

THE BOARD OF COMMISSIONERS OF THE COUNTY OF CRAVEN SITTING AS THE BOARD OF DIRECTORS FOR THE CRAVEN COUNTY WATER DISTRICT, MET IN REGULAR SESSION ON MONDAY, SEPTEMBER 20, 2010 IN THE COMMISSIONERS' ROOM OF THE CRAVEN COUNTY ADMINISTRATION BUILDING, 406 CRAVEN STREET, NEW BERN, NORTH CAROLINA. THE MEETING CONVENED AT 10:45 A.M..

MEMBERS PRESENT:

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

STAFF PRESENT:

Harold Blizzard, County Manager
Jack B. Veit, III., Assistant County Manager
Richard F. Hemphill, County Finance Officer
Gwendolyn M. Bryan, Clerk to the Board
Jim Hicks, County Attorney
Arey Grady, County Attorney Representative
Aaron Arnette, County Attorney Associate

Following the roll call, Commissioner Jones moved to approve minutes of September 7, 2010 regular session, seconded by Commissioner McCabe and unanimously carried

WATER SHORTAGE RESPONSE PLAN APPROVAL

The Board was advised that Craven County Water has submitted a Water Shortage Response Plan to the North Carolina Division of Environment and Natural Resources Division of Water Resources to comply with NCGS 143-355.2(a) and 15ANCAC 02E. 0607. The plan meets the minimum criteria of the statute and has been approved by the division staff. Commissioner Jones moved to approve the following resolution adopting the Water Shortage Response Plan, seconded by Commissioner McCabe and unanimously carried.

RESOLUTION FOR APPROVING WATER SHORTAGE RESPONSE PLAN

WHEREAS, North Carolina General Statute 143-355(1) requires that each unit of local government that provides public water services or plans to provide such services shall, either individually or together with other such units of local government, prepare and submit a Water Shortage Response Plan; and

WHEREAS, as required by the statute and in the interests of sound local planning, a Water Shortage Response Plan for Craven County Water, has been developed and submitted to the Board of Directors for the Craven County Water Systems for approval; and

WHEREAS, the Board of Directors for the Craven County Water System finds that the Water Shortage Response Plan is in accordance with the provisions of North Carolina General Statute 143-355 (1) and that it will provide appropriate guidance for the future management of water supplies for Craven County Water, as well as useful information to the Department of Environment and Natural Resources for the development of a state water supply plan as required by statute.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Craven County Water System of Craven County Water that the Water Shortage Response Plan entitled, Craven County Water Shortage Response Plan dated September 3, 2010 is hereby approved and shall be submitted to the Department of Environment and Natural Resources, Division of Water Resources.

BE IT FURTHER RESOLVED that the Board of Directors for the Craven County Water System intends that this plan shall be revised to reflect changes in relevant date and projections at least once every five years or as otherwise requested by the Department, in accordance with the statute and sound planning practice.

This the 20th day of September, 2010.

STATE REVOLVING LOAN FUND APPLICATION

Resolution

The following resolution authorizes the County to file an application with the State Revolving Loan Fund for the purpose of constructing a water treatment plant, wells and distribution system. County Finance Officer, Rick Hemphill, explained that the County may not be in a position to be ready to borrow the funds on this cycle of awards; however, the State Public Drinking Water section of DENR recommended the County apply now and the application can be carried over to the next cycle of awards should the County not be ready to proceed in time for this cycle. The application will be for a \$20 million loan with a 20 year term at the current rate at the time of closing (currently 2.5%). Should the County be approved for the loan and be ready to proceed there will be additional Board and LGC approvals required later. Commissioner Jones made a motion to adopt the following resolution authorizing the County Manager to act as the County's Authorized Official and submit the application, seconded by Commissioner Jones and unanimously carried.

WHEREAS, the Federal Safe Drinking Water Act Amendments of 1996 and the North Carolina Water Infrastructure Act of 2005 (NCGS 159G) have authorized the making of loans and grants to aid eligible units of government in financing the cost of construction of drinking water system improvements; and

WHEREAS, the Board of Commissioners of Craven County has need for and intends to construct a drinking water system project described as water treatment plant, wells, and distribution system to replace the capacity lost as a result of the Capacity Use rules for the Black Creek Aquifer; and

WHEREAS, the Board of Commissioners of Craven County intends to request state loan assistance for the project.

NOW, THEREFORE BE IT RESOLVED, BY THE BOARD OF COMMISSIONERS OF CRAVEN COUNTY:

That Craven County, the Applicant, will arrange financing for all remaining costs of the project, if approved for a State loan award.

That the Applicant will adopt and place into effect on or before completion of the project a schedule of fees and charges and other available funds which will provide adequate funds for proper operation, maintenance, and administration of the system and the repayment of all principal and interest on the debt.

That the governing body of the Applicant agrees to include in the loan agreement a provision authorizing the State Treasurer, upon failure of Craven County to make scheduled repayment of the loan, to withhold from Craven County and any State funds that would otherwise be distributed to the local government unit in an amount sufficient to pay all sums then due and payable to the State as a repayment of the loan.

That the Applicant will provide for efficient operation and maintenance of the project on completion of construction thereof.

That Harold Blizzard, Craven County Manager, the Authorized Official, and successors so titled, is hereby authorized to execute and file an application on behalf of

the Applicant with the State of North Carolina for a loan to aid in the construction of the project described above.

That the Authorized Official, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate State agency may request in connection with such application or the project: to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the Applicant has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants and loans pertaining thereto.

Adopted this the 20th day of September, 2010 at New Bern, North Carolina.

Engineering Agreement

McKim and Creed submitted an amendment to their contract, to assist the County with the filing of this application. Their proposed fee for this work is \$11,320. County staff recommended approval of this amendment and asked the Board to authorize the signing of the amendment. Mr. Hemphill stated that no budget amendment is necessary and funds are available in the contract contingency. Commissioner Jones moved to approve the contract amendment, seconded by Commissioner McCabe and unanimously carried in a roll call vote.

At 10:55 a.m. Commissioner McCabe moved to adjourn, seconded by Commissioner Tyson and unanimously carried.

Chairman Perry L. Morris
Craven County Board of Commissioners

Gwendolyn M. Bryan
Clerk to the Board