

Notary

Address

My Commission Expires (date)

On motion made by Janice McKenzie Cole, seconded by Tammy Miller-White, the Board unanimously approved the above Resolution.

PUBLIC COMMENTS

Donna Godfrey, County Planner, asked the Board for some clarification on their request to her regarding the release of the road maintenance bond for Mr. & Mrs. Chappell.

ADJOURNMENT

There being no further comments or business to discuss, the Regular Meeting was adjourned by the Chairman at 8:50 p.m.

Benjamin C. Hobbs, Chairman

Clerk to the Board

SPECIAL CALLED MEETING

August 22, 2011
7:00 p.m.

The Perquimans County Board of Commissioners met in a Special Called Meeting on Monday, August 22, 2011 at 7:00 p.m. in the Commissioners' Room located in the Perquimans County Courthouse Annex. The purpose of the meeting was to discuss and take action on the proposed Lease Agreement for the 20/20 Building and the Financing Agreement for the Albemarle Electric Membership Corporation (AEMC) Building.

MEMBERS PRESENT: Benjamin Hobbs, Chairman Janice McKenzie Cole, Vice-Chair
Edward R. Muzzulin Tammy Miller-White
Sue Weimar Mack Nixon

MEMBERS ABSENT: None

OTHERS PRESENT: Bobby C. Darden, County Manager Mary P. Hunnicutt, Clerk to the Board
Sharon S. Ward, Finance Officer

Chairman Hobbs called the meeting to order and asked Commissioner Weimar to give the invocation. The Chairman then led the Pledge of Allegiance. Chairman Hobbs explained that the purpose of the meeting was to discuss and take action on the proposed Lease Agreement for the 20/20 Building and the Financing Agreement for the Albemarle Electric Membership Corporation (AEMC) Building.

AGENDA

The Agenda, as amended, was unanimously approved on motion made by Mack E. Nixon, seconded by Sue Weimar.

EXTENSION OF BETHEL WATER PLANT PILOT PROJECT

Bill Diehl, County Engineer, presented his report on the Pilot Project at the Bethel Water Treatment Plant. Because there were some problems at the beginning of the project with the silica and iron problems, David Paul, Membrane Consultant, he is asking for an additional one month of Pilot Study which would add a not-to-exceed amount of an additional \$14,000. This is an increase from the existing not-to-exceed amount of \$89,600 to a not-to-exceed amount of \$103,600. This amount includes another element and some water analysis which may or may not be required, depending on what is seen. The following questions were asked:

Commissioner Nixon asked what the cost difference was for the membrane system for this plant. Mr. Diehl said that he did not know at this point. When we get to the end of the pilot study, then he will need to set up a budget for this and compare it to the discharge budget that we prepared several years ago.

Commissioner Muzzulin asked about what kind of water quality improvement the citizens of Perquimans County residents see would. The biggest thing that the membrane system would change would reduce the total dissolved solids in the water. From a regulatory standpoint, it would reduce the organics in the drinking water significantly.

On motion made by Edward R. Muzzulin, seconded by Sue Weimar, the Board unanimously approved the extension of the Bethel Water Plant Pilot Project for an additional month with a cost of not to exceed \$103,600.

LEASE AGREEMENT – 20/20 BUILDING

County Manager Darden said that County Attorney High had prepared the Lease Agreement for the current tenants including Perquimans 20/20 to continue to lease the space until June 30, 2012. After some discussion, Mack E. Nixon made a motion to approve the following Lease Agreement between Perquimans County and Perquimans 20/20 with the addition of language to secure 20/20 office space:

NORTH CAROLINA

LEASE

PERQUIMANS COUNTY

THIS LEASE made and entered this the 24th day of August, 2011 between PERQUIMANS COUNTY (herein referred to as **LANDLORD**), and PERQUIMANS COUNTY 2020 VISION COALITION, INC., (herein referred to as **TENANT**).

WITNESSETH:

For and in consideration of the rental hereinafter set forth and the mutual promises hereinafter made, Landlord demises and lets to Tenant, and Tenant leases and takes as tenant of Landlord, that certain property and premises located on Harvey Point Road, Hertford, North Carolina, and being more particularly described as follows:

BEING a portion of that certain lot or parcel of land and any improvements thereon as described below lying and being in Bethel Township, Perquimans County, North Carolina, containing approximately 2.50 acres, and being shown as Lot 2 on plat of survey entitled "Property Survey for Perquimans County Commerce Center, Section A", dated April 16, 1997, revised August 19, 1997, prepared by Edward T. Hyman, Jr., Registered Land Surveyor, and recorded in Plat Cabinet 2, Slide 63, Map #4 Perquimans County, North Carolina Registry; and being

That portion of the above described premises shown as the general finished office area on the and in the cross hatched portion of the attached exhibit A which said area specifically excludes Area A, B and C as shown on the attached exhibit A.

It is mutually agreed between the parties as follows:

1. Premises. As to the portion of the premises leased herein the exterior building shell, including the exterior walls and all structural components, windows, roof, mechanical equipment on the land, floor space, interior wall and ceiling space of the building, including mechanical, other building fixtures and parking lot located on Harvey Point Road, Hertford, North Carolina as more particularly shown on that plat of survey entitled "Property Survey for Perquimans County Commerce Center, Section A", dated April 16, 1997, revised August 19, 1997, prepared by Edward T. Hyman, Jr., Registered Land Surveyor, and recorded in Plat Cabinet 2, Slide 63, Map #4 Perquimans County, North Carolina Registry; and being that portion of the above described premises shown as the general finished office area on the and in the cross hatched portion of the attached exhibit A which said area specifically excludes Area A, B and C as shown on the attached exhibit A.

2. Lease Term. A term beginning on the commencement date of _____, 2011 and terminating on June 30, 2012. Upon conclusion of the term hereof, unless either party has delivered to the other party notice of non-extension at least sixty days prior to such conclusion of the term, such term shall be automatically extended for a period of one hundred eighty days. Notwithstanding the length of term stated herein, after said term expires the Landlord shall continue to provide to Tenant the use of one office space at no cost to the Tenant so long as the Tenant continues in existence as a North Carolina non-profit corporation.

3. Rent. The rent shall one (1) dollar (\$1.00) for the entire term of the lease with said amount to be paid upon the execution of this lease.

4. Permitted Uses. The premises shall be used by the Tenant for office space only.

5. Repairs. Minor repairs, defined as repairs less than \$500.00, shall be paid by the Tenant; and major repairs, defined as repairs greater than \$500.00, shall be paid for by Landlord. Unless any minor repairs to the building leased herein would require permanent alterations to the building itself, Tenant shall not be under any obligation to provide notice to Landlord of any minor repairs made to the building. Provided however, if there are any minor repairs which would require permanent alterations to the building leased herein, Tenant shall not proceed with the making of such repairs without the written permission of the Landlord which said permission shall not be unreasonably withheld. If Tenant becomes aware of any major repairs to the building which are necessary to the reasonable use and enjoyment of the premises, Tenant shall immediately notify Landlord of the necessity of such major repairs and Landlord shall make such repairs as soon as is commercially reasonable under the circumstances.

6. Mechanical, Electrical, HVAC and Plumbing Systems. It shall be the responsibility of the Landlord to maintain the mechanical, electrical, HVAC and plumbing systems in good and working order and Landlord shall be responsible for all repairs to said systems which cost more than \$500. Minor repairs which cost less than \$500 shall be paid by the Tenant.

7. Warranty of Possession. Tenant and Landlord each warrants that it has the right and authority to execute this lease. Landlord warrants to Tenant, upon payment of the required rents by Tenant, and subject to the terms, conditions, covenants and agreements contained in this lease, Tenant shall have possession of the premises during the full term of this lease and Landlord shall not interfere with Tenant's use and enjoyment of the premises. Provided however Landlord reserves the right to lease to third parties those portions of the premises which are not leased by Tenant.

8. Alterations and Improvements. Tenant shall not make or allow to be made any alterations, physical additions or improvements to the premises without first obtaining the written consent of the Landlord. Any such alterations, physical additions or improvements to the premises shall remain upon and be surrendered with the premises and shall become the property of the Landlord upon the expiration or termination of this lease without any compensation due to Tenant.

9. Destruction of Premises. If the premises should be either partially or totally destroyed by fire, acts of God or any other casualty such that Tenant is unable to use the premises as office space for a period of more than thirty (30) days, Tenants shall have the option to terminate this lease by written notice given to Landlord given within forty five (45) days after the date of any such casualty.

10. Hold Harmless. The parties shall not be liable to one another for any personal injury or property damage arising out of any act or omission of the other party's employees, agents, officers or contractors and shall hold one another harmless from any claim, suit or action brought for damages arising out of the acts or omission of that party's employees, agents, officers or contractors.

11. Assignment and Subletting. The parties recognize that the Tenant has the right to sublet a portion of the premises to third parties and the Landlord shall recognize the rights of those parties subletting a portion of the premises during the term of this lease.

12. Utilities. Electricity, gas, telephone service, and other utilities or services shall be the responsibility of Tenant or its sub-tenants and all such services shall be placed in the name of the Tenant or its sub-tenants and Landlord shall have no responsibility for the payment of the same.

13. Compliance with Laws, Rules and Regulations. Tenant, at its own cost and expense, shall comply with all rules, regulations and requirements of the State, County and City governments or of the Government of the United States, or any of the departments or bureaus thereof, applicable to the leased or demised premises for the prevention or abatement of nuisances or other matters arising out of the manner of the occupancy of said premises during the said term, and the said Tenant shall moreover comply with all reasonable rules and regulations of the Landlord with respect to the use of said premises.

14. Insurance. Landlord at its cost shall maintain property, casualty and liability insurance. Tenant at its cost shall maintain commercial business insurance. Landlord shall not be obligated in any way to insure any personal property, equipment, machinery and furnishings of Tenant or its sub-tenants. To the extent allowed by the companies writing and issuing any such insurance, each party shall name the other as an additional insured.

15. Waivers. A waiver by either party of a breach of any covenant or duty of the other under this lease is not a waiver of a breach of any other covenant or duty of either party, or of any subsequent breach of the same covenant or duty.

16. Redelivery of Premises. At the end of the term of this lease, Tenant shall move out of, quit and deliver up the premises to Landlord and the Tenant and its sub-tenants shall have no further rights to possession of or use of the premises.

17. Default. If Tenant either (a) defaults in the payment of rent or any part thereof at the times hereinbefore specified, or (b) defaults in the performance of or compliance with any other term or condition hereof and fails to correct the default (or take action likely to correct the default promptly) within fifteen (15) days after written notice thereof, then, in either event, the lease, at the option of the Landlord, shall terminate and be forfeited. In the event that any payment of rent is more than thirty (30) days overdue, there shall be a late fee due in the amount of four percent (4%) of any amount so overdue.

18. Tenant's Duties Upon Termination. Upon any termination of the tenancy created hereby, the Tenant shall return the premises to the Landlord in as good of condition as the premises were in on the date of the commencement of this lease, reasonable wear and tear excepted.

19. Notices. Whenever notice shall be given by either party to the other, notice shall be in writing addressed to the address of the party being notified at the address set forth in this agreement or to such other address as a party may from time to time designate by notice to the other party. Notice may be given by hand delivery, express service, electronic means, or by postage paid certified or registered mail with return receipt requested. Notice given by hand delivery, express service or electronic means shall be deemed to have been given upon receipt by the party being notified. Notice given by certified or registered mail shall be deemed to have been given at the time of receipt or rejection or three (3) days after such notice is first unclaimed.

Landlord: Perquimans County
c/o County Manager
PO Box 45
Hertford, N.C. 27944

Tenant: Perquimans County 2020 Vision Coalition, Inc.
c/o Leo Higgins
PO Box 632
Hertford, N.C. 27944

20. Renewal. This lease shall not be subject to renewal.

21. Parking. As a part of this lease, Tenant and its sub-tenants and their employees, agents, officers, contractors and guests shall be allowed use of the parking lot located on the premises as more particularly shown on that certain survey prepared by Edward T. Hyman, Jr. Registered Land Surveyor, and recorded in Plat Cabinet 2, Slide 63, Mayp #4, Perquimans County, North Carolina.

22. Taxes. Landlord shall be responsible for all ad valorem taxes. Tenant shall be responsible for all personal property taxes for Tenant's equipment, furnishings, appliances and fixtures which are located on or in the premises.

23. Short Form. Landlord and Tenant agree that, at any time on request of either, a short form of this lease will be executed in form permitting its recording and either party shall be entitled to record a short form of this lease in the office of the Perquimans County, North Carolina Register of Deeds.

24. Paragraph Titles. The paragraph titles appearing in this lease are for reference only and shall not be considered a part of this lease or in any way modify, amend or affect the provisions thereof.

25. Successors. This lease shall be binding upon and inure to the benefit of Landlord and Tenant and their respective heirs, personal representatives and assigns.

26. Complete Agreement and Effect. This written lease contains the complete agreement of the parties with reference to the leasing of the demised premises. The failure of either party to insist in any instance upon strict performance of any of the terms and conditions herein set forth shall not be construed as a waiver of the same in any other instance. No modification of any provision hereof shall be valid unless in writing and signed and agreed to by both parties. It is understood and agreed that the stipulations, agreements and covenants herein contained are binding upon the parties hereto and their respective heirs, successors and assigns.

27. Severability. If any provision of this lease shall be invalid or unenforceable to any extent, the remainder of the lease shall not be affected thereby and shall remain in full force and effect.

28. Sale of Property. Upon any sale, conveyance or exchange of the premises, this lease shall continue in full force and effect and shall be binding upon the purchaser of the premises.

29. Non-Exclusive Lease. This lease is not exclusive to the Tenant and Landlord reserves the right to lease any portion of the premises not leased by Tenant to any other party during the term of this lease.

30. Common Outside Areas, Parking Areas and Landscaping. Landlord shall be responsible for keeping the common outside areas and parking lot free and clear of any trash or other debris. Landlord shall keep the landscaping and natural areas of the premises in as good and presentable condition as may exist on the first day of the term of this lease. Landlord shall scrape the gravel parking area at such times and intervals as may be necessary to keep the parking area free of potholes.

31. Signs. At its own expense, Tenant shall have the right to place a sign or signs on the grounds or building which are subject to this lease to identify the grounds and premises as the grounds and premises of the Tenant. At the termination of this lease, the Tenant, at its own expense, shall cause to be removed any such sign or signs erected on or attached to the grounds and premises and shall return the premises and building to the same condition as may exist on the first day of the term of this lease.

32. Interpretation, Jurisdiction and Venue. The terms of this lease shall be governed and interpreted by the laws of the State of North Carolina and any lawsuit or legal action brought by either party arising out of the terms of this lease shall be brought in the court of appropriate jurisdiction in Perquimans County, North Carolina.

IN TESTIMONY WHEREOF, each of the said parties has caused these presents to be duly signed and executed the day and year set forth herein; this contract being executed in duplicate originals, one of which is retained by each of the parties.

Landlord: Perquimans County, North Carolina

By: Benjamin C. Hobbs
Chairman
Perquimans County Board of Commissioners

Tenant: Perquimans County 2020 Vision Coalition, Inc.

BY: _____
Leo Higgins, _____

The motion was seconded by Tammy Miller-White and unanimously approved by the Board.

FINANCING AGREEMENT – ALBEMARLE ELECTRIC MEMBERSHIP CORPORATION (AEMC) BUILDING

County Manager Darden notified the Board that we have not received final approval from Local Government Commission (LGC). If we receive approval prior to the September 6th meeting, Mr. Darden asked the Board to authorize the Chairman and County staff to sign the Financing Agreements and the Commitment Letter from East Carolina Bank. In addition, Mr. Darden presented the following bid tabulation for the bank loan:

TIME: 10:00 A.M. **DATE: August 5, 2011**
AEMC BUILDING PURCHASE & RENOVATIONS **Not to exceed \$1,400,000**

NAME OF BANK	BID RATE	BANK FEES	TERM	PREPAY FEE
1. BB&T	2.63%	\$3,700	10 yrs.	1.00%
2. East Carolina Bank	2.49%	\$2,000	10 yrs.	none
3. RBC Bank	2.48%	\$7,500	10 yrs.	0.50%
4. Southern Bank	3.02%	\$2,750	10 yrs.	none
5. Wells Fargo Bank	2.95%	\$5,500	7 yrs.	none

The above bids were opened by Bobby C. Darden

and witnessed by Sharon S. Ward

Mr. Darden explained that, even though East Carolina Bank's interest rate was higher than RBC Bank, their Bank Fees and Prepay Fees were more. Therefore, he is recommending the Board to award the bid to East Carolina Bank. On motion made by Janice McKenzie Cole, seconded by Edward R. Muzzulin, the Board unanimously authorized the Chairman and County Staff to sign the financing Agreements and East Carolina Bank Commission Letter pending Local Government Commission approval.

CLOSED SESSION

The Chairman explained that the Board needed to go into Closed Session to discuss a personnel matter.

On motion made by Tammy Miller-White, seconded by Sue Weimar, the Board approved the motion to go into closed session to discuss a personnel matter.

The Closed Session was adjourned and the Special Called Meeting reconvened on motion made by Edward R. Muzzulin, seconded by Janice McKenzie Cole, and unanimously passed. There was no action was taken after the Closed Session.

ADJOURNMENT

There being no further business to discuss, the Special Called Meeting was adjourned by the Chairman at 8:45 p.m. and the Board proceeded with the Work Session.

Benjamin C. Hobbs, Chairman

Clerk to the Board