

MINUTES

**STATE OF NORTH CAROLINA
COUNTY OF HENDERSON**

**CANE CREEK WATER & SEWER DISTRICT
JUNE 16, 2004**

The Cane Creek Water & Sewer District Board met for a regularly scheduled meeting at 9:00 a.m. in the Commissioners' Conference Room of the Henderson County Office Building at 100 North King Street, Hendersonville, North Carolina.

Present were: Chairman Grady Hawkins, Vice-Chairman Larry Young, Commissioner Bill Moyer, Commissioner Charlie Messer, Commissioner Shannon Baldwin, County Manager David E. Nicholson, Assistant County Manager Justin B. Hembree, County Attorney Angela S. Beeker, and Clerk to the Board Elizabeth W. Corn.

Also present was: County Engineer Gary Tweed and Utilities Director Jim Erwin.

Minutes

Draft minutes were presented for the Board's review and approval of the following meeting(s):

- April 21, 2004

Chairman Hawkins made the motion to approve the minutes as presented. All voted in favor and the motion carried.

Interlocal Agreement to have County operate the CCWSD Sewer System

Angela Beeker reminded the Board that as part of the recently adopted Strategic Plan, the Board stated as action item 2.2.1.2 to "Determine the legal basis for programs". Staff had prepared for the Board's consideration a proposed resolution and interlocal agreement to clarify the legal basis upon which the Cane Creek Sewer District was owned, operated and regulated. Additionally the agreement was an effort to formalize the relationship between the County and the District, and to streamline the process by which business is conducted.

The agreement provided for the County to regulate and operate the sewer system owned by the Cane Creek Water and Sewer District. The agreement would give the County explicit authority to approve all extension requests, adopt sewer master plans, to acquire, construct, or add to the CCWSD sewer system, to adopt fees and assessments that either the County or the District could impose, etc. From a legal standpoint the agreement would clarify the lines of authority and broaden the powers that are available to operate and maintain the system. Additionally, meetings of the Cane Creek Water and Sewer District Board would be rarely necessary.

Personnel used to operate and manage the system would be general County employees for whom salary and benefits would be reimbursed to the County from the CCWSD enterprise fund on a direct, rather than indirect basis. All expenses associated with the operation and management of the system would be born by the CCWSD enterprise fund.

Ms. Beeker stated that such agreement would not allow the Board of Commissioners to issue debt in the name of the district. She also suggested that if the Board wished to levy a tax for the district, they would need to do that as the District Board. Any other actions would be able to be taken as the Board of Commissioners acting on behalf of Cane Creek pursuant to this Interlocal Agreement.

Chairman Hawkins made the motion to approve the Interlocal Agreement as presented. All voted in favor and the motion carried.

DATE APPROVED: _____

Adjourn

Chairman Hawkins made the motion for the Board to adjourn as Cane Creek Water & Sewer District Board and reconvene as Henderson County Board of Commissioners. All voted in favor and the motion carried.

Attest:

Elizabeth W. Corn, Clerk to the Board

Grady Hawkins, Chairman