



**Ocean Sands Water and Sewer District Board  
Agenda Packet**

**October 16, 2017**

**Call to Order**

- A) Approval of Agenda

**New Business**

- A) **Resolution to Approve Financing Terms for Ocean Sands Wastewater Treatment Plant Construction**
- B) **Consent Agenda**
  - 1. Approval Of Minutes for Oct. 2, 2017 OSWSD Board

**Adjourn**



## Currituck County Agenda Item Summary Sheet

**Agenda ID Number** – (ID # 2019)

**Agenda Item Title**

Resolution to Approve Financing Terms for Ocean Sands Wastewater Treatment Plant Construction

**Brief Description of Agenda Item:**

**Board Action Requested**

Action

**Person Submitting Agenda Item**

Leeann Walton, Clerk to the Board

**Presenter of Agenda Item**

Daniel F. Scanlon

**Ocean Sands Water and Sewer District**  
**Resolution Approving Financing Terms**

**WHEREAS:** Ocean Sands Water and Sewer District (the "District") has previously determined to undertake a project for the financing of the Ocean Sands Wastewater Treatment Plant Project, (the "Project"), and the Finance Officer has now presented a proposal for the financing of such Project.

**BE IT THEREFORE RESOLVED, as follows:**

1. The District hereby determines to finance the Project through Branch Banking and Trust Company ("BB&T"), in accordance with the proposal dated September 14, 2017. The amount financed shall not exceed \$8,000,000.00, the interest rate shall not exceed 2.45% and the financing term shall not exceed fifteen (15) years from closing.

2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the District are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.

3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by District officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.

4. The District shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The District hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).

5. The District intends that the adoption of this resolution will be a declaration of the District's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The District intends that funds that have been advanced, or that may be advanced, from the District's general fund, or any other District fund related to the project, for project costs may be reimbursed from the financing proceeds.

6. All prior actions of District officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this \_\_\_\_\_ day of \_\_\_\_\_, 2017.

By: \_\_\_\_\_

By: \_\_\_\_\_

Title: \_\_\_\_\_

Title: \_\_\_\_\_

SEAL

Attachment: Ocean Sands Resolution Approving Financing Term2 (OSWSD-Resolution to Approve Financing-OSWWTP)



**CURRITUCK COUNTY  
NORTH CAROLINA**

October 2, 2017  
Minutes – Special Meeting of the Ocean Sands Water and Sewer District Board

**6:00 PM CALL TO ORDER**

The Currituck County Board of Commissioners held a Special Meeting of the Ocean Sands Water and Sewer District Board on October 2, 2017, immediately following the 6:00 PM Regular Commissioners Meeting. The meeting was called to order by Chairman Hanig at 12:04 AM, October 3, 2017.

Attendee Name	Title	Status	Arrived
Bobby Hanig	Chairman	Present	
Mike H. Payment	Vice-Chairman	Present	
Paul M. Beaumont	Commissioner	Absent	
Mary "Kitty" Etheridge	Commissioner	Present	
Marion Gilbert	Commissioner	Present	
Mike D. Hall	Commissioner	Absent	
Bob White	Commissioner	Present	

**NEW BUSINESS**

**A. Approval of Project Ordinance**

Dan Scanlon, County Manager, reviewed the project ordinance for the Ocean Sands Wastewater Treatment Plant Phase II construction project.

Commissioner Gilbert moved to accept. The motion was seconded by Commissioner White and carried, 5-0.

**COUNTY OF CURRITUCK  
CAPITAL PROJECT ORDINANCE**

BE IT ORDAINED by the Currituck County Board of Commissioners sitting as the Ocean Sands Water and Sewer District, North Carolina that pursuant to Section 13.2 of Chapter 159 of the General Statutes of North Carolina, the following capital project ordinance is hereby adopted:

**SECTION 1.** The project authorized is to design and construct replacement and expansion of the Ocean Sands Wastewater System, Corolla, NC.

**SECTION 2.** The following amounts are appropriated for the project:

Communication: OSWSD Board Minutes for October 2, 2017 (Approval Of Minutes for Oct. 2, 2017 OSWSD Board)

Construction	\$ 7,299,643
Professional Services	\$ 431,150
Contingency	\$ 730,000
	<u>\$ 8,460,793</u>

**SECTION 3.** The following revenues are available to complete this project:

Proceeds from Debt	\$ 7,500,000
Transfer from Ocean Sands Water & Sewer Operations	960,793
Existing funds from prior closed projects	
	<u>\$ 8,460,793</u>

**SECTION 4.** The Finance Director is hereby directed to report, on a quarterly basis, on the financial status of each project element delineated in Section 2 above.

#### **SECTION 5. SPECIAL APPROPRIATIONS AND RESTRICTIONS**

The Budget Officer is hereby authorized to transfer appropriations within the fund as contained herein under the following conditions:

- a. He may transfer amounts between object line items within the fund up to One Thousand dollars (\$1,000).

#### **SECTION 6. CONTRACTUAL OBLIGATIONS**

The County Manager is hereby authorized to execute contractual documents under the following conditions:

- a. He may execute contracts for construction or repair projects which do not require formal competitive bid procedures.
- b. He may execute contracts for (1) purchases of apparatus, supplies, and materials, or equipment which are within the budgeted departmental appropriations; (2) leases of personal property for a duration of one year or less and within budgeted departmental appropriations; and (3) services which are within budgeted departmental appropriations.
- c. He may execute contracts, as the lessor or lessee of real property, which are of a duration of one year or less which are within the budgeted departmental appropriations.

#### **SECTION 7. USE OF BUDGET ORDINANCE**

The Budget Officer and the Finance Director shall use this capital project ordinance for administration of the budget and for the accounting system.

ADOPTED this 2<sup>nd</sup> day of October 2017.

\_\_\_\_\_  
Bobby Hanig, Chairman Board of  
Commissioners

ATTEST:

\_\_\_\_\_  
Leeann Walton Clerk to the Board

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Marion Gilbert, Commissioner
<b>SECONDER:</b>	Bob White, Commissioner
<b>AYES:</b>	Bobby Hanig, Chairman, Mike H. Payment, Vice-Chairman, Mary "Kitty" Etheridge, Commissioner, Marion Gilbert, Commissioner, Bob White, Commissioner
<b>ABSENT:</b>	Paul M. Beaumont, Commissioner, Mike D. Hall, Commissioner

**B. Resolution Accepting Conveyance of Real Property from Currituck County for Wastewater Treatment and Disposal**

Mr. Scanlon reviewed the Resolution to accept a transfer of property from the county to the service district, to properly place the asset in the district.

Commissioner Payment moved to accept. The motion was seconded by Commissioner Gilbert. The motion carried unanimously.

**RESOLUTION OF THE GOVERNING BOARD FOR OCEAN SANDS WATER AND SEWER DISTRICT ACCEPTING CONVEYANCE OF CURRITUCK COUNTY PROPERTY FOR CONTINUED USE AND LOCATION OF WASTEWATER TREATMENT AND DISPOSAL**

WHEREAS, Currituck County owns property located at 741 and 743 Ocean Trail, Corolla, North Carolina as more particularly described in deeds recorded in Deed Book 137, Page 158 and Deed Book 231, Page 635 of the Currituck County Registry, (the "County Property"); and

WHEREAS, the County Property has and continues to be occupied by a wastewater treatment plant and disposal field operated by Ocean Sands Water and Sewer District, a body corporate and politic existing pursuant to Chapter 62A of the General Statutes of North Carolina, for the benefit of property located in Ocean Sands subdivision; and

WHEREAS, Ocean Sands Water and Sewer District has constructed improvements to the wastewater treatment facility and is preparing to finance and construct additional improvements to the wastewater treatment facility required to meet regulatory requirements and demand from its service area; and

WHEREAS, County Property has an appraised tax value in the total amount of \$1,912,100; and

WHEREAS, Section 160A-274 of the General Statutes of North Carolina authorizes Currituck County, upon such terms and conditions as it deems wise, with or without consideration, convey the County Property to another governmental entity.

NOW, THEREFORE, BE IT RESOLVED by the Board for Ocean Sands Water and Sewer District that:

Section 1. The conveyance of Currituck County property located at 741 and 743 Ocean Trail, Corolla, North Carolina as more particularly described in deeds recorded in Deed Book 137, Page 158 and Deed Book 231, Page 635 of the Currituck County Registry to Ocean Sands Water and Sewer District is accepted with the condition that Ocean Sands Water and Sewer District shall pay as consideration for the County Property \$1,912,100 upon demand of Currituck County.

Section 2. The appropriate officials of Ocean Sands Water and Sewer District are directed and authorized to execute any instruments necessary to carry out the conveyance of the County Property to Ocean Sands Water and Sewer District upon the conditions set out in this resolution.

Section 3. This resolution is effective upon its adoption and supersedes any prior or conflicting resolution.

ADOPTED the 2nd day of October, 2017.

\_\_\_\_\_  
Bobby Hanig, Chair  
Ocean Sands Water and Sewer District

ATTEST:

\_\_\_\_\_  
Leeann Walton,  
Clerk to the Board for Ocean  
Sands Water and Sewer District

<b>RESULT:</b>	<b>APPROVED [UNANIMOUS]</b>
<b>MOVER:</b>	Mike H. Payment, Vice-Chairman
<b>SECONDER:</b>	Marion Gilbert, Commissioner
<b>AYES:</b>	Bobby Hanig, Chairman, Mike H. Payment, Vice-Chairman, Mary "Kitty" Etheridge, Commissioner, Marion Gilbert, Commissioner, Bob White, Commissioner
<b>ABSENT:</b>	Paul M. Beaumont, Commissioner, Mike D. Hall, Commissioner

**ADJOURN**

**Motion to Adjourn Meeting**

With there being no further business, Commissioner Etheridge moved to adjourn. The motion was seconded by Commissioner White and the special meeting of the Ocean Sands Water and Sewer District Board was adjourned.



**RESULT:** APPROVED [UNANIMOUS]  
**MOVER:** Mary "Kitty" Etheridge, Commissioner  
**SECONDER:** Bob White, Commissioner  
**AYES:** Bobby Hanig, Chairman, Mike H. Payment, Vice-Chairman, Mary "Kitty" Etheridge, Commissioner, Marion Gilbert, Commissioner, Bob White, Commissioner  
**ABSENT:** Paul M. Beaumont, Commissioner, Mike D. Hall, Commissioner

Communication: OSWSD Board Minutes for October 2, 2017 (Approval Of Minutes for Oct. 2, 2017 OSWSD Board)