10,910.88.

Kataya Randall has offered to purchase the County's interest in the property for \$10,910.88 and has deposited \$1,092.00 in the Finance Office. The tax value of the property is \$26,900.00.

This property is surplus to the needs of the County and, according to N.C.G.S. §153A-176 and N.C.G.S. §105-376, the County has the authority to sell such property. Management has reviewed this offer and it is now being submitted for the Board to consider whether or not to accept Kataya Randall's bid. The property has been advertised and this office has not received any upset bids. The bid period is now closed.

RECOMMENDATION AND PROPOSED ACTION: That the Board of Commissioners consider whether to accept the offer of Kataya Randall to purchase the above property for the sum of \$10,918.88, plus advertising and recording costs, and authorize the Chairman to execute a deed upon receipt of the balance of the purchase price.

- H. Approval of a Proclamation Recognizing November 16, 2010 as “Homeless and Hunger Stand Down Day” in Cumberland County.

Cumberland County Board of Commissioners
Office of the County Commissioners
Homeless & Hunger Stand Down 2010

PROCLAMATION

WHEREAS, it is the intent of the Fayetteville-Cumberland Ministerial Council to fulfill its philosophy to promote unity surrounded by diversity-with inclusiveness for all people and to support all creeds religious groups, with regards to community service involvement and awareness; AND

WHEREAS, the Homeless and Hunger Stand Down 2010 (formerly known as the F.E.E.D. Fayetteville Project) has been established as a transitional initiative from the Fayetteville-Cumberland Human Relations Commission to the Fayetteville-Cumberland Ministerial Council, to provide a mass community feeding event for homeless and disadvantaged residents of the Fayetteville-Cumberland County community; AND

WHEREAS, The mission of the project is to provide a mass community service event whereby homeless and disadvantaged residents of the Fayetteville-Cumberland County community will receive food, clothing, as well as, health information and services; AND

WHEREAS, the U.S. Department of Veteran Affairs has combined its Homeless Stand Down Project with the Homeless & Hunger Stand Down 2010 to provide needed services for veterans within Cumberland County; AND

WHEREAS, we join all citizens of Fayetteville and Cumberland County in recognizing the impact the Fayetteville-Cumberland Ministerial Council, the Homeless & Hunger Stand Down Committee and the Veterans Affairs Office have made in providing for citizens in need in our community.

NOW THEREFORE, I, Billy R. King, Chair, by virtue of the authority vested in me as Chairman of the Cumberland County Board of Commissioners, do hereby proclaim:

November 16, 2010 as
Homeless and Hunger Stand Down Day

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of Cumberland County, North Carolina to be affixed this 16th day of November, 2010.

I. Budget Revisions

(1) Lake Rim Fire District
Revision in the amount of \$500 to cover unanticipated refunds to taxpayers. (B11-165) Funding Source – Lake Rim Fire District Tax

(2) Library

Revision in the amount of \$61,978 to recognize additional E-rate funds.
(B11-172) Funding Source – Grant

(3) Soil and Water Conservation District
Revision in the amount of \$4,094 to roll forward prior year fundraiser revenues of \$2,246 and to recognize current year fundraiser revenue of \$1,848. (B11-173) Funding Source – Fundraiser

(4) County School Capital Outlay Fund
Revisions in the total amount of \$2,698,550 to appropriate fund balance to budget Capital Outlay as approved by the Cumberland County Board of Education on October 12, 2010. (B11-174 thru B11-174B) Funding Source – Sales Tax

(5) Rural Operating Assistance Program
Revision in the amount of \$19,105 to reconcile with the state budget.
(B11-175) Funding Source – State

(6) Juvenile Crime Prevention Programs
Revision in the amount of \$117,981 to recognize the second year allocation of \$62,500 from the JCPC Gang Prevention ARRA grant and related in-kind expenditures of \$55,481. (B11-190) Funding Source – State

MOTION: Commissioner Edge moved to approve the all Consent Agenda Items 2.A. through 2.I.6 as presented.

SECOND: Commissioner King

VOTE: UNANIMOUS

ITEMS OF BUSINESS

3. Consideration of Resolution Authorizing the Filing of an Application for Approval of an Installment Financing Contract Authorized by the NCGS 160A-20 Making Certain Findings Required by G.S. 159-151 and Calling for a Public Hearing on the Proposed Financing for November 15, 2010.

BACKGROUND: The County received a second allocation of Qualified School Construction Bonds (QSCB's) under the American Recovery and Reinvestment Act (ARRA). This second allocation of \$14.8M will be used for construction of the Western Middle School. The Board of Education will receive bids early in November.

Additionally, a current evaluation of the municipal market indicates that the County has two prior debt issues in the amount of \$44.5M that are eligible for refunding. The most current analysis shows potential savings of \$2.5M or 6% in net present value savings or approximately \$240,000 in annual savings through

2028. This refunding will replace the original 2008 debt issues for the Public Health Center and Grays Creek Middle School.

Management recommends combining the sale of the QSCB's with this refunding opportunity if market conditions remain favorable. The below resolution authorizes the Finance Officer to file an application for the proposed combined financing in a total amount not to exceed \$60M authorized under General Statute 160A-20. The resolution also establishes other findings required under General Statute 159-151 and calls for a public hearing on the financing on November 15, 2010.

BOARD OF COMMISSIONERS
OF CUMBERLAND COUNTY

Excerpt of Minutes
of Meeting on
November 1, 2010

Present: Chairman _____ presiding, and Commissioners:

Absent: _____

* * * * *

The following resolution was discussed and its title was read:

RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION FOR APPROVAL OF AN INSTALLMENT FINANCING CONTRACT AUTHORIZED BY NORTH CAROLINA GENERAL STATUTES § 160A-20, MAKING CERTAIN FINDINGS REQUIRED BY NORTH CAROLINA GENERAL STATUTE § 159-151, AND CALLING A PUBLIC HEARING ON THE PROPOSED FINANCING FOR NOVEMBER 15, 2010, IN CONNECTION THEREWITH

WHEREAS, the Board of Commissioners of the County of Cumberland, North Carolina (the "County") has decided to pursue the (a) refinancing of two installment purchase agreements entered into in 2008 for Gray's Creek Middle School and a public health center, improvements to an animal control center, a mental health facility and a central maintenance building, and (b) financing of the new Western Middle School (the "Project") pursuant to an installment financing agreement, as permitted under N.C.G.S. § 160A-20; and

WHEREAS, it is anticipated that the portion of the cost the Project to be financed or refinanced will be up to \$60,000,000, including furniture and fixtures, information technology assets, and issuance expenses in connection with the financing; and

WHEREAS, financing of the Project pursuant to § 160A-20 must be approved by the North Carolina Local Government Commission (the "LGC") and will only be approved if the findings of N.C.G.S. § 159-151(b) have been made;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners (“the Board”) of the County, as follows:

1. After consideration, the Board has determined that the most advantageous manner of financing the Project is by an installment contract pursuant to Section 160A-20 of the General Statutes of North Carolina, as amended;
2. Pursuant to Section 160A-20, the County is authorized to finance the Project by entering into an installment contract and a deed of trust or other security instrument that creates a security interest in some or all of the property financed to secure repayment of the financing.
3. The proposed financing is necessary and expedient because of the pressing need to save debt service costs and provide a new school for the County.
4. The proposed financing is preferable to general obligation bond financing for the same purposes because of the urgency of particular needs to be financed, the aggregate volume of financings to be accomplished and the desirability of having available the alternative financing structures and repayment provisions possible in the proposed structure.
5. The cost of the proposed undertaking exceeds the amount of funds that can be prudently raised from currently available appropriations, unappropriated fund balances, and non-voted general obligation bonds that could be issued by the County in the fiscal year pursuant to Article V, Section 4, of the North Carolina Constitution. The Project is non-revenue producing so revenue bonds are not an option.
6. The cost of financing under the proposed financing will not be materially greater than the cost of issuing general obligation bonds.
7. The sums proposed to be provided under the financing are adequate and not excessive for the stated purposes of acquiring, constructing and equipping the Project and refinancing prior agreements therefor.
8. The County’s debt management procedures and policies are good and have been carried out in strict compliance with law and will henceforth be so carried out.
9. There will be no tax increase to meet the sums due under the proposed financing.
10. The County is not in default in any of its debt service obligations.
11. An attorney for the County has rendered an opinion that the proposed Project is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of the State of North Carolina.
12. The Chairman of the Board, the County Manager, the County Finance Director and other officers of the County are hereby authorized and directed to proceed with the Project.

13. The County Manager, the County Finance Director, and other appropriate officers of the County, are authorized and directed to prepare and submit to the North Carolina Local Government Commission an application for approval of such financing as described above for the Project in an amount not to exceed \$60,000,000.00, and the actions of the County Manager, County Finance Director and other officers of the County in connection therewith are hereby approved and confirmed.

14. The officers of the County are hereby directed to call a public hearing with respect to the proposed financing to be held on November 15, 2010, and to publish notice of such hearing not less than ten days prior to such date as required by § 160A-20.

15. All other acts of the Board and the officers of the County which are in conformity with the purposes and intent of this resolution and in furtherance of the financing of the Project are hereby ratified, approved and confirmed.

16. All resolutions or parts thereof in conflict herewith are hereby repealed.

Commissioner _____ moved the passage of the foregoing resolution and Commissioner _____ seconded the motion, and the resolution was passed by the following vote:

Ayes: Commissioners _____

Nays: _____

Not Voting: _____

* * * * *

I, Marie Colgan, Clerk for the Board of Commissioners for Cumberland County, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and complete copy of so much of the proceedings of the Board of Commissioners for said County at a regular meeting duly called and held November 1, 2010, as it relates in any way to the resolution hereinabove set forth, and that said proceedings are recorded in Minute Book _____ of the minutes of said Board. Pursuant to N.C.G.S. § 143-318.12, a current copy of a schedule of regular meetings of the Board of Commissioners for said County is on file in my office.

I DO HEREBY FURTHER CERTIFY that due notice of such meeting, stating its time and place and the subjects to be considered was posted, mailed or delivered as required by G. S. § 143-318.12(b)(2).

WITNESS my hand and the common seal of said County, this ____ day of November, 2010.

RECOMMENDATION/PROPOSED ACTIONS: Approve the above resolution authorizing the filing of an application for approval of an installment financing

contract authorized by the N.C. General Statutes 160A-20, making certain findings required by G.S. 159-151 and call for a public hearing on the proposed financing for November 15, 2010.

County Manager Martin read the title of the resolution being presented and advised this is for the issuance of qualified school construction bonds. Mr. Martin added that Ms. Cannon or Mr. Moorefield can respond to any questions. No questions were posed and the following motion was offered:

MOTION: Commissioner Council moved to follow the recommendation as presented.
SECOND: Commissioner Faircloth
VOTE: UNANIMOUS

- 4. Board of County Commissioners Acting as Governing Board of Gray’s Creek Water & Sewer District: Consideration of a Resolution Providing for Public Hearing on November 15, 2010 and Authorizing Issuance of General Obligation Bonds in an Amount Up To \$21M for the Purpose of Financing the Acquisition, Construction, and Installation of Public Water Distribution and Storage Facilities in the District and Other Actions as Required Under the General Statutes.

BACKGROUND: The below resolution introduces the bond order for the Gray’s Creek Water and Sewer District which authorizes issuance of General Obligation Bonds for the district in an amount not to exceed \$21M. These funds will be used for the purpose of financing the acquisition, construction, and installation of a public water distribution and storage facilities within the district. Additionally, the bond order authorizes the Finance Officer to file an application to the Local Government Commission, provides for the publication of the bond order, and calls for a public hearing on the proposed financing on November 15, 2010.

BOARD OF COMMISSIONERS OF
CUMBERLAND COUNTY
ACTING AS THE GOVERNING BODY OF
GRAY’S CREEK WATER AND SEWER DISTRICT

Extracts of Meeting of
November 1, 2010

Present: Chairman _____presiding and
Commissioners _____
Absent: _____

* * * * *

The following Bond Order was discussed and its title was read:

BOND ORDER AUTHORIZING ISSUANCE OF GENERAL
OBLIGATION BONDS OF GRAY’S CREEK WATER AND SEWER
DISTRICT IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT
OF \$21,000,000 FOR THE PURPOSE OF FINANCING, IN PART,

THE ACQUISITION, CONSTRUCTION AND INSTALLATION OF
PUBLIC WATER DISTRIBUTION AND STORAGE FACILITIES IN
THE DISTRICT

WHEREAS, The Board of Commissioners of Cumberland County (the "Board") acting as the governing body of Gray's Creek Water and Sewer District, Cumberland County, North Carolina, (the "District") desires to provide for the issuance of \$21,000,000 General Obligation Sanitary Sewer Bonds, Series 2010 (the "Bonds") under the Local Government Bond Act (the "Act") to finance, in part, to pay capital costs of acquiring, constructing and installing public water distribution and storage facilities in the District; and

WHEREAS, the Board has filed an application with the Local Government Commission of North Carolina for approval of such bonds as required by the Act;

BE IT ORDERED BY THE BOARD OF COMMISSIONERS OF
CUMBERLAND COUNTY ACTING AS THE GOVERNING BODY OF
GRAY'S CREEK WATER AND SEWER DISTRICT, CUMBERLAND
COUNTY, NORTH CAROLINA:

1. It is hereby determined necessary and expedient for the District to borrow money, and there are hereby authorized to be issued general obligation bonds of the District for the purpose of providing money to finance, in part, the acquisition, construction and installing public water distribution and storage facilities in the District (the "Facilities").
2. The bonds shall be in an aggregate principal amount not to exceed 21,000,000.
3. The bonds shall be general obligations of the District for the payment of principal of and interest on which its full faith and credit shall be irrevocably pledged and taxes will be levied in an amount sufficient to pay the principal of and interest on the bonds. The revenues of the Facilities may be pledged to the payment of principal of and interest on the bonds as permitted by N.C.G.S. § 159-54(4).
4. A sworn statement of debt has been filed with the Clerk to the Board pursuant to N.C.G.S. § 159-55 and is open to public inspection.
5. This Bond Order will take effect when approved by the voters of the District pursuant to N.C.G.S. § 159-61.

Commissioner _____ then moved the foregoing Bond Order be "introduced", such motion was seconded by Commissioner _____, and a vote thereon was as follows:

Ayes: Commissioner _____

Nays: _____

Not voting: _____

The resolution entitled as follows was introduced and its title was read:

RESOLUTION PROVIDING FOR PUBLIC HEARING ON BOND ORDER FOR \$21,000,000 GENERAL OBLIGATION OF GRAY'S CREEK WATER AND SEWER DISTRICT, CUMBERLAND COUNTY, NORTH CAROLINA, IN THE AGGREGATE PRINCIPAL AMOUNT OF \$21,000,000 AND PUBLICATION OF BOND ORDER AND NOTICE OF HEARING AND OTHER ACTION

WHEREAS: There has been introduced to the Board of Commissioners of Cumberland County (the "Board") acting as the governing body of Gray's Creek Water and Sewer District, Cumberland County, North Carolina ("District") a Bond Order entitled, "BOND ORDER AUTHORIZING ISSUANCE OF GENERAL OBLIGATION BONDS OF GRAY'S CREEK WATER AND SEWER DISTRICT IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT OF \$21,000,000 FOR THE PURPOSE OF FINANCING, IN PART, THE ACQUISITION, CONSTRUCTION AND INSTALLATION OF PUBLIC WATER DISTRIBUTION AND STORAGE FACILITIES IN THE DISTRICT;" and

WHEREAS: G.S. § 159-54 provides there shall be a public hearing on the Bond Order and G.S. § 159-56 provides for publication of the Bond Order and notice of the hearing; and

WHEREAS, the Board intends to make certain capital expenditures relating to the acquisition, construction and equipping of public water distribution and storage facilities in the District (the "Facilities") to be financed with proceeds of the bonds prior to the issuance of the bonds, and to reimburse Cumberland County for such expenditures out of the proceeds of the bonds when issued;

NOW, THEREFORE, the Board of Commissioners of Cumberland County (the "Board") acting as the governing body of Gray's Creek Water and Sewer District, Cumberland County, North Carolina, meeting in regular session in Fayetteville, North Carolina, on November 1, 2010, do the following:

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CUMBERLAND COUNTY ACTING AS THE GOVERNING BODY OF GRAY'S CREEK WATER AND SEWER DISTRICT, CUMBERLAND COUNTY, NORTH CAROLINA:

1. A public hearing on the Bond Order shall be held at _____ .m. in the Board's meeting room in the Cumberland County Courthouse, Fayetteville, North Carolina on November 15, 2010.
2. The Clerk shall cause the Bond Order, with a statement appended in form described by G.S. § 159-56, to be published in *The Fayetteville Observer*.
3. The County Manager or County Finance Director is hereby designated to file the statement of debt required by G.S. § 159-55.
4. The completed form of application to the Local Government Commission with respect to the proposed bonds is hereby approved.
5. This resolution shall take effect immediately.

Commissioner _____ moved the passage of the resolution and
Commissioner _____ seconded the motion, and the resolution was
passed by the following vote:

Ayes: Commissioner _____

Nays: _____

Not voting: _____

* * * * *

I, Marie Colgan, Clerk for the Board of Commissioners of Cumberland County, acting as the governing body of the Gray's Creek Water and Sewer District of Cumberland County, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and complete copy of so much of the proceedings of the Board of Commissioners of Cumberland County, North Carolina acting as the governing body for said District at a regular meeting duly called and held November 1, 2010, as it relates in any way to the resolution hereinabove set forth and that said proceedings are recorded in Minute Book _____ of the minutes of said District. Pursuant to NCGS § 143-318.12, a current copy of a schedule of regular meetings of the Board of Commissioners for said District is on file in my office. WITNESS my hand and the common seal of said District, this ____ day of November, 2010.

RECOMMENDATION/PROPOSED ACTIONS: Approve the above resolution and authorize the publication of the bond order and call for a public hearing on the proposed financing for the Gray's Creek Water and Sewer District on November 15, 2010.

County Manager Martin read the title of the resolution and reminded members this is for the proposed bond referendum involving the Gray's Creek Water & Sewer District. In response to a question posed by Commissioner Keefe, Mr. Martin confirmed this action is for establishing a public hearing on the application for the issuance of bonds subject to the approval by referendum of the voters within the Gray's Creek Water & Sewer District. If the bond referendum is approved, then the Board, acting as the Gray's Creek Water & Sewer District, will be able to issue debt up to the amount of \$21M in order to install the water system. Commissioner Keefe questioned whether it is believed that the \$21M will be adequate and Mr. Martin concurred that it would be sufficient given the current development in the area and the work would be done in several phases over several years.

MOTION: Commissioner Edge moved to approve the recommendation as presented.
SECOND: Commissioner Keefe
VOTE: UNANIMOUS

5. Presentation by Karen Long, General Manager of the Cumberland County Crown Coliseum on the Crown Center's Activities and Projects.

Ms. Long thanked the board for allowing her to speak to the board at an earlier meeting regarding the Cumberland County Fair and stated she was pleased to report that the fair was a success.

Ms. Long provided a power point presentation regarding the Cumberland County Crown Coliseum to include events and projects. The following are highlights from the presentation to the Board:

- Vision Statement
- Core Values
- Mission Statement
- Goals
- Promotional Opportunities (Affiliations & Memberships, Community Partnerships, Military Business and Venue Coalition)
- Event Revenue & Expenses for Fiscal Year 2010

	Actual	Budget	Variance	%
Event Revenues				
Rent-building	616,893	620,000	(3,107)	-1%
Rent-equipment	186,787	135,000	51,787	38%
Recovered Expenses	534,737	475,000	59,737	13%
Concessions	533,157	467,141	66,016	14%
Facility Surcharge	342,621	337,859	4,762	1%
Box Office Fee	16,838	25,000	(8,162)	-33%
Marketing Revenue	169,268	210,000	(40,732)	-19%
Ticketmaster Rebates	58,079	30,000	28,079	94%
Miscellaneous	8,882	10,000	(1,118)	-11%
Total Event Revenue	2,467,262	2,310,000	157,262	7%
Event Expenses				
Salaries and Benefits	205,746	279,890	74,144	26%
Contractual Services	754,874	739,416	(15,458)	-2%
Sponsored Events	70,249	300,000	229,751	77%
Total Event Expenses	1,030,869	1,319,306	288,437	22%
Total Event Contributions	1,436,393	990,694	445,699	45%

- Year-to-Date September, 2010

	YTD September 2010	YTD September 2009	% Change
Event Revenue	\$ 358,457	\$ 243,561	47.17%
Drop Count	\$ 70,271	\$ 50,817	38.28%
Gross Ticket Sales	\$ 405,105	\$ 277,606	45.93%
Hotel/Motel Tax	\$ 319,532	\$ 258,324	23.69%

Prepared Food & Beverage Tax	\$1,304,627	\$1,245,606	4.74%
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- Calendar of Events for November through January, 2011
- Projects:
 - East Parking Lot (resurfacing of entire East lot)
 - Expo Center Loading Dock (widening loading dock driveway area into Expo Center)
 - Complex Landscaping (added sod to main drive through complex)
 - Front of Arena/Theater (concrete bollards placed in front of Arena/Theater for added security measure)
 - Portable Security Guard Building (used in various locations to protect working staff from the elements)
 - Expo Center Folding Wall Re-Surfacing (removed damaged covering on folding walls and provided new finish which is more durable)
 - Expo Center Walls Re-Painted (internal walls were painted)
 - Riggs Nets Replaced in Coliseum (on-going effort to improve life-safety equipment)
 - Basketball Floor Re-Surfacing (currently underway inside the Arena)

Ms. Long advised that many of the above projects are handled by their staff which is at a considerable savings to the County. In response to a question posed by Commissioner Gilfus, Ms. Long advised that most blue collar events do well and emphasized that events are targeted for the Crown based on their feasibility with regard the facility needs and the cost of the ticket for the event. Ms. Long added that having both the Coliseum and the Arena/Theater are a plus as they sufficiently handled most events. Commissioner Keefe questioned when the arena and theater would be back up and running considering the construction taking place and he was informed they are currently operational and the expectation is the approved updates will be completed in two weeks.

No action required.

6. Presentation of the FY 2010 Cumberland County Public Library Annual Report by Jody Risacher, Library Director
THIS ITEM WAS REMOVED AND WILL BE RESCHEDULED.
7. Nominations to Boards and Committees
 - A. Board of Adjustment (1 Vacancy)

BACKGROUND: John Swanson resigned. The recommendation of the Board of Adjustment is for alternate member Ed Donaldson to fill the regular member unexpired term.

Commissioner Melvin nominated Ed Donaldson.

B. Board of Health (1 Vacancy)

BACKGROUND: Barbara Marshall resigned as the General Public Representative. The recommendation of the Board of Health is for Christopher Frank to fill this vacancy for an unexpired term.

Commissioner King nominated Christopher Frank (General Public Representative slot).

C. Cumberland County Criminal Justice Partnership Advisory Board
(1 Vacancy)

BACKGROUND: The Board of Commissioners at their September 7, 2010 meeting reappointed Assistant Chief Charles Kimble to serve a first full term on the Criminal Justice Partnership Advisory Board. Due to a recent promotion, Assistant Chief Kimble is unable to serve the term to which he was reappointed. The recommendation of the Advisory Board is for Captain Lars Paul to fill this position.

Commissioner Council nominated Captain Lars Paul (Police Chief or Designee slot).

D. Transportation Advisory Board (8 Vacancies)

BACKGROUND: Adolphus Thomas, Cecil Combs, Terresio Pope and Ifetayo Farrakhan are completing their first term and are eligible for reappointment. Tammy Jackson, Charles Luther, Jr., Dianne Grumelot and Timothy Joel Strickland are completing their second term and are not eligible for reappointment.

The Transportation Advisory Board has made recommendations as nominated below.

Commissioner Edge nominated the following:

- Adolphus Thomas (City of Fayetteville Representative)
- Shelton Clark (Vocational Rehab Representative)
- Cecil Combs (County Planning Department Director or Designee)
- Terresio Pope (County Health Department Director of Designee)
- Dorothy Harris (At Large)
- Dianne Grumelot (At Large)
- Faye Lewis (At Large)
- Itfayo Farrakhan (At Large)

8. Appointments to Boards and Committees

A. Cumberland County Local Emergency Planning Committee (1 Vacancy)

Nominee: Kevin Brunson (Reappointment)

B. Human Relations Commission (1 Vacancy)

Nominee: Roger "Bryan" Wright

MOTION: Commissioner Gilfus moved to appoint all nominees in Items 8.A. through 8.B.

SECOND: Commissioner Edge

VOTE: UNANIMOUS

9. Closed Session Not Needed

MOTION: Commissioner Council moved to adjourn.

SECOND: Commissioner Melvin

VOTE: UNANIMOUS

There being no further business, the meeting adjourned at 9:58 a.m.

Approved with/without revision:

Respectfully submitted,

Marie Colgan
Clerk to the Board