

CURRITUCK COUNTY
NORTH CAROLINA
MARCH 8, 2004

The Board of Commissioners met prior to the regular scheduled meeting at 6:00 p.m. to discuss storm-water and fill on lots.

The Currituck County Board of Commissioners met on Monday, March 8, 2004, at 7:00 p.m. at the Historic Courthouse in the Commissioners Meeting Room with the following members present: Chairman O'Neal and Commissioners Miller, Bowden and Gregory. Commissioner Martin was absent.

Bob Henley was present to give the invocation.

Approval of Agenda

Commissioner Gregory moved to approve the agenda by deleting Item 5 and Item 6 until the March 15, 2004 meeting. Commissioner Miller seconded the motion. Motion carried.

- Item 3 Public Hearing and Action PB 94-49 CURRITUCK CLUB:
Amended sketch plan/special use permit to depict a site specific layout of a proposed retail complex located within the Currituck Club at the north west quadrant of the intersection of Currituck Clubhouse Drive and NC 12, Poplar Branch Township.
- Item 4 Discussion and consideration on Monterey Shores Phase II piers.
New Business
- Item 5 Public Hearing and Action PB 04-07: Amendment to Section 1403 of the UDO to remove the requirement of providing location and depth of all in-use wells within .75 miles of a mining operation.
- Item 6 Public Hearing and Action PB 04-08 JAMES MALCO:
Rezoning of 36.45 acres from Residential (R) to Agricultural (A) on property located in Point Harbor at 136 Griggs Acres Road, Tax Map 132, Lot 159, Poplar Branch Township.
- Item 7 Public Hearing and Action PB 04-10 SEA HAWK ACRES:
Sketch Plan/Special Use Permit approval for 9 lots located in Aydlett at 136 Elliot Road, Tax Map 92, Lot 30G, Poplar Branch Township.
- Item 8 Consideration of DOT easement agreement for Colonial Beach Road (SR 1122).
- Item 9 Appointment to Senior Citizen Advisory Board.
- Item 10 Appointment to Library Board.
- Item 11 Consent Agenda:
Budget Amendments
Approval of January 20 minutes & February 5, 2004.
Resolution supporting the Recognition of God as the Foundation of our National Heritage.
Resolution opposing toll charges on the Corolla Ferry.
Resolution for Bond Refunding.
Albemarle Mental Health second Quarterly Fiscal Monitoring Report.

- Right of way agreement for SOB water system.
- Right of Way agreement for Southern Park.
- Resolution to declare surplus property.
- Adopt newly created classification of Social Worker-
Investigative/Assessment and treatment.
- Item 12 Commissioner's Report
- Item 13 County Manager's Report
- Item 14 Closed Session to discuss personnel.
- Adjourn
- OCEAN SANDS WATER & SEWER ADVISORY BOARD**
- Call to Order**
- Item 1 Appointment to Ocean Sands Water & Sewer Advisory
Board.
- Adjourn

Public Comment

Please limit comments to items not appearing on the regular agenda, please limit comments to 3 minutes.

Chairman O'Neal opened the public comment period.

Commissioner Bowden, member of the Northeast Partnership, presented a donation of \$1,000.00 to the Jarvisburg Colored School for their renovations.

John Schrote and Commissioner Bowden were sworn in as members of the NE Partnership.

Chairman O'Neal stated that the Board has still not heard from DOT with any plans for traffic in lower Currituck and NC 12.

There being no further comments, Chairman O'Neal closed the public comment period.

Old Business

Public Hearing and Action PB 94-49 CURRITUCK CLUB: Amended sketch plan/special use permit to depict a site specific layout of a proposed retail complex located within the Currituck Club at the north west quadrant of the intersection of Currituck Clubhouse Drive and NC 12, Poplar Branch Township.

Gary Ferguson, Planning Director, reviewed the request.

OWNER:

Curr. Assoc./Res. Partnership
P. O. Box 229
Kitty Hawk, NC 27949
(252) 261-2131

APPLICANT:

Crosland Development
Co., LLC
125 Scaleybark Road
Charlotte, NC 28209
(704) 561-5210

PURPOSE OF REQUEST:

Applicant is seeking Amended Sketch Plan approval to depict a two lot subdivision and site specific layout for Phase 9 & 10 (Currituck Club Retail Center).

PROPOSED CHANGES AND REVISIONS:

1. Phase 10 was previously designated to have 28 center court homesites. Under this proposal, Phase 10 would be re-designated for commercial use.
2. With the deletion of 28 center court homesites, density would be reduced to 1.15 units/acre (maximum allowable is 3 units/acre) and the commercial area would increase to 27.6 acres or 4.7% of the total development.

PROJECT DESCRIPTION:

Property is shown on Tax Map 126, Parcel 3, Poplar Branch-OB Township. The proposed amended site is located adjacent to and on the west side of NC 12, beginning across from Section D of Ocean Sands and running northward approximately 2,800 feet to Section F of Ocean Sands.

Wastewater treatment and disposal will be handled by a joint system that was constructed in conjunction with Pine Island PUD and is permitted for 600,000 gals/day. Water will be provided by Carolina Water Service who operates the Currituck Club water system. Reverse osmosis water treatment technology has been installed and will be utilized when chloride levels reach 250 mg/l or greater. All roads will be built to state standards and the applicant will be responsible for the maintenance of all the "private" streets until a homeowner's association is established to perform maintenance and upkeep responsibilities.

HISTORY OF DEVELOPMENT:

1. Applicant received original Sketch Plan/Special Use Permit approval on February 20, 1995.
2. On July 17, 1995, applicant received Amended Sketch Plan approval for the creation of 430 lots for single-family dwellings, 70 patio homes, 104 golf villas, 4 Club Cottages, 20 Center Court homesites, a 100 room hotel with restaurant, an 18-hole golf

course with clubhouse, 2 commercial areas containing a total of 22.7 acres and a parcel to be donated to the county (located at the north end).

3. On June 1, 1998 applicant received Amended Sketch Plan approval which: (1) revised the Governmental site area located at the north property line (increased acreage from 8.1 ac. to 12.1 ac.); (2) revised "404" wetland delineation which allowed for more efficient layout of lots within Phases 5 and 6; (3) to increase the total density from 628 units to 636 units (increase of 8 units); and, (4) reduced the total LF of streets to be paved and reduced the number of cul-de-sacs previously approved.
4. On October 4, 1999 applicant received Amended Sketch Plan approval to increase the number of ingress/egress points along NC 12 from two (2) to three (3).
5. On 8/21/01 applicant received Amended Sketch Plan approval from the BOC to allow (1) Phase 5 to develop as 15 SF lots and 72 Patio Home sites (increase in density of 35 units). Total proposed density within the development increased from 636 units to 673 units (1.13 units/ac. to 1.21 units/ac.); and, (2) Increase commercial lots from the existing 5 lots to 6 lots with lot #1 being further subdivided into 4 condominium lots. Total commercial lots within the Ocean Club Centre after the approval was 10 lots.
6. On December 3, 2001, Amended Sketch Plan approval was granted for the following changes; (1) The deletion of 7 single family lots within Phase 6 (density decrease from 51 to 44 lots); (2) The deletion of single-family lot 411; (3) Transferred decreased density units (8 in total) to Centre Court Home site (increased total number of sites from 20 to 28). (4) Commercial area was established at 4% (7% allowed) and the overall density was set at 1.20 units/acre (3.0 units/acre allowed).

EXISTING CONDITIONS:

Generally irregular, mostly flat sandy areas containing 3 significant dunes which range from 40'-50' in height. Typical beach species type vegetation, maritime forest areas and "404" areas. Soil types included Duneland, Newhan, Corolla, Osier, Duckston or a varied combination of each.

ADJACENT LAND USE:

North: Ocean Sands, Sections X & Y - zoned R01
South: Pine Island PUD & the National Audubon
Society, Inc. Preserve - zoned R01
East: Ocean Sands PUD - zoned R01
West: Currituck Sound - not zoned

STAFF COMMENTS:

1. The property is classified as "Limited Transition" in the Count's 1990 Land Use Plan.
2. Residential Density proposed under this plan will be reduced to 1.15 units/acre, less than the 3 units/ac. permitted. Commercial area proposed will increase to 27.6 acres or 4.7%, less than the 7% allowed.
3. Planned Unit Developments are appropriate in the transitional land use class designated in the 1990 Land Use Plan.
4. The proposed retail center will not have direct access to NC12. Two driveways are proposed along Currituck Clubhouse Drive.
5. Adjacent property owners notices were mailed by Staff on 2/18/04; legal ads were published on 2/18/04 & 3/7/04.

STAFF RECOMMENDATION:

Staff recommends **approval** of this request based on the following conditions:

1. That Preliminary plat/site plan approval shall be required for commercial areas prior to beginning construction;
2. That adequate water and wastewater capacities exist to serve the proposed commercial area; and
3. That the facts within this analysis be incorporated within the approval.

Chairman O'Neal opened the public hearing. There being no comments, he closed the public hearing.

Commissioner Bowden moved to approve with findings of facts. Commissioner Gregory seconded the motion. Motion carried.

Discussion and consideration on Monterey Shores Phase II piers.

Gary Ferguson, Planning Director, reviewed the Boardwalk Policy.

At the November 17, 2003, Board of Commissioners meeting, the Board requested the staff to research the request to delete the "Boardwalk Plan" as a condition of approval of the Monterey Shores, PUD.

Attached, please find a policy analysis and the Boardwalk Plan plats that present options for the Board with NO staff recommendation.

**Policy Analysis
Monterey Shores/ Corolla Bay Boardwalk Plan
March 1, 2004**

I. Executive Summary

The Monterey Shores Boardwalk plan was developed in 1992 to reduce the need for every property owner to have a long pier that extended over sensitive estuarine marshlands. This plan and the reasons behind it are now being questioned for the existing Phases I and II and the proposed Phase III of Monterey Shores. Currituck County's Subdivision Ordinance on open space reduces the effects waterfront structures have on water quality and wetland health.

II. Summary of Requests

1. A property owner, Mr. Bernard Spirito, is requesting that a condition of the Monterey Shores PUD Subdivision approval from 1992 be changed so that he can build a private pier. The private pier crosses dedicated open space that was required for the approval of Monterey Shores Phase I and II.
2. Corolla Bay LLC is requesting Amended Sketch Plan Approval of Corolla Bay (Monterey Shores) Phase III that allows individual piers

III. Current Regulation on Boardwalks for Monterey Shores

Approval of the Monterey Shores Sketch/ Boardwalk Plan was given 3/16/1992 contingent upon the following:

1. Lots that have already been sold as indicated on the boardwalk plan submitted by Mr. DeGabrielle and lots #50 and #240 may have a 4' wide strip leading from the back of the lots to the sound deleted from open space provided the minimum open space requirements for the development are met. Within this 4' wide area, boardwalks may be constructed.
2. All remaining lots in Phase 1 and 2 shall have no less than two lots sharing a 4' wide boardwalk accommodation leading from the back of the lots to the sound.

The 4' wide area shall be deleted from open space provided the minimum open space requirements for the development are met.

3. No boathouses or gazebos shall be permitted for private boardwalks directly serving one or more single-family lots but gazebos may be permitted for community boardwalks.
4. The only boardwalks permitted in Phase 3 will be those serving the entire development. No private boardwalks serving one or more lots shall be permitted.

IV. Legislative Directives from the State of North Carolina on Coastal Areas

- In 1974, the North Carolina Legislature found that estuarine waters are facing increasing pressures which are the result of often conflicting needs of society expanding in industrial development, and the recreational aspirations of its citizens.
- Local government plays an important role in protecting the estuarine environment. Currituck County's Subdivision Ordinances on open space and placement of structures adjacent to water are intended to lessen the effects waterfront structures have on water quality and wetland health.
- Unless these pressures are controlled by coordinated management, the very features of the coast which make it economically, aesthetically, and ecologically rich will be destroyed.
- The **North Carolina State Constitution** also requires local governments to aid in the conservation of natural resources:

ARTICLE XIV, Sec. 5. Conservation of natural resources.

It shall be the policy of this State to conserve and protect its lands and waters for the benefit of all its citizenry, and to this end it shall be a proper function of the State of North Carolina and its political subdivisions to acquire and preserve park, recreational, and scenic areas, to control and limit the pollution of our air and water, to control excessive noise, and in every other appropriate way to preserve as a part of the common heritage of this State its forests, wetlands, estuaries, beaches, historical sites, open lands, and places of beauty.

V. Analysis and Facts for Consideration

- The Monterey Shores Boardwalk Plan has been in effect since 1992 and has limited the number of piers that are constructed over open space.
- The deed restrictions for Mr. Spirito's lot have been in place since 1992. The county has not represented to any purchasers what rights they may or may not exercise upon purchase of a lot.
- The 1992 Boardwalk Plan appears to be a compromise that was reached as part of the county approval process for Monterey Shores PUD.
- The depth of the water along the Monterey Shores waterfront is shallow. At the edge of the marshlands, there are significant shoals and the water depths do not exceed one foot. Water depths, tides and winds would not allow larger vessels to use the piers to dock.
- The proposed Boardwalks for Phase III all go over marshlands to reach the water. Insects and reptiles may detract from the use and enjoyment of the long Boardwalks.

- The piers are currently subtracted from Monterey Shores Phase 3 Amended Sketch Plan calculations for Open Space. If more individual boardwalks are added, the open space would decrease.
- The individual piers over dedicated Open Space appear to violate the definition of Open Space in the current UDO:
Open Space - For the purposes of this Article, means an area that:
 - (a) Is not encumbered with any structure unless such structure is for recreational purposes available and accessible to all residents of the subdivision or general public, including indoor tennis courts, swimming pool and other facilities;
 - (b) Is not contained within a street right-of-way or otherwise devoted to use as a roadway, parking area not associated with the use of open space or above ground waste disposal facilities;
 - (c) Is legally and practicably accessible to the residents of the development out of which the open space is taken;
 - (d) Is capable of being used and enjoyed for passive recreation, such as walking, jogging, or being improved for more active recreational use;
 - (e) Includes any portion of any man-made or natural lakes or ponds provided they are completely within the project boundaries and under the ownership of the developer or Homeowners Association.
- None of the individual piers allow access to the public or other residents of the subdivision.

VI. Reasons for Access- Why Have Pier Access into the Sound

- The right to have private access to North Carolina's waterways is very desirable.
- Access to the Sound can increase the value of the lots in Monterey Shores. As part of that access, piers into public waterways allows property owners even more enjoyment of our waters.
- Allowing each property owner to have their own pier access into the Currituck Sound from Monterey Shores would allow each property owner to control the access to the piers.
- Other reasons why a property owner would desire a private pier on the Currituck Sound include:
 - 1) Boating Access (launch small boats from the pier)
 - 2) Fishing Access
 - 3) Vista from a pier over the open water
 - 4) Privacy for use of the pier.
 - 5) Individual ownership of a pier that means you do not have to share maintenance with a neighbor.

VII. Reasons for Regulation of Pier Access for Monterey Shores

The following are reasons the advantages the County has for regulation of pier access

- Constitutional duty and Legislative directives from the State to manage and protect Natural Resources.

- Lessens the impacts of development on estuarine waters and allows water quality to be maintained.
- Piers that are damaged in storms may require public funds to clean up debris.
- Requiring Open Space dedication is a way for the public to enjoy the benefits of undeveloped, natural lands with little or no cost to tax payers.
- Preservation of the natural vistas of the Currituck Sound for future generations.
- Preservation of habitats for aquatic wildlife and waterfowl.

VIII. Policy Options: Pros and Cons for Property Owners and the County

Planning Staff sees the following policy options available to the Board:

1. Enforce the current restrictions with no changes:

Effects on the Property Owners

- A. For owners of lots that require joint piers, each property owner retains different views on construction or maintenance of the piers. This may prevent additional piers from being constructed over Dedicated Open Space. Mr. Spirito's lot 245 is restricted in what use can be made on the Open Space in front of the lot. The area he is proposing to construct a pier over is deeded Open Space.
- B. For buyers of lots in Phase III, no private boardwalks will be allowed.
- C. Property owners in Phase I that do not have Open Space between their lots and the Sound will still be able to build piers.

Benefits for the County

- A. This will maintain the limitations on private structures that violate the current definition of Open Space.
- B. This lessens the impacts of development on estuarine waters and allows water quality to be maintained.
- C. Requiring Open Space dedication is a way for the public to enjoy the benefits of undeveloped, natural lands with little or no cost on tax payers.

2. Create a new Boardwalk Plan that only allows community boardwalks, open to the public, as required in Phase III.

Effects on the Property Owners

- A. This would limit individuals from building private structures on Common Open Space.
- B. The public would be allowed to walk behind the houses of residents when they are viewing the Currituck Sound.

Benefits for the County

- A. The Open Space at Monteray Shores/ Corolla Bay would better conform to the definitions found in the current version of the Subdivision Regulations, passed by the Board in April 2003.
- B. All current and future citizens would have access to unique views of the Sound and opportunities for the use and enjoyment for passive recreation, such as walking and jogging.

3. Vacate the current joint construction for piers/walkways and remove restrictive notes from future recorded community plats. (Proposal From Monterey Shores Homeowners Association)

Effects on the Property Owners

- A. All lots that front on the Open Space in Monterey Shores Phases I, II and III , adjacent to the Sound, could construct private boardwalks that would not be accessible to the public or other subdivision residents.
- B. The piers would have to receive CAMA permits.
- C. Other Residents in Monterey Shores would lose the enjoyment of Open Space dedicated to the entire development.
- D. The Homeowners Association would need to provide other Open Space to satisfy the requirements of the PUD standards that were in effect in 1987, when Monterey Shores was approved.

Detriments for the County

- A. Citizens and future generations would loose marshlands that are open and undisturbed by development.
- B. There is a potential that public funding would be used to clean up storm damage from piers when a major storm event destroys them.
- C. There is a potential violation of the Unified Development Ordinance if the Open Space requirements are not met by the change.
- D. A policy that has effectively limited the number of piers across sensitive estuarine waters for 12 years would be reversed.

4. Delete the requirement that Monterey Shores lots 244 and 245 have to share a Boardwalk and allow Mr. Spirito to build a private pier.

Effects on the Property Owners

- A. Mr. Spirito would be allowed to build a private pier, provided the PUD Open Space requirements can be met.
- B. Other Property Owners in Phase II and III would have to abide by the current restrictions.

Detriments for the County

- A. Citizens and future generations would loose marshlands that are open and undisturbed by development.
- B. There is a potential that public funding would be used to clean up storm damage from piers when a major storm event destroys them.
- C. There is a potential violation of the Unified Development Ordinance if the Open Space requirements are not met by the change.
- D. A policy that has effectively limited the number of piers across sensitive estuarine waters for 12 years would be reversed.
- E. Legal action could force the county to allow piers to encroach across all open space.

Chairman O'Neal moved to allow boardwalks in Monterey Shores Phase II and III. Commissioner Gregory seconded the motion. Motion carried with Commissioner Bowden voting no.

New Business

Public Hearing and Action PB 04-07: Amendment to Section 1403 of the UDO to remove the requirement of providing location and depth of all in-use wells within .75 miles of a mining operation.

Deleted

Public Hearing and Action PB 04-08 JAMES MALCO: Rezoning of 36.45 acres from Residential (R) to Agricultural (A) on property located in Point Harbor at 136 Griggs Acres Road, Tax Map 132, Lot 159, Poplar Branch Township.

Deleted

Public Hearing and Action PB 04-10 SEA HAWK ACRES: Sketch Plan/Special Use Permit approval for 9 lots located in Aydlett at 136 Elliot Road, Tax Map 92, Lot 30G, Poplar Branch Township.

Sworn testimony was given prior to making statements.

Gary Ferguson, Planning Director, reviewed the request.

**STAFF ANALYSIS FOR THE BOARD OF COMMISSIONERS
MEETING DATE: March 8, 2004**

ITEM: PB 04-10 SEA HAWK ACRES, SKETCH PLAN FOR 9 SINGLE FAMILY LOTS

LOCATION: Off of Elliott Road, approximately 450' from its intersection with Aydlett Road, Poplar Branch Township.

ZONING DISTRICT: Residential

OWNER:
Rick Schneck & John Macko
P.O. Box 3689
Kill Devil Hills, NC 27948

APPLICANT/AGENT
Bill Owen
Seaboard Surveying
P.O. Box 58
Nags Head, NC 27959

LAND USE/ZONING OF SURROUNDING PROPERTY:

NORTH: Residential & Vacant - zoned R
SOUTH: Vacant - zoned R
EAST: Residential & Vacant - zoned R
WEST: Residential - zoned R

NARRATIVE OF REQUEST:

Rick Schneck & John Macko are seeking Sketch Plan/Special Use Permit approval for 9 single family lots through the major subdivision process. The total acreage of the entire development is approximately 10.95 acres.

This property is zoned Residential, therefore the minimum lot size required utilizing a conventional layout is 40,000 sq. ft. Lot sizes within this development range from 40,235 sq. ft. to 59,075 sq. ft.

OTHER IMPORTANT ELEMENTS TO THIS PLAN:

- STREETS:** All proposed lots will front on Elliott Road, an existing NCDOT maintained right-of-way.
- WATER:** Section 915 of the UDO requires that the developer install water mains if the development is within a certain distance from an existing main (100' per unit for the first ten residential units plus an additional 20' for each additional unit). Within this development, there are 9 lots proposed within 450' of the existing 8" line on Aydlett Road. In addition, there is an existing 4" line along Elliott Road. The 4" line can adequately provide drinking water, however it will not be adequate for the installation of fire hydrants as required by Section 916 of the UDO.
- FIRE:** This development will be located within the jurisdiction of the Lower Currituck Volunteer Fire Department.
- WASTEWATER:** Individual, on-site septic systems are proposed. The property contains Conetoe loamy sand which consists of well drained soils that have moderately rapid permeability.
- SCHOOL CAPACITIES:** Using national averages for school age student generation from the *1987 American Housing Study*, one can expect .4243 elementary students, .084 Jr. high students and .1568 High school students per dwelling unit. (*Note: These figures were verified by a field check of Currituck subdivisions in 1994*). Based on these pupil generation figures, Currituck can expect 3 elementary students, 1 Jr. high student, and 1 high school student from this development.
- OPEN SPACE:** No open space is required or provided.
- DRAINAGE:** Roadside and property line swales/ditches will be used to address drainage for this property.
- FLOOD ZONES:** This development is within Flood Zone C (not within the 100 year flood area).
- CAMA CLASS:** The 1990 Land Use Plan classifies this site as Rural with Services. The purpose of the Rural with Services class is "to provide for low density land uses including residential use where limited water services are provided to avert an existing or projected health problem. Development within this class should be low intensity to maintain a rural character." This proposal is consistent with the Land Use Plan.

STAFF COMMENTS:

- On January 8, 2004 Technical Review staff reviewed this application. Staff's concerns included the following:

1. A small cemetery is located on this parcel in the vicinity of lots 9 and 3. The exact location of the cemetery should be determined by the applicant, and appropriate provisions must be made to ensure that the gravesites are not disturbed during development.
2. Lot 9 is the lowest point on this property. Concerns regarding drainage and septic suitability for this lot were expressed during TRC and must be addressed during the Preliminary Plat process. In addition, the minimum setback requirements are not correctly shown on the plat (20' front, 15' side and 25' rear yard).

QUESTION(S) BEFORE THE BOARD:

1. *Is the application complete?* Based on staff review all required information has been submitted for review.
2. *Does the proposal comply with the provisions in the UDO for Sketch Plan approval?* The proposal complies with all UDO requirements for Sketch Plan approval.
3. *Does the proposal comply with the general standards found in Section 1402(2) for a Special Use Permit/Sketch Plan?*
 - (a) *Will not endanger the public health or safety.* Public health and safety issues including fire protection, stormwater management, wastewater disposal and access for emergency services have been adequately addressed within this proposal.
 - (b) *Will not injure the value of adjoining or abutting property.* The proposed residential subdivision should have no negative impact on adjoining property;
 - (c) *Will be in harmony with the area in which it is located.* The subdivision would consist of residential properties that would be in harmony with the surrounding area;
 - (d) *Will be in conformity with the Land Use Plan, Thoroughfare Plan or other plans officially adopted by the Board.* The proposal will be consistent with the CAMA Land Use Plan Rural with Services classification and with the Thoroughfare Plan;
 - (e) *Will not exceed the county's ability to provide adequate public facilities, including, but not limited to, schools, fire and rescue, law enforcement, and other county facilities. Applicable state standards and guidelines shall be followed for determining when public facilities are adequate. Such facilities must be in place or programmed to be in place within 2 years after the initial approval of the sketch plan. In the case of subdivision and multifamily development at the sketch plan/special use, preliminary plat or final plat stage, the Board of Commissioners may establish time limits on the number of lots/units available for development to assure adequate public facilities are available in accordance with Section 2015.* Based on these pupil generation figures, Currituck can expect 3 elementary students, 1 Jr. high students and 1 high school students from this development.

According to the current school population projections Griggs Elementary School has -41 additional student capacity after full development of currently approved subdivisions.

STAFF RECOMMENDATION:

Although this application meets the technical requirements for Sketch Plan/Special Use Permit approval, staff has concerns regarding the existence of adequate school facilities to serve the proposed development. The Board of Commissioners may deny this request if it concludes that the development will exceed the county's ability to provide adequate public facilities, including schools.

If approval of this request is granted, staff recommends the following conditions;

1. That applicant shall be required to meet all requirements of the UDO including, but not limited to installation of a 6" water line, fire hydrants, and adequate drainage facilities to serve the development;
2. That a Preliminary Plat shall be submitted for review within 24 months from the date the Sketch Plan is approved by the Board of Commissioners; and
3. That as a continuing condition to this approval, the applicant will meet and continue to meet all requirements of the County's Unified Development Ordinance.

PLANNING BOARD RECOMMENDATION:

On February 10, 2004 the Planning Board reviewed this request and recommended approval (8-0) subject to the staff recommended conditions.

Chairman O'Neal opened the public hearing.

Norman Whitehead, Elliott Road, expressed concerns with type of houses to be built.

Don Moody, expressed concerns with type of housing.

Murray Elliott, questioned the lots and graveyard.

William Thomas, expressed concerns with lot 9 and the cemetery.

Brett Connors, expressed concerns with lot 9 and a drainage plan.

Mike Doxey, discussed a drainage plan would be done and there was a cemetery on lot 9.

Bill Owens, Surveyor, stated that the area of the cemetery would be marked.

There being no further comments, Chairman O'Neal closed the public hearing.

Chairman O'Neal moved to table until it has been determined if and where the graveyard is located. Commissioner Bowden seconded the motion. Motion carried.

Consideration of DOT easement agreement for Colonial Beach Road (SR 1122).

Commissioner Miller moved to approve the easement agreement. Commissioner Gregory seconded the motion. Motion carried.

Appointment to Senior Citizen Advisory Board.

Commissioner Miller moved to appoint William Freethy and Zalla Working. Commissioner Gregory seconded the motion. Motion carried.

Appointment to Library Board.

Commissioner Miller moved to appoint Ramona Humphries and Jim Edsall. Commissioner Gregory seconded the motion. Motion carried.

Consent Agenda:

Budget Amendments

Approval of January 20 minutes & February 5, 2004.

Resolution supporting the Recognition of God as the Foundation of our National Heritage.

Resolution opposing toll charges on the Corolla Ferry.

Resolution for Bond Refunding.

Albemarle Mental Health second Quarterly Fiscal Monitoring Report.

Right of way agreement for SOB water system.

Right of Way agreement for Southern Park.

Resolution to declare surplus property.

Adopt newly created classification of Social Worker-Investigative/Assessment and treatment.

Commissioner Gregory moved to approve. Commissioner Bowden seconded the motion.

Chairman O'Neal requested the Resolution supporting the recognition of God be sent to the President, Senator, Congressman and all other counties.

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
66868-545000	Contract Services	\$ 66,000	
66868-588000	Contingency		66,000
		\$ 66,000	66,000

EXPLANATION: Southern Outer Banks Water System (868) – To record change order #1 for Bradford Brothers, Inc. for demobilization/remobilization costs.

NET BUDGET EFFECT: Southern Outer Banks Water System Fund (66) – No change.

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
10430-545000	Contract Services	\$ 3,640	
10430-590000	Capital Outlay		3,640
		\$ 3,640	3,640

EXPLANATION: Elections (430) – Transfer funds from capital outlay, which was budgeted for new elections equipment, to contract services for maintenance on old equipment. The Board of Elections has not received the specifications for new voting equipment and it will not be purchased this year; therefore, the County needs to renew the maintenance agreement on the old equipment.

NET BUDGET EFFECT: Operating Fund (10) – No change.

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
10550-545000	Contract Services	\$ 4,233	\$
10340-450500	Administration & Filing Fees		4,233
		\$ 4,233	\$ 4,233

EXPLANATION: Airport (550) – To increase budget line items for the following:

- Cleaning contract for Airport Terminal Building - \$2,235
 - Aviation sentry software subscription - 1,503
 - Installation of satellite for aviation sentry - 495
- \$4,233

NET BUDGET EFFECT: Operating Fund (10) – Increased by \$4,233.

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
66868-514000	Travel	\$ 750	\$
66868-514500	Training & Education	550	
66868-531000	Gas, Oil, Etc.	1,000	
66868-532000	Supplies	4,000	
66868-590000	Capital Outlay	30,000	
66390-499900	Retained Earnings Appropriated		36,300
		\$ 36,300	\$ 36,300

EXPLANATION: Southern Outer Banks Water System (868) – To appropriate retained earnings to purchase the following items for the Water Plant Superintendent for the Southern Outer Banks Water System:

Utility Truck	\$27,000
Laptop Computer	1,500
Pipehorn Locator	1,500
Travel for continuing educ.	750
Class registration & material	550
Gas, oil, etc for vehicle	1,000
Tools to equip truck	4,000
Total	\$36,300

NET BUDGET EFFECT: Southern Outer Banks Water Fund (66) increased by \$36,300

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
10511-503500	Temporary Services	\$ 10,544	\$
10511-502000	Salaries - Regular		10,544
		\$ 10,544	\$ 10,544

EXPLANATION: Jail (511) – The jail has an employee that has been on worker’s compensation for almost a year and has not been released for work. This Sheriff needs a temporary position to cover this position and requests funds to be transferred from regular salaries to temporary services to cover this position for the remainder of this fiscal year.

NET BUDGET EFFECT: Operating Fund (10) – No change.

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
23690-545000	Contract Services	\$ 14,000	\$
23390-499900	Fund Balance Appropriated		14,000
		\$ 14,000	\$ 14,000

EXPLANATION: Moyock Fire District (23690) – Appropriate fund balance for a Compressed Air Foam System (CAFS) unit for the finishing component for the Quick Response Rescue/Urban Interface vehicle. This unit will triple the water capacity for the vehicle enabling a large foam blanket over a specific area such as a woodlands fire or for the protection of a house that could be in the path of an oncoming fire. This will enable the department to acquire the needed equipment without incurring additional debt.

NET BUDGET EFFECT: Moyock Fire District (23) – Increased by \$14,000.

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
10641-502000	Salaries - Regular	\$ 6,400	\$
10641-507000	Retirement	626	
10641-506000	Health Insurance	1,320	
10641-503000	Salaries - Part time		6,400
10641-590000	Capital Outlay		1,946
		\$ 8,346	\$ 8,346

EXPLANATION: Support Our Students (641) – Currently, the Support Our Students Secretary I position is vacant. They have requested to reclassify this position from a part-time Secretary I position to a full-time 4-H Program Assistant position. Over the past three years and with the addition of a second middle school, this program has increased its enrollment over 200%. This position will be funded with grant funds from the NC Department of Juvenile Justice and Delinquency Prevention.

Note: Funding for this full-time position for FY 2005 will require \$29,000 in salary and benefits.

NET BUDGET EFFECT: Operating Fund (10) – No change.

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
10430-532000	Supplies	\$ 3,300	\$
10430-545000	Contract Services	249	
10795-532000	Supplies	2,250	
10340-450500	Administration and Filing Fees		5,799
		\$ 5,799	\$ 5,799

EXPLANATION: Elections (430) and Recreation (795) – Increase budgeted line items to set up Elections and Recreation in the Home Health double-wide trailer located on the site of the old health department. Items needed for these offices are as follows:

Elections: Desk for elections supervisor; desk chair; computer cart to locate public computer in lobby for election results; end table, lamp and guest chairs for lobby; folding table; panels to separate one-stop voting from public; chair mats; literature display rack for elections/recreation forms; answering machine; telephones; and microwave.

Recreation: Desks for recreation employees; desk chairs; guest chairs; chair mats; folding table; fax machine; telephones; file cabinet.

In addition, we will need to add an additional copier to the current copier pool contract for these offices to share.

NET BUDGET EFFECT: Operating Fund (10) – Increased by \$5,799.

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
10530-502100	Overtime	\$ 80,000	\$
10530-503500	Temporary Services	10,000	
10530-505000	FICA	3,857	
10530-507000	Retirement	5,214	
10530-502000	Salaries - Regular		25,000
10530-503000	Salaries - Part-time		14,580
10530-544000	Volunteer Assistance		15,000
10390-499900	Fund Balance Appropriated		44,491
		\$ 99,071	\$ 99,071

EXPLANATION: Emergency Services (530) - Emergency services requests an increase in overtime and associated benefits for the following reasons:

- There were two positions vacant for approximately six weeks, which meant someone else had to full the vacant slot.
- One employee was on leave without pay for six weeks.
- Three employees had long-tem illnesses, which kept them out of work on sick leave in excess of 200 hours each, while other employees worked overtime to cover their schedule.
- Only 40 hours per week per employee was budgeted and the EMS regular schedule is 42 hours per employee per week.

NET BUDGET EFFECT: Operating Fund (10) – Increased by \$44,491.

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
10752-519003	State/County Special Assistance	\$ 12,000	\$
10752-519005	State Foster Care & Boarding	10,000	
10752-519002	Medical Assistance		12,000
10752-519100	Title IV-E Foster Care		10,000
		\$ 22,000	\$ 22,000

- **EXPLANATION:** Public Assistance (752) – Transfer funds between budgeted line items to adjust program funding for projected expenditures based on actual eligible clients.

NET BUDGET EFFECT: Operating Fund (10) – No change.

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
10510-516000	Maintenance & Repair	\$ 22,800	\$
10510-531000	Gas, Oil & Tires	30,000	
10510-536000	Uniforms	7,200	
10510-557600	Miscellaneous Information		20,000
10510-590000	Capital Outlay		40,000
		\$ 60,000	\$ 60,000

EXPLANATION: Sheriff (510) – Transfer budgeted funds to maintenance & repairs and gas, oil & tires for maintenance to keep older vehicles in operation and to uniforms to outfit new deputies.

NET BUDGET EFFECT: Operating Fund (10) – No change.

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
10760-585000	Donations	\$ 1,285	\$
10380-487000	Donations		1,285
		\$ 1,285	\$ 1,285

EXPLANATION: County Assistance (760) – Increase budgeted line items to account for DSS donations received above the current budget.

NET BUDGET EFFECT: Operating Fund (10) – Increased by \$1,285.

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
10410-561000	Professional Services	\$ 41,200	\$
10310-400003	Ad Valorem Taxes - 2003 Levy		41,200
		\$ 41,200	\$ 41,200

EXPLANATION: Administration (410) – Increase budgeted line items for Tischler and Associates to be a consultant for the County to evaluate and prepare a school impact fee report.

NET BUDGET EFFECT: Operating Fund (10) – Increased by \$41,200.

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
10795-513001	Utilities	\$ 2,000	\$
10795-545000	Contract Services	1,500	
10795-576003	Youth Flag Football	530	
10350-464000	Rent		3,000
10795-576004	Afterschool & Night Classes		1,030
		\$ 4,030	\$ 4,030

EXPLANATION: Recreation (795) – Increase utilities due to higher than anticipated costs at the Knotts Island center that opened during the summer 2003; increase contracted services for portable toilets that were requested at the Coinjock and Knotts Island boat ramps; and increase in flag football due to increased participation.

NET BUDGET EFFECT: Operating Fund (10) – Increased by \$3,000.

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
10640-545000	Contract Services	\$ 5,228	\$
10390-499900	Fund Balance Appropriated		5,228
		\$ 5,228	\$ 5,228

EXPLANATION: Cooperative Extension (640) – Increase contract services for the County cost share portion of the Extension salaries. In September 2003, the health insurance premium increased for a total increase of \$2,908 and the salaries increased by \$2,320.

NET BUDGET EFFECT: Operating Fund (10) – Increased by \$5,228.

ACCOUNT NUMBER	ACCOUNT DESCRIPTION	DEBIT	CREDIT
10511-502000	Salaries - Regular	\$ 6,000	\$
10511-503000	Salaries - Part -time		6,000
		\$ 6,000	\$ 6,000

EXPLANATION: Jail (511) – The Sheriff has requested to transfer \$6,000 from part-time salaries to regular salaries in order to reclassify the vacant detention officer position to a detention superintendent in the Jail.

NET BUDGET EFFECT: Operating Fund (10) – No change.

**RESOLUTION SUPPORTING THE HISTORICAL RECOGNITION OF GOD AS
A FOUNDATION OF OUR NATIONAL HERITAGE**

WHEREAS, as a historical proposition, our Government was founded upon a trust in God that began when our Founding Fathers proclaimed in America’s first official document, our Declaration of Independence, that our rights to “life, liberty and the pursuit of happiness, “ were not given to us by government, but by God “our Creator,” the “Supreme Judge of the World;” and

WHEREAS, it is a fact that a majority of those who drafted and signed the United States Constitution had a strong belief and trust in God and never intended that government be hostile to the free exercise of religion, only that each citizen be free to choose on a personal basis how to worship, or if to worship; and

WHEREAS, the recognition of God by our Government was further established when Congress, in 1954, added the phrase "ONE NATION UNDER GOD" to our Pledge of Allegiance, followed in 1956 by the official establishment of "IN GOD WE TRUST" as our National motto; and

WHEREAS, there is now a growing demand by some within the Judicial System to remove all visible recognition of God from public institutions, we need to remind all that the God of our Founding Fathers is important to our National Heritage, and that Judeo-Christian legal concepts, such as the Ten Commandments, are a foundation of American law, moral values and code of conduct.

THEREFORE, we urge all American citizens to proclaim to every level of Government (Local, State, and Federal) its responsibility to publicly recognize the historical roll of God in our nation's beginnings as evidenced in our Founding Documents; the Declaration of Independence, the Constitution of the United States, and the Constitution of North Carolina, as part of our national and state heritage...LEST OUR NATION AND STATE FORGET AND OUR CHILDREN NEVER KNOW!

**RESOLUTION
OPPOSING TOLL CHARGES ON
COROLLA FERRY**

WHEREAS, the Currituck County Board of Commissioners believes that a State-maintained ferry system which is free to residents and the public at large is as critical as, and directly akin to, the state-maintained road system that ensures ease of travel, access, and commerce to all citizens of North Carolina, and that residents of Corolla are as entitled to free access to state-maintained transportation corridors as those residents who live on any mainland area of the state of any area of the state served by a state-maintained bridge; and

WHEREAS the North Carolina Department of Transportation has proposed to place a toll on the Corolla Ferry; and

WHEREAS, the Currituck County Board of Commissioners believes that the imposition of a toll charge on the Corolla Ferry would create an economic hardship on the residents of Corolla and Currituck County residents as a whole.

NOW, THEREFORE, BE IT RESOLVED that the Currituck County Board of Commissioners oppose a toll charge for the Corolla Ferry and urge the Department of Transportation not to make this a requirement for the Corolla Ferry.

The Clerk is hereby directed to transmit a copy of this resolution to Secretary Department of Transportation Lyndo Tippet, Senator Marc Basnight, Representative Bill Owens, and Stan White, Board of Transportation Member.

**BOARD OF COMMISSIONERS
OF
COUNTY OF CURRITUCK**

Excerpts of Meeting of
March 8, 2004

Present: Chairman _____ presiding, and
Commissioners _____

Absent: _____

* * * * *

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 OF CURRITUCK COUNTY, PURSUANT TO THE BOND ORDER HERETOFORE APPROVED AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF

WHEREAS, the Board of Commissioners of Currituck County (the "Board") desires to provide for the issuance of general obligation refunding bonds to finance, in part, certain maturities of the County's General Obligation School Bonds, Series 1995 and its 1989 Water Bonds, Series A and Series B; and

WHEREAS, the Bond Order hereinafter described was authorized and adopted by the Board on January 20, 2004; and

WHEREAS, under North Carolina law, such bonds are to be sold at public sale by the North Carolina Local Government Commission after circulation of an official

statement with respect to such bonds which describes the terms thereof and the security therefore, 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 Currituck County, meeting in regular session at Currituck, North Carolina, on March 8, 2004, does the following:

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS FOR CURRITUCK COUNTY:

The County shall issue its general obligation refunding bonds (the "Bonds") in an aggregate principal amount shown on Exhibit A, pursuant to and in accordance with the Bond Order entitled:

"BOND ORDER AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2004 OF CURRITUCK COUNTY IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000 FOR THE PURPOSE OF REFUNDING, IN PART, CERTAIN MATURITIES OF THE COUNTY'S GENERAL OBLIGATION SCHOOL BONDS, SERIES 1995 AND ITS 1989 WATER BONDS, SERIES A AND SERIES B"

The Bonds shall be designated "General Obligation Refunding Bonds, Series 2004" and shall be dated April 1, 2004. The Bonds shall mature in annual installments on June 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 (6.0%), payable on June 1, 2004, and semiannually thereafter on each June 1 and December 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 maturing prior to June 1, 2015, will not be subject to redemption prior to maturity. The Bonds maturing on or after June 1, 2015, will be subject to redemption prior to maturity, at the option of the County, from any moneys that may be made available for such purpose, either in whole or in part (in multiples of \$5,000 of principal amount) on any date not earlier than June 1, 2014 at the principal amount of the Bonds to be redeemed together with interest accrued thereon to the date fixed for redemption. If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the County in such manner as the County may determine, provided that DTC and its participants shall determine which Bonds are to be redeemed by lot so long as a book-entry system with DTC is continued.

Notice of redemption shall be given by facsimile transmission, registered or certified mail or overnight express delivery to DTC or its nominee as the registered owner of the Bonds. Such notice shall be sent or mailed not more than 60 nor less than 30 days prior to the date fixed for redemption. The County will not be responsible for sending or mailing notices of redemption to anyone other than DTC or its nominee unless no qualified securities depository is the registered owner of the Bonds. If no qualified securities depository is the registered

owner of the Bonds, notice of redemption will be sent or mailed to the registered owners not less than 30 days prior to the date fixed for redemption.

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 following form, the terms and requirements of which are incorporated herein by reference:

REGISTERED

REGISTERED

No. R- _____

\$ _____

UNITED STATES OF AMERICA
STATE OF NORTH CAROLINA
CURRITUCK COUNTY

General Obligation Refunding Bonds, Series 2004

<u>INTEREST RATE</u>	<u>MATURITY DATE</u>	<u>DATE OF ORIGINAL ISSUE</u>	<u>CUSIP NO.</u>
_____ %	June 1, 20__	_____ April 1, 2004	_____

REGISTERED OWNER: CEDE & CO.

PRINCIPAL AMOUNT: DOLLARS (\$ _____)

The County of Currituck, 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 June 1 and December 1 at the annual rate stated above. Interest is payable from April 1, 2004, beginning June 1, 2004. 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 \$15,000,000 Currituck County General Obligation Refunding Bonds, Series 2004 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 Currituck County and the Bond Order entitled:

"BOND ORDER AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2004 OF CURRITUCK COUNTY IN A MAXIMUM AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$15,000,000 FOR THE PURPOSE OF REFUNDING, IN PART, CERTAIN MATURITIES OF THE COUNTY'S GENERAL OBLIGATION SCHOOL BONDS, SERIES 1995 AND ITS 1989 WATER BONDS, SERIES A AND SERIES B"

which was authorized and adopted by the County on January 20, 2004.

The Bonds maturing prior to June 1, 2015 will not be subject to redemption prior to maturity. The Bonds maturing on or after June 1, 2015 will be subject to redemption prior to maturity, at the option of the County, from any moneys that may be made available for such purpose either in whole or in part (in multiples of \$5,000) on any date not earlier than June 1, 2014 at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption. If less than all of the Bonds of any one maturity shall be called for redemption, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot in such manner as the County may determine; provided, however, that so long as the book-entry system is used for determining beneficial ownership of Bonds, The Depository Trust Company ("DTC") and its participants shall determine which of the Bonds are to be redeemed by lot.

Notice of redemption shall be given by facsimile transmission, registered or certified mail or overnight express delivery to DTC or its nominee as the registered owner of the Bonds. Such notice shall be sent or mailed not more than 60 nor less than 30 days prior to the date

fixed for redemption. The County will not be responsible for sending or mailing notices of redemption to anyone other than DTC or its nominee unless no qualified securities depository is the registered owner of the Bonds. If no qualified securities depository is the registered owner of the Bonds, notice of redemption will be sent or mailed to the registered owners not less than 30 days prior to the date fixed for redemption.

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 affected 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 Currituck, 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 Currituck, a manual or facsimile of its seal to be printed or affixed hereon, and this Bond to be dated April 1, 2004.

Date Authenticated: _____

Chairman, Board of Commissioners

(SEAL)

Clerk, Board of Commissioners

CERTIFICATE OF AUTHENTICATION

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

COUNTY OF CURRITUCK, 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: _____
Janice T. Burke, Secretary
Local Government Commission

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 (Signature of Registered Owner) guaranteed by a member firm of the New York Stock Exchange or a commercial bank or trust company.

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.

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.

The LGC is hereby requested to sell such General Obligation Refunding Bonds, Series 2004 by public sale on or about March 23, 2004, pursuant to an Official Statement in substantially the form of the draft presented to 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:

by not later than seven months from the end of each fiscal year of the County, to each nationally recognized municipal securities information repository ("NRMSIR") and to the state information depository for the State of North Carolina ("SID"), if any, 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, to each NRMSIR, and to the SID, if any, (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 "THE COUNTY - Debt Information and - Tax Information" in 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;

in a timely manner, to each NRMSIR or to the Municipal Securities Rulemaking Board ("MSRB"), and to the SID, if any, notice of any of the following events with respect to the Bonds, if material:

*principal and interest payment delinquencies;
non-payment related defaults;
unscheduled draws on debt service reserves reflecting financial difficulties;
unscheduled draws on any credit enhancements reflecting financial difficulties;
substitution of any credit or liquidity providers, or their failure to perform;
adverse tax opinions or events affecting the tax-exempt status of the Bonds
modification to the rights of the beneficial owners of the Bonds;
call of any of the Bonds for redemption;
defeasance of any of the Bonds;
release, substitution or sale of any property securing repayment of the Bonds; or
rating changes.*

in a timely manner, to each NRMSIR or to the MSRB, and to the SID, if any, notice of a failure of the County to provide required annual financial information described in (a) or (b) above on or before the date specified.

For purposes of this paragraph, "provide" shall mean to initiate delivery by facsimile transmission, registered

or certified mail or overnight express.

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 payment 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:

(a) 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;

(b) the information to be provided, as modified, would have complied with the requirements of Rule 15c2-12 issued under the Securities Exchange Act of 1934 ("Rule 15c2-12") as of the date of the Official Statement relating to the Bonds, after taking into account any amendments or interpretations of Rule 15c2-12, as well as any changes in circumstances; and

(c) any such modification does not materially impair the interests of the beneficial owners, as determined either by parties unaffiliated with the County (such as 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.

Any 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 paragraph shall 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 Bonds.

The 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 and the Clerk, after consultation with the County Finance Officer and the LGC, are authorized (i) to adjust the 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 payment dates are semiannual), and (iv) to make such other adjustments as they shall deem necessary to market the Bonds.

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, _____, Clerk to the Board of Commissioners for the County of Currituck, 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 March 8, 2004, 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 March, 2004.

Clerk to the Board of Commissioners
Currituck County, North Carolina
(SEAL)

Exhibit A

County of Currituck, North Carolina
General Obligation Refunding Bonds, Series 2004

Maturities

<u>Year</u>	<u>Amount</u>
06/01/2004	\$ 300,000
06/01/2005	410,000
06/01/2006	1,355,000
06/01/2007	1,325,000
06/01/2008	1,295,000
06/01/2009	1,275,000
06/01/2010	1,255,000
06/01/2011	1,235,000
06/01/2012	1,225,000
06/01/2013	1,210,000
06/01/2014	1,200,000
06/01/2015	1,095,000
06/01/2016	275,000
06/01/2017	275,000
06/01/2018	<u>275,000</u>
TOTAL	\$14,005,000

RESOLUTION

WHEREAS, Currituck County purchased a 24.57 acre parcel, P.I.N. 0132-000-043A-0000 located in Poplar Branch Township at 8955 Caratoke Highway, Point Harbor, North Carolina, for a recreational park; and

WHEREAS, a 100' x approximately 580' strip on the border of that parcel is not currently serving a governmental use or purpose; and

WHEREAS, the County would be better served if this area was returned to the County tax roll.

NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners of Currituck County, North Carolina, during its regularly scheduled meeting held on March 8, 2004, authorized that a portion of parcel 0132-000-043A-0000, recorded in Deed Book 528, page 923 is declared as surplus property, pursuant to North Carolina General Statute Section 160A-265.

RESOLUTION AUTHORIZING UPSET BID PROCESS

WHEREAS, the County of Currituck owns certain property, PIN 0132-000-043A-0000, 8955 Caratoke Highway, Point Harbor, North Carolina, located within Poplar Branch Township; and

WHEREAS, North Carolina General Statute 160-269 permits the county to sell property by upset bid, after receipt of an offer for the property; and

WHEREAS, the County has received an offer to purchase a 100' x approximately 580' strip of the property described above, in the amount of \$100,000.00, submitted by F. C. Bernard, Elizabeth City, North Carolina.

WHEREAS, F.C. Bernard has paid the required five percent (5%) deposit on this offer;

THEREFORE, THE COUNTY COMMISSIONERS OF CURRITUCK COUNTY RESOLVE THAT:

1. The Board of Commissioners authorizes sale of the property described above through the upset bid procedure of North Carolina General Statute 160A-269.
2. The County Clerk shall cause a notice of the proposed sale to be published. The notice shall describe the property and the amount of the offer, and shall state the terms under which the offer may be upset.
3. Persons wishing to upset the offer that has been received shall submit a sealed bid with their offer to the office of the County Clerk within 10 days after the notice of sale is published. At the conclusion of the 10-day period the County Clerk shall open the bids, if any, and the highest such bid will become the new offer. If there is more than one bid in the highest amount, the first such bid received will become the new offer.
4. If a qualifying higher bid is received, the County Clerk shall cause a new notice of upset bid to be published, and shall continue to do so until a 10-day period has passed without any qualifying upset bid having been received. At that time, the amount of the final high bid shall be reported to the Board of Commissioners.
5. A qualifying higher bid is one that raises the existing offer by not less than ten percent (10%) of the first \$1,000.00 of that offer and five percent (5%) of the remainder of that offer.

6. A qualifying higher bid must also be accompanied by a deposit in the amount of five percent (5%) of the bid; the deposit may be made in cash, cashier's check, or certified check. The County will return the deposit on any bid not accepted, and will return the deposit on an offer subject to upset if a qualifying higher bid is received. The County will return the deposit of the final high bidder at closing.
7. The terms of the final sale are that
 - the County Commissioners must approve the final high offer before the sale is closed, which it will do within 30 days after the final upset bid period has passed, and
 - The buyer must pay with cash at the time of closing.
8. The County reserves the right to withdraw the property from sale at any time before the final high bid is accepted and the right to reject at any time all bids.
9. If no qualifying upset bid is received after the initial public notice, the offer set forth above is hereby accepted. The appropriate County officials are authorized to execute the instruments necessary to convey the property to F.C. Bernard.

Commissioner's Report

Commissioner Miller requested that the resolution on our National Heritage be framed for all the Commissioners.

Commissioner Bowden commended the DOT staff for their work on repairing the roads on Knotts Island.

County Manager's Report

County Manager Scanlon reported that the No Wake signs for the Coinjock waterway have arrived and will be placed on the bridge and other areas previously discussed.

Closed Session to discuss personnel.

Chairman O'Neal moved to go into closed session to discuss personnel. Commissioner Gregory seconded the motion. Motion carried.

Adjourn

After reconvening from closed session, no action was taken. There being no further business, the meeting adjourned.

OCEAN SANDS WATER & SEWER ADVISORY BOARD

Call to Order

Chairman O'Neal called the meeting to order.

Appointment to Ocean Sands Water & Sewer Advisory Board.

Chairman O'Neal moved to appoint Jack Burke. Commissioner Gregory seconded the motion. Motion carried with Commissioner Bowden voting no.

Adjourn

There being no further business, the meeting adjourned.