

MINUTES – FEBRUARY 15, 2010

The Caswell County Board of Commissioners met in regular session at the Historic Courthouse in Yanceyville, North Carolina at 6:30 p.m. on Monday, February 15, 2010. Members present: George W. Ward, Jr., Chairman, Kenneth D. Travis, Vice-Chairman, Erik D. Battle, William E. Carter, Nathaniel Hall, Jeremiah Jefferies, and Gordon G. Satterfield. Also present: Kevin B. Howard, County Manager and Angela Evans representing The Caswell Messenger. Wanda P. Smith, Clerk to the Board, recorded the minutes.

MOMENT OF SILENT PRAYER

Chairman Ward opened the meeting with a Moment of Silent Prayer.

APPROVAL OF AGENDA

Chairman Ward stated that he would like to move Item No. 12, Bond Resolution to Item No. 6 on the agenda.

Commissioner Travis moved, seconded by Commissioner Jefferies to approve the agenda as presented, and move Item No, 12, Bond Resolution to Item No. 6 on the agenda. The motion carried unanimously.

APPROVAL OF CONSENT AGENDA

Commissioner Jefferies moved, seconded by Commissioner Travis to approve the Consent Agenda as presented. The motion carried unanimously.

The following items were included on the Consent Agenda:

- 1) Approval of Minutes of November 16, 2009 Regular Meeting and November 23, 2009 Special Meeting

- 2) Tax Director's Monthly Report

Total Amount of Taxes Collected for January, 2010	\$1,303,131.23
Tax Maps/Cards	\$ 150.50
County Maps	\$ 4.95
Beer License	0
Wine License	0
NSF Charge	0
EMS Collections	\$ 47.00
2010 Prepayments	\$ 832.28

PUBLIC COMMENTS

Chairman Ward opened the floor for public comments.

There were no public comments made.

PUBLIC HEARING – CASWELL COUNTY MULTI-JURISDICTIONAL HAZARD
MITIGATION PLAN

Commissioner Travis moved, seconded by Commissioner Hall that the Board enter into a public hearing to receive comments on proposed updates to the Caswell County Multi-Jurisdictional Hazard Mitigation Plan. The motion carried unanimously.

Mr. Jim Gusler, Emergency Services Director, provided the Board with the following Executive Summary of the Multi-Jurisdictional Hazard Mitigation Plan for Caswell County and the Towns of Milton and Yanceyville. Mr. S. D. West, Enviro-Safe Contractor, and Mr. Brian Collie, County Planner, were also present.

**Caswell County
Town of Milton
Town of Yanceyville**

Multi-Jurisdictional Hazard Mitigation Plan

EXECUTIVE SUMMARY

Caswell County, North Carolina is vulnerable to a variety of hazards that threaten its communities, businesses, and the environment. The Hazard Mitigation Plan establishes the framework to ensure that Caswell County and its municipalities have identified potential hazards and plans for mitigating the hazards identified.

Hazard mitigation is defined as “any action taken to eliminate or reduce the long-term risk to human life and property from natural and technological hazards. Mitigation activities are ongoing and overlap all phases of emergency management.

The Plan prioritizes and coordinates the activities of the County and Municipalities for a comprehensive and cooperative approach to planning and mitigation of identified hazards.

The Plan outlines the basic strategies, operational goals and objectives, and mechanisms through which Caswell County and the Towns of Milton and Yanceyville will attempt to mitigate known hazards and conduct activities to guide and assist local government agencies and stakeholder efforts toward mitigation.

Hazard mitigation includes three types of activities:

1. **Structural mitigation** – constructing dam and levee projects to protect against flooding, constructing disaster-resistant structures, and retrofitting existing structures to withstand future hazardous events;

2. **Non-structural mitigation** – development of land use plans, zoning ordinances, subdivision regulations, and tax incentives and disincentives to discourage development in high-hazard risk areas; and
3. **Educational programs** – educating the public about potential natural hazards, the importance of mitigation, and how to prepare to withstand a disaster.

The purpose of the Plan is:

1. To demonstrate local commitment to hazard mitigation planning principles;
2. To reduce natural hazard vulnerability by reducing the potential for future damages and economic losses;
3. To speed recovery and redevelopment following future natural hazard events;
4. To comply with both State and Federal legislative requirements for local hazard mitigation planning; and
5. To qualify for additional grant funding, in both pre-disaster and post-disaster situations.

Mr. Gusler stated that the final reading of the proposed updates to the Plan would occur at the Board's next meeting.

There being no further comments, Chairman Ward declared the public hearing closed.

BOND RESOLUTION

RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS OF CASWELL COUNTY IN AN AGGREGATE PRINCIPAL AMOUNT OF UP TO \$2,850,000 PURSUANT TO A BOND ORDER HERETOFORE APPROVED AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF

Commissioner Satterfield introduced the following resolution, a copy of which had been provided to each commissioner and which was read by its title:

**RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION
REFUNDING BONDS OF CASWELL COUNTY IN AN AGGREGATE PRINCIPAL
AMOUNT OF UP TO \$2,850,000 PURSUANT TO A BOND ORDER HERETOFORE
APPROVED AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT
THEREOF.**

WHEREAS, the Board of Commissioners (**the "Board"**) of Caswell County, North Carolina (**the "County"**) on January 11, 2009 introduced and approved a Bond Order (**the "Bond Order"**) in final form authorizing the issuance of the County's general obligation refunding bonds in order to refund the County's \$4,500,000 General Obligation School Bonds,

Series 2000 (the “**2000 Bonds**”), and which Bond Order was published in accordance with the requirements of the Local Government Bond Act.

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS FOR CASWELL COUNTY, NORTH CAROLINA:

1. *Findings.* The Board has determined and does hereby find and declare:

(a) That the Bond Order authorizing not exceeding \$2,850,000 of General Obligation Refunding Bonds, Series 2010 (the “**Refunding Bonds**”) was adopted by the Board on January 11, 2009, which Bond Order has taken effect, and said Bond Order, together with the appended statement as required by the Local Government Bond Act, as amended, has been published once in The Caswell Messenger.

(b) That none of said Refunding Bonds have been issued, that the final maturity of the 2000 Bonds is April 1, 2021, that no notes have been issued in anticipation of the receipt of the proceeds of the sale of said Refunding Bonds and that it is necessary to issue at this time up to \$2,850,000 of said Refunding Bonds in accordance with the provisions of this resolution and subject to adjustment as set forth herein.

2. *Issuance of Refunding Bonds.* Pursuant to the Bond Order, there shall be issued Refunding Bonds of Caswell County, North Carolina (the “**Issuer**”) in the maximum aggregate principal amount of \$2,850,000 designated “General Obligation Refunding Bonds, Series 2010” and dated April 5, 2010, or their date of issuance. The Board finds and determines that issuance of the Refunding Bonds will be for public purposes of the County, for the welfare of citizens of the County for purposes that will serve the County and its citizens pursuant to the authority of the County to provide funds to pay the capital costs of providing school facilities and pursuant to the County’s authority to refund general obligation bonds. Proceeds of the Refunding Bonds (including investment proceeds, if any) shall be utilized for payment in full of the unpaid principal amount of the 2000 Bonds, applicable redemption premiums thereon, if any, unpaid interest thereon to the date of delivery or exchange of the Refunding Bonds, and costs of issuance of the Refunding Bonds. The 2000 Bonds shall be retired from the proceeds of the Refunding Bonds as the first priority. The final maturity date for the Refunding Bonds (to be established below) does not exceed the maximum period of usefulness of the capital project to be financed by the Refunding Bonds, which maximum period of usefulness is found and determined to be not earlier than June 1, 2021.

The Refunding Bonds shall be stated to mature (subject to adjustment as hereinafter set forth) annually, on February 1 in the following years and in the following amounts: 2011 (\$265,000), 2012 (\$250,000), 2013 (\$245,000), 2014 (\$240,000), 2015 (\$235,000), 2016 (\$230,000), 2017 (\$225,000), 2018 (\$220,000), 2019 (\$215,000), 2020 (\$205,000) and 2021 (\$210,000). The Refunding Bonds shall bear interest at a rate or rates to be determined by the Local Government Commission of North Carolina (the “**LGC**”) at the time the Bonds are sold (provided, however that the net interest cost of the Refunding Bonds shall not exceed 4.5% per annum), which interest to the respective maturities thereof shall be payable on August 1, 2010 and semiannually thereafter on February 1 and August 1 of each year until payment of such principal sum. Notwithstanding the foregoing, the Issuer reserves the right to increase or decrease the aggregate principal amount of the Refunding Bonds by an amount not to exceed \$500,000 following the opening of bids for the purchase of the Refunding Bonds and, in the event of such increase or decrease, the principal amount of any maturity of the Refunding Bonds will be

increased or decreased by an amount not to exceed \$250,000 per maturity to be determined by the Finance Officer of the Issuer, with the advice of the Issuer's financial advisor employed in connection with the issuance of the Bonds, provided that interest rate savings will be realized by the Issuer during the period which the Refunding Bonds will be outstanding as a consequence of issuing the Refunding Bonds and provided further that no such annual installment shall be more than four times as great in amount as the smallest prior installment, and further provided that the first such installment shall be not more than 3 years after the date of the Refunding Bonds and the last such annual installment shall be not later than either (1) the shortest period, but not more than 40 years, in which the debt being refunded can be finally paid without making it unduly burdensome on the taxpayers of the County, as determined by the LGC or (2) the end of the unexpired period of usefulness of the project. The Finance Officer of the Issuer is hereby authorized and directed to make any such adjustment, if appropriate, on behalf of the Issuer. The Refunding Bonds will not be subject to redemption prior to maturity. Principal, premium, if any, and interest on the Refunding Bonds will be payable in lawful money of the United States of America.

3. *Pledge of Faith, Credit and Taxing Power* -- The County's full faith and credit are hereby irrevocably pledged for the payment of the principal of and interest on the Refunding Bonds. Unless other funds are lawfully available and appropriated for timely payment of the Refunding Bonds, the Board will levy and collect an annual ad valorem tax, without restriction as to rate or amount, on all locally taxable property in the County sufficient to pay the principal of and interest on the Refunding Bonds as the same become due.

4. *Approval of Official Statement for Offering* - There has been made available to each member of the Board the form of an official statement (**the "Official Statement"**) relating to the Refunding Bonds, pursuant to which the Refunding Bonds will be offered for sale. The Official Statement remains subject to completion and amendment.

The Official Statement is approved as the form of official statement pursuant to which the Refunding Bonds will be offered for sale. The actions of the Finance Officer, in collaboration with the LGC, to prepare the text of the Official Statement are ratified, approved and confirmed. The Board approves the LGC's distribution of the Official Statement to prospective purchasers of the Refunding Bonds. The Official Statement as so distributed must in substantially the form presented to this meeting, with such changes as the Finance Officer may approve.

The Board acknowledges that it is the County's responsibility to ensure that the Official Statement, in its final form, neither contains an untrue statement of a material fact nor omits to state a material fact required to be included therein for the purpose for which such Official Statement is to be used or necessary to make the statements therein, in light of the circumstances under which they were made, not misleading. By the adoption of this resolution, the Board members approve the Official Statement as materially correct and complete, and further acknowledge and accept their own responsibility for causing the County to fulfill these responsibilities for the Official Statement.

5. *Redemption Provisions* – The Refunding Bonds will be subject to redemption prior to maturity as determined by the Finance Officer.

6. *Form of Bonds* -- The Refunding Bonds will be in substantially the form set out in Exhibit A. The Bonds will be designated "General Obligation Refunding Bonds, Series 2010." The Refunding Bonds will be dated their date of issuance, will be in fully registered form, in denominations of \$5,000 and integral multiples thereof, and will be numbered R-1 upward, as the Finance Officer may determine.

The Refunding Bonds must be signed by the manual or facsimile signature of the Chairman or Vice-Chairman of the County's Board of Commissioners, or the County Manager, must be countersigned by the manual or facsimile signature of the Clerk of the Board of Commissioners or any Assistant Clerk to the Board of Commissioners, and the County's seal must be affixed thereto or a facsimile thereof printed thereon. The certificate of the LGC to be endorsed on all Refunding Bonds shall bear the manual or facsimile signature of the Secretary of the LGC or of a representative designated by said Secretary. No Refunding Bond will be valid unless at least one of the signatures appearing on such Refunding Bond (which may be the signature of the LGC's representative required by law) is manually applied or until such Refunding Bond has been authenticated by the manual signature of an authorized officer or employee of a bond registrar selected by the County.

7. *Finance Officer as Registrar; Payments to Registered Owners* -- The Finance Officer is appointed Registrar for the Refunding Bonds. As Registrar, the Finance Officer will maintain appropriate books and records of the ownership of the Refunding Bonds. The County will treat the registered owner of each Refunding Bond as the person exclusively entitled to payment of principal, premium, if any, and interest and the exercise of all rights and powers of the owner, except that debt service payments will be made to the person shown as owner on the registration books on the 15th day of the month preceding each interest payment date.

8. *Advertising Bonds for Sale* -- The Board authorizes and directs the advertisement of a notice of sale of the Refunding Bonds or a summary notice of sale of the Refunding Bonds, as appropriate, in such form as the Finance Officer may determine, at least one time in (a) a newspaper having general circulation in the County, (b) a recognized national financial journal or (c) such other advertisement medium approved by the LGC, at least five days before the sale date for the Refunding Bonds, all in accordance with LGC guidelines and this resolution.

9. *LGC To Sell Bonds* - The County asks the LGC to sell the Refunding Bonds, to receive and evaluate bids and to award the Refunding Bonds to the successful purchaser.

10. *Completing Official Statement after Sale* -- After bids have been received and the LGC has awarded the Refunding Bonds to the successful purchaser, the Finance Officer is authorized and directed to prepare, in collaboration with the LGC, a supplement to the Official Statement containing, among such other matters as may be appropriate, information required pursuant to Rule 15c2-12 ("**Rule 15c2-12**") promulgated by the United States Securities and Exchange Commission under the United States Securities Act of 1934, as amended. The County, together with the LGC, will arrange for the delivery within seven business days of the date the Refunding Bonds are sold of a reasonable number of copies (including dissemination by electronic means in accordance with LGC procedures) of the supplemented Official Statement to the successful bidder on the Refunding Bonds for delivery to each potential investor requesting a copy of the supplemented Official Statement and to each person to whom such bidder and members of the bidding group initially sell the Refunding Bonds.

11. *Finance Officer To Complete Bond Closing* - After the sale of the Refunding Bonds, the Finance Officer and all other County officers, employees and representatives are

authorized and directed to take all proper steps to have the Refunding Bonds prepared and executed in accordance with their terms and to deliver the Refunding Bonds to the purchaser upon payment for the Refunding Bonds.

The Finance Officer is authorized and directed to hold the executed Refunding Bonds, and any other documents authorized or permitted by this resolution, in escrow on the County's behalf until the conditions for the delivery of the Refunding Bonds and other documents have been completed to the Finance Officer's satisfaction, and thereupon to release the executed Refunding Bonds and other documents for delivery to the appropriate persons or organizations.

Without limiting the generality of the foregoing, this authorization and direction is specifically extended to authorize the Finance Officer (a) to enter into such agreements or take such other actions as such officer may deem appropriate in connection with obtaining a credit rating or credit ratings for the Refunding Bonds and bond insurance for the Refunding Bonds (if any), completing the refunding that is a purpose of the Refunding Bonds and to complete the timely payment in full of the principal and interest due on the 2000 Bonds, and (b) to approve changes to any documents or closing certifications previously signed by County officers or employees, provided that the Refunding Bonds will be in substantially the form approved by this resolution and that any such changes will not substantially alter the intent of such certificates from that expressed in the forms of such certificates as executed by such officers or employees. The Finance Officer's authorization of the release of any such document for delivery will constitute conclusive evidence of such officer's approval of any such changes. In addition, the Board hereby authorizes the officers of the County designated therein to execute and deliver an escrow deposit agreement in such form as any of such officers shall deem necessary to accomplish the purposes for which the Refunding bonds are being issued.

12. Undertaking for Continuing Disclosure -- The County undertakes, for the benefit of the beneficial owners of the Refunding Bonds, to provide continuing disclosure with respect to the Refunding Bonds as described in Exhibit B. The provisions for continuing disclosure will terminate upon payment, or provision having been made for payment (in a manner consistent with Rule 15c2-12), in full of the principal of and interest on all of the Refunding Bonds.

13. Finance Officer as Disclosure Official -- The Board designates the Finance Officer, on the County's behalf, to deem the supplemented Official Statement to be a "Final Official Statement" within the meaning of Rule 15c2-12. The LGC's distribution of the supplemented Official Statement will be conclusive evidence that the County has deemed it final as of its date. The Board further designates the Finance Officer as the County officer to be primarily responsible for the County's compliance with its undertakings for continuing disclosure provided for in this resolution. The Finance Officer will provide for the filings and reports (including the reports of material events) constituting the continuing disclosure provided for in this resolution.

14. Resolutions and Covenants As To Tax Matters -- The County will not take or omit to take any action the taking or omission of which will cause the Refunding Bonds to be "arbitrage bonds," within the meaning of Section 148 of the United States Internal Revenue Code of 1986, as amended through the closing date of the Refunding Bonds, including applicable Treasury regulations (**the "Code"**), or "private activity bonds" within the meaning of Code Section 141, or otherwise cause interest on the Refunding Bonds to be includable in gross income for federal income tax purposes. Without limiting the generality of the foregoing, the County will comply with any Code provision that may require the County at any time to pay to the United States any part of the earnings derived from the investment of the proceeds of the Refunding Bonds, and the County will pay any such required rebate from its general funds.

The County's officers, agents and representatives are hereby authorized and directed to execute, deliver and file all certificates and documents and to take all such further action as they may consider necessary or desirable in connection with the sale of the Refunding Bonds and payment in full of the 2000 Bonds, including without limitation, providing notice of redemption of the 2000 Bonds, executing and delivering a certificate setting forth the expected use and investment of the proceeds to be derived from the issuance of the Refunding Bonds (**the "Proceeds"**) to show that such expected use and investment will not violate the provisions of Section 148 of the Code, making any elections such officers deem desirable regarding any provision requiring rebate of earnings to the United States for purposes of complying with the provisions of the Code applicable to "arbitrage bonds," providing for the County to pay any such rebate amount and filing Internal Revenue Service Form 8038-G.

The County covenants that it shall not permit the Proceeds to be used in any manner that would result in (i) 5% or more of the debt service on the Refunding Bonds being directly or indirectly (A) secured by an interest in property, or (B) derived from payments in respect of property or borrowed money, being in either case used in a trade or business carried on by any person other than a governmental unit, as provided in Code Section 141(b), (ii) 5% or more of such Proceeds being used with respect to any "output facility" (other than a facility for the furnishing of water), within the meaning of Code Section 141(b)(4), or (iii) 5% or more of such Proceeds being used directly or indirectly to make or finance loans to any persons other than a governmental unit, as provided in Code Section 141(c); provided, however, that if the County receives an opinion of nationally-recognized bond counsel that compliance with any such covenant is not required to prevent the interest on the Refunding Bonds from being includable in the gross income for Federal income tax purposes of the owners of the Refunding Bonds under existing law, the County need not comply with such covenant.

The Board, on behalf of the County, certifies by this resolution that it does not reasonably anticipate the issuance by it or its subordinate entities of more than \$30,000,000 in "qualified tax-exempt obligations" (excluding private activity bonds) during the calendar year 2010 and will not designate (excluding any bonds deemed designated pursuant to the provisions of § 265(b)(3)(D)(ii) of the Code), or permit the designation by any of its subordinate entities of any bonds during the calendar year 2010 which would cause the \$30,000,000 limitation of Section 265(b)(3)(D) of the Code to be violated, and hereby designates the Refunding Bonds in the maximum principal amount of \$2,850,000 as "qualified tax-exempt obligations" for the purpose of § 265(b)(3) of the Code.

The Board intends for the Refunding Bonds to be treated as complying with the provisions of Section 148(f)(4)(D) of the Code, which provides an exception from the "rebate requirement," as the Refunding Bonds (1) are issued by the County, which is a governmental unit with general taxing powers, (2) no bond which is a part of this issue is a private activity bond, (3) 95% or more of the net proceeds of this issue are to be used for local governmental activities entirely within the jurisdiction of the County, and (4) the aggregate face amount of all tax-exempt notes and bonds (other than private activity bonds and bonds deemed designated pursuant to the provisions of §148(f)(4)(D)(iii) and (v) of the Code) issued by the County during the calendar year 2010 (and notes and bonds issued by any subordinate entity of the County) is not reasonably expected to exceed \$5,000,000 except that, pursuant to the provisions of Section 148(f)(4)(D)(iii) of the Code, this amount of \$5,000,000 is increased by the lesser of \$10,000,000 or so much of the aggregate face amount of all tax-exempt bonds (other than private activity bonds) issued by the County during the calendar year 2010 (and notes and bonds issued by any subordinate entity of the County) attributable to financing the construction (within the meaning of Section

148(f)(4)(C)(iv) of the Code) of public school facilities, or, the Refunding Bonds are intended to be eligible for exception from the rebate requirement as refunding bonds eligible for such exception under Section 148(f)(4)(D) (v) of the Code.

15. *Book-Entry System for Bond Registration* -- The Refunding Bonds will be issued by means of a book-entry system, with one bond certificate for each maturity immobilized at The Depository Trust Company, New York, New York ("DTC"), and not available for distribution to the public. The book-entry system for registration and related matters will operate as described in the Official Statement. Therefore, (a) the County will pay principal, premium, if any, and interest on the Refunding Bonds to DTC or its nominee as registered owner of the Refunding Bonds, (b) the County will not be responsible or liable for such transfer of payments to parties other than DTC or for maintaining, supervising or reviewing the records maintained by DTC or any other person related to the Refunding Bonds, and (c) the County will not mail redemption notices (or any other notices related to the Refunding Bonds) to anyone other than DTC or its nominee so long as the book-entry system of registration with DTC is in effect. The County may elect to discontinue the book-entry system with DTC. The Finance Officer is authorized to take all appropriate actions in connection with the deposit of the Refunding Bonds at DTC, including completing and executing a Blanket Issuer Letter of Representations, Letter of Representations or other appropriate documents.

16. *Ratification of Professionals* - The Board confirms the selection of Sands Anderson Marks & Miller, a Professional Corporation, to serve as the County's bond counsel and the selection of First Tryon Securities, LLC to serve as the County's Financial Advisor with respect to the Refunding Bonds.

17. *Contract with Bondholders* – The provisions of this resolution shall constitute a contract between the County and holders of the Refunding Bonds for so long as any of the Refunding Bonds and interest thereon are outstanding.

18. *Investment of Proceeds* – The Proceeds shall be held and invested in accordance with the requirements of the Local Government Budget and Fiscal Control Act, Article 3 of Chapter 159, General Statutes of North Carolina, as amended. It is expected that the North Carolina State Treasurer shall hold the Proceeds (net of certain costs of issuance of the Refunding Bonds) as cash and cause such Proceeds to be paid to DTC for redemption in full of the 2000 Bonds within 90 days of the closing date of the Refunding Bonds.

19. *Miscellaneous Provisions* -- The Chairman of the Board of Commissioners, County Manager, the Finance Officer and the County Attorney and their designees are hereby authorized and directed to take such other actions and to execute and deliver such other documents, certificates, undertakings, agreements or other instruments as may be necessary or appropriate to effectuate the issuance of the Refunding Bonds and the refunding of the [2001] Bonds. Such actions include determining on behalf of the Issuer whether or not to proceed with such refunding depending upon the cost savings available on the sale date of the Refunding Bonds and, if a determination is made to proceed with such refunding, giving or causing to be given notices of redemption of such bonds to be refunded as required by the resolution providing for their issuance heretofore passed by the Board and such related documents as may be applicable. All other acts of the Chairman of the Board of Commissioners, County Manager, Finance Officer, County Attorney, Bond Counsel, the County's Financial Advisor and other officers, agents and representatives of the Issuer that are in conformity with the purposes and

intent of this resolution and in furtherance of the plan of financing, the issuance of sale of the Refunding Bonds are hereby approved and ratified.

20. *Effective Date.* This resolution shall take effect immediately upon its passage.

Upon Motion of Commissioner Satterfield, seconded by Commissioner Jefferies, the foregoing resolution entitled: "RESOLUTION AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS OF CASWELL COUNTY IN AN AGGREGATE PRINCIPAL AMOUNT OF UP TO \$2,850,000 PURSUANT TO A BOND ORDER HERETOFORE APPROVED AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF" was passed by the following vote:

Ayes: Commissioners Battle, Carter, Hall, Jefferies, Satterfield, Travis and Ward.

Noes: None.

CONSIDERATION OF PURCHASE OF TWO EMS AMBULANCE UNITS

Mr. Jim Gusler, Emergency Services Director, came before the Board and stated that he would like to clarify that when he presented his request for ambulance replacement at the Board's February 9, 2010 meeting, it was for two 2009 Dodge chassis and one remounted box at an estimated cost of \$225,000.

Mr. Howard recommended that at this time that the Board enter into a lease/purchase agreement for the two Dodge chassis and one new box, and at the end of the year determine if there are excess revenues, and if so, use these funds to reduce the debt amount.

Commissioner Satterfield questioned the cost of the remount. Mr. Gusler answered that the cost of the chassis is \$44,000 and the actual cost of the remount would be approximately \$35,000 to \$40,000, including needed refurbishing.

Upon questioning from Commissioner Satterfield, Mr. Gusler answered that he did discuss this purchase with another vendor. Commissioner Satterfield stated that he spoke with a vendor and the amount he was quoted was a lot less than that presented by Mr. Gusler and he did not understand the difference in cost. Mr. Gusler added that the difference is that sometimes a vendor will present a cookie cutter type of vehicle that they can produce for less cost, but he gave out specs of the type of ambulance they currently have and are using so that the backs of all of the units are standardized. Mr. Gusler informed Commissioner Satterfield that he sent these specs to the vendor to which he is referring and has not yet received a quote from him.

Commissioner Satterfield stated that he felt with the amount of money that will be spent, that at least two quotes should be obtained.

After further discussion, Commissioner Satterfield moved, seconded by Commissioner Carter to table this item until the Board's next meeting in order to obtain two quotes on the ambulance purchases. The motion carried by a vote of six to one with Chairman Ward voting no.

REQUEST FOR APPROVAL OF MAINTENANCE CONTRACT FOR AS400 TAX SERVER

Mr. Thomas Bernard, Tax Director, came before the Board to request approval of a Maintenance Contract for an AS400 Tax Server. Mr. Bernard informed the Board that the Tax Office and Finance Office operate on ACS version V5R3 software and the software runs on an IBM AS400 server. Mr. Bernard added that the server is outdated and no longer supported by IBM. Mr. Bernard stated that an upgrade of software is needed to at least version V6R1. Mr. Bernard added that the current IBM server is five years old and does not support the version V6R1 software.

Mr. Bernard provided the following two options for updating:

Option I

Upgrade to version V6R1 operating system

Upgrade the memory of the server

Upgrade to a total of 140 GB usable drive with RAID additional space

Reconfigure each PC that comes in contact with the AS400

This option will cost \$9,651.00 with an annual hardware and software maintenance agreement of \$8,793.00 per year. A cost of the 5-year life expectancy of this option is \$53,616.

Option II

Purchase a new IBM AS400 for a cost of \$38,992.00, which includes 3 years of hardware and software maintenance and V6R1 operation system.

\$5,600.00 additional two years maintenance on hardware and software of new system

A cost of the 5-year expectancy of this option is \$44,592.00.

Commissioner Hall stated that he would like to see the County look at this as a major combined purchase for the County rather than upgrading what the County has currently. Commissioner Hall added that the County needs to look at all of the needs of all of the departments and make a decision on what it wants to purchase. Commissioner Hall stated that he felt a full study needs to be made of this before looking at just upgrading. Commissioner Hall added that the Board needs to look at what is available and what is in the best interest of Caswell County.

Upon questioning from Chairman Ward as to what the Tax Director would need to do to find out what other systems are compatible with ACS other than IBM, Mr. Bernard answered that the Tax Office would have to identify software vendors and the Finance Office would have to identify software vendors.

Chairman Ward questioned whether the Tax Director could identify any other hardware on which ACS could run, and Mr. Bernard answered that he would investigate this.

Commissioner Hall stated that he would like to see department heads get together and the County Manager put together a group to determine the County's needs.

Commissioner Travis stated that the County's IT Director needs to be involved in this and give the Board his recommendation.

Mr. Bernard reported that he has 2,400 parcels of property for the lien ad list to be submitted to The Caswell Messenger for publication. Mr. Bernard stated that he would like to start collections with discretion of what they deem necessary on the parcels that are advertised in the paper on the first Thursday in March. Mr. Bernard clarified that he would like to begin collection of taxes on properties, some of which may require foreclosure proceedings.

After further discussion, Commissioner Carter moved, seconded by Commissioner Satterfield to approve the Tax Director's request to begin collection of taxes on the properties on the lien ad list that will be advertised in the paper, to include foreclosure proceedings.

For clarification, Chairman Ward stated that Mr. Bernard is requesting approval to send a list of those properties on the 2009 lien ad list that cannot be collected otherwise, to the Attorney to begin foreclosure proceedings.

Upon a vote of the motion, the motion carried by a vote of four to three with Commissioners Battle, Hall, and Travis voting no.

REQUEST FROM THE CASWELL PARISH

Mr. Kevin Howard, County Manager, presented a request from The Caswell Parish that the Board consider an additional appropriation of \$1,000 for their utilities assistance programs. The written request from The Caswell Parish stated that they were receiving applicants daily who need assistance with heating and electrical bills and were having to turn them away, as well as applicants with referrals from other local agencies.

After further discussion, Commissioner Travis moved to deny the request by The Caswell Parish. The motion died for lack of a second.

Commissioner Jefferies moved, seconded by Commissioner Carter to approve an appropriation of \$1,000 for The Caswell Parish to aid in their utilities assistance programs.

Commissioner Hall stated that he felt that a representative of The Caswell Parish should have been present to make this request of the Board so that questions concerning funding could have been answered.

Upon a vote of the motion, the motion failed by a vote of five to two with Commissioners Ward, Battle, Hall, Satterfield, and Travis voting no.

Commissioner Satterfield stated that he felt that someone from The Caswell Parish should present the request to the Board and clarify the need for funding.

DISCUSSION OF BROADBAND STUDY

Mr. Kevin Howard, County Manager, reported that there is \$44,000 left from Golden Leaf Funds for the Broadband Study that could be used for engineering design, and it would cost the County \$10,000 for preparation of the grant application.

Upon questioning as to where the County's cost of \$10,000 would be appropriated, Mr. Howard answered that the amount could be appropriated from Contingency.

Commissioner Battle questioned whether it is guaranteed that every household in Caswell County would receive broadband services regardless of their location, and Mr. Mark Horenko with Excelsio Communications confirmed that this is correct.

Upon questioning from Commissioner Satterfield as to whether the County Attorney had reviewed the Professional Services Agreement with Excelsio Communications, Mr. Howard answered that the County Attorney has reviewed the Agreement.

Commissioner Satterfield moved, seconded by Commissioner Carter that the County enter into a Professional Services Agreement with Excelsio Communications at a cost of \$10,000 to prepare a grant application to seek funding for County-wide broadband services for Caswell County. The motion carried by a vote of six to one with Commissioner Travis voting no.

ANIMAL CONTROL RESOLUTIONS FROM TOWNS OF MILTON AND YANCEYVILLE

Mr. Kevin Howard, County Manager, reported that when reviewing the County's Animal Control Ordinance, that he became aware that there were not Agreements between the Towns of Milton and Yanceyville and Caswell County for the County to provide animal control services and enforcement to their jurisdictions.

It was noted that a copy of the Agreement with Yanceyville was not included in the agenda package. Commissioner Hall stated that Milton's Resolution is granting authority to Caswell County Animal Control to enforce all animal control ordinances adopted by the Town of Milton, Caswell County, and any state ordinances they are authorized to enforce, and noted that this is not what the Board would want.

Commissioner Battle stated that the Town of Milton should have included more information.

Mr. Howard stated that he would obtain the proper information and present this item to the Board for further consideration at its next meeting.

RESOLUTION AUTHORIZING THE NC DIVISION OF COMMUNITY ASSISTANCE TO
BEGIN WORK ON LAND USE PLAN

Mr. Kevin Howard, County Manager, presented for the Board's consideration a Resolution authorizing the North Carolina Division of Community Assistance to begin work on the County's Land Use Plan. Mr. Howard reported that the Resolution officially requests the assistance of the Division of Community Assistance in consolidating and updating the County's various land development regulations, consultations to assess the adequacy of the current regulations, and preparation of an updated ordinance and related materials for review and consideration by the Board of Commissioners, and agrees to reimburse the Division of Community Assistance for mileage and expenses as a condition of receiving those services.

Upon questioning from Commissioner Battle as to the amount of anticipated reimbursement to the Division of Community Assistance, Mr. Howard answered that the amount should be approximately \$200 to \$300. Commissioner Battle stated that the amount should be determined or either an amount set not to be exceeded, before the Resolution is adopted.

Commissioner Hall asked when the series of meetings for the Land Use Plan would begin, and Mr. Howard answered that they should begin within 30 days. Mr. Howard noted that the County Planner would be the County's designee for this project.

After further discussion, Commissioner Hall moved, seconded by Commissioner Satterfield to adopt the following *Resolution Requesting the Services of the North Carolina Division of Community Assistance for an Update of the County's Land Development Regulations*, with the reimbursement to the North Carolina Division of Community Assistance, not to exceed the amount of \$500, to be appropriated from the Planning budget. The motion carried by a vote of six to one with Commissioner Travis voting no.

**RESOLUTION REQUESTING THE SERVICES OF
THE NORTH CAROLINA DIVISION OF COMMUNITY ASSISTANCE
FOR AN UPDATE OF THE COUNTY'S LAND DEVELOPMENT
REGULATIONS**

WHEREAS the Board of Commissioners of Caswell County finds that its existing land development regulations need to be consolidated and updated to eliminate conflicts among them, to ease administration by staff, to review them for legal soundness, and to ensure that they address the most relevant needs and concerns of the County without unduly burdening landowners; and

WHEREAS the Board of Commissioners has determined that the undertaking of this project would benefit from the expertise and technical assistance of the North Carolina Department of Commerce, Division of Community Assistance;

NOW THEREFORE BE IT RESOLVED that the Board of Commissioners of Caswell County hereby (1) requests the assistance of the Division of Community Assistance in consolidating and updating the county's various land development regulations,

consultations to assess the adequacy of the current regulations, and preparation of an updated ordinance and related materials for review and consideration by the Board of Commissioners; and (2) agrees to reimburse the Division of Community Assistance for mileage and expenses as a condition of receiving these services.

This the 15th day of February, 2010.

S/George W. Ward, Jr.
George W. Ward, Jr., Chairman

Attest:

S/Wanda P. Smith
Wanda P. Smith, Clerk to the Board

RECESS

The Board held a brief recess.

DISCUSSION OF JAIL

Chairman Ward stated that the Board needs to decide the location of the proposed Jail.

Commissioner Carter stated that the Jail needs to be located on County property.

Commissioner Carter moved, seconded by Commissioner Satterfield that the Jail be located on County property in the existing County Governmental Complex area.

Commissioner Travis stated that he felt that the Jail needs to be built somewhere else other than the current complex in order to address other issues, such as moving the Sheriff's Office there in the future, thereby alleviating some of the current parking problems around the Courthouse.

Chairman Ward stated that if the Board selects a site and then learns that it would be too costly to build it there, the Board could make an amendment to change the location of the site.

Commissioner Travis stated that the Board does not need to spend money on plans to build a Jail at one location and it not work, then change to another location, which would cost a lot of taxpayer's money. Commissioner Travis added that the Board needs to know that the location will work before it starts.

Upon a vote of the motion, the motion carried by a vote of five to two with Commissioners Battle and Travis voting no.

Mr. Howard stated that he is now in the process of reviewing Requests for Proposals and would select three firms that would be brought back to the Board at one of its meetings in March for

presentations. Mr. Howard added that he would bring financing options to the Board at its next meeting.

Upon questioning from Commissioner Hall as to whether the County had the funds available to pay the architect for design of the Jail, Mr. Howard answered that these funds are not budgeted.

Commissioner Carter questioned whether the County could borrow money from the Solid Waste Fund. Mr. Howard answered that the County could borrow money from the Solid Waste Fund, but would have to pay it back.

Upon questioning from Chairman Ward, Mr. Howard answered that in order to hold a bond referendum, the design of the Jail would have to be three-fourths completed, and the County would have to have a strong estimate of the building cost. Mr. Howard added that it would cost \$300,000 in architectural fees to get to the point to place it on a bond referendum.

BUDGET AMENDMENT NO. 11

Mr. Kevin Howard, County Manager, presented and reviewed Budget Amendment No. 11 for Fiscal Year 2009-2010. After discussion, Commissioner Jefferies moved, seconded by Chairman Ward to approve Budget Amendment No. 11 for Fiscal Year 2009-2010 as presented. The motion carried unanimously.

APPOINTMENT TO PLANNING BOARD

Commissioner Jefferies moved, seconded by Commissioner Travis to reappoint Mr. Michael Poteat to the Caswell County Planning Board. The motion carried unanimously.

COUNTY MANAGER'S REPORT

Mr. Kevin Howard, County Manager, presented a Professional Services Contract for Preventive Maintenance for the new treadmills and bicycles at the Senior Center. After discussion, Commissioner Jefferies moved, seconded by Commissioner Carter to approve the Professional Services Contract for the Senior Center as presented. The motion carried by a vote of six to one with Commissioner Travis voting no.

Mr. Howard presented Change Order No. 2 for the Pelham Industrial Park Water Project in the amount of \$8,431.00 for chemical feed equipment and installation. Mr. Howard noted that this amount could be paid for out of Golden Leaf Grant Funds. Upon questioning from Commissioner Hall as to the problem with the chlorine, Mr. Howard answered that currently there is no problem with the chlorine, but if the City of Danville reduces the amount of chlorine they are using, or if the System is expanded, the County will have to start adding chlorine to the water.

Commissioner Hall stated that it concerns him that the County would spend this amount of money for a problem that they do not have and may never have, and the money would be better spent somewhere else in the project.

Following a number of questions, Commissioner Battle stated that he felt that a professional from Dewberry should have come to the meeting to answer their questions.

Chairman Ward directed the County Manager to have a professional from Dewberry to come to the Board's next meeting to explain why they need to approve the Change Order.

Mr. Howard announced that the Dan River Water Basin Association has received a grant from the Danville Regional Foundation to hire a Planner to prepare a county-wide trail plan and study and they will be holding workshops at the Caswell County Senior Center. Mr. Howard added that the Board of Commissioners is invited to attend these workshops and provide their input.

Mr. Howard announced that the Town of Yanceyville will be holding an Open House at the Yanceyville Municipal Services Building on February 25, 2010, at 5:00 p.m.

ANNOUNCEMENTS

Commissioner Hall referred to information in the agenda package from the Administrative Office of the Courts in which the Safety and Health Office of the Judicial Branch conducted an on-site building inspection on December 14, 2009, of the Caswell County Courthouse located at 139 East Church Street. Commissioner Hall stated that there were a number of items that concerned him and of which will need to be addressed by the Board. Commissioner Hall added that the Board needs to discuss this information further. Chairman Ward directed the County Manager to have the Clerk of Superior Court attend the Board's next meeting to discuss this issue further.

THE ADJOURNMENT

At 8:15 p.m. Chairman Ward moved, seconded by Commissioner Travis to adjourn the meeting. The motion carried unanimously.

Wanda P. Smith
Clerk to the Board

George W. Ward, Jr.
Chairman
