

CUMBERLAND COUNTY BOARD OF COMMISSIONERS  
ACTING AS  
THE OVERHILLS PARK WATER AND SEWER DISTRICT GOVERNING BOARD  
MONDAY, APRIL 14, 2014 – 7:45 AM  
117 DICK STREET, 5<sup>TH</sup> FLOOR, ROOM 564  
SPECIAL MEETING MINUTES

PRESENT: Commissioner Jeannette Council, Chairman  
Commissioner Kenneth Edge, Vice Chairman  
Commissioner Marshall Faircloth  
Commissioner Charles Evans  
Commissioner Billy King  
Commissioner Ed Melvin  
Amy Cannon, Interim County Manager  
James Lawson, Assistant County Manager  
Melissa Cardinali, Finance Director  
Quentin McPhatter, Assistant County Manager  
Rob Hasty, Assistant County Attorney  
Sally Shutt, Public Information Director  
Jeffrey Brown, Engineering and Infrastructure Director  
Amy Hall, Public Utilities Division  
Melissa Cardinali, Finance Director  
Judy Hunt, USDA Rural Development Lumberton Area Office  
Steve Smith, USDA Rural Development Lumberton Area Office  
Candice H. White, Clerk to the Board

ABSENT: Commissioner Jimmy Keefe

Chairman Council called the meeting of the Board of Commissioners acting as the Overhills Park Water and Sewer District Governing Board to order.

BACKGROUND:

The Public Utilities Division of the Engineering and Infrastructure Department received notification from the USDA Rural Development on April 8<sup>th</sup> of their intent to fund the installation of sewer within the Overhills Park Water and Sewer District. The application may be completed on the basis of a Rural Utilities Service (RUS) loan not to exceed \$819,000, a RUS grant not to exceed \$2,503,000 and a contribution from Cumberland County of \$50,700 for a total project cost of \$3,372,700. Judy Hunt and Steve Smith with USDA Rural Development will present for approval by the Governing Board the “Letter of Conditions” outlining the conditions to be understood and agreed upon before further consideration will be given for the application. Following the presentation, the Chairmen of the Board will have to sign the letter of acceptance on behalf of the Board and the County Clerk will need to be present to attest the document.

RECOMMENDATION/PROPOSED ACTION:

The Engineering and Infrastructure Director and Management recommend approval of the Letter of Conditions for the Overhills Park Water and Sewer District.

RESOLUTION OF OVERHILLS PARK WATER & SEWER DISTRICT (OPWSD)  
ACCEPTING THE CONDITIONS IN THE APRIL 14, 2014  
LETTER OF CONDITIONS FROM USDA, RURAL DEVELOPMENT

BE IT RESOLVED

That the *OPWSD Board of Commissioners* accepts the conditions set forth in a Letter of Conditions dated April 14, 2014 and RUS BULLETIN 1780-27, Loan Resolution (Public Body):

That the Board Chairman and Clerk to the Board were given the authority on April 14, 2014, to execute all forms necessary to obtain a loan from Rural Development, including, but not limited to the following forms:

Form RD 1940-1	Request for Obligation of Funds
Form RD 1942-46	Letter of Intent to Meet Conditions

Unnumbered Form	Certificate of Compliance
RUS Bulletin 1780-27	Loan Resolution
Form RD 400-1	Equal Opportunity Agreement
Form RD 400-4	Assurance Agreement
RUS Bulletin 1780-12	Water & Waste System Grant Agreement
Form AD-1047	Certification Regarding Debarment Primary Covered Transactions
Form AD-1049	Certification Regarding Drug-Free Workplace Requirements (Grants)
Form RD 1910-11	Applicant Certification Federal Collection Policies
1940-Q, Exhibit A-1	Certification for Contracts, Grants and Loans

That if the interest rate charged by Rural Development should change between this date and the date of actual approval, the Chairman and Clerk be authorized to execute new forms reflecting the current interest rate and revised payments as required by Rural Development.

The Board of Commissioners elects to have the interest charged by Rural Development to be the lower of the rate in effect at either the time of loan approval or loan closing.

The Board of Commissioners hereby agrees to abide by the mitigation requirements in the Letter of Conditions.

This resolution is to become a part of the official minutes of the OPWSD Board Meeting held on April 14, 2014.

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Amy Cannon, Interim County Manager, reviewed the background information as recorded above for the Overhills sewer project. Ms. Cannon introduced Judy Hunt and Steve Smith with the USDA Rural Development Lumberton Area Office.

Ms. Hunt stated funds for the Overhills sewer project were set aside in the Farm Bill as part of the Earth Day project, April 22, 2014. Ms. Hunt stated the total project cost is of \$3,372,700, the loan amount is \$819,000, the grant is \$2,503,000 and the county's contribution is \$50,700. Ms. Hunt stated with the minimum household income (MHI) of Overhills being less than 80% of the state MHI and with the extensive documentation of problems Overhills is experiencing with sewer, a 75% grant was able to be secured with an interest rate of 2.5%. Ms. Hunt provided highlights of the Letter of Conditions of the Overhills Park Water and Sewer District to include the repayment schedule, security for the loan, interim construction financing and disbursement of funds, audit requirements/management reports/accounting methods, insurance and bonding, required forms to be completed, debarment certifications, central contractor registration, final plans and specifications, construction contract documents and construction monitoring. Ms. Hunt stated one of the requirements of Rural Development is that every three years the loan is reviewed for graduation. Ms. Hunt responded to questions.

MOTION: Commissioner King moved to approve the resolution of the Overhills Park Water and Sewer District accepting the conditions in the April 14, 2014 Letter of Conditions from the USDA Rural Development.

SECOND: Commissioner Melvin

VOTE: UNANIMOUS (6-0)

Mr. Smith stated following approval of the resolution, paperwork will be forwarded to the State director and official notification of approval of the documents can be expected by the end of the week or the following week. Mr. Smith stated the county has one year to meet the conditions and if for any reason the District backs out, there is no obligation. Appreciation was expressed to Amy Hall, Public Utilities Division, for her work toward securing funding for the project.

There being no further matters of business, the meeting adjourned at 8:05 a.m.

Respectfully submitted,

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Candice H. White  
Clerk to the Board