

COLUMBUS COUNTY BOARD OF COMMISSIONERS**Monday, September 16, 2013****6:30 P.M.**

The Honorable Columbus County Commissioners met on the above stated date and at the above stated time in the Dempsey B. Herring Courthouse Annex Building, located at 112 West Smith Street, Whiteville, North Carolina, for the purpose of conducting their regularly scheduled meeting on the 3rd Monday.

COMMISSIONERS PRESENT:

Charles T. McDowell, **Chairman**
 Ricky Bullard, **Vice Chairman**
 Amon E. McKenzie
 James E. Prevatte
 Giles E. Byrd
 P. Edwin Russ
 Trent Burroughs

APPOINTEES PRESENT:

William S. Clark, **County Manager**
 Mike Stephens, **County Attorney**
 June B. Hall, **Clerk to Board**

APPOINTEE ABSENT:

Bobbie Faircloth, **Finance Officer**

6:30 P:M

PUBLIC HEARING: **Public Transportation - Proposed Rural Operating Assistance Program (ROAP) Application** - the purpose of the Public Hearing is to receive oral or written comments from any interested party.

PUBLIC HEARING OPENED:

At 6:30 P.M., Chairman McDowell called the Public Hearing to order and stated the purpose of the Public Hearing is to receive oral or written comments from any interested party on the Proposed Rural Operating Assistance Program (ROAP) Application. Chairman McDowell requested that Michael H. Stephens, County Attorney, orally read the Policy on Comments at Public Hearings. Mr. Stephens orally read the policy in its entirety.

COMMENTS:

Chairman McDowell opened the floor for comments. No oral or written comments were received.

PUBLIC HEARING CLOSED:

At 6:32 P.M., Commissioner Russ made a motion to close the Public Hearing, seconded by Commissioner McKenzie. The motion unanimously passed.

6:32 P.M.**REGULAR SESSION**

Agenda Items #1, #2 and #3: **MEETING CALLED to ORDER, INVOCATION and PLEDGE of ALLEGIANCE:**

At 6:32 P.M., Chairman Charles T. McDowell called the September 16, 2013 Columbus County Board of Commissioner Regular Session Meeting to order. The invocation was delivered by Vice Chairman Ricky Bullard. Everyone in attendance stood and pledged Allegiance to the Flag of the United States of America which was led by Commissioner James E. Prevatte.

Agenda Item #4: **BOARD MINUTES APPROVAL:**

Commissioner Byrd made a motion to approve the August 26, 2013 Combination of Five (5) Water Districts Workshop Minutes, and the September 03, 2013 Regular Session Board Meeting Minutes, as recorded, seconded by Commissioner Prevatte. The motion unanimously passed.

Agenda Item #5: **Public Input:**

Chairman McDowell opened the floor for public input. The following spoke.

Edna Brown: stated the following:

1. I would like to speak to you about a mobile home park that is going up in my neighborhood;
2. I have been to the Planning Committee, Mr. Reeves, and the County Attorney;
3. There are things that are not being done right;
4. I would like for someone to check into this matter; **and**
5. I have a petition from my neighbors and I would like to leave this petition with you.

Agenda Item #6: FAMILIES FIRST - DOMESTIC VIOLENCE AWARENESS MONTH PROCLAMATION (2013):

Vickie Pait, Executive Director of Families First, requested Board approval and adoption of the following Domestic Violence Awareness Month Proclamation (2013).

**DOMESTIC VIOLENCE AWARENESS MONTH
PROCLAMATION (2013)**

WHEREAS, domestic violence is more than the occasional family dispute. According to the Department of Health and Human Services, it is the single largest cause of injury to American women, affecting six million of all racial, cultural and economic backgrounds; **and**

WHEREAS, the problems of domestic violence are not confined to any group or groups of people but cross all economic, racial and societal barriers; and supported by societal indifference; **and**

WHEREAS, the crime of domestic violence violates an individual's privacy, dignity, security and humanity due to systematic use of physical, emotional, sexual, psychological and economic control and/or abuse; **and**

WHEREAS, the impact of domestic violence is wide ranging, directly affecting women and children and society as a whole; **and**

WHEREAS, in Columbus County, during 2012 - 2013, Families First, Incorporated served 367 victims of domestic violence and provided emergency shelter to 229 women and children.

NOW, THEREFORE, BE IT PROCLAIMED, we, the Columbus County Board of Commissioners, do hereby proclaim that October 2013, is **DOMESTIC VIOLENCE AWARENESS MONTH** in Columbus County and call upon all citizens to join in making every home a safe home and to support Families First in working toward the elimination of personal and institutional violence against women.

APPROVED and ADOPTED, this the 16th day of September, 2013.

COLUMBUS COUNTY BOARD OF COMMISSIONERS

/s/ **CHARLES T. McDOWELL, Chairman**

ATTESTED BY:

/s/ **JUNE B. HALL, Clerk to Board**

Commissioner Byrd made a motion to approve the Domestic Violence Awareness Month Proclamation (2013), seconded by Commissioner Russ. The motion unanimously passed.

Agenda Item #7: PUBLIC TRANSPORTATION - ROAP FUNDING:

Charles Patton, Public Transportation Director, requested Board approval of authorizing the Chairman to sign the following Certified Statement and approve the sub-allocation of funds.

CERTIFIED STATEMENT

FY 2014

County of Columbus

RURAL OPERATING ASSISTANCE PROGRAM

WHEREAS, the stated-funded, formula-based Rural Operating Assistance Program (ROAP) administered by the North Carolina Department of Transportation, Public Transportation Division provides funding for the operating cost of passenger trips for counties within the state;

WHEREAS, the county uses the most recent transportation plans (i.e. CTSP, CTIP, LCP) available and other public involvement strategies to learn about the transportation needs of agencies and individuals in the county before determining the sub-allocation of these ROAP funds;

WHEREAS, the county government or regional public transportation authorities created pursuant to Article 25 or Article 26 of Chapter 160A of the General Statutes (upon written agreement with the municipalities or counties served) are the only eligible recipients of Rural Operating Assistance Program funds which are allocated to the counties based on a formula as described in the Program Guidelines included in the ROAP State Management Plan. NCDOT will disburse the ROAP funds only to counties and eligible transportation authorities and not to any sub-recipients selected by the county;

WHEREAS, the county finance officer will be considered the county official accountable for the administration of the Rural Operating Assistance Program in the county, unless otherwise designated by the Board of County Commissioners;

WHEREAS, the passenger trips provided with ROAP funds must be accessible to individuals with disabilities and be provided without discrimination on the basis of national origin, creed, age, race or gender (FTA C 4702.1A, FTA C 4704.1, Americans with Disabilities Act 19890); **and**

WHEREAS, the period of performance for these funds will be July 1, 2013 to June 30, 2014 regardless of the date on which ROAP funds are disbursed to the county.

NOW, THEREFORE, by signing below, the duly authorized representatives of the County of Columbus, North Carolina certify that the following statements are true and accurate:

- The county employed a documented methodology for sub-allocating ROAP funds that involved the participation of eligible agencies and citizens. Outreach efforts to include the participation of the elderly and individuals with disabilities, persons with limited English proficiency, minorities and low income persons in the county's sub-allocation decision have been documented.
- The county will advise any sub-recipients about the source of the ROAP funds, specific program requirements and restrictions, eligible program expenses and reporting requirements. The county will be responsible for invoicing any sub-recipients for unexpended ROAP funds as needed.
- The county will monitor ROAP funded services routinely to verify that ROAP funds are being spent on allowable activities and that the eligibility of service recipients is being properly documented. The county will maintain records of trips and services for five years that prove that an eligible citizen was provided an eligible transportation service on the billed date, by whatever conveyance at the specified cost.
- The county will be responsible for monitoring the safety, quality and cost of ROAP funded services and assures that any procurements by subrecipients for contracted services will follow state guidelines.
- The county will conduct regular evaluations of ROAP funded passenger trips provided throughout the period of performance.
- The county will only use the ROAP funds to provide trips when other funding sources are not available for the same purpose or the other funding sources for the same purpose have been completely exhausted.
- The county assures that the required matching funds for the FY2014 ROAP can be generated from fares and/or provided from local funds.
- The county will notify the Mobility Development Specialist assigned to the county if any ROAP funded services are discontinued before the end of the period of performance due to the lack of funding. No additional ROAP funds will be available.
- The county will provide an accounting of trips and expenditures in a semi-annual report and a final year-end report to NCDOT - Public Transportation Division or its designee.
- Any interest earned on the ROAP funds will be expended for eligible program uses as specified in the ROAP application. The County will include ROAP funds received and expended in its annual independent audit on the schedule of federal and state financial assistance. Funds passed through to other agencies will be identified as such.
- The county is applying for the following amounts of FY2014 Rural Operating Assistance Program funds:

State-Funded Rural Operating Assistance Program	Allocated	Requested
Elderly & Disable Transportation Assistance Program (EDTAP)	\$72,068	\$72,068
Employment Transportation Assistance Program (EMPL)	\$22,226	\$22,226
Rural General Public Program (RGP)	\$88,063	\$88,063
TOTAL	\$182,357	\$182,357

WITNESS my hand and county seal, this 16th day of September, 2013.

/s/ WILLIAM S. CLARK, County Manager

s/ CHARLES T. McDOWELL, Chairman
Board of County Commissioners Chairperson

State of North Carolina County of Columbus

/s/ BOBBIE FAIRCLOTH, Finance Officer

(County Seal)

ROAP SUB-ALLOCATION & DISTRIBUTION - COLUMBUS COUNTY for FY 2013-2014

ACCOUNT #	DESIGNEE	DISTRIBUTION	TOTALS
EDTAP			
68-9600-560065	DSS	-0-	-0-
68-9600-560067	Mental Health	\$6,000	\$6,000
68-9600-560070	Columbus Co Transportation	\$66,068	\$66,068
	Sub-total:	\$72,068	\$72,068
Workfirst			
68-9600-560066	Columbus C. Transportation	\$22,226	\$22,226
Rural General Public			
68-9600-560061	Columbus Co Transportation	\$88,063	\$88,063
TOTALS:		\$182,357	\$182,357

RGP (County \$)

68-4520-560008

Columbus County Transportation

County Provided
Funds

Commissioner Prevatte made a motion to approve authorizing the Chairman to sign the Certified Statement and approve the sub-allocation of funds for the Rural Operating Assistance Program (ROAP), seconded by Commissioner McKenzie. The motion unanimously passed.

Agenda Item #8: SOCIAL SERVICES - MONTHLY ADMINISTRATIVE UPDATE:

Algernon McKenzie, Social Services Director, delivered the following Monthly Administrative Update to the Board.

An agency staff meeting was held on August 14, 2013. During the meeting, a check for \$494.38 was presented to Mrs. Vicki Pait of Families First. This money came from our dress down days.

Staff was also given information on dealing with NCFast phone calls concerning benefits.

Staff was informed about the funds coming from Duke Energy Progress.

Three employees were recognized for their upcoming retirements.

I attended the following local meetings; Columbus County Transportation Board, Smart Start Partnership Annual Meeting, County Commissioners Meeting and Department Heads Meeting.

Our Eastern Regional Director's Meeting was held at Atlantic Beach, NC on August 15 and 16, 2013. We were informed that NC Tracks and NCFast continue to experience problems. Counties are continuing to work on issuing benefits timely, although there are still system problems. Counties are encouraged to cross-train workers in Food and Nutrition, Medicaid and Work First as we transition towards the Universal Worker Model. Workers will need to be able to take applications for all

programs as NCFAST moves forward. We have begun to reorganize in an effort to cross-train our staff.

Effective October 1, 2013; Food and Nutrition benefits will increase due to cost of living increases, however, effective November 1, 2013; benefits for all Food and Nutrition recipients will decrease according to USDA.

House Bill 394, which will require drug testing for some welfare recipients, has been passed. This could become a county expense. I will continue to follow-up with this bill and see what the cost may be to the county; when the Division of Health and Human Services clarifies it for us.

Economic Services

Food & Nutrition	Applications Taken: 378 Applications Approved: 334 Active Cases: unavailable at this time in NCFAST Benefits Issued: unavailable at this time in NCFAST Participants Served: unavailable at this time in NCFAST
Adult Medicaid	Applications Taken: 164 Individuals Receiving: 5,689 Cases Terminated: 63
Family & Children's Medicaid	Applications Taken: 349 Individuals Receiving: 10,174 Applications Processed: 330
Child Support	Absent Parents Located: 204 Orders Enforced: 799 Active Cases: 4,560 Collections: \$452,946.40

Human Services

Adult Services (APS)	APS Reports Accepted: 14 County Wards: 19 Adults Served via Guardianship: 15 Adults Served APS: 18 Number of Medicaid Transportation Trips: 1,597 Amount Requested for Reimbursement: \$28,689.57
Children's Protective Services (CPS)	Reports Accepted: 42 Reports Screened Out: 13 Families Receiving In-Home Services: 45 Children Served: 96 Contacts with Families Monthly: 152 Assessments: 32
Foster Care	Foster Children in Foster Homes: 66 Children Placed Outside County: 11 Agency Adoptions: 4 Pending Adoptions: 5 Total Foster Homes Licensed: 14
Work First Employment (TANF)	Applications Taken: 59 Applications Approved: 45 Individuals Receiving Benefits: 666 Entered Employment: 0 Number in Non-Paid Work Experience: 8
Program Integrity	Collections for Fraud: \$4,516.72 New Referrals: 21 Cases Established: 7
Day Care	Children Receiving Day Care Assistance: 518 Children on the Waiting List: 251 Amount Spent on Day Care Services: \$196,004.25

HUMAN SERVICES BOARD REPORT

Children's Protective Services/Intake/Investigation/Assessment
 Children's Protective Services/In-Home Services
 Children's Protective Services/Foster Care/Adoptions
 Adult Services
 Work First Employment
 Child Day Care
 Program Integrity

Melinda H. Lane, Program Manager

Vacancies/Updates/News for August 2013**Intake/Investigation/Assessment:**

The Intake/Investigation/Assessment Unit continue to have a Social Worker on limited duty and a Social Worker that will be going on maternity leave in the month of September.

In-Home Services:

The In-Home Services Unit has begun improving its numbers. Although there were numerous cancellations, Ten Child and Family Team meetings were held during the month of August. Most of the Social Workers are at the target amount of ten cases per case manager. Out of the forty-five cases, twenty-three remain high risk. Case Managers are having to think "out of the box" in order to come up with ideas that help with the resolution of issues that cases have.

Foster Care/Adoptions:

The Adoptions Gala was a HUGH success! The Foster Care/Adoptions Unit is very appreciative to all that came out and supported our adoptive parents. The Foster Care/Adoptions Unit will be collaborating with the Children's Home Society to have a MAPP training class for prospective foster parents beginning September 14th, 2013, at DSS, 9:00-4:00.

Adult Services:

None.

Work First Employment:

The Work First Employment Unit recently lost a Social Worker due to retirement. Interviews for this vacant position will soon begin.

Child Day Care:

None.

Program Integrity:

Program Integrity continues to see a slight increase in collections over the past few months.

Columbus County was recently awarded a one-time contribution from Duke Energy Progress to provide assistance to their low-income customers. The Energy Assistance Program, which this Unit helps administer, is currently making plans for the application process for this contribution to begin possibly by late September.

Economic Services Program Narrative

Universal Intake and Triage Unit
 Food and Nutrition Program
 Family and Children's Medicaid
 Work First Family Assistance/Cash/Medicaid Transportation & Supportive Services
 Medicaid for the Aged and Disabled/Rest Home and Nursing Home/
 Community Alternatives Program(CAP)
 Child Support & Paralegal

Submitted by: Cyndi Hammonds
 Income Maintenance Administrator

Reporting Month: August 2013

News/Updates/Vacancies

Universal Intake and Triage Unit

This unit has been extremely busy with taking applications. Staff has incorporated some cross training to prepare for Soft Launch of Phase 2/6 of NC FAST. Since the "go live" for Medicaid soft launch was postponed for several weeks, workers have been trying to catch up on their back log of cases. There are three staff members in the Triage Unit; however for the month of August, we

decreased it to one due to the volume of applicants applying for benefits. This one triage worker assisted 781 clients that walked in asking to see their caseworker. These functions she assisted clients with were completing recertification forms, providing duplicate forms/paperwork, providing clients with verification of benefits and answering general questions. This restructuring has been a great benefit to the caseworkers by not having to stop working on a case and provide these duties each time a client walks in.

Food and Nutrition Unit

The NC FAST system for Food and Nutrition are still having issues with issuing benefits for our clients, however a team member from NC FAST visited us and gave us some pointers on installing some computer downloads that has helped speed up the process of getting work completed. We now have two "On Site Support" with NC FAST; they are working to resolve issues with cases as they arise. When they are not involved with working out issues, they are helping to process the back log of cases that we have.

Family and Children's Medicaid

We are still awaiting our "go live" date to implement Medicaid in the NC FAST program. Workers are completing "clean up" reports that have been issued by the State to all counties so cases will convert properly. They are also trying to get a little ahead in their work so when NC FAST is implemented for Medicaid and the process of maneuvering in the system slows them down they will still have work current. Family and Children's Medicaid passed their monthly compliance time frames at 100%.

Work First Family Assistance/Cash//Medicaid Transportation & Supportive Services

Work First passed their monthly compliance time frames at 100%. Medicaid Transportations remains extremely busy with applications, setting up appointment times with vendors for transportation to and from doctor's offices and clinics. This department also completes the payment process to the transportation vendors. Our agency interpreter is housed in this department and remains very busy interpreting all over the agency. She also assist with the work completed Medicaid Transportation.

Medicaid for the Aged, Blind and Disabled/Rest Home and Nursing Home/CAP

Adult Medicaid is also completing "clean up" reports that the State issued so cases would convert properly when we are given the ok for "go live" in NC FAST. They have gotten ahead in their work also so when Medicaid is implemented and the process of getting cases out slows down, there will not be a back log. NC FAST is communicating with us on a monthly basis by webinars to keep counties current of the progress being made. Adult Medicaid passed their compliance time frames at 98%.

Child Support

Child Support had two vacancies that were filled with two "in-house" Income Maintenance Caseworkers; one from Food and Nutrition and one from Family and Children's Medicaid. They prepared 420 cases for three court dates and they also passed their compliance thresholds.

Paralegal

Our paralegal completed 253 orders and 204 Certificates of Services that must be attached to orders in the month of August. She also reviewed 160 orders that were completed by the Attorney.

Mr. McKenzie stated the following:

1. We have received the Duke Energy Progress funds, and we will start taking applications on Tuesday, Wednesday and Friday of each week;
2. The amount of these funds is \$68,909 and they will only allow 7% for administration of these funds;
3. Duke Progress will advertise the availability of these funds and this department will do flyers;
4. We are making progress with the NC FAST (NC Families Accessing Services through Technology);
5. We are using the State model and have started to cross train our employees;
6. The State is not providing any training on policy, and we will have to develop our own policies;
7. This model will be an universal model for all counties across the State; **and**
8. The State will have an integrated income manual.

An in-depth discussion was conducted relative to each member of the County Commissioners, who is now directly over the Social Services Department, having accessibility to the Social Services Building and all of the areas within that are legally accessible. The general consensus was that each

member of the Board of Commissioners, along with William S. Clark, County Manager, and Michael H. Stephens, County Attorney, would be provided a badge that would give them access to the Social Services Building and all areas within that are legally accessible.

Agenda Item #9: EMERGENCY SERVICES - DEPARTMENTAL UPDATE:

Kay Worley, Emergency Services Director, delivered the following departmental update to the Board.

Emergency Services

- Completed funding requirements for EMPG Grant
- Assisted with obtaining a new EMS Medical Director
- Obtained the needed materials to equip the Mobile Command Unit.
- Currently working to get a generator transfer switch placed at Edgewood Elementary to assist with sheltering.
- Currently working on updating the county Emergency Operation Plan (EOP)
- Assisted with establishing an East Columbus Tax District.
- Assisted Evergreen and North Whiteville Fire Departments establish a tax district.
- Provided assistance to Old Dock/Cypress Creek Fire Department for their DOI inspection to possibly lower the fire department rating.
- Had all radios narrow banded.
- Established new EMS protocols for the county departments and OEMS has approved these as well.
- Completed paperwork for the termination of services for Carolinas Medical Response Transport service.
- Portable generators were prepared for hurricane season and have inventoried the counties shelter trailers. (tested, oil, fuel, etc.)
- Assisted Airlink with getting set up in the county. Completed paperwork to make this happen along with approval from OEMS.
- Renewed the radio FCC licenses for this year.
- Attended the CRHS Health Fair, provided information regarding disaster preparedness and registered citizens for CodeRed.
- Attended hurricane preparedness day at Tractor Supply and passed out disaster information and again registered citizens for CodeRed.
- Relocated the Fire Training House from the EM center to behind the Sheriff's Office and the Fire and Rescue Association provided a shelter to cover it with.

Grants

- Obtained CAMET trailer grants totaling \$38,500.
- Obtained a Generator Transfer Grant totaling \$89,000.
- Received a grant to update the county Hazard Mitigation plan totaling \$45,000.
- Obtained a grant to fund a table top shooter exercise at Williams Township Middle School with approximately 73 participants including school personnel, law, fire, ems personnel, hospital personnel and Airlink personnel totaling \$5,000.
- Obtained Radiation monitor grant for all fire departments to receive equipment. Then scheduled training.

Meetings

- Monthly Fire and Rescue Association Meetings
- Quarterly EMS Peer Review Meetings
- Quarterly Fire Peer Review Meetings
- Quarterly LEPC Meetings
- Emergency Food and Shelter Meetings
- Quarterly SERAC Meetings
- State DOT Meetings
- EM Meetings at CRHS.
- Communications Committee Meetings

Training

- EM Spring Conference at Sunset Beach
- All Situations Unit Leader course at Jones Lake, White Lake.
- SBTDC Recovery and Resources and Emergency Management Laws & Authorities Training, Kinston, NC.
- Recovery from Disaster: The Local Government Role Training, Kinston, NC

- Emergency Operations Center Management and Operations Training, Kinston, NC

Radio Project

- Contacted owner of tower sites for permission to put our equipment on the tower.
- Obtained bids for purchasing cabinets
- Obtained bids for installing cabinets
- Contacted and electrician for installing power
- Contacted Campbell Oil and Gas for installing gas at sites.
- Obtained bids for installing fencing
- Poured cement
- Purchased and installed generators for the sites.
- Put together portable radios for each department
- Programmed over 600 radios between mobiles and portables
- Created ID numbers for each department
- Separated radios for each Fire and EMS department to hand out.

Incidents

- Responded to a microburst in Chadbourn area, which created damage to numerous homes.
- Responded to tractor trailer accidents in Acme Delco Riegelwood area, the Cerro Gordo area and in Tabor City.
- Responded to a drowning victim in the Whiteville area.
- Responded to a MVA with a septic truck in the Nicene area.

911 – Columbus Central Communications

- Dispatches for 21 fire and EMS departments, 6 municipal Police Departments and Columbus County Sheriff's Office. Also dispatch for Forestry Service, SCC Campus Security, Department of Transportation, Animal Control, Utility Companies, Department of Social Services, Emergency Management, Fire Marshal and Juvenile Justice.
- SBI performed an audit of our 9-1-1 center and the center was found to be in compliance.
- During August 1, 2012 to August 30, 2013 the following is a breakdown of the calls received:
 - o Total phone calls – 150,061
 - o Total fire calls – 5,185
 - o Total EMS calls – 12,998
 - o Total Law Enforcement calls – 52,817
 - o Other Calls such as Dot, Utility - 357
- Implementation of the Kenwood Nexedge Digital Radio System
 - o County Police Departments were transitioned to the system on August 8, 2012.
 - o Columbus County Sheriff's Office transitioned on August 9, 2012.
- Maintaining adequate staff, currently have 2 vacant positions that we hope to have filled within the next 2 weeks.
 - o Have 4 shifts – A, B, C, D
 - o Each shift has 1 Supervisor and working on 3 telecommunications per shift.
 - o Shifts work 12 hour rotating shifts with 2 weeks of days and then rotate to 2 weeks of nights.
- Shift Supervisors and 911 Operations Manager attended Leadership and Management classes offered by Southeastern Community College and received certifications.
- Ordered required software upgrade from Century Link for the phone system to be installed in the fall of 2013.

Training

- DCI certified within 120 days of employment and then CE training every 2 years.
- 24 hours every 2 years for national certification and 24 hours every 4 years for state certification
- Sheriff standards certification and then 16 hours of CE per year.
- CPR every 2 years for EMD certification

Fire Marshal Office

- From August 1, 2012 to August 30, 2013 the following is a breakdown of activities:
 - o Fire investigations total 105
 - House fires, automobile, illegal burns and hazardous material
 - o Plan Reviews total 28
 - New and existing construction projects
 - o Permits Issued total of 30 collected \$4,844 from these permits. Permits include fire alarms, sprinklers, tank removal, tents, and firework display.
- Assisted with the following activities:
 - o Fireworks at South Columbus High School
 - o Columbus County Agriculture Fair and Strawberry Festival
 - o Conducts fit testing of air packs with the Fire Departments in the county.
 - o 2 live burns with Hallsboro Fire Department for training
 - o Worked with Department of Insurance in scheduling a fire inspection rating class in at SCC.
 - o Set up both at Columbus County Fair for fire prevention.
 - o Fire prevention training offered at local daycares for their annual inspections.
 - o Fire prevention training offered at Columbus County Schools for teachers and custodial staff.
- Meetings:
 - o Monthly Fire & Rescue Association meetings
 - o Quarterly Fire Peer Review Meetings
 - o Rural Fire Marshal's Quarterly Meetings
- Training:
 - o NC International Arson Association Investigators Training
 - o NC Insurance Crime Information Exchange – Quarterly
 - o NC Fire Prevention School
 - o NC Fire Marshal's Association Training
 - o Fire Fighter Training
 - o Specialty Training – Investigation approaches, investigation/legal aspects, etc.

Commissioner Bullard stated that a business may have to close down due to some information that was received from the Fire Marshall's Office. Scott Merritt, Columbus County Fire Marshal, replied stating the following:

1. The State of North Carolina allows 20,000 cubic inches of tire to be store in a building, and this is strictly regulated by the state fire code;
2. We done an inspection on this business and they were well above the legal limit;
3. The normal time frame for correction of this problem is thirty (30) days;
4. We informed this business we would waive the thirty (30) days and work with them to resolve the issue;
5. The State offers two (2) options for correction and they are: (1) Sprinkler system for the building; and (2) Store tires in a different facility; **and**
6. The Fire Code states this applies to new and existing businesses.

911 Addressing

- From August 1, 2012 to August 30, 2013 the following is a breakdown of activities:
 - o Total of 339 new addresses issued (new homes, barns, structures, fire hydrants, etc)
 - o Total of 1,712 addresses update (change of ownership, replacement of structures, description updates, etc.)
- New addressing program installed.
 - o Once new additions are made or updates are done information is automatically sent to all users by the next morning. Updates are automatically sent to the 911 Center and Tax Office Webtax program.
 - o There are several county departments that have access to partial information (some 911 data is confidential) these include: GIS, Board of Elections and Tax Office.
 - o On new mapping program work addresses are on top of the actual structure not at the closest point or in the center of the roadway. On the past program there were a large amount of addresses that were in the roadways due to various reasons (unable to

locate the residence, duplicate addresses, no longer valid, etc) the majority of these have been corrected and is a continual process.

- New guidelines implemented for street signs. The signs are now 9” in height with 6” lettering. The signs are made with new high retro reflectivity sheeting. The new reflective sheeting makes street signs easier to read at night when they are illuminated by car headlights. When signs are reported down or missing they are being replaced with the new style.
- All roads and address ranges on these roads have been verified with the 911 mapping, telephone companies, and other county agencies.
- Water district 2 and 3 hydrants have been identified and addressed.
- Several fire department water point locations have been identified and addressed such as ponds. (Brunswick Fire and Old Dock Fire).
- Highway 74 mile markers were renumbered by the Department of Transportation. Our office GPS these markers and coordinates were sent to the GIS department and were addressed for the 911 center for ease in dispatching agencies to emergencies on the highway.
- In conjunction with the Public Library in Whiteville we are working on locating all cemeteries in Columbus County, making a list and if these are not addressed assigning them a 911 address. This information will be placed on the website for the public to view.
- Purchased 108 State Road signs and 27 Private Road Signs.
- Replaced or fixed 216 of these road signs.

UPDATE on RADIO SYSTEM:

Kay Worley stated the following:

1. I have been working with Kenwood, have notified them with several different e-mails and have talked with them on the telephone;
2. They have been made aware of all the complaints that our responders have received in the County;
3. They came out several days last week and met with us along with Chairman McDowell;
4. We did have a brief meeting and discussed with them all the problems that have been reported to us by all of the fire, EMS and law enforcement agencies in the County;
5. They were very concerned about the issues that we are experiencing, and were very supportive;
6. After we met, we went to each of the six (6) tower sites we have in the County, took measurements, tested every piece of equipment that we have on the ground, took pictures of the antennas and all of the equipment that we have at the sites;
7. They gathered all the information, one was the senior technical person, they said they would take this information back with them, compile a list of questions for me, and get that information to me; **and**
8. They will make recommendations to the County on what can be done to make the radio system better.

A lengthy discussion was conducted regarding the rescue and fire departments being able to charge the person for transport. The result of the discussion was the fire and rescue departments have the legal right to charge.

Agenda Item #10: FINANCE - APPROVAL OF SPYGLASS SNAPSHOT AUDIT AGREEMENT:

Bobbie Faircloth, Finance Director, requested Board approval of the following SpyGlass Snapshot Audit Agreement.

SpyGlass Snapshot Audit Agreement

This agreement, effective as of the later of the dates of signature below (“Effective Date”), is between Columbus County (“Company”), and the SpyGlass Group, LLC, an Ohio limited liability company (“Auditor”).

1. **Primary Audit Services.** Company is engaging Auditor as an independent contractor to analyze its primary telecommunications service accounts (local voice, long distance voice, data and Internet) to seek cost recovery, service elimination and cost reduction recommendations. Auditor will deliver the recommendations to Company, implement recommendations that Company elects for Auditor to implement, and deliver a complete telecommunications inventory to Company.

While Auditor is performing its analysis, Company will not make changes or perform internal cost reduction analysis with respect to provider accounts which Company has included within the scope of Auditor's review.

2. **Fees.** Company will pay Auditor the applicable fee set forth below **ONLY** for Auditor recommendations implemented within twelve (12) months of Auditor delivering the recommendation to Company:
 - 40% of any "Cost Recovery", as defined below
 - 12 times any "Service Elimination Savings", as defined below
 - 12 times any "Cost Reduction Savings", as defined below

"**Cost Recovery**" is any refund, credit or compensation received by Company relating to past services or charges.

"**Service Elimination Savings**" is any monthly cost reduction received by Company relating to cancellation of any service, including monthly usage cost reduction (calculated as the average of the last 2 months of usage costs associated with the cancelled service).

"**Cost Reduction Savings**" is any monthly cost reduction received by Company relating to the modification, consolidation or negotiation of any service, account or contract, including post discount usage rate improvement (calculated as the (a) decrease in post discount per unit pricing realized by Company for any service, times (b) the average of Company's last two (2) months usage levels measured in such units for the modified service.

3. **Invoicing and Payment.** Fees for Cost Recovery are due as a one-time payment within 10 days of verification that Company has been issued the refund, credit or compensation resulting in such fees. Fees for Service Elimination Savings and Cost Reduction Savings are due as a one-time payment within 10 days of certification that the cancellation or other activity resulting in the Service Elimination Savings or Cost Reduction Savings has been completed. Auditor may issue separate invoices as different fees are earned.
4. **Miscellaneous.** This agreement is governed by the laws of the State of Ohio, without regard to principles of conflicts of law, and may be executed by facsimile and simultaneously in multiple counterparts. Company agrees that Auditor does not warranty the overall performance, Company satisfaction, or data accuracy of any telecommunications related carrier, provider, software manufacturer or vendor at any time whatsoever during or after the term of this agreement. **AUDITOR SHALL NOT BE LIABLE TO THE COMPANY FOR INCIDENTAL, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES, INCLUDING WITHOUT LIMITATION, LOST PROFITS OR BUSINESS INTERRUPTION, WHETHER SUCH LIABILITY IS ASSERTED ON THE BASIS OF CONTRACT, TORT OR OTHERWISE, EVEN IF EITHER PARTY HAS BEEN WARNED OF THE POSSIBILITY OF ANY SUCH LOSS OR DAMAGE IN ADVANCE. IN ADDITION, IN NO EVENT SHALL AUDITOR'S LIABILITY TO COMPANY EXCEED THE FEES ACTUALLY PAID BY COMPANY TO AUDITOR.**

IN WITNESS WHEREOF, the parties hereto have executed this agreement as of the Effective Date.

COMPANY

Columbus County
/s/ **CHARLES T. McDOWELL**
Date: September 16, 2013

AUDITOR

The SpyGlass Group, LLC
Signature: _____
Print Name; Edward M. DeAngelo
Date: _____

Vice Chairman Bullard made a motion to approve the SpyGlass Snapshot Audit Agreement, seconded by Commissioner Burroughs. The motion unanimously passed.

Agenda Item #11: PURCHASING - RESOLUTION APPROVING FINANCING TERMS:

Stuart Carroll, Purchasing Director, requested Board approval and adoption of the following Resolution Approving Financing Terms with BB&T.

Resolution Approving Financing Terms

WHEREAS, The Columbus County (“County”) has previously determined to undertake a project for the financing of vehicles (the “Project”), and the County Manager has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

1. The County hereby determines to finance the Project through Branch Banking and Trust Company (“BB&T”), in accordance with the proposal dated August 27, 2013. The amount financed shall not exceed \$301,700.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 1.67%, and the financing term shall not exceed three (3) years from closing.
2. All financing contracts and all related documents for the closing of the financing (the “Financing Documents”) shall be consistent with the foregoing terms. All officers and employees of the County are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.
3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer’s satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by County officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer’s release of any Financing Document for delivery constituting conclusive evidence of such officer’s final approval of the Document’s final form.
4. The County shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The County hereby designates its obligations to make principal and interest payments under the Financing Documents as “qualified tax- exempt obligations” for the purpose of Internal Revenue Code Section 265(b)(3).
5. The County intends that the adoption of this resolution will be a declaration of the County’s official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The County intends that funds that have been advanced, or that may be advanced, from the County’s general fund, or any other County fund related to the project, for project costs may be reimbursed from the financing proceeds.
6. All prior actions of County officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this 16th day of September, 2013.

By: **CHARLES T. McDOWELL**
 Title: Chairman
 Columbus County Board of Commissioners

By: **JUNE B. HALL**
 Title: Clerk

(SEAL)

Commissioner Russ made a motion to approve the Resolution Approving Financing Terms

with BB&T, seconded by Commissioner Burroughs. The motion unanimously passed.

Agenda Item #12: RESOLUTION - RESOLUTION to SUPPORT the DEVELOPMENT of an ALLIANCE of LOCAL GOVERNMENT and BUSINESS LEADERS to REVIEW and PROMOTE IMPROVEMENTS to a SOUTH ECONOMIC DEVELOPMENT CORRIDOR from I-26 to WILMINGTON ALONG the EXISTING HIGHWAY 74 CORRIDOR:

William S. Clark, County Manager, requested Board approval and adoption of the Resolution to Support the Development of an Alliance of Local Government and Business Leaders to Review and Promote Improvements to a South Economic Development Corridor from I-26 to Wilmington Along the Existing Highway 74 Corridor.

Resolution to Support the Development of an Alliance of Local Government and Business Leaders to Review and Promote Improvements to a South Economic Development Corridor from I-26 to Wilmington Along the Existing Highway 74 Corridor

WHEREAS, the development of a South Economic Development Corridor from I-26 to Wilmington would improve commerce between Western North Carolina and the Port of Wilmington and be an important east-west corridor across the state of NC; **and**

WHEREAS, the proposed corridor will stimulate economic development opportunities in rural North Carolina from the mountains to the coast; **and**

WHEREAS, developing Highway 74 to an interstate quality freeway along the existing Highway 74 corridor from I-26 to Wilmington would connect Asheville and western North Carolina to the Port of Wilmington and eastern North Carolina; **and**

WHEREAS, the proposed Highway 74 Economic Development Corridor would create jobs across North Carolina in maritime, transportation, distribution, manufacturing and agriculture by providing greater access to the Port of Wilmington, the Charlotte Metropolitan Area, and to Charlotte International Airport thus increasing opportunities for international trade; **and**

WHEREAS, the proposed Highway 74 Economic Development Corridor would maintain and enhance North Carolina commerce opportunities that are currently being lost to South Carolina and Georgia as a result of access to the ports and intermodal facilities.

NOW, THEREFORE BE IT RESOLVED that the Columbus County Board of Commissioners does support the cooperative creation of a 74 Economic Corridor Alliance to review, promote and support the development of an economic development corridor connecting Western North Carolina to the Port of Wilmington along the existing Hwy 74 corridor.

BE IT FURTHER RESOLVED that the Chairman will send this resolution to the appropriate state and federal legislative delegation and to all counties along the Highway 74 Economic Development Corridor requesting their support and the support of municipalities and businesses within their counties.

APPROVED and ADOPTED this the 16th day of September, 2013.

COLUMBUS COUNTY BOARD OF COMMISSIONERS

/s/ **CHARLES T. McDOWELL, Chairman**

ATTESTED BY:

/s/ **JUNE B. HALL, Clerk to Board**

Commissioner Byrd made a motion to approve and adopt the Resolution to Support the Development of an Alliance of Local Government and Business Leaders to Review and Promote Improvements to a South Economic Development Corridor from I-26 to Wilmington Along the Existing Highway 74 Corridor, seconded by Commissioner Russ. The motion unanimously passed.

Agenda Item #13: APPOINTMENTS/RE-APPOINTMENTS/REPLACEMENTS:

June B. Hall, Clerk to the Board, requested the following appointments/re-appointments/replacements to the following boards/commissions/committees.

COMMITTEE	DISTRICT/ EB	PERSON(S)	EXPIR. DATE	BOARD ACTION
Department of Aging Advisory Council (Columbus County)	VII	Frances Ellington (Deceased)	06-30-2015	Tommy O. Gore
Nursing/Adult Care Home Joint Community Advisory Committee Motion: Comm Prevatte Second: Vice Chairman Bullard	EB	Naomi Ward	11-05-2013	Re-Appoint HOLD
	EB	Glendale Young (Resigned)	09-06-2015	
	EB	Michael J. Creen	07-16-2013	Re-Appoint Re-Appoint Re-Appoint
	EB	Donna Prince	11-05-2013	
EB	Larry Sellers	07-16-2013		
Whiteville Planning and Zoning Board Motion: Comm McKenzie Second: Vice Chairman Bullard	EB	Robert White	09-08-2013	Re-Appoint
Whiteville Zoning Board of Adjustment Motion: Comm Prevatte Second: Comm Byrd	EB	Revice Butler (ETJ)	08/01/2013	Re-Appoint

RECESS REGULAR SESSION and enter into COMBINATION MEETING of COLUMBUS COUNTY WATER and SEWER DISTRICTS I, II, III, IV and V BOARD MEETING:

Agenda Item #14: COLUMBUS COUNTY WATER SEWER DISTRICTS I, II, III, IV and V - APPROVAL OF BOARD MEETING MINUTES:

September 03, 2013 **Combination Meeting** of Columbus County Water and Sewer Districts I, II, III, IV and V Board Meeting (**5 sets**).

This information will be recorded in Minute Book Number 1 for each Water District respectively.

Agenda Item #15: COLUMBUS COUNTY WATER and SEWER DISTRICTS I, II, III, IV and V - APPROVAL of ADJUSTMENTS to the AUGUST, 2013 MONTHLY WATER BILLS:

Danny Fowler, Interim Public Utilities Director, requested Board approval of the August, 2013 adjustments to the monthly water bills.

This information will be recorded in Minute Book Number 1 for each Water District respectively.

Agenda Item #16: COLUMBUS COUNTY WATER and SEWER DISTRICTS I, II, III, IV and V - APPROVAL of RESOLUTION ADOPTING AGREEMENT BETWEEN COLUMBUS COUNTY and the COLUMBUS COUNTY WATER and SEWER DISTRICTS:

William S. Clark, County Manager, requested Board approval of the following Resolution Adopting Agreement Between Columbus County and the Columbus County Water and Sewer Districts.

This information will be recorded in Minute Book Number 1 for each Water District respectively.

ADJOURN COMBINATION MEETING of COLUMBUS COUNTY WATER and SEWER DISTRICTS I, II, III, IV and V BOARD MEETING and resume REGULAR SESSION:

At 7:57 P.M., Vice Chairman Bullard made a motion to adjourn the **combination meeting** of Columbus County Water and Sewer Districts I, II, III, IV and V Board Meeting, and resume Regular Session, seconded by Commissioner Burroughs. The motion unanimously passed.

Agenda Item #17: Consent Agenda Items:

Commissioner McKenzie made a motion to approve the following Consent Agenda Items, seconded by Vice Chairman Bullard. The motion unanimously passed.

A. Budget Amendments:

TYPE	ACCOUNT	DETAILS	AMOUNT
Expenditures	10-5197-526001	Departmental Supplies	5,000
Revenues	10-3991-499115	Various Fund Balance Appropriated	5,000
Expenditures	10-5161-526001	FP Departmental Supplies	(575)
Revenues	10-3510-430031	Family Planning Grant	(575)
Expenditures	10-5167-523900	Maternal Health Drugs and Medical	(3,500)
	10-5167-523910	Maternal Health Lab Supplies	(1,500)
	10-5167-526001	Maternal Health Departmental Supplies	(1,500)
	10-5167-512100	Maternal Health Salaries	(1,000)
	10-5167-512700	Maternal Health Longevity	(311)
	10-5167-518100	Maternal Health FICA	(500)
	10-5167-518200	Maternal Health Retirement	(500)
	10-5167-518300	Maternal Health Insurance	(500)
Revenues	10-3510-430035	Maternal Health Grant	(9,311)
Expenditures	14-4311-512200	Salaries & Wages - Overtime	5,000
	14-4311-518100	FICA	1,500
	14-4311-518200	Retirement Contribution	1,500
	14-4311-518300	Insurance Contribution	500
	14-4311-519001	Contracted Services	7,200
	14-4311-526001	Departmental Supplies	2,000
	14-4311-529902	Weapons	3,750
	14-4311-529903	Body Armor	16,000
Revenues	14-3431-432002	Controlled Substance Tax	15,000
	14-3431-499101	Fund Balance Appropriated	22,450
Expenditures	10-4330-566906	Homeland Security Grant	89,761
Revenues	10-3433-430008	NCCCPS-Homeland Security	89,761
Expenditures	10-4310-535300	M&R Vehicles	14,517
Revenues	10-3431-489000	Misc Revenues-Sheriff's Department	14,517

B. Tax Refunds and Releases:

Property Value Amount: \$194.96
 Freeman, Sylvia (Heirs) **PROPERTY:** 84783 Total: \$661.47
 Value: \$6,200.00 Year: 12-13 Account: 14-05351 Bill#: 99999
 Release value of dwelling. SHB billed to Act#14-03505. Release St. James Fire(14.43)
 release Columbus Rescue(4.81) release late list(11.27)
Property Value Amount: \$8.05
 Godwin, Jackie **PROPERTY:** 00000 Total: \$9.74
 Value: \$1,000.00 Year: 2013 Account: 09-05467 Bill#: 22858

Release value of boat. Not Usable. Release Williams Fire(.60) release Columbus
Rescue(.20) release late list (.89)

Property Value Amount: \$291.42
Jenkins, Willie & Helen Oliver **PROPERTY:** 21392 Total: \$788.62
Value: \$19,800.00 Year: 12-13 Account: 12-13300 Bill#: 99999

Release value of dwelling. House burned Feb. 2011. Release Evergreen Fire(28.80)
release Columbus Rescue(7.20), release Water District II(25.20)

Property Value Amount: \$26.85
Lane, Robert J & Rebecca W. **PROPERTY:** 14284 Total: \$26.85
Value: \$3,335.00 Year: 2013 Account: 08-01449 Bill#: 31462

Release value of equipment. Sold on Craigs List. Release Columbus Rescue(.67)

Property Value Amount: \$17.18
Lane, Robert Jeffrey & Rebecca **PROPERTY:** 00000 Total: \$19.75
Value: \$2,136.00 Year: 2013 Account: 04-10017 Bill#: 31467

Release value of boat. Release Bolton Fire(2.14) release Columbus Rescue(.43)

Property Value Amount: \$12.08
OneMain Financial-4112 **PROPERTY:** 00000 Total: \$12.38
Value: \$1,501.00 Year: 2013 Account: 01-06579 Bill#: 38855

Release portion of value on disposed equipment. Release Whiteville Rescue(.30)

Property Value Amount: \$47.58
Peterson, Ladonna Sue **PROPERTY:** 00000 Total: \$48.76
Value: \$5,910.00 Year: 2013 Account: 08-04006 Bill#: 39728

Release value of 2005 22' Godfrey boat. Moved to Cape Coral, FL Release Columbus
Rescue(1.18)

Property Value Amount: \$142.32
Tabor City Laundromat **PROPERTY:** 00000 Total: \$160.45
Value: \$17,680.00 Year: 2013 Account: 06-04709 Bill#: 49162

Release value of equipment. Listed on Act# 6-00702.

Property Value Amount: \$18.11
Werner, Thomas Richard **PROPERTY:** 00000 Total: \$19.91
Value: \$0.00 Year: 2013 Account: 09-00928 Bill#: 53293

Release value of 1989 25' Century Boat. Sold in Charleston, SC. Release Williams
Fire(1.35) release Columbus Rescue(.45)

Refunds Amount: \$1,243.87
Columbus County Farm Bureau Inc. **PROPERTY:** 26029 Total: \$1,274.47
Value: \$31,000.00 Year: 09-13 Account: 13-04303 Bill#: 99999

Refund value of old office building. Torn down and replaced with a new one in
2005. Refund Columbus Rescue (30.60)

Refunds Amount: \$0.00
Zion Baptist church **PROPERTY:** 00000 Total: \$308.81
Value: \$0.00 Year: 12-13 Account: 18-03631 Bill#: 99999

Refund portion of user fee for 2012 and entire amount for 2013. 2nd can picked up
8/2/12

User Fee Amount: \$0.00
Brown, Douglas Earl (ETAL) **PROPERTY:** 20753 Total: \$218.00
Value: \$0.00 Year: 2013 Account: 12-01305 Bill#: 11857

Release user fee. Mobile home vacant. Can picked up 10/11/11

User Fee Amount: \$0.00
Brown, Sidney M. **PROPERTY:** 88372 Total: \$218.00
Value: \$0.00 Year: 2013 Account: 05-01020 Bill#: 12212

Release user fee. Dwelling vacant.

User Fee Amount: \$0.00
Campbell. Williemenia & Emeka Butler **PROPERTY:** 25499 Total: \$131.00
Value: \$0.00 Year: 2013 Account: 13-02035 Bill#: 13774

Release user fee. Dwelling vacant.

User Fee Amount: \$0.00
Couch, Jill **PROPERTY:** 93102 Total: \$218.00
Value: \$0.00 Year: 2013 Account: 16-05101 Bill#: 16060

Release user fee. Dwelling vacant. Can picked up 5/12/11

User Fee Amount: \$0.00
Cribb, Bobby K. & Betty Jo Spivey **PROPERTY:** 16880 Total: \$218.00

539

Value: \$0.00	Year: 2013	Account: 09-02234	Bill#: 16487
Release user fee. Dwelling vacant.			
<i>User Fee</i>			Amount: \$0.00
Czartoszewiski, Wlodzimierz		PROPERTY: 8449	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 03-03351	Bill#: 16864
Release user fee. Dwelling vacant.			
<i>User Fee</i>			Amount: \$0.00
Dew, LarryG. & Celia B.		PROPERTY: 87456	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 01-04054	Bill#: 17663
Release user fee. Shop no can.			
<i>User Fee</i>			Amount: \$0.00
Dudley, Elisha P. (Heirs)		PROPERTY: 19011	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 11-08140	Bill#: 18169
Release user fee. Dwelling vacant.			
<i>User Fee</i>			Amount: \$0.00
Enzor, Charles B.		PROPERTY: 17593	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 10-04460	Bill#: 19325
Release user fee. Dwelling vacant.			
<i>User Fee</i>			Amount: \$0.00
Enzor, Sue Green		PROPERTY: 19406	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 13-12220	Bill#: 19406
Release user fee. Dwelling vacant. Can picked up 1/8/13			
<i>User Fee</i>			Amount: \$0.00
Fly Away, LLC		PROPERTY: 17831	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 10-02003	Bill#: 20673
Release user fee. Dwelling vacant.			
<i>User Fee</i>			Amount: \$0.00
Fowler, Carolyn Faye R. (ETAL)		PROPERTY: 60376	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 09-03862	Bill#: 20977
Release user fee. Dwelling vacant.			
<i>User Fee</i>			Amount: \$0.00
Fowler, William Ray		PROPERTY: 17666	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 10-03551	Bill#: 21268
Release user fee. Dwelling vacant. Has Commercial hauler.			
<i>User Fee</i>			Amount: \$0.00
Godwin, Minnie Elease		PROPERTY: 30132	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 16-03853	Bill#: 22928
Release user fee. Dwelling vacant. Can picked up 9/6/12			
<i>User Fee</i>			Amount: \$0.00
Godwin, Sonja Louise Tyson		PROPERTY: 95229	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 09-03332	Bill#: 22961
Release user fee. Dwelling vacant.			
<i>User Fee</i>			Amount: \$0.00
Goodall, Mark A. & Lisa D.		PROPERTY: 10693	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 06-02250	Bill#: 23044
Release user fee. Dwelling vacant.			
<i>User Fee</i>			Amount: \$0.00
Gore Trailer Mfg.		PROPERTY: 7073	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 03-08800	Bill#: 23714
Release user fee. Has Commercial Hauler .			
<i>User Fee</i>			Amount: \$0.00
Gore, Daniel J. & Janice W.		PROPERTY: 7339	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 03-08940	Bill#: 23196
Release user fee. Has Commercial Hauler .			
<i>User Fee</i>			Amount: \$0.00
Gore, Daniel J. & Janice W.		PROPERTY: 7071	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 03-08760	Bill#: 23195
Release user fee. Has Commercial Hauler			
<i>User Fee</i>			Amount: \$0.00
Graham, William O. & Naomi		PROPERTY: 28384	Total: \$218.00

Value: \$0.00	Year: 2013	Account: 15-16580	Bill#: 24155
Release user fee. Dwelling vacant. Can picked up in 2008.			
<i>User Fee</i>			Amount: \$0.00
Green Gate, LLC		PROPERTY: 267	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 01-00594	Bill#: 24430
Release user fee. Dwelling vacant. Can picked up 12/14/11			
<i>User Fee</i>			Amount: \$0.00
Hammond, Owen		PROPERTY: 30249	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 16-07180	Bill#: 25297
Release user fee. Dwelling vacant. Can picked up 2/4/2013			
<i>User Fee</i>			Amount: \$0.00
Hammond, Roger Owen		PROPERTY: 30251	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 16-07220	Bill#: 25308
Release user fee. 1 can picked up.			
<i>User Fee</i>			Amount: \$0.00
Hammond, Rosa L. & Roger		PROPERTY: 24433	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 13-04170	Bill#: 25309
Release user fee. Dwelling vacant. Can picked up 2/4/2013			
<i>User Fee</i>			Amount: \$0.00
Hardwick, Ronnie Gayle		PROPERTY: 00000	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 09-00926	Bill#: 25626
Release user fee. Mobile home in Hinson Trailer Park. Uses a commercial hauler.			
<i>User Fee</i>			Amount: \$0.00
Hardwick, Ronnie P. & Bonnie Prince		PROPERTY: 60371	Total: \$436.00
Value: \$0.00	Year: 2013	Account: 09-12802	Bill#: 25629
Release user fee. Dwelling vacant. Has Commercial Hauler.			
<i>User Fee</i>			Amount: \$0.00
Heavener, Vickie		PROPERTY: 88311	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 15-01948	Bill#: 26398
Release user fee. Dwelling vacant.			
<i>User Fee</i>			Amount: \$0.00
Hinson, Nancy J.		PROPERTY: 24567	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 13-19345	Bill#: 27487
Release user fee. Dwelling vacant. Can picked up 10/16/08			
<i>User Fee</i>			Amount: \$0.00
Hinson, Neal J. & Brenda		PROPERTY: 7166	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 03-05236	Bill#: 27489
Release user fee. Dwelling vacant. Can picked up 8/16/10			
<i>User Fee</i>			Amount: \$0.00
Inman, Gene A. & Frances B.		PROPERTY: 1008	Total: \$436.00
Value: \$0.00	Year: 2013	Account: 01-04045	Bill#: 28594
Release user fee. Dwelling vacant. Uses a commercial hauler.			
<i>User Fee</i>			Amount: \$0.00
Jayroe Bennett W. & Belinda P.		PROPERTY: 5657	Total: \$866.00
Value: \$0.00	Year: 09-12	Account: 01-47241	Bill#: 99999
Refund user fees. Shop closed 2002. Used a commercial hauler.			
<i>User Fee</i>			Amount: \$0.00
Jayroe, Bennett W. & Belinda		PROPERTY: 5657	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 01-47241	Bill#: 29438
Release user fee. Dwelling vacant. Uses a commercial hauler.			
<i>User Fee</i>			Amount: \$0.00
Jones, Eunice G. (ETAL)		PROPERTY: 26526	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 14-05581	Bill#: 30212
Release user fee. Dwelling vacant.			
<i>User Fee</i>			Amount: \$0.00
Lane, Robert J. & Rebecca W.		PROPERTY: 91079	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 15-03461	Bill#: 31463
Release user fee. Storage Building vacant.			
<i>User Fee</i>			Amount: \$0.00
Lawrence, James Edward (III)		PROPERTY: 5409	Total: \$131.00

541

Value: \$0.00	Year: 2013	Account: 01-51432	Bill#: 31661
Release user fee. Dwelling vacant.			Amount: \$0.00
<i>User Fee</i>			Total: \$131.00
Lawrence, James Edward III		PROPERTY: 339	Bill#: 31659
Value: \$0.00	Year: 2013	Account: 01-02378	Amount: \$0.00
Release user fee. Dwelling vacant.			Total: \$218.00
<i>User Fee</i>			Bill#: 33408
Lyons, Livingston L.		PROPERTY: 9814	Amount: \$0.00
Value: \$0.00	Year: 2013	Account: 05-04040	Total: \$218.00
Release user fee. Dwelling vacant. Can picked up 2/5/13			Bill#: 33408
<i>User Fee</i>			Amount: \$0.00
McKenzie, George & Nora		PROPERTY: 00000	Total: \$436.00
Value: \$0.00	Year: 12-13	Account: 05-01743	Bill#: 99999
Release user fee. Mobile home burned in 2011.			Amount: \$0.00
<i>User Fee</i>			Total: \$218.00
McMillan Zander (Heirs)		PROPERTY: 3457	Bill#: 35216
Value: \$0.00	Year: 2013	Account: 01-57140	Amount: \$0.00
Release user fee. Dwelling vacant.			Total: \$218.00
<i>User Fee</i>			Bill#: 35536
McPherson, J H		PROPERTY: 15637	Amount: \$0.00
Value: \$0.00	Year: 2013	Account: 09-02553	Total: \$218.00
Release user fee. Dwelling vacant. Can picked up 2006			Bill#: 35536
<i>User Fee</i>			Amount: \$0.00
McPherson, James Wallace		PROPERTY: 00000	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 09-04218	Bill#: 35553
Release user fee. Dwelling vacant. Can picked up 8/4/09			Amount: \$0.00
<i>User Fee</i>			Total: \$218.00
Mills, Michael H.		PROPERTY: 14708	Bill#: 36407
Value: \$0.00	Year: 2013	Account: 08-12580	Amount: \$0.00
Release user fee. Dwelling vacant.			Total: \$218.00
<i>User Fee</i>			Bill#: 41280
Prince, James Bobby (ETAL)		PROPERTY: 15809	Amount: \$0.00
Value: \$0.00	Year: 2013	Account: 09-24321	Total: \$218.00
Release user fee. Storage Building vacant.			Bill#: 41280
<i>User Fee</i>			Amount: \$0.00
Roy, Eugene Pollock & Della C.		PROPERTY: 63019	Total: \$218.00
Value: \$0.00	Year: 2013	Account: 07-04501	Bill#: 43119
Release user fee. Dwelling vacant.			Amount: \$0.00
<i>User Fee</i>			Total: \$218.00
Smith, J Ezell		PROPERTY: 9396	Bill#: 45876
Value: \$0.00	Year: 2013	Account: 04-14720	Amount: \$0.00
Release user fee. Dwelling vacant.			Total: \$218.00
<i>User Fee</i>			Bill#: 54319
Williams, Wade Lenwood		PROPERTY: 17222	Amount: \$0.00
Value: \$0.00	Year: 2013	Account: 09-33713	Total: \$218.00
Release user fee. Dwelling vacant.			Bill#: 54319
<i>User Fee</i>			Amount: \$0.00
Wilson, Betty Ann		PROPERTY: 26032	Total: \$131.00
Value: \$0.00	Year: 2013	Account: 13-45200	Bill#: 54840
Release user fee. Dwelling vacant.			Amount: \$0.00
<i>User Fee</i>			Total: \$218.00
Worrell, Crystal Nealy		PROPERTY: 63640	Bill#: 55327
Value: \$0.00	Year: 2013	Account: 09-04503	Amount: \$0.00
Release user fee. Dwelling vacant.			Total: \$218.00
<i>User Fee</i>			Bill#: 55351
Worrell, Linda		PROPERTY: 20499	Amount: \$0.00
Value: \$0.00	Year: 2013	Account: 11-30680	Total: \$218.00
Release user fee. Dwelling vacant.			Bill#: 55351
<i>User Fee</i>			Amount: \$0.00

Worrell, Linda	PROPERTY: 3084	Total:	\$131.00
Value: \$0.00 Year: 2013	Account: 01-06798	Bill#:	55349
Release user fee. Dwelling vacant.			
<i>User Fee</i>		Amount:	\$0.00
Worrell, Linda	PROPERTY: 00000	Total:	\$218.00
Value: \$0.00 Year: 2013	Account: 14-02909	Bill#:	55347
Release user fee. Mobile home vacant.			
<i>User Fee</i>		Amount:	\$0.00
Worrell, Linda P.	PROPERTY: 82359	Total:	\$436.00
Value: \$0.00 Year: 2013	Account: 14-02051	Bill#:	55355
Release user fee. Dwelling vacant. Can picked up 2008.			
<i>User Fee</i>		Amount:	\$0.00
Young, Floyd & Sandra	PROPERTY: 17190	Total:	\$90.81
Value: \$0.00 Year: 2013	Account: 09-05663	Bill#:	55745
Release portion of user fee.. Dwelling vacant. Can picked up 8/2013			

Agenda Item #18: COMMENTS:

Chairman McDowell opened the floor for comments. The following spoke.

A. Department Head:

Stuart Carroll, Purchasing Director: We are having a surplus sale tentatively on October 17, 2013, we are collecting items for the sale, and if you have any items that you would like to include, please contact me.

B. Board of Commissioners:

1. **Commissioner Prevatte:** stated once the five (5) Columbus County Water Districts have been combined in the manner that has been proposed and in full force, they will not pay water district tax on vacant land, a vehicle or on a house. They will just pay a water rate.
2. **Commissioner Burroughs:** stated the following:
 - a. I think that Green Engineering has done an excellent job with the Feasibility Study; **and**
 - b. Please remember Patrick Milligan and Billy McDuffie in your prayers.
3. **Commissioner Russ:** stated the following:
 - a. I think the water districts will be in good shape;
 - b. The grounds at our schools and community college are in bad shape and is in need of additional manicuring;
 - c. I would like for the Clerk to the Board to send a letter to the President of the college or to the Chairman of the Board of Trustees for them to have communication with us about offering additional help with the upkeep of the grounds; **and**
 - d. I would like to start a community or county-wide yard committee and help the college at least two to three (2-3) times a year to beautify the grounds.
4. **Vice Chairman Bullard:** I have received complaints about Sheriff Deputies dropping their kids off at school in their patrol cars at the taxpayer's expense.
5. **Commissioner McKenzie:** I would like to thank Green Engineering and the County Manager for the Water Feasibility Study that was done.
6. **Commissioner Prevatte:** stated the following:
 - a. Mr. Clark, I would like for you to contact all the schools;
 - b. We gave them an earmarked allotment for security; **and**
 - c. According to what I learned in Greensboro, we can ask how it is being spent.
7. **Chairman McDowell:** we have two (2) Proclamations for your review and consideration of approval.

WHEREAS, the Victory in Jesus Church has informed the Columbus County Board of Commissioners they will celebrate **Apostle Kimberly Turner** with an official affirmation service; **and**

WHEREAS, **Apostle Kimberly Turner** has twenty (20) years in ministry as follows:

♫ Service in the Greensboro area, Dallas, and Atlanta; **and**

♫ A notable accomplishment is the frequent mission tours to the Caribbean where she has twenty (20) churches under her leadership.; **and**

WHEREAS, **Apostle Turner** moved to Columbus County in 2012 and currently lives at Lake Waccamaw, and presently is the owner of Turner's Restaurant in Whiteville; **and**

NOW, THEREFORE, BE IT PROCLAIMED, we, the Columbus County Board of Commissioners proudly presents this **Proclamation of Welcome and Appreciation** to **APOSTLE KIMBERLY TURNER** who is contributing to the overall enhancement of the County.

APPROVED and ADOPTED this the 16th day of September, 2013.

COLUMBUS COUNTY BOARD OF COMMISSIONERS

/s/ **CHARLES T. McDOWELL**, Chairman

/s/ **RICKY BULLARD**, Vice Chairman

/s/ **AMON E. McKENZIE**

/s/ **JAMES E. PREVATTE**

/s/ **GILES E. BYRD**

/s/ **P. EDWIN RUSS**

/s/ **TRENT BURROUGHS**

/s/ **JUNE B. HALL**, Clerk to Board

/s/ **WILLIAM S. CLARK**, Manager

/s/ **MICHAEL H. STEPHENS**, Attorney

RECESS REGULAR SESSION and enter into CLOSED SESSION in ACCORDANCE with N.C.G.S. § 143-318.22 (6) PERSONNEL:

At 8:07 P./M., Vice Chairman Bullard made a motion to recess Regular Session and enter into Closed Session in accordance with N.C.G.S. § 143-318.11 (6) Personnel, seconded by Commissioner Burroughs. The motion unanimously passed.

Agenda Item #19: CLOSED SESSION in ACCORDANCE with N.C.G.S. § 143-318.11 (6) PERSONNEL:

No official action was taken.

ADJOURN CLOSED SESSION and RESUME REGULAR SESSION:

At 8:33 P.M., Commissioner Burroughs made a motion to adjourn Closed Session and resume Regular Session, seconded by Commissioner Prevatte. The motion unanimously passed.

READING and APPROVAL of CLOSED SESSION GENERAL ACCOUNT:

Chairman McDowell requested that Michael H. Stephens, County Attorney, orally read the Closed Session General Account. Mr. Stephens orally read the following. *"The Board of Commissioners discussed the salary of Needom Hughes, the newly appointed Columbus County Tax Administrator."*

Commissioner Prevatte made a motion to approve the Closed Session General Account, seconded by Commissioner Russ. The motion unanimously passed.

MOTION:

Commissioner McKenzie made a motion that Needom Hughes, the newly hired Columbus County Tax Administrator, have a starting salary of thirty-seven thousand, five hundred forty-four and 00/100 (\$37,544.00) dollars, to be effective on October 01, 2013, seconded by Vice Chairman Bullard. The motion unanimously passed.

Agenda Item #20: ADJOURNMENT:

At 8:35 P.M., Commissioner Russ made a motion to adjourn, seconded by Commissioner McKenzie. The motion unanimously passed.

APPROVED:

JUNE B. HALL, Clerk to Board

CHARLES T. McDOWELL, Chairman

**COLUMBUS COUNTY WATER and SEWER DISTRICTS I, II, III, IV and V
COMBINATION BOARD MEETING
Monday, September 16, 2013
7:31 P.M.**

The Honorable Columbus County Commissioners met on the above stated date and at the above stated time in the Dempsey B. Herring Courthouse Annex Building, located at 112 West Smith Street, Whiteville, North Carolina, to act as the Columbus County Water and Sewer District I Board.

COMMISSIONERS PRESENT:

Charles T. McDowell, **Chairman**
Ricky Bullard, **Vice Chairman**
Amon E. McKenzie
James E. Prevatte
Giles E. Byrd
P. Edwin Russ
Trent Burroughs

APPOINTEES PRESENT:

William S. Clark, **County Manager**
Mike Stephens, **County Attorney**
June B. Hall, **Clerk to Board**

APPOINTEE ABSENT:

Bobbie Faircloth, **Finance Officer**

MEETING CALLED TO ORDER:

At 7:31 P.M., Chairman Charles T. McDowell called the **combination meeting** of Columbus County Water and Sewer Districts I, II, III, IV and V Board Meeting to order.

Agenda Item #14: COLUMBUS COUNTY WATER SEWER DISTRICTS I, II, III, IV and V - APPROVAL OF BOARD MEETING MINUTES:

September 03, 2013 **Combination Meeting** of Columbus County Water and Sewer Districts I, II, III, IV and V Board Meeting (**5 sets**).

Commissioner Russ made a motion to approve the September 03, 2013 Columbus County Water and Sewer District I Board Meeting Minutes, as recorded, seconded by Vice Chairman Bullard. The motion unanimously passed.

Agenda Item #15: COLUMBUS COUNTY WATER and SEWER DISTRICTS I, II, III, IV and V - APPROVAL of ADJUSTMENTS to the AUGUST, 2013 MONTHLY WATER BILLS:

Danny Fowler, Interim Public Utilities Director, requested Board approval of the following August, 2013 adjustments to the monthly water bills for Columbus County Water and Sewer District I.

August 2013 Adjustments for Water District I

DATE	ACCT #	ACCT NAME	ADJ AMT	REASON FOR ADJUSTMENT
8/9/2013	303510.00 98	RUBY HUGHES	\$(127.00)	CUSTOMER LEAK
8/9/2013	602500.00 98	MITCHELL WARD	\$(929.00)	CUSTOMER LEAK

DATE	ACCT #	ACCT NAME	ADJ AMT	REASON FOR ADJUSTMENT
8/9/2013	600940.00 98	TONY SOLES	\$20.00	INCORRECT METER READING
8/30/2013	300960.00 97	JAMIE BARNES	\$50.00	METER TAMPERING FEE
8/30/2013	404422.00 98	CARLISA BROWN	\$(5.00)	POSTING ERROR
8/30/2013	201030.00 98	MARY STANLEY	\$(34.00)	POSTING ERROR

Commissioner Russ made a motion to approve the adjustments to the August, 2013 monthly water bills for Columbus County Water and Sewer District I, seconded by Commissioner Prevatte. The motion unanimously passed.

Agenda Item #16: COLUMBUS COUNTY WATER and SEWER DISTRICTS I, II, III, IV and V - APPROVAL of RESOLUTION ADOPTING AGREEMENT BETWEEN COLUMBUS COUNTY and the COLUMBUS COUNTY WATER and SEWER DISTRICTS:

William S. Clark, County Manager, requested Board approval of the following Resolution Adopting Agreement Between Columbus County and the Columbus County Water and Sewer Districts.

RESOLUTION ADOPTING AGREEMENT BETWEEN COLUMBUS COUNTY AND THE COLUMBUS COUNTY WATER AND SEWER DISTRICTS

WHEREAS, there are five (5) County Water and Sewer Districts within the County of Columbus including Water and Sewer District I, Water and Sewer District II, Water and Sewer District III, Water and Sewer District IV, and Water and Sewer District V; and

WHEREAS, it is the desire of the County and the above-named Water and Sewer Districts to provide a cost efficient method for the administration, operation, maintenance and expansion of water and wastewater services to each of the Districts; and

WHEREAS, the adoption and approval of the attached Agreement between Columbus County and the Water and Sewer Districts would accomplish such end; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County of Columbus and by the Board of Commissioners sitting as the governing body of the Columbus County Water and Sewer Districts named above, that:

1. The attached agreement is hereby approved on behalf of the County and the County Water and Sewer Districts and that the Chairman of the Board of Commissioners is authorized to sign such Agreement on behalf of the County and each Water and Sewer District.

Duly adopted this 16th day of September 2013, upon motion made by Vice Chairman Bullard, seconded by Commissioner Burroughs and adopted by the following vote:

Ayes: Seven (7)

Noes: Zero (0)

Absent: None

COUNTY OF COLUMBUS

BY: /s/ **Charles McDowell**, Chairman of the Board and the governing body of the above-named Columbus County Water and Sewer Districts

ATTEST:

/s/ **June Hall**, Clerk to the Board and the above-named Columbus County Water and Sewer Districts

**STATE OF NORTH CAROLINA
COUNTY OF COLUMBUS**

AGREEMENT

THIS AGREEMENT, entered into this 16th day of September, 2013 by and between **COLUMBUS COUNTY**, a body politic and corporate, (herein "County"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT I** (herein "District I"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT II** (herein "District II"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT III** (herein "District III"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT IV** (herein "District IV"), and **COLUMBUS COUNTY WATER AND SEWER DISTRICT V** (herein "District V"); **DISTRICT I, DISTRICT II, DISTRICT III, DISTRICT IV, and DISTRICT V** herein being collectively referred to as "Districts";

ARTICLE I

AUTHORITY

Without limitation, the following portions of the General Statutes of North Carolina are recited herein as authority for this Agreement:

1.

**"PUBLIC ENTERPRISES"
(CHAPTER 153A, ARTICLE 15)**

(a)

N.C.G.S. §153A-274. **PUBLIC ENTERPRISE DEFINED.**

As used in this Article, "public enterprise" includes:

- (1) Water supply and distribution systems.
- (2) Wastewater collection, treatment and disposal systems of all types . . .

(b)

N.C.G.S. §153A-275. **AUTHORITY TO OPERATE PUBLIC ENTERPRISES.**

"(a) A county may acquire, lease as lessor or lessee, construct, establish, enlarge, improve, extend, maintain, own, operate, and contract for the operation of public enterprises in order to furnish services to the county and its citizens

(b) A county may adopt adequate and reasonable rules to protect and regulate a public enterprise belonging to or operated by it. The rules shall be adopted by ordinance . . ." (Emp. Add.)

(c)

N.C.G.S. §153A-277. **AUTHORITY TO FIX AND ENFORCE RATES.**

"(a) A county may establish and revise from time to time schedules of rents, rates, fees, charges, and penalties for the use of or the services furnished by a public enterprise. Schedules of rents, rates, fees, charges, and penalties may vary for the same class of service in different areas of the county and may vary according to classes of service, and different schedules may be adopted for service provided outside of the county" (Emp.Add.)

(d)

N.C.G.S. §153A-278. **JOINT PROVISION OF ENTERPRISORY SERVICES.**

"Two or more counties, cities, or other units of local government may cooperate in the exercise of any power granted by this Article according to the procedures and provisions of Chapter 160A, Article 20, Part 1."

2.

"INTERLOCAL COOPERATION"
(CHAPTER 160A, ARTICLE 20, PART 1)

(a)

N.C.G.S. §160A-460. **DEFINITIONS.**

"The words defined in this section shall have the meanings indicated when used in this Part;

(1) "Undertaking" means the joint exercise of two or more units of local government, or the contractual exercise by one unit for one or more other units, of any power, function, public enterprise, right, privilege, or immunity of local government.

(2) "Unit" or "unit of local government" means a county, city, consolidated city-county, local board of education, sanitary district, facility authority created under Part 4 of this Article, or other local political sub-division, authority, or agency of local government." (Emp. Add.)

(b)

N.C.G.S. §160A-461. **INTERLOCAL COOPERATION AUTHORIZED.**

"Any unit of local government in this State and any one or more other units of local government in this State or any other state (to the extent permitted by the laws of the other state) may enter into contracts or agreements with each other in order to execute any undertaking. The contracts and agreements shall be of reasonable duration, as determined by the participating units, and shall be ratified by resolution of the governing board of each unit spread upon its minutes." (Emp. Add.)

3.

"COUNTY WATER AND SEWER DISTRICTS"
(CHAPTER 162A, ARTICLE 6)

(a)

N.C.G.S. §162A-88. **DISTRICT IS A MUNICIPAL CORPORATION.**

"The inhabitants of a county water and sewer district created pursuant to this Article are a body corporate and politic by the name specified by the board of commissioners. Under that name they are vested with all the property and rights of property belonging to the corporation; have perpetual succession; may sue and be sued; may contract and be contracted with; may acquire and hold any property, real and personal, devised, bequeathed, sold, or in any matter conveyed, dedicated to, or otherwise acquired by them, and from time to time hold, invest, sell, or dispose of the same; may have a common seal and alter and renew it at will; may establish, revise and collect rates, fees or other charges and penalties for the use of or the services furnished or to be furnished by any sanitary sewer system, water system or sanitary sewer and water system of the district; and may exercise those powers conferred on them by this Article." (Emp. Add.)

(b)

N.C.G.S. §162A-89. **GOVERNING BODY OF DISTRICT; POWERS.**

"(a) The board of commissioners of the county in which a county water and sewer district is created is the governing body of the district."

(c)

N.C.G.S. §162A-90. **BONDS AND NOTES AUTHORIZED.**

"A county water and sewer district may from time to time issue general obligation and revenue bonds and bond anticipation notes pursuant to the Local Government Finance Act, for the purposes of providing sanitary sewer systems or water systems or both.

A county water and sewer district may from time to time issue tax and revenue anticipation notes pursuant to Chapter 159, Article 9, Part 2."

4.

**"COUNTY PROPERTY"
(CHAPTER 153A, ARTICLE 8, PART 1)**

N.C.G.S. §153A-165. **LEASES.**

"A county may lease as lessee, with or without option to purchase, any real or personal property for any authorized public purpose."

ARTICLE II

RECITALS

The following recitals are herewith set forth as statements of existing facts and are hereby incorporated as substantive parts of this Agreement;

1.

The parties to this Agreement are "units of local government" and the subject matter of this agreement is an "undertaking" pursuant to the provisions of N.C.G.S. §160A-460.

2.

The Districts are county water and sewer districts created by the Board of Commissioners of Columbus County pursuant to the provisions of Chapter 162A, Article 6 of the General Statutes of North Carolina.

3.

Each of the Districts has, pursuant to N.C.G.S. §162A-90, issued bonded indebtedness, said indebtedness having been approved by the North Carolina Local Government Commission pursuant to the North Carolina Local Government Finance Act.

4.

Each of the Districts was successful in acquiring financial assistance from the United States Department of Agriculture, Rural Utilities Service, among others, to construct water systems and/or wastewater collection, treatment and disposal systems.

5.

None of the Districts currently employ personnel or have any means to administer the ongoing operations and maintenance of their systems.

6.

The County currently administers the operations of each of the Districts and attempts to allocate costs of administration in an equitable and pro-rata basis among the Districts; however, the costs of administration by the County require it to separate operating costs for each of the Districts and that such separation and current manner of operation is unduly complex, cumbersome, duplicative and inefficient.

7.

The Board of Commissioners of Columbus County, as commissioners of Columbus County and as the governing body of each of the Districts has caused an analysis of the advisability, feasibility and legality of consolidating the operations of the Districts and, after due and diligent consideration has, in the exercise of their best judgment, determined that it is in the best interest of each District as well as the efficient use of County resources to administer the operations and maintenance of the Districts by consolidating the operations and management as herein defined and agreed.

ARTICLE III

CREATION OF LEASEHOLD INTEREST

Each of the Districts, as lessors, by the execution of this Agreement, does hereby lease to County, as lessee, and County by the execution of this Agreement, does hereby lease from each of the Districts, upon the terms and conditions herein set forth, all of each District's right, title and interest in and to all water lines, wells, pumps, and appurtenances thereto owned by any of said Districts and does hereby further lease unto County, as lessee, all of its right, title and interest in and to any and all real estate now owned by or hereafter acquired by each of the Districts. It is the intent and purpose of this Agreement that each of the Districts does hereby lease to County, as lessee, and County does hereby accept, as lessee, all of the real and personal property of each of the Districts, subject to the terms and conditions as herein set forth.

ARTICLE IV**TRANSFER OF ASSETS**

Each of the Districts does hereby transfer unto County all of its right, title and interest in and to all cash, accounts receivable, contract rights or other intangibles, to have and to hold the same according to the terms and conditions as set forth herein. In addition, County agrees to assume the payment of all accounts payable, cash deposits on hand and any other contract obligation of each of the Districts, excluding specifically, however, the assumption and payment of any bonded or other indebtedness currently payable to any banking institution for funds received for the construction, operation or maintenance of improvements within any District.

ARTICLE V**OBLIGATIONS OF COUNTY**

As consideration for the lease and transfer of each District's interest as hereinabove set forth, County agrees to:

1.

Through the Columbus County Department of Public Utilities ("Utility Department") the County will administer all operations and maintenance of the water and, to the extent applicable, wastewater systems within each District. In so doing, County agrees that, at a minimum, the current level of service provided to each District will be maintained.

2.

Establish and revise from time to time schedules of rates, fees, charges, and penalties for the use of or the water and sewer services furnished and to bill and collect same. It is agreed that any and all funds collected by the Utility Department shall be collected and maintained as separate water and sewer enterprise funds and will not be commingled with the general funds of the County but used solely for the operation and management of the water and sewer enterprises.

Funds collected by the Utility Department shall be separated into a water enterprise fund and a wastewater enterprise fund so that funds received for water services will be used exclusively for the operation, maintenance and extension of water services and funds collected by the Utility Department for wastewater services will be used exclusively for the operation, maintenance and extension of wastewater services.

3.

Deliver to each District or its designee for payment, on a timely basis, funds sufficient to pay when due all principal and interest payments on each District's current indebtedness.

ARTICLE VI**COMPLIANCE WITH INTERLOCAL COOPERATION STATUTES**

In compliance with N.C.G.S., Chapter 160A, Article 20, Part 1, it is herein specified:

1.

PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to provide a cost efficient method for the administration, operation, maintenance and expansion of water and, where applicable in a District providing such, wastewater services to each of the Districts through the Columbus County Department of Public Utilities.

2.

DURATION OF THE AGREEMENT

The duration of this Agreement as it relates to any individual District shall be for so long as such District has outstanding any indebtedness which has been issued under the North Carolina Local Government Finance Act.

3.

APPOINTMENT OF PERSONNEL

The personnel necessary to carry out the provisions of this Agreement and undertaking shall be appointed by the Columbus County Department of Public Utilities, subject to the approval of the Columbus County Board of Commissioners.

4.

METHOD OF FINANCING THE AGREEMENT

The financing of this undertaking shall be by the enterprise funds received for the provision of water and wastewater services as specified in this Agreement and the apportionment of costs and revenues shall be by the Board of Commissioners of Columbus County.

5.

OWNERSHIP OF REAL PROPERTY

Any real property owned or acquired by any District during the term of this Agreement shall be and remain the property of the District owning or acquiring such, subject to the leasehold interest of the County as hereinabove specified in Article III.

Upon expiration of this Agreement between County and any of the individual Districts pursuant to the provisions of Articles VI and VII, the ownership of any real property currently owned or acquired during the term hereof shall be transferred to the County by special warranty deed pursuant to the provisions of Article VII.

6.

AMENDMENTS

This Agreement may be amended by written agreement between the County and any individual District who is or may become a party hereto as to any matters between the County and such individual District; however, no amendment affecting any District who does not agree or consent to such amendment shall be effective as to any such non-consenting District.

7.

TERMINATION

This Agreement shall be terminated as to any individual District by an agreement in writing between the County and such terminating District; however, the termination as to any such District shall not affect any non-terminating District.

Notwithstanding anything to the contrary herein contained, this Agreement shall be terminated as to any individual District at such time as such District has no outstanding indebtedness issued pursuant to the North Carolina Local Government Finance Act.

ARTICLE VII
OPTION TO PURCHASE

Each District hereby grants to the County an option to purchase for the sum of One Dollar (\$1.00) all of the real and personal property owned by the District upon the termination of the lease as herein specified and the termination of this Agreement pursuant to the provisions of Article VI. Transfer shall be by special warranty deed and appropriate bill of sale.

Upon termination of this Agreement and acquisition by the County of the properties of the Districts as herein specified, County agrees to continue to provide the services as specified herein at the existing levels of service and as the same may be expanded in the future.

ARTICLE VIII
NEW DISTRICTS

Any new water and sewer district which may be formed in Columbus County pursuant to the provisions of Chapter 162A, Article 6 of the General Statutes of North Carolina shall be made a party to this Agreement upon formation of such District.

ARTICLE IX
NON-APPROPRIATION BY COUNTY

Nothing in this Agreement shall be construed as obligating the County, either expressly or by implication, to exercise its power to levy taxes either to make payments to the District under this Agreement or to pay any judgment entered as a result of the County's breach of this Agreement. Nothing herein contained shall be construed either expressly or by implication as a pledge of the taxing power or full faith and credit of the County for the performance of this Agreement. County shall not be obligated to appropriate County funds for the obligation incurred hereunder except those water and sewer enterprise funds as herein specified.

IN TESTIMONY WHEREOF, the parties hereto have set their hand and seal by resolutions duly adopted by the governing board of the County and the Districts all on the day and year first above written.

AMENDMENT I
to
Agreement Between Columbus County

and
The Columbus County Water and Sewer Districts

Article VI
Compliance With Interlocal Cooperation Statutes

6.
Amendments

1. The Special Tax of seven (\$0 .07) cents in Columbus County Water and Sewer District II, and eleven (\$0.11) cents in Columbus County Water and Sewer District III will be reduced fifty (50%) percent the first budget year (2014-2015), and the remaining fifty (50%) percent will be eliminated by the second budget year (2015-2016); **and**
2. The **elimination** of the Special Tax of seven (\$ 0.07) cents in Columbus County Water and Sewer District II, and eleven (\$0.11) cents in Columbus County Water and Sewer District III will not exceed the next two (2) budget years, under any circumstances.

APPROVED and **ADOPTED** this the 16th day of September, 2013.

/s/ **CHARLES T. McDOWELL, Chairman**

ATTESTED BY:

/s/ **JUNE B. HALL, Clerk to Board**

COUNTY OF COLUMBUS

BY: /s/ Charles McDowell, Chairman
Board of Commissioners

ATTEST:

/s/ **June Hall, Clerk**

COLUMBUS COUNTY WATER AND SEWER DISTRICT I

BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners
sitting as the governing body of the Columbus County Water and Sewer District I

ATTEST:

/s/ **June Hall, Clerk**

COLUMBUS COUNTY WATER AND SEWER DISTRICT II

BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners
sitting as the governing body of the Columbus County Water and Sewer District II

ATTEST:

/s/ **June Hall, Clerk**

COLUMBUS COUNTY WATER AND SEWER DISTRICT III

BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners
sitting as the governing body of the Columbus County Water and Sewer District III

ATTEST:/s/ **June Hall, Clerk****COLUMBUS COUNTY WATER AND SEWER DISTRICT IV****BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners sitting as the governing body of the Columbus County Water and Sewer District IV****ATTEST:**/s/ **June Hall, Clerk****COLUMBUS COUNTY WATER AND SEWER DISTRICT V****BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners sitting as the governing body of the Columbus County Water and Sewer District V****ATTEST:**/s/ **June Hall, Clerk****DISCUSSION/QUESTIONS/COMMENTS:****Commissioner Prevatte:** stated the following:

1. Mr. Tart, you did a fantastic job,
2. In the information you have compiled, you state the bond for Water District IV was sold in 2000, and I don't remember that;
3. What is confusing is you have people serving on the Water and Sewer Advisory Commission that doesn't live in the water district; **and**
4. Is this commission going to be resolved?.

Rodney Tart: stated the following:

1. We used the information that was furnished to us by staff;
2. The Water and Sewer Advisory Commission has been under utilized, and has not met frequently enough;
3. I recommend that you charge this commission with the responsibility of establishing policy and guidelines for the water system;
4. You have got a lot of pages of work to go through, and a lot of that is policy, and I am recommending that you, through this Business Plan and Master Plan, evaluate and adopt this policy;
5. Before you can fully adopt it, you need counsel, staff, and somebody out there that knows the people and can understand the detail of how it is going to work;
6. What I envision is that you will take these policies that we recommend and you will work through them;
7. You will charge this Advisory Board, you will charge your staff and counsel to evaluate and go through this, make adjustments where it makes sense for your needs and interests;
8. It is important that you have policy that you treat people the same in all fashions; **and**
9. It protects you, it protects the staff, and it protects your citizens.

Discussion: the way in which the members of the Water Advisory Commission were appointed and appointing members for fair representation across the County.**Rodney Tart:** stated the following:

1. The important part here is that now you are in the fetal stages of developing a new business model, and there are a lot of policies that need attention that you, as the Board members, don't have time to do that; **and**
2. This Commission needs to be re-appointed, re-assessed, get good business minded people with prudent minds to work with staff, work with counsel and then let them bring this back, a policy or two at the time and you adopt it.

Commissioner Prevatte: stated the following:

1. On Page 33, it is stated that our Goal II is to develop a plan to eliminate ad valorem tax in Water Districts II and III;
2. By talking to the Chairman and Mr. Clark and some others, I understand that might not be;
3. It might not be by July 1 of this coming year, because we will short some money;
4. I have been told it might take two (2) years for this tax to be eliminated;
5. Before we make a motion, I would like to go **on record** saying the following:
“We need to put some boundaries on a time, and not leave it open ended, and say at a maximum of two (2) years.”, and
6. As long as it does not go past two (2) years, I am okay.

In-dept Discussion:

1. Taking the \$100,000.00 shortfall, if the taxes in Water Districts II and III are eliminated, from the Water Fund Balance;
2. Pulling \$1 million from the Water Fund Balance to pay the debt off;
3. The taxes in Districts II and III to be completely eliminated by the year 2015 or 2016;
4. Two (2) options being available: borrow from yourself or to stretch the debt out further; **and**
5. Operating the water system from a business standpoint to accomplish the following:
 -putting money back into the Fund Balance or depreciation;
 -meeting inflationary costs; **and**
 -moving business forward.

MOTION:

Commissioner Prevatte made a motion to approve the Resolution Adopting Agreement Between Columbus County and the Columbus County Water and Sewer Districts, with the following boundaries:

1. Beginning in July, 2014 year, we would look at reducing the tax in Water Districts II and II, based on the recommendation that comes from Administration at that time;
2. It should not exceed, under any circumstances, a two (2) year period;
3. The Manager will make a recommendation, in his budget, whether we will take the Fund Balance or whether we will take one-half (1/2) of the tax the first year and the other one-half (1/2) the second year, or 75% and 25%; **and**
4. Give the County Manager time to work these figures due to possible changes and then we will proceed from there.

AMENDED MOTION:

Commissioner Prevatte amended his motion to approve the Resolution Adopting Agreement Between Columbus County and the Columbus County Water and Sewer Districts, with the

following boundaries:

1. The Special Tax in Water Districts II and III will be reduced fifty (50%) percent the first budget year (2014-2015), and the remaining fifty (50%) percent will be eliminated by the second budget year (2015-2016); **and**
2. The elimination of the Special Tax in Water Districts II and III will not exceed the next two (2) budget years, under any circumstances.

The motion was seconded by Commissioner Byrd. The motion unanimously passed.

ADJOURNMENT:

At 7:57 P.M., Vice Chairman Bullard made a motion to adjourn, seconded by Commissioner Burroughs. The motion unanimously passed.

APPROVED:

JUNE B. HALL, Clerk to Board

CHARLES T. McDOWELL Chairman

**COLUMBUS COUNTY WATER and SEWER DISTRICTS I, II, III, IV and V
COMBINATION BOARD MEETING**

**Monday, September 16, 2013
7:31 P.M.**

The Honorable Columbus County Commissioners met on the above stated date and at the above stated time in the Dempsey B. Herring Courthouse Annex Building, located at 112 West Smith Street, Whiteville, North Carolina, to act as the Columbus County Water and Sewer District II Board.

COMMISSIONERS PRESENT:

Charles T. McDowell, **Chairman**
Ricky Bullard, **Vice Chairman**
Amon E. McKenzie
James E. Prevatte
Giles E. Byrd
P. Edwin Russ
Trent Burroughs

APPOINTEES PRESENT:

William S. Clark, **County Manager**
Mike Stephens, **County Attorney**
June B. Hall, **Clerk to Board**

APPOINTEE ABSENT:

Bobbie Faircloth, **Finance Officer**

MEETING CALLED TO ORDER:

At 7:31 P.M., Chairman Charles T. McDowell called the **combination meeting** of Columbus County Water and Sewer Districts I, II, III, IV and V Board Meeting to order.

Agenda Item #14: COLUMBUS COUNTY WATER SEWER DISTRICTS I, II, III, IV and V - APPROVAL OF BOARD MEETING MINUTES:

September 03, 2013 **Combination Meeting** of Columbus County Water and Sewer Districts I, II, III, IV and V Board Meeting (**5 sets**).

Commissioner Russ made a motion to approve the September 03, 2013 Columbus County Water and Sewer District II Board Meeting Minutes, as recorded, seconded by Vice Chairman Bullard. The motion unanimously passed.

Agenda Item #15: COLUMBUS COUNTY WATER ands SEWER DISTRICTS I, II, III, IV and V - APPROVAL of ADJUSTMENTS to the AUGUST, 2013 MONTHLY WATER BILLS:

Danny Fowler, Interim Public Utilities Director, requested Board approval of the following August, 2013 adjustments to the monthly water bills for Columbus County Water and Sewer District II.

August 2013 Adjustments for Water District II

DATE	ACCT #	NAME ON ACCOUNT	ADJ AMT	REASON FOR ADJUSTMENT
8/9/2013	144340.00 98	MEMORY BROWN	\$(296.00)	CUSTOMER LEAK
8/9/2013	110290.00 98	LORIS MCPHERSON	\$(12.00)	INCORRECT METER READING

8/30/2013	141550.00 98	RUDOLPH MCKENZIE	\$(142.00)	CUSTOMER LEAK
8/30/2013	150130.00 98	YVONNE MULLINS	\$(259.00)	CUSTOMER LEAK
8/30/2013	122660.00 98	ANGELA MCDUFFIE	\$(96.00)	CUSTOMER LEAK
8/30/2013	140282.00 95	HERLAR FAIRCLOTH	\$(51.00)	CUSTOMER LEAK

Commissioner Russ made a motion to approve the adjustments to the August, 2013 monthly water bills for Columbus County Water and Sewer District II, seconded by Commissioner Prevatte. The motion unanimously passed.

Agenda Item #16: COLUMBUS COUNTY WATER and SEWER DISTRICTS I, II, III, IV and V - APPROVAL of RESOLUTION ADOPTING AGREEMENT BETWEEN COLUMBUS COUNTY and the COLUMBUS COUNTY WATER and SEWER DISTRICTS:

William S. Clark, County Manager, requested Board approval of the following Resolution Adopting Agreement Between Columbus County and the Columbus County Water and Sewer Districts.

RESOLUTION ADOPTING AGREEMENT BETWEEN COLUMBUS COUNTY AND THE COLUMBUS COUNTY WATER AND SEWER DISTRICTS

WHEREAS, there are five (5) County Water and Sewer Districts within the County of Columbus including Water and Sewer District I, Water and Sewer District II, Water and Sewer District III, Water and Sewer District IV, and Water and Sewer District V; and

WHEREAS, it is the desire of the County and the above-named Water and Sewer Districts to provide a cost efficient method for the administration, operation, maintenance and expansion of water and wastewater services to each of the Districts; and

WHEREAS, the adoption and approval of the attached Agreement between Columbus County and the Water and Sewer Districts would accomplish such end; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County of Columbus and by the Board of Commissioners sitting as the governing body of the Columbus County Water and Sewer Districts named above, that:

1. The attached agreement is hereby approved on behalf of the County and the County Water and Sewer Districts and that the Chairman of the Board of Commissioners is authorized to sign such Agreement on behalf of the County and each Water and Sewer District.

Duly adopted this 16th day of September 2013, upon motion made by Vice Chairman Bullard, seconded by Commissioner Burroughs and adopted by the following vote:
 Ayes: Seven (7) Noes: Zero (0) Absent: None

BY: /s/ **Charles McDowell**, Chairman of the Board and the governing body of the above-named Columbus County Water and Sewer Districts

ATTEST:

/s/ **June Hall**, Clerk to the Board and the above-named Columbus County Water and Sewer Districts

**STATE OF NORTH CAROLINA
COUNTY OF COLUMBUS**

AGREEMENT

THIS AGREEMENT, entered into this 16th day of September, 2013 by and between **COLUMBUS COUNTY**, a body politic and corporate, (herein "County"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT I** (herein "District I"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT II** (herein "District II"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT III** (herein "District III"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT IV** (herein "District IV"), and **COLUMBUS COUNTY WATER AND SEWER DISTRICT V** (herein "District V"); **DISTRICT I, DISTRICT II, DISTRICT III, DISTRICT IV, and DISTRICT V** herein being collectively referred to as "Districts";

ARTICLE I

AUTHORITY

Without limitation, the following portions of the General Statutes of North Carolina are recited herein as authority for this Agreement:

1.
**"PUBLIC ENTERPRISES"
(CHAPTER 153A, ARTICLE 15)**

(a)

N.C.G.S. §153A-274. **PUBLIC ENTERPRISE DEFINED.**

As used in this Article, "public enterprise" includes:

- (1) Water supply and distribution systems.
- (2) Wastewater collection, treatment and disposal systems of all types . . .

(b)

N.C.G.S. §153A-275. **AUTHORITY TO OPERATE PUBLIC ENTERPRISES.**

"(a) A county may acquire, lease as lessor or lessee, construct, establish, enlarge, improve, extend, maintain, own, operate, and contract for the operation of public enterprises in order to furnish services to the county and its citizens

(b) A county may adopt adequate and reasonable rules to protect and regulate a public

enterprise belonging to or operated by it. The rules shall be adopted by ordinance" (Emp. Add.)

(c)

N.C.G.S. §153A-277. **AUTHORITY TO FIX AND ENFORCE RATES.**

"(a) A county may establish and revise from time to time schedules of rents, rates, fees, charges, and penalties for the use of or the services furnished by a public enterprise. Schedules of rents, rates, fees, charges, and penalties may vary for the same class of service in different areas of the county and may vary according to classes of service, and different schedules may be adopted for service provided outside of the county" (Emp.Add.)

(d)

N.C.G.S. §153A-278. **JOINT PROVISION OF ENTERPRISORY SERVICES.**

"Two or more counties, cities, or other units of local government may cooperate in the exercise of any power granted by this Article according to the procedures and provisions of Chapter 160A, Article 20, Part 1."

2.

**"INTERLOCAL COOPERATION"
(CHAPTER 160A, ARTICLE 20, PART 1)**

(a)

N.C.G.S. §160A-460. **DEFINITIONS.**

"The words defined in this section shall have the meanings indicated when used in this Part;

(1) "Undertaking" means the joint exercise of two or more units of local government, or the contractual exercise by one unit for one or more other units, of any power, function, public enterprise, right, privilege, or immunity of local government.

(2) "Unit" or "unit of local government" means a county, city, consolidated city-county, local board of education, sanitary district, facility authority created under Part 4 of this Article, or other local political sub-division, authority, or agency of local government." (Emp. Add.)

(b)

N.C.G.S. §160A-461. **INTERLOCAL COOPERATION AUTHORIZED.**

"Any unit of local government in this State and any one or more other units of local government in this State or any other state (to the extent permitted by the laws of the other state) may enter into contracts or agreements with each other in order to execute any undertaking. The contracts and agreements shall be of reasonable duration, as determined by the participating units, and shall be ratified by resolution of the governing board of each unit spread upon its minutes." (Emp. Add.)

3.

"COUNTY WATER AND SEWER DISTRICTS"
(CHAPTER 162A, ARTICLE 6)

(a)

N.C.G.S. §162A-88. **DISTRICT IS A MUNICIPAL CORPORATION.**

"The inhabitants of a county water and sewer district created pursuant to this Article are a body corporate and politic by the name specified by the board of commissioners. Under that name they are vested with all the property and rights of property belonging to the corporation; have perpetual succession; may sue and be sued; may contract and be contracted with; may acquire and hold any property, real and personal, devised, bequeathed, sold, or in any matter conveyed, dedicated to, or otherwise acquired by them, and from time to time hold, invest, sell, or dispose of the same; may have a common seal and alter and renew it at will; may establish, revise and collect rates, fees or other charges and penalties for the use of or the services furnished or to be furnished by any sanitary sewer system, water system or sanitary sewer and water system of the district; and may exercise those powers conferred on them by this Article." (Emp. Add.)

(b)

N.C.G.S. §162A-89. **GOVERNING BODY OF DISTRICT; POWERS.**

"(a) The board of commissioners of the county in which a county water and sewer district is created is the governing body of the district."

(c)

N.C.G.S. §162A-90. **BONDS AND NOTES AUTHORIZED.**

"A county water and sewer district may from time to time issue general obligation and revenue bonds and bond anticipation notes pursuant to the Local Government Finance Act, for the purposes of providing sanitary sewer systems or water systems or both.

A county water and sewer district may from time to time issue tax and revenue anticipation notes pursuant to Chapter 159, Article 9, Part 2."

4.

"COUNTY PROPERTY"
(CHAPTER 153A, ARTICLE 8, PART 1)

N.C.G.S. §153A-165. **LEASES.**

"A county may lease as lessee, with or without option to purchase, any real or personal property for any authorized public purpose."

ARTICLE II

RECITALS

The following recitals are herewith set forth as statements of existing facts and are hereby incorporated as substantive parts of this Agreement;

1.

The parties to this Agreement are "units of local government" and the subject matter of this agreement is an "undertaking" pursuant to the provisions of N.C.G.S. §160A-460.

2.

The Districts are county water and sewer districts created by the Board of Commissioners of Columbus County pursuant to the provisions of Chapter 162A, Article 6 of the General Statutes of North Carolina.

3.

Each of the Districts has, pursuant to N.C.G.S. §162A-90, issued bonded indebtedness, said indebtedness having been approved by the North Carolina Local Government Commission pursuant to the North Carolina Local Government Finance Act.

4.

Each of the Districts was successful in acquiring financial assistance from the United States Department of Agriculture, Rural Utilities Service, among others, to construct water systems and/or wastewater collection, treatment and disposal systems.

5.

None of the Districts currently employ personnel or have any means to administer the ongoing operations and maintenance of their systems.

6.

The County currently administers the operations of each of the Districts and attempts to allocate costs of administration in an equitable and pro-rata basis among the Districts; however, the costs of administration by the County require it to separate operating costs for each of the Districts and that such separation and current manner of operation is unduly complex, cumbersome, duplicative and inefficient.

7.

The Board of Commissioners of Columbus County, as commissioners of Columbus County and as the governing body of each of the Districts has caused an analysis of the advisability, feasibility and legality of consolidating the operations of the Districts and, after due and diligent consideration has, in the exercise of their best judgment, determined that it is in the best interest of each District as well as the efficient use of County resources to administer the operations and maintenance of the Districts by consolidating the operations and management as herein defined and agreed.

ARTICLE III

CREATION OF LEASEHOLD INTEREST

Each of the Districts, as lessors, by the execution of this Agreement, does hereby lease to County, as lessee, and County by the execution of this Agreement, does hereby lease from each of the Districts, upon the terms and conditions herein set forth, all of each District's right, title and interest in and to all water lines, wells, pumps, and appurtenances thereto owned by any of said Districts and does hereby further lease unto County, as lessee, all of its right, title and interest in and to any and all real estate now owned by or hereafter acquired by each of the Districts. It is the intent and purpose of this Agreement that each of the Districts does hereby lease to County, as lessee, and County does hereby accept, as lessee, all of the real and personal property of each of the Districts, subject to the terms and conditions as herein set forth.

ARTICLE IV

TRANSFER OF ASSETS

Each of the Districts does hereby transfer unto County all of its right, title and interest in and to all cash, accounts receivable, contract rights or other intangibles, to have and to hold the same according to the terms and conditions as set forth herein. In addition, County agrees to assume the payment of all accounts payable, cash deposits on hand and any other contract obligation of each of the Districts, excluding specifically, however, the assumption and payment of any bonded or other indebtedness currently payable to any banking institution for funds received for the construction, operation or maintenance of improvements within any District.

ARTICLE V

OBLIGATIONS OF COUNTY

As consideration for the lease and transfer of each District's interest as hereinabove set forth, County agrees to:

1.

Through the Columbus County Department of Public Utilities ("Utility Department") the County will administer all operations and maintenance of the water and, to the extent applicable, wastewater systems within each District. In so doing, County agrees that, at a minimum, the current level of service provided to each District will be maintained.

2.

Establish and revise from time to time schedules of rates, fees, charges, and penalties for the use of or the water and sewer services furnished and to bill and collect same. It is agreed that any and all funds collected by the Utility Department shall be collected and maintained as separate water and sewer enterprise funds and will not be commingled with the general funds of the County but used solely for the operation and management of the water and sewer enterprises.

Funds collected by the Utility Department shall be separated into a water enterprise fund and a wastewater enterprise fund so that funds received for water services will be used exclusively for the operation, maintenance and extension of water services and funds collected by the Utility Department for wastewater services will be used exclusively for the operation, maintenance and extension of wastewater services.

3.

Deliver to each District or its designee for payment, on a timely basis, funds sufficient to pay when due all principal and interest payments on each District's current indebtedness.

ARTICLE VI
COMPLIANCE WITH INTERLOCAL COOPERATION STATUTES

In compliance with N.C.G.S., Chapter 160A, Article 20, Part 1, it is herein specified:

1.

PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to provide a cost efficient method for the administration, operation, maintenance and expansion of water and, where applicable in a District providing such, wastewater services to each of the Districts through the Columbus County Department of Public Utilities.

2.

DURATION OF THE AGREEMENT

The duration of this Agreement as it relates to any individual District shall be for so long as such District has outstanding any indebtedness which has been issued under the North Carolina Local Government Finance Act.

3.

APPOINTMENT OF PERSONNEL

The personnel necessary to carry out the provisions of this Agreement and undertaking shall be appointed by the Columbus County Department of Public Utilities, subject to the approval of the Columbus County Board of Commissioners.

4.

METHOD OF FINANCING THE AGREEMENT

The financing of this undertaking shall be by the enterprise funds received for the provision of water and wastewater services as specified in this Agreement and the apportionment of costs and revenues shall be by the Board of Commissioners of Columbus County.

5.

OWNERSHIP OF REAL PROPERTY

Any real property owned or acquired by any District during the term of this Agreement shall be and remain the property of the District owning or acquiring such, subject to the leasehold interest of the County as hereinabove specified in Article III.

Upon expiration of this Agreement between County and any of the individual Districts pursuant to the provisions of Articles VI and VII, the ownership of any real property currently owned or acquired during the term hereof shall be transferred to the County by special warranty

deed pursuant to the provisions of Article VII.

6.

AMENDMENTS

This Agreement may be amended by written agreement between the County and any individual District who is or may become a party hereto as to any matters between the County and such individual District; however, no amendment affecting any District who does not agree or consent to such amendment shall be effective as to any such non-consenting District.

7.

TERMINATION

This Agreement shall be terminated as to any individual District by an agreement in writing between the County and such terminating District; however, the termination as to any such District shall not affect any non-terminating District.

Notwithstanding anything to the contrary herein contained, this Agreement shall be terminated as to any individual District at such time as such District has no outstanding indebtedness issued pursuant to the North Carolina Local Government Finance Act.

ARTICLE VII**OPTION TO PURCHASE**

Each District hereby grants to the County an option to purchase for the sum of One Dollar (\$1.00) all of the real and personal property owned by the District upon the termination of the lease as herein specified and the termination of this Agreement pursuant to the provisions of Article VI. Transfer shall be by special warranty deed and appropriate bill of sale.

Upon termination of this Agreement and acquisition by the County of the properties of the Districts as herein specified, County agrees to continue to provide the services as specified herein at the existing levels of service and as the same may be expanded in the future.

ARTICLE VIII**NEW DISTRICTS**

Any new water and sewer district which may be formed in Columbus County pursuant to the provisions of Chapter 162A, Article 6 of the General Statutes of North Carolina shall be made a party to this Agreement upon formation of such District.

ARTICLE IX**NON-APPROPRIATION BY COUNTY**

Nothing in this Agreement shall be construed as obligating the County, either expressly or by implication, to exercise its power to levy taxes either to make payments to the District under this Agreement or to pay any judgment entered as a result of the County's breach of this Agreement. Nothing herein contained shall be construed either expressly or by implication as a pledge of the taxing power or full faith and credit of the County for the performance of this Agreement. County shall not be obligated to appropriate County funds for the obligation incurred hereunder except those

water and sewer enterprise funds as herein specified.

IN TESTIMONY WHEREOF, the parties hereto have set their hand and seal by resolutions duly adopted by the governing board of the County and the Districts all on the day and year first above written.

AMENDMENT I
to
Agreement Between Columbus County
and
The Columbus County Water and Sewer Districts

Article VI
Compliance With Interlocal Cooperation Statutes

6.
Amendments

1. The Special Tax of seven (\$0 .07) cents in Columbus County Water and Sewer District II, and eleven (\$0.11) cents in Columbus County Water and Sewer District III will be reduced fifty (50%) percent the first budget year (2014-2015), and the remaining fifty (50%) percent will be eliminated by the second budget year (2015-2016); **and**
2. The **elimination** of the Special Tax of seven (\$ 0.07) cents in Columbus County Water and Sewer District II, and eleven (\$0.11) cents in Columbus County Water and Sewer District III will not exceed the next two (2) budget years, under any circumstances.

APPROVED and **ADOPTED** this the 16th day of September, 2013.

/s/ **CHARLES T. McDOWELL, Chairman**

ATTESTED BY:

/s/ **JUNE B. HALL, Clerk to Board**

COUNTY OF COLUMBUS

BY: /s/ Charles McDowell, Chairman
Board of Commissioners

ATTEST:

/s/ **June Hall, Clerk**

COLUMBUS COUNTY WATER AND SEWER DISTRICT I

BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners
sitting as the governing body of the Columbus County Water and Sewer District I

ATTEST:

/s/ **June Hall, Clerk**

COLUMBUS COUNTY WATER AND SEWER DISTRICT II

BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners sitting as the governing body of the Columbus County Water and Sewer District II

ATTEST:

/s/ June Hall, Clerk

COLUMBUS COUNTY WATER AND SEWER DISTRICT III

BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners sitting as the governing body of the Columbus County Water and Sewer District III

ATTEST:

/s/ June Hall, Clerk

COLUMBUS COUNTY WATER AND SEWER DISTRICT IV

BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners sitting as the governing body of the Columbus County Water and Sewer District IV

ATTEST:

/s/ June Hall, Clerk

COLUMBUS COUNTY WATER AND SEWER DISTRICT V

BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners sitting as the governing body of the Columbus County Water and Sewer District V

ATTEST:

/s/ June Hall, Clerk

DISCUSSION/QUESTIONS/COMMENTS:

Commissioner Prevatte: stated the following:

1. Mr. Tart, you did a fantastic job,
2. In the information you have compiled, you state the bond for Water District IV was sold in 2000, and I don't remember that;
3. What is confusing is you have people serving on the Water and Sewer Advisory Commission that doesn't live in the water district; **and**
4. Is this commission going to be resolved?.

Rodney Tart: stated the following:

1. We used the information that was furnished to us by staff;
2. The Water and Sewer Advisory Commission has been under utilized, and has not met frequently enough;
3. I recommend that you charge this commission with the responsibility of establishing policy and guidelines for the water system;
4. You have got a lot of pages of work to go through, and a lot of that is policy, and I am recommending that you, through this Business Plan and Master Plan, evaluate and adopt this policy;
5. Before you can fully adopt it, you need counsel, staff, and somebody out there that knows the people and can understand the detail of how it is going to work;
6. What I envision is that you will take these policies that we recommend and you will work

- through them;
7. You will charge this Advisory Board, you will charge your staff and counsel to evaluate and go through this, make adjustments where it makes sense for your needs and interests;
 8. It is important that you have policy that you treat people the same in all fashions; **and**
 9. It protects you, it protects the staff, and it protects your citizens.

Discussion: the way in which the members of the Water Advisory Commission were appointed and appointing members for fair representation across the County.

Rodney Tart: stated the following:

1. The important part here is that now you are in the fetal stages of developing a new business model, and there are a lot of policies that need attention that you, as the Board members, don't have time to do that; **and**
2. This Commission needs to be re-appointed, re-assessed, get good business minded people with prudent minds to work with staff, work with counsel and then let them bring this back, a policy or two at the time and you adopt it.

Commissioner Prevatte: stated the following:

1. On Page 33, it is stated that our Goal II is to develop a plan to eliminate ad valorem tax in Water Districts II and III;
2. By talking to the Chairman and Mr. Clark and some others, I understand that might not be;
3. It might not be by July 1 of this coming year, because we will short some money;
4. I have been told it might take two (2) years for this tax to be eliminated;
5. Before we make a motion, I would like to go **on record** saying the following:
“We need to put some boundaries on a time, and not leave it open ended, and say at a maximum of two (2) years.”, and
6. As long as it does not go past two (2) years, I am okay.

In-dept Discussion:

1. Taking the \$100,000.00 shortfall, if the taxes in Water Districts II and III are eliminated, from the Water Fund Balance;
2. Pulling \$1 million from the Water Fund Balance to pay the debt off;
3. The taxes in Districts II and III to be completely eliminated by the year 2015 or 2016;
4. Two (2) options being available: borrow from yourself or to stretch the debt out further; **and**
5. Operating the water system from a business standpoint to accomplish the following:
 - putting money back into the Fund Balance or depreciation;
 - meeting inflationary costs; **and**
 - moving business forward.

MOTION:

Commissioner Prevatte made a motion to approve the Resolution Adopting Agreement Between Columbus County and the Columbus County Water and Sewer Districts, with the following boundaries:

1. Beginning in July, 2014 year, we would look at reducing the tax in Water Districts II and II, based on the recommendation that comes from Administration at that time;
2. It should not exceed, under any circumstances, a two (2) year period;

3. The Manager will make a recommendation, in his budget, whether we will take the Fund Balance or whether we will take one-half ($\frac{1}{2}$) of the tax the first year and the other one-half ($\frac{1}{2}$) the second year, or 75% and 25%; **and**
4. Give the County Manager time to work these figures due to possible changes and then we will proceed from there.

AMENDED MOTION:

Commissioner Prevatte amended his motion to approve the Resolution Adopting Agreement Between Columbus County and the Columbus County Water and Sewer Districts, with the following boundaries:

1. The Special Tax in Water Districts II and III will be reduced fifty (50%) percent the first budget year (2014-2015), and the remaining fifty (50%) percent will be eliminated by the second budget year (2015-2016); **and**
2. The elimination of the Special Tax in Water Districts II and III will not exceed the next two (2) budget years, under any circumstances.

The motion was seconded by Commissioner Byrd. The motion unanimously passed.

ADJOURNMENT:

At 7:57 P.M., Vice Chairman Bullard made a motion to adjourn, seconded by Commissioner Burroughs. The motion unanimously passed.

APPROVED:

JUNE B. HALL, Clerk to Board

CHARLES T. McDOWELL Chairman

**COLUMBUS COUNTY WATER and SEWER DISTRICTS I, II, III, IV and V
COMBINATION BOARD MEETING
Monday, September 16, 2013
7:31 P.M.**

The Honorable Columbus County Commissioners met on the above stated date and at the above stated time in the Dempsey B. Herring Courthouse Annex Building, located at 112 West Smith Street, Whiteville, North Carolina, to act as the Columbus County Water and Sewer District III Board.

COMMISSIONERS PRESENT:

Charles T. McDowell, **Chairman**
Ricky Bullard, **Vice Chairman**
Amon E. McKenzie
James E. Prevatte
Giles E. Byrd
P. Edwin Russ
Trent Burroughs

APPOINTEES PRESENT:

William S. Clark, **County Manager**
Mike Stephens, **County Attorney**
June B. Hall, **Clerk to Board**

APPOINTEE ABSENT:

Bobbie Faircloth, **Finance Officer**

MEETING CALLED TO ORDER:

At 7:31 P.M., Chairman Charles T. McDowell called the **combination meeting** of Columbus County Water and Sewer Districts I, II, III, IV and V Board Meeting to order.

Agenda Item #14: COLUMBUS COUNTY WATER SEWER DISTRICTS I, II, III, IV and V - APPROVAL OF BOARD MEETING MINUTES:

September 03, 2013 **Combination Meeting** of Columbus County Water and Sewer Districts I, II, III, IV and V Board Meeting (5 sets).

Commissioner Russ made a motion to approve the September 03, 2013 Columbus County Water and Sewer District III Board Meeting Minutes, as recorded, seconded by Vice Chairman Bullard. The motion unanimously passed.

Agenda Item #15: COLUMBUS COUNTY WATER ands SEWER DISTRICTS I, II, III, IV and V - APPROVAL of ADJUSTMENTS to the AUGUST, 2013 MONTHLY WATER BILLS:

Danny Fowler, Interim Public Utilities Director, requested Board approval of the following August, 2013 adjustments to the monthly water bills for Columbus County Water and Sewer District III.

August 2013 Adjustments for Water District III

DATE	ACCT #	ACCT NAME	ADJ AMT	REASON FOR ADJUSTMENT
8/9/2013	350745.00 98	ELIZABETH PHILLIPS	\$(30.00)	INTERNET PAYMENT

BY: /s/ **Charles McDowell**, Chairman of the Board and the governing body of the above-named Columbus County Water and Sewer Districts

ATTEST:

/s/ **June Hall**, Clerk to the Board and the above-named Columbus County Water and Sewer Districts

**STATE OF NORTH CAROLINA
COUNTY OF COLUMBUS**

AGREEMENT

THIS AGREEMENT, entered into this 16th day of September, 2013 by and between **COLUMBUS COUNTY**, a body politic and corporate, (herein "County"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT I** (herein "District I"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT II** (herein "District II"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT III** (herein "District III"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT IV** (herein "District IV"), and **COLUMBUS COUNTY WATER AND SEWER DISTRICT V** (herein "District V"); **DISTRICT I, DISTRICT II, DISTRICT III, DISTRICT IV, and DISTRICT V** herein being collectively referred to as "Districts";

ARTICLE I

AUTHORITY

Without limitation, the following portions of the General Statutes of North Carolina are recited herein as authority for this Agreement:

1.

**"PUBLIC ENTERPRISES"
(CHAPTER 153A, ARTICLE 15)**

(a)

N.C.G.S. §153A-274. **PUBLIC ENTERPRISE DEFINED.**

As used in this Article, "public enterprise" includes:

- (1) Water supply and distribution systems.
- (2) Wastewater collection, treatment and disposal systems of all types . . .

(b)

N.C.G.S. §153A-275. **AUTHORITY TO OPERATE PUBLIC ENTERPRISES.**

"(a) A county may acquire, lease as lessor or lessee, construct, establish, enlarge, improve, extend, maintain, own, operate, and contract for the operation of public enterprises in order to furnish services to the county and its citizens

(b) A county may adopt adequate and reasonable rules to protect and regulate a public enterprise belonging to or operated by it. The rules shall be adopted by ordinance . . ." (Emp. Add.)

(c)

N.C.G.S. §153A-277. **AUTHORITY TO FIX AND ENFORCE RATES.**

"(a) A county may establish and revise from time to time schedules of rents, rates, fees, charges, and penalties for the use of or the services furnished by a public enterprise. Schedules of rents, rates, fees, charges, and penalties may vary for the same class of service in different areas of the county and may vary according to classes of service, and different schedules may be adopted for service provided outside of the county" (Emp.Add.)

(d)

N.C.G.S. §153A-278. **JOINT PROVISION OF ENTERPRISORY SERVICES.**

"Two or more counties, cities, or other units of local government may cooperate in the exercise of any power granted by this Article according to the procedures and provisions of Chapter 160A, Article 20, Part 1."

2.

**"INTERLOCAL COOPERATION"
(CHAPTER 160A, ARTICLE 20, PART 1)**

(a)

N.C.G.S. §160A-460. **DEFINITIONS.**

"The words defined in this section shall have the meanings indicated when used in this Part;

(1) "Undertaking" means the joint exercise of two or more units of local government, or the contractual exercise by one unit for one or more other units, of any power, function, public enterprise, right, privilege, or immunity of local government.

(2) "Unit" or "unit of local government" means a county, city, consolidated city-county, local board of education, sanitary district, facility authority created under Part 4 of this Article, or other local political sub-division, authority, or agency of local government." (Emp. Add.)

(b)

N.C.G.S. §160A-461. **INTERLOCAL COOPERATION AUTHORIZED.**

"Any unit of local government in this State and any one or more other units of local government in this State or any other state (to the extent permitted by the laws of the other state) may enter into contracts or agreements with each other in order to execute any undertaking. The contracts and agreements shall be of reasonable duration, as determined by the participating units, and shall be ratified by resolution of the governing board of each unit spread upon its minutes." (Emp. Add.)

3.

"COUNTY WATER AND SEWER DISTRICTS"
(CHAPTER 162A, ARTICLE 6)

(a)

N.C.G.S. §162A-88. **DISTRICT IS A MUNICIPAL CORPORATION.**

"The inhabitants of a county water and sewer district created pursuant to this Article are a body corporate and politic by the name specified by the board of commissioners. Under that name they are vested with all the property and rights of property belonging to the corporation; have perpetual succession; may sue and be sued; may contract and be contracted with; may acquire and hold any property, real and personal, devised, bequeathed, sold, or in any matter conveyed, dedicated to, or otherwise acquired by them, and from time to time hold, invest, sell, or dispose of the same; may have a common seal and alter and renew it at will; may establish, revise and collect rates, fees or other charges and penalties for the use of or the services furnished or to be furnished by any sanitary sewer system, water system or sanitary sewer and water system of the district; and may exercise those powers conferred on them by this Article." (Emp. Add.)

(b)

N.C.G.S. §162A-89. **GOVERNING BODY OF DISTRICT; POWERS.**

"(a) The board of commissioners of the county in which a county water and sewer district is created is the governing body of the district."

(c)

N.C.G.S. §162A-90. **BONDS AND NOTES AUTHORIZED.**

"A county water and sewer district may from time to time issue general obligation and revenue bonds and bond anticipation notes pursuant to the Local Government Finance Act, for the purposes of providing sanitary sewer systems or water systems or both.

A county water and sewer district may from time to time issue tax and revenue anticipation notes pursuant to Chapter 159, Article 9, Part 2."

4.

"COUNTY PROPERTY"
(CHAPTER 153A, ARTICLE 8, PART 1)

N.C.G.S. §153A-165. **LEASES.**

"A county may lease as lessee, with or without option to purchase, any real or personal property for any authorized public purpose."

ARTICLE II

RECITALS

The following recitals are herewith set forth as statements of existing facts and are hereby incorporated as substantive parts of this Agreement;

1.

The parties to this Agreement are "units of local government" and the subject matter of this agreement is an "undertaking" pursuant to the provisions of N.C.G.S. §160A-460.

2.

The Districts are county water and sewer districts created by the Board of Commissioners of Columbus County pursuant to the provisions of Chapter 162A, Article 6 of the General Statutes of North Carolina.

3.

Each of the Districts has, pursuant to N.C.G.S. §162A-90, issued bonded indebtedness, said indebtedness having been approved by the North Carolina Local Government Commission pursuant to the North Carolina Local Government Finance Act.

4.

Each of the Districts was successful in acquiring financial assistance from the United States Department of Agriculture, Rural Utilities Service, among others, to construct water systems and/or wastewater collection, treatment and disposal systems.

5.

None of the Districts currently employ personnel or have any means to administer the ongoing operations and maintenance of their systems.

6.

The County currently administers the operations of each of the Districts and attempts to allocate costs of administration in an equitable and pro-rata basis among the Districts; however, the costs of administration by the County require it to separate operating costs for each of the Districts and that such separation and current manner of operation is unduly complex, cumbersome, duplicative and inefficient.

7.

The Board of Commissioners of Columbus County, as commissioners of Columbus County and as the governing body of each of the Districts has caused an analysis of the advisability, feasibility and legality of consolidating the operations of the Districts and, after due and diligent consideration has, in the exercise of their best judgment, determined that it is in the best interest of each District as well as the efficient use of County resources to administer the operations and maintenance of the Districts by consolidating the operations and management as herein defined and agreed.

ARTICLE III

CREATION OF LEASEHOLD INTEREST

Each of the Districts, as lessors, by the execution of this Agreement, does hereby lease to County, as lessee, and County by the execution of this Agreement, does hereby lease from each of the Districts, upon the terms and conditions herein set forth, all of each District's right, title and interest in and to all water lines, wells, pumps, and appurtenances thereto owned by any of said Districts and does hereby further lease unto County, as lessee, all of its right, title and interest in and to any and all real estate now owned by or hereafter acquired by each of the Districts. It is the intent and purpose of this Agreement that each of the Districts does hereby lease to County, as lessee, and County does hereby accept, as lessee, all of the real and personal property of each of the Districts, subject to the terms and conditions as herein set forth.

ARTICLE IV

TRANSFER OF ASSETS

Each of the Districts does hereby transfer unto County all of its right, title and interest in and to all cash, accounts receivable, contract rights or other intangibles, to have and to hold the same according to the terms and conditions as set forth herein. In addition, County agrees to assume the payment of all accounts payable, cash deposits on hand and any other contract obligation of each of the Districts, excluding specifically, however, the assumption and payment of any bonded or other indebtedness currently payable to any banking institution for funds received for the construction, operation or maintenance of improvements within any District.

ARTICLE V

OBLIGATIONS OF COUNTY

As consideration for the lease and transfer of each District's interest as hereinabove set forth, County agrees to:

1.

Through the Columbus County Department of Public Utilities ("Utility Department") the County will administer all operations and maintenance of the water and, to the extent applicable, wastewater systems within each District. In so doing, County agrees that, at a minimum, the current level of service provided to each District will be maintained.

2.

Establish and revise from time to time schedules of rates, fees, charges, and penalties for the use of or the water and sewer services furnished and to bill and collect same. It is agreed that any and all funds collected by the Utility Department shall be collected and maintained as separate water and sewer enterprise funds and will not be commingled with the general funds of the County but used solely for the operation and management of the water and sewer enterprises.

Funds collected by the Utility Department shall be separated into a water enterprise fund and a wastewater enterprise fund so that funds received for water services will be used exclusively for the operation, maintenance and extension of water services and funds collected by the Utility Department for wastewater services will be used exclusively for the operation, maintenance and extension of wastewater services.

3.

Deliver to each District or its designee for payment, on a timely basis, funds sufficient to pay when due all principal and interest payments on each District's current indebtedness.

ARTICLE VI
COMPLIANCE WITH INTERLOCAL COOPERATION STATUTES

In compliance with N.C.G.S., Chapter 160A, Article 20, Part 1, it is herein specified:

1.

PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to provide a cost efficient method for the administration, operation, maintenance and expansion of water and, where applicable in a District providing such, wastewater services to each of the Districts through the Columbus County Department of Public Utilities.

2.

DURATION OF THE AGREEMENT

The duration of this Agreement as it relates to any individual District shall be for so long as such District has outstanding any indebtedness which has been issued under the North Carolina Local Government Finance Act.

3.

APPOINTMENT OF PERSONNEL

The personnel necessary to carry out the provisions of this Agreement and undertaking shall be appointed by the Columbus County Department of Public Utilities, subject to the approval of the Columbus County Board of Commissioners.

4.

METHOD OF FINANCING THE AGREEMENT

The financing of this undertaking shall be by the enterprise funds received for the provision of water and wastewater services as specified in this Agreement and the apportionment of costs and revenues shall be by the Board of Commissioners of Columbus County.

5.

OWNERSHIP OF REAL PROPERTY

Any real property owned or acquired by any District during the term of this Agreement shall be and remain the property of the District owning or acquiring such, subject to the leasehold interest of the County as hereinabove specified in Article III.

Upon expiration of this Agreement between County and any of the individual Districts pursuant to the provisions of Articles VI and VII, the ownership of any real property currently owned or acquired during the term hereof shall be transferred to the County by special warranty deed pursuant to the provisions of Article VII.

6.

AMENDMENTS

This Agreement may be amended by written agreement between the County and any individual District who is or may become a party hereto as to any matters between the County and such individual District; however, no amendment affecting any District who does not agree or consent to such amendment shall be effective as to any such non-consenting District.

7.

TERMINATION

This Agreement shall be terminated as to any individual District by an agreement in writing between the County and such terminating District; however, the termination as to any such District shall not affect any non-terminating District.

Notwithstanding anything to the contrary herein contained, this Agreement shall be terminated as to any individual District at such time as such District has no outstanding indebtedness issued pursuant to the North Carolina Local Government Finance Act.

ARTICLE VII**OPTION TO PURCHASE**

Each District hereby grants to the County an option to purchase for the sum of One Dollar (\$1.00) all of the real and personal property owned by the District upon the termination of the lease as herein specified and the termination of this Agreement pursuant to the provisions of Article VI. Transfer shall be by special warranty deed and appropriate bill of sale.

Upon termination of this Agreement and acquisition by the County of the properties of the Districts as herein specified, County agrees to continue to provide the services as specified herein at the existing levels of service and as the same may be expanded in the future.

ARTICLE VIII**NEW DISTRICTS**

Any new water and sewer district which may be formed in Columbus County pursuant to the provisions of Chapter 162A, Article 6 of the General Statutes of North Carolina shall be made a party to this Agreement upon formation of such District.

ARTICLE IX**NON-APPROPRIATION BY COUNTY**

Nothing in this Agreement shall be construed as obligating the County, either expressly or by implication, to exercise its power to levy taxes either to make payments to the District under this Agreement or to pay any judgment entered as a result of the County's breach of this Agreement. Nothing herein contained shall be construed either expressly or by implication as a pledge of the taxing power or full faith and credit of the County for the performance of this Agreement. County shall not be obligated to appropriate County funds for the obligation incurred hereunder except those water and sewer enterprise funds as herein specified.

IN TESTIMONY WHEREOF, the parties hereto have set their hand and seal by resolutions duly adopted by the governing board of the County and the Districts all on the day and year first above written.

AMENDMENT I
to
Agreement Between Columbus County
and
The Columbus County Water and Sewer Districts

Article VI
Compliance With Interlocal Cooperation Statutes

6.
Amendments

1. The Special Tax of seven (\$0 .07) cents in Columbus County Water and Sewer District II, and eleven (\$0.11) cents in Columbus County Water and Sewer District III will be reduced fifty (50%) percent the first budget year (2014-2015), and the remaining fifty (50%) percent will be eliminated by the second budget year (2015-2016); **and**
2. The **elimination** of the Special Tax of seven (\$ 0.07) cents in Columbus County Water and Sewer District II, and eleven (\$0.11) cents in Columbus County Water and Sewer District III will not exceed the next two (2) budget years, under any circumstances.

APPROVED and **ADOPTED** this the 16th day of September, 2013.

/s/ **CHARLES T. McDOWELL, Chairman**

ATTESTED BY:

/s/ **JUNE B. HALL, Clerk to Board**

COUNTY OF COLUMBUS

BY: /s/ Charles McDowell, Chairman
Board of Commissioners

ATTEST:

/s/ **June Hall, Clerk**

COLUMBUS COUNTY WATER AND SEWER DISTRICT I

BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners
sitting as the governing body of the Columbus County Water and Sewer District I

ATTEST:

/s/ **June Hall, Clerk**

COLUMBUS COUNTY WATER AND SEWER DISTRICT II

BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners

sitting as the governing body of the Columbus County Water and Sewer District II

ATTEST:

/s/ **June Hall, Clerk**

COLUMBUS COUNTY WATER AND SEWER DISTRICT III

BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners sitting as the governing body of the Columbus County Water and Sewer District III

ATTEST:

/s/ **June Hall, Clerk**

COLUMBUS COUNTY WATER AND SEWER DISTRICT IV

BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners sitting as the governing body of the Columbus County Water and Sewer District IV

ATTEST:

/s/ **June Hall, Clerk**

COLUMBUS COUNTY WATER AND SEWER DISTRICT V

BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners sitting as the governing body of the Columbus County Water and Sewer District V

ATTEST:

/s/ **June Hall, Clerk**

DISCUSSION/QUESTIONS/COMMENTS:

Commissioner Prevatte: stated the following:

1. Mr. Tart, you did a fantastic job,
2. In the information you have compiled, you state the bond for Water District IV was sold in 2000, and I don't remember that;
3. What is confusing is you have people serving on the Water and Sewer Advisory Commission that doesn't live in the water district; **and**
4. Is this commission going to be resolved?.

Rodney Tart: stated the following:

1. We used the information that was furnished to us by staff;
2. The Water and Sewer Advisory Commission has been under utilized, and has not met frequently enough;
3. I recommend that you charge this commission with the responsibility of establishing policy and guidelines for the water system;
4. You have got a lot of pages of work to go through, and a lot of that is policy, and I am recommending that you, through this Business Plan and Master Plan, evaluate and adopt this policy;
5. Before you can fully adopt it, you need counsel, staff, and somebody out there that knows the people and can understand the detail of how it is going to work;
6. What I envision is that you will take these policies that we recommend and you will work through them;

7. You will charge this Advisory Board, you will charge your staff and counsel to evaluate and go through this, make adjustments where it makes sense for your needs and interests;
8. It is important that you have policy that you treat people the same in all fashions; **and**
9. It protects you, it protects the staff, and it protects your citizens.

Discussion: the way in which the members of the Water Advisory Commission were appointed and appointing members for fair representation across the County.

Rodney Tart: stated the following:

1. The important part here is that now you are in the fetal stages of developing a new business model, and there are a lot of policies that need attention that you, as the Board members, don't have time to do that; **and**
2. This Commission needs to be re-appointed, re-assessed, get good business minded people with prudent minds to work with staff, work with counsel and then let them bring this back, a policy or two at the time and you adopt it.

Commissioner Prevatte: stated the following:

1. On Page 33, it is stated that our Goal II is to develop a plan to eliminate ad valorem tax in Water Districts II and III;
2. By talking to the Chairman and Mr. Clark and some others, I understand that might not be;
3. It might not be by July 1 of this coming year, because we will short some money;
4. I have been told it might take two (2) years for this tax to be eliminated;
5. Before we make a motion, I would like to go **on record** saying the following:
“We need to put some boundaries on a time, and not leave it open ended, and say at a maximum of two (2) years.”, and
6. As long as it does not go past two (2) years, I am okay.

In-dept Discussion:

1. Taking the \$100,000.00 shortfall, if the taxes in Water Districts II and III are eliminated, from the Water Fund Balance;
2. Pulling \$1 million from the Water Fund Balance to pay the debt off;
3. The taxes in Districts II and III to be completely eliminated by the year 2015 or 2016;
4. Two (2) options being available: borrow from yourself or to stretch the debt out further; **and**
5. Operating the water system from a business standpoint to accomplish the following:
 - putting money back into the Fund Balance or depreciation;
 - meeting inflationary costs; **and**
 - moving business forward.

MOTION:

Commissioner Prevatte made a motion to approve the Resolution Adopting Agreement Between Columbus County and the Columbus County Water and Sewer Districts, with the following boundaries:

1. Beginning in July, 2014 year, we would look at reducing the tax in Water Districts II and II, based on the recommendation that comes from Administration at that time;
2. It should not exceed, under any circumstances, a two (2) year period;
3. The Manager will make a recommendation, in his budget, whether we will take the Fund

Balance or whether we will take one-half (1/2) of the tax the first year and the other one-half (1/2) the second year, or 75% and 25%; **and**

4. Give the County Manager time to work these figures due to possible changes and then we will proceed from there.

AMENDED MOTION:

Commissioner Prevatte amended his motion to approve the Resolution Adopting Agreement Between Columbus County and the Columbus County Water and Sewer Districts, with the following boundaries:

1. The Special Tax in Water Districts II and III will be reduced fifty (50%) percent the first budget year (2014-2015), and the remaining fifty (50%) percent will be eliminated by the second budget year (2015-2016); **and**
2. The elimination of the Special Tax in Water Districts II and III will not exceed the next two (2) budget years, under any circumstances.

The motion was seconded by Commissioner Byrd. The motion unanimously passed.

ADJOURNMENT:

At 7:57 P.M., Vice Chairman Bullard made a motion to adjourn, seconded by Commissioner Burroughs. The motion unanimously passed.

APPROVED:

JUNE B. HALL, Clerk to Board

CHARLES T. McDOWELL Chairman

**COLUMBUS COUNTY WATER and SEWER DISTRICTS I, II, III, IV and V
COMBINATION BOARD MEETING
Monday, September 16, 2013
7:31 P.M.**

The Honorable Columbus County Commissioners met on the above stated date and at the above stated time in the Dempsey B. Herring Courthouse Annex Building, located at 112 West Smith Street, Whiteville, North Carolina, to act as the Columbus County Water and Sewer District IV Board.

COMMISSIONERS PRESENT:

Charles T. McDowell, **Chairman**
Ricky Bullard, **Vice Chairman**
Amon E. McKenzie
James E. Prevatte
Giles E. Byrd
P. Edwin Russ
Trent Burroughs

APPOINTEES PRESENT:

William S. Clark, **County Manager**
Mike Stephens, **County Attorney**
June B. Hall, **Clerk to Board**

APPOINTEE ABSENT:

Bobbie Faircloth, **Finance Officer**

MEETING CALLED TO ORDER:

At 7:31 P.M., Chairman Charles T. McDowell called the **combination meeting** of Columbus County Water and Sewer Districts I, II, III, IV and V Board Meeting to order.

Agenda Item #14: COLUMBUS COUNTY WATER SEWER DISTRICTS I, II, III, IV and V - APPROVAL OF BOARD MEETING MINUTES:

September 03, 2013 **Combination Meeting** of Columbus County Water and Sewer Districts I, II, III, IV and V Board Meeting (**5 sets**).

Commissioner Russ made a motion to approve the September 03, 2013 Columbus County Water and Sewer District IV Board Meeting Minutes, as recorded, seconded by Vice Chairman Bullard. The motion unanimously passed.

Agenda Item #15: COLUMBUS COUNTY WATER ands SEWER DISTRICTS I, II, III, IV and V - APPROVAL of ADJUSTMENTS to the AUGUST, 2013 MONTHLY WATER BILLS:

Danny Fowler, Interim Public Utilities Director, requested Board approval of the following August, 2013 adjustments to the monthly water bills for Columbus County Water and Sewer District IV.

DISTRICT IV ADJUSTMENTS FOR THE MONTH OF AUGUST 2013

DATE	ACCT #	ACCT NAME	ADJ AMT	REASON FOR ADJUSTMENT
8/9/2013	430186.00.98	Augusta Brown	(\$95.00)	Customer Leak

Commissioner Russ made a motion to approve the adjustments to the August, 2013 monthly water bills for Columbus County Water and Sewer District IV, seconded by Commissioner Prevatte. The motion unanimously passed.

Agenda Item #16: COLUMBUS COUNTY WATER and SEWER DISTRICTS I, II, III, IV and V - APPROVAL of RESOLUTION ADOPTING AGREEMENT BETWEEN COLUMBUS COUNTY and the COLUMBUS COUNTY WATER and SEWER DISTRICTS:

William S. Clark, County Manager, requested Board approval of the following Resolution Adopting Agreement Between Columbus County and the Columbus County Water and Sewer Districts.

RESOLUTION ADOPTING AGREEMENT BETWEEN COLUMBUS COUNTY AND THE COLUMBUS COUNTY WATER AND SEWER DISTRICTS

WHEREAS, there are five (5) County Water and Sewer Districts within the County of Columbus including Water and Sewer District I, Water and Sewer District II, Water and Sewer District III, Water and Sewer District IV, and Water and Sewer District V; and

WHEREAS, it is the desire of the County and the above-named Water and Sewer Districts to provide a cost efficient method for the administration, operation, maintenance and expansion of water and wastewater services to each of the Districts; and

WHEREAS, the adoption and approval of the attached Agreement between Columbus County and the Water and Sewer Districts would accomplish such end; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County of Columbus and by the Board of Commissioners sitting as the governing body of the Columbus County Water and Sewer Districts named above, that:

1. The attached agreement is hereby approved on behalf of the County and the County Water and Sewer Districts and that the Chairman of the Board of Commissioners is authorized to sign such Agreement on behalf of the County and each Water and Sewer District.

Duly adopted this 16th day of September 2013, upon motion made by Vice Chairman Bullard, seconded by Commissioner Burroughs and adopted by the following vote:

Ayes: Seven (7) Noes: Zero (0) Absent: None

COUNTY OF COLUMBUS

BY: /s/ **Charles McDowell**, Chairman of the Board and the governing body of the above-named Columbus County Water and Sewer Districts

ATTEST:

/s/ **June Hall**, Clerk to the Board and the above-named Columbus County Water and Sewer Districts

STATE OF NORTH CAROLINA
COUNTY OF COLUMBUS

AGREEMENT

THIS AGREEMENT, entered into this 16th day of September, 2013 by and between **COLUMBUS COUNTY**, a body politic and corporate, (herein "County"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT I** (herein "District I"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT II** (herein "District II"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT III** (herein "District III"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT IV** (herein "District IV"), and **COLUMBUS COUNTY WATER AND SEWER DISTRICT V** (herein "District V"); **DISTRICT I, DISTRICT II, DISTRICT III, DISTRICT IV, and DISTRICT V** herein being collectively referred to as "Districts";

ARTICLE I

AUTHORITY

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1.

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(CHAPTER 153A, ARTICLE 15)**

(a)

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- (2) Wastewater collection, treatment and disposal systems of all types . . .

(b)

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(b) A county may adopt adequate and reasonable rules to protect and regulate a public enterprise belonging to or operated by it. The rules shall be adopted by ordinance . . ." (Emp. Add.)

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N.C.G.S. §153A-277. **AUTHORITY TO FIX AND ENFORCE RATES.**

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rents, rates, fees, charges, and penalties may vary for the same class of service in different areas of the county and may vary according to classes of service, and different schedules may be adopted for service provided outside of the county" (Emp.Add.)

(d)

N.C.G.S. §153A-278. **JOINT PROVISION OF ENTERPRISORY SERVICES.**

"Two or more counties, cities, or other units of local government may cooperate in the exercise of any power granted by this Article according to the procedures and provisions of Chapter 160A, Article 20, Part 1."

2.

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(CHAPTER 160A, ARTICLE 20, PART 1)**

(a)

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(1) "Undertaking" means the joint exercise of two or more units of local government, or the contractual exercise by one unit for one or more other units, of any power, function, public enterprise, right, privilege, or immunity of local government.

(2) "Unit" or "unit of local government" means a county, city, consolidated city-county, local board of education, sanitary district, facility authority created under Part 4 of this Article, or other local political sub-division, authority, or agency of local government." (Emp. Add.)

(b)

N.C.G.S. §160A-461. **INTERLOCAL COOPERATION AUTHORIZED.**

"Any unit of local government in this State and any one or more other units of local government in this State or any other state (to the extent permitted by the laws of the other state) may enter into contracts or agreements with each other in order to execute any undertaking. The contracts and agreements shall be of reasonable duration, as determined by the participating units, and shall be ratified by resolution of the governing board of each unit spread upon its minutes." (Emp. Add.)

3.

**"COUNTY WATER AND SEWER DISTRICTS"
(CHAPTER 162A, ARTICLE 6)**

(a)

N.C.G.S. §162A-88. **DISTRICT IS A MUNICIPAL CORPORATION.**

"The inhabitants of a county water and sewer district created pursuant to this Article are a body corporate and politic by the name specified by the board of commissioners. Under that name they are vested with all the property and rights of property belonging to the corporation; have perpetual succession; may sue and be sued; may contract and be contracted with; may acquire and hold any property, real and personal, devised, bequeathed, sold, or in any matter conveyed, dedicated to, or otherwise acquired by them, and from time to time hold, invest, sell, or dispose of the same; may have a common seal and alter and renew it at will; may establish, revise and collect rates, fees or other charges and penalties for the use of or the services furnished or to be furnished by any sanitary sewer system, water system or sanitary sewer and water system of the district; and may exercise those powers conferred on them by this Article." (Emp. Add.)

(b)

N.C.G.S. §162A-89. **GOVERNING BODY OF DISTRICT; POWERS.**

"(a) The board of commissioners of the county in which a county water and sewer district is created is the governing body of the district."

(c)

N.C.G.S. §162A-90. **BONDS AND NOTES AUTHORIZED.**

"A county water and sewer district may from time to time issue general obligation and revenue bonds and bond anticipation notes pursuant to the Local Government Finance Act, for the purposes of providing sanitary sewer systems or water systems or both.

A county water and sewer district may from time to time issue tax and revenue anticipation notes pursuant to Chapter 159, Article 9, Part 2."

4.

"COUNTY PROPERTY"
(CHAPTER 153A, ARTICLE 8, PART 1)

N.C.G.S. §153A-165. **LEASES.**

"A county may lease as lessee, with or without option to purchase, any real or personal property for any authorized public purpose."

ARTICLE II

RECITALS

The following recitals are herewith set forth as statements of existing facts and are hereby incorporated as substantive parts of this Agreement;

1.

The parties to this Agreement are "units of local government" and the subject matter of this agreement is an "undertaking" pursuant to the provisions of N.C.G.S. §160A-460.

2.

The Districts are county water and sewer districts created by the Board of Commissioners of Columbus County pursuant to the provisions of Chapter 162A, Article 6 of the General Statutes of North Carolina.

3.

Each of the Districts has, pursuant to N.C.G.S. §162A-90, issued bonded indebtedness, said indebtedness having been approved by the North Carolina Local Government Commission pursuant to the North Carolina Local Government Finance Act.

4.

Each of the Districts was successful in acquiring financial assistance from the United States Department of Agriculture, Rural Utilities Service, among others, to construct water systems and/or wastewater collection, treatment and disposal systems.

5.

None of the Districts currently employ personnel or have any means to administer the ongoing operations and maintenance of their systems.

6.

The County currently administers the operations of each of the Districts and attempts to allocate costs of administration in an equitable and pro-rata basis among the Districts; however, the costs of administration by the County require it to separate operating costs for each of the Districts and that such separation and current manner of operation is unduly complex, cumbersome, duplicative and inefficient.

7.

The Board of Commissioners of Columbus County, as commissioners of Columbus County and as the governing body of each of the Districts has caused an analysis of the advisability, feasibility and legality of consolidating the operations of the Districts and, after due and diligent consideration has, in the exercise of their best judgment, determined that it is in the best interest of each District as well as the efficient use of County resources to administer the operations and maintenance of the Districts by consolidating the operations and management as herein defined and agreed.

ARTICLE III

CREATION OF LEASEHOLD INTEREST

Each of the Districts, as lessors, by the execution of this Agreement, does hereby lease to County, as lessee, and County by the execution of this Agreement, does hereby lease from each of the Districts, upon the terms and conditions herein set forth, all of each District's right, title and interest in and to all water lines, wells, pumps, and appurtenances thereto owned by any of said Districts and does hereby further lease unto County, as lessee, all of its right, title and interest in and to any and all real estate now owned by or hereafter acquired by each of the Districts. It is the

intent and purpose of this Agreement that each of the Districts does hereby lease to County, as lessee, and County does hereby accept, as lessee, all of the real and personal property of each of the Districts, subject to the terms and conditions as herein set forth.

ARTICLE IV

TRANSFER OF ASSETS

Each of the Districts does hereby transfer unto County all of its right, title and interest in and to all cash, accounts receivable, contract rights or other intangibles, to have and to hold the same according to the terms and conditions as set forth herein. In addition, County agrees to assume the payment of all accounts payable, cash deposits on hand and any other contract obligation of each of the Districts, excluding specifically, however, the assumption and payment of any bonded or other indebtedness currently payable to any banking institution for funds received for the construction, operation or maintenance of improvements within any District.

ARTICLE V

OBLIGATIONS OF COUNTY

As consideration for the lease and transfer of each District's interest as hereinabove set forth, County agrees to:

1.

Through the Columbus County Department of Public Utilities ("Utility Department") the County will administer all operations and maintenance of the water and, to the extent applicable, wastewater systems within each District. In so doing, County agrees that, at a minimum, the current level of service provided to each District will be maintained.

2.

Establish and revise from time to time schedules of rates, fees, charges, and penalties for the use of or the water and sewer services furnished and to bill and collect same. It is agreed that any and all funds collected by the Utility Department shall be collected and maintained as separate water and sewer enterprise funds and will not be commingled with the general funds of the County but used solely for the operation and management of the water and sewer enterprises.

Funds collected by the Utility Department shall be separated into a water enterprise fund and a wastewater enterprise fund so that funds received for water services will be used exclusively for the operation, maintenance and extension of water services and funds collected by the Utility Department for wastewater services will be used exclusively for the operation, maintenance and extension of wastewater services.

3.

Deliver to each District or its designee for payment, on a timely basis, funds sufficient to pay when due all principal and interest payments on each District's current indebtedness.

ARTICLE VI

COMPLIANCE WITH INTERLOCAL COOPERATION STATUTES

In compliance with N.C.G.S., Chapter 160A, Article 20, Part 1, it is herein specified:

1.

PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to provide a cost efficient method for the administration, operation, maintenance and expansion of water and, where applicable in a District providing such, wastewater services to each of the Districts through the Columbus County Department of Public Utilities.

2.

DURATION OF THE AGREEMENT

The duration of this Agreement as it relates to any individual District shall be for so long as such District has outstanding any indebtedness which has been issued under the North Carolina Local Government Finance Act.

3.

APPOINTMENT OF PERSONNEL

The personnel necessary to carry out the provisions of this Agreement and undertaking shall be appointed by the Columbus County Department of Public Utilities, subject to the approval of the Columbus County Board of Commissioners.

4.

METHOD OF FINANCING THE AGREEMENT

The financing of this undertaking shall be by the enterprise funds received for the provision of water and wastewater services as specified in this Agreement and the apportionment of costs and revenues shall be by the Board of Commissioners of Columbus County.

5.

OWNERSHIP OF REAL PROPERTY

Any real property owned or acquired by any District during the term of this Agreement shall be and remain the property of the District owning or acquiring such, subject to the leasehold interest of the County as hereinabove specified in Article III.

Upon expiration of this Agreement between County and any of the individual Districts pursuant to the provisions of Articles VI and VII, the ownership of any real property currently owned or acquired during the term hereof shall be transferred to the County by special warranty deed pursuant to the provisions of Article VII.

6.

AMENDMENTS

This Agreement may be amended by written agreement between the County and any individual District who is or may become a party hereto as to any matters between the County and such individual District; however, no amendment affecting any District who does not agree or consent to such amendment shall be effective as to any such non-consenting District.

7.

TERMINATION

This Agreement shall be terminated as to any individual District by an agreement in writing between the County and such terminating District; however, the termination as to any such District shall not affect any non-terminating District.

Notwithstanding anything to the contrary herein contained, this Agreement shall be terminated as to any individual District at such time as such District has no outstanding indebtedness issued pursuant to the North Carolina Local Government Finance Act.

ARTICLE VII
OPTION TO PURCHASE

Each District hereby grants to the County an option to purchase for the sum of One Dollar (\$1.00) all of the real and personal property owned by the District upon the termination of the lease as herein specified and the termination of this Agreement pursuant to the provisions of Article VI. Transfer shall be by special warranty deed and appropriate bill of sale.

Upon termination of this Agreement and acquisition by the County of the properties of the Districts as herein specified, County agrees to continue to provide the services as specified herein at the existing levels of service and as the same may be expanded in the future.

ARTICLE VIII
NEW DISTRICTS

Any new water and sewer district which may be formed in Columbus County pursuant to the provisions of Chapter 162A, Article 6 of the General Statutes of North Carolina shall be made a party to this Agreement upon formation of such District.

ARTICLE IX
NON-APPROPRIATION BY COUNTY

Nothing in this Agreement shall be construed as obligating the County, either expressly or by implication, to exercise its power to levy taxes either to make payments to the District under this Agreement or to pay any judgment entered as a result of the County's breach of this Agreement. Nothing herein contained shall be construed either expressly or by implication as a pledge of the taxing power or full faith and credit of the County for the performance of this Agreement. County shall not be obligated to appropriate County funds for the obligation incurred hereunder except those water and sewer enterprise funds as herein specified.

IN TESTIMONY WHEREOF, the parties hereto have set their hand and seal by resolutions duly adopted by the governing board of the County and the Districts all on the day and year first above written.

AMENDMENT I
to
Agreement Between Columbus County

**and
The Columbus County Water and Sewer Districts**

Article VI
Compliance With Interlocal Cooperation Statutes

6.
Amendments

1. The Special Tax of seven (\$0 .07) cents in Columbus County Water and Sewer District II, and eleven (\$0.11) cents in Columbus County Water and Sewer District III will be reduced fifty (50%) percent the first budget year (2014-2015), and the remaining fifty (50%) percent will be eliminated by the second budget year (2015-2016); **and**
2. The **elimination** of the Special Tax of seven (\$ 0.07) cents in Columbus County Water and Sewer District II, and eleven (\$0.11) cents in Columbus County Water and Sewer District III will not exceed the next two (2) budget years, under any circumstances.

APPROVED and ADOPTED this the 16th day of September, 2013.

/s/ **CHARLES T. McDOWELL, Chairman**

ATTESTED BY:

/s/ **JUNE B. HALL, Clerk to Board**

COUNTY OF COLUMBUS

**BY: /s/ Charles McDowell, Chairman
Board of Commissioners**

ATTEST:

/s/ **June Hall, Clerk**

COLUMBUS COUNTY WATER AND SEWER DISTRICT I

**BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners
sitting as the governing body of the Columbus County Water and Sewer District I**

ATTEST:

/s/ **June Hall, Clerk**

COLUMBUS COUNTY WATER AND SEWER DISTRICT II

**BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners
sitting as the governing body of the Columbus County Water and Sewer District II**

ATTEST:

/s/ **June Hall, Clerk**

COLUMBUS COUNTY WATER AND SEWER DISTRICT III

**BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners
sitting as the governing body of the Columbus County Water and Sewer District III**

ATTEST:/s/ **June Hall, Clerk****COLUMBUS COUNTY WATER AND SEWER DISTRICT IV****BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners sitting as the governing body of the Columbus County Water and Sewer District IV****ATTEST:**/s/ **June Hall, Clerk****COLUMBUS COUNTY WATER AND SEWER DISTRICT V****BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners sitting as the governing body of the Columbus County Water and Sewer District V****ATTEST:**/s/ **June Hall, Clerk****DISCUSSION/QUESTIONS/COMMENTS:****Commissioner Prevatte:** stated the following:

1. Mr. Tart, you did a fantastic job,
2. In the information you have compiled, you state the bond for Water District IV was sold in 2000, and I don't remember that;
3. What is confusing is you have people serving on the Water and Sewer Advisory Commission that doesn't live in the water district; **and**
4. Is this commission going to be resolved?.

Rodney Tart: stated the following:

1. We used the information that was furnished to us by staff;
2. The Water and Sewer Advisory Commission has been under utilized, and has not met frequently enough;
3. I recommend that you charge this commission with the responsibility of establishing policy and guidelines for the water system;
4. You have got a lot of pages of work to go through, and a lot of that is policy, and I am recommending that you, through this Business Plan and Master Plan, evaluate and adopt this policy;
5. Before you can fully adopt it, you need counsel, staff, and somebody out there that knows the people and can understand the detail of how it is going to work;
6. What I envision is that you will take these policies that we recommend and you will work through them;
7. You will charge this Advisory Board, you will charge your staff and counsel to evaluate and go through this, make adjustments where it makes sense for your needs and interests;
8. It is important that you have policy that you treat people the same in all fashions; **and**
9. It protects you, it protects the staff, and it protects your citizens.

Discussion: the way in which the members of the Water Advisory Commission were appointed and appointing members for fair representation across the County.**Rodney Tart:** stated the following:

1. The important part here is that now you are in the fetal stages of developing a new business model, and there are a lot of policies that need attention that you, as the Board members, don't have time to do that; **and**
2. This Commission needs to be re-appointed, re-assessed, get good business minded people with prudent minds to work with staff, work with counsel and then let them bring this back, a policy or two at the time and you adopt it.

Commissioner Prevatte: stated the following:

1. On Page 33, it is stated that our Goal II is to develop a plan to eliminate ad valorem tax in Water Districts II and III;
2. By talking to the Chairman and Mr. Clark and some others, I understand that might not be;
3. It might not be by July 1 of this coming year, because we will short some money;
4. I have been told it might take two (2) years for this tax to be eliminated;
5. Before we make a motion, I would like to go **on record** saying the following:
“We need to put some boundaries on a time, and not leave it open ended, and say at a maximum of two (2) years.”, and
6. As long as it does not go past two (2) years, I am okay.

In-dept Discussion:

1. Taking the \$100,000.00 shortfall, if the taxes in Water Districts II and III are eliminated, from the Water Fund Balance;
2. Pulling \$1 million from the Water Fund Balance to pay the debt off;
3. The taxes in Districts II and III to be completely eliminated by the year 2015 or 2016;
4. Two (2) options being available: borrow from yourself or to stretch the debt out further; **and**
5. Operating the water system from a business standpoint to accomplish the following:
 - putting money back into the Fund Balance or depreciation;
 - meeting inflationary costs; **and**
 - moving business forward.

MOTION:

Commissioner Prevatte made a motion to approve the Resolution Adopting Agreement Between Columbus County and the Columbus County Water and Sewer Districts, with the following boundaries:

1. Beginning in July, 2014 year, we would look at reducing the tax in Water Districts II and II, based on the recommendation that comes from Administration at that time;
2. It should not exceed, under any circumstances, a two (2) year period;
3. The Manager will make a recommendation, in his budget, whether we will take the Fund Balance or whether we will take one-half (1/2) of the tax the first year and the other one-half (1/2) the second year, or 75% and 25%; **and**
4. Give the County Manager time to work these figures due to possible changes and then we will proceed from there.

AMENDED MOTION:

Commissioner Prevatte amended his motion to approve the Resolution Adopting Agreement Between Columbus County and the Columbus County Water and Sewer Districts, with the

following boundaries:

1. The Special Tax in Water Districts II and III will be reduced fifty (50%) percent the first budget year (2014-2015), and the remaining fifty (50%) percent will be eliminated by the second budget year (2015-2016); **and**
2. The elimination of the Special Tax in Water Districts II and III will not exceed the next two (2) budget years, under any circumstances.

The motion was seconded by Commissioner Byrd. The motion unanimously passed.

ADJOURNMENT:

At 7:57 P.M., Vice Chairman Bullard made a motion to adjourn, seconded by Commissioner Burroughs. The motion unanimously passed.

APPROVED:

JUNE B. HALL, Clerk to Board

CHARLES T. McDOWELL Chairman

**COLUMBUS COUNTY WATER and SEWER DISTRICTS I, II, III, IV and V
COMBINATION BOARD MEETING**

Monday, September 16, 2013

7:31 P.M.

The Honorable Columbus County Commissioners met on the above stated date and at the above stated time in the Dempsey B. Herring Courthouse Annex Building, located at 112 West Smith Street, Whiteville, North Carolina, to act as the Columbus County Water and Sewer District V Board.

COMMISSIONERS PRESENT:

Charles T. McDowell, **Chairman**
Ricky Bullard, **Vice Chairman**
Amon E. McKenzie
James E. Prevatte
Giles E. Byrd
P. Edwin Russ
Trent Burroughs

APPOINTEES PRESENT:

William S. Clark, **County Manager**
Mike Stephens, **County Attorney**
June B. Hall, **Clerk to Board**

APPOINTEE ABSENT:

Bobbie Faircloth, **Finance Officer**

MEETING CALLED TO ORDER:

At 7:31 P.M., Chairman Charles T. McDowell called the **combination meeting** of Columbus County Water and Sewer Districts I, II, III, IV and V Board Meeting to order.

Agenda Item #14: COLUMBUS COUNTY WATER SEWER DISTRICTS I, II, III, IV and V - APPROVAL OF BOARD MEETING MINUTES:

September 03, 2013 **Combination Meeting** of Columbus County Water and Sewer Districts I, II, III, IV and V Board Meeting (**5 sets**).

Commissioner Russ made a motion to approve the September 03, 2013 Columbus County Water and Sewer District V Board Meeting Minutes, as recorded, seconded by Vice Chairman Bullard. The motion unanimously passed.

Agenda Item #15: COLUMBUS COUNTY WATER ands SEWER DISTRICTS I, II, III, IV and V - APPROVAL of ADJUSTMENTS to the AUGUST, 2013 MONTHLY WATER BILLS:

Danny Fowler, Interim Public Utilities Director, requested Board approval of the following August, 2013 adjustments to the monthly water bills for Columbus County Water and Sewer District V.

DISTRICT V ADJUSTMENTS FOR THE MONTH OF AUGUST 2013

DATE	ACCT #	ACCT NAME	ADJ AMT	REASON FOR ADJUSTMENT
8/9/2013	800615.00.98	Faith Apostilic Church	(\$48.00)	Customer Leak

Commissioner Russ made a motion to approve the adjustments to the August, 2013 monthly water bills for Columbus County Water and Sewer District V, seconded by Commissioner Prevatte. The motion unanimously passed.

Agenda Item #16: COLUMBUS COUNTY WATER and SEWER DISTRICTS I, II, III, IV and V - APPROVAL of RESOLUTION ADOPTING AGREEMENT BETWEEN COLUMBUS COUNTY and the COLUMBUS COUNTY WATER and SEWER DISTRICTS:

William S. Clark, County Manager, requested Board approval of the following Resolution Adopting Agreement Between Columbus County and the Columbus County Water and Sewer Districts.

RESOLUTION ADOPTING AGREEMENT BETWEEN COLUMBUS COUNTY AND THE COLUMBUS COUNTY WATER AND SEWER DISTRICTS

WHEREAS, there are five (5) County Water and Sewer Districts within the County of Columbus including Water and Sewer District I, Water and Sewer District II, Water and Sewer District III, Water and Sewer District IV, and Water and Sewer District V; and

WHEREAS, it is the desire of the County and the above-named Water and Sewer Districts to provide a cost efficient method for the administration, operation, maintenance and expansion of water and wastewater services to each of the Districts; and

WHEREAS, the adoption and approval of the attached Agreement between Columbus County and the Water and Sewer Districts would accomplish such end; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County of Columbus and by the Board of Commissioners sitting as the governing body of the Columbus County Water and Sewer Districts named above, that:

- 1. The attached agreement is hereby approved on behalf of the County and the County Water and Sewer Districts and that the Chairman of the Board of Commissioners is authorized to sign such Agreement on behalf of the County and each Water and Sewer District.

Duly adopted this 16th day of September 2013, upon motion made by Vice Chairman Bullard, seconded by Commissioner Burroughs and adopted by the following vote:

Ayes: Seven (7) Noes: Zero (0) Absent: None

COUNTY OF COLUMBUS

BY: /s/ **Charles McDowell**, Chairman of the Board and the governing body of the above-named Columbus County Water and Sewer Districts

ATTEST:

/s/ **June Hall**, Clerk to the Board and the above-named Columbus County Water and Sewer Districts

STATE OF NORTH CAROLINA
COUNTY OF COLUMBUS

AGREEMENT

THIS AGREEMENT, entered into this 16th day of September, 2013 by and between **COLUMBUS COUNTY**, a body politic and corporate, (herein "County"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT I** (herein "District I"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT II** (herein "District II"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT III** (herein "District III"), **COLUMBUS COUNTY WATER AND SEWER DISTRICT IV** (herein "District IV"), and **COLUMBUS COUNTY WATER AND SEWER DISTRICT V** (herein "District V"); **DISTRICT I, DISTRICT II, DISTRICT III, DISTRICT IV, and DISTRICT V** herein being collectively referred to as "Districts";

ARTICLE I

AUTHORITY

Without limitation, the following portions of the General Statutes of North Carolina are recited herein as authority for this Agreement:

1.

**"PUBLIC ENTERPRISES"
(CHAPTER 153A, ARTICLE 15)**

(a)

N.C.G.S. §153A-274. **PUBLIC ENTERPRISE DEFINED.**

As used in this Article, "public enterprise" includes:

- (1) Water supply and distribution systems.
- (2) Wastewater collection, treatment and disposal systems of all types . . .

(b)

N.C.G.S. §153A-275. **AUTHORITY TO OPERATE PUBLIC ENTERPRISES.**

"(a) A county may acquire, lease as lessor or lessee, construct, establish, enlarge, improve, extend, maintain, own, operate, and contract for the operation of public enterprises in order to furnish services to the county and its citizens

(b) A county may adopt adequate and reasonable rules to protect and regulate a public enterprise belonging to or operated by it. The rules shall be adopted by ordinance . . ." (Emp. Add.)

(c)

N.C.G.S. §153A-277. **AUTHORITY TO FIX AND ENFORCE RATES.**

"(a) A county may establish and revise from time to time schedules of rents, rates, fees, charges, and penalties for the use of or the services furnished by a public enterprise. Schedules of

rents, rates, fees, charges, and penalties may vary for the same class of service in different areas of the county and may vary according to classes of service, and different schedules may be adopted for service provided outside of the county" (Emp.Add.)

(d)

N.C.G.S. §153A-278. **JOINT PROVISION OF ENTERPRISORY SERVICES.**

"Two or more counties, cities, or other units of local government may cooperate in the exercise of any power granted by this Article according to the procedures and provisions of Chapter 160A, Article 20, Part 1."

2.
**"INTERLOCAL COOPERATION"
(CHAPTER 160A, ARTICLE 20, PART 1)**

(a)

N.C.G.S. §160A-460. **DEFINITIONS.**

"The words defined in this section shall have the meanings indicated when used in this Part;

(1) "Undertaking" means the joint exercise of two or more units of local government, or the contractual exercise by one unit for one or more other units, of any power, function, public enterprise, right, privilege, or immunity of local government.

(2) "Unit" or "unit of local government" means a county, city, consolidated city-county, local board of education, sanitary district, facility authority created under Part 4 of this Article, or other local political sub-division, authority, or agency of local government." (Emp. Add.)

(b)

N.C.G.S. §160A-461. **INTERLOCAL COOPERATION AUTHORIZED.**

"Any unit of local government in this State and any one or more other units of local government in this State or any other state (to the extent permitted by the laws of the other state) may enter into contracts or agreements with each other in order to execute any undertaking. The contracts and agreements shall be of reasonable duration, as determined by the participating units, and shall be ratified by resolution of the governing board of each unit spread upon its minutes." (Emp. Add.)

3.

**"COUNTY WATER AND SEWER DISTRICTS"
(CHAPTER 162A, ARTICLE 6)**

(a)

N.C.G.S. §162A-88. **DISTRICT IS A MUNICIPAL CORPORATION.**

"The inhabitants of a county water and sewer district created pursuant to this Article are a body corporate and politic by the name specified by the board of commissioners. Under that name they are vested with all the property and rights of property belonging to the corporation; have perpetual succession; may sue and be sued; may contract and be contracted with; may acquire and hold any property, real and personal, devised, bequeathed, sold, or in any matter conveyed, dedicated to, or otherwise acquired by them, and from time to time hold, invest, sell, or dispose of the same; may have a common seal and alter and renew it at will; may establish, revise and collect rates, fees or other charges and penalties for the use of or the services furnished or to be furnished by any sanitary sewer system, water system or sanitary sewer and water system of the district; and may exercise those powers conferred on them by this Article." (Emp. Add.)

(b)

N.C.G.S. §162A-89. **GOVERNING BODY OF DISTRICT; POWERS.**

"(a) The board of commissioners of the county in which a county water and sewer district is created is the governing body of the district."

(c)

N.C.G.S. §162A-90. **BONDS AND NOTES AUTHORIZED.**

"A county water and sewer district may from time to time issue general obligation and revenue bonds and bond anticipation notes pursuant to the Local Government Finance Act, for the purposes of providing sanitary sewer systems or water systems or both.

A county water and sewer district may from time to time issue tax and revenue anticipation notes pursuant to Chapter 159, Article 9, Part 2."

4.

"COUNTY PROPERTY"
(CHAPTER 153A, ARTICLE 8, PART 1)

N.C.G.S. §153A-165. **LEASES.**

"A county may lease as lessee, with or without option to purchase, any real or personal property for any authorized public purpose."

ARTICLE II

RECITALS

The following recitals are herewith set forth as statements of existing facts and are hereby incorporated as substantive parts of this Agreement;

1.

The parties to this Agreement are "units of local government" and the subject matter of this agreement is an "undertaking" pursuant to the provisions of N.C.G.S. §160A-460.

2.

The Districts are county water and sewer districts created by the Board of Commissioners of Columbus County pursuant to the provisions of Chapter 162A, Article 6 of the General Statutes of North Carolina.

3.

Each of the Districts has, pursuant to N.C.G.S. §162A-90, issued bonded indebtedness, said indebtedness having been approved by the North Carolina Local Government Commission pursuant to the North Carolina Local Government Finance Act.

4.

Each of the Districts was successful in acquiring financial assistance from the United States Department of Agriculture, Rural Utilities Service, among others, to construct water systems and/or wastewater collection, treatment and disposal systems.

5.

None of the Districts currently employ personnel or have any means to administer the ongoing operations and maintenance of their systems.

6.

The County currently administers the operations of each of the Districts and attempts to allocate costs of administration in an equitable and pro-rata basis among the Districts; however, the costs of administration by the County require it to separate operating costs for each of the Districts and that such separation and current manner of operation is unduly complex, cumbersome, duplicative and inefficient.

7.

The Board of Commissioners of Columbus County, as commissioners of Columbus County and as the governing body of each of the Districts has caused an analysis of the advisability, feasibility and legality of consolidating the operations of the Districts and, after due and diligent consideration has, in the exercise of their best judgment, determined that it is in the best interest of each District as well as the efficient use of County resources to administer the operations and maintenance of the Districts by consolidating the operations and management as herein defined and agreed.

ARTICLE III

CREATION OF LEASEHOLD INTEREST

Each of the Districts, as lessors, by the execution of this Agreement, does hereby lease to County, as lessee, and County by the execution of this Agreement, does hereby lease from each of the Districts, upon the terms and conditions herein set forth, all of each District's right, title and interest in and to all water lines, wells, pumps, and appurtenances thereto owned by any of said Districts and does hereby further lease unto County, as lessee, all of its right, title and interest in and to any and all real estate now owned by or hereafter acquired by each of the Districts. It is the

intent and purpose of this Agreement that each of the Districts does hereby lease to County, as lessee, and County does hereby accept, as lessee, all of the real and personal property of each of the Districts, subject to the terms and conditions as herein set forth.

ARTICLE IV

TRANSFER OF ASSETS

Each of the Districts does hereby transfer unto County all of its right, title and interest in and to all cash, accounts receivable, contract rights or other intangibles, to have and to hold the same according to the terms and conditions as set forth herein. In addition, County agrees to assume the payment of all accounts payable, cash deposits on hand and any other contract obligation of each of the Districts, excluding specifically, however, the assumption and payment of any bonded or other indebtedness currently payable to any banking institution for funds received for the construction, operation or maintenance of improvements within any District.

ARTICLE V

OBLIGATIONS OF COUNTY

As consideration for the lease and transfer of each District's interest as hereinabove set forth, County agrees to:

1.

Through the Columbus County Department of Public Utilities ("Utility Department") the County will administer all operations and maintenance of the water and, to the extent applicable, wastewater systems within each District. In so doing, County agrees that, at a minimum, the current level of service provided to each District will be maintained.

2.

Establish and revise from time to time schedules of rates, fees, charges, and penalties for the use of or the water and sewer services furnished and to bill and collect same. It is agreed that any and all funds collected by the Utility Department shall be collected and maintained as separate water and sewer enterprise funds and will not be commingled with the general funds of the County but used solely for the operation and management of the water and sewer enterprises.

Funds collected by the Utility Department shall be separated into a water enterprise fund and a wastewater enterprise fund so that funds received for water services will be used exclusively for the operation, maintenance and extension of water services and funds collected by the Utility Department for wastewater services will be used exclusively for the operation, maintenance and extension of wastewater services.

3.

Deliver to each District or its designee for payment, on a timely basis, funds sufficient to pay when due all principal and interest payments on each District's current indebtedness.

ARTICLE VI

COMPLIANCE WITH INTERLOCAL COOPERATION STATUTES

In compliance with N.C.G.S., Chapter 160A, Article 20, Part 1, it is herein specified:

1.

PURPOSE OF THE AGREEMENT

The purpose of this Agreement is to provide a cost efficient method for the administration, operation, maintenance and expansion of water and, where applicable in a District providing such, wastewater services to each of the Districts through the Columbus County Department of Public Utilities.

2.

DURATION OF THE AGREEMENT

The duration of this Agreement as it relates to any individual District shall be for so long as such District has outstanding any indebtedness which has been issued under the North Carolina Local Government Finance Act.

3.

APPOINTMENT OF PERSONNEL

The personnel necessary to carry out the provisions of this Agreement and undertaking shall be appointed by the Columbus County Department of Public Utilities, subject to the approval of the Columbus County Board of Commissioners.

4.

METHOD OF FINANCING THE AGREEMENT

The financing of this undertaking shall be by the enterprise funds received for the provision of water and wastewater services as specified in this Agreement and the apportionment of costs and revenues shall be by the Board of Commissioners of Columbus County.

5.

OWNERSHIP OF REAL PROPERTY

Any real property owned or acquired by any District during the term of this Agreement shall be and remain the property of the District owning or acquiring such, subject to the leasehold interest of the County as hereinabove specified in Article III.

Upon expiration of this Agreement between County and any of the individual Districts pursuant to the provisions of Articles VI and VII, the ownership of any real property currently owned or acquired during the term hereof shall be transferred to the County by special warranty deed pursuant to the provisions of Article VII.

6.

AMENDMENTS

This Agreement may be amended by written agreement between the County and any individual District who is or may become a party hereto as to any matters between the County and such individual District; however, no amendment affecting any District who does not agree or consent to such amendment shall be effective as to any such non-consenting District.

7.

TERMINATION

This Agreement shall be terminated as to any individual District by an agreement in writing between the County and such terminating District; however, the termination as to any such District shall not affect any non-terminating District.

Notwithstanding anything to the contrary herein contained, this Agreement shall be terminated as to any individual District at such time as such District has no outstanding indebtedness issued pursuant to the North Carolina Local Government Finance Act.

ARTICLE VII
OPTION TO PURCHASE

Each District hereby grants to the County an option to purchase for the sum of One Dollar (\$1.00) all of the real and personal property owned by the District upon the termination of the lease as herein specified and the termination of this Agreement pursuant to the provisions of Article VI. Transfer shall be by special warranty deed and appropriate bill of sale.

Upon termination of this Agreement and acquisition by the County of the properties of the Districts as herein specified, County agrees to continue to provide the services as specified herein at the existing levels of service and as the same may be expanded in the future.

ARTICLE VIII
NEW DISTRICTS

Any new water and sewer district which may be formed in Columbus County pursuant to the provisions of Chapter 162A, Article 6 of the General Statutes of North Carolina shall be made a party to this Agreement upon formation of such District.

ARTICLE IX
NON-APPROPRIATION BY COUNTY

Nothing in this Agreement shall be construed as obligating the County, either expressly or by implication, to exercise its power to levy taxes either to make payments to the District under this Agreement or to pay any judgment entered as a result of the County's breach of this Agreement. Nothing herein contained shall be construed either expressly or by implication as a pledge of the taxing power or full faith and credit of the County for the performance of this Agreement. County shall not be obligated to appropriate County funds for the obligation incurred hereunder except those water and sewer enterprise funds as herein specified.

IN TESTIMONY WHEREOF, the parties hereto have set their hand and seal by resolutions duly adopted by the governing board of the County and the Districts all on the day and year first above written.

AMENDMENT I
to
Agreement Between Columbus County

and
The Columbus County Water and Sewer Districts

Article VI
Compliance With Interlocal Cooperation Statutes

6.
Amendments

1. The Special Tax of seven (\$0 .07) cents in Columbus County Water and Sewer District II, and eleven (\$0.11) cents in Columbus County Water and Sewer District III will be reduced fifty (50%) percent the first budget year (2014-2015), and the remaining fifty (50%) percent will be eliminated by the second budget year (2015-2016); **and**
2. The **elimination** of the Special Tax of seven (\$ 0.07) cents in Columbus County Water and Sewer District II, and eleven (\$0.11) cents in Columbus County Water and Sewer District III will not exceed the next two (2) budget years, under any circumstances.

APPROVED and **ADOPTED** this the 16th day of September, 2013.

/s/ **CHARLES T. McDOWELL, Chairman**

ATTESTED BY:

/s/ **JUNE B. HALL, Clerk to Board**

COUNTY OF COLUMBUS

BY: /s/ Charles McDowell, Chairman
Board of Commissioners

ATTEST:

/s/ **June Hall, Clerk**

COLUMBUS COUNTY WATER AND SEWER DISTRICT I

BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners
sitting as the governing body of the Columbus County Water and Sewer District I

ATTEST:

/s/ **June Hall, Clerk**

COLUMBUS COUNTY WATER AND SEWER DISTRICT II

BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners
sitting as the governing body of the Columbus County Water and Sewer District II

ATTEST:

/s/ **June Hall, Clerk**

COLUMBUS COUNTY WATER AND SEWER DISTRICT III

BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners
sitting as the governing body of the Columbus County Water and Sewer District III

ATTEST:/s/ **June Hall, Clerk****COLUMBUS COUNTY WATER AND SEWER DISTRICT IV****BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners sitting as the governing body of the Columbus County Water and Sewer District IV****ATTEST:**/s/ **June Hall, Clerk****COLUMBUS COUNTY WATER AND SEWER DISTRICT V****BY: /s/ Charles McDowell, Chairman of the Columbus County Board of Commissioners sitting as the governing body of the Columbus County Water and Sewer District V****ATTEST:**/s/ **June Hall, Clerk****DISCUSSION/QUESTIONS/COMMENTS:****Commissioner Prevatte:** stated the following:

1. Mr. Tart, you did a fantastic job,
2. In the information you have compiled, you state the bond for Water District IV was sold in 2000, and I don't remember that;
3. What is confusing is you have people serving on the Water and Sewer Advisory Commission that doesn't live in the water district; **and**
4. Is this commission going to be resolved?.

Rodney Tart: stated the following:

1. We used the information that was furnished to us by staff;
2. The Water and Sewer Advisory Commission has been under utilized, and has not met frequently enough;
3. I recommend that you charge this commission with the responsibility of establishing policy and guidelines for the water system;
4. You have got a lot of pages of work to go through, and a lot of that is policy, and I am recommending that you, through this Business Plan and Master Plan, evaluate and adopt this policy;
5. Before you can fully adopt it, you need counsel, staff, and somebody out there that knows the people and can understand the detail of how it is going to work;
6. What I envision is that you will take these policies that we recommend and you will work through them;
7. You will charge this Advisory Board, you will charge your staff and counsel to evaluate and go through this, make adjustments where it makes sense for your needs and interests;
8. It is important that you have policy that you treat people the same in all fashions; **and**
9. It protects you, it protects the staff, and it protects your citizens.

Discussion: the way in which the members of the Water Advisory Commission were appointed and appointing members for fair representation across the County.**Rodney Tart:** stated the following:

1. The important part here is that now you are in the fetal stages of developing a new business model, and there are a lot of policies that need attention that you, as the Board members, don't have time to do that; **and**
2. This Commission needs to be re-appointed, re-assessed, get good business minded people with prudent minds to work with staff, work with counsel and then let them bring this back, a policy or two at the time and you adopt it.

Commissioner Prevatte: stated the following:

1. On Page 33, it is stated that our Goal II is to develop a plan to eliminate ad valorem tax in Water Districts II and III;
2. By talking to the Chairman and Mr. Clark and some others, I understand that might not be;
3. It might not be by July 1 of this coming year, because we will short some money;
4. I have been told it might take two (2) years for this tax to be eliminated;
5. Before we make a motion, I would like to go **on record** saying the following:
“We need to put some boundaries on a time, and not leave it open ended, and say at a maximum of two (2) years.”, and
6. As long as it does not go past two (2) years, I am okay.

In-dept Discussion:

1. Taking the \$100,000.00 shortfall, if the taxes in Water Districts II and III are eliminated, from the Water Fund Balance;
2. Pulling \$1 million from the Water Fund Balance to pay the debt off;
3. The taxes in Districts II and III to be completely eliminated by the year 2015 or 2016;
4. Two (2) options being available: borrow from yourself or to stretch the debt out further; **and**
5. Operating the water system from a business standpoint to accomplish the following:
 -putting money back into the Fund Balance or depreciation;
 -meeting inflationary costs; **and**
 -moving business forward.

MOTION:

Commissioner Prevatte made a motion to approve the Resolution Adopting Agreement Between Columbus County and the Columbus County Water and Sewer Districts, with the following boundaries:

1. Beginning in July, 2014 year, we would look at reducing the tax in Water Districts II and II, based on the recommendation that comes from Administration at that time;
2. It should not exceed, under any circumstances, a two (2) year period;
3. The Manager will make a recommendation, in his budget, whether we will take the Fund Balance or whether we will take one-half (1/2) of the tax the first year and the other one-half (1/2) the second year, or 75% and 25%; **and**
4. Give the County Manager time to work these figures due to possible changes and then we will proceed from there.

AMENDED MOTION:

Commissioner Prevatte amended his motion to approve the Resolution Adopting Agreement Between Columbus County and the Columbus County Water and Sewer Districts, with the

following boundaries:

1. The Special Tax in Water Districts II and III will be reduced fifty (50%) percent the first budget year (2014-2015), and the remaining fifty (50%) percent will be eliminated by the second budget year (2015-2016); **and**
2. The elimination of the Special Tax in Water Districts II and III will not exceed the next two (2) budget years, under any circumstances.

The motion was seconded by Commissioner Byrd. The motion unanimously passed.

ADJOURNMENT:

At 7:57 P.M., Vice Chairman Bullard made a motion to adjourn, seconded by Commissioner Burroughs. The motion unanimously passed.

APPROVED:

JUNE B. HALL, Clerk to Board

CHARLES T. McDOWELL Chairman