

COLUMBUS COUNTY
BOARD OF COMMISSIONERS
MINUTES

The Honorable Board of Columbus County Commissioners met in their said office, at 111 Washington Street, Whiteville, NC, at 8:00 A.M., October 28, 1994, to hold a special/emergency meeting called by the Chairman for the purpose of accepting the resignation of Edward D. Worley as a Commissioner, consideration of a Resolution for the Authorization of the issuance of Water Bonds for Columbus County Water and Sewer District I and possible other business concerning affirming actions of the Columbus County Water and Sewer District I Members.

BOARD MEMBERS PRESENT:

Samuel G. Koonce, Chairman
Mike Richardson, Vice-Chairman
A. Dial Gray, III
Sammie Jacobs
Lynwood Norris
C.W. Williams

Roy L. Lowe, Administrator
Dempsey B. Herring,
Special Projects Coordinator
Acting Clerk to Board

ABSENT:

Ed Worley, Commissioner
James E. Hill, Jr., Attorney
Ida L. Smith, Clerk to Board

GOVERNING BODY - EDWARD D. WORLEY ACKNOWLEDGEMENT OF SERVICE OF MEETING

Edward D. Worley, who is not present, has signed the following acknowledgement of service of notice of meeting:

"I hereby acknowledgement due service of notice of a special meeting of the Board of Commissioners for the County of Columbus, North Carolina, as the Governing Body of the Columbus County Water and Sewer District I, in Columbus County, North Carolina, should be held at 8:00 o'clock A.M. on October 28, 1994, in the Columbus County Administrative Building, 111 Washington Street, Whiteville, North Carolina for the purpose of considering

a resolution providing for the issuance of \$1,071,000.00 Water Bond Anticipation Note, of the Columbus County Water and Sewer District I, but I was unable to be present."

/s/ Edward D. Worley, Commissioner

GOVERNING BODY - ACCEPTS RESIGNATION OF COMMISSIONER EDWARD D. WORLEY

A motion was made by Commissioner Richardson, seconded by Commissioner Norris and passed unanimously to accept a letter of resignation from Commissioner Edward D. Worley as follows:

October 19, 1994

The Honorable Samuel G. Koonce
Chairman of the Columbus County
Board of Commissioners
102 Dogwood Circle
Chadbourn, NC 28431

RE: Resignation of District 2

Dear Sam:

Please take this as my resignation as County Commissioner of Columbus County, District 2. This letter of resignation is tendered and is considered to be effective after formal acceptance by the remaining members of the Columbus County Board of Commissioners.

I have endeavored to serve all the constituents of Columbus County during the ten (10) years which they saw fit to allow me the opportunity to represent their interests. I wish to also personally thank each Board member for the many courtesies, both personal and professional, which they have extended to me during my tenure as a County Commissioner. I appreciate Columbus County extending to me the opportunity to continue serving its citizens as the head of the Department of Aging. If I can ever help any of the Board members in the future or explain the various programs or rules and regulations for the Department of Aging, please feel free to call upon me at any time.

Again, thank you for the many courtesies that you have shown me in the past and I am looking forward to serving you in the future.

Sincerely,

/s/ Edward, D. Worley

RESOLUTION - PROVIDING FOR THE ISSUANCE OF \$1,071,000 WATER BOND ANTICIPATION NOTES

A motion was made by Commissioner Norris, seconded by Commissioner Richardson and passed unanimously to adopt the following Resolution:

Commissioner Samuel G. Koonce introduced the following Resolution, which was read:

RESOLUTION PROVIDING FOR THE ISSUANCE

OF \$1,071,000 WATER BOND ANTICIPATION NOTES

BE IT RESOLVED by the Board of Commissioners for the County of Columbus, North Carolina, as the Governing Body of the Columbus County Water and Sewer District I, in Columbus County, North Carolina:

Section 1. The Board of Commissioners has determined and does hereby find, declare and represent:

(a) That an order authorizing not exceeding \$1,250,000 Water Bonds of the Columbus County Water and Sewer District I, in Columbus County, North Carolina, was adopted by the Board of Commissioners for the County of Columbus, as the Governing Body of said District, on June 17, 1991, which order was approved by the vote of a majority of the qualified voters of said District who voted thereon at a referendum duly called and held on August 27, 1991.

(b) That none of said bonds has been issued and that no notes have been issued in anticipation of the receipt of the proceeds of the sale of said bonds.

(c) That it is necessary to issue \$1,071,000 notes at this time in anticipation of the receipt of the proceeds of the sale of a like amount of said bonds.

(d) That (i) said District is a governmental unit with general taxing powers, (ii) no note which is part of the issue of notes described in the Internal Revenue Code of 1986, as amended (the "Code"), (iii) 95 percent or more of the net proceeds of said notes are to be used for local governmental activities of said District, (iv) the aggregate face amount of all tax-exempt obligations (other than private-activity bonds) issued by said District and all subordinate entities thereof during calendar year 1994 is not reasonably expected to exceed \$5,000,000 and (v) to the best of said District's knowledge, there are no subordinate entities of said District.

Section 2. In anticipation of the receipt of the proceeds of the sale of a like amount of said bonds, the issuance of \$1,071,000 negotiable notes of the Columbus County Water and Sewer District I is hereby authorized, which notes shall be

designated "Water Bond Anticipation Notes", shall be dated November 15, 1994, shall mature on April 12, 1995, without option of prior payment, and shall bear interest at a rate to be determined by the Local Government Commission of North Carolina at the time said notes are sold, which interest shall be payable at the maturity of said notes on the basis of a 360-day year, consisting of twelve 30-day months. No interest coupons shall be attached to said notes. Said notes shall be payable as to both principal and interest at such bank or trust company, shall have such denomination or denominations of not less than \$100,000 and shall bear such number or numbers as may be fixed by the Chairman of said Board of Commissioners after the award of said notes by the Local Government Commission of North Carolina, and both the principal of and the interest of said notes shall be payable in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts.

Section 3. Said notes shall be signed by the Chairman of said Board and the Clerk to said Board and the corporate seal of said District shall be affixed to said notes. The form of said notes and the endorsements to be placed upon the reverse thereof shall be substantially as follows:

No. _____ \$ _____

United States of America
 State of North Carolina
 County of Columbus

COLUMBUS COUNTY WATER AND SEWER DISTRICT I

Water Bond Anticipation Note

The Columbus County Water and Sewer District I, a body politic and corporate in the County of Columbus, North Carolina, is justly indebted and for value received hereby promises to pay to the bearer on the 12th day of April, 1995, the principal sum of

_____ THOUSAND DOLLARS

and to pay interest thereon from the date hereof on the basis of a 360-day year, consisting of twelve 30-day months, at the rate of _____ per centum (____%) per annum, payable upon the presentation and surrender of this note at its maturity. Both the principal of and the interest on this note are payable at _____,

in _____, _____, in any coin or currency of the United States of America which at the time of payment is legal tender for the payment of public and private debts. For the prompt payment hereof, both principal and interest as the same become due, the faith and credit of said Columbus County Water and Sewer District I are hereby irrevocably pledged.

This note is given for money borrowed in the amount of the face of this note in anticipation of the receipt of the proceeds of the sale of a like amount of Water Bonds, duly authorized by an order adopted by the Board of Commissioners for the County of Columbus, as the Governing Body of said District, on June 17, 1991, which order was approved by the vote of a majority of the qualified voters of said District who voted thereon at a referendum duly called and held on August 27, 1991. This note is issued pursuant to and in full compliance with the Local Government Board Act, as amended, Article 9, as amended, of Chapter 159 of the General Statutes of North Carolina and a resolution duly passed by said Board.

It is hereby certified and recited that all acts, conditions and things required by the Constitution and laws of North Carolina to happen, exist and be performed precedent to and in the issuance of this note have happened, exist and have been performed in regular and due form and time as so required and that the total indebtedness of said District, including this note, not exceed any constitutional or statutory limitation thereon.

IN WITNESS WHEREOF, said Columbus County Water and Sewer District I, pursuant to a resolution of said Board as the Governing Body of said District, has caused this note to be signed by the Chairman of said Board and the Clerk to said Board and corporate seal of said District to be affixed hereto, all as of the 15th day of November 1994.

/s/ Samuel G. Koonce, Chairman
/s/ Ida L. Smith, Clerk to Board

Local Government
Commission No.

The issuance of this note has been approved under the provisions of The Local Government Bond Act of North Carolina.

/s/ Robert M. High
 Secretary, Local Government Commission
 Designated Assistant

Section 4. The actions of the County Administrator, the Finance Officer and the County Attorney of said County in applying to the Local Government Commission of North Carolina to approve, advertise and sell said notes and in publishing a notice relating to the sale of said notes and the action of the Local Government Commission of North Carolina in asking for bids for said notes by printing and distributing circulars relating to the sale of said notes are hereby approved, ratified and confirmed.

Section 5. Said District covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Code except to the extent that said District obtains an opinion of bond counsel to the effect that noncompliance would not result in interest on said notes being includable in the gross income of their owners for purposes of federal income taxation.

Section 6. Said District hereby represents that it reasonably expects that it and all subordinate entities thereof will not issue in the aggregate more than \$10,000,000 of tax exempt obligations (not counting private-activity bonds except for qualified 501 (c) (3) bonds (as defined in the Code) during calendar year 1994. In addition, said District hereby designates each of said notes as a "qualified tax-exempt obligation" for the purposes of the Code.

Section 7. This resolution shall take effect upon its passage.

Thereupon Commissioner Norris moved the passage of the foregoing resolution entitled: "RESOLUTION PROVIDING FOR THE ISSUANCE OF \$1,071,000 WATER BOND ANTICIPATION NOTES", and Commissioner Richardson seconded the motion, and the resolution was passed by the following vote:

AYES: Commissioners Richardson, Norris, Gray, Koonce, Williams and Jacobs.

NOES: None

* * * * *

I, Ida L. Smith, Clerk to the Board of Commissioners for the County of Columbus, North Carolina, DO HEREBY CERTIFY that the foregoing has been carefully copied from the actually recorded minutes of a special meeting of said Board held on October 28, 1994, the record having been made in Minute Book No. 23 of the minutes of said Board, beginning at page ____ and ending at page _____, and is a true copy of so much of said minutes as relates in any way to the issuance of \$1,071,000 Water Bond Anticipation Notes of the Columbus County Water and Sewer District I, in said County.

I DO HEREBY FURTHER CERTIFY that notice of said meeting of said Board, signed by the Chairman of said Board and stating that a special meeting of said Board, as the Governing Body of the Columbus County Water and Sewer District I, would be held at 8:00 A.M. on October 28, 1994, in the Columbus County Administrative Building, 111 Washington Street, in Whiteville, North Carolina, concerning the passage of a resolution providing for the issuance of \$1,071,000 Water Bond Anticipation Notes of the Columbus County Water and Sewer District I, was, at least 48 hours before said meeting, delivered to each member of said Board or left at his or her usual dwelling place, and, at least 48 hours before said meeting, posted on the principal bulletin board of said Board and mailed or delivered to each newspaper, wire service, radio station, television station and person that has filed with me a written request for notice pursuant to G.S. §143-318.12.

WITNESS my hand and the corporate seal of said District, this 28th day of October, 1994.

/s/ Ida L. Smith, Clerk to the Board
of Commissioners

COLUMBUS COUNTY WATER & SEWER DISTRICT I - RESOLUTION TO PROPERLY REFLECT THE LEGAL INTENTIONS OF THE BOARD OF COMMISSIONERS

Commissioner Lynwood Norris introduced the following Resolution to be considered for adoption by the Columbus County Board of Commissioners:

**RESOLUTION TO PROPERLY REFLECT THE LEGAL
INTENTIONS OF THE BOARD OF COMMISSIONERS**

WHEREAS, the Columbus County Board of Commissioners

established the Columbus County Water and Sewer District I Authority according to the General Statutes of North Carolina; and

WHEREAS, the Columbus County Board of Commissioners intended to have input from the citizens effected within the District and for some appointed citizens to help see the overall growth and development of the water and sewer district; and

WHEREAS, the General Statutes of North Carolina provide only for the Board of County Commissioners to act as the official members of the Authority; and

WHEREAS, the Columbus County Commissioners and the Columbus County Water and Sewer District I Authority members have previously elected to appoint members in the effected areas to act as administrative and advisory members to the official members of the Authority in order to provide for local participation and to address the concerns of the citizens of the district; and

WHEREAS, the local administrative and advisory board has kept the Board of Commissioners of Columbus County informed of the developments within the district and of the various contracts concerning the implementation of the project and has stood in the place of the official members in order to ensure that more local needs are addressed; and

WHEREAS, the Board of County Commissioners' official minutes of March 9, 1994 reflect that the Governing Body resigned and that new members were appointed to replace the old members and this would be an improper statement of legal facts.

BE IT THEREFORE RESOLVED AS FOLLOWS:

1. Any attempted action of the Board of Commissioners of Columbus County of the recessed March 9, 1994 meeting be and the same is hereby rescinded with respect to the resignation of Commissioners Gray, Richardson, Koonce, Williams, Jacobs and Worley.

2. All subsequent appointments of Margie Gore, Henry Milligan, Roger Dale Ward, William Hannah and Ida L. Smith are ratified as appointments to a committee to advise and to administer to the needs of the Columbus County Water and Sewer District I and the official members of the Columbus County Water and Sewer

District I Board.

3. Mr. L. Lynwood Norris and Mrs. Ida L. Smith are reaffirmed as Chairman and Clerk to the Authority respectively.

4. The minutes of the March 9, 1994 meeting of the Board of County Commissioners of Columbus County are hereby amended to reflect the true intentions of the Board of Columbus County Commissioners as expressed by the corrections and/or clarifications after the passage of this Resolution, and the Clerk of the Board is hereby instructed to note on the official minutes of March 9, 1994 that the same were amended this date in accordance with this Resolution.

5. The Columbus County Water and Sewer District I Authority shall proceed to complete the financing of the project and to implement the water system as soon as is reasonably possible and this Resolution shall take effect upon its passage.

Upon motion of Commissioner Richardson, seconded by Commissioner Jacobs, the foregoing resolution entitled: "Resolution to Properly Reflect the Legal Intentions of the Board of Commissioners" was passed by the following vote:

AYES: Commissioners Richardson, Norris, Gray, Koonce,
Williams and Jacobs

NOES: None

**MEETING RECESSED - COLUMBUS COUNTY BOARD OF COMMISSIONERS TO ACT
AS THE COLUMBUS COUNTY WATER & SEWER DISTRICT I AUTHORITY**

A motion was made by Commissioner Gray, seconded by Commissioner Richardson and passed unanimously to recess the special called meeting and enter into a Columbus County Water & Sewer District I Authority Meeting.

Chairman Lynwood Norris called the meeting to order.

RESOLUTION - RATIFY PRIOR ACTIONS OF THE BOARD

A motion was made by Commissioner Norris, seconded by Commissioner Jacobs and passed unanimously to adopt the following Resolution:

RESOLUTION TO RATIFY PRIOR ACTIONS OF THE BOARD

WHEREAS, the Columbus County Board of Commissioners established the Columbus County Water and Sewer District I

Authority according to the General Statutes of North Carolina; and
WHEREAS, the Columbus County Board of Commissioners intended to have input from the citizens affected within the District and for some appointed citizens to the overall growth and development of the water and sewer district; and

WHEREAS, the General Statutes of North Carolina provide only for the Board of County Commissioners to act as the official members of the Authority; and

WHEREAS, the Columbus County Commissioners and the Columbus County Water and Sewer District I Authority members have previously elected to appoint members in the affected areas to act as administrative and advisory members to the official members of the Authority in order to provide for local participation and to address the concerns of the citizens of the district; and

WHEREAS, the local administrative and advisory board has kept the Board of Commissioners of Columbus County informed of the developments within the district and of the various contracts concerning the implementation of the project and has stood in the place of the official members to order to ensure that more local needs are addressed; and

BE IT THEREFORE RESOLVED AS FOLLOWS:

1. All prior actions of the Columbus County Water and Sewer District I are hereby ratified and approved in all respects as the official acts of the Columbus County Water and Sewer District I Authority by its official members and in particular with respect to the acceptance and review of the recommendation of Hobbs, Upchurch and Associates, engineers for the project, from W & W Underground, Inc. in the amount of \$1,469,207.63 for Contract I (water main construction) and from Waterpro Supplies Corporation of Wilmington in the amount of \$22,076.96 for Contract II (water meters). All necessary previously executed documents of the Farmers Home Administration for the grant and the loan are also hereby approved as official acts of the Columbus County Water and Sewer District I Authority. The Columbus County Water and Sewer District I Board also ratifies and approves the Chairman of the District Board and the Clerk executing all documents on behalf of

and for the benefit of the Columbus County Water and Sewer District I Authority.

2. The Columbus County Water and Sewer District I Authority shall proceed to complete the financing of the project and to implement the water system as soon as is reasonably possible and this Resolution shall take effect upon its passage.

UPON MOTION of Board Member Lynwood Norris, seconded by Board Member Sammie Jacobs, the foregoing resolution entitled: "Resolution to Ratify Prior Actions of the Board" was passed by the following vote:

AYES: Commissioners Richardson, Norris, Gray, Koonce,
Williams and Jacobs

NOES: None

CONTRACT (CONSTRUCTION) - LETTER FROM HOBBS, UPCHURCH & ASSOCIATES
TO W & S UNDERGROUND, INC.

The Board concurred to enter into the minutes the letter written from Hobbs, Upchurch & Associates to W & S Underground, Incorporated in reference to the Columbus County Water and Sewer District I Construction Contract I.

October 25, 1994

Mr. Ken Wenzl
W & S Underground, Incorporated
P.O. Box 5233
Florence, SC 29502

RE: Columbus County Water District I
HUA No. CC9302 - Construction Contract I

Dear Ken:

During our telephone conversation on Monday, October 24, you informed me that your crew was going to begin construction on the above referenced project today. As you are well aware, the Notice to Proceed for this project has yet to be issued. All contracts are being reviewed by Farmers Home Administration and are not official and binding until such approval is received. I realize that it has been an unusually long period of time since the bid date, and I appreciate the patience you have shown. However, it is my duty as the Engineer for the Columbus County water and Sewer District I to inform you that any work performed prior to the Notice to Proceed is at your own risk.

We expect to receive verbal approval from Farmers Home Administration for the contract documents later this week. I will notify you as soon as this approval is received. We thank you again for your patience with this situation. If I can be of any assistance, please give me a call.

Sincerely,
HOBBS, UPCHURCH & ASSOCIATES, P.A.

/s/ Michael S. Koonce, E.I.T

CC: Mr. Dempsey Herring, Assistant County Administrator
Mr. Lynwood Norris, Water Board Chairman

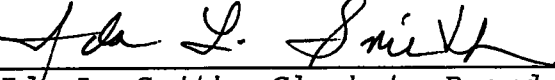
REGULAR MEETING RESUMED

At 8:25 A.M., a motion was made by Commissioner Williams, seconded by Commissioner Jacobs and passed unanimously to adjourn the Columbus County Water & Sewer District I Authority Meeting and resume regular session.

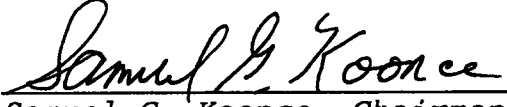
ADJOURNMENT

Immediately, thereafter, a motion was made by Commissioner Gray, seconded by Commissioner Richardson and passed unanimously to adjourn the meeting.

APPROVED:



Ida L. Smith, Clerk to Board



Samuel G. Koonce, Chairman