REQUEST FOR BOARD ACTION / CONTRACT CONTROL FORM

Tracking Number: 15.

Date of Request: August 12, 2008

Board Meeting Date Requested: August 18, 2008

Short Title: Public Hearing And Adoption Of Bond Order Authorizing The Issuance Of General Obligation Water Bonds Of The Columbia - Union Water And Sewer District In The Maximum Amount Of $50,000,000.

Background: In 2006, the voters of the Columbia-Union Water and Sewer District narrowly defeated the $44,000,000 Bond Referendum that would have provided the general obligation bonds to use for collateral for the loan to construction a "backbone" water distribution system in the District. The Board of Commissioners has instructed staff to take steps to appropriately place this bond referendum on the ballot for the November 4th, 2008 election.

Since the $44,000,000 cost estimate was based on 2006 numbers, staff requested the Engineer to update the estimate. McKim & Creed took into account a 7% annual increase in construction costs since 2006 and now estimates this figure to be closer to $50,000,000.

Bond Counsel has indicated that this sets the "maximum" amount of bonding authority and in no way prevents the County from borrowing and bonding for less.

Today's action, if approved, will authorize the Bond Order for the issuance of general obligation water bonds of the Columbia-Union Water and Sewer District in the maximum amount of $50,000,000 subject to voter approval.

This is a necessary step in order to place this issue on the on the November 4, 2008 ballot for the voters of the Columbia-Union Water and Sewer District only.

Specific Action Requested: Hold a Public Hearing and Adopt the Bond Order authorizing the issuance of general obligation water bonds of the Columbia-Union Water and Sewer District upon voter approval on the November 4, 2008 election.

Requested by:	Michael G. Mack
Department:	Pender Utilities
Title:	Utilities Director
Contact Phone:	910-259-1570
Contact Fax:	910-259-1579

Date Request Received: August 12, 2008

Board Meeting Date Assigned: August 18, 2008

Request Status:

- ☒ Request is proceeding to Board of Commissioners
- ☐ More information is needed – see attached
- ☐ Request on hold – no further information needed
- ☐ Other:

(Administrative Use Only)

CONTRACT TYPE

- ☐ Renewal
- ☐ Revision
- ☐ For Service(s)
- ☐ For Equipment
- ☐ Intergovernmental – County as Grantee
  - ☐ Federal Grantor
  - ☐ State Grantor
  - ☐ Grant or
- ☐ County as Grantor
  - ☐ County Funds
  - ☐ Other Funds:

PURCHASING
Date Rec'd:
Budgeted Item: ☐ Yes ☐ No
☐ Reviewed and Approved
☐ Comments on Reverse
Date Sent:
Signed:

ATTORNEY
Date Rec'd:
☐ Reviewed and Approved
☐ Legal Problem(s)
☐ Comments on Reverse
Date Sent:
Signed:

FINANCE
Date Rec'd
Sufficient Funds ☐ Available ☐ Not Available
☐ Budget Amendment Necessary
☐ Budgeted Amendment is Attached
☐ Comments on Reverse
Date Sent:
Signed:

CLERK
Signature(s) Required:
☐ Board Chairman/County Manager
☐ Other:
Date Rec'd
Approved by Board: ☐ Yes ☐ No
At meeting on

Bond Order for Adoption

BOND ORDER AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION WATER BONDS OF COLUMBIA – UNION WATER AND SEWER DISTRICT IN THE MAXIMUM AMOUNT OF $50,000,000

WHEREAS --

The Board of Commissioners of Pender County, North Carolina, as the governing body of Columbia-Union Water and Sewer District (the "District"), by resolution adopted on June 16, 2008, has stated its proposal to issue general obligation water bonds of the District.

The District has applied to the North Carolina Local Government Commission for its approval of such bonds, and the Commission has accepted the District's application.

BE IT ORDERED by the Board of Commissioners of Pender County, North Carolina, as the governing body of Columbia-Union Water and Sewer District, as follows:

1. There are hereby ordered to be issued general obligation bonds of the District to pay capital costs of providing water systems, including without limitation, facilities for the supply, storage, treatment, and distribution of water, together with related financing costs and other necessary or incidental costs.

2. The maximum aggregate principal amount of the bonds issued for such purpose will be $50,000,000.

3. Taxes will be levied in an amount sufficient to pay the principal and interest on the bonds so issued, to the extent other funds (such as utility charges) are not otherwise available and appropriated for such purpose.

4. A sworn statement of debt prepared by the County's Finance Officer has been filed with the Clerk to this Board and is available for public inspection.

5. This Bond Order will take effect when approved by the District's voters in the manner provided for by law.

AMENDMENTS:

MOVED_____SECONDED_____

APPROVED_____DENIED_____UNANIMOUS

YEA VOTES: Williams___Tate____Blanchard ____Brown___Rivenbark _____

_____ 08/18/08
J. David Williams, Jr., Chairman Date

_____ 08/18/08
Attest Date