

**AGENDA
CRAVEN COUNTY BOARD OF COMMISSIONERS
REGULAR SESSION
MONDAY, DECEMBER 1, 2014
7:00 P.M.**

CALL TO ORDER

ROLL CALL

INVOCATION

PLEDGE OF ALLEGIANCE

1. OLD BUSINESS
Approval of November 17, 2014 Minutes
2. RECOGNITION OF OUTGOING COMMISSIONERS:
Chairman Mark
3. RECONSTITUTION OF THE BOARD
 - A. Oath of Office Administered to the New Board
 - B. Election of Chairman
 - C. Oath of Office Administered to Chairman
 - D. Election of Vice Chairman
 - E. Oath of Office Administered to Vice-Chairman

RECESS

RECONVENE AS NEW BOARD

Establish meeting dates, times and location

4. CONSIDER APPOINTMENTS OF COMMISSIONERS TO BOARDS AND COMMITTEES
5. PUBLIC HEARING: ECONOMIC DEVELOPMENT
6. PETITIONS OF CITIZENS
7. AIRPORT REQUEST: Tom Braaten, Airport Director
8. MILITARY FAMILY OF THE QUARTER RESOLUTION

DEPARTMENTAL MATTERS

9. TAX – RELEASES AND REFUNDS: Ronnie Antry, Tax Administrator
10. FINANCE – BUDGET AMENDMENTS AND ORDINANCE UPDATE: Rick Hemphill, Assistant County Manager – Finance/Administration
11. APPOINTMENTS
12. COUNTY ATTORNEY’S REPORT: Jim Hicks
13. COUNTY MANAGER’S REPORT: Jack Veit
14. COMMISSIONERS’ REPORTS

Agenda Date: December 1, 2014

Presenter: _____

Agenda Item No. 1

Board Action Required: Yes

OLD BUSINESS

APPROVAL OF NOVEMBER 17, 2014 MINUTES

The Board will need to approve the minutes of November 17, 2014.

Board Action: Approve minutes

Agenda Date: December 1, 2014

Presenter: Chairman Mark

Agenda Item No. 2

Board Action Required: No

RECOGNITION OF OUTGOING COMMISSIONERS

The Chairman will recognize the outgoing Commissioners after they have had an opportunity to make final comments.

Board Action: None

RECONSTITUTION OF THE BOARD

A. OATH OF OFFICE ADMINISTERED TO THE NEW BOARD

The Commissioners-Elect and continuing Commissioners will come forward to take and subscribe the oath of office. For those who have not specifically designated someone to administer the oath, the Clerk to the Board will be available to administer it. Afterwards, the Board will be seated.

B. ELECTION OF CHAIRMAN

After the new Board is seated, the County Attorney will preside over the election of a chairman. He will open the floor for nominations (no second required). Once all nominations have been made, he will ask for a motion to close nominations. When this has been voted upon, the County Attorney will call for a vote on nominations, which is to be a voice vote by roll call. If more than one individual has been nominated, the Clerk will call the roll, and each Commissioner will name a nominee.

C. OATH OF OFFICE ADMINISTERED TO CHAIRMAN

When the vote is completed, the oath of office will be administered to the newly elected chairman, and he will assume his duties

D. ELECTION OF VICE CHAIRMAN

The new chairman will preside over the election of the vice chairman, continuing in the same process as for the election of the chairman.

E. OATH OF OFFICE ADMINISTERED TO VICE CHAIRMAN

When the vote is completed, the oath of office will be administered to the newly elected vice chairman.

Board Action: The Board may choose to recess at this point to allow outgoing and incoming Commissioners to greet their friends and supporters.

Agenda Date: December 1, 2014

Presenter: _____

Agenda Item No. 4

CONSIDER APPOINTMENTS OF COMMISSIONERS TO BOARDS AND COMMITTEES

Appointments of Commissioners to the boards and committees are considered during reorganization of the Board, but at times this has been deferred until the second meeting in December. Attachment #4 is a listing of boards on which Commissioners serve.

Board Action: The Board will need to consider appointments to boards and committees or defer them until the next meeting

Agenda Date: December 1, 2014

Presenter: _____

Agenda Item No. 5

Board Action Required: Yes

PUBLIC HEARING RELATED TO PROJECT GLOBAL

The Board will need to go into public hearing, as advertised, to receive public comment on the proposed incentives for Project Global for the purpose of industrial expansion and job creation. (See Attachment #5.A.)

Board Action: Approve the Resolution authorizing the Economic Development Agreements.

Agenda Date: December 1, 2014

Presenter: _____

Agenda Item No. 6

Board Action Required: No

PETITIONS OF CITIZENS

Board Action: Receive Information

Agenda Date: December 1, 2014

Presenter: Tom Braaten

Agenda Item No. 7

Board Action Required: Yes

AIRPORT REQUEST

Airport Director, Tom Braaten, will present a request for approval of the Avigation Easement as shown in Attachment #7.

Board Action: A vote on approval of the easement.

Agenda Date: December 1, 2014

Presenter: _____

Agenda Item No. 8

Board Action Required: Yes

MILITARY FAMILY OF THE QUARTER RESOLUTION

The Board received a request to adopt the resolution, contained in Attachment #8., recognizing the family of Staff Sergeant Steven D. Garretson as Military Family of the Quarter. The recognition luncheon will be held on Thursday, December 11th at noon at the New Bern Country Club.

Board Action: Adopt Resolution

Agenda Date: December 1, 2014

Presenter: Ronnie Antry

Agenda Item No. 9

Board Action Required: Yes

DEPARTMENTAL MATTERS: TAX – RELEASES AND REFUNDS

Craven County Tax Administrator, Ronnie Antry, will present the routine requests for tax releases and refunds contained in Attachment #9 for the Board's approval.

Board Action: A roll call vote is needed to approve tax releases and refunds.

Agenda Date: December 1, 2014

Presenter: Rick Hemphill

Agenda Item No. 10

Board Action Required: Yes

DEPARTMENTAL MATTERS: FINANCE – BUDGET AMENDMENTS AND ORDINANCE UPDATE

Assistant County Manager, Finance/Administration, Rick Hemphill, will present the following budget amendments and ordinance update for the Board's approval.

(See Attachment #10)

Amendments: Economic Development/County Reserve – The NC Eastern Region Board agreed that any county withdrawing from the NCEast Alliance can request its portion of the unspent and unencumbered admin/operating reserve funds returned to them and spent on economic development. Craven County requested and received \$139,999.92 of those funds in August 2014 at which time it was placed in Craven County Reserve for future economic development use. Craven County has now received the remaining \$35,040.94. BA is needed to place these funds (now totaling \$175,040.86)

Cooperative Extension/EFNEP– Expanded Food and Nutrition Education Program (EFNEP) has been awarded a \$3,000 grant from CarolinaEast Foundation. These funds are restricted to be used for the EFNEP.

Animal Control/Shelter Project – Need to budget \$500,000 for addition to the Animal Shelter. Funding will come from the Capital Reserve Fund.

Ordinances: Animal Shelter Project Fund 390

Board Action: A roll call vote is needed to approve budget amendments and ordinance update.

Agenda Date: December 1, 2014

Presenter: _____

Agenda Item No. 11

Board Action Required: Yes

APPOINTMENTS

- A. PENDING
- B. CURRENT
- C. UPCOMING

Board Action: Appointments will be effective immediately, unless otherwise specified.

A. PENDING APPOINTMENT(S):

HAVELOCK BOARD OF ADJUSTMENT

AUTHORIZATION: Havelock City Code – Article XI

MISSION/FUNCTION: _____

NUMBER OF MEMBERS: _____

7

1

1

TYPE:

City of Havelock

Extraterritorial Jurisdiction (County)

Extraterritorial alternate (County)

QUALIFICATIONS (Special Skills, Professional Classifications, Affiliations, Limitations, etc.):

County appointees must reside in the extraterritorial areas of the City of Havelock.

LENGTH OF TERMS: 3 Years

MEETING SCHEDULE: 3rd Wednesday of the month at 7:30 p.m., and at the call of the Chair

Terms ending: Nancy Webster, Alt. (Appointed 2009; resigned)

No applications on file. (The City of Havelock has not received any interest from citizens, but still working on it.)

INDUSTRIAL FACILITIES POLLUTION CONTROL FINANCING AUTHORITY

AUTHORIZATION: Bylaws

MISSION/FUNCTION: _____

NUMBER OF MEMBERS: _____

7 _____

TYPE:

Qualified electors

QUALIFICATIONS (Special Skills, Professional Classifications, Affiliations, Limitations, etc.):

LENGTH OF TERMS: 6 Years

MEETING SCHEDULE: Annual Meeting on 2nd Tuesday in October; otherwise, as needed

COMPENSATION: No : Yes Specify: _____

Terms ending: Fletcher Watts (Appointed 1996)
Robert Lewis (incapacitated)
Dell Ipock (expired 2011; was on agenda indefinitely; no replacement found)
Charles Dees (Initial appointment 2000)
Gary Essex (initial appointment 2001)

No applications on file.

Economic Development Organization (EDO)

Based on approval of the Memorandum of Understanding for the Economic Development Organization the Board appointed three (3) of the four representatives for the County as follows:

- 1 – County Commissioner
- 1 – County Manager
- 1 – At large representative

Pending Appointment:

- 1 – At large representative

B. CURRENT APPOINTMENTS

Commissioners' Delegate to the NCACC Legislative Goals Conference

The Board has an opportunity to designate a voting delegate to the Legislative Goals Conference being held on January 15-16 by the North Carolina Association of County Commissioners. (See Attachment #11.B.)

CRAVEN COUNTY CLEAN SWEEP COMMITTEE

AUTHORIZATION: Bylaws

MISSION/FUNCTION: To eliminate littering and promote recycling through education and ordinance enforcement.

NUMBER OF MEMBERS:

25

TYPE:

Civic, neighborhood, municipal, industrial business, schools

QUALIFICATIONS (Special Skills, Professional Classifications, Affiliations, Limitations, etc.):

LENGTH OF TERMS: 3 Years

MEETING SCHEDULE: 3rd Wednesday of the months of March, June, September and December

COMPENSATION: No Yes Specify: _____

Term(s) ending: Cherrie Sanders (Initial appointment 2011)

Application on File: Marcus Johnson (Attachment #11.B.1)

COASTAL REGIONAL SOLID WASTE MANAGEMENT AUTHORITY

AUTHORIZATION: Resolution pursuant to NCGS 153A, Article 22

MISSION/FUNCTION: Regulates in an environmentally safe manner the collection, transport, storage, processing and disposition of municipal solid waste in order to protect the public health, safety and welfare; operates the tri-county (Craven, Pamlico, Carteret) landfill.

NUMBER OF MEMBERS:

3

2

2

TYPE:

Craven County

Carteret County

Pamlico County

QUALIFICATIONS (Special Skills, Professional Classifications, Affiliations, Limitations, etc.):

LENGTH OF TERMS: 4 Years

MEETING SCHEDULE: 2nd Thursday of each month at 2:00 p.m.

COMPENSATION: No Yes Specify: _____

Term(s) ending: Joe Fogelman (Initial Appointment 2011)

CRAVEN COUNTY HEALTH BOARD

AUTHORIZATION: NCGS 130A-35

MISSION/FUNCTION: Primary policy making and hearing body for the Craven County Health Department, charged with the immediate care and responsibility for promoting and protecting the public health in Craven County.

NUMBER OF MEMBERS:

11

TYPE:

A physician, dentist, optometrist, veterinarian,
registered nurse, licensed pharmacist, Craven
County Commissioner, general public

QUALIFICATIONS (Special Skills, Professional Classifications, Affiliations, Limitations, etc.):

(See above)

LENGTH OF TERMS: 3 Years

MEETING SCHEDULE: 2nd Monday of every month, 12:00 – 1:30 p.m.

COMPENSATION: No Yes Specify: \$50/meeting

Term(s) ending:

Paul Gaskins, Public (Initial Appointment 2008)
Rosanne Leahy, Nurse (Initial Appointment 2008)
Trey Paul, Pharmacist (Initial Appointment 2008)
Ronald Preston, Physician (Initial Appointment 2011)

COVE CITY/CRAVEN COUNTY LIBRARY BOARD OF TRUSTEES

AUTHORIZATION: General Statute (153-250.4)

MISSION/FUNCTION: To determine policy of the Library, advise in the preparation of the budget, approve it and work to obtain necessary funds; provide and maintain adequate facilities; monitor relevant legislation

NUMBER OF MEMBERS:
8

TYPE:
4 County Appointees
4 City Appointees

QUALIFICATIONS (Special Skills, Professional Classifications, Affiliations, Limitations, etc.):

LENGTH OF TERMS: 6 Years

MEETING SCHEDULE: 1st Thursday quarterly, 7:30 p.m. (January, April, July and October)

COMPENSATION: No ; Yes Specify: _____

Term(s) ending: William Jones (Initial Appointment 2003)

CRAVEN-PAMLICO-CARTERET REGIONAL LIBRARY

AUTHORIZATION: N.C.G.S. Article 19A, Chapter 153

MISSION/FUNCTION: Determine policy of the regional library system, select and appoint administrative librarian, advise in the preparation of the budget, approve budget and work to obtain the necessary funds, provide and maintain adequate buildings and grounds, keep abreast of pertinent legislation.

NUMBER OF MEMBERS: 9

TYPE: 3 per member county

QUALIFICATIONS (Special Skills, Professional Classifications, Affiliations, Limitations, etc.):

LENGTH OF TERMS: 6 Years

MEETING SCHEDULE: 3rd Tuesday in February, May, August and November at 10:00 a.m.

COMPENSATION: No Yes Specify: Mileage Reimbursement

Term(s) ending: Esther Hardin (Initial Appointment 2003)

C. UPCOMING APPOINTMENTS

January

Child Protection Team: Mary Mallard (Dept. Juvenile Justice; appointed 2012)
Dawn McCabe (Health Dept.; appointed 2012)
Cynthia Morton (CarolinaEast Health Center; appointed 2012)
Deb Rogers (Medical Examiner; appointed 2012)
Alfreda Stout (DSS; appointed 2012)

Clean Sweep Committee: Raymond Birch (Appointed 2012)

Planning Board: Robert Bell (Appointed 2007)
Drew Willis (Appointed 2011)

February

Child Protection Team: Amy Bryant (ECBH; appointed 2012)

Clean Sweep Committee: Bob Adams (Appointed 2012)
Connie Adams (Appointed 2012)
Eddie Games (Appointed 2012)
Debbie Kirkman (Appointed 2012)

Firemen's Relief Fund: Carl Jarman (Cove City; appointed 2013)
Billy Joiner (West New Bern; appointed 2011)
Theron McCabe (Harlowe; appointed 1999)
Roger Wetherington (Cove City; appointed 2013)

Fire Tax Commissioners: Dallas Ray Brown (Appointed 2013)
Howard Carrier (Twp. #9; appointed 2013)
Wilfred Chagnon (Tri-Community; appointed 2011)
Marjorie Gonzalez (Cove City; appointed 2013)
Martin Hernandez (Twp. #6; appointed 2013)
Chris Register (Twp. #9; appointed 2013)
Trudy Williams (Tri-Community; appointed 2012)

Agenda Date: December 1, 2014

Presenter: Jim Hicks

Agenda Item No. 12

COUNTY ATTORNEY'S REPORT

Agenda Date: December 1, 2014

Presenter: Jack Veit

Agenda Item No. 13

COUNTY MANAGER'S REPORT

Agenda Date: December 1, 2014

Presenter: _____

Agenda Item No. 14

COMMISSIONERS' REPORTS

Commissioners' Appointments for 2014

Commissioners' appointments and reappointments were made to the following boards and committees for the year 2014.

Required Boards:

Tourism Development Authority (Tyson)
Craven County Health Board (Allen)
East Carolina Workforce Development Board (Taylor)
New Bern Craven County Library Board (Dacey)
Military Civilian Community Council (Taylor)
Aging Planning Board (Dacey)
Kellenberger Foundation (Mark)
Tryon Palace Commission (Mark)
Juvenile Crime Prevention Council (Sampson)
Smart Start (McCabe)
ECCOG (Tyson)
Down East RPO (Sampson)
Swiss Bear (Tyson)
MPO (Tyson)
EDO (Tyson)

Other Boards upon which Commissioners serve:

CRSWMA -Voting Member (Mark)
Local Emergency Planning Committee (McCabe)
Cove City Library Board (Taylor)
Havelock City Library Board (McCabe)
Vanceboro Library Board (Mark)
Highway 70 Corridor Committee (Mark)
Partners in Education (PIE) (Taylor)
Craven-Pamlico-Carteret Regional Library (Dacey)
Highway 17 Association (Mark)
ACT (Dacey)

**RESOLUTION OF THE CRAVEN COUNTY BOARD OF
COMMISSIONERS APPROVING ECONOMIC DEVELOPMENT GRANT
AGREEMENTS**

WHEREAS, Craven County (hereinafter "County") has determined that County has historically suffered a degree of economic and fiscal distress which can be remedied in part by the expansion of industries currently located in County and the location of new industries in County;

WHEREAS, the unemployment rate of County is greater than the state and national unemployment rates, deficiencies which can be remedied in part by the expansion and location of industries in County;

WHEREAS, furthermore, the median annual wage for all insured industries in County is \$32,821.00, as determined by the North Carolina Department of Commerce, Division of Employment Security;

WHEREAS, the expansion and location of industries in County will benefit County and its citizens by increasing and diversifying both the personal property and real property ad valorem tax bases which will increase tax revenue, and resulting ancillary economic activity will increase sales tax revenues, all of which will make available to County more funds with which to improve the general health, safety and welfare of County's citizens; by providing a greater number of jobs with higher salaries and better benefits than are now available to citizens of County; by stimulating secondary economic activity that is directly beneficial to County and its residents, including residential real estate development and the expansion of existing services and businesses; by increasing and improving the infrastructure of County; by increasing the economic opportunity available to County's citizens and by improving the general technical training of County's workforce;

WHEREAS, MOEN INCORPORATED (hereinafter "Moen"), which assembles faucets, intends to expand its operations in County by opening component warehouse to be constructed in late 2015, for use and occupancy immediately upon completion;

WHEREAS, Moen has hired SST Properties, LLC (hereinafter "SST") to construct in County a new facility consisting of a +/- 200,000 square foot building (hereinafter "New Facility");

WHEREAS, Moen expects to make investments in new equipment and machinery valued at \$1,436,000 for the New Facility;

WHEREAS, based upon the construction of the New Facility, Moen expects to expand its employment by hiring an additional 75 individuals;

WHEREAS, the average annual salary of all individuals to be employed by Moen at the New Facility is expected to be \$32,188.00;

WHEREAS, Moen's construction of the New Facility, its retention of its existing workforce in Craven County, and its creation of 75 new jobs will aid tremendously in remedying the previously identified economic and fiscal distresses suffered by County and its residents;

WHEREAS, SST has offered to purchase from County Lots 13 and 14 of the Craven County Industrial Park (the "Site") for a total purchase price of Two Hundred Fifty-Eight Thousand and no/100 Dollars (\$258,000.00) (the "Purchase Price"), or Twelve Thousand and no/100 Dollars (\$12,000.00) per acre;

WHEREAS, County has determined that the fair market value of Lots 13 and 14 is Twenty Thousand and no/100 Dollars (\$20,000.00) per acre, for a total value of Four Hundred Thirty Thousand and no/100 Dollars (\$430,000.00) (the "Fair Market Value");

WHEREAS, County has determined that in an effort to encourage the location and expansion of other industries within County and to reward Moen for its intended investment in County, County should convey and sell to SST the Site for the Purchase Price, which will provide to SST an incentive of One Hundred Seventy-Two Thousand and no/100 Dollars (\$172,000.00) when compared to the Fair Market Value;

WHEREAS, County has determined that in an effort to encourage the location of other industries within County and to reward Moen for Moen's intended investment in County, County should agree to reward Moen for its expansion by granting an Economic Development Grant Agreement (hereinafter "Grant Agreement") to Moen;

WHEREAS, the terms and conditions of the transactions herein contemplated are more particularly described in the Agreement Conveying Real Property for Economic Development Purposes and the Grant Agreement, both attached hereto and incorporated herein by reference;

WHEREAS, pursuant to N.C. Gen. Stat. § 158-7.1(a), local governments, including County, are authorized:

[T]o make appropriations for the purposes of aiding and encouraging the location of manufacturing enterprises, making industrial surveys and locating industrial and commercial plants in or near such city or in the county; encouraging the building of railroads or other purposes which, in the discretion of the governing body of the city or of the county commissioners of the county, will increase the population, taxable property, agricultural industries and business prospects of any city or county. These appropriations may be funded by the levy of property taxes pursuant to G.S. 153A-149 and 160A-209 and by the allocation of other revenues whose use is not otherwise restricted by law.

Furthermore, N.C. Gen. Stat. § 158-7.1(d) also permits local governments, including County, to convey property held for industrial or commercial use after notice to the public, a public hearing and a determination of the probable hourly wage to be paid by the prospective industry;

WHEREAS, N.C. Gen. Stat. § 158-7.1(d2) allows County in arriving at the value of the consideration that it receives for the conveyance of property held for economic development purposes to consider prospective tax revenues coming to the County for 10 years after the conveyance provided that County determines that the conveyance will stimulate the local economy, promote business and result in the creation of a substantial number of jobs that pay at or above the median average wage in County and further provided that County contractually binds the grantee of the property to construct the improvements expected to generate said tax revenues within 5 years;

WHEREAS, County has determined that the probable hourly average wage to be paid by Moen to its employees to be employed at the New Facility is \$15.48 for a weekly average hourly wage of \$619.00, which rate is above County's median hourly wage for production operations of \$15.11, as determined by the North Carolina Department of Commerce, Division of Employment Security;

WHEREAS, based on Moen's construction of the New Facility, County has determined that County's ad valorem tax revenue from the New Facility (excluding the land

value of Lot 30) will be approximately \$50,706.00 per year, for a total of \$507,060.00 over 10 years;

WHEREAS, the Site has heretofore been owned for over 2 decades by County, thereby generating no ad valorem tax revenue for County, and upon transfer of the Site to SST, additional ad valorem tax revenue generated by the Site will begin accruing to County;

WHEREAS, County has determined that the conveyance of the Site to SST herein described will stimulate the local economy, promote business, and result in the creation of a substantial number of jobs that pay at or above the average wages currently available in County;

WHEREAS, the proposed Agreement Conveying Real Property for Economic Development Purposes between SST and County contains a provision that if SST does not construct and deliver to Moen by December 31, 2015 a substantially complete New Facility on the Site, County shall have the right to foreclose upon the Site pursuant to a note and deed of trust to be executed and delivered by SST, thereby securing the performance by SST of its obligations as described herein;

WHEREAS, on Nov 17th, 2014, and after proper public notice, pursuant to N.C. Gen. Stat. § 158-7.1 the Board of Commissioners for County held a public hearing concerning its intent to convey and sell the Site to SST, upon the terms and conditions herein described; and,

WHEREAS, the Board of Commissioners of County does desire to convey and grant the Site to SST, by and through the Agreement Conveying Real Property for Economic Development Purposes, and does further desire to grant to Moen the Economic Development Grant Agreement, and does further desire that this RESOLUTION serves as a memorial of the actions taken by the Board of Commissioners on this matter.

Now, therefore, be it resolved as follows:

1. That the Agreement Conveying Real Property for Economic Development Purposes attached hereto and incorporated herein by reference as Exhibit "A" is hereby approved in its entirety, and shall be executed and delivered by County at such appropriate time as advised by counsel to County.

2. That the Economic Development Grant Agreement attached hereto and incorporated herein by reference as Exhibit "B" be executed by County at such appropriate time to be determined by counsel to County.

3. That, pursuant to the Agreements, County execute and deliver such documents and instruments as necessary in the opinion of counsel to County to accomplish the purposes of the Agreements.

4. That the Chairman, Clerk to the Board, Manager, Assistant Managers, Economic Developer, and such other officers and agents of County are hereby authorized to execute any and all documents necessary in the opinion of counsel to County to effectuate any of the transactions contemplated herein.

5. That this RESOLUTION be entered in the official minutes of the Board of Commissioners of County and that the Clerk to the Board certify copies of this RESOLUTION as necessary in the opinion of counsel to County.

This _____ day of _____, 201__.

CRAVEN COUNTY

BY: _____
_____, CHAIRMAN

ATTEST:

GWENDOLYN BRYAN, CLERK

ECONOMIC DEVELOPMENT GRANT AGREEMENT

THIS ECONOMIC DEVELOPMENT GRANT AGREEMENT made and entered into this ____ day of _____, 20 __, by and between **CRAVEN COUNTY** and **MOEN INCORPORATED**, is as follows:

WITNESSETH:

ARTICLE I

Definitions

Certain terms having specific definitions are used in this Agreement, and these terms and definitions, unless the context clearly indicates to the contrary, are as set forth in this Article. The defined terms appearing in this Article are set forth in exact form as they appear between the quotation marks. When the same term is used in this Agreement with the meaning as assigned herein, it shall appear in the identical capitalized form. Otherwise, the meaning shall be as used in the context of the sentence in which it appears and not necessarily that as defined herein.

1.1 "Agreement" – means and refers to this Economic Development Grant Agreement.

1.2 "Moen" – means and refers to Moen Incorporated, a corporation organized and existing under and by virtue of the laws of the State of Delaware and qualified to conduct business within the State of North Carolina.

1.3 "County" – means and refers to Craven County, a body politic and corporate.

1.4 "New Facility Lease" – means and refers to the Lease for Lots 13 and 14 and the New Facility to be constructed thereon entered into between Moen and SST Properties, LLC, as amended from time to time and at any time.

1.5 "Effective Date" – means and refers to the date upon which Lots 13 and 14 are acquired by SST Properties, LLC from County.

1.6 "Parties" – means and refers to County and Moen collectively.

1.7 "New Facility" – means and refers to Moen's +/- 200,000 square foot facility to be constructed on Lots 13 & 14 by SST Properties, LLC.

1.8 "Lots 13 & 14" – means and refers to that certain real property more particularly described as follows: all of lots 13 and 14 as shown and depicted on a December 6, 2002 survey by Robert M. Chiles, P.E., entitled "Minor Revision of Subdivision Plan Craven County

Industrial Park for Craven County,” reference being hereby made to said survey for a more accurate, complete and detailed description of the aforesaid lots.

1.9 “New Facility Delivery Date” – means and refers to the first date on which all of the following have occurred:

(i) SST Properties, LLC has obtained a non-temporary certificate of occupancy for the New Facility and Lots 13 & 14;

(ii) SST Properties, LLC has completed construction of the New Facility (including all related equipment, furnishing, parking, loading, access, utilities, infrastructure, landscaping and other improvements required to be completed under the New Facility Lease), all in accordance with the terms of the New Facility Lease, as determined by Moen in Moen’s sole discretion;

(iii) SST Properties, LLC has provided Moen with actual possession of the New Facility and Lots 13 & 14; and

(iv) Moen has obtained all governmental licenses and approvals necessary to occupy and operate the New Facility.

ARTICLE II

Recitals

2.1 County has determined that County has historically suffered a degree of economic and fiscal distress which can be remedied in part by the expansion of industries currently located in County.

2.2 County has determined that Citizens in County have an average wage level that is below average state wage levels, a deficiency that can be remedied in part by the expansion of industries currently located in County. County also has determined that County also suffers an unemployment rate higher than state and national unemployment rates.

2.3 County has determined that the expansion and retention of industries located in County will benefit County and its citizens by increasing and diversifying both the personal property and real property ad valorem tax bases and thus tax revenue, which will make available to County more funds with which to improve the general health, safety and welfare of County’s citizens; by providing a greater number of jobs, which will result in salaries and benefits that are not currently available to citizens of County; by stimulating secondary economic activity which is directly beneficial to County and its citizens, including residential real estate development and

the expansion of existing services and businesses; by increasing and improving the infrastructure of County; by increasing the economic opportunity available to County's citizens and by improving the general technical training of County's workforce.

2.4 Moen intends to lease, occupy and operate the New Facility following its construction by SST Properties, LLC. County has estimated that the real property comprising the New Facility, at its completion, will be valued at approximately \$11,000,000.00, inclusive of land, buildings, improvements, and equipment. Moen has estimated that the replacement cost of the equipment and machinery that Moen will cause SST Properties, LLC to install within the New Facility for Moen's operations will be approximately \$1,400,000.00. In conjunction with operating the New Facility, Moen also intends to directly or indirectly create no fewer than 75 full-time equivalent jobs at the New Facility. Moen has estimated that the average weekly wage for jobs to be located at the New Facility will be approximately \$619. County has determined that this estimated average weekly wage will exceed the average weekly wage paid to other employees in County. County has determined that Moen's proposed direct and indirect investment in the New Facility, Moen's operations of the New Facility, and Moen's direct and indirect creation of at least 75 jobs as described above will aid in remedying the previously identified economic and fiscal distresses suffered by County and its citizens.

2.5 Pursuant to N.C. Gen. Stat. § 158-7.1, local governments, including County, are authorized:

[T]o make appropriations for the purposes of aiding and encouraging the location of manufacturing enterprises, making industrial surveys and locating industrial and commercial plants in or near such city or in the county; encouraging the building of railroads or other purposes which, in the discretion of the governing body of the city or of the county commissioners of the county, will increase the population, taxable property, agricultural industries and business prospects of any city or county. These appropriations may be funded by the levy of property taxes pursuant to G.S. 153A-149 and 160A-209 and by the allocation of other revenues whose use is not otherwise restricted by law.

In an effort to reward and encourage Moen's investment in the New Facility and associated creation of at least 75 full-time equivalent jobs, County does desire to provide Moen a cash grant of \$650,000.00 in order to offset some of Moen's expected costs associated with the New Facility. Moreover, County has determined that the agreements herein will necessarily result in an overall economic effect many times greater than the value of the proposed grant, that

the proposed grant will stimulate the local economy, promote business and result in the creation of a substantial number of jobs that pay at or above the average wage in County.

2.6 County has determined that the probable average weekly wage to be paid by Moen for full-time equivalent jobs at the New Facility will be \$619 and that the expected tax revenues to be received by County from the New Facility, excluding tax revenues on account of the value of the underlying real estate, are substantial.

2.7 Accordingly, Moen and County do hereby desire to execute this Agreement to memorialize the agreements and understandings of the Parties relative to the matters and transactions herein contemplated.

ARTICLE III

Term of the Agreement

The term of this Agreement shall be a period of time beginning on the Effective Date and ending on the date the grant described herein is paid in full to Moen.

ARTICLE IV

Responsibilities of Moen

4.1 As consideration for the grant to be made pursuant to this Agreement, Moen agrees to undertake each of the following:

(a) Promptly notify County of the New Facility Delivery Date, once it has occurred.

(b) Occupy the New Facility and fill at least 75 full-time equivalent positions at the New Facility within 180 days of the New Facility Delivery Date;

(c) At all times during the term of this Agreement, pay timely and before delinquency all ad valorem property taxes assessed by County as to the New Facility and Lots 13 & 14 (except to the extent such ad valorem property taxes are the responsibility of SST Properties, LLC);

(d) Provide an affidavit to County verifying that Moen has complied with its obligations under Sections 4.1(b) and 4.1(c) hereof and hosting a tour for County representatives at the New Facility to observe that occupancy and employment has commenced (the “**Operations Notice**”);

(e) During the one-year period commencing on the first date Moen fills at least 75 full-time equivalent positions at the New Facility: (i) maintain an average of 75

full-time equivalent positions at the New Facility; and (ii) have no fewer than 50 full-time equivalent positions at the New Facility at any single time during such year, after which, Moen shall provide an affidavit to County verifying, to its knowledge, that Moen has complied with both of the foregoing conditions (the “**Anniversary Notice**”); and

(f) At all times during the term of this Agreement, act in accordance with a standard of good faith and fair dealing with County.

4.2 Moen’s performance of all four actions described in Sections 4.1(a) through 4.1(d), inclusive, shall be the only conditions precedent to receipt of the First Installment described in Article V hereof. Moen’s failure to perform any one or more of the four actions described in Sections 4.1(a) through 4.1(d), inclusive, shall relieve County of any obligation to pay the First Installment. Notwithstanding the foregoing, Moen’s failure to complete any one or more of the actions described in Sections 4.1(a), 4.1(b) or 4.1(d) shall not be nor be deemed an event of default hereunder.

Moen’s performance of the actions described in Section 4.1(c) and Section 4.1(e) shall be the only conditions precedent to receipt of the Final Installment described in Article V hereof. Moen’s failure to perform the actions described in Section 4.1(e) shall relieve County of any obligation to pay the Final Installment but shall not be nor be deemed an event of default hereunder.

ARTICLE V

Responsibilities of County

5.1 As consideration for this Agreement, County agrees to:

(a) Pay \$500,000 to Moen within thirty (30) calendar days of County receiving the Operations Notice (the “**First Installment**”) and \$150,000 to Moen within thirty (30) calendar days of County receiving the Anniversary Notice (the “**Final Installment**”); and

(b) At all times during the term of this Agreement, act in accordance with a standard of good faith and fair dealing with Moen.

5.2 Notwithstanding anything to the contrary herein, County’s maximum payments to Moen pursuant to this Agreement shall not exceed \$650,000.00.

ARTICLE VI

Termination

6.1 **Mutual Termination**: This Agreement may not be terminated by either Party except as provided herein or by a written agreement signed by both parties.

6.2 **Unilateral Termination**: Either County or Moen may terminate this Agreement upon thirty (30) days prior written notice if the New Facility Delivery Date has not occurred by December 31, 2016.

ARTICLE VII

Indemnity and Representations

7.1 **Indemnity**: Moen shall indemnify County against all expenses, liabilities and claims, including reasonable attorneys' fees, that are actually incurred by County and have arisen from gross negligence or willful misconduct on the part of Moen in connection with Moen's affirmative obligations under this Agreement, which affirmative obligations specifically exclude completion of the actions described in Sections 4.1(c) or 4.1(e) hereof. County shall indemnify Moen against all expenses, liabilities and claims, including reasonable attorneys' fees, that are actually incurred by Moen and have arisen from gross negligence or willful misconduct on the part of County in connection with County's affirmative obligations under this Agreement, which affirmative obligations specifically includes payment of the grant described in Article V upon Moen's performance of the conditions precedent thereto.

7.2 **Representations**: Moen and County each represent and warrant to the other that it has the legal right and authority to enter into this Agreement and to perform its respective obligations hereunder.

ARTICLE VIII

Miscellaneous

8.1 **Amendment**: This Agreement may not be modified or amended except by subsequent written agreement authorized by each Party and signed by authorized representatives of both parties.

8.2 **Severability**: If any of the provisions of this Agreement shall be held by a court of competent jurisdiction to be unconstitutional or unenforceable, the decision of such court shall not affect or impair any of the remaining provisions of this Agreement, and the parties shall, to the extent they deem to be appropriate, take such actions as are necessary to correct any such

unconstitutional or unenforceable provision. It is hereby declared to be the intent of the parties to this Agreement that this Agreement would have been approved and executed had such an unconstitutional or unenforceable provision been excluded therefrom.

8.3 Entire Agreement: This document contains the entire Agreement between the Parties, and no statement, oral or written, made by either Party or agent of either Party that is not contained in this Agreement shall be valid or binding.

8.4 Remedies: This Agreement shall be enforceable by the Parties hereto by all remedies available at law or in equity, including but not limited to specific performance. Failure or delay to exercise any right, remedy or privilege hereunder shall not operate as a waiver of such right, remedy or privilege nor prevent subsequent enforcement thereof.

8.5 Covenant of Further Assurances: County and Moen agree that from and after the date of execution hereof, each will, upon the request of the other, execute and deliver such other documents and instruments and take such other actions as may be reasonably required to carry out the purpose and intent of this Agreement and that each shall have an ongoing duty of good faith and fair dealing with the other.

8.6 Assignment: No assignment (in whole or in part), delegation, transfer, or novation of this Agreement or any part thereof shall be made unless approved by both County and Moen.

8.7 Multiple Originals: This Agreement shall be executed by the parties hereto in duplicate originals, each of which, when executed, shall constitute one and the same Agreement and one of which shall be retained by each Party.

8.8 Governing Law: This Agreement shall be governed in accordance with the laws of the State of North Carolina and, as applicable, the laws of the United States of America.

8.9 Confidentiality: The Parties agree that the terms and conditions of this Agreement and the administration thereof shall be held in the confidence and not shared with or disseminated to parties who are not Parties to this Agreement, except: (i) as required by law, including but not limited to Chapter 132 of the General Statutes of North Carolina; (ii) with the prior approval of the other Party (not to be unreasonably withheld); and (iii) by the Parties with their respective advisors, for enforcement and defense of rights and duties hereunder.

8.10 Limitations of Liability/ No Third Party Beneficiaries: No elected official, officer, employee, agent, contractor or consultant of County shall have any personal liability to

Moen or any successor in interest to Moen with respect to the subject matter of this Agreement. No partner, member, shareholder, officer, director, trustee, beneficiary, employee, agent, contractor or consultant of Moen shall have any personal liability to County or any successor in interest to County with respect to the subject matter of this Agreement. Neither Party shall be liable for consequential, incidental, indirect, punitive or special damages, however caused, including, without limitation, for breach of warranty, breach or repudiation of contract, detrimental reliance, tort, strict liability, failure of essential purpose or otherwise, and even if advised of the likelihood of such damages. In furtherance and not limitation of the foregoing, each Party expressly acknowledges and agrees that there are no third-party beneficiaries to this Agreement; that no one or more individuals or groups of individuals have been guaranteed initial or continued employment in connection with the development, construction or operation of the New Facility; and that neither County nor Moen have guaranteed for any one or more taxpayers or citizens of County that any particular amounts or types of tax revenues will accrue to any one or more taxing bodies from the New Facility or Moen's operation thereof.

8.11 Representations and Warranties: Except as specifically agreed to herein, neither party makes any representations or warranties in relation to the subject matter of this Agreement.

8.12 Non-shareholder Contributions to Capital: County hereby designates the grant described herein as a non-shareholder contribution to capital of Moen pursuant to Section 118 of the Internal Revenue Code of 1986 (and successor provisions thereto) and intends such grant to be a reimbursement for land and/or building costs incurred by Moen incurred for the New Facility.

ARTICLE IX

Notices

Any notice or other communication required or permitted under this Agreement shall be in writing and shall be deemed given as of the date it is (a) delivered by hand; (b) mailed, postage prepaid return receipt requested, to the parties at the addresses listed below or later specified in writing; or (c) sent, shipping prepaid, return receipt requested, by a national courier service, to the parties occupying the positions indicated at the addresses listed below.

County: Craven County Board of Commissioners
c/o County Manager

406 Craven Street
New Bern, North Carolina 28560

With copies to: Craven County Economic Development
406 Craven Street
New Bern, North Carolina 28560

Sumrell Sugg, Attorneys
Attn: Jimmie B. Hicks, Jr. or Arey W. Grady, III
Post Office Drawer 889
New Bern, North Carolina 28563-0889

Moen: Moen Incorporated
101 Industrial Dr.
New Bern, NC 28562
Attn: New Bern Plant Manager (Yvonne Wold)

With copies to: Fortune Brands Home & Security
520 Lake Cook Rd
Deerfield, IL 60015
Attn: General Counsel

[SIGNATURE PAGE FOLLOWS]

**SIGNATURE PAGE TO
ECONOMIC DEVELOPMENT GRANT AGREEMENT
BY AND BETWEEN
CRAVEN COUNTY AND MOEN INCORPORATED:**

IN WITNESS HEREOF, the parties hereto, intending to be bound, have executed this Agreement in duplicate originals the day and year first above written.

CRAVEN COUNTY

BY: _____
_____, CHAIRMAN

ATTEST:

GWENDOLYN BRYAN, CLERK

MOEN INCORPORATED

BY: _____
_____, its _____

**AGREEMENT CONVEYING REAL PROPERTY
FOR ECONOMIC DEVELOPMENT PURPOSES**

THIS AGREEMENT CONVEYING REAL PROPERTY FOR ECONOMIC DEVELOPMENT PURPOSES made and entered into this ____ day of _____, 2014, by and between **CRAVEN COUNTY** and **SST PROPERTIES, LLC**, and its assigns is as follows:

WITNESSETH:

ARTICLE I

Definitions

Certain terms having specific definitions are used in this Agreement, and these terms and definitions, unless the context clearly indicates to the contrary, are as set forth in this Article. The defined terms appearing in this Article are set forth in exact form as they appear between the quotation marks. When the same term is used in this Agreement with the meaning as assigned herein, it shall appear in the identical capitalized form. Otherwise, the meaning shall be as used in the context of the sentence in which it appears and not necessarily that as defined herein.

1.1 "Agreement" – means and refers to this Agreement Conveying Real Property for Economic Development Purposes.

1.2 "Note" – means and refers to that Promissory Note attached hereto and incorporated herein by reference.

1.3 "SST" – means and refers to SST Properties, LLC, a limited liability company organized and existing under and by virtue of the laws of the State of North Carolina and its assigns.

1.4 "Moen" – means and refers to Moen Incorporated, a corporation organized and existing under and by virtue of the laws of the State of Delaware authorized to conduct business in North Carolina.

1.5 "Deed of Trust" – means and refers to that Deed of Trust attached hereto and incorporated herein by reference.

1.6 "County" – means and refers to Craven County, a body politic and corporate.

1.7 "Real Estate Contract" – means and refers to that certain Agreement for Purchase

and Sale of Real Property between County and SST.

1.8 “Effective Date” – means and refers to _____, 2014.

1.9 “Parties” – means and refers to County and SST and its assigns collectively.

1.10 “New Facility” – means and refers to Moen’s +/- 200,000 square foot facility to be constructed on Lots 13 & 14, which facility’s intended user is Moen.

1.11 “Moen Contract” – means and refers to that certain Economic Development Grant Agreement between County and Moen.

1.12 “Lots 13 & 14” – means and refers to that certain real property more particularly described as follows: all of lots 13 and 14 as shown and depicted on a December 6, 2002 survey by Robert M. Chiles, P.E., entitled “Minor Revision of Subdivision Plan Craven County Industrial Park for Craven County,” reference being hereby made to said survey for a more accurate, complete and detailed description of the aforesaid lots.

ARTICLE II

Recitals

2.1 County has determined that County has historically suffered a degree of economic and fiscal distress which can be remedied in part by the expansion of industries currently located in County.

2.2 Citizens in County have an average wage level that is below average state wage levels, a deficiency which can be remedied in part by the expansion of industries currently located in County. County also suffers an unemployment rate higher than state and national unemployment rates.

2.3 The expansion and retention of industries located in County will benefit County and its citizens by increasing and diversifying both the personal property and real property ad valorem tax bases and thus tax revenue, which will make available to County more funds with which to improve the general health, safety and welfare of County’s citizens; by providing a greater number of jobs with higher salaries and better benefits than are now available to citizens of County; by stimulating secondary economic activity which is directly beneficial to County and its citizens, including residential real estate development and the expansion of existing services and businesses; by increasing and improving the infrastructure of County; by increasing the economic opportunity available to County’s citizens and by improving the general technical training of County’s

workforce.

2.4 SST intends to construct the New Facility for Moen on Lots 13 & 14, the New Facility is expected to be valued by the Craven County tax department at \$11,000,000.00. Moen is expected to make investments in equipment and machinery valued at approximately \$1,400,000 for the New Facility. Moen intends to hire 75 new employees at the New Facility, each such employee to be paid an expected weekly average wage of \$619, a rate above the average rate paid to other employees in County. The proposed investment and employment will aid tremendously in remedying the previously identified economic and fiscal distresses suffered by County and its citizens.

2.5 Pursuant to N.C. Gen. Stat. § 158-7.1, local governments, including County, are authorized:

[T]o make appropriations for the purposes of aiding and encouraging the location of manufacturing enterprises, making industrial surveys and locating industrial and commercial plants in or near such city or in the county; encouraging the building of railroads or other purposes which, in the discretion of the governing body of the city or of the county commissioners of the county, will increase the population, taxable property, agricultural industries and business prospects of any city or county. These appropriations may be funded by the levy of property taxes pursuant to G.S. 153A-149 and 160A-209 and by the allocation of other revenues whose use is not otherwise restricted by law.

Furthermore, N.C. Gen. Stat. § 158-7.1(d) also permits local governments, including County, to convey property held for industrial or commercial use after notice to the public, a public hearing and a determination of the probable hourly wage to be paid by the prospective industry. Moreover, N.C. Gen. Stat. § 158-7.1(d2) allows County in arriving at the value of the consideration that it receives for the conveyance of property held for economic development purposes to consider prospective tax revenues coming to the County for 10 years after the conveyance provided that County determines that the conveyance will stimulate the local economy, promote business and result in the creation of a substantial number of jobs that pay at or above the median average wage in County and further provided that County contractually binds the grantee of the property to construct the improvements expected to generate said tax revenues within 5 years.

2.6 In an effort to reward and encourage the investment by SST and Moen, and similar investments by other industries, County does desire to convey to SST Lots 13 & 14 at a purchase price less than the fair market value of Lots 13 & 14. Moreover, County has determined that the agreements herein will necessarily result in an overall economic effect many times greater than the value of the agreements specified herein, that the proposed conveyance will stimulate the local economy, promote business and result in the creation of a substantial number of jobs that pay at or above the average wage in County.

2.7 County has determined that the probable average hourly wage to be paid by Moen to employees working at the New Facility is \$619 and that the expected tax revenues to be received by County from the New Facility, excluding tax revenues on account of the value of the underlying real estate, will exceed the difference between the fair market value of Lots 13 & 14 and the price to be paid by SST for Lots 13 & 14.

2.8 SST has agreed that in the event for any reason it does not construct the New Facility that County may declare a default and foreclose upon Lots 13 & 14, all pursuant to the Note and Deed of Trust.

2.9 Accordingly, County and SST do hereby desire to execute this Agreement to memorialize the agreements and understandings of the Parties relative to the matters and transactions herein contemplated.

ARTICLE III

Term of the Agreement

The term of this Agreement shall be a period of time beginning on the Effective Date and ending December 31, 2015.

ARTICLE IV

Responsibilities of SST

As consideration for this Agreement, SST agrees to:

4.1 Construct the New Facility on Lots 13 & 14, and to obtain a final certificate of occupancy for the New Facility on or before December 31, 2015, provided that such date shall be postponed on a day for day basis for any delay caused by any of the following (each a "Force Majeure Delay"): fire or other casualty; delays in or failure of delivery of any materials required for which no substitutes are available; extreme and/or unusual weather conditions that were not

reasonably foreseeable by a developer in Craven County, NC; unforeseen and/or previously-unknown subsurface conditions; a strike, work stoppage or other labor dispute affecting the performance of the Project which either affects other job sites in addition to the Project, or any other similar cause beyond SST's control.

4.2 Execute, deliver and record the Note and Deed of Trust, on or before the Effective Date.

4.3 Pay timely and before delinquency all ad valorem property taxes assessed by County as to SST.

4.4 Timely perform all its obligations under the Real Estate Contract.

4.5 At all times act in accordance with a standard of good faith and fair dealing with County.

ARTICLE V

Responsibilities of County

As consideration for this Agreement, County agrees to:

5.1 Timely perform its obligations under the Real Estate Contract.

5.2 Prior to exercising its rights under the Note and Deed of Trust, and to the extent permitted by applicable law (including but not limited to N.C. Gen. Stat. § 158-7.1), County agrees to not act arbitrarily or capriciously but rather agrees to give SST an opportunity to demonstrate its progress on the improvements herein contemplated and that any delays in the construction of the improvements herein contemplated were caused by Force Majeure Delays. County further agrees to fairly and in good faith examine all relevant factors in light of the purposes and intent behind state laws controlling this Agreement before making any decision to exercise its rights under the Note and Deed of Trust.

5.3 Convey Lots 13 & 14 subject to conditions and restrictions customarily applied to properties located in the Craven County Industrial Park.

5.4 Act in accordance with a standard of good faith and fair dealing with SST.

ARTICLE VI

Termination

6.1 **Mutual Termination:** This Agreement may not be terminated by either party except as provided herein or by a written agreement signed by both parties.

6.2 Insolvency of SST: County shall have the right, in its discretion, to declare the Agreement terminated, if (1) by the order of a court of competent jurisdiction, a receiver, liquidator, custodian or trustee of SST, or of a major part of its property, shall be appointed and the order shall not have been discharged within sixty (60) days, or if, by decree of such a court, SST shall be adjudicated insolvent or a major part of its property shall have been sequestered and such decree shall have continued undischarged and unstayed for sixty (60) days after the entry thereof, or if a petition to reorganize SST pursuant to the Federal Bankruptcy Code or any other similar statute applicable to SST, as now or hereinafter in effect, shall be filed against SST and such petition shall not be dismissed within sixty (60) days after such filing, or SST shall be adjudicated bankrupt or shall file a petition in voluntary bankruptcy under any provision of any bankruptcy law or shall consent to the filing of any bankruptcy or reorganization petition against it under any such law; or (2) SST shall make an assignment for the benefit of its creditors, shall admit in writing its inability to pay its debts generally as they become due, or shall consent to the appointment of a receiver or liquidator or trustee or assignee in bankruptcy or insolvency of it or of a major part of its property.

6.3 Default: If either the Real Estate Contract or the Moen Contract are terminated for any reason, County may terminate this Agreement as a result of such termination upon a 30 day written notification to SST.

ARTICLE VII

Indemnity and Representations

7.1 SST shall indemnify County against all expenses, liabilities and claims of every kind, including reasonable attorneys' fees, incurred in favor of any person or entity arising out of either a failure by the SST to perform any of the terms or conditions of this Agreement, or failure by SST to comply with any law of any governmental authority which may arise in the course of the performance of this Agreement. County shall indemnify SST against all expenses, liabilities and claims of every kind, including reasonable attorneys' fees, incurred in favor of any person or entity arising out of either a failure by the County to perform any of the terms or conditions of this Agreement, or failure by County to comply with any law of any governmental authority which may arise in the course of the performance of this Agreement.

7.2 SST and County represent and warrant that they have the legal right and authority to enter into this agreement and to perform their respective obligations hereunder.

ARTICLE VIII

Miscellaneous

8.1 Amendment: This Agreement may not be modified or amended except by subsequent written agreement authorized by each party and signed by authorized representatives of both parties.

8.2 Severability: If any of the provisions of this Agreement shall be held by a court of competent jurisdiction to be unconstitutional or unenforceable, the decision of such court shall not affect or impair any of the remaining provisions of this Agreement, and the parties shall, to the extent they deem to be appropriate, take such actions as are necessary to correct any such unconstitutional or unenforceable provision. It is hereby declared to be the intent of the parties to this Agreement that this Agreement would have been approved and executed had such an unconstitutional or unenforceable provision been excluded therefrom.

8.3 Entire Agreement: This document contains the entire Agreement between the Parties, and no statement, oral or written, made by either party or agent of either party that is not contained in this Agreement shall be valid or binding.

8.4 Remedies: This Agreement shall be enforceable by the Parties hereto by all remedies available at law or in equity, including but not limited to specific performance. Failure or delay to exercise any right, remedy or privilege hereunder shall not operate as a waiver of such right, remedy or privilege nor prevent subsequent enforcement thereof.

8.5 Covenant of Further Assurances: County and SST agree that from and after the date of execution hereof, each will, upon the request of the other, execute and deliver such other documents and instruments and take such other actions as may be reasonably required to carry out the purpose and intent of this Agreement and that each shall have an ongoing duty of good faith and fair dealing with the other..

8.6 Assignment: No assignment (in whole or in part), delegation, transfer, or novation of this Agreement or any part thereof shall be made unless approved by both County and SST.

8.7 Multiple Originals: This Agreement shall be executed by the parties hereto in duplicate originals, each of which, when executed, shall constitute one and the same Agreement and one of which shall be retained by each party.

8.8 Governing Law: This Agreement shall be governed in accordance with the laws of

the State of North Carolina and, as applicable, the laws of the United States of America.

8.9 Confidentiality: The Parties agree that the terms and conditions of this Agreement shall be held in the strictest of confidence and shall not, except with the prior approval of the other Party (not to be unreasonably withheld), in any manner be shared with or disseminated to parties who are not Parties to this Agreement, except the Parties may share the terms and conditions with their advisors, for enforcement and defense of rights and duties hereunder, and as required by law, including specifically but not limited to Chapter 132 of the General Statutes of North Carolina.

8.10 Limitations of Liability: Neither Party shall be liable for consequential, incidental, indirect, punitive or special damages, however caused including without limitation for breach of warranty, breach or repudiation of contract, detrimental reliance, tort, strict liability, failure of essential purpose or otherwise, and even if advised of the likelihood of such damages.

8.11 Representations and Warranties: Except as specifically agreed to herein, neither part makes any representations or warranties in relation to the subject matter of this Agreement.

ARTICLE IX

Notices

Any notice or other communication required or permitted under this Agreement shall be in writing and shall be deemed given as of the date it is (a) delivered by hand; (b) mailed, postage prepaid return receipt requested, to the parties at the addresses listed below or later specified in writing; or (c) sent, shipping prepaid, return receipt requested, by a national courier service, to the parties occupying the positions indicated at the addresses listed below.

County: Craven County Board of Commissioners
c/o County Manager
406 Craven Street
New Bern, North Carolina 28560

With copies to: Craven County Economic Developer
406 Craven Street
New Bern, North Carolina 28560

Sumrell Sugg, Attorneys
Attn: Jimmie B. Hicks, Jr. or Arey W. Grady, III
Post Office Drawer 889
New Bern, North Carolina 28563-0889

SST: SST Properties, LLC

309 Gallimore Dairy Road, Suite 102
Greensboro, North Carolina 27409

IN WITNESS HEREOF, the parties hereto, intending to be bound, have executed this Agreement in duplicate originals the day and year first above written.

CRAVEN COUNTY

BY: _____
_____, CHAIRMAN

ATTEST:

GWENDOLYN BRYAN, CLERK

SST PROPERTIES, LLC

BY: _____
_____, its _____

EXHIBIT A
[Note and Deed of Trust]

STATE OF NORTH CAROLINA
COUNTY OF CRAVEN

**DEED OF TRUST AND
SECURITY AGREEMENT**

THIS DEED OF TRUST AND SECURITY AGREEMENT (this “**Deed of Trust**”) is made and entered into this 6th day of November, 2014, by and between SST PROPERTIES, LLC, a North Carolina limited liability company, to JIMMIE B. HICKS, JR., Trustee of Craven County, North Carolina, for the benefit of CRAVEN COUNTY, a North Carolina unit of local government, Beneficiary, is as follows:

RECITALS:

A. Pursuant to the terms of an Agreement Conveying Real Property for Economic Development Purposes (the “**Agreement**”) dated as of _____, 2014 by and between Grantor and Beneficiary, Grantor is indebted to Beneficiary in the principal amount of ONE HUNDRED SEVENTY-TWO THOUSAND and No/100 Dollars (\$172,000.00). This obligation is evidenced by a Promissory Note (as the same may be amended or modified from time to time, the “**Note**”) in the amount of \$172,000.00, dated as of _____, 2014, executed and delivered by Grantor to Beneficiary, which is payable in accordance with its terms, but in no event shall the principal amount of the Note mature later than December 31, 2016. Other charges are payable as and at the rates specified in the Note, as it may be amended or modified from time to time.

B. Grantor desires to secure the payment of the indebtedness evidenced by the Note and any modifications, renewals or extensions thereof, in whole or in part; any payments or advances made by Beneficiary in accordance with the terms of this Deed of Trust; and the fulfillment and performance of the covenants and agreements set forth in the Note, in this Deed

of Trust and in the Agreement, by the conveyance of the Land and the other property described below.

GRANTING CLAUSE

NOW, THEREFORE, in consideration of these premises and for the purposes aforesaid, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor has given, granted, bargained, sold, conveyed, assigned, and transferred and does hereby give, grant, bargain, sell, convey, assign and transfer unto Trustee, his heirs, administrators, legal representatives, successors and assigns, all of its right, title and interest in the tract(s) or parcel(s) of land lying and being in the City of New Bern, Craven County, North Carolina, and more particularly described in Exhibit A attached hereto (the “**Land**”).

TOGETHER with all buildings, structures and other improvements now or hereafter located on the Land, or any part or parcel thereof (collectively called the “**Improvements**”); and

TOGETHER with all rights, title and interest of Grantor in and to the minerals, shrubs, timber and other emblements now or hereafter located on the Land, or under or above the Land; and

TOGETHER with all and singular the tenements, hereditaments, easements, privileges and appurtenances thereunto belonging or in anywise appertaining to the Land, and the reversion or reversions, remainder and remainders, rents, issues and profits thereof; and also all the estate, right, title, interest, claim and demand whatsoever of Grantor of, in and to the same and of, in and to every part and parcel of the Land; and

TOGETHER with a security interest in all machinery, apparatus, equipment, fittings, fixtures, whether actually or constructively attached or to be attached to the Land or the Improvements, and articles of personal property of every kind and nature whatsoever (collectively called the “**Equipment**”), now or hereafter located in, upon or under the Land and used or usable in connection with any present or future operation of the Land or the Improvements and now owned or hereafter acquired by Grantor, including, but without limiting the generality of the foregoing, all heating, air conditioning, freezing, lighting, laundry, incinerating and power equipment; engines; pipes; pumps; tanks; motors; conduits;

switchboards; plumbing, lifting, cleaning, fire prevention, fire extinguishing, refrigerating, ventilating and communications apparatus; boilers, ranges, furnaces, oil burners or units thereof; appliances; air-cooling and air-conditioning apparatus; vacuum cleaning systems; elevators; escalators; shades; awnings; screens; storm doors and windows; stoves; wall beds; refrigerators; attached cabinets; partitions; ducts and compressors; rugs and carpets; draperies; furniture and furnishings; together with all building materials and equipment now or hereafter delivered to the Land or stored with other supplies to be used in construction of the Improvements on the Land, including without limitation, in a warehouse or at the factory of supplier, and intended to be installed therein, together with all warehouse receipts or other evidence of ownership; together with all additions thereto and replacements thereof (Grantor hereby agreeing with respect to all additions and replacements to execute and deliver from time to time such further instruments as may be requested by Trustee to confirm the conveyance, transfer and assignment of any of the foregoing); and

TOGETHER with any and all rents and security deposits which are now due or hereafter become due by reason of the renting, leasing and bailment of the Land, the Improvements or the Equipment; and

TOGETHER with any and all awards or payments (including but not limited to condemnation awards and insurance proceeds), including interest thereon, and the right to receive the same, as a result of: (a) the exercise of the right of eminent domain; (b) the alteration of the grade of any street; or (c) any other injury, damage or casualty to or taking or loss of, or decrease in the value of, the Land, the Improvements or the Equipment, to the extent of all amounts which may be secured by this Deed of Trust at the date of receipt of any such award or payment by Trustee and of the reasonable attorneys' fees, costs and disbursements incurred by Trustee in connection with the collection of such award or payment.

TO HAVE AND TO HOLD all of the Land, the Improvements, the Equipment and all of the foregoing rights and privileges (collectively called the "**Property**") to Trustee, his heirs, administrators, legal representatives, successors and assigns, in fee simple forever, upon the trust and for the uses and purposes hereinafter set forth. The Deed of Trust will be subordinate at all times to any financing obtained by Grantor (i) to purchase the Property, (ii) construct improvements

on the Property, or (iii) refinance any debt related to items (i) and (ii) above. If necessary, Beneficiary agrees to execute an agreement subordinating the lien of this Deed of Trust as required in the immediately preceding sentence.

WARRANTY OF TITLE

Grantor hereby covenants, warrants and represents that it is seised of the Property in fee, and that it has the right to convey the same in fee simple; that the Property is free and clear of all liens and encumbrances; and that it will warrant and defend the title to the Property against the claims of all persons whomsoever. Grantor shall, upon request of Beneficiary, execute and deliver such further instruments or assurances as may be necessary or proper to carry out the true intent and purpose of this Deed of Trust.

SPECIAL TRUST

THIS CONVEYANCE IS MADE UPON THIS SPECIAL TRUST, that if Grantor shall pay or cause to be paid or satisfied the Note in accordance with the terms thereof, and any renewals, extensions or modifications thereof, and shall comply with all of the covenants, terms and conditions of this Deed of Trust and the Agreement, then this conveyance shall be null and void and may be canceled of record at the request and cost of Grantor. But if at any time there shall be any default (whether by acceleration or otherwise) under the Note or the Agreement, or if there shall be any default in the payment of any of the amounts required to be paid under this Deed of Trust or under the Agreement, or if there shall be any default in any other of the terms and conditions of the Note, this Deed of Trust or the Agreement, and if such default is not cured within any applicable notice and cure period, if any, specified in the Agreement, then, at the option of Beneficiary, the entire indebtedness hereby secured shall immediately become due, payable and collectible without notice, regardless of maturity, and this Deed of Trust may be foreclosed by judicial proceedings, or Trustee or the successor of Trustee is hereby authorized and empowered to enter and take possession of the Property, and enter into contracts for the completion of the Property, personally or through his agent, and it shall be lawful for and the duty of Trustee, and he is hereby authorized and empowered, to expose to sale and to sell the Property, in whole or in part and in any order, at public sale for cash, in compliance with the

requirements of the laws of the State of North Carolina relating to nonjudicial foreclosure sales in effect on the date such foreclosure is commenced; and at the time and place fixed for the sale to sell the Property, personally or through his agent, to the highest bidder for cash, free from any equity of redemption, homestead, dower or curtesy, and all other exemptions, all of which are hereby expressly waived. Upon such sale, Trustee shall execute a conveyance in fee simple to and deliver possession to the purchaser, and such sale by Trustee or his agent will create the relation of landlord and tenant at will between the purchaser at such sale and Grantor, or its successors, lessees and assigns. Without notice and upon default of such party in surrendering possession of the Property, such party may be removed by a writ of ejectment at the suit of either the purchaser or Trustee for the use and benefit of the purchaser. Trustee may sell the Equipment in whole or in part and in any order, together with the Land and the Improvements or separately, and the Equipment may be assembled for such sale by Trustee on the Land or elsewhere, in Trustee's sole discretion. Beneficiary may bid and become the purchaser at any sale under this Deed of Trust. After retaining not more than one percent (1%) of the gross proceeds of the sale as compensation to Trustee, plus all expenses incurred by him including, but not limited to, the reasonable attorneys' fees for legal services actually performed, Trustee shall apply the residue of the proceeds first to pay the expense of making, maintaining and executing this trust and protecting the Property, second to the payment of the indebtedness secured hereby and the balance, if any, shall be paid as required by law. Trustee may require the successful bidder at any sale to deposit immediately with Trustee cash or a certified check in an amount not to exceed ten percent (10%) of the bid, provided notice of such requirement is contained in the advertisement of sale. The bid may be rejected if the deposit is not immediately made, and thereupon the next highest bidder may be declared to be the purchaser. Such deposit shall be refunded without interest, in case a resale is had; otherwise, it shall be applied to the purchase price.

GRANTOR FURTHER COVENANTS AND AGREES AS FOLLOWS:

1. Covenant to Pay Indebtedness and Taxes.

(a) Grantor will pay the indebtedness secured hereby, including principal (as defined in the Note), as and when due, and will pay prior to delinquency all taxes (subject to the

provisions of paragraph 1(b) hereof), assessments, levies and other charges of every character upon or against the Property.

(b) Notwithstanding anything herein to the contrary, if Grantor in good faith believes that any tax, assessment or other charge payable by it shall be invalid, excessive or unenforceable in whole or in part, Grantor, upon written notice to Beneficiary in accordance with paragraph 9 below, may, at its sole expense, contest the validity, amount or enforceability of any such tax, assessment or other charge, provided that such tax is bonded off or other security satisfactory to Beneficiary has been posted so that the Property, or any part thereof, is not in danger of being forfeited. In such event, Grantor shall comply with all requirements of law as to conditions precedent to making any contest, and Grantor covenants to protect Beneficiary against foreclosure of any lien resulting from imposition of any tax, assessment or other charge which Grantor may contest.

2. **Insurance;Restoration.** Grantor will keep the buildings and other improvements now or hereafter located on the Property insured against loss and damage by fire, flood (if any of the Improvements is located in an area having "special flood hazards," as defined in the Federal Flood Protection Act of 1973), tornado and windstorm, with builder's risk or extended coverage, as applicable, against all risks in an amount not less than one hundred percent (100%) of the full replacement cost of such property, and against such other hazards as Beneficiary may reasonably require, including public liability coverage (combined single limit minimum of One Million and No/100 Dollars [\$1,000,000.00]). All such insurance shall be in amounts satisfactory to Beneficiary if not otherwise specified above, but not less than the amounts sufficient to prevent any coinsurance liability, and shall be for the benefit of Beneficiary, with loss, if any, to be made payable in the policy or policies of insurance to Beneficiary as its interest may appear, the loss payable clauses to be in such form as Beneficiary may require. All such policies shall name Beneficiary as an additional insured and shall contain such provisions as Beneficiary may deem necessary or desirable to protect its interest, including but not limited to (a) a standard noncontributing mortgagee clause, and (b) a provision requiring that thirty (30) days' written notice be given to Beneficiary before any such policy is canceled or not renewed for any reason, including but not limited to nonpayment of premiums, or before there is any material change in the risks or coverages insured or the deductibles thereon. All insurance shall be in companies

approved by Beneficiary with a Best's Insurance Guide rating of at least A:XII; and originals or certified true copies of the policies and renewals thereof shall, when issued, be immediately delivered to Beneficiary, and Grantor will pay all premiums for said policies. In the event of a transfer of the Property, including a transfer by foreclosure or deed in lieu of foreclosure, Grantor's interest in the insurance policies referred to above and any return premiums in connection therewith shall automatically be transferred to the successor in title to Grantor's interest in the Property. Each of the foregoing insurance policies shall be renewed and evidence thereof submitted to Beneficiary at least thirty (30) days prior to expiration. If Grantor fails or refuses to keep the Property so insured, Beneficiary may obtain such insurance without prejudice to its right to foreclose this Deed of Trust by reason of such default. If any insurance policy or part thereof shall expire or be withdrawn, or become void or subject to cancellation by reason of the breach of any condition thereof, or become void by reason of the failure or impairment of the capital of any company in which the insurance shall be carried, or if for any reason whatsoever the insurance shall be unsatisfactory to Beneficiary, Beneficiary may procure such insurance as it deems necessary to protect its sole interests in the Property.

In the event of casualty or damage to or loss of any of the Property, Grantor will give immediate oral and written notice to Beneficiary, who may make proof of loss if not made promptly by Grantor. Beneficiary shall have the option, in Beneficiary's sole discretion, to apply all or any part of any insurance proceeds from any such casualty, damage or loss to the reduction of the indebtedness secured hereby in any order chosen by Beneficiary.

3. **Beneficiary's Self-Help Remedy.** If Grantor: (a) defaults in the payment of any tax, lien, assessment, charge or any utility charge, whether public, private, levied or assessed against the Property; (b) defaults in the payment of any insurance premiums; (c) fails to keep the Property in repair; (d) commits, suffers or permits waste; or (e) fails in the performance or observance of any other covenant, condition or term of this Deed of Trust; or if any action at law or equity or any proceeding affecting the title to the Property is commenced, Beneficiary at its option may, without waiving any rights or recourse against Grantor for such default and regardless of whether any period granted to Grantor in the Note, this Deed of Trust or the Agreement to cure any such default has expired, pay said tax, lien, assessment, charge, utility charge or premium, perform any obligation or make such repairs and take such steps as are

necessary to prevent or cure such waste, and may appear in any such necessary action as Beneficiary deems advisable in Beneficiary's sole discretion, and for any of said purposes, Beneficiary may, but shall not be obligated to, advance such sums of money as it deems necessary. All advances made by Beneficiary in connection therewith shall be secured by this Deed of Trust, and shall, upon demand, immediately be repaid by Grantor to Beneficiary with interest thereon at the rate of twelve percent (12%), or the highest rate permitted by law, whichever is less, per annum. Beneficiary shall be the sole judge, in the exercise of reasonable discretion, of the legality, validity and priority of any such tax, lien, assessment, charge, claim and premium; of the necessity for any such action and of the amount necessary to be paid in satisfaction thereof. Beneficiary, subject to the rights, if any, of tenants or subtenants in lawful possession of the Property, is hereby empowered to enter and to authorize others to enter upon the Property or any part thereof for the purpose of performing or observing any such default, covenant, condition or term, without thereby becoming liable to Grantor or to any person in possession holding under Grantor.

4. **Grantor's Property Maintenance Covenant.** Grantor will keep and maintain the Property in first-class order, repair and condition; and it will not commit or permit any waste. Beneficiary shall have the right to inspect the Property at all reasonable times, and access thereto shall be permitted for that purpose to it or its authorized agents. Grantor shall neither permit nor perform any act which would impair the value of the Property or increase the risk of fire or other hazard to the Property. Nor shall Grantor remove any fixture owned by it located thereon unless said fixture is replaced by a fixture of equal value and utility. Grantor shall give notice orally and in writing to Beneficiary of any material loss or damage to the Property caused by any casualty.

5. **Removal and Replacement of Trustee.** Beneficiary shall at any time and from time to time have the irrevocable right to remove Trustee without notice or cause and to appoint his successor by an instrument in writing, duly acknowledged, in such form as to entitle such written instrument to be recorded in the Craven County Public Registry, and in the event of the death or resignation of Trustee, Beneficiary shall have the right to appoint his successor by such a written instrument; and upon the recordation of any such instrument, any substitute trustee so appointed shall be vested with the title to the Property, and shall possess all the powers, duties

and obligations herein conferred on Trustee in the same manner and to the same extent as though he were originally named herein as Trustee.

6. **Compliance With Laws; Zoning.** Grantor will promptly comply with any applicable legal requirements of the State of North Carolina or any other governmental entity, agency or instrumentality relating to the use or condition of the Property including, without limitation, all zoning conditions, and will not cause, suffer or permit any change in the zoning of the Property. Grantor shall comply with the terms of all restrictions, easements and utility agreements affecting the Property.

7. **Appointment of Receiver.** Beneficiary shall have the right, after default in any of the terms, covenants or agreements contained in this Deed of Trust, or contained in the Note or the Agreement, and upon the expiration of any applicable grace period specified in the Agreement, to the appointment of a receiver to take possession of the Property and to collect the rents and profits from the Property without consideration of the value of the Property or the solvency of any person liable for the payment of the amounts then owing; and all amounts collected by the receiver shall, after paying the expenses of the receivership which Beneficiary deems necessary, be applied to the payment of the indebtedness secured hereby; and Beneficiary, at its option, in lieu of an appointment of a receiver, shall have the right to do the same. If such receiver is appointed, or if there is a sale of the Property, as provided above, Grantor, or any person in possession of all or part of the Property thereunder, as tenant (except a tenant under a lease that is superior to the lien of this Deed of Trust) or otherwise, shall become a tenant at will of the receiver or of the purchaser and may be removed by a writ of ejectment, summary or other lawful remedy. Grantor will pay to Beneficiary upon demand all expenses, including receiver's fees, reasonable attorneys' fees, costs and agent's compensation, incurred pursuant to the provisions contained in this paragraph 7 and all such expenses shall be secured by this Deed of Trust and shall bear interest at the rate of twelve percent (12%), or the highest rate permitted by law, whichever is less, per annum from the date advanced until paid.

8. **No Waiver of Default or Remedy.** No delay or forbearance by Beneficiary in exercising any or all of its rights under this Deed of Trust or rights otherwise afforded by law shall operate as a waiver thereof or preclude the exercise thereof during the continuance of any

default as set forth herein or in the event of any subsequent default hereunder, and all such rights shall be cumulative. In case Beneficiary or Trustee voluntarily or otherwise shall become a party to any suit or legal proceeding to protect the Property or to protect the lien of this Deed of Trust, Trustee and Beneficiary shall be indemnified and saved harmless and shall be reimbursed by Grantor for any amounts paid, including all costs, charges and reasonable attorneys' fees incurred in any such suit or proceeding, and those amounts shall be secured by this Deed of Trust and its payment enforced as if it were a part of the original debt.

9. **Notice.** Any notice required or permitted to be given shall be deemed to have been given if and when sent by prepaid registered or certified mail, return receipt requested, addressed to:

Grantor: SST PROPERTIES, LLC

Beneficiary: Craven County Board of Commissioners
c/o County Manager
406 Craven Street
New Bern, North Carolina 28560

Craven County Economic Developer
406 Craven Street
New Bern, North Carolina 28560

Sumrell Sugg, Attorneys
Attn: Jimmie B. Hicks, Jr. or Arey W. Grady, III
Post Office Drawer 889
New Bern, North Carolina 28563-0889

or at such other address as Grantor or any Beneficiary may designate in writing to the other from time to time.

10. **Continuance Upon Partial Foreclosure.** The obligations of the Note, this Deed of Trust and the Agreement shall continue until the entire indebtedness secured herein is paid, notwithstanding any action or actions of partial foreclosure which may be brought to recover any amount or amounts for installments of principal, taxes, assessments, levies, charges, insurance

premiums or other amounts due and payable under the provisions of the Note, this Deed of Trust and the Agreement.

11. **Grantor's Covenant of Performance as Lessor.** Grantor will faithfully perform the covenants of the lessor contained in any present or future lease by it or any part or all of the Property, and in pursuance thereof, will neither do anything nor neglect to do anything, nor permit anything to be done which would cause the modification or termination (other than for tenant default) of any of said leases, or of the obligation of any tenant, his or its successors and assigns, or the rents provided for therein. To the extent permitted by law, all leases shall be subordinate or superior to the lien of this Deed of Trust, at the election of Beneficiary. To the extent permitted by law, if at any time there is any conflict between any provision of this Deed of Trust and any provision of the aforesaid leases, then such provision of this Deed of Trust shall govern and apply.

12. **Assignment of Leases and Rents.** Grantor agrees not to enter into any leases affecting the Property without the prior written consent of Beneficiary. If Grantor enters into any such leases, Grantor hereby assigns and sets over to Beneficiary all leases and all rents and security deposits hereafter accruing from the Property as additional security for the indebtedness secured hereby, and Beneficiary is given a prior and continuing lien thereon. Grantor hereby appoints Beneficiary its attorney to collect such rents with or without suit, and to apply the same, less expenses of collection, to said indebtedness and to repairs in such manner as Beneficiary may elect; provided, that until there occurs a default by Grantor in the performance of its agreements and undertakings under this Deed of Trust or under the Note, Grantor may continue to collect and enjoy said rents as they fall due without accountability to Beneficiary. This assignment and power of attorney shall apply to all leases, security deposits, rentals and other amounts received from tenants in the future, whether by present or by future owners of the Property; shall be in addition to other remedies herein provided for in event of default; and may be put into effect independently or concurrently with any of such remedies, but no liability shall attach to Beneficiary on account of failure or inability to collect any such rents.

13. **Severability.** If any clauses or provisions contained in this Deed of Trust shall operate or would prospectively operate to invalidate this Deed of Trust in whole or in part, then

such clauses and provisions only shall be held for naught, as though not contained in this Deed of Trust, and the remainder of this Deed of Trust shall remain operative and in full force and effect.

14. **Definition of Terms.** The words “Grantor,” “Trustee” and “Beneficiary” shall include all individuals, corporations and any and all other persons or entities, and the respective heirs, executors, administrators, legal representatives, successors and permitted assigns of the parties hereto; and all those holding under any of them, and the pronouns used herein shall include, when appropriate, either gender and both singular and plural, and the word “Note” shall also include one or more notes and the grammatical construction of sentences shall conform thereto. The term “Beneficiary” and the phrase “holder of the Note secured hereby” shall be treated as interchangeable.

15. **Security Agreement.** Grantor hereby grants to Beneficiary to secure payment and performance of the indebtedness evidenced by the Note a security interest in all portions of the Property that are or are deemed to be personal property and not a part of the realty. Grantor covenants and agrees that the terms and conditions of this Deed of Trust, insofar as they govern the relationships between Grantor on the one hand and Trustee and Beneficiary on the other, shall be deemed to apply appropriately as the terms and conditions of a Security Agreement under the Uniform Commercial Code (the “UCC”) as adopted in North Carolina, the lien of which shall be perfected by filing financing statements showing the Beneficiary’s interest as a lienholder or creditor with respect to any class of items constructed, installed, placed, planted or growing on the Property or related to or arising out of the operation of the Property and described in any UCC financing statements filed by or on behalf of Beneficiary. In the event of default, Beneficiary, as secured party, and Grantor, as debtor, shall have, without limitation, all of the rights and remedies provided for in the UCC.

16. **Subrogation of Beneficiary to Rights of Third Parties.** Beneficiary shall be subrogated to the claims and liens of all parties whose claims or liens are discharged or paid by Beneficiary as provided in paragraph 3 above.

17. **Releases and Extensions.** Without affecting the liability of any person (other than any person released pursuant to the provisions of this paragraph) for payment of any indebtedness secured hereby, and without affecting the priority or extent of the security title

hereof upon any property not specifically released pursuant hereto, Beneficiary may at any time and from time to time (a) release any person liable for payment of any indebtedness secured hereby; (b) extend the time or agree to alter the terms of payment of any of the indebtedness; (c) accept additional security of any kind; (d) release any portion of the Property; or (e) consent to the creation of any easement on or over the Property or any covenants restricting the use or occupancy thereof.

18. **Further Documentation.** At any time, and from time to time, upon request by Beneficiary, Grantor will make, execute and deliver or cause to be made, executed and delivered, to Beneficiary any and all other further instruments, certificates and other documents, including without limitation financing statements with respect to all additions and replacements of the Property, as may be necessary in order to effectuate, complete, enlarge or perfect or to continue and preserve the obligation of Grantor under the Note and the priority of this Deed of Trust. Upon any failure by Grantor to execute and deliver such instruments, certificates and other documents within thirty (30) days after receipt of written request therefor, Beneficiary may make, execute and record any and all such instruments, certificates and documents for and in the name of Grantor and Grantor hereby irrevocably appoints Beneficiary the agent and attorney-in-fact of Grantor so to do.

19. **Governing Law.** This agreement is delivered and is intended to be performed in the State of North Carolina and shall be construed in accordance with the laws of said State.

20. **Election of Remedies.** The rights of Trustee and Beneficiary, granted and arising under the clauses and covenants contained in this Deed of Trust, the Note and the Agreement, shall be separate, distinct and cumulative of other powers and rights herein granted and all other rights which Trustee and Beneficiary may have in law or equity, and none of them shall be in exclusion of the others; and all of them are cumulative to the remedies for collection of indebtedness, enforcement of rights under this Deed of Trust, the Note and the other Loan Documents, and preservation of security as provided at law. No act of Trustee or Beneficiary shall be construed as an election to proceed under any one provision, or an election of remedies to the bar of any other remedy allowed at law or in equity.

21. **Condemnation.** Grantor agrees to notify Beneficiary immediately in writing of the commencement of any eminent domain or condemnation proceedings affecting the Property. All monies and awards payable as damages and/or compensation, for the taking of title to or possession of, or for damages to, or on account of change of grade affecting, any portion of the Property by reason of any condemnation, eminent domain, change of grade, or other proceeding shall at the sole option and discretion of Beneficiary be paid to Beneficiary, unless otherwise expressly agreed in writing between Grantor and Beneficiary. Such moneys and awards are hereby assigned to Beneficiary, and judgment therefor shall be entered in favor of Beneficiary, and when paid may, at the option of Beneficiary: (a) be applied, in whole or in part, by Beneficiary upon any indebtedness (including accrued but unpaid interest and other amounts secured hereby or payable under the Note or hereunder) or obligation secured hereby, whether the same be matured or unmatured, and in such order as Beneficiary may determine; (b) be used in whole or in part to replace or restore the Property to a condition satisfactory to Beneficiary; (c) be used in whole or in part to fulfill any of the covenants contained herein as Beneficiary may determine; or (d) be released to Grantor. Grantor hereby covenants and agrees, upon request by Beneficiary, to make, execute and deliver any and all assignments and other instruments sufficient for the purpose of assigning the aforesaid moneys and awards to Beneficiary free, clear and discharged of any and all encumbrances of any kind or nature whatsoever.

22. **Liens.** Grantor agrees to ensure that no liens are filed against the Property by reason of any services or materials supplied thereto, whether such services or materials are supplied to Grantor or to some person, firm or corporation in possession of all or a part of the Property through or under Grantor, or, if any such lien is filed against all or part of the Property, to, within fifteen (15) days after notice of the filing of any lien, cause the same to be discharged by deposit, bond, order or otherwise.

23. **Grantor's Estoppel.** Grantor, upon ten (10) days' prior written notice, shall furnish Beneficiary a written statement, duly acknowledged, setting forth the unpaid principal of, and interest on, the indebtedness secured hereby and whether or not any offsets or defenses exist against such principal and interest.

24. **Grantor's Waivers.** To the extent permitted by law, the Grantor hereby waives the right of redemption, any homestead exemptions and any right of appraisalment.

25. **Hazardous Wastes.**

(a) To the best of Grantor's knowledge and except as set forth in the environmental reports provided to Beneficiary, (i) No Hazardous Materials (as defined below) are unlawfully stored or otherwise unlawfully located in, on or under the Property, and no part of the Property, including the groundwater located thereon and thereunder, is presently unlawfully contaminated by any such substances; (ii) no improvements on the Property contain any friable asbestos or substances containing asbestos and deemed hazardous by any federal, state or local laws, regulations or orders respecting such material; (iii) there have been no releases by the Grantor or any other party of Hazardous Materials on the Property; and (iv) the foregoing statements are true and correct with respect to all of the real property adjoining any of the Property.

(b) To the best of the Grantor's knowledge, the Property has never been used as or for a mine, a landfill, a dump or other disposal facility, a gasoline service station, or a petroleum products storage facility, and none of the Property is located on a site which, pursuant to any Environmental Law (as defined below), has been placed on the "National Priorities List" or "CERCLIS List" (or any similar state list) of hazardous waste sites.

(c) To the best of Grantor's knowledge and except as set forth in the environmental reports provided to Beneficiary, there are no underground storage tanks situated on the Property and no subsurface storage tanks have ever been situated on the Property.

(d) All activities and operations of the Grantor meet the requirements of all applicable Environmental Laws, as defined below.

(e) The Grantor has never sent a Hazardous Material to a site which, pursuant to any Environmental Law, (1) has been placed on the "National Priorities List" of hazardous waste sites, or (2) which is subject to a claim, an administrative order or other request to take "removal" or "remedial" action, as defined in any Environmental Law, or to pay for the costs of cleaning up such a site.

(f) The Grantor is not involved in any suit or proceeding and has not received any notice from any governmental agency or authority with respect to a release of Hazardous Materials and has not received notice of any claims from any person or entity relating to Property damage or to personal injuries from exposure to Hazardous Materials.

(g) The Grantor has timely filed all material reports required to be filed, has acquired all necessary and material certificates, approvals and permits and has generated and maintained in all material respects all required data, documentation and records under all Environmental Laws.

(h) The Grantor shall not, in violation of any Environmental Law, bring onto the Property any Hazardous Materials, and if any such substance is brought or found thereon, it shall be immediately removed, with proper disposal, and all required environmental cleanup procedures shall be diligently undertaken pursuant to all Environmental Laws, and the Grantor's obligations hereunder shall survive any foreclosure of this Deed of Trust.

(i) The Grantor shall promptly, after any officer of the Grantor learns or obtains knowledge of the occurrence thereof, give written notice to the Beneficiary of receipt of any written notices of violation or noncompliance from any governmental agency or authority with respect to Environmental Laws.

(j) The Grantor shall indemnify the Beneficiary pursuant to an Environmental Indemnity Agreement dated the date hereof by Grantor in favor of Beneficiary, which Environmental Indemnity Agreement is hereby incorporated herein by reference as if fully set forth herein. Notwithstanding the foregoing, the indemnity of Grantor shall not extend to any Hazardous Materials first placed on the Property following the date that Beneficiary or its designee first acquires possession of the Property, whether by foreclosure, deed in lieu of foreclosure, or otherwise.

(k) Beneficiary shall have, and Grantor hereby grants to Beneficiary, the right to enter upon the Property to verify compliance by Grantor with the terms of this paragraph 25 and to conduct such environmental assessments and audits as Beneficiary shall deem advisable; *provided, however*, GRANTOR ACKNOWLEDGES THAT IT SHALL HAVE THE SOLE

RESPONSIBILITY FOR ALL HAZARDOUS WASTE HANDLING PRACTICES AND ENVIRONMENTAL PRACTICES, AND GRANTOR HAS FULL DECISION MAKING POWER WITH RESPECT THERETO.

As used herein, "Hazardous Materials" means any substances or materials (i) which are or become defined as hazardous wastes, hazardous substances, pollutants, contaminants or toxic substances under any Environmental Law; (ii) which are toxic, explosive, corrosive, flammable, infectious, radioactive, mutagenic or otherwise hazardous and are or become regulated by any governmental agency or authority; (iii) the presence of which require investigation or remediation under any Environmental Law or common law; (iv) which are deemed to constitute a nuisance, a trespass or pose a health or safety hazard to persons or neighboring properties; (v) which include, without limitation, underground or aboveground storage tanks, whether empty, filled or partially filled with any substance; and/or (vi) which contain, without limitation, asbestos, polychlorinated biphenyls, urea formaldehyde foam insulation, petroleum hydrocarbons, petroleum derived substances or waste, crude oil or any fraction thereof, nuclear fuel, natural gas or synthetic gas.

As used herein, "Environmental Laws" shall mean any and all federal, state and local laws, statutes, ordinances, rules, regulations, permits, licenses, approvals, guidances, interpretations, orders of courts and governmental agencies or authorities and all other legal requirements relating to the protection of human health or the environment, including, but not limited to, requirements pertaining to the manufacture, processing, distribution, use, treatment, storage, disposal, transportation, handling, reporting, licensing, permitting, investigation or remediation of Hazardous Materials. Environmental Laws include, without limitation, the Comprehensive Environmental Response, Compensation, and Liability Act (42 U.S.C. § 9601 *et. seq.*) ("CERCLA"), the Hazardous Material Transportation Act (49 U.S.C. § 1801 *et. seq.*), the Resource Conservation and Recovery Act (42 U.S.C. § 6901 *et. seq.*) ("RCRA"), the Federal Water Pollution Control Act (33 U.S.C. § 1251 *et. seq.*), the Clean Air Act (42 U.S.C. § 7401 *et. seq.*), the Toxic Substances Control Act (15 U.S.C. § 2601 *et. seq.*), the Safe Drinking Water Act (42 U.S.C. § 300, *et. seq.*), the Environmental Protection Agency's regulations relating to underground storage tanks (40 C.F.R. Parts 280 and 281), and the Occupational Safety and Health Act (29 U.S.C. § 651 *et. seq.*) ("OSHA"), as such laws have been or are in the future

amended or supplemented and any analogous future federal, or present or future applicable state or local statutes, and the rules and regulations promulgated thereunder.

26. **Captions**. All captions used herein are for organizational purposes only and in no way limit, expand or otherwise affect the meaning or effect of the provisions hereof.

[Remainder of page is left blank intentionally.]

IN WITNESS WHEREOF, Grantor has executed this Deed of Trust and Security Agreement as of the day and year first above written.

GRANTOR:

SST PROPERTIES, LLC,
A NORTH CAROLINA LIMITED LIABILITY
COMPANY

By: _____

Name: _____

Title: _____

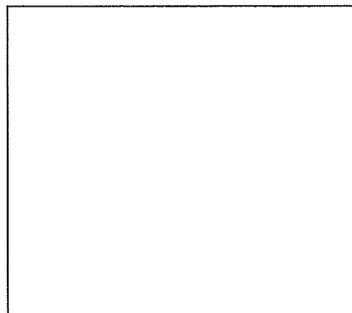
NORTH CAROLINA
CRAVEN COUNTY

I, the undersigned Notary Public of the County of _____ and State of North Carolina, do hereby certify that _____ personally appeared before me this day and acknowledged (i) that he/she is the _____ of **SST PROPERTIES, LLC**, a limited liability company, and (ii) that by authority duly given and as the act of such limited liability company, he signed the foregoing instrument in the name of such limited liability company on such limited liability company's behalf as its act and deed.

WITNESS my hand and notarial seal, this _____ day of _____, 2014.

My Commission Expires:

NOTARY PUBLIC



NOTARY SEAL/STAMP MUST APPEAR
LEGIBLY IN ABOVE BOX

EXHIBIT A

LEGAL DESCRIPTION

PROMISSORY NOTE

\$172,000.00

New Bern, North Carolina

_____, 201__

FOR VALUE RECEIVED, the receipt of which is acknowledged, **SST PROPERTIES, LLC**, a North Carolina limited liability company (the “**Borrower**”) promises to pay to Craven County, a North Carolina unit of local government (the “**Lender**”), or order, at such other place as the legal holder hereof may designate in writing, the principal sum of **ONE HUNDRED SEVENTY-TWO THOUSAND and No/100 Dollars (\$172,000.00)**, as provided herein. The entire unpaid principal balance of this Note shall be due and payable on December 31, 2016.

The principal balance of this Note thereon shall be payable upon a default by Borrower under the Agreement Conveying Real Property for Economic Development Purposes between Borrower and Lender dated as of _____, 2014 (the “**Agreement**”), the terms and conditions of which are incorporated in this Note by reference. It is agreed that Borrower and Lender are not partners or joint venturers, but that Lender is a creditor and Borrower is a debtor under this Note. The indebtedness evidenced by this Note may be prepaid, in whole or in part, at any time without penalty.

This Note is secured by a Deed of Trust and Security Agreement (the “**Deed of Trust**”) dated as of _____, 2014, executed and delivered by Borrower to Jimmie B. Hicks, Jr., Trustee for the benefit of Lender, conveying certain real estate and other property described therein, and duly recorded in the Office of the Register of Deeds of Craven County, North Carolina. The Deed of Trust will be subordinate at all times to any financing obtained by Borrower (i) to purchase the property described in the Deed of Trust, (ii) construct improvements on the property described in the Deed of Trust, or (iii) refinance any debt related to items (i) and (ii) above. If necessary, Lender agrees to execute an agreement subordinating the lien of its Deed of Trust as required in the immediately preceding sentence.

Upon the occurrence of any default under the Agreement and the expiration of any applicable notice and cure period specified in the Agreement, Lender shall have the right, at its option and election, to accelerate the indebtedness evidenced by this Note and declare the entire principal balance immediately due and payable in full. Upon such acceleration by Lender, Borrower promises to pay the full principal amount of this Note in accordance with the terms of the

Agreement, together with all costs and expenses incurred in connection with the collection or attempted collection of this Note and the protection of the security for this Note, including reasonable attorneys' fees, whether or not suit is instituted. As used in this Note, the term "reasonable attorneys' fees" shall mean those fees actually charged by attorneys selected by Lender, based upon their standard rates, as opposed to any statutory presumption that may then be in effect in the State of North Carolina.

All parties to this Note, whether principals, sureties, guarantors or endorsers, hereby waive presentment for payment, demand, protest and notice of dishonor, and all defenses on the ground of extension of time for the payment hereof, which may be given by Lender to them or any of them, or to anyone who has assumed the payment of this Note.

No delays on the part of Lender in exercising any right under this Note or under the Loan Agreement shall operate as a waiver thereof or preclude the exercise thereof at any time during the continuance of any default or during the continuance of any subsequent default.

This Note may not be modified or terminated orally. This Note shall be construed and enforced in accordance with the laws of the State of North Carolina.

IN WITNESS WHEREOF, Borrower has executed this Note as of the day and year first above written.

SST PROPERTIES, LLC
a North Carolina Limited Liability Company

By: _____

Name: _____

Title: _____

NORTH CAROLINA

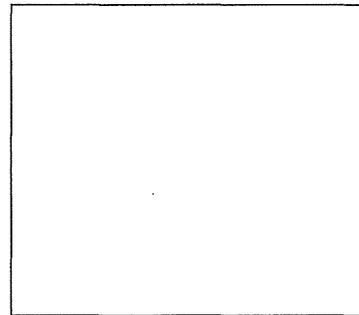
CRAVEN COUNTY

I, the undersigned Notary Public of the County of _____ and State of North Carolina, do hereby certify that _____ personally appeared before me this day and acknowledged (i) that he/she is the _____ of **SST PROPERTIES, LLC**, a limited liability company, and (ii) that by authority duly given and as the act of such limited liability company, he/she signed the foregoing instrument in the name of such limited liability company on such limited liability company's behalf as its act and deed.

WITNESS my hand and notarial seal, this _____ day of _____, 2014.

My Commission Expires:

NOTARY PUBLIC



NOTARY SEAL/STAMP MUST APPEAR
LEGIBLY IN ABOVE BOX

NORTH CAROLINA

AVIGATION EASEMENT

CRAVEN COUNTY

This Avigation Easement and Agreement, made and entered into this _____ day of November, 2014, by and between CRAVEN COUNTY, herein referred to as Grantor, and COASTAL CAROLINA REGIONAL AIRPORT AUTHORITY, herein referred to as Grantee;

WITNESSETH:

WHEREAS, Grantor owns property which is adjacent to the Coastal Carolina Regional Airport and within the Runway Protection Zone; and,

WHEREAS, Grantee has requested Grantor to grant it an easement over Grantor's property and Grantor has agreed to do so; and,

WHEREAS, the Grantor's property is in three parcels and contains 1.83 acres, 3.91 acres, and 3.98 acres for a total of 9.72 acres and is further referenced at Book 1720, Page 0290 (first parcel), and Book 2401, Page 0771 (second and third parcels), in the Craven County Register of Deeds.

NOW, THEREFORE, Grantee is hereby granted the right to enter upon said property and to remove any such vegetation that has been identified as problematic to Airport operations or is an obstruction in the Runway Protection Zone. The Grantee shall notify the Grantor prior to entering the land for removal of any vegetation.

TO HAVE AND TO HOLD said right and easement to Grantee and its heirs and assigns forever; it being agreed that the right and easement hereby granted is appurtenant to and runs with the land now occupied by the Grantee.

IN TESTIMONY WHEREOF, Grantor and Grantee have hereunto set their hands and seals the day and year first above written.

GRANTOR:

CRAVEN COUNTY

Chairman, Board of Commissioners

Attest: _____
GWENDOLYN BRYAN, Clerk

STATE OF NORTH CAROLINA
COUNTY OF CRAVEN

I, _____, a Notary Public for said County and State, do hereby certify that GWENDOLYN BRYAN personally appeared before me this day and acknowledged that she is Clerk to the Board of Commissioners of Craven County, a body politic and corporate, and that by authority duly given and as the act of said body, the foregoing instrument was signed in its name by _____, the Chairman of the Board of Commissioners of Craven County, sealed with its corporate seal, and attested by herself as the Clerk to the Board of Commissioners of Craven County

Witness my hand and notarial seal, this the ____ day of _____, 2014.

Notary Public

My Commission Expires: _____

GRANTEE:

COASTAL CAROLINA REGIONAL
AIRPORT AUTHORITY

HAROLD BLOT
Chairman

STATE OF NORTH CAROLINA
COUNTY OF CRAVEN

I, _____, a Notary Public for said County and State, certify that HAROLD BLOT personally appeared before me this date and acknowledged that he is the Chairman of the Coastal Carolina Regional Airport Authority, and that by authority duly given and as an act of the Authority, the foregoing instrument was executed by him in said capacity for the purposes expressed therein.

Witness my hand and notarial seal, this the ____ day of _____, 2014.

Notary Public

My Commission Expires: _____

**RESOLUTION
RECOGNIZING THE FAMILY
OF
STAFF SERGEANT STEVEN D. GARRETSON**

WHEREAS, Staff Sergeant Steven D. Garretson joined the 2nd Marine Aircraft Wing, Marine Aircraft Group 14, Marine Attack Squadron (VMA) 542 Powerline Division and Maintenance Control on December 7, 2011, and currently serves as the Technical Directive Coordinator and a Safe for Flight Certified Marine, where he is directly responsible for successful execution of daily maintenance on 19 aircraft, the management of over 175 Marines and the incorporation and documentation of engineering changes and inspections; and

WHEREAS, SSgt Garretson is heavily involved in the squadron's suicide prevention program and responsible for the identification and aid of Marines that are mentally and emotionally stretched beyond their means by serving as an Operational Stress Control and Readiness team member; and

WHEREAS, SSgt Garretson has dedicated numerous off-duty hours volunteering with Toys for Tots, collecting and storing hundreds of toys for children in New Bern, as well as Craven and Carteret counties; and

WHEREAS, his wife, Kathleen M. Garretson, is also very active in the community and her church, as well as being a member of a weekly Mother of Pre-Schooler's Group that supports the Staff House Maternity Home of New Bern, a facility that provides shelter, support and parenting education to pregnant women and new mothers; and

WHEREAS, the Garretson's have two sons, Connor, age 5 and Aaron, age 3; and

WHEREAS, as a family, the Garretson's have volunteered numerous hours by participating in 5k runs for Easter Seals and have also made monetary contributions in support of the Easter Seals program through CarolinaEast Medical Center in New Bern.

NOW, THEREFORE BE IT RESOLVED, that the Craven County Board of Commissioners recognizes the family of Staff Sergeant Steven D. Garretson for their selfless dedication to assisting Marines, Sailors and civilian families on and off base.

BE IT FURTHER RESOLVED that the Craven County Board of Commissioners congratulates them on being selected as Military Family of the Quarter.

Adopted this the 1st day of December, 2014.

Chairman
Craven County Board of Commissioners

Gwendolyn M. Bryan
Clerk to the Board

TAX804P

CRAVEN COUNTY

PAGE 1

CREDIT MEMOS SUBJECT TO BOARD APPROVAL ON 12/01/2014

TAXPAYER NAME	ACCT#/TICKET#	AMOUNT
ACG CHARLOTTE LLC BUSINESS LISTING CORRECTION	0101850 2014-0091089	1,665.33
BONFORTE, LINK & KRISTIN F RELEASED TO PAMLICO COUNTY	0046405 2014-0092203	5.36
BONFORTE, LINK & KRISTIN F BOAT RELEASED TO PAMLICO COUNTY	0046405 2014-0092226	515.98
CHAPMAN, HERMAN JR HRS FORECLOSURE-LIEN EXTINGUISHED	0059539 2014-0010116	36.86
CHAPMAN, HERMAN JR HRS FORECLOSURE-LIEN EXTINGUISHED	0059539 2013-0009924	44.85
CHAPMAN, HERMAN JR HRS FORECLOSURE-LIEN EXTINGUISHED	0059539 2012-0010147	54.36
CHAPMAN, HERMAN JR HRS FORECLOSURE-LIEN EXTINGUISHED	0059539 2011-0010221	58.20
CHAPMAN, HERMAN JR HRS FORECLOSURE-LIEN EXTINGUISHED	0059539 2010-0009276	61.91
CHAPMAN, HERMAN JR HRS FORECLOSURE-LIEN EXTINGUISHED	0059539 2009-0010061	73.20
CHAPMAN, HERMAN JR HRS FORECLOSURE-LIEN EXTINGUISHED	0059539 2008-0010069	77.37
CHAPMAN, HERMAN JR HRS FORECLOSURE-LIEN EXTINGUISHED	0059539 2007-0009723	81.55
CHAPMAN, HERMAN JR HRS FORECLOSURE-LIEN EXTINGUISHED	0059539 2006-0009470	83.19
CHAPMAN, HERMAN JR HRS FORECLOSURE-LIEN EXTINGUISHED	0059539 2005-0009328	337.25
CHURCH-FREEDOM TABERNACLE EXEMPT PER GS 105-278.3	0091089 2014-0010496	150.51

CREDIT MEMOS SUBJECT TO BOARD APPROVAL ON 12/01/2014

TAXPAYER NAME	ACCT#/TICKET#	AMOUNT
COJO GROUP INC BUSINESS LISTING CORRECTION	0084531 2014-0091246	1.78
FULLER, MARK A SR VETERANS EXCLUSION	0099012 2014-0020273	452.63
GASKINS, LATHAM LYTELL III DOUBLE BILLED-SEE ACCT 103340	0028718 2013-0091929	45.43
GASKINS, LATHAM LYTELL III DOUBLE BILLED-SEE ACCT 103340	0028718 2014-0090356	41.50
GOERLER, MICHAEL T DID NOT OWN 1/1/2011	0089087 2011-0090580	53.15
GOERLER, MICHAEL T DID NOT OWN 1/1/2012	0089087 2012-0022246	49.08
GOERLER, MICHAEL T DID NOT OWN 1/1/2013	0089087 2013-0092332	45.23
GOERLER, MICHAEL T DID NOT OWN 1/1/2014	0089087 2014-0090415	41.19
GOMEZ, MARK ANTHONY & KELLY DID NOT OWN-TO BE REBILLED (103464)	0057252 2014-0022213	76.81
HARMATUK, DONNA LYNN DOUBLE BILLED SAME ACCOUNT NUMBER	0054895 2014-0092249	10.28
HINSON, HERBERT RICHARD DID NOT OWN 1/1/2013	0079424 2014-0092209	37.09
HOME SWEET HOMES OF NEW BERN L NOT IN BUSINESS 1/1/2009	0067654 2009-0090563	203.17
HOME SWEET HOMES OF NEW BERN L NOT IN BUSINESS 1/1/2010	0067654 2010-0025074	147.33
HOME SWEET HOMES OF NEW BERN L NOT IN BUSINESS 1/1/2011	0067654 2011-0090657	137.61

CREDIT MEMOS SUBJECT TO BOARD APPROVAL ON 12/01/2014

TAXPAYER NAME	ACCT#/TICKET#	AMOUNT
HOME SWEET HOMES OF NEW BERN L NOT IN BUSINESS 1/1/2012	0067654 2012-0090772	127.04
HOME SWEET HOMES OF NEW BERN L NOT IN BUSINESS 1/1/2013	0067654 2013-0094868	116.87
KEYSTONE AMERICA INC LATE FEE CHARGED IN ERROR	0081464 2014-0031352	96.33
LOVICK, LORENZA F INCORRECT SITUS-TO BE REBILLED	4515900 2014-0034698	55.47
MID-STATE INVESTMENT CORP FORECLOSURE-LIEN EXTINGUISHED	4927350 2005-0036099	194.42
MID-STATE INVESTMENT CORP FORECLOSURE-LIEN EXTINGUISHED	4927350 2006-0036651	185.05
MID-STATE INVESTMENT CORP FORECLOSURE-LIEN EXTINGUISHED	4927350 2007-0037794	180.98
MID-STATE INVESTMENT CORP FORECLOSURE-LIEN EXTINGUISHED	4927350 2008-0038451	171.33
MID-STATE INVESTMENT CORP FORECLOSURE-LIEN EXTINGUISHED	4927350 2009-0038598	161.67
MID-STATE INVESTMENT CORP FORECLOSURE-LIEN EXTINGUISHED	4927350 2010-0035194	55.22
MID-STATE INVESTMENT CORP FORECLOSURE-LIEN EXTINGUISHED	4927350 2011-0039177	51.95
MID-STATE INVESTMENT CORP FORECLOSURE-LIEN EXTINGUISHED	4927350 2012-0039066	48.57
MID-STATE INVESTMENT CORP FORECLOSURE-LIEN EXTINGUISHED	4927350 2013-0037591	39.54
MID-STATE INVESTMENT CORP FORECLOSURE-LIEN EXTINGUISHED	4927350 2014-0038390	32.03

CREDIT MEMOS SUBJECT TO BOARD APPROVAL ON 12/01/2014

TAXPAYER NAME	ACCT#/TICKET#	AMOUNT
MILLER, JOHN CALVIN MOBILE HOME VALUE CORRECTION	0093623 2012-0090310	86.72
MILLER, JOHN CALVIN MOBILE HOME VALUE CORRECTION	0093623 2013-0090847	84.49
MILLER, JOHN CALVIN MOBILE HOME VALUE CORRECTION	0093623 2014-0092623	82.68
MORENO, MIGUEL EDBERTO INCORRECT SITUS- TO BE REBILLED	0067464 2014-0039996	47.83
NEAL, GARY DID NOT OWN 1/1/2012	0068130 2012-0041835	50.27
NEAL, GARY DID NOT OWN 1/1/2013	0068130 2013-0092960	46.30
NEAL, GARY DID NOT OWN 1/1/2014	0068130 2014-0091849	42.14
PHILLIPS, ELNORA & WHITEHURST, DWELLINGS UNINHABITED SINCE 2005	0056986 2014-0044595	72.00
PIPE WORKS PLUMBING LLC INCORRECT LISTING - TO REBILL	0081914 2014-0092814	65.71
RIGGS, CHARLES LEWIS & EVELYN DWELLING VACANT FOR PAST YEAR	0088972 2014-0047459	36.00
RIVER BLUFFS LIMITED PARTNERSH DOT ACCEPTED ROADS 12/31/13	6132800 2014-0047664	22.13
RIVER BLUFFS LIMITED PARTNERSH DOT ACCEPTED ROADS 12/31/13	6132800 2014-0047659	20.19
RIVER BLUFFS LIMITED PARTNERSH DOT ACCEPTED ROADS 12/31/13	6132800 2014-0047657	21.73
RIVER BLUFFS LIMITED PARTNERSH DOT ACCEPTED ROADS 12/31/13	6132800 2014-0047656	7.09

CREDIT MEMOS SUBJECT TO BOARD APPROVAL ON 12/01/2014

TAXPAYER NAME	ACCT#/TICKET#	AMOUNT
ROSSER, WILLIAM I & CLAIRE DOUBLE BILLED SAME ACCOUNT	0069617 2014-0048516	63.27
SAXANOFF, ALISA DID NOT OWN 1/1/2014	0103221 2014-0092877	71.49
SITHENS REALTY GROUP LLC INCORRECT LISTING - TO REBILL	0088578 2014-0092894	14.48
SPEED, KIM DWELLING UNOCCUPIED SINCE 2013	0025770 2014-0052553	36.00
STARK, EVA DID NOT OWN 1/1/2014	0069174 2014-0053022	261.56
SWIFT WATER LLC NOT IN BUSINESS 1/1/2012	0090794 2012-0091199	10.43
SWIFT WATER LLC NOT IN BUSINESS 1/1/2013	0090794 2013-0095258	9.54
THOROUGH ENTERPRISES INC NOT IN BUSINESS 1/1/2013	0046563 2013-0093627	10.37
TOOHEY, JEFFREY G NOT IN BUSINESS 1/1/2012	0090804 2012-0091256	19.05
TOOHEY, JEFFREY G NOT IN BUSINESS 1/1/2013	0090804 2013-0095309	17.53
UNWIN, DANIEL WILLIAM DID NOT OWN 1/1/2014	0088753 2014-0057516	44.80
VICTORIANO, FILADELFO DID NOT OWN 1/1/2014	0102128 2014-0057980	33.74
VMT INVESTMENT GROUP LLC NOT IN BUSINESS 1/1/2011	0061513 2011-0091278	74.59
VMT INVESTMENT GROUP LLC NOT IN BUSINESS 1/1/2012	0061513 2012-0091288	53.16

CREDIT MEMOS SUBJECT TO BOARD APPROVAL ON 12/01/2014

TAXPAYER NAME	ACCT#/TICKET#	AMOUNT
VMT INVESTMENT GROUP LLC NOT IN BUSINESS 1/1/2013	0061513 2013-0095340	34.19
WALSTON, STACEY D NOT IN BUSINESS 1/1/2013	0090812 2013-0095346	21.20
WARD, KAREN NOT IN BUSINESS 1/1/2012	0089535 2012-0091297	57.17
WARD, KAREN NOT IN BUSINESS 1/1/2013	0089535 2013-0095348	52.83
WETHERINGTON, JOHN LEE DID NOT OWN 1/1/2014	0103091 2014-0092187	31.50
	75 -CREDIT MEMO(S)	7,706.85

REFUNDS SUBJECT TO BOARD APPROVAL ON 12/01/2014

TAXPAYER NAME	ACCT#/TICKET#	AMOUNT
LILLY, GLENDA DWELLING UNOCCUPIED SINCE 7/13	4433950 2014-0034019	36.00
MILLS, MARIETTA DIXON DWELLING UNOCCUPIED SINCE 2011	0059542 2014-0038802	36.00
PIRNIK, ANDREW & DOLORES QUALIFIED FOR VETERAN EXCLUSION	0028280 2014-0044842	254.77
ROUSE, BARBARA ET AL DWELLING WAS RAZED IN 2013	0044185 2014-0048574	136.10
	4 -REFUND(S)	462.87



BOARD OF DIRECTORS

David Wilkins
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Vice Chairman

Mickie Stroud
Secretary

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Treasurer

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Charlton Burns
Wendy Fisher
Cille Griffith
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John Pierce
Jackie Stroud
Jami Turner
Helmut Weisser

STAFF

Amy Willis
Office Administrator

Joni Bass
Donor Relations Manager

Jill Shumate Thompson
Executive Director

November 19, 2014

Mr. Tom Glasgow, Co. Extension Director
Craven County Cooperative Extension
300 Industrial Drive
New Bern, NC 28562

RE: Grant #: 2015-04

Dear Mr. Glasgow,

We appreciate your organization taking the time to speak with the CarolinaEast Foundation's Allocations and Disbursements Committee (ADCOM) during the grant review meeting in October to discuss your grant request. We are pleased to inform you that the Board of Directors approved the full grant in the amount of \$3,000 to assist with the *Expanded Food and Nutrition Education* program.

We require a follow-up report on any projects / programs supported through a grant from the CarolinaEast Foundation. Please complete the enclosed Grant Status Report form and return it to our office within six months of receipt of the granted fund and after the funds have been used.

Thank you for helping the CarolinaEast Foundation fulfill its mission of supporting the healthcare community. We are proud to be among your supporters in our community!

Sincerely,

A handwritten signature in cursive script that reads "Jill S. Thompson".

Jill S. Thompson
Executive Director

Enclosure



Animal Shelter Project
Fund 390

This ordinance is hereby approved in the following amounts for expenditures to the Animal Shelter Project.

Expenditures:

Contractual	\$	50,000.00
Construction	\$	400,000.00
Contingency	\$	50,000.00
Total	\$	500,000.00

The following revenues are hereby estimated for the Animal Shelter Project.

Revenue:

From Capital Reserve Fund	\$	500,000.00
Total	\$	500,000.00

This ordinance is hereby approved this 1st day of December, 2014.

Craven County Board of Commissioners

Attest:

Gwendolyn M Bryan, Clerk to the Board
Craven County Board of Commissioners



**VOTING DELEGATE DESIGNATION FORM
LEGISLATIVE GOALS CONFERENCE
January 15-16, 2015 (Thursday – Friday)
Pinehurst Resort – Moore County**

NOTE: Please place this action on your board meeting agenda.

Each Board of County Commissioners is hereby requested to designate a commissioner or other official as a voting delegate for the 2015 Legislative Goals Conference. Each voting delegate should complete and sign the following statement and **RETURN IT TO THE ASSOCIATION NO LATER THAN FRIDAY, JANUARY 2, 2015.**

PLEASE RETURN FORM TO SHEILA SAMMONS, CLERK TO THE BOARD BY EMAIL: SHEILA.SAMMONS@NCACC.ORG OR FAX: 919-719-1172.

I, _____, hereby certify that I am the duly designated voting delegate for _____ County at the North Carolina Association of County Commissioners 2015 Legislative Goals Conference.

Signed: _____

Title: _____

Article VI, Section of the Association's Constitution provides:

“On all questions, including the election of officers, each county represented shall be entitled to one vote, which shall be the majority expression of the delegates of that county. The vote of any county in good standing may be cast by any one of its County Commissioners who is present at the time the vote is taken; provided, if no commissioner be present, such vote may be cast by another county official, elected or appointed, who holds elective office or an appointed position in the county whose vote is being cast and who is formally designated by the Board of County Commissioners. These provisions shall likewise govern district meetings of the Association. A county in good standing is defined as one which has paid the current year's dues.”

Volunteer Board Information and Interest Sheet Craven County, North Carolina

Names of board, committee, authority, etc., in which you are interested. Please list in order of priority:

Craven County Clean Sweep Committee

Name:	<u>Marcus Johnson</u>	Home Phone:	<u>(252) 288-9470</u>
Home Address:	<u>1515 Spencer ave</u>		
City:	<u>New Bern</u>	Zip Code:	<u>28560</u>
Township:	<u>Ghent</u>	City Limits:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Occupation:	<u>Environmental Protection Specialist</u>	Business Phone:	<u>(252) 464-8398</u>
Place of Employment:	<u>Fleet Readiness Center East @ Cherry Point</u>	Fax Number:	<u></u>
E-Mail Address:	<u>marcusj1515@gmail.com</u>		

(Please indicate your preferred contact number.)

Education

1990- Triton High School, Erwin NC, Johnston Community college Smithfield NC (B.L.E.T)
40HR HAZ-WOPER , Spill Response course, 8hr Refresher course taken annual,
McCoy's RCRA Unraveled, Open water Spill Response, N.C. Hazardous Waste Compliance Workshops

Business and Civic Experience

Train all Production workers annual on haz-waste awareness and programs with Environmental Division @FRC
Track all Haz-waste Disposal and inspect haz- waste collections site and insure proper Disposal and make waste Determinations
Over see Haz-waste spill Cleans and advise proper disposal in accordance with Fed, State, Local, Laws

Areas of Expertise, Interest, Skills

Hazardous Waste disposal, determining waste for Reuse or Recycle, and proper disposal

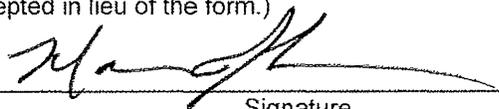
Why do you want to serve?

I have been working and trained in the Environmental Field for around 10 years and I feel i could be a Asset to this board on Environmental Impacts. Help Keep our County and City well verse on ways to Reduce our impacts on the Environment

Please List Other Local, Regional and Statewide Boards, Committees or Commissions on Which You Serve

(A resume may be attached to this form, but will not be accepted in lieu of the form.)

Date: February 26, 2013



Signature

The Craven County Board of Commissioners sincerely appreciates the interest of all citizens in serving their county. For more information on the responsibilities of various boards, you may view the on-line board descriptions or contact the County Clerk's Office at (252) 636-6601. RETURN FORM TO: CRAVEN COUNTY CLERK, 406 CRAVEN STREET, NEW BERN, NC 28560. The form may also be sent via e-mail (gbryan@cravencountync.gov) or fax: (252) 637-0526.

This form will remain active until two years after date received.

Marcus G Johnson
1515 Spencer Ave
New Bern, NC 28560

Contact Phone: (252) 288 -9470
Work Phone: (252) 464-8398
Email Address: MARCUS.G.JOHNSON@navy.mil

EXPERIENCE

2/2010 to Present; hours per Week; Environmental Protection Specialist; YA-0028-01; last promoted Not Specified; permanent employee; on temporary promotion; Dept of Navy, FRCE MCAS Cherry Point, NC; Amy Morgan, 464-8042; may contact supervisor.

Assigned to track all incoming Hazardous Waste and prepare & submit documents for disposal in Accordance with RCRA, State and local Regulations, using HMMS software. Take & review Sample Analysis to determine proper waste streams and profiling. Track all Non-RCRA blast media and determine consolidation loads and prepare and submit forms DD-1348-1A to pick-up and dispose of NonRCRA Media & RCRA Waste. Verify used oil that is consolidated into holding tanks and submit Documents for recycle. Oversee 90 Day Haz-waste Site inspections daily violations use Excel spreadsheet. Present FRCE Artisans with annual Hazardous waste awareness training. Serve as a altered Safe Site Leader in FRCE VPP Safety Program.

11/2009 to 1/2010; hours per Week; Hazardous Waste Disposal Inspector; WG-6913-8; last promoted Not Specified; permanent employee; on temporary promotion; Dept of Navy, MCAS Cherry Point; Gary Crossley, 252-464-7439; may contact supervisor.

Monitor Air Emission Systems using METSY software. Insure that Systems are operating within the normal operating ranges in accordance with Title V Permits and National Emission Standards. Investigate alarms and Issue Potential of Non-compliance when systems fall out of normal operations ranges. Initiate work tickets through the Maximo work tracking system when system Filters have reached there service ranges and other mechanical problems that may arise to keep units in normal compliance ranges.

06/2003 to 11/2009; 40 hours per Week; Hazardous waste disposer; WG-0-7; last promoted 06/2004; permanent employee; not on a temporary promotion; Dept of Navy, MCAS Cherry Point, NC; Gary Crossley , 252-646-7439 ; may contact supervisor.

Identifying, collecting, processing, stabilizing, neutralizing, consolidating Hazardous Waste in accordance with state and federal laws.
Perform daily inspections and servicing of 33, 90-day Hazardous Waste accumulation sites. Generate Hazardous Waste profiling and tracking labels using ENVIROMAX Hazardous Material Management System 4.0, software
Process, package and prepare waste for shipment to DRMO.
Consolidate mixed used oils to storage tanks awaiting to be recycled

Perform filter changes on paint,blasting booths and plating scrubber systems which are monitored through METASYS air emissions systems. Collect samples to ensure proper profiling and disposal of waste. Member of the FRCE Cherry Point Spill Response Team and Marine Corps Cherry Point Open Water Spill response Team which satisfies 29CFR1910.120,OPNAVINST 5090.1 and perform supervisor duties, as shop relief supervisor when supervisor is away

10/2001 to 06/2003; 40 hours per Week; Aircraft worker 1; \$16 per Hour; last promoted Not Specified; permanent employee; not on a temporary promotion; Raytheon Aerospace llc, Naval Aviation Depot Cherry Point, NC; D. Boseman , 252-464-7906 ; may contact supervisor.

Disassemble T58-402&16 Acc.gearbox,fuel pump,Right angle drive,Apt, Disassemble\assemble/test J79 mech.control box,linkage and spring loaded control box,sprockets,can use P.M.B.and glassbead blast machine, walk in booth and magi treat parts, steam-clean and soda blast,varsol booth, operate parts washer, and apply corrosion preventive compound to a\c parts

01/1998 to 06/2001; 40 hours per Week; line service Tech; \$10 per Hour; last promoted Not Specified; permanent employee; not on a temporary promotion; Piedmont Hawthorne, PO box 80125 Raleigh NC 27623; Shan Heglar , 919-840-2200 ; may contact supervisor.

Refueled piston,turboprop,jet Aircraft, fuel farm management,handling and moving aircraft, ramp safety, operate ground support equipment

EDUCATION

Triton High School, Erwin, NC; 1990 High School Diploma
Central Carolina Com. College, Sandford, NC; No Degree in Ground school for pilots , 1998; out of GPA; 3.0 Other Hours
Johnston Com.College, Smithfield,NC; 1995

PROFESSIONAL TRAINING

Piedmont Hawthorne HAZMAT Awareness Program, F.A.A. mandated anti-drug training. Law Enforcement training, first responder hazmat,us navy firefighting school,CPR,first-aid for law enforcement, nadep QA stamp class,nadep corrosion control class,nadep plastic media blaster, Cadmium Hazards, training, Lock-out tag-out, blood-borne pathogen, confined space entry, Hazardous Material management System, Fire in the work place,Ergonomics,blood borne refresher training,ISO 14001,Crane,Hoist and Sling Safety, Asbestos Awareness,NAVAIR Occupational Safety and Health Training,IS-800 National Response plan,IS-100 Incident Command System,Hexavalent chromium awareness, Airspeed Yellow Belt Training, Diaphragm Pump Repair

PROFESSIONAL LICENSES/CERTIFICATES

FRCE artsian stamp, FRCE plastic media blaster certification, aerial work platform and fork lift operator certification, 40-hour hazardous waste operations, and emergency response training (HAZWOPER) in accordance with 29CFR1910.120e and oil spill response in open water, Resource Conservation and Recovery, AT Level 1 Awareness training, Environmental Quality Sampling Course by Naval Engineer Corps officers School, 2010 Basic Hazardous Waste Compliance For Generators

PROFESSIONAL RATINGS, AWARDS, AND RECOGNITIONS

INDIVIDUAL CASH AWARD 3/24/2010, Special Act or Service Award 7/9/2009
Special Act or Service Award 7/1/2009
On the Spot Cash Award 11/12/2008
Special Act or Service Award 8/6/2008
On the Spot Cash Award 6/3/2008
Special Act or Service Award 6/2/2008
On the Spot Cash Award 12/19/2007
Special Act or Service Award 7/25/2007

OTHER INFORMATION

Respirator and Medical surveillance program

U.S. MILITARY SERVICE INFORMATION

Active Duty: 08/1990 to 05/1994 - U.S. Navy
Campaign badges and/or expeditionary medals received: Operation Desert Shield-Desert Storm, Operation Fiery Vigil, National Defense Medal, Southwest Asia Service Medal, Kuwait Liberation Medal, Joint Meritorious Unit Commendation, Sea Service Deployment Ribbon, Navy Unit Commendation.
Honorable Discharge