

THE BOARD OF COMMISSIONERS OF THE COUNTY OF CRAVEN MET IN REGULAR SESSION IN THE COMMISSIONERS' ROOM OF THE CRAVEN COUNTY ADMINISTRATION BUILDING, 406 CRAVEN STREET, NEW BERN, NORTH CAROLINA, ON MONDAY, DECEMBER 7, 2009. THE MEETING CONVENED AT 7:00 P.M.

MEMBERS PRESENT:

Vice Chairman Theron McCabe
 Commissioner Lee Kyle Allen
 Commissioner Perry L. Morris
 Commissioner Johnnie Sampson, Jr.
 Commissioner M. Renée Sisk
 Commissioner Steve Tyson

MEMBERS ABSENT:

Chairman Jason R. Jones

STAFF PRESENT:

Harold Blizzard, County Manager
 Ray H. Moser, Assistant County Manager
 Richard F. Hemphill, County Finance Officer
 Gwendolyn M. Bryan, Clerk to the Board
 Arey Grady, representing County Attorney

Following an invocation by Commissioner Sampson and the Pledge of Allegiance, Commissioner Sisk moved to approve minutes of November 16, 2009 regular session, seconded by Commissioner Sampson and unanimously carried.

REORGANIZATION OF THE BOARD

Election of Chairman

Vice Chairman McCabe asked County Attorney Representative, Arey Grady, to preside over the election of a Chairman. Commissioner Sampson nominated Commissioner Morris. Commissioner Sisk moved to close nominations, seconded by Commissioner Sampson and unanimously carried. Commissioner Morris was elected by acclamation.

Election of Vice Chairman

After taking and subscribing the Oath of Office, Chairman Morris opened the floor for nominations for Vice Chairman. Commissioner McCabe nominated Commissioner Sampson. There were not= other nominations and Commissioner Sampson was elected by acclamation.

Appointments to Boards and Committees

The Chairman announced the following appointments of Commissioners to boards and committees, and all were in accord.

**APPOINTMENTS OF COMMISSIONERS
 for 2010**

Following is a list of boards and committees which require a Commissioner to serve.

1. Tourism Development Authority (2nd Wednesday each month)
 [Tyson]
2. Eastern Carolina Behavioral Health (3rd Tuesday-Feb., April, June, Aug., Oct., Dec.-7:30 (7:00 Finance) [Sisk]
3. Criminal Justice Advisory Board (Bi-monthly, second Tuesday

- of the month) [Sampson]
- 4. Craven County Health Board (2nd Monday of each month, noon) [Allen]
- 5. East Carolina Work Force Development (3rd Wednesday each month, 5:30) [Sampson]
- 6. New Bern Craven County Library (1st Tuesday Feb., April, June, Aug., Oct., Dec.-7:30) [Sisk]
- 7. Swiss Bear (3rd Thursday each month, 7:30 a.m.) [Tyson]
- 8. Military Civilian Community Council (monthly) [Tyson]
- 9. Aging Planning Board (4th Wednesday each month) [Sisk]
- 10. Kellenberger Foundation (2nd Monday-January, 2nd Monday-July, 10:00) [Morris]
- 11. Tryon Palace Commission (3rd Week-April; 3rd Week-October-Friday) [Morris]
- 12. Juvenile Crime Prevention Council (2nd Monday each month, 12:30 p.m.) [Sampson]
- 13. Smart Start (4th Wednesday each month, 12:30) [Allen]
- 14. ECCOG (2nd Thursday each month) [McCabe]

The Kellenberger Foundation and the Tryon Palace Commission require that the Chairman serves.

Others Boards upon which Commissioners are currently serving are as follows:

- 1. Coastal Regional Solid Waste Management Authority (Voting Member; 2nd Thursday each month, 2:00) [Jones]
- 2. Economic Development Commission (3rd Thursday each month, noon) [Jones]
- 3. Local Emergency Planning Committee (Quarterly: Feb., May, Aug, Nov.) [McCabe]
- 4. Cove City Library Board (1st Thursday-Jan., April, July, Oct.) [Jones]
- 5. Havelock City Library Board (4th Tues. Jan., April, July, Oct., 5:00) [McCabe]
- 6. Vanceboro Library Board (As needed, 4th Tues. Quarterly-7:30-Jan., April, July, Oct.) [Morris]
- 7. Craven Pamlico Transportation Committee (As necessary) [Allen]

CONSENT AGENDA

Budget Amendments and Ordinance Update

Craven County Finance Officer, Rick Hemphill, submitted the following budget amendments and ordinance update for the Board’s approval. Commissioner Sisk moved for their approval, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

DJJDP/JCPC

REVENUES	AMOUNT	EXPENDITURES	AMOUNT
101-0564-348-10-00	\$11,243.00	101-0564-450-91-01	\$11,243.00
DJJDP-Comm Children		DJJDP – Comm Children	
101-0564-348-15-00	\$ 5,100.00	101-0564-450-91-05	\$ 5,100.00
DJJDP-Area Day Reporting		DJJDP – Area Day Reporting	
101-0564-348-65-00	\$13,750.00	101-0564-450-91-65	\$13,750.00
Teen Court		Teen Court	
565-0000-348-19-00	\$ 3,000.00	565-7500-500-32-01	\$ 300.00
Juv Restitution		Office Supplies	
		565-7500-500-40-47	\$ 2,332.00
		Restitution Bank	

		565-7500-500-46-20	\$ 368.00
		Gen Ins-Employee cov	
TOTAL	\$33,093.00	TOTAL	\$33,093.00

Justification: Additional State funding for Juvenile Crime Prevention Council programs.

5019 H1N1 Response

101-5019-348-67-00	\$301,601.00	101-5019-440-97-10	\$137,533.00
State Rev		to other Health Dept.	
		101-5019-440-32-40	\$ 20,500.00
		Other Supplies	
		101-5019-440-40-0	\$ 50,000.00
		Contract Service	
		101-5019-440-40-50	\$ 50,000.00
		Contract Employee	
		101-5019-440-73-01	\$ 12,000.00
		Capital over \$5,000	
		101-5019-440-73-21	\$ 30,000.00
		Capital \$500-\$4,999	
		101-5019-440-73-02	\$ 1,568.00
		Capital Improvement	
TOTAL	\$301,601.00	TOTAL	\$301,601.00

Justification: CCHD has been awarded \$301,601.00 in state funds in order to response to H1N1 outbreak. Other supplies (20,500) tables, graphic panels carrying cases, paper, printing supplies and anything needed to hold a clinic. Contract services (\$50,000) reimbursement for giving the vaccine and new phone lines. Capital over \$5,000 (\$12,000) for smart podium, Capital under \$4,999 (\$30,000) computers, scanners, chairs, tents, display boards, contract employee (50,000) temporary staff.

Health 3101/5001/5100

101-0000-399-01-00	\$(89,400.00)	101-3101-420-22-00	\$ 1,100.00
Fund Balance		Telephone	
		101-3101-420-40-0	\$ 4,000.00
		Contract services	
		101-3101-420-97-09	\$(14,327.00)
		From other Hlth Dept.	
		101-5001-440-32-40	\$ 300.00
		Other supplies	
		101-5001-440-40-0	\$ 10,000.00
		Contract Services	
		101-5001-440-73-21	\$ 16,000.00
		Capital	
		101-5001-440-97-09	\$(63,739.00)
		From other Hlth Dept.	
		101-5100-440-32-40	\$ 1,529.00
		Other supplies	
		101-5100-440-73-21	\$ 15,204.00
		Capital	
		101-5100-440-97-09	\$(59,467.00)
		From other Hlth Dept.	

JOURNAL ENTRY

101-5019-440-97-10	\$137,533.00	1014-3101-420-97-09	\$ 14,327.00
To other depts.		From other Hlth Dept.	
		101-5001-440-97-09	\$ 63,739.00
		From other Hlth Dept.	
		101-5100-440-97-09	\$ 59,467.00
		From other Hlth Dept.	
TOTAL	\$48,133.00	TOTAL	\$48,133.00

Justification: Transfer H1N1 funds for salaries related to H1N1 response and purchase of equipment/supplies.

Health/Dental

101-5500-370-12-00	\$10,000.00	101-5500-440-40-51	\$10,000.00
Dental-Medicaid Rev.		Contact EE Incentive Pay	
101-5500-352-08-00	\$ 3,000.00	101-5500-440-26-01	\$ 3,000.00
Dental 1 st Party Rev.		Bldg/Grounds	
TOTAL	\$13,000.00	TOTAL	\$13,000.00

Justification: This is the first year paying a contract dentist “bonus pay”. During the budget process, it was determined that if the dentist was profitable and exceeding her goal, revenue would be increased as necessary to cover increased expenditures. \$10,000 will go towards paying her incentive pay during her profitable month (s). The remaining \$3,000 needed to cover the cost of school hook-up which consists of plumbing and electrical work at Roget Bell Elementary. This will be the Dental Mobile’s first year going to this school.

Health/Immunizations – ARRA Funding

101-5813-348-67-00	\$39,716.00	101-5813-440-27-00	\$15,000.00
State Grant		Advertising	
		101-5813-440-32-05	\$10,000.00
		Prescription drugs	
		101-5813-440-32-40	\$14,716.00
		Other Supplies	
TOTAL	\$39,716.00	TOTAL	\$39,716.00

Justification: CCHD has been awarded grant money from the NC Division of Public Health in order to reduce the spread of vaccine-preventable diseases in NC by assuring that individuals are appropriately immunized. Funds will be used to purchase two billboards for six months; purchase prescription drugs such as Gardasil, Menactra, and Hep A; and the remaining funds will be used to pay for printing expenses, videos, and all other immunizations-related supplies.

Health/Risk Reduction/Project Assist

101-6701-349-70-00	\$450.00	101-6701-440-32-40	\$450.00
State Revenue		Other Supplies	
TOTAL	\$450.00	TOTAL	\$450.00

Justification: When budget was originally submitted, it was unknown that we would receive additional state funds to implement and enforce House Bill 2 (An Act to Prohibit Smoking in Certain Public Places and Certain Places of Employment) which goes into effect on January 2, 2010. Funds have been awarded for the purchase of restaurant and bar coasters.

DSS TANF 7231

101-7231-349-28-00	\$81,000.00	101-7231-450-39-30	\$81,000.00
CPS Staff & Ovhd		Special Adoption	
TOTAL	\$81,000.00	TOTAL	\$81,000.00

Justification: Funds received from the Special Adoption fund. Funds are awarded by the State based on the number of adoptions that are finalized, and are given to DSS to use in the adoption program. There is no County match, and unspent funds are to be rolled forward to the next fiscal year.

DSS 7291 Mandated

101-7291-349-32-00	\$103,806.00	101-7291-450-23-04	\$103,806.00
Energy, CIP, CP&L		Energy CIP	
TOTAL	\$103,806.00	TOTAL	\$103,806.00

Justification: Additional funding received for the Crisis Intervention Program (CIP). There is no County match, funds are 100% federal.

DSS 7291 Mandated

101-7291-349-42-00	\$500.00	101-7291-450-23-42	\$500.00
Share the Warmth		Share the Warmth	
TOTAL	\$500.00	TOTAL	\$500.00

Justification: Additional allocation has been received for the Share the Warmth Program. Funds are 100%, no County match.

Sheriff's

114-0000-399-01-00	\$1,500.00	114-2001-410-32-40	\$200.00
		Other Supplies	
		114-2011-410-23-0	\$300.00
		Utilities	
		114-2011-410-21-0	\$800.00
		Rents	
		114-2011-410-22-0	\$200.00
		Telephone	
TOTAL	\$1,500.00	TOTAL	\$1,500.00

Justification: To cover a partial months rent at the airport office as well as utilities. Other supplies transfer to cover expenses from the building dedication.

Sheriff's

114-0000-399-01-00	\$1,800.00	114-2001-410-32-40	\$1,800.00
Fund Balance		Other Supplies	

JOURNAL ENTRY

101-0000-101-00-00	\$1,800.00	101-2001-410-32-40	\$1,800.00
114-2001-410-32-40	\$1,800.00	114-0000-101-00-00	\$1,800.00
TOTAL	\$1,800.00	TOTAL	\$1,800.00

Justification: To cover the expense for catering at the grand opening of the Judicial Center.

Planning

274-0000-377-02-00	\$400,000.00	274-4077-430-76-21	\$167,000.00
CDBG/Grants		Relocation Services	
		274-4077-430-76-22	\$183,000.00
		Rehabilitation Services	
		274-4077-430-76-70	\$ 33,000.00
		Administration	
		274-4077-430-76-71	\$ 7,000.00
		Pre-Planning	
		274-4077-430-76-20	\$ 10,000.00
		Clearance	
TOTAL	\$400,000.00	TOTAL	\$400,000.00

Justification: Budget Amendment needed in order to accept and expend grant funds received from the State of North Carolina under FY09 CDBG Scattered Site Program.

Budget Ordinance

CDBG FY 09 Scattered Sites
Fund 274

This ordinance is hereby amended in the following amounts for expenditures for the CDBG FY 09 Scattered Sites.

Expenditures:

Clearance	\$ 10,000.00
Relocation	\$167,000.00
Rehabilitation	\$183,000.00
Administration	\$ 33,000.00
Preliminary Planning	\$ 7,000.00
TOTAL	\$400,000.00

This following revenues are hereby estimated for the CDBG FY 09 Scattered Sites.

Revenues:

CDBG Grant	\$400,000.00
TOTAL	\$400,000.00

This ordinance is hereby amended this 7th day of December, 2009.

Subdivisions for Approval

Planning Director, Don Baumgardner, submitted the following subdivisions for the Board’s approval. Commissioner Sisk moved for their approval, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

Gaynelle T. Lewis and Joshua A. Toler Division – Final: The property, owned by Gaynelle T. Lewis and Joshua A. Toler and surveyed by Grant and Associates, is located within Twp. 2 off of SR 1003 (Aurora Road). The subdivision contains 2 lots on 4.97 acres; and lot 2 is served by an existing individual septic system and existing community water.

Courtney B. and Alura I. McElvain Division – Final: The property, owned by Courtney and Alura McElvain and surveyed by Chet Suitt, is located within Twp. 5 off of Sr 1713 (Clubfoot Creek Road). The subdivision contains 1 lot on 0.51 acres and is proposed to be served by an existing individual well and individual septic system.

FY 2009 CDBG – Scattered Site Program

The County received a \$400,000 CDBG Scattered Site Grant from the N.C. Division of Community Assistance for the following activities:

- (2) Relocations
- (4) Rehabilitations
- (2) Dilapidated units cleared

In order to move forward with the program the Board was requested to adopt a blanket resolution on the CDBG Administrative Guidelines and Policies. Commissioner Sisk moved to adopt the following resolution, as requested, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

CRAVEN COUNTY
 RESOLUTION APPROVING ADMINISTRATIVE GUIDELINES AND POLICIES
 FOR THE FY 2009 CDBG SCATTERED SITE PROGRAM

WHEREAS, Craven County wishes to carry out its FY 2009 CDBG Scattered Site program in accordance with established state and federal administrative guidelines.

NOW, THEREFORE, Craven County hereby collectively adopts the following resolutions, guidelines, plans and policies, and resolves that they be utilized during the administration of the County’s FY 2009 CDBG Scattered Site Program:

1. Project Budget Ordinance
2. Financial Management Resolution
3. Housing Assistance Policy
4. Rehabilitation/Demolition Contract Award Policy
5. Citizen Participation Plan
6. Residential Antidisplacement and Relocation Assistance Plan
7. Local Economic Benefit for LMI Persons (Section 3) Plan
8. Equal Employment and Procurement Policy
9. Policy Concerning Code of Conduct
10. Fair Housing Policy
11. Section 519 Policy (Prohibiting Use of Excessive Force)
12. Temporary Relocation Policy

Adopted this 7th Day of December, 2009.

Tax Releases and Refunds

Craven County Tax Administrator, Ronnie Antry, submitted the following tax releases and refunds for the Board’s approval. Commissioner Sisk moved for their approval, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

Credits

TAXPAYER NAME	TICKET#	AMOUNT
BAILEY, SPENCER W MIL-HIS NAME-09/ECC-12/31/2009 FL	2009-0091121	\$1,031.52
BUSCLAS, JOHN MARTIN MIL-HIS NAME-2009 ECC-9/25/2010 IL	2009-0008085	\$138.19

BUSCLAS, JOHN MARTIN MIL-HIS NAME-2009 ECC-3/25/10 IL	2008-0008006	\$160.37
BYPASS PARTNERS LLC BILLED TO INCORRECT OWNER-REBILLED	2009-0008227	\$28,189.02
CURTIS, ROBERT P & PEGGY J INCORRECT SITUS	2009-0091103	\$36.64
DECKER, GREGORY DOES NOT OWN	2009-0091224	\$65.33
HALL, CLAUDE C JR APPRAISAL ERROR	2009-0023813	\$143.78
HENDERSON BAXTER TAYLOR & GA DOUBLE BILLED	2009-0026155	\$625.03
JENKINS, FRANCES E APPRAISAL ERROR	2009-0029519	\$172.01
JENKINS, TIMOTHY JR APPRAISAL ERROR	2009-0029624	\$30.91
KILLMEYER, ARTHUR DOUBLE BILLED-ACCT #91145	2009-0091259	\$229.94
KOONCE, NICK KEITH APPRAISAL ERROR	2009-0032405	\$88.57
LOWE, HEATHER RELEASED TO WAYNE COUNTY	2009-0091148	\$71.83
MORRISON, BRUCE AUSTIN DOUBLE LISTED ACCT# 40559	2009-0091287	\$6.49
NORMAN, KAREN H HOME VACCANT 1/1/2009	2009-0042346	\$36.00
ROSS, GARY BOAT NOT IN NC	2009-0091310	\$567.67
SCHROEDER, TODD PATRICK INCORRECT SITUS	2009-0050080	\$72.44
SFX INC OUT OF BUSINESS	2009-0090850	\$12.30
SMITHWICK, JAMES MCNARL JR INCORRECT COUNTY	2009-0091321	\$115.08
STALEY, LARRY EUGENE & BETTY S DID NOT OWN 1/1/2009	2009-0091324	\$109.63
SWARTS, SIDNEY MASON BILLING ERROR	2009-0054517	\$41.28
TEMPLE, DAPHNE M APPRAISAL ERROR	2009-0090902	\$61.28
TOTAL AUDIO CONCEPTS INC OUT OF BUSINESS 2008	2009-0090923	\$65.80

WADDELL, TIMOTHY J DOUBLE LISTED SEE ACCT #47773	2009-0058371	\$37.58
WINKLER, BRIAN RICHARD DOUBLE BILLED ACCT #62878	2009-0091344	\$104.61
1202 OLD CHERRY POINT ROAD LLC DWELLING TORN DOWN 2005	2009-0063812	\$158.93
	26 – CREDIT MEMO (S)	\$32,372.23

Refunds

COVE CITY – TOWN OF EXEMPT PER GS 105-278.1	2009-0012303	\$48.03
MITCHELL, THOMAS DOUBLE BILLED SEE ACCT #51317	2009-0091154	\$74.60
	2 – REFUND (S)	\$122.63

PETITIONS OF CITIZENS

Ray Griffin stressed to the Board that vigilance is needed concerning the threat to prayer at the beginning of the meeting, as faced by Buncombe County.

Charlie Simmons asked to appear before the Board but was not present at the meeting.

RECREATION MATTERS

Jan Parker, Recreation & Parks Director, presented changes in the proposed design of the Latham-Whitehurst Nature Park as a result of a community meeting held on October 27, 2009. Several Quail Woods property owners expressed concern regarding the proposed park entrance from the Quail Woods subdivision. An alternate entrance was proposed. Engineering proposals were submitted for the project and Mrs. Parker recommended Avolis Engineering, P.A. to be selected as the engineer for this project. She explained that the right-of-way road through Quail Woods would remain, but would only be used for construction equipment. The alternative is less cost effective; however, the grant will allow funds to be shifted from other aspects of the project to apply toward road work. One of two access areas to the creek will be sacrificed to fund the alternative road. It was the consensus of the Board to proceed with the second road alternative. Commissioner Tyson moved to accept Avolis Engineer’s bid in the amount of \$29,465, seconded by Commissioner McCabe and unanimously carried.

HEALTH DEPARTMENT MATTERS

Health Director, Scott Harrelson, and staff members, Nicole Jones and Keith Jernigan, gave a power point presentation concerning the No Smoking Legislation which was recently passed. The new law will become effective January 2, 2010.

CHILD ENFORCEMENT UPDATE

Mr. Flowers presented the results of Requests for Proposals to contract the Child Support Enforcement Program. He proposed a work session with the Board due to the detailed nature of the volumes of information that must be reviewed.

It was the consensus of the Board to conduct a work session at 9:00 a.m. on Monday, December 14, 2009.

FINANCE MATTERS

Finance Officer, Rick Hemphill, presented an amendment to a resolution adopted November 16, 2009 to make the refunding bonds after 2020 callable. Bonds will be sold December 8, 2009. Commissioner Allen moved to adopt the following resolution, as presented, seconded by Commissioner McCabe and unanimously carried.

WHEREAS, the Board of Commissioners of the County of Craven, North Carolina (the "Issuer") adopted a bond resolution (the "Resolution") prescribing the details of refunding bonds (the "Bonds"), which were authorized by a refunding bond order adopted by the Issuer on November 2, 2009;

WHEREAS, the Issuer deems it to be in its best interest to amend the Resolution in order to provide flexibility to price the Bonds with a ten year call provision at 100%;

BE IT RESOLVED by the Board of Commissioners of the County of Craven, North Carolina, as follows:

1. The Bonds maturing on and after June 1, 2020 shall be subject to redemption prior to their stated maturities at the option of the Issuer on or after June 1, 2009, in whole at any time or in part on any interest payment date, at a redemption price of 100% of such principal amounts, plus interest accrued to the date fixed for redemption. If less than all of the Bonds of any maturity are called for redemption, the Bonds to be redeemed shall be selected in such manner as the Issuer shall determine; provided, however, that the portion of any Bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting Bonds for redemption, the hereinafter designated Bond Registrar shall treat each Bond as representing that number of Bonds which is obtained by dividing the principal amount of such Bonds by \$5,000. For so long as a DTC book-entry system is used for determining beneficial ownership of the Bonds, if less than all of the Bonds within a maturity are to be redeemed, DTC and its participants shall determine which of the Bonds within a maturity are to be redeemed. If less than all of the Bonds of different maturities are called for redemption, the Bonds to be redeemed shall be called in the inverse order of their maturities.

Not more than forty-five (45) nor less than thirty (30) days before the redemption date of any Bonds to be redeemed, whether such redemption be in whole or in part, the Issuer shall cause a notice of such redemption to be mailed, postage prepaid, to DTC or its nominee. Each such notice shall identify the Bonds or portions thereof to be redeemed by reference to their numbers and shall set forth the date designated for redemption, the redemption price to be paid and the maturities of the Bonds to be redeemed. If any Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, upon surrender of such Bond, a new Bond or Bonds in principal amount equal to the unredeemed portion of such bond will be issued.

On or before the date fixed for redemption, moneys shall be deposited with the Bond Registrar to pay the principal of the Bonds or portions thereof called for redemption as well as the interest accruing thereon to the redemption date thereof.

On the date fixed for redemption, notice having been given in the manner and under the conditions hereinabove provided, the Bonds or portions thereof called for redemption shall be due and payable at the redemption price provided therefore, plus accrued interest to such date.

If a portion of a Bond shall be selected for redemption, the registered owner thereof or his attorney or legal representative shall present and surrender such Bond to the Bond Registrar for payment of the principal amount thereof so called for redemption and the interest accruing thereon to the date of redemption, and the Bond Registrar shall authenticate and deliver to or upon the order of such registered owner or his legal representative, without charge therefore, for the unredeemed portion of the principal amount of the Bond so surrendered, a Bond or Bonds of the same maturity, of

any denomination or denominations authorized by this resolution and bearing interest at the same rate.

2. The Bonds and the endorsements thereon shall be in substantially the following form:

O. R-

United States of America
State of North Carolina

COUNTY OF CRAVEN

GENERAL OBLIGATION REFUNDING BOND, SERIES 2009

INTEREST RATE	MATURITY DATE	DATE OF ORIGINAL ISSUE	CUSIP
	June 1, ____	December 22, 2009	224615

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM:

DOLL
ARS

The COUNTY OF CRAVEN (hereinafter referred to as “County”), a county of the State of North Carolina, acknowledges itself indebted and for value received hereby promises to pay to the registered owner named above, on the maturity date specified above, upon surrender hereof, at the office of the Finance Officer of the County (the “Bond Registrar”), the principal sum shown above and to pay to the registered owner hereof, at his address as it appears on the bond registration books of the County, interest on such principal sum from the date of this bond [or from the June 1 or December 1 next preceding the date of authentication to which interest shall have been paid, unless such date of authentication is a June 1 or December 1 to which interest shall have been paid, in which case from such date], such interest to the maturity hereof being payable on June 1, 2010 and semi-annually thereafter on December 1 and June 1 of each year, at the rate per annum specified above, until payment of such principal sum. The interest so payable on any such interest payment date will be paid to the person in whose name this bond is registered at the close of business on the record date for such interest, which shall be the fifteenth day of the calendar month (whether or not a business day) next preceding such interest payment date. Both the principal of and the interest on this bond shall be paid in any coin or currency of the United States of America that is legal tender for the payment of public and private debts on the respective dates of payment thereof.

This bond is issued in accordance with the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, and pursuant to The Local Government Finance Act of the State of North Carolina, as amended, a bond order adopted by the Board of Commissioners of the County on November 2, 2009 (the “Bond Order”) and a resolution adopted by said Board of Commissioners on November 16, 2009 (the “Resolution”) to provide funds, together with other funds of the County, to refund all or a portion of the County’s outstanding School Bonds, Series 2002, dated May 1, 2002 and Community College Bonds, Series 2001, dated June 1, 2001.

The bonds will be issued in fully registered form by means of a book entry system with no physical distribution of bond certificates made to the public. One bond certificate for each maturity will be issued to The Depository Trust Company, New York, New York (“DTC”) and immobilized in its custody. The book entry system will evidence ownership of the bonds in principal amounts of \$5,000 or whole multiples thereof, with transfers of beneficial ownership effected on the records of DTC and its

participants pursuant to rules and procedures established by DTC. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The County will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

The bonds maturing on and after June 1, 2020 shall be subject to redemption prior to their stated maturities at the option of the County on or after June 1, 2009, in whole at any time or in part on any interest payment date, at a redemption price of 100% of such principal amounts, plus interest accrued to the date fixed for redemption. If less than all of the bonds of any maturity are called for redemption, the bonds to be redeemed shall be selected in such manner as the County shall determine; provided, however, that the portion of any bond to be redeemed shall be in the principal amount of \$5,000 or some multiple thereof and that, in selecting bonds for redemption, the Bond Registrar shall treat each bond as representing that number of bonds which is obtained by dividing the principal amount of such bond by \$5,000. For so long as a book-entry system with DTC is used for determining beneficial ownership of the bonds, if less than all of the bonds within a maturity are to be redeemed, DTC and its participants shall determine which of the bonds within a maturity are to be redeemed. If less than all of the bonds of different maturities are called for redemption, the bonds to be redeemed shall be called in the inverse order of their maturities.

Not more than forty-five (45) nor less than thirty (30) days before the redemption date of any bonds to be redeemed, whether such redemption be in whole or in part, the County shall cause a notice of such redemption to be mailed, postage prepaid, to DTC or its nominee. On the date fixed for redemption, notice having been given as aforesaid, the bonds or portions thereof so called for redemption shall be due and payable at the redemption price provided for the redemption of such bonds or portions thereof on such date. If a portion of this bond shall be called for redemption, a new bond or bonds in principal amount equal to the unredeemed portion hereof will be issued to DTC or its nominee upon the surrender hereof.

The Bond Registrar shall keep at his office the books of said County for the registration and registration of transfer of bonds. The transfer of this bond may be registered only upon such books and as otherwise provided in the Resolution upon the surrender hereof to the Bond Registrar together with an assignment duly executed by the registered owner hereof or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. Upon any such registration of transfer, the Bond Registrar shall deliver in exchange for this bond a new bond or bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the unpaid principal amount of this bond, of the same maturity and bearing interest at the same rate.

Bonds, upon surrender thereof at the office of the Bond Registrar together with an assignment duly executed by the registered owner or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar, may, at the option of the registered owner thereof, be exchanged for an equal aggregate principal amount of registered Bonds of the same maturity, of any denomination or denominations authorized by the Resolution and bearing interest at the same rate.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of North Carolina to exist, be performed or happen precedent to or in the issuance of this bond, exist, have been performed and have happened, and that the amount of this bond, together with all other indebtedness of the County, is within every debt and other limit prescribed by said Constitution or statutes. The faith and credit of the County are hereby pledged to the punctual payment of the principal of and interest on this bond in accordance with its terms.

This bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Bond Order or the Resolution mentioned herein until this bond shall have been endorsed by the authorized representative of the

Local Government Commission of North Carolina and authenticated by the Bond Registrar.

IN WITNESS WHEREOF, the County has caused this bond [to be manually signed by] [to bear the facsimile signatures of] the Chairman and the Clerk of the Board of Commissioners of the County and [a facsimile of] its official seal to be [imprinted] [impressed] hereon, and this bond to be dated December 22, 2009.

APPOINTMENTS

Coastal Regional Solid Waste Management Authority (CRSWMA)

The Board was advised that the term of Bill Ritchie on the CRSWMA Board was due to expire. He has served since 1987. Commissioner Sisk nominated Mr. Ritchie for reappointment. There being no additional nominees, Commissioner Allen moved to reappoint Mr. Ritchie and waive the rules, allowing him to serve another term, seconded by Commissioner McCabe and unanimously carried.

New Bern-Craven County Library Board

Rex Bennett was appointed earlier this year to serve the unexpired term of Missy Hutchinson on the New Bern-Craven County Library Board. The term expires on December 31, 2009. Commissioner Tyson moved to nominate Mr. Bennett for reappointment. There were no additional nominees and Mr. Bennett was appointed by acclamation.

Neuse River Development Authority (NRDA)

The Board was advised that the term of Christopher Craze will expire in December. Commissioner Sisk nominated Mr. Craze for reappointment. There being no additional nominees, Mr. Craze was appointed by acclamation.

New Bern Board of Adjustment

The Board was advised in August that the term of Doris Foy was due to expire and the appointment was deferred. Commissioner Sampson nominated Starlin Beatty. There being no additional nominees, Mr. Beatty was appointed by acclamation.

Craven Pamlico Carteret Regional Library

This appointment was deferred until the Board's next meeting.

COUNTY ATTORNEY'S REPORT

County Attorney representative, Arey Grady, reported that an upset bid has been submitted in response to the ad for upset bids on the timber harvest at Industrial Park. He stated that he will readvertise for upset bids and keep the Board posted.

COUNTY MANAGER'S REPORT

County Manager, Harold Blizzard, reported that the following Craven County properties have leases that will expire soon:

- Industrial Park – 70 acres (approximate), agricultural lease
- Judicial Center – 30 acres (approximate), agricultural lease
- Cove City Park – 14 acres (approximate), agricultural lease
- Harlowe – ½ acres (approximate), church parking

Until now the Industrial Park property lease has been managed by the EDC Director. The property adjoining the Cove City Park was handled by the County Planning Director.

The Assistant County Manager has arranged lease agreements on the Judicial Center and Harlowe properties. In order that these leases might be combined into a single lease process coordinated under one department, it was recommended that the Board delegate the County Manager, or his designee, authority to enter into one (1) year leases for each of the four properties as permitted by law. If approved, each year the County Manager will informally solicit lease proposals, select the best responsible proposal, and execute the lease agreements. Commissioner Sisk moved to authorize the County Manager or his designee to re-negotiate leases on an annual basis, as recommend, seconded by Commissioner McCabe and unanimously carried.

Mr. Blizzard announced that the Sheriff's Department will be moving to the Judicial Center over the weekend and will be open for business on December 14. They will leave one clerk behind for two weeks as a receptionist.

COMMISSIONERS' REPORTS

Commissioner Allen congratulated the Havelock Rams for a great season. He announced his attendance at the NACo Board meeting and that the current President-Elect lost her election as Commissioner.

Commissioner Tyson congratulated the Havelock Rams and reminded citizens of the wounded warrior fundraiser at the New Bern Golf and Country Club on December 8.

Commissioner Sisk reported on her recent attendance at a mental health meeting held in Pinehurst. She announced that state budget cuts have resulted in some loss of housing; however, the mental health services community is trying to reassure families that their loves ones' needs will be met.

Commissioner McCabe announced that he will be holding a community meeting in Harlowe on the revaluation.

Commissioner Sampson commented on the rising gas prices and made a motion that the Board of Commissioners write the Attorney General to request an investigation of prices at area service stations and the possibility of price fixing. Commissioner McCabe seconded the motion which carried unanimously. Commissioner Sampson thanked those who reached out to others on Thanksgiving. He thanked Gideon Bible publishers for bibles distributed at the County Fair. He announced a property revaluation community meeting set up at the Craven County Courthouse for 7:00 p.m. on January 11, 2010. He thanked the Vanceboro Fire & Rescue for their banquet.

Commissioner Morris congratulated the Havelock Rams and the ECU Pirates for winning the conference. He thanked colleagues for their vote of confidence in electing him as Chairman.

At 8:14 p.m. Commissioner Sampson moved to recess to convene the Water Board, seconded by Commissioner McCabe and unanimously carried.

At 8:32 p.m. the Board reconvened in regular session.

CLOSED SESSION

At 8:32 p.m. Commissioner Sampson moved to go into closed session, seconded by Commissioner Sisk, to discuss a personnel matter, pursuant to NCGS 143-318.11 (a)(6).

At 8:52 p.m. the Board was declared back in regular session. The Attorney announced that no action had been taken.

At 8:52 p.m. Commissioner Sisk moved to recess until 9:00 a.m. on December 14, 2009, seconded by Commissioner McCabe and unanimously carried.

Chairman Perry Morris
Craven County Board of Commissioners

Gwendolyn M. Bryan
Clerk to the Board