

COLUMBUS COUNTY
BOARD OF COMMISSIONERS
MINUTES

The Honorable Board of Columbus County Commissioners met in their said office at 111 Washington Street, Whiteville, NC, at 7:30 P.M., August 7, 1995, it being the first Monday.

BOARD MEMBERS PRESENT:

Sammie Jacobs, Chairman

Lynwood Norris, Vice Chairman

Spruell Randolph Britt

David L. Dutton, Jr.

A. Dial Gray, III

C. W. Williams

C. E. "Gene" Wilson

James E. Hill, Jr. Attorney

*Dempsey B. Herring
Interim County Administrator*

Ida L. Smith, Clerk to Board

Chairman Jacobs called the meeting to order and Ed Worley, Aging Director, gave the invocation.

APPROVAL OF BOARD MINUTES

A motion was made by Commissioner Britt, seconded by Commissioner Norris, and passed unanimously to approve the Minutes of the July 17, 1995 Board Meeting, as recorded.

CONSENT AGENDA ITEMS

A motion was made by Commissioner Norris, seconded by Commissioner Williams and passed unanimously to approve the following consent agenda items.

Budget Amendments:

<i>Accept 10-348-0204 Pesticide Recycling Grant</i>	<i>\$ 950.00</i>
<i>Expend 10-605-5702 Pesticide Recycling Grant</i>	<i>950.00</i>
<i>Accept 10-348-0103 Criminal Justice</i>	<i>6,000.00</i>
<i>Expend 10-510-0400 Professional Services</i>	<i>6,000.00</i>
<i>Transfer 10-348-0703 Community Traffic Safety</i>	<i>11,064.00</i>
<i>Carry over Federal funds from 1994-95</i>	

Expend as follows:

10-578-1400 Travel	500.00
10-578-3200 Office Supplies	500.00
10-578-3300 Departmental Supplies	5,000.00
10-578-7400 Capital Outlay	5,064.00
Accept 10-348-1202 State Funds Comp. Breast Cervical Cancer Screening and Outreach	6,887.00
<i>Expend as follows:</i>	
10-580-0200 Salaries	3,787.00
10-580-0400 Professional Services	2,000.00
10-580-0500 FICA	400.00
10-580-0600 Insurance	250.00
10-580-0700 Retirement	450.00
Accept 10-348-0601 Childhood Lead Poisoning Prevention	1,200.00
Expend 10-590-5701 Childhood Lead Poisoning Prevention	1,200.00
Accept 10-348-0801 Child Fatality Prevention	1,258.00
Expend 10-589-3300 Departmental Supplies	1,258.00
Accept 10-348-0400 State Aid - Economic Dev.	97,500.00
Expend 10-496-5700 Misc. Expense (Projects)	97,500.00
Accept 10-335-0200 Arts Council	684.00
Expend 10-630-3300 Books	684.00
Accept 10-399-0000 Fund Balance Appropriated	500.00
Expend 10-535-3200 Office Supplies	500.00

Tax Releases and Refunds:

Burlie E. & Brenda Blackwell: E-7-115D, double wide mobile home, double-listed on real property, also on personal property. Amount \$344.33, valuation \$32,310, year 1995, account #16-00691.

Eva D. Evans: Resides in Sampson County. Mobile home vacant. Amount \$60.00 user fee, year 1995, account #15-13555.

B. Edwin Fowler: I-14-24, no mobile home on this property (does not own a mobile home). Amount \$157.48, valuation \$20,190, year 1995, account #06-10560.

Ernestine Gore: TC-3-10 house vacant. (See refund for 1994). Amount \$36.00 user fee, year 1995, account #06-14570.

Richard & Zelda W. Green: Leasehold on E-6-98 (double-wide mobile home) listed as personal property and also real property. Amount \$368.91, valuation \$39,240, year 1995, account #16-06633.

Terry Dale & Marian Hayes: D-8-58, double-wide mobile home double-listed on Fay G. Hayes, map D-8-61, account #16-07720. Amount \$314.28, valuation \$32,600, year 1995, account #16-07927.

George T Munn: V-1-70 not in Acme Delco Fire District.

Amount \$96.90, years 1992-94, account #15-28140.

Mary Alice Teichmann: Mobile home located on J-7-37 is vacant. She resides on J-7-37 (lot and house) #01-86260. Amount \$60.00, year 1995, account #01-86092.

Charles Edward Warren: L-12-9, seasonal trailer. Amount \$40.00, year 1995, account #03-28240.

J.C. & Bernice Wray: J-14-2 mobile home vacant. Amount \$60.00, year 1995, account #07-19500.

Ordered: That a tax refund be issued to Ernestine Gore, 1484 Fulton Street, Brooklyn, NY 11216, in the amount of \$18.00, for year 1994. TC-3-10, house vacant. Account #06-14570.

Ordered: That a refund check be issued to George E. & Sarah Miller, 605 Main Street, Fairmont, NC 28340, in the amount of \$108.50, for years 1992-94. Portion of CH-2-50, double-listed to CH-2-50A since January 1, 1992 to Lois Hope on #13-20082. Valuation \$15,000.00, account #13-27780.

WHITEVILLE CEMETERY ASSOCIATION - REQUEST FOR EXCHANGE OF PROPERTY

Coburn Powell, Attorney representing the Whiteville Cemetery Association, addressed the Board stating that the County has installed water and sewer lines at the new County Complex on Whiteville Cemetery property. The Cemetery Association is requesting compensation for the encroachment on their property or an exchange of property of like value. Attorney Powell also stated that the Cemetery Association is requesting that a screen buffer be placed on the north side of the property to separate the two (2) properties.

A motion was made by Commissioner Wilson, seconded by Commissioner Williams and passed unanimously to have James E. Hill, Jr., County Attorney, and Coburn Powell, Whiteville Cemetery Association Attorney, to work out the details of an exchange of property of like value and present to the Board of Commissioners for consideration of approval.

APPOINTMENTS - TABLED

A motion was made by Commissioner Norris, seconded by Commissioner Gray and passed unanimously to table the appointments

to Boards and Committees until a schedule can be prepared which allows for representation from all respective Commissioners' Zones.

BUDGET AMENDMENT - SHERIFF'S DEPARTMENT

A motion was made by Commissioner Williams, seconded by Commissioner Gray and passed unanimously to approve the following budget amendment for the Sheriff's Department:

Transfer 10-335-0000 Miscellaneous Revenue	\$3,350.00
(Proceeds from sale of surplus vehicles)	
Expend 10-510-7400 Capital Outlay	\$3,350.00

FINANCE - BANKING PROPOSAL ACCEPTED

Dempsey Herring, Interim Administrator, advised the Board that three (3) Banking Operational Proposals for Columbus County were received from the following banking facilities:

United Carolina Bank, Whiteville, NC 28472
 Branch Banking & Trust, Whiteville, NC 28472
 First Citizens Bank, Whiteville, NC 28472

Alan Price of Thompson, Price and Company, P.A., who is handling the audit for Columbus County, reviewed and scrutinized the proposals and it is Mr. Thompson's opinion that the proposal from United Carolina Bank was the best value for Columbus County at this time.

A motion was made by Commissioner Norris, seconded by Commissioner Williams and passed unanimously to accept the proposal for the day-to-day operational accounts for Columbus County from United Carolina Bank as recommended by Thompson, Price and Company, P.A.

HOSPITAL (COLUMBUS COUNTY) - CERTIFICATE OF NEED ENDORSEMENT

William S. Clark, Columbus County Hospital Administrator, presented the Board with their projected hospital construction plan for expansion of the out-patient facility and requested the Board to write a letter of endorsement for a Certificate of Need that has been submitted to the state for the project.

A motion was made by Commissioner Dutton to take the request from the Columbus County Hospital under advisement.

The motion died in lack of a second.

A motion was made by Commissioner Gray, seconded by

Commissioner Britt and passed to write a letter of support for the Certificate of Need for the out-patient expansion of the Columbus County Hospital.

AYES: Commissioners Dutton, Gray, Jacobs, Williams, Britt and Wilson

Commissioner Norris abstained from voting due to the fact that he serves on the Columbus County Hospital Board.

HOSPITAL (COLUMBUS COUNTY) - MEETING WITH HOSPITAL BOARD TO BE SCHEDULED

The Board reached a general consensus to hold a joint meeting with the Columbus County Hospital Board to discuss hospital plans before proceeding with the out-patient expansion. The meeting date is to be coordinated by Dempsey Herring, Interim Administrator, and William S. Clark, Hospital Administrator.

ADMINISTRATOR'S REPORT

1. The Travel & Tourism Board would like to meet with the Board of Commissioners at 6:00 P.M. on Monday, August 21, 1995.
2. Paul Benton extends thanks to the Board for the 1995-96 appropriation of \$75,000 for the Handicapped Transportation Program.
3. The drawings of a tentative court facility for the agriculture extension building are available in the Administration Department. Mr. Ballard is to get back with a cost estimate on the court facility. He is in the process of getting with the judges on this project.
4. Renovations of the Library are beginning to start. The siding for the building has been ordered and is within the figures that we have budgeted for.
5. We are working out a schedule to change the heating and air conditioning at the courthouse. If we cannot arrange a schedule with the courts to have this done during the day, we will have to contract for nights and weekends. We have contacted heating and air conditioning companies for proposals and prices.
6. There has been a staff meeting scheduled for each third Wednesday in each month at 7:30 A.M. at the Senior Citizens Center.
7. The Library Board has been interviewing Library Directors and will have a recommendation to present to the Board for consideration within two (2) weeks. Also, a management team has been selected at the Library, due to the absence of a Director. A freeze has been placed on hiring until a new Director is employed.

PUBLIC HEARING SCHEDULED - WHITEVILLE PLYWOOD CDBG

A motion was made by Commissioner Norris, seconded by

Commissioner Britt and passed unanimously to schedule a public hearing for August 21, 1995, at 7:15 P.M. to obtain public comment and to present information regarding an economic development Community Development Block Grant for an expansion project with Whiteville Plywood.

TRAVEL & TOURISM - MEETING SCHEDULED

A motion was made by Commissioner Gray, seconded by Commissioner Williams and passed unanimously to hold a joint dinner meeting with the Travel and Tourism Board at 6:00 P.M., August 21, 1995, at the Holiday Restaurant.

AGREEMENT - NATURAL GAS LINE

A motion was made by Commissioner Norris, seconded by Commissioner Britt and passed unanimously to approve the following Pipeline Agreement, contingent upon the Attorney's approval, and to allow Sammie Jacobs, Chairman of the Board of Commissioners to sign the necessary documents.

PIPELINE AGREEMENT

NORTH CAROLINA

COLUMBUS COUNTY

This AGREEMENT made and entered into this 7th of August, 1995, by and between Columbus County, a political subdivision of the State of North Carolina ("County") and North Carolina Natural Gas Corporation, a Delaware Corporation with its principal office in Fayetteville, North Carolina, ("Company").

W I T N E S S E T H :

WHEREAS, County is involved in developing an Industrial Park located between Whiteville and Chadbourn in Columbus County, North Carolina; and

WHEREAS, County desires to have natural gas available in the Industrial Park to assist with its success and to that end County has planned and created a Natural Gas Pipeline Project in Columbus County, North Carolina to provide natural gas service to the Industrial Park; and

WHEREAS, Company holds a Certificate of Public Convenience and necessity authorizing it to deliver natural gas service in the County and owns and operates a natural gas

transmission and distribution system in portions of County; and

WHEREAS, County and Company have developed a project and received bids to construct a six inch (6") high pressure natural gas pipeline, related regulator stations and other necessary facilities (the "Line") from the Industrial park to existing gas facilities that the Company in Bladen County in order to provide natural gas service to the Industrial Park; and

WHEREAS, Company has agreed to pay \$400,000 toward construction costs of the Line has committed to incur up to \$118,341 of additional costs for Company engineering services, company labor for inspections and regulatory applications, plans and permits, and the County has obtained sufficient funds for the costs of the Line in excess of the Company's investment expense.

WHEREAS, the County and Company previously entered into a "Pipeline Operating Agreement" dated June 29, 1994 but due to cost changes, wish to terminate that agreement and enter into this agreement addressing the contractor of the Line and providing for the operation of the Line by the Company after it has been constructed.

NOW, THEREFORE, the parties do hereby mutually agree that Company shall operate the Line subject to the following terms and conditions:

ARTICLE ONE: CONSTRUCTION OF NATURAL GAS LINES

County and Company have reviewed the design and location of the Line to the Industrial Park. County hereby affirms that it has approved the design and location of the Line including its location in the Department of Transportation (DOT) right of way. The Company affirms that the Line as designed complies with its specifications and safety standards.

- (a) County shall contract for and purchase all pipe to be used in the construction of the natural gas facilities (the Line) from NCNG's existing natural gas pipeline to the industrial park. Construction of the Line and the procurement of materials shall be as follows:
- (b) Company shall contract for necessary miscellaneous materials, x-ray inspection, tie-in assembly and the installation of pipe on a unit price basis (starting at Company's existing facilities); however, Company shall not be required to expend more than a total of \$400,000 for materials, x-ray, tie-in assembly and pipe installation for the Line. At its additional expense, Company will absorb up to \$118,341 worth of cost and

expenses for preparation of regulatory required applications and plans, encroachment agreements, engineering services at Company's direction, and Company labor for inspections. COMPANY SHALL NOT BE RESPONSIBLE FOR ANY COST INCURRED IN COMPLETING THIS PROJECT/LINE OVER AND ABOVE A TOTAL OF \$518,341 AS DESCRIBED IN THIS SUB-PARAGRAPH.

- (c) County will be responsible for and fund all cost and expenses of the Line over the amount covered by the Company's maximum contribution set forth in sub-paragraph (b) above. County shall absorb internal expenditures if any, such as approving and supervising this project.
- (d) County and Company will separately contract for the Line as described above, but will not do so without first consulting and coordinating the same with each other. Company will assist County by preparing contract documents (construction agreement, pipe contract, specifications, etc.) for the construction of the line and acquisition of pipe, but such construction and acquisition of pipe contracted for by County shall be the sole responsibility of County.
- (e) Company shall have the right to inspect the work of the contractor to verify that it complies with the approved plans, specifications and standards and its inspector shall have the authority to stop work by the contractor on the Line at any point in the event the inspector observes work which does not comply in his opinion with the plans, specifications and standards.
- (f) The Line shall be located in the DOT right-of-way in compliance with the DOT encroachment agreements which shall be in the name of the County and Company, where appropriate. The route of the Line is generally shown on the map attached hereto as Exhibit A. Any route changes must be approved by the Company.
- (g) County will furnish Company with a certification upon completion of the construction of the Line pursuant to a contract with County that the Line as constructed is in compliance with all applicable state and federal rules, regulations, and orders and plans and specifications.
- (h) The location of the interconnection between Company owned facilities and the County owned Line will be designated by appropriate markers and will be adjusted based on the final cost of the Line allocated to each party.

ARTICLE TWO: OPERATION OF LINE

Company agrees to operate the Line and to furnish natural gas service to end-users located on the Line who qualify for such services and who execute a natural Gas Service Agreement with the Company, all in accordance with the North Carolina Laws relating to natural gas utilities, the Company's General Rules and Regulations, the Company's Rate Schedules and any applicable Orders of the North Carolina Utilities Commission.

ARTICLE THREE: MANAGEMENT AND CONTROL

Company shall have exclusive control of the management and operation of the Line including the attachment of customers, the

type of service to be rendered the customers, the interruption of service to the customers and all other matters and things relating to natural gas service from the Line, all in accordance with applicable Laws and the Company's General Rules and Regulations, Tariffs and Rate Schedules.

Any third parties crossing the Line must sign the standard encroachment agreement Company has in effect at the time request for encroachment is made. The encroachment agreement will be prepared by Company, and signed by Company, the County and the party crossing the Line.

ARTICLE FOUR: MAINTENANCE

Company shall be responsible at its own expense for all maintenance on the Line during the term of this Agreement and shall keep the Line in good repair.

ARTICLE FIVE: LIABILITY

Company agrees to indemnify and hold County harmless from any and all liability, suits, judgements, executions, actions, losses, damage, destruction, and costs (including court costs and counsel fees), injury or death occurring as a sole result of Company's control, use or operation of the Line.

ARTICLE SIX: CONTRACT TERM/OPTION

This agreement shall be in effect as provided in Article 14 below and shall continue for a term of forty (40) years. The forty (40) year term shall commence upon acceptance of the Line by Company as provided in Article 14 below. To the extent allowed by applicable law, Company will have the option to purchase the Line and all right-of-way easements and DOT encroachment rights from the County, its successors, grantees or assigns at the end of the forty (40) year term for the price of \$1.00 in hand paid.

ARTICLE SEVEN: ATTACHMENT OF CUSTOMERS

Company shall have the right to attach additional transmission distribution or service lines and other necessary facilities to the Line for the service of natural gas customers along the Line in accordance with Company's responsibility under its Certificate of Public Convenience and Necessity. In the event this Agreement is terminated for any reason whatsoever, Company shall continue to

have the right to operate such additional transmission, distribution, service lines and other necessary facilities and to maintain and operate that portion of the Line which is necessary for such continued natural gas service.

ARTICLE EIGHT: SALE OR OTHER DISPOSITION OF LINE BY COUNTY

If County should sell or otherwise dispose of the Line or if County should be divested of its ownership of the Line, this Agreement shall remain in full force and effect for the remaining term as to the successors, assigns or grantees of County and any transfer of ownership of the Line shall be subject to this Agreement.

ARTICLE NINE: BINDING ON SUCCESSORS AND ASSIGNS

This Agreement shall be binding on and shall inure to the benefit of the successors and assigns of both Company and County.

ARTICLE TEN: REPRESENTATIVES AND WARRANTIES

Company represents and warrants the following:

- (a) Company is a corporation duly organized, validly existing and in good standing under the laws of the State of Delaware and is duly qualified to do business in North Carolina, and this Agreement shall be interpreted, performed and enforced in accordance with the laws of the State of North Carolina;
- (b) Company has the full power and authority to enter into this Agreement and to carry out the obligations which it has undertaken in this Agreement;
- (c) The execution of this Agreement and the operation of the Line will not violate any statute, rule, regulation or order of any court, administrative agency or governmental body;
- (d) Company will deliver to County a certificate of its general liability insurance carrier showing its existing coverage for personal injury and/or property damage presently applicable to the Company's operations. Such Certificate shall indicate that the coverage extends to the Line and the operation of the Line by Company. Company will continue such coverage throughout the term of this Agreement.

County represents and warrants the following:

- (a) County is a validly created and existing political subdivision of the State of North Carolina;
- (b) County has the power and authority to enter into this Agreement and to carry out its obligations thereunder and such action has been authorized by duly adopted and valid resolutions of the Board of County Commissioners of Columbus County;
- (c) The entering into and performance of the Agreement on the part of County does not violate any statute, rule, regulation or order of any court, administrative agency or governmental body and County has sufficient funds

appropriated in the fiscal year in which it has entered into this Agreement to meet its obligation to construct the Line and will appropriate such funds as are necessary to meet its obligations hereunder in any subsequent applicable fiscal year.

- (d) County is the owner of the Line however all easements, crossing agreements, DOT encroachments, and other rights and privileges necessary for the location, construction, maintenance and operation of the Line as constructed or to be constructed shall name Company as operator and shall provide that the same are assignable to Company should it purchase the Line.
- (e) That County will secure a written agreement with the North Carolina Department (D.O.T.) that will not require the County or Company to relocate those portions of the line that may utilize North Carolina D.O.T. rights-of-way or in the alternative County will provide either directly or by reimbursement to Company) for all costs incurred in moving or replacing the Line including, but not limited to, construction costs, pipe, engineering, overheads, permitting, and other necessary fees, expenses and costs should the North Carolina D.O.T. find it necessary to require the Line to be moved at a future date. Any cost of relocating natural gas lines not covered by D.O.T. or third party shall be the responsibility of the County; and
- (f) That all easements, crossing agreements and other rights and privileges necessary for the location, construction, maintenance and operation of the Line are transferable to North Carolina Natural Gas Corporation at that time NCNG assumes ownership of the Line; and that copies of documents indicating such will be provided to NCNG for their records; and
- (g) That Company shall be included as an additional insured under the County and/or Contractor's Insurance policy. Certificates of Insurance shall be provided to Company from the County and/or contractor as evidence of coverage and of the fact that County is included as an additional insured.
- (h) County will obtain from its contractor a one (1) year warranty against defects in construction, material and workmanship of the Line.

ARTICLE ELEVEN: PLANS AND DRAWINGS TO BE FURNISHED

Company shall furnish County copies of all easements, plans and specifications; as-built alignment drawings (as specified by Company) showing the location of all pipelines, valves and other appurtenances to the Line. County will reimburse Company for the preparation of the as-built drawing.

ARTICLE TWELVE: ANTI-DISCRIMINATION CLAUSE

Company and County agree that no person shall, on the grounds of race, color, national origin or sex, be excluded from participation or denied the benefits or be subject to discrimination under any project, program or activity undertaken pursuant to this Agreement and to further agree to be bound by the

provisions of any law relating to anti-discrimination which shall be applicable to any grant for construction of the Line.

ARTICLE THIRTEEN: NOTICES

Any notice required under this Agreement may be sent to the parties at the following addresses:

COUNTY: Columbus County Board of Commissioners
111 Washington Street
Whiteville, North Carolina 28472

COMPANY: North Carolina Natural Gas Corporation
Post Office Box 909
150 Rowan Street
Fayetteville, North Carolina 28302
Attention: Office of the President

ARTICLE FOURTEEN: EFFECTIVE DATE

With the exception of Articles 2, 3, 4, 5, and 7, this Agreement shall become effective upon execution by both parties. Articles 2, 3, 4, 5, and 7 shall be effective on the date on which the Line is accepted by Company and is placed into operation as indicated on Form G-3 as filed with the North Carolina Utilities Commission after completion of construction. A copy of such form shall be provided to the County.

ARTICLE FIFTEEN: MISCELLANEOUS

- (a) This Agreement shall be governed and construed in accordance with the laws of the State of North Carolina.
- (b) This document contains the entire agreement between the parties and there are no other understandings or representations between the parties hereto. This Agreement may not be amended except by an instrument in writing signed by duly authorized representative of each party.
- (c) If any provision of this Agreement shall be held invalid, illegal or unenforceable to any extent and for any reason by a court or agency of competent jurisdiction, the provision held to be invalid, illegal or unenforceable shall be severed from the Agreement and the remainder of this Agreement shall not be affected thereby and shall be enforceable to the full extent permitted by law.
- (d) The Pipeline Operating Agreement between the parties dated June 29, 1994 is hereby terminated and replaced by this Agreement.

IN WITNESS WHEREOF, this Agreement is executed and their seals affixed by the parties hereto the day and year first above written.

COLUMBUS COUNTY

/s/ _____
Chairman to Board of Commissioners

ATTEST:
/s/ _____
Clerk to Board of Commissioners

(SEAL)

NORTH CAROLINA NATURAL GAS CORPORATION

By: _____
President, Chief Executive Officer

ATTEST:

Secretary
(CORPORATE SEAL)**GOVERNING BODY - WORK SESSION SCHEDULED**

Commissioner Wilson stated that at the June 26, 1995 Board Meeting, the Board voted to consider meeting in the near future in reference to drafting a job description for the position of County Administrator.

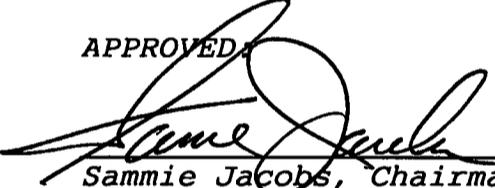
The Board concurred to hold a work session to prepare the County Administrator's job description, along with any other items of interest, on August 16, 1995, at 7:00 P.M., in the Board of Commissioners' Chambers.

ADJOURNMENT

A motion was made by Commissioner Norris, seconded by Commissioner Gray and passed unanimously to adjourn the meeting at 8:40 P.M.



Ida L. Smith, Clerk to Board

APPROVED


Sammie Jacobs, Chairman