

CUMBERLAND COUNTY BOARD OF COMMISSIONERS  
JUNE 6, 2011 – 9:00 AM  
117 DICK STREET, 1<sup>ST</sup> FLOOR, ROOM 118  
REGULAR MEETING  
MINUTES

PRESENT: Marshall Faircloth, Vice Chairman  
Commissioner Jeannette Council  
Commissioner Charles Evans  
Commissioner Jimmy Keefe  
Commissioner Billy King  
Commissioner Ed Melvin  
James Martin, County Manager  
Amy Cannon, Assistant County Manager  
James Lawson, Assistant County Manager  
Rick Moorefield, County Attorney  
Sally Shutt, Communications Manager  
Bob Stanger, County Engineer  
Marie Colgan, Clerk to the Board

ABSENT: Kenneth Edge, Chairman

INVOCATION Commissioner Jeannette Council

Minister: Phyllis Jones, Assistant County Attorney and Associate Minister  
At Lewis Chapel Missionary Baptist Church

Pledge of Allegiance

Presentation by Gray's Creek High School FFA Agriculture Issues Team:

Vice Chairman Faircloth called on students from the Gray's Creek High School FFA for a presentation and Ms. Tara King explained the group of students presenting today will be part of a competition taking place in two weeks and this presentation is for practice. In this competition, students pick a hot agriculture or environmental issue to present to at least five groups or organizations. The students presented a presentation on the pros and cons of using Trash Incinerators for Energy. Mr. Bobby Howard, Cumberland County Solid Waste Management Director, stated the students did a great job on the information presented and showed they had spent a great deal of time and effort into researching the information. At the end of the presentation Ms. King introduced the following students and Commissioners expressed their thanks for the information provided and asked the students to tell a little about themselves:

Larissa Ellis  
Jami Miller  
Mikayla Olsen  
Dylan Santiago  
Thomas Terrell

Special Recognition of Commissioner Billy R. King for Receiving North Carolina Council of Community Programs 2011 Leadership Award:

Vice Chairman Faircloth, along with Hank Debnam, Director of the Mental Health Center, recognized Commissioner King who recently was awarded the N.C. Council Community Programs 2011 County Commissioner Leadership Award. Vice Chairman Faircloth advised Commissioner King was recognized for his extraordinary commitment as a board member for helping those in need with mental health, development disabilities and substance abuse services. Vice Chairman Faircloth also noted Commissioner King is the longest serving Commissioner on the Mental Health Board, serving from 1992 until 2010. During that time, he has supported increased communication and collaboration with other local agencies leading to the successful implementation of the Crisis Intervention Team, Drug Court and DWI Court in Cumberland County.

County Manager James Martin requested the Board defer consideration of item 3.A. until the Board's budget meeting on June 13, 2011.

1. Approval of Agenda

MOTION: Commissioner King moved to approve the agenda with the deferral of Item 3.A. as noted above.

SECOND: Commissioner Council

VOTE: UNANIMOUS

Commissioner Keefe requested Consent agenda items 2.E.3 and 2.E.11 be pulled for discussion.

2. Consent Agenda

A. Approval of minutes for the May 16, 2011 regular meeting.

B. Approval of Proposed Additions to the State Secondary Road System:

BACKGROUND: The North Carolina Department of Transportation has received petitions requesting the following streets be placed on the State Secondary Road System for maintenance:

Cypress Trace Subdivision: Old Warden Way, Mildenhill Road,  
Stilton Way

DOT has determined that the above streets are eligible for addition to the state system.

RECOMMENDATION/PROPOSED ACTION: NCDOT recommends that the above named streets be added to the State Secondary Road System. County Management concurs. Approve the above listed streets for addition to the State Secondary Road System.

C. Approval of Selection of FY 2012 Transportation Contractors.

**BACKGROUND:** An evaluation committee consisting of five members of the Transportation Advisory Board (TAB), met May 3, 2011 to review the proposals for the above. The Transportation Advisory Board then met on May 10, 2011 to approve the following proposals:

- Elderly and Disabled Medical Transportation (EDTAP)
- Rural General Public Transportation (RGP)
- Employment Transportation (EMPL)
- Area Agency on Aging Medical Transportation (AAA Med)
- Area Agency on Aging General Transportation (AAA Gen)

The proposals were rated on: proposal submitted, qualifications and experience, references, Disadvantaged Business Enterprise (DBE) efforts, and value for cost.

B & W Transporting scored the highest for the following proposals approved by the TAB:

- RGP - \$22.00 per unit
- AAA Gen - \$14.00 per unit
- AAA Medical - \$22.00 per unit (split contract)

FAMIKS Transport scored the highest for the following proposals approved by the TAB:

- EDTAP - \$22.40 per unit
- AAA Medical - \$22.40 per unit (split contract)

Majestic Luxury Tours scored the highest for the following proposals approved by the TAB:

- EMPL - \$22.50 per unit

**RECOMMENDATION/PROPOSED ACTION:** The Transportation Advisory Board would like to request the Board's approval to enter into a contract with the above selected transportation providers.

D. Approval of the Conveyance of the County's Interest in Parcel 0436-78-9625 By Quit Claim Deed to the Fayetteville Metropolitan Housing Authority for Use in the HOPE VI Project.

**BACKGROUND:** The City of Fayetteville has requested the County convey its interest in a lot (25x139) located on Old Wilmington Road to the Fayetteville Metropolitan Housing Authority (FMHA) so the FMHA can convey that interest to the Fayetteville Area Habitat for Humanity, Inc. which is using the lot in its participation in the Hope VI project.

The County along with the City acquired its interest in the property as the result of a tax foreclosure which occurred in 1972. The City deeded its interest in the property to someone in 1976 that then paid taxes on the property till their interest was conveyed back to the City in 2005. In 2009 the City donated the property to the Fayetteville Metropolitan Housing Authority which subsequently conveyed its interest to Habitat. The County has never conveyed its one-half undivided interest.

**RECOMMENDATION / PROPOSED ACTION:** Board approve the conveyance of the property to the FMHA for use in the Hope VI project and authorize the Chairman and Clerk to execute the necessary documents on behalf of the County subject the approval of the documentation by County legal.

**E. Budget Revisions:**

**(1) Emergency Telephone Systems**

Revision in the amount of \$93,104 to appropriate fund balance to purchase equipment and software. (B11-376) Funding Source – Emergency Telephone Systems Fund Balance

**(2) Health**

a. Women’s Infants and Children - Revision in the amount of \$60,000 to recognize reduction in state funding. (B11-373) Funding Source – State

b. Breast and Cervical Cancer Control Program - Revision in the amount of \$4,794 to recognize additional state funding. (B11-391) Funding Source - State

**(3) School C.O. Category I – Buildings – (See below discussion on this item)**

Revision in the amount of \$700,000 to appropriate fund balance for additional capital outlay as approved by Cumberland County Board of Education. (B11-375) Funding Source – Sales Tax Fund Balance

**(4) Emergency Services Grants**

Revision in the amount of \$45,173 to recognize Homeland Security Exercise Grant. (B11-377) Funding Source – Grant

**(5) Workers’ Compensation**

Revision in the amount of \$400,000 to appropriate fund balance for projected claims and the year end “Incurred But Not Reported” estimate

for the annual audit. (B11-384) Funding Source – Workers’ Compensation Fund Balance

(6) Sheriff

Revision in the amount of \$14,599 to appropriate fund balance to recognize contributions received in prior years. (B11-387) Funding Source – Fund Balance

(7) Retiree Health Insurance

Revision in the amount of \$250,000 to appropriate fund balance for projected claims and the year end “Incurred But Not Reported” estimate for the annual audit. (B11-390) Funding Source – Retiree Health Insurance Fund Balance

(8) Group Health Insurance

Revision in the amount of \$500,000 to appropriate fund balance for projected claims and the year end “Incurred But Not Reported” estimate for the annual audit. (B11-386) Funding Source – Group Health Insurance Fund Balance

(9) Juvenile Crime Prevention Residential Group Homes

Revision in the amount of \$16,184 to realign the county budget with the state budget. (B11-398) Funding Source – State

(10) New Century International Elementary School

Revision in the amount of \$785,385 to reallocate budgeted expenditures for change orders approved by the Board of Education. (B11-394) Funding Source – COPS Proceeds

(11) School Capital Outlay – Lottery (see below for discussion on this item.)

Revision in the amount of \$2,032,779 to appropriate fund balance of (\$1,296,779) and to recognize additional lottery funds of (\$736,000) for new school projects. (B11-395) Funding Source – Lottery Proceeds and Fund Balance

Commissioner Keefe asked Deputy County Manager Amy Cannon to provide more information on Item 2.E.3 and 2.E.11.

Ms. Cannon advised both items have to do with education funding. Funds in Item 2.E.3 are in a separate fund and are from the dedicated sales tax for the school system. The school system has been building their fund balance in order to

complete a couple of minor capital projects; such as roof replacement and maintenance. This revision pulls money from their dedicated sales tax fund balance.

Ms. Cannon stated the funds in Item 2.E.11 are being used to balance with the Board of Education's books. The school system is using some funds for some minor HVAC improvement to TC Berrien Elementary School, architect fees for the New Century Middle School, an addition to Gray's Creek High School and some renovations projects at Seabrook Elementary.

Commissioner Keefe asked for the explanation in order to ensure citizens are aware that Cumberland County is taking a hit on the education lottery proceeds and to provide an explanation of where these monies are coming from and how they are being used.

MOTION: Commissioner Keefe moved to approve all Consent Items 2.A. through 2.E.11.  
SECOND: Commissioner Melvin  
VOTE: UNANIMOUS

#### ITEMS OF BUSINESS

3. Consideration of Cumberland County Facilities Committee Report and Recommendations:
  - A) (ITEM DEFERRED UNTIL JUNE 13, 2011) - Amendment No. 1 to the Moseley Architects Agreement for Architectural Services for the Cumberland County Detention Center Expansion.
  - B) Construction Manager-At-Risk as the Construction Delivery Method for the Cumberland County Detention Center Expansion.

BACKGROUND: Now that the Board has approved a schematic design that defines the size and scope of the Detention Center Expansion Project, it is appropriate to begin discussions regarding the construction delivery methods available to the County for this project. Over the years, changes in North Carolina legislation have provided local governments with more options for construction of public facilities. The traditional Multi-Prime (general, plumbing, mechanical & electrical) competitive bidding requirement has been expanded to allow local governments to use Single-Prime bids and most recently Construction Manager-at-Risk (CM-at-Risk) to construct public facilities. Based on my involvement with the construction of County facilities and having used each of these methods, I am convinced that for the construction of large public facilities, Construction Manager-at-Risk is the best construction delivery method for the following reasons:

- CM-at-Risk is qualifications based as opposed to accepting the low bid from any contractor that can get bonded for the job regardless of past performance.
- CM-at-Risk promotes a partnership arrangement with the owner. It is less adversarial than the other construction delivery methods because the fees (profit margin) are negotiated upfront which tends to mitigate the contractor looking for money through the change order process.
- CM-at-Risk can be incentive driven which can lead to a shortened project timeline. Any reduction in the construction timeline should result in reduced construction costs due to inflationary factors.
- CM-at-Risk is open book meaning that all costs are disclosed to the architect and owner.
- CM-at-Risk can have more impact on keeping the construction dollars local through subdividing the work into packages for which local subcontractors can reasonable submit bids. This can also be an effective tool for recruiting MBE participation on the project.
- The owner has more control over the selection process for subcontractors, hence more control over quality of construction.
- CM-at-Risk provides a higher level of construction oversight which helps mitigate problems in the field and expedite solutions to keep the project on schedule.
- CM-at-Risk can be brought on during the design process to provide pre-construction services such as constructability reviews as the design of the facility evolves and value engineering for cost control purposes.

Construction Manager-at-Risk was successfully used on the new Public Health Center and should be given serious consideration for the Detention Center Expansion Project.

This information was presented to the County Facilities Committee at its June 2, 2011 meeting for review and consideration. The recommendation of the Facilities Committee will be presented to the Board at its June 6, 2011 meeting.

**RECOMMENDATION/PROPOSED ACTION:** The recommendation of the County Engineer and Management is to use Construction Manager-at-Risk as the construction delivery method for the Detention Center Expansion Project.

The proposed action is to approve the recommendation of Management and staff pending the action of the Facilities Committee.

County Manager Martin called on Bob Stanger to present the above background in detail to the Board. Ms. Stanger reminded the Board that at their June 2<sup>nd</sup>

Facilities Committee meeting, the Committee reviewed the options for the construction delivery method for the Jail Expansion project.

Commissioner King questioned how the individual is chosen and Mr. Stanger explained the request for qualification process and advised the contract will be between the County and the Construction Manager. Commissioner Keefe questioned if the Public Health building came in on time and Mr. Stanger advised that it did and that it was under budget. Commissioner Keefe also questioned whether Mr. Stanger believed the budget will be exceeded by adding a Construction Manager and Mr. Stanger stated no because he believes adequate contingencies have been built in. Commissioner Council confirmed with Mr. Stanger that individuals with experience in building detention facilities will be looked at and Mr. Stanger assured her they would and advised he has had several of them contact him already.

MOTION: Commissioner Keefe moved to follow the recommendation of the County Engineer and Management to use the Construction Manager-at-Risk as the construction delivery method for the Detention Center Expansion Project.  
SECOND: Commissioner Melvin  
VOTE: UNANIMOUS

4. Consider Approval of Minutes, Acting as the Governing Board of each of the following Respective Water and Sewer Districts:
  - A) Linden Water & Sewer District – May 19, 2003
  - B) Vander Water & Sewer District - June 2, 2003
  - C) Kelly Hills/Slocumb Road Water & Sewer District – August 20, 2007
  - D) Overhills Water & Sewer District – September 20, 2010
  - E) Gray’s Creek Water & Sewer District – December 6, 2010

BACKGROUND: Meetings are convened in which the Board of County Commissioners serves as the governing board for various water and sewer districts, and minutes serve as the official record of these meetings. Listed below are minutes of various water and sewer district meetings that have not been approved by the Board of County Commissioners in their capacity as the governing board of these districts.

County Attorney Moorefield has advised best practice is to have water and sewer district minutes approved at the next meeting of the Board of County Commissioners and that the list of minutes below should be approved by the Board of County Commissioners in their capacity as the governing board of each district:

Linden Water & Sewer District – May 19, 2003



Vander Water & Sewer District – June 2, 2003  
Kelly Hills/Slocumb Road Water & Sewer District – August 20, 2007  
Overhills Water & Sewer District - September 20, 2010  
Gray’s Creek Water & Sewer District – December 6, 2010

RECOMMENDATION/PROPOSED ACTION: Follow recommendation of County Attorney Moorefield to approve the attached water and sewer district minutes in your capacity as the governing board of each district.

Vice Chairman Faircloth adjourned the Board of Commissioners’ meeting.

Vice Chairman Faircloth convened the Linden Water & Sewer District meeting.

MOTION: Commissioner King moved to approve the May 19, 2003 minutes.  
SECOND: Commissioner Council  
VOTE: UNANIMOUS

Vice Chairman Faircloth adjourned the Linden Water & Sewer District meeting.

Vice Chairman Faircloth convened the Vander Water & Sewer District meeting.

MOTION: Commissioner King moved to approve the June 2, 2003 minutes.  
SECOND: Commissioner Council  
VOTE: UNANIMOUS

Vice Chairman Faircloth adjourned the Vander Water & Sewer District meeting.

Vice Chairman Faircloth convened the Kelly Hills/Slocumb Road Water & Sewer District meeting.

MOTION: Commissioner King moved to approve the August 20, 2007 minutes.  
SECOND: Commissioner Council  
VOTE: UNANIMOUS

Vice Chairman Faircloth adjourned the Kelly Hills/Slocumb Road Water & Sewer District meeting.

Vice Chairman Faircloth convened the Overhills Water & Sewer District meeting.

MOTION: Commissioner Melvin moved to approve the September 20, 2010 minutes.  
SECOND: Commissioner Council  
VOTE: UNANIMOUS

Vice Chairman Faircloth adjourned the Overhills Water & Sewer District meeting.

Vice Chairman Faircloth convened the Gray’s Creek Water & Sewer District meeting.

MOTION: Commissioner King moved to approve the December 6, 2010 minutes.  
SECOND: Commissioner Council  
VOTE: UNANIMOUS

Vice Chairman Faircloth adjourned the Gray's Creek Water & Sewer District meeting.

Vice Chairman reconvened the Board of Commissioners' meeting.

5. Consideration of a Report on Redistricting Analysis.

**BACKGROUND:** At its last meeting, the Board directed staff to present data related to re-districting at the Board's June 6, 2011, meeting for the Board to consider and vote at its June 20, 2011, on which direction the Board would wish to proceed. It appears that Matt Rooney of the County's GIS department can provide the necessary data in the precincts adjoining District 1 but this report may not be available until after the meeting on June 6. Staff will make every effort to provide this data as soon as possible. If the Board determines that it is comfortable with the in-house process, it may wish to discuss the issue at its June 20, 2011 meeting, take the month of July for discussion with citizens and schedule a public hearing and vote in August. That will afford sufficient time for the preclearance process.

**RECOMMENDATION/PROPOSED ACTION:** No action required at this time.

County Attorney Rick Moorefield advised the Board he will have the redistricting analysis data to them by the end of the day so they will have to study them prior to the June 20<sup>th</sup> Board meeting at which time a recommendation will be needed as to how the Board wants staff to proceed. Mr. Moorefield advised the data will consist of maps, but precincts will not be named on them. Commissioner Evans requested that the maps include the precinct names.

6. Introduction of a Bond Order Authorizing the Refunding of a Portion of Series 2002 and Series 2004 Cumberland County General Obligation Bonds in an Amount Not to Exceed \$15 M.

**BACKGROUND:** A current evaluation of the municipal market indicates that the County has two prior General Obligation Bond Issues in the amount of \$13.345M that are eligible for refunding. The most current analysis indicates potential savings of \$1.5M or 8.70% in net present value savings or approximately \$140,000 in annual savings through 2023. This refunding will replace the original General Obligation Bond Issues for school facilities in 2002 or 2004.

Management recommends moving forward with this refunding opportunity if market conditions remain favorable. Administration has contacted the Local Government Commission (LGC) regarding this opportunity and has received a tentative sale date of June 22, pending your approval.

BOARD OF COMMISSIONERS  
OF THE  
COUNTY OF CUMBERLAND, NORTH CAROLINA

Excerpts of Meeting of  
June 6, 2011

Present: Chairman \_\_\_\_\_ presiding, and  
Commissioners \_\_\_\_\_

Absent: \_\_\_\_\_

\* \* \* \* \*

Commissioner \_\_\_\_\_ introduced the following bond order:

BOND ORDER AUTHORIZING ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011 OF CUMBERLAND COUNTY IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000 FOR THE PURPOSE OF REFUNDING ALL OR CERTAIN MATURITIES OF THE COUNTY'S GENERAL OBLIGATION SCHOOL BONDS, SERIES 2002 AND ITS GENERAL OBLIGATION SCHOOL BONDS, SERIES 2004

WHEREAS, the Board of Commissioners (the "Board") of the County of Cumberland, North Carolina (the "County") has decided to pursue the issuance of general obligation refunding bonds in a maximum aggregate principal amount of not to exceed \$15,000,000 under the Local Government Bond Act (the "Act") to refund all or a portion of certain maturities of the County's General Obligation School Bonds, Series 2002 and its General Obligation School Bonds, Series 2004; and

WHEREAS, the Board has filed an application with the Local Government Commission of North Carolina for approval of such bonds as required by the Act;

BE IT ORDERED BY THE BOARD OF COMMISSIONERS FOR THE  
COUNTY OF CUMBERLAND:

It is hereby determined necessary and expedient for Cumberland County to borrow money, and there are hereby authorized to be issued general obligation refunding bonds of Cumberland County for the purpose of providing money to refund all or a portion of certain maturities of the Cumberland County General Obligation School Bonds, Series 2002 and its General Obligation School Bonds, Series 2004.

The Bonds shall be in an aggregate principal amount not to exceed \$15,000,000.

The Bonds shall be general obligations of Cumberland County for the payment of principal of the interest on which its full faith and credit shall be irrevocably pledged and taxes will be levied in an amount sufficient to pay the principal of and interest on the bonds.

A sworn statement of debt has been filed with the Clerk to the Board pursuant to G.S. § 159-55 and is open to public inspection.

This Bond Order will take effect upon its adoption.

Commissioner \_\_\_\_\_ moved the foregoing Bond Order be introduced, and Commissioner \_\_\_\_\_ seconded the motion, and the action was passed by the following vote:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Not Voting: \_\_\_\_\_

\* \* \* \* \*

Commissioner \_\_\_\_\_ moved the adoption of the Bond Order entitled:

BOND ORDER AUTHORIZING ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011 OF CUMBERLAND COUNTY IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000 FOR THE PURPOSE OF REFUNDING ALL OR CERTAIN MATURITIES OF THE COUNTY'S GENERAL OBLIGATION SCHOOL BONDS, SERIES 2002 AND ITS GENERAL OBLIGATION SCHOOL BONDS, SERIES 2004

in the same form previously introduced, with such Bond Order to take effect immediately, and Commissioner \_\_\_\_\_ seconded the motion and the Bond Order was passed and adopted by the following vote:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Not Voting: \_\_\_\_\_

\* \* \* \* \*

Commissioner \_\_\_\_\_ introduced a resolution, the title of which is as follows and was read:

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011 OF CUMBERLAND COUNTY, PURSUANT TO THE BOND ORDER HERETOFORE APPROVED AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF

WHEREAS, the Bond Order hereinafter described was introduced, authorized and adopted by the Board of Commissioners of the County of Cumberland (the "Board") on June 6, 2011; and

WHEREAS, the Board desires to provide for the issuance of its General Obligation Refunding Bonds, Series 2011 to refund all or a portion of certain maturities of the County's General Obligation School Bonds, Series 2002 and its General Obligation School Bonds, Series 2004; and

WHEREAS, the Board has agreed to sell the bonds through the North Carolina Local Government Commission by negotiated sale to Stephens Inc. after circulation of an official statement with respect to such bonds which describes the terms thereof and the security therefor, including information concerning the County and its financial resources, and the Board has been provided a draft of such official statement;

NOW, THEREFORE, the Board of Commissioners of Cumberland County, meeting in regular session at Fayetteville, North Carolina, on June 6, 2011, does the following:

**BE IT RESOLVED BY THE BOARD OF COMMISSIONERS FOR CUMBERLAND COUNTY:**

The County shall issue its general obligation refunding bonds in an aggregate principal amount not to exceed \$15,000,000, pursuant to and in accordance with the Bond Order adopted June 6, 2011, entitled:

**BOND ORDER AUTHORIZING ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011 OF CUMBERLAND COUNTY IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000 FOR THE PURPOSE OF REFUNDING ALL OR CERTAIN MATURITIES OF THE COUNTY'S GENERAL OBLIGATION SCHOOL BONDS, SERIES 2002 AND ITS GENERAL OBLIGATION SCHOOL BONDS, SERIES 2004**

Such Bonds shall be referred to as the "Bonds" and shall be dated as of the date set forth in the Bonds.

The Bonds shall mature in annual installments on August 1 in the years and amounts as set forth on Exhibit A, subject to change as hereinafter described. Each Bond shall bear interest at such rate as shall be determined by the County Manager and the LGC, as hereafter defined, at the time of sale, provided no interest rate on any Bond shall exceed six percent (6%) per annum, payable on February 1, 2012, and semiannually thereafter on each February 1 and August 1.

Initially, one bond certificate for each maturity of the Bonds will be issued to The Depository Trust Company, New York, New York ("DTC"), and immobilized in its custody. So long as DTC is securities depository for the Bonds, a book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or multiples thereof, with transfers of ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Interest on the Bonds will be payable to DTC or its nominee as registered owner of the Bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants of DTC will be the

responsibility of such participants and other nominees of beneficial owners. The County will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In the event that (a) DTC determines not to continue to act as securities depository for the Bonds or (b) the County Manager determines that continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the County will discontinue the book-entry system with DTC. If the County fails to identify another qualified securities depository to replace DTC, the County will authenticate and deliver replacement Bonds in the form of fully registered certificates, and registration of transfer of the Bonds will be permitted as described in paragraph 7.

The Bonds shall be signed by the manual or facsimile signature of the Chairman of the Board of Commissioners of the County, shall be countersigned by the manual or facsimile signature of the Clerk to the Board and a manual or facsimile of the County's seal shall be printed or affixed thereon. No Bond shall be valid until it has been endorsed by the manual or facsimile signature of an authorized representative of the North Carolina Local Government Commission (the "LGC").

The Bonds shall be in substantially the form attached hereto as Exhibit B, the terms and requirements of which are incorporated herein by reference.

The full faith and credit and taxing power of the County are hereby irrevocably pledged for the payment of principal of and interest on the Bonds. Unless other funds are lawfully available and appropriated for timely payment of the Bonds, the Board shall levy and collect taxes and raise other revenues for payment of the principal of and interest on the Bonds, as the same become due and payable.

The County shall maintain registration books for the registration of Bonds. If no qualified securities depository is the registered owner of the Bonds, upon surrender of any Bonds at the office of the County, together with an assignment duly executed by the registered owner or his duly authorized attorney or legal representative in such form as shall be satisfactory to the County, the County shall execute and shall authenticate and deliver in exchange, a new Bond or Bonds having an equal aggregate principal amount, in authorized denominations, of the same form and maturity, bearing interest at the same rate, and registered in names as requested by the then registered owner or his duly authorized attorney or legal representative. Any such exchange shall be at the expense of the County, except that the County may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The County shall treat the registered owner as the person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as owner on the registration books on the fifteenth day of the month preceding each interest payment date.

Pursuant to G.S. § 159-123(b)(5), the County hereby requests the LGC to sell the General Obligation Refunding Bonds, Series 2011 by private sale to Stephens Inc. (the “Underwriter”) pursuant to a Bond Purchase Agreement between the Underwriter, the County and the LGC (the “Bond Purchase Agreement”), a form of which has been presented to the Board and is hereby approved by the Board.

There has been presented to the Board the form of a draft dated May 26, 2011, of the Preliminary Official Statement relating to the Bonds, which contains certain information about the County and the plan of finance (the “Preliminary Official Statement”) to be used to market and sell the Bonds, which is hereby approved by the Board.

The Board covenants on behalf of the County that so long as any of the installments of principal and interest on the Bonds are outstanding and unpaid, the County shall not take or omit to take any action the taking or omission of which will cause the Bonds to be “arbitrage bonds” within the meaning of Section 148 of the Internal Revenue Code of 1986, as amended (the “Code”), or otherwise cause interest on the Bonds to be includable in the gross income of the holders thereof.

The Board hereby covenants that it will not permit the gross proceeds of the Bonds to be used in any manner that would result in either (a) 5% or more of such proceeds being considered as having been used directly or indirectly in any trade or business carried on by any person other than a governmental unit as provided in Section 141(b) of the Code, (b) 5% of such proceeds being used with respect to any “output facility” (other than a facility for the furnishing of water), within the meaning of Section 141(b)(4) of the Code, or (c) 5% or more of such proceeds being considered as having been used directly or indirectly to make or finance loans to any person other than a governmental unit as provided in Section 141(c) of the Code; provided, however, that if the Board receives an opinion of bond counsel acceptable to the LGC that any such restriction is not required to prevent the interest on the Bonds from being includable in the gross income of the registered owners thereof under existing statutes, the Board need not comply with such restriction.

The County hereby undertakes, for the benefit of the beneficial owners of the Bonds, to provide to the Municipal Securities Rulemaking Board (the “MSRB”):

by not later than seven months from the end of each fiscal year of the County, beginning with the fiscal year ending June 30, 2011, the audited financial statements of the County for such fiscal year, if available, prepared in accordance with Section 159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or, if such audited financial statements of the County are not available by seven months from the end of such fiscal year, unaudited financial statements of the County for such fiscal year to be replaced subsequently by audited financial statements of the County to be delivered within 15 days after such audited financial statements become available for distribution;

by not later than seven months from the end of each fiscal year of the County, beginning with the fiscal year ending June 30, 2011 (i) the financial and statistical data as of a date not earlier than the end of the preceding fiscal year for the type of information included under heading "Debt Information" and "Tax Information" in Appendix A to the Official Statement relating to the Bonds (excluding any information on overlapping or underlying units) and (ii) the combined budget of the County for the current fiscal year, to the extent such items are not included in the audited financial statements referred to in (a) above;

within ten (10) Business Days following the occurrence of an event, notice of any of the following events with respect to the Bonds:

principal and interest payment delinquencies;

unscheduled draws on debt service reserves reflecting financial difficulties;

unscheduled draws on credit enhancements reflecting financial difficulties;

substitution of credit or liquidity providers, or their failure to perform;

adverse tax opinions, the issuance by the Internal Revenue Service of proposed or final determinations of taxability, Notices of Proposed Issue (IRS Form 5701-TEB) or other material notices or determinations with respect to the tax status of the Bonds or other events affecting the tax status of the Bonds;

defeasances;

rating changes;

tender offers; and

bankruptcy, insolvency, receivership or similar proceedings by the County.

within ten (10) Business Days following the occurrence of an event, notice of any of the following events with respect to the Bonds, if material:

non-payment related defaults;

modification to the rights of the beneficial owners of the Bonds;

bond calls, other than bond calls relating to mandatory sinking fund redemption;

release, substitution or sale of any property securing repayment of the Bonds;

mergers, consolidations, acquisition and sales of assets (other than in the ordinary course of business); and

appointment of a successor or additional trustee or a change in the name of the trustee.

within ten (10) Business Days following the occurrence of a failure, notice of a failure of the County to provide required annual financial information described in (a), (b), (c) or (d) above on or before the date specified.



The County shall provide the documents referred to above to the MSRB in an electronic format as prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB.

The County may discharge its undertaking described above by transmitting the documents referred to above to any entity and by any method authorized by the U.S. Securities and Exchange Commission.

If the County fails to comply with the undertaking described above, any beneficial owner of the Bonds may take action to protect and enforce the rights of all beneficial owners with respect to such undertaking, including an action for specific performance; provided, however, that failure to comply with such undertaking shall not be an event of default and shall not result in any acceleration of the Bonds. All actions shall be instituted, had and maintained in the manner provided in this paragraph for the benefit of all beneficial owners of the Bonds.

The County reserves the right to modify from time to time the information to be provided to the extent necessary or appropriate in the judgment of the County, provided that any such modification will be done in a manner consistent with Rule 15c2-12 issued under the Securities Exchange Act of 1934, as it may be amended from time to time ("Rule 15c2-12"), and provided further that:

any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the County;

the information to be provided, as modified, would have complied with the requirements of Rule 15c2-12 as of the date of the Official Statement, after taking into account any amendments or interpretations of Rule 15c2-12, as well as any changes in circumstances; and

any such modification does not materially impair the interests of the beneficial owners of the Bonds, as determined by Bond Counsel, or by the approving vote of the registered owners of a majority in principal amount of the Bonds pursuant to the terms of this resolution, as it may be amended from time to time, at the time of the amendment.

In the event that the County makes such a modification, the annual financial information containing modified operating data or financial information shall explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The provisions of this Section shall terminate upon payment, or provision having been made for payment in full of the principal of and interest on all of the Bonds.

The Chairman, Vice Chairman and the Clerk are hereby authorized and directed to take all proper steps to have the Bonds prepared and, when they shall have been duly sold by the LGC, to execute the Bonds and to deliver the Bonds to the State Treasurer of North Carolina for delivery to the purchasers thereof.

The Chairman, Vice Chairman and the Clerk are hereby authorized and directed to execute and deliver an Escrow Deposit Agreement dated as of June 1, 2011 (the

“Escrow Agreement”) between the County and Regions Bank, as escrow agent (the “Escrow Agent”) pursuant to which the Escrow Agent will hold the proceeds of the Bonds until such proceeds are used to redeem the refunded bonds. The Escrow Agreement shall be in substantially the form previously submitted, which is hereby approved, with such completions, omissions, insertions, and changes as may be approved by the Chairman, Vice Chairman or the County Manager, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes.

The Chairman and the Clerk, after consultation with the County Finance Officer and the LGC, are authorized (i) to add optional redemption provisions in the Bonds, (ii) to change the dated date of the Bonds to a date later than the dated date herein authorized in order to facilitate the sale and delivery of the bonds, (iii) to change the principal and interest payment dates for the Bonds (so long as such interest payment dates are semiannual), (iv) to make changes in the principal amounts of each maturity provided the aggregate total of Bonds issued shall not exceed \$15,000,000, (v) to approve an Underwriter’s spread under the Bond Purchase Agreement not in excess of .6%, and (vi) to make such other adjustments as they shall deem necessary to market the Bonds. In approving such changes and adjustments, the Chairman and the County Manager shall take into account that the intent of the Board is to achieve present value debt service savings of at least 3% of the principal amount of the refunded bonds.

The Chairman or Vice Chairman of the Board and the County Manager, or any of them, are hereby authorized and directed to execute and deliver the Bond Purchase Agreement, the Preliminary Official Statement and a form thereof updated with pricing information and other details of the Bonds (the “Final Official Statement” and, together with the Preliminary Official Statement, the “Official Statement”), which shall be in substantially the forms previously submitted, which are hereby approved, with such completions, omissions, insertions, and changes as may be approved by the Chairman, Vice Chairman or the County Manager, including such changes as may be required by the LGC, their execution to constitute conclusive evidence of their approval of any such completions, omissions, insertions and changes.

All other actions of officers of the County in conformity with the purposes and intent of this resolution and in furtherance of the issuance of the Bonds are hereby approved and confirmed.

Such officers of the County as may be requested are hereby authorized and directed to execute appropriate closing papers including a certificate setting forth the expected use and investment of the proceeds of the Bonds in order to show that such expected use and investment will not violate the provisions of Section 148 of the Code and regulations issued pursuant thereto, applicable to “arbitrage bonds.” Such papers and certificates shall be in such form as may be requested by bond counsel for the County.

This resolution, in particular paragraphs 2, 3, 5 and 7 hereof, constitutes a system of registration for the Bonds pursuant to NCGS § 159E-4.

All resolutions or parts of resolutions in conflict herewith are hereby repealed.

This resolution shall take effect immediately.

Commissioner \_\_\_\_\_ moved the passage of such resolution and  
Commissioner \_\_\_\_\_ seconded the motion, and the resolution  
was passed by the following vote:

Ayes: Commissioners \_\_\_\_\_

Nays: \_\_\_\_\_

Not voting: \_\_\_\_\_

\* \* \* \* \*

I, Marie Colgan, Clerk to the Board of Commissioners for the County of  
Cumberland, North Carolina, DO HEREBY CERTIFY that the foregoing is a true  
and complete copy of so much of the proceedings of the Board of Commissioners  
for said County at a regular meeting duly called and held June 6, 2011, as it relates  
in any way to the resolution hereinabove referenced and that said proceedings are  
recorded in Minute Book \_\_\_\_\_ of the minutes of said County. Pursuant to G.S.  
§ 143-318.12, a current copy of a schedule of regular meetings of the Board of  
Commissioners for said County is on file in my office.

WITNESS my hand and the common seal of said County, this \_\_\_\_ day of June,  
2011.

\_\_\_\_\_  
Clerk to the Board of Commissioners  
Cumberland County, North Carolina  
(SEAL)

Exhibit A

County of Cumberland, North Carolina  
General Obligation Refunding Bonds, Series 2011

Maturities

<u>Year</u>	<u>Amount</u>
2012*	\$650,000
2013	465,000
2014	650,000
2015	640,000
2016	635,000
2017	2,465,000
2018	2,455,000
2019	2,445,000

2020	2,300,000
2021	500,000
2022	165,000
<b>TOTAL</b>	<b>\$13,370,000</b>

\*A portion of principal (\$180,000) will be paid on February 1, 2012, and a portion (\$470,000) on August 1, 2012.

Exhibit B

Unless this Bond is presented by an authorized representative of DTC for registration of transfer, exchange, or payment, with respect to any Bond issued that is registered in the name of CEDE & Co. or in such other name as is requested by an authorized representative of DTC (and any payment is made to CEDE & Co. or to such other entity as is requested by an authorized representative of DTC), any transfer, pledge, or other use hereof for value or otherwise by or to any person is wrongful inasmuch as the registered owner hereof, CEDE & Co., has an interest herein.

REGISTERED

REGISTERED

No. R-\_\_\_\_\_

\$\_\_\_\_\_

UNITED STATES OF AMERICA  
STATE OF NORTH CAROLINA  
CUMBERLAND COUNTY

Refunding General obligation Bonds, Series 2011

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>CUSIP NO.</u>
_____ %	August 1, 20____	June____, 2011	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS (\$\_\_\_\_\_)

The County of Cumberland, North Carolina (the "County"), for value received, hereby promises to pay, upon surrender hereof to the County, to the registered owner hereof, or registered assigns or legal representative, the principal sum stated above on the maturity date stated above and to pay interest hereon semiannually on each February 1 and August 1 at the annual rate stated above. Interest is payable from the date of original issue, beginning August 1, 2012. Interest is payable by check mailed to the person shown as owner hereof at his address as it appears on the registration books kept by the County on the fifteenth day of the month

preceding each interest payment date. Principal and interest are payable in lawful money of the United States of America.

This Bond is one of an issue of \$\_\_\_\_\_ Cumberland County General Obligation Refunding Bonds, Series 2011 of like date and tenor, except as to number, denomination, rate of interest and maturity, and is issued pursuant to the Constitution, the statutes of the State of North Carolina, including The Local Government Bond Act and regulations of the North Carolina Local Government Commission ("LGC"), resolutions of the Board of Commissioners of Cumberland County and the Bond Orders entitled:

BOND ORDER AUTHORIZING ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2011 OF CUMBERLAND COUNTY IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000 FOR THE PURPOSE OF REFUNDING ALL OR CERTAIN MATURITIES OF THE COUNTY'S GENERAL OBLIGATION SCHOOL BONDS, SERIES 2002 AND ITS GENERAL OBLIGATION SCHOOL BONDS, SERIES 2004

which was authorized and adopted by the County on June 6, 2011; and

If no qualified securities depository is the registered owner of the Bonds, registration of transfer of the Bonds and exchange of certificates thereof may be effected at the office of the County.

The full faith and credit and taxing power of the County are hereby irrevocably pledged for the payment of principal of and interest on this Bond.

All acts, conditions and things required by the Constitution and statutes of the State of North Carolina to happen, exist or be performed precedent to and in the issuance of this Bond have happened, exist and have been performed, and the issue of Bonds of which this Bond is one, together with all other indebtedness of the County, is within every debt and other limit prescribed by the Constitution and statutes of the State of North Carolina. This Bond shall be governed by the laws of the State of North Carolina.

This Bond shall not be valid until the County shall have executed the Certificate of Authentication appearing hereon.

IN WITNESS WHEREOF, the County of Cumberland, North Carolina, has caused this Bond to be signed by the manual or facsimile signature of the Chairman of its Board to be countersigned by the manual or facsimile signature of the Clerk of the County of Cumberland, a manual or facsimile of its seal to be printed or affixed hereon, and this Bond to be dated \_\_\_\_\_, 20\_\_.

COUNTY OF CUMBERLAND

\_\_\_\_\_  
Chairman, Board of Commissioners

(SEAL)

\_\_\_\_\_  
Clerk, Board of Commissioners

Date Authenticated:\_\_\_\_\_

### CERTIFICATE OF AUTHENTICATION

This Bond is one of the Bonds described in the within-mentioned Bond Order.

COUNTY OF CUMBERLAND  
NORTH CAROLINA

By:  
County Finance Officer

The issue hereof has been approved under the provisions of The Local Government Bond Act of North Carolina.

By:  
T. Vance Holloman, Secretary  
Local Government Commissioner

### ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sell(s), assign(s) and transfer(s)  
unto

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

(Please print or type name and address, including postal zip code, of Transferee)

PLEASE INSERT SOCIAL SECURITY  
OR OTHER IDENTIFYING NUMBER  
OF TRANSFeree:

\_\_\_\_\_

the within bond and all rights thereunder, hereby irrevocably constituting and appointing

\_\_\_\_\_, \_\_\_\_\_ Attorney, to transfer said bond on the books kept for the registration thereof, with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature Guaranteed

\_\_\_\_\_  
NOTICE: Signature(s) must be Guaranteed by a member firm of The New York Stock Exchange or a commercial bank or trust company.

\_\_\_\_\_  
(Signature of Registered Owner)  
NOTICE: The signature above must correspond with the name of the registered owner as it appears on the front of this bond in every particular, without alteration or enlargement or any change whatsoever.

**RECOMMENDATION/PROPOSED ACTION:** Approve the above bond order authorizing the issuance of General Obligation Bonds in the amount up to \$15M to refund all or certain maturities of the Series 2002 and Series 2004 General Obligation School Bonds, and authorize the Chairman, County Attorney, County Manager, and Finance Director to execute the necessary documents to finalize this transaction.

Deputy County Manager Amy Cannon provided the above background information and advised the net savings would be approximately \$150,000 in annual savings through 2023. Originally the bonds were issued with an average maturity interest rate of approximately four to four and a half percent and based on last week's market, the average interest rate would be 2.47%. One important note, based on the earlier question from Commissioner Keefe regarding the lottery funds and that potential decrease, the Board of Education pays the debt service on these two items which would assist them while the lottery funds are decreasing. The Local Government Commission has been contacted and they have given the County a tentative sale date of June 22, pending their approval.

Commissioner King clarified that refunding is the terminology used for bonds; whereas, refinancing is used for home mortgages.

MOTION: Commissioner Council moved to approve the bond order as recommended.  
SECOND: Commissioner Melvin  
VOTE: UNANIMOUS

7. Consideration of a Resolution Scheduling a \$21M Gray's Creek Water & Sewer District General Obligation Bond Referendum for November 8, 2011.

BACKGROUND: At its November 15, 2010, meeting the Board adopted a bond order and set the referendum date for March 15, 2011. For a number of reasons, it became apparent that March 15 was too early to go forward with the referendum. The statute allows the referendum to be held within one year of adoption of the bond order. The Elections Supervisor has advised that elections staff can readily manage the special referendum at the time of the general municipal elections on November 8, 2011.

BOARD OF COMMISSIONERS  
OF CUMBERLAND COUNTY  
ACTING AS THE GOVERNING BODY OF  
GRAY'S CREEK WATER AND SEWER DISTRICT

Excerpt of Minutes  
of Meeting on  
June 6, 2011

Present: Chairman \_\_\_\_\_ presiding, and

Commissioners:

\_\_\_\_\_

Absent:

\_\_\_\_\_

\* \* \* \* \*

WHEREAS, on November 15, 2010, the Board of Commissioners of the County of

Cumberland, North Carolina (the "Board") acting as the governing body of the Gray's Creek

Water and Sewer District (the "District") adopted a Bond Order entitled: "BOND ORDER

AUTHORIZING ISSUANCE OF GENERAL OBLIGATION SANITARY SEWER BONDS OF

GRAY'S CREEK WATER AND SEWER DISTRICT IN A MAXIMUM AGGREGATE

PRINCIPAL AMOUNT OF \$21,000,000 FOR THE PURPOSE OF FINANCING, IN PART,



THE ACQUISITION, CONSTRUCTION AND INSTALLATION OF PUBLIC WATER

DISTRIBUTION AND STORAGE FACILITIES IN THE DISTRICT””; and

WHEREAS, G.S. § 159-61 requires this Board to fix the date of the referendum on the Bond Order, notify the board of Elections thereof and provide for notice of the referendum to be published;

NOW, THEREFORE, the Board of Commissioners of Cumberland County, acting as the governing body of the Gray’s Creek Water and Sewer District, meeting in regular session at Fayetteville, North Carolina, on June 6, 2011, do the following:

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF CUMBERLAND COUNTY ACTING AS THE GOVERNING BODY OF THE GRAY’S CREEK WATER AND SEWER DISTRICT:

1. This Board hereby calls for a referendum with respect to the Bond Order and fixes the date thereof as November 8, 2011.

2. The form of the question on the ballot shall be as follows:

Shall the order authorizing \$21,000,000 in a maximum aggregate principal amount of General Obligation Bonds for the Gray’s Creek Water and Sewer District for financing, in part the acquisition, construction and installation of public water distribution and storage facilities in the district be approved?

[ ] Yes [ ] No

3. The Clerk to the Board shall deliver a copy of this resolution to the Cumberland County Board of Elections no later than June 9, 2011.

4. The Clerk to the Board and the County Attorney shall provide for publication of notice of the referendum as required by G. S. § 159-61(c) in *The Fayetteville Observer*.

5. The County Finance Officer and the County Manager are authorized to take all actions necessary in connection with providing for the referendum.

6. All resolutions or parts thereof previously adopted that are in conflict herewith are hereby repealed. This resolution shall take effect immediately.

Commissioners \_\_\_\_\_ moved the passage of the foregoing resolution and Commissioner \_\_\_\_\_ seconded the motion, and the resolution was passed by the following vote:

Ayes: \_\_\_\_\_

Nays: \_\_\_\_\_

Not Voting: \_\_\_\_\_

\*\*\*\*\*

I, Marie Colgan, Clerk for the Board of Commissioners for Cumberland County, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and complete

copy of so much of the proceedings of the Board of Commissioners for the County at a regular meeting duly called and held June 6, 2011, as it relates in any way to the resolution hereinabove set forth, and that such proceedings are recorded in Minute Book \_\_\_\_ of the minutes of the Board. Pursuant to N.C.G.S. § 143-318.12, a current copy of a schedule of regular meetings of the Board of Commissioners for the County is on file in my office.

I DO HEREBY FURTHER CERTIFY that due notice of such meeting, stating its time and place and the subjects to be considered was posted, mailed or delivered as required by G. S. § 143-318.12(b)(2).

WITNESS my hand and the common seal of the County, this \_\_\_\_ day of June, 2011.

---

Clerk to the Board of Commissioners

(SEAL)

RECOMMENDATION/PROPOSED ACTION: Adopt the resolution calling for the referendum on November 8, 2011.

County Manager Martin reminded the Board that last year, originally the Board set a referendum for March 15, 2011, but it was decided that this date would not work based on a number of reasons. Mr. Martin advised that at a recent Policy Committee meeting, a recommendation was made to forward to the full Board on June 20<sup>th</sup> to approve a water use ordinance which will help to definitively answer questions during public meetings on the referendum. Mr. Moorefield added that if the referendum were held on November 8, 2011, the bond order adopted on November 15, 2010, would remain in place and that process would not have to be repeated. Mr. Moorefield also explained that the title of the bond order had “sewer” in it and should not have, but the correct language had been used for the ballot language in the proposed resolution. Commissioner Keefe voiced his concern about the form of the question on the ballot as it is very hard to understand. Mr. Moorefield advised the language of the question is the bond counsel’s language and the County cannot change it without the approval of bond counsel. Mr. Moorefield advised that in order to make the November 8<sup>th</sup> referendum, this resolution has to be submitted to the supervisor of the Board of Elections by November 12<sup>th</sup> and if a change is requested, it would require starting the process again which would delay the referendum.

MOTION: Commissioner Council moved to adopt the resolution calling for the referendum on November 8, 2011.

SECOND: Commissioner Melvin

VOTE: UNANIMOUS

Vice Chairman Faircloth informed the public that Chairman Edge is in Washington attending the County Leadership Institute. Chairman Edge was one of about 22 individuals selected nationwide to attend.

8. Nominations to Boards and Committees

A) Adult Care Home Community Advisory Committee (3 Vacancies)

BACKGROUND: The Adult Care Home Community Advisory Committee will have the following three vacancies on August 31, 2011: Mary Ann Ayars, completing initial term and is eligible for reappointment; Mary Dillon, completing initial term and is eligible for reappointment; and Rasheedah Reid, completing initial term and is eligible for reappointment.

Commissioner King nominated Mary Ann Ayars, Mary Dillon and Rasheedah Reid.

B) Child Homicide Identification and Prevention (CHIP) Council  
(1 Vacancy)

BACKGROUND: The Child Homicide Identification and Prevention (CHIP) Council will have the following one vacancy on August 31, 2011. Commissioner Marshall Faircloth is completing first term as the Representative of the Cumberland County Board of Commissioners and is eligible for reappointment.

Commissioner Melvin nominated Commissioner Marshall Faircloth.

C) Cumberland County Juvenile Crime Prevention Council (1 Vacancy)

BACKGROUND: The Cumberland County Juvenile Crime Prevention Council will have the following one vacancy on August 31, 2011: Doug Parrish, at Large Representative, completing first term and is eligible for reappointment.

Commissioner Council nominated Doug Parrish.

D) Joint Appearance Commission (2 Vacancies)

BACKGROUND: The Joint Appearance Commissioner has one vacancy due to a member resignation and will have one vacancy on August 31, 2011. Randy Newsome resigned and Nancy W. Smith is completing her second term and is not eligible for reappointment.

Commissioner Melvin nominated Susan Reid and Victor Hogan

E) Nursing Home Advisory Board (3 Vacancies)

BACKGROUND: The Nursing Home Advisory Board will have the following three vacancies on August 31, 2011: Tom Lloyd is completing first term and is eligible for reappointment; Sonja Council is completing initial term and is eligible for reappointment and Clyde E. Hammond is completing his first term and is eligible for reappointment.

Commissioner King nominated Tom Lloyd, Sonja Council and Clyde Hammond.

F) Parks and Recreation Advisory Commission (4 Vacancies)

**BACKGROUND:** The Parks and Recreation Advisory Commission has four vacancies due to the June 30, 2011 term expirations of the following members: Tom Cain is completing his second term and is not eligible for reappointment; John Goetke is completing his second term and is not eligible for reappointment, J.D. Pone, Sr., is completing his second term and is not eligible for reappointment and Dean H. Smelcer, Jr., is completing his second term and is not eligible for reappointment. The request of the Parks and Recreation Advisory Commission is to extend the terms of these members for another year.

Vice Chairman Faircloth advised he had informed board members regarding the request from the Parks and Recreation Advisory Commission to extend the terms of the four expiring members for another year. Vice Chairman Faircloth stated he concurred as he felt that losing so many senior members at once would hamper the effort of their comprehensive parks plan. Discussion ensued regarding whether the Board would consider appointing these members to a one year term, another full term or appoint other individuals. Commissioner Keefe confirmed with the County Attorney that the Board could vote to make an exception to any standing policy. After further consideration of options available, the following motion was made.

**MOTION:** Commissioner Keefe moved to table this item until the next meeting.  
**SECOND:** Commissioner King  
**VOTE:** UNANIMOUS

9. Appointments to Boards and Committees

A) ABC Board (2 Vacancies)

Nominees: A. Johnson Chestnutt  
Gene Watts  
Dr. John Griffin  
Terri Thomas

Vice Chairman Faircloth advised that Dr. John Griffin's name has been withdrawn and asked for the vote on the remaining three nominees for the two vacancies. Vice Chairman Faircloth advised each board member will have two votes.

Voting for A. Johnson Chestnutt: Vice Chairman Faircloth, Commissioners  
Evans, Melvin and Keefe  
Voting for Gene Watts: Commissioners King, Council and Melvin  
Voting for Terri Thomas: Vice Chairman Faircloth, Commissioners  
King, Evans, Council and Keefe

A. Johnson Chestnutt and Terri Thomas were confirmed by the Clerk as the two appointees with the majority votes.

- B) Board of Adjustment (1 Vacancy)

Nominee: Yvette Carson

- C) Cumberland County Criminal Justice Partnership Advisory Board  
(4 Vacancies)

Nominees:

Probation Officer: Sharon T. Phillips, JDM  
(Reappointment)

Sheriff or Designee: Major John McRaney  
(Reappointment)

Victim Services Program Representative: Sharon Wright Hucks  
(Reappointment)

Substance Abuse Service Representative: James Miller  
(Reappointment)

- D) Human Relations Commission (2 Vacancies)

Nominees: Sandra Mitchell (Reappointment)  
Muhammad A. Lodhi (Reappointment)

- E) Fayetteville Technical Community College Board of Trustees (1 Vacancy)

Nominee: Dr. Breeden Blackwell

- F) Fayetteville-Cumberland Joint Senior Citizens Advisory Commission  
(1 Vacancy)

Nominee: Wayne Raynor

- G) Jury Commission (1 Vacancy)

Nominee: Edgar F. Merritt (Reappointment)

- H) Social Services Board (1 Vacancy)

Nominee: Commissioner Ed Melvin (Reappointment)

- I) Tourism Development Authority (1 Vacancy)

Nominee:

Member of the Public Not Affiliated with Travel/Tourism:

Dallas Mack Freeman

MOTION: Vice Chairman Faircloth moved to appoint the nominees for items 9.A.  
through 9.I. as presented.  
SECOND: Commissioner King  
VOTE: UNANIMOUS

10. Closed Session            A) Attorney-Client Matter Pursuant  
to NCGS §143-318.11(a)(3)  
(Martin Edwards V. Cumberland County)

MOTION: Commissioner King moved to go into Closed Session.  
SECOND: Commissioner Council  
VOTE: UNANIMOUS

MOTION: Commissioner Keefe moved to go into Open Session.  
SECOND: Commissioner Council  
VOTE: UNANIMOUS

MOTION: Commissioner King moved to agree to the settlement of the case  
Martin Edwards V. Cumberland County, case # 10CVS8141.  
SECOND: Commissioner Council  
VOTE: UNANIMOUS

County Attorney Moorefield stated the settlement is for the County to convey its  
interest in the property described in the law suit to the firm of Martin Edwards &  
Associates for the additional sum of \$43,500.

MOTION: Commissioner King moved to adjourn.  
SECOND: Commissioner Council  
VOTE: UNANIMOUS

There being no further business, the meeting adjourned at 10:35 a.m.

Approved with/without revision:

Respectfully submitted,

---

Marie Colgan  
Clerk to the Board