

**BRUNSWICK COUNTY BOARD OF COMMISSIONERS
OFFICIAL MINUTES
REGULAR MEETING
FEBRUARY 2, 2009
6:30 P.M.**

The Brunswick County Board of Commissioners met in Regular Session on the above date at 6:30 p.m., Commissioners' Chambers, David R. Sandifer Administration Building, County Government Center, Bolivia, North Carolina.

PRESENT: Commissioner J. Marty Cooke
Commissioner Charles Warren
Commissioner Scott Phillips
Commissioner William Sue, Chairman

STAFF: Marty K. Lawing, County Manager
Steve Stone, Assistant County Manager
Huey Marshall, County Attorney
Debby Gore, Clerk to the Board
Margie Stephenson, Deputy Clerk
Ann Hardy, Fiscal Operations Director

ABSENT: Commissioner Phil Norris, Vice-Chairman

I. CALL TO ORDER

Chairman Sue called the meeting to order at 6:30 p.m.
(Attached to these Minutes is an item called Board Action containing all items on this agenda and those items are incorporated herein.)

II. INVOCATION/PLEDGE OF ALLEGIANCE

Commissioner Phillips gave the Invocation and led the Pledge of Allegiance.

III. ADJUSTMENTS/APPROVAL OF AGENDA

Chairman Sue asked if there were any adjustments to the agenda. The following adjustments were made:

1. Commissioner Warren requested to remove the District 3 appointment to the Marine Fisheries Board.

Commissioner Cooke moved to approve the agenda as amended. The vote of approval was unanimous.

IV. PUBLIC COMMENTS

Chairman Sue asked if there was anyone in the audience who wished to speak regarding any item on the agenda or any matter that was not included in the agenda. There were no comments from the audience.

V. APPROVAL OF CONSENT AGENDA

Commissioner Phillips moved to approve the Consent Agenda. The vote of approval was unanimous. The following items were approved:

A. Minutes

1. January 5, 2009 Regular Meeting Minutes

B. Tax

C. Finance

Fund	Description	Code	Increase	Decrease
DSS Fund	State Revenues – Restricted	145310-332000	\$50,000	
DSS Fund	Crisis Intervention	145310-449904	\$50,000	

The budget amendment above is to appropriate additional state revenues in Social Services Crisis Intervention.

D. Sponsorship of NC Coastal Local Governments Annual Meeting

Staff requests approval of sponsorship in the amount of \$1,000 for the NC Coastal Local Governments Annual Meeting to be held in Pine Knoll Shores in March 2009.

E. CIS Quarterly Progress Report for Parenting Education Program

Staff requests that the Board receive the CIS Parenting Education Program Quarterly Progress Report as information.

F. Planning/Community Development – Crisis Housing Assistance Fund (CHAF) Extension

Staff requests approve of the Crisis Housing Assistance Fund (CHAF) deadline revision of March 31, 2009.

VI. Presentation

1. 2009 Legends Tournament Ocean Ridge Plantation (Stan Rogoff)

Stan Rogoff, informed that Ocean Ridge Plantation will host a Legends Pro-Am at Tiger’s Eye Golf Links on September 28, 2009 designating Special Olympics as the recipient charity for this event and asked for sponsorship from the county in the amount of \$200,000 in order for a \$100,000 donation to Special Olympics. The Board directed that Mr. Rogoff contact the Chamber of Commerce in efforts to create a partnership in sponsoring this event.

2. Storm Readiness Award (Eric Haden)

Eric Haden, National Weather Service Meteorologist, presented the 3rd StormReady recognition award to Randy Thompson, EMS Director, the result of hard work, vision and leadership of Brunswick County Emergency Services, the 911 Center and the county-wide network of volunteer Skywarn storm spotters. Mr. Haden informed that the current StormReady recognition for Brunswick County is valid for three years and official recognition will require renewal in January, 2012. Mr. Thompson thanked the Board for their continued support making it possible to achieve this status of high readiness.

3. Distinguished Budget Presentation Award (Marty Lawing)

Marty Lawing, County Manager, presented the Distinguished Budget Presentation Award for the Fiscal Year 2008-2009 Annual Budget document by the Government Finance Officers

Association of the United States and Canada to Ann Hardy, Fiscal Operations Director marking the third consecutive year that the county has received the award. This is the highest form of recognition in governmental budgeting. Brunswick County is one of sixteen North Carolina Counties that also receives the Certificate of Achievement in Financial Reporting in addition to this award. Ms. Hardy recognized the Fiscal Operations Staff and thanked them for their hard work and dedication to the citizens of Brunswick County.

4. **Brunswick County Voluntary Agricultural District Board Annual Report (Al Hight)...**
Al Hight, Cooperative Extension Director, reported on the activities and accomplishments of the Voluntary Agricultural District Board and recognized Board members who were in attendance.

5. **Public Health Ronald H. Levine Legacy Award**

Don Yousey, Health Director, was recognized for receiving the Dr. Ron Levine Legacy Award at the Annual Health Directors' Conference in Raleigh along with Dean Smith, retired long-time basketball coach at the University of North Carolina at Chapel Hill. Mr. Yousey was honored for a long list of accomplishments, including securing grant money for a new outreach medical unit, establishing a regional office to administer case management services for Medicaid clients, and starting a clinic for seniors with no medical home and led a focused effort by the health department and Minority Infant Mortality Task Force that resulted in two consecutive years of a zero infant mortality rate in the county. Mr. Yousey also established an umbrella organization to enable area local health departments to provide low-cost diabetes self-management education that is reimbursable by Medicaid, Medicare and private health insurance, one of five pilot projects to receive American Diabetes Association approval in 2008.

VII. PUBLIC HEARING

1. **Planning – Map Amendment Z-08-633 Second Reading & Adoption (Leslie Bell)**
Planning Staff Recommends denial to CLD (Commercial Low Density)
Planning Board recommends approval to CLD (Commercial Low Density)
[unanimous 7-0].

I. CALL TO ORDER

Chairman Sue called the Public Hearing to order at 6:53 p.m. and announced that the purpose of the hearing was to receive public input regarding Proposed Map Amendment Z-08-633.

Leslie Bell, Planning Director, explained the following:

Item 1 (Map Amendment Z-633 – Robert and Debbie Maggard)

Item 1 is a map amendment initiated by the property owner. This change from CI (Commercial Intensive) to C-LD (Commercial Low Density) would allow for less intensive commercial use for Tax Parcel 1850001004 located at 1605 Southport-Supply Road (NC 211) near Supply, NC.

This rezoning totals 1.70 acres.

Planning Staff recommends denial to C-LD (Commercial Low Density).

Planning Board recommends approval to C-LD (Commercial Low Density) [unanimous 7 to 0].

II. PUBLIC COMMENTS

Chairman Sue asked if there were any members of the audience who wished to address the Board regarding the Proposed Map Amendment. There were no comments from the audience.

III. ADJOURNMENT

Commissioner Phillips moved to adjourn the Public Hearing at 6:56 p.m. The vote of approval was unanimous.

VI. ADMINISTRATIVE REPORT

1. Planning/Community Development – USDA Housing Preservation Grant (HPG) Rehabilitation Contract (Louise McGarva)

Staff recommends approving USDA Housing Preservation Grant Rehabilitation Grant Contract Award.

Louise McGarva, Community Development Director, explained that Brunswick County is in receipt of notification from the U.S.D.A.-Rural Development that the 2008 Housing Preservation Grant (HPG) award was received for the rehabilitation of 15 residential units in the aggregate amount of \$135,000. The County has identified the first recipient for housing rehabilitation.

Staff requests award of the following contract to:

DTM Septic Services for Eric Webb, Leland, NC in the amount of \$5,500.00

The \$3,800.00 cost for the repair contract will be paid from HPG grant funds and \$1,700.00 will be paid from the County's 50% match.

Funds were previously appropriated for grant project number 238174 in the amount of \$90,000 from grant proceeds and the local match of \$45,000 totaling \$135,000. There is currently an unencumbered balance of \$134,434 so no budget amendment is necessary for the award of the contract.

Commissioner Phillips moved to approve the USDA Housing Preservation Grant Rehabilitation Grant Contract Award. The vote of approval was unanimous.

2. Finance – Martin Starnes & Associates CPAs, P.A. Audit Contract Renewal (Ann Hardy)

Staff recommends approving Audit Contract with Martin Starnes & Associates, CPAs, P.A. for Fiscal Year Ending June 30, 2009.

Ann Hardy, Fiscal Operations Director, explained that the Board of Commissioners accepted a proposal from Martin Starnes & Associates, CPAs, P.A. to serve as Brunswick County's independent auditor thru the fiscal year ending June 30, 2010 at a fee of \$55,000 for FY 2009 and \$56,750 for FY 2010. The firm satisfactorily performed services for the county during the FY 2008 audit and in previous professional audit engagements dating back to 2004.

The firm provided the Contract to Audit Accounts for Brunswick County for the year ended June 30, 2009 along with the firm's peer review letter. Staff recommends that the Board of Commissioners approve the engagement of Martin Starnes & Associates, CPA to perform the FY 2009 annual audit and authorize the Chairman and Finance Officer to execute the contract. Audit fees are included in the annual budget requiring no additional appropriation.

Commissioner Phillips moved to approve the Audit Contract with Martin Starnes & Associates, CPA, P.A. for Fiscal Year Ending June 30, 2009. The vote of approval was unanimous.

3. Finance – Sunset Beach Wastewater Collection System Financing (Ann Hardy)

Staff recommends approving the Letter of Engagement for Investment Banking Services related to Capital Financing for the Sunset Beach Assessment as presented.

Ann Hardy, Fiscal Operations Director, explained that on November 6, 2006 Brunswick County entered into a Water and Sewer Service Agreement with the Town of Sunset Beach for the construction of a wastewater collection system in the sections of the town that are not presently served by public sewer. The island section of the town will be served by a vacuum type collection system which will consist of approximately 50,000 feet of vacuum sewer mains, 812 vacuum valve pit assemblies, 1,195 sewer clean out assemblies, 500 feet of 8 inch force main and a vacuum pump station. The mainland section will be served by a combination of low pressure sewers and gravity sewers. The low pressure sewer system and gravity system will consist of approximately 137,500 feet of sewer mains to provide service to 1,500 homes.

As a part of the agreement, the town conveyed its water distribution system to the County for ownership, operation, and maintenance. The county is to construct a sewer collection system within the town limits and provide wastewater transmission and treatment for wastewater generated within the town limits. The county is responsible for the design, permitting and construction of the sewer collection system and any transmission mains needed to transport wastewater from the sewer collection system to a pump station or treatment plant. The county is to own, operate, and maintain all facilities. The town is not required to purchase treatment capacity in the system and the county will provide treatment capacity to accommodate the customer base currently and for future growth of the town.

The agreement states that the county shall generate funding for the project by assessing the property owners in a manner consistent with N.C. Gen. Stat. 153A-185 or as provided in a special legislative act specifically for such purpose. The agreement states that the county shall make installment payments a part of the Special Assessment and will extend the annual installments to a minimum of three years. The agreement further states that in addition to the assessment, parcels with existing structures at the time of completion of construction of the collection system that do not voluntarily connect to the system within one year of notification of system completion will be required to pay the sewer capital recovery fee (currently \$3,000), sewer transmission capital recovery fee (currently \$1,000) and tap fee to include the grinder pump fee (currently \$4,000) if located on a non-gravity section of the system and that the county shall place a lien on each property for which the assessment has not been paid in full by the established deadline.

On March 19, 2007 the Brunswick County Board of Commissioners adopted a preliminary assessment resolution for the extending of the Brunswick County Utility System into the area known as the Sunset Beach Area Special Sewer Assessment. The resolution proposed that the basis for making assessments shall be one or a combination of those bases set forth in NC GS 153A-186. The resolution adopted that the percentage of work to be assessed is 100% and the parcels assessed may also be subject to any system impact fees. The resolution proposed terms of payment were payment in full in 60 days following date of the publication of notice of the confirmation of the assessment roll, unless an owner qualifies for installment payments upon such terms and conditions as determined by the County, with interest accruing at the rate as allowed in NCGS 153A-200(a) which is set at a maximum rate of 8%. A public hearing was held on May 14, 2007 to receive public comment.

Mr. Jerry Pierce, Brunswick County Public Utilities Director, anticipates awarding 4 contracts for the project and has taken steps to award 1 contract estimated at \$8 million for the mainland portion around May 2009, contingent upon the award of economic stimulus grants or 0% or low interest loans. If no economic stimulus funds are awarded, Mr. Pierce plans to award 3 of the 4

contracts around September 2009 for the mainland, island and vacuum station/force main. The estimated contract amount for the island is \$10 million and \$3.5 million for the vacuum station/force main. The final contract estimated at \$5 million for the grinder pump stations is anticipated to be awarded in late 2010.

In a letter dated August 6, 2008, Mr. Gary Parker, Town of Sunset Beach Administrator, requested that the ten year assessment period be used if the assessment method is selected in funding the Sunset Beach sewer project and requested that the county look into a financing alternative that allows a longer payback period for citizens.

Staff has explored alternative financing arrangements over the last year and recently held a conference call with Financial Advisors, Feasibility Consultants and Bond Counsel to again explore the possibility of financing alternatives with a longer term. It was unanimous that there are no financing alternatives for assessments greater than 10 annual payments in the absence of a petition qualifying under 153A-210.

Financing Plan

The County plans to issue debt to finance the project with the semi-annual debt payments serviced by customer assessments collected over the term of the assessment period. By law, financing must be secured prior to the award of contracts. In order to potentially award a contract in May 2009, it is necessary to begin the process of obtaining bids from financial institutions and approval from the Local Government Commission (LGC) at this time. The LGC requires that all construction bids, permits and financing bids be received prior to the commission approving the financing. The County anticipates that the amortization period for the financing will be 12-15 years and anticipates a private placement with a financial institution but will continue to explore the least costly method of financing available.

Commissioner Cooke moved that in determining the total costs the Board will include construction costs, legal services, construction period interest, cost of rights-of-way, cost of publishing and mailing notices and resolutions and costs associated with securing financing either thru private placement or a public negotiated revenue bond sale when the project is complete and not include interest costs beyond the construction period in the assessment but recover interest costs as referred to herein from those parcel owners electing to pay in annual installments. The vote of approval was unanimous.

Commissioner Phillips moved to provide a discount of 5% to all parcel owners' paying the assessment in full before the expiration of 30 days from the date that the notice is published of confirmation of the assessment roll pursuant to G.S. 153A-196. The vote of approval was unanimous.

Chairman Sue moved that if payment of the assessment is not made in entirety, then payment may be made by annual installments and set that number of installments at 10 and that the first installment with interest is due 60 days after the date that the assessment roll is confirmed, and one installment with interest is due on that same day in each successive year until the assessment is paid in full. The vote of approval was unanimous.

Commissioner Warren moved that any portion of an assessment that is not paid within 30 days after the day that notice of confirmation of the assessment roll is published shall until paid, bear interest at the rate paid by the county to finance the project plus 1% with the maximum rate at which interest may be set of 8% per annum. The vote of approval was unanimous.

Chairman Sue moved to approve the Letter of Engagement for Investment Banking Services related to Capital Financing for the Sunset Beach project provided by Ryan Maher of Wachovia

Securities and approve the proposed fee of \$15,000 plus \$500 out of pocket expenses for a private bank placement. (It appears a private bank placement will best meet the needs of the county) and if that should change, the agreement should engage Wachovia Securities to serve as the revenue bond underwriter with a maximum underwriter's fee of \$5.75 per thousand of par amount plus \$1.40 per thousand for underwriter's reimbursable expenses of engaging counsel and associated bond issue closing costs for a total of \$7.15 per thousand (\$214,500 maximum total for \$30 million debt issued). In addition, the county will incur fees for bond counsel and consultants for the updating of the feasibility plan. The vote of approval was unanimous.

4. Finance – Calabash Wastewater Collection System Financing (Ann Hardy)

Staff recommends approving the Letter of Engagement for Investment Banking Services related to Capital Financing for the Calabash Collection System Project and other recommendations related to the Assessment as presented.

Ann Hardy, Fiscal Operations Director, explained that on April 16, 2007, Brunswick County entered into a Water and Sewer Service Agreement with the Town of Calabash for the construction of a wastewater collection system in the sections of the town that are not presently served by public sewer.

The county is to construct a sewer collection system within the town limits and provide wastewater transmission and treatment for wastewater generated within the town limits. The county is responsible for the design, permitting and construction of the sewer collection system and any transmission mains needed to transport wastewater from the sewer collection system to a pump station or treatment plant. The county is to own, operate, and maintain all facilities. The town is not required to purchase treatment capacity in the system and the county will provide treatment capacity to accommodate the customer base currently and for future growth of the town.

The agreement states that the county shall generate funding for the project by assessing the property owners in a manner consistent with N.C. Gen. Stat. 153A-185 or as provided in a special legislative act specifically for such purpose. The agreement states that the county shall make installment payments a part of the Special Assessment and will extend the annual installments to a maximum of three years. The agreement further states that in addition to the assessment, parcels with existing structures at the time of completion of construction of the collection system that do not voluntarily connect to the system within one year of notification of system completion will be required to pay the sewer capital recovery fee (currently \$3,000), sewer transmission capital recovery fee (currently \$1,000) and tap fee to include the grinder pump fee (currently \$4,000) if located on a non-gravity section of the system and that the county shall place a lien on each property for which the assessment has not been paid in full by the established deadline.

On August 20, 2007 the Brunswick County Board of Commissioners adopted a preliminary assessment resolution for the extending of the Brunswick County Utility System into the area known as the Calabash Area Special Sewer Assessment (#25). The resolution proposed that the basis for making assessments shall be one or a combination of those bases set forth in NC GS 153A-186. The resolution adopted that the percentage of work to be assessed is 100% and the parcels assessed may also be subject to any system impact fees. The resolution proposed terms of payment were payment in full in 60 days following date of the publication of notice of the confirmation of the assessment roll, unless an owner qualifies for installment payments upon such terms and conditions as determined by the County, with interest accruing at the rate as allowed in NCGS 153A-200(a) which is set at a maximum of 8%. A public hearing was held on October 8, 2007 to receive public comment.

Mr. Jerry Pierce, Brunswick County Public Utilities Director, anticipates awarding 1 contract for the project at an estimated cost of \$5.5 million. The town requested an estimate for a reduction in the scope of the project to include only Persimmon Road and Village Green Harbor Road at an estimated cost of \$1 million. It is anticipated that all permits will be obtained in March 2009 and that bids could be received near the same time if the town decides to proceed with the project or a portion thereof. If the entire project is pursued, the county will need to obtain financing. If the project scope is significantly reduced financing may not be necessary and the project may be handled as any other county SAD.

In a letter dated September 12, 2008, Mr. Vincent Long, Calabash Town Administrator requested that the special assessment to Calabash property owners be made in annual installments for a term of no less than 10 years at annual interest rate of 2.8%. The town recommended that the Sewer Service Agreement be amended to reflect the 10-year payback plan if, and when, the County Board of Commissioners accepts the town's recommendation.

Staff explored alternative financing arrangements over the last year and recently held a conference call with Financial Advisors, Feasibility Consultants and Bond Counsel to again explore the possibility of financing alternatives with a longer term. It was unanimous that there are no financing alternatives for assessments greater than 10 annual payments in the absence of a petition qualifying under 153A-210.

Financing Plan

If the scope of the project is not materially changed, the County plans to issue debt to finance the project with the semi-annual debt payments serviced by customer assessments collected over the term of the assessment period. By law, financing must be secured prior to the award of contracts. In order to potentially award the contact in May 2009, it is necessary to begin the process of obtaining bids from financial institutions and approval from the Local Government Commission (LGC) at this time. The LGC requires that all construction bids, permits and financing bids be received prior to the commission approving the financing. The County anticipates that the amortization period for the financing will be 12-15 years and anticipates a private placement with a financial institution but will continue to explore a public revenue bond offering if it appears to be the least costly method of financing available.

Recommendation

To move forward with the process of obtaining financing for the project, staff requests the Board of Commissioners to provide direction or consider approval of several issues.

- Staff recommends that if the scope of the project is substantially reduced, there be no changes to the agreement and that the assessment period be set at 3 annual payments and the statutory maximum rate of interest of 8% per annum on the outstanding balance.

The following recommendations are made based on proceeding with the entire project original scope.

- Staff recommends that the Board of Commissioners resolve that when the project is complete in determining the total cost, the board will include construction costs, legal services, construction period interest, cost of rights-of-way, cost of publishing and mailing notices and resolutions and costs associated with securing financing either thru private placement or a public negotiated revenue bond sale. The board will not include interest costs beyond the construction period in the assessment but will recover interest costs (referred to herein) from those parcel owners electing to pay in annual installments.

- Staff recommends that the Board of Commissioners resolve to provide a discount of 5% to all parcel owners' paying the assessment in full before the expiration of 30 days from the date that the notice is published of confirmation of the assessment roll pursuant to G.S. 153A-196.
- Staff recommends that the Board of Commissioners resolve that if payment of the assessment is not made in entirety, then payment may be made by annual installments and set the number of installments at 10 and that the first installment with interest is due 60 days after the date that the assessment roll is confirmed, and one installment with interest is due on that same day in each successive year until the assessment is paid in full.
- Staff recommends that the Board of Commissioners resolve that any portion of an assessment that is not paid within 30 days after the day that notice of confirmation of the assessment roll is published shall until paid, bear interest at the rate paid by the county to finance the project plus 1% with the maximum rate at which interest may be set of 8% per annum. For example, if the rate paid by the county is 5%, the county will charge 6% on the balance owed.
- Staff recommends that the Board of Commissioners approve the Letter of Engagement for Investment Banking Services (attached) related to Capital Financing for the Calabash project provided by Ryan Maher of Wachovia Securities and approval of the proposed fee of \$15,000 plus \$500 out of pocket expenses for a private bank placement. At this time, it appears a private bank placement will best meet the needs of the county, but if that should change, the recommended agreement engages Wachovia Securities to serve as the revenue bond underwriter. A revenue bond is only envisioned if the Calabash financing is timed to be included with a larger revenue bond issue such as the Sunset Beach issue and is the most economically method of financing the projects for all involved. If Calabash is combined with Sunset for a public revenue bond issue, the maximum underwriter's fee proposed is \$6.89 per thousand of par amount plus \$1.08 per thousand for underwriter's reimbursable expenses of engaging counsel and associated bond issue closing costs for a total of \$7.97 per thousand (\$55,810 maximum total for \$7 million debt issued when combined with the proposed Sunset Beach issue only). Mr. Maher served the county well in the 2004 and 2008 revenue bond issues. In addition to Mr. Maher, the county will incur fees for bond counsel and consultants for the updating of the feasibility.

Staff advises the Board of Commissioners that the intent and structure of the financing plan is to collect assessments in an amount sufficient to make annual debt payments as they become due and to recover all costs attributable to the design, construction and financing of the system. However, it is a complex agreement requiring many estimates and there are no assurances that the county will not need to use other resources to make debt payments or that 100% of costs will be recovered over time.

Commissioner Cooke moved to approve the Letter of Engagement for Investment Banking Services related to Capital Financing for the Calabash Collection System Project and other recommendations related to the Assessment as presented contingent upon acceptance by the Town of Calabash. The vote of approval was unanimous.

5. Utilities- Change Order # 2 Increases with Seaside Utilities in the amount of \$13,347.03 (Jerry Pierce)

Staff recommends approving Change Order No. 2 to the Contract of Seaside Utilities.

Jerry Pierce, Utilities Director, requested approval of Change Order No. 2 with Seaside Utilities to add upset pond outlet structure modifications, install new flow meter vaults on existing lines, and make emergency repairs to the existing stormwater pond and delete sedimentation basins and diversion ditches on upset pond and credit for material from upset pond hauled off site for a net addition of \$13,347.03

Mr. Pierce explained that in the course of construction of the expansion of the upset pond, the outlet structure was determined to be insufficient for the additional flow that would result from the expansion of the pond. The contractor had to rework the outlet structure and associated piping. The existing flow meter on influent piping has not worked. After study, it was determined that the influent pipes would not remain full of water at the point where the flow meters were installed. The proposed change is to relocate the flow meters on the existing pipes to a point where the flow meters will work properly. In a recent heavy rainfall event, significant erosion occurred at the existing stormwater pond. The contractor made emergency repairs so the damage would not get worse and the amount of sediment that ultimately has to be removed from the pond would be minimized.

Due to a change in the slope of the upset pond, some sedimentation basins and associated diversion ditches were not needed. Staff negotiated with the contractor a credit for basins and ditches not installed. Also, excess dirt resulted from the expansion of the upset pond. The contractor offered the County a credit if he were allowed to haul the dirt off site. The County negotiated a credit for allowing the dirt to be hauled off site and avoided a change order for expansion of the existing dirt storage area if the dirt was not hauled off site.

Commissioner Phillips moved to approve Change Order No. 2 to the contract of Seaside Utilities for a net addition of \$13,347.03. The vote of approval was unanimous.

6. Utilities – Sewer Service Agreement between Brunswick County and CTC Brick Landing (Jerry Pierce)

Staff recommends approving the Sewer Service Agreement between Brunswick County and CTC Brick Landing.

Jerry Pierce, Utilities Director, requested approval of a Sewer Service Agreement between Brunswick County and CTC Brick Landing for the County to assume ownership and operation of the existing Brick Landing Wastewater Treatment Plant, associated collection system including pump stations, and sewer customers.

Mr. Pierce explained that when the Brick Landing Development was constructed, sewer service was not available in the area. As a result, the developers of the project constructed their own wastewater collection system and wastewater treatment plant. The initial developer and subsequent owners of the development have operated the sewer system since that time.

Due to operational problems with the sewer system and wastewater treatment plant, the current owners of the development approached the County about assuming ownership, operation, and maintenance responsibility of the Brick Landing Sewer System and wastewater treatment plant. After significant discussion, the County staff and representatives of the development owner have reached agreement on a Sewer Service Agreement that would transfer ownership of the Brick Landing Sewer System including the wastewater treatment plant and collection system to Brunswick County.

Under the terms of the agreement, the developer agrees to pay \$225,100 to Brunswick County for repairs to the wastewater collection system. The developer will construct a new pump station and force main at their cost that will divert all wastewater flow generated within the Brick Landing Development from the existing wastewater treatment plant to the existing County sewer force main on NC 179. Construction of the pump station and force main must be completed by September 2009 and a bond will be posted to guarantee its completion. Wastewater from this project will be sent to the Sea Trail Wastewater Treatment Plant for treatment.

The County will operate the existing wastewater treatment plant until the pump station and force main are completed. After the pump station and force main are completed, the County has agreed to remove the existing wastewater treatment plant at its cost. The County has agreed to waive the Capital Recovery Fees and Sewer Transmission Fees for the existing residences and other structures connected to the Brick Landing Sewer Collection System. Any new connections must pay the Capital Recovery Fees and Sewer Transmission Fees in effect at the time of connection. The expected transfer date of the facilities is March 1, 2009. Staff recommends approval of the Sewer Service Agreement subject to the developer providing all easements needed for the operation and maintenance of the Sewer Collection System, wastewater treatment plant, and effluent disposal system and payment of the amount indicated in the agreement for repairs to the system

Commissioner Cooke moved to approve the Sewer Service Agreement between Brunswick County and CTC Brick Landing. The vote of approval was unanimous.

7. Engineering Services Agreement Tripp Engineering, PC Phase 4 RiverSea Plantation (Jeff Phillips)

Staff recommends approving Professional Services Agreement with Tripp Engineering, P.C. and the Associated Capital Project Ordinance and FY 2008-09 Budget Amendment Contingent upon Receipt of the Performance Bond Payment.

Jeff Phillips, Director of Engineering Services explained that the developer of RiverSea Plantation has failed to construct the required infrastructure in Phase IV of the development in accordance with the approved master plan and is in default of the performance bond posted for the project. The County Attorney's Office has reached an agreement with the surety company to pay to the county the amount \$542,371.94 which is the estimated total to complete the remaining infrastructure improvements. It will be the county's responsibility to contract for the improvements.

The original engineering firm for the project was Tripp Engineering, P.C. The County has received a proposal from Tripp Engineering to prepare final design and specifications for construction, provide bidding services and construction administration and observations services for a lump sum fee of \$7,200.

Commissioner Phillips moved to approve the Professional Services Agreement with Tripp Engineering, P.C. and the associated budget amendment and capital project ordinance. The vote of approval was unanimous.

8. Administration – FY 2008-2009 2nd Quarter Goals Progress Report (Marty Lawing)

Staff recommends receiving the Second Quarter Goal Report as information.

The Board received the 2nd Quarter Goals Progress Report as information.

VII. BOARD APPOINTMENTS

1. Brunswick County Nursing Home and Adult Care Home Community Advisory Committee (2 at-large appointments)

Chairman Sue nominated Elgie Jones and Commissioner Phillips nominated Fran Dolan. Commissioner Cooke moved to close the nominations. The vote of approval was unanimous. Commissioner Cooke moved to approve the appointments. The vote of approval was unanimous.

Elgie Jones and Fran Nolan were reappointed to serve another three-year term that will expire on February 1, 2012.

2. Brunswick County Marine Fisheries Advisory Board (District 3, & District 4 appointments).

Commissioner Phillips nominated William Hickman. Chairman Sue moved to close the nominations. The vote of approval was unanimous. Chairman Sue moved to approve the appointment. The vote of approval was unanimous. William Hickman was reappointed to serve another two-year term that will expire on February 1, 2011. (District 3 appointment was tabled under Adjustments to the Agenda.)

3. Southeastern Economic Development Commission (1 appointment)

Chairman Sue nominated Velva Jenkins. Commissioner Phillips moved to close the nominations. The vote of approval was unanimous. Commissioner Warren moved to approve the appointment. The vote of approval was unanimous. Velva Jenkins was reappointed to serve another three-year term that will expire on January 1, 2012.

4. Criminal Justice Partnership Program (3 appointments)

Chairman Sue nominated Ron Monk, Kathy Owens and Marion Warren. Commissioner Phillips moved to close the nominations. The vote of approval was unanimous. Commissioner Cooke moved to approve the recommended appointments. The vote of approval was unanimous. Kathy Owens and Judge Marion Warren were reappointed to serve another three-year term that will expire on February 1, 2012. Ron Monk was reappointed to serve another two-year term that will expire on February 1, 2011.

VIII. COUNTY ATTORNEY'S REPORT

1. Deed of Dedication for Water & Sewer Lines for Crossroads at Carolina Shores (Huey Marshall)

Huey Marshall, County Attorney, explained that these lines were ready for acceptance into the county system with a worth of \$6,422.00 for water lines and \$2,164.00 for sewer lines.

Commissioner Phillips moved to approve the Deed of Dedication for Water and Sewer Lines for Crossroads at Carolina Shores. The vote of approval was unanimous.

2. Deed of Dedication for Water Lines for Rutledge Subdivision, Lots 98-167 (Huey Marshall)

Huey Marshall, County Attorney, explained that these lines were ready for acceptance into the county system with a worth of \$57,480.00 for water lines.

Commissioner Phillips moved to approve the Deed of Dedication for Water Lines for Rutledge Subdivision, Lots 98-167. The vote of approval was unanimous.

3. Closed Session 7:59 p.m.

Commissioner Phillips moved to enter Closed Session pursuant to NCGS 143-318.11 (a) (1) and (1) (4) to prevent the disclosure of privileged information and to discuss matters relating to the location or expansion of business in the area served by this body. The vote of approval was unanimous.

The Chairman called a 10 minute break.

Reconvened 9:40 p.m.

Chairman Sue called the Open Session back to order and announced that no action was taken in Closed Session.

Commissioner Warren moved to authorize staff to employ Counsel to represent the county's interest at an upcoming Board of Adjustment meeting with respect to concerns over the values of county property, specifically Calvin Chandler. The vote of approval was unanimous.

IX. OTHER BUSINESS/INFORMAL DISCUSSION

1. County Manager Report

The County Manager offered to forgo the report as to the lateness of the meeting.

X. ADJOURNMENT

Commissioner Cooke moved to recess the Regular Meeting at 9:41 p.m. until February 3, 2009 at 8:30 a.m. to tour and discuss the Capital Improvement Projects. The vote of approval was unanimous.

William M. Sue, Chairman

Deborah (Debby) Gore, Clerk to the Board