

**PASQUOTANK COUNTY, NORTH CAROLINA
DECEMBER 1, 2014**

The Pasquotank County Board of Commissioners met today in a regular meeting on Monday, December 1, 2014 in Courtroom C in the Pasquotank County Courthouse.

MEMBERS PRESENT:

Joseph S. Winslow, Jr., Chairman
Cecil Perry, Vice-Chairman
Jeff Dixon
Lloyd E. Griffin, III
Dr. William R. Sterritt
Frankie Meads
Bettie J. Parker

MEMBERS ABSENT:

None

OTHERS PRESENT:

Rodney Bunch, County Manager
R. Michael Cox, County Attorney
Shelley Cox, Planning Director
Karen Jennings, Clerk to the Board

The meeting was called to order at 7:00 PM by Clerk to the Board Karen Jennings. Commissioner Lloyd Griffin gave the invocation and Commissioner Joe Winslow led in the Pledge of Allegiance to the American Flag.

1. OATH OF OFFICE FOR COMMISSIONERS:

The Honorable J. Carlton Cole, Superior Court Judge, administered the Oath of Office to newly elected Commissioner Bettie J. Parker and to re-elected Commissioners Cecil Perry and William R. Sterritt. The Honorable J. Herbert W. Small, retired Superior Court Judge, administered the Oath of Office to re-elected Commissioner Joseph S. Winslow, Jr.

2. ORGANIZATION OF THE BOARD OF COMMISSIONERS:

The Clerk to the Board explained that state law requires the organization of each Board of Commissioners during the first meeting in December through the selection of a Chairman and a Vice-Chairman. She opened the floor for nominations for Chairman of the Board.

Commissioner Jeff Dixon nominated Commissioner Joe Winslow to serve as Chairman for the next year. There being no further nominations, the nominations were closed.

Upon a vote of the Board, Commissioner Winslow was unanimously elected as Chairman.

The meeting was turned over to Chairman Winslow who called for nominations for Vice-Chairman of the Board.

Commissioner Lloyd Griffin nominated Commissioner Cecil Perry to serve as Vice-Chairman for the next year. There being no further nominations, the nominations were closed.

Upon a vote of the Board, Commissioner Perry was unanimously elected as Vice-Chairman.

The Board took a 10-minute recess and then the meeting was reconvened.

3. PRESENTATION OF PLAQUE TO COMMISSIONER JEFF DIXON:

The members of the Board took their seats at the table and Chairman Winslow called on Commissioner Jeff Dixon and presented him with a plaque expressing the Board's appreciation for the job he did as Chairman of the Board. Chairman Winslow explained that Commissioner Dixon has worked two very difficult years as Chairman of the Pasquotank County Board of Commissioners and has done an outstanding job. He said that he and the other members of the Board know how hard Commissioner Dixon has worked for the people of Pasquotank County. Commissioner Dixon stated when he was elected to the Board of County Commissioners, he was fortunate in that he had a Dad who had been a County Commissioner for 18 years. He said he relied heavily on his Dad for advice. He stated that the first thing his Dad told him was that the Board is not "me", but is "we". He said the Board was confronted with so many issues this past year and his goal was to get them all addressed, however there are a couple that he could not get

done and those will be passed on to Chairman Winslow. Commissioner Dixon thanked the county staff and county employees. He said Pasquotank County has the best employees and staff who make the Chairman's job more enjoyable. He thanked the Board for the plaque.

Chairman Winslow said the Board has a little different makeup this year and looks forward to working with Commissioner Bettie Parker.

4. AMENDMENTS TO THE AGENDA:

Chairman Dixon asked if there were any amendments to the agenda. Commissioner Jeff Dixon requested that the agenda be amended to add the following items recommended by the Finance Committee to the consent agenda: 1) Approval of banking services proposal from Gateway Bank for a three-year period; and 2) Approval of first amendment to contract with YoungWilliams, P.C. for Child Support Services.

Motion was made by Jeff Dixon, seconded by Cecil Perry to approve the amendments to the agenda as presented. The motion carried unanimously.

5. COMMENTS BY DOUG LANE:

Chairman Winslow recognized Mr. Doug Lane to address the Board. Mr. Lane congratulated Chairman Winslow and the Commissioners who have been sworn in tonight. He said the issue he would like to discuss is trespass by deer dogs. He stated that parents raise their children with guidelines and rules which help them during their lives. He said in Pasquotank County there are no rules about deer dog hunting. He stated that this fact empowers deer dog hunters to do things that they should not be doing. He said he would respectfully request that the Board of Commissioners address this issue again. He pointed out that time is of the essence because the General Assembly will have a long session this year. He thanked the Board for its time.

6. COMMENTS BY DAVID MILLER:

Chairman Winslow recognized Mr. David Miller from South Mills in Camden County to discuss EMS. Mr. Miller said tonight he is speaking for the Pasquotank-Camden-Elizabeth City Public Safety Committee. He read a letter from Roger Ferrell, Chairman of the committee. He stated that the Public Safety Committee has watched over the last few months the unfolding EMS saga and especially the lack of communication between the Pasquotank and Camden Boards of Commissioners with increasing alarm. He said this is a remarkable working relationship between the Pasquotank, Camden, and Elizabeth City emergency responders that benefits the taxpayers of both counties. He stated that the Public Safety Committee which represents all of the responders who serve these areas respectfully requests that the commissioners recognize and acknowledge this longstanding and working relationship and how the decisions made by these boards will impact not only the taxpayers of the county, but also the emergency responders and the delivery of their services. He said many areas are just now realizing the economic benefits of consolidating services and are working to build relationships. He stated that Pasquotank and Camden Counties are ahead of the curve because they have already accomplished these enormous tasks. He said therefore having concern with the current situation, the Pasquotank-Camden-Elizabeth City Public Safety Committee respectfully requests with urgency that the Boards of Commissioners of both counties meet, with a mediator if needed, to work on a solution that will continue to improve the current emergency services provided to the citizens of both counties and to work to rebuild a good relationship between the boards equal to that of the emergency responders that work diligently to provide care to the citizens of the communities.

Chairman Winslow thanked Mr. Miller for his comments and said the Board hears him loud and clear. He said he believes there will be some positive movement in the future toward greater cooperation.

7. COMMENTS BY MICHAEL STRAKA:

Chairman Winslow recognized Mr. Michael Straka to address the Board. Mr. Strake noted that he is the Assistant Medical Director for the local EMS System. He said he has been involved with EMS for 32 years in two different states and started working at Pasquotank-Camden Emergency Medical Services eight years ago. He stated that over the last four years of working with the EMS staff he has seen them do amazing things when he has responded to calls with them. He stated that their EMS survival rates for cardiac arrest have increased to over 50%. He asked that the two boards talk and also support the EMS administrative staff and the EMS program.

Commissioner Dixon explained that Pasquotank County did not react and didn't sit down with the Camden Board of Commissioners because it feels it has the best EMS service in the State of North Carolina. He said he felt like the county was being pulled down and since it stands behind its EMS service, it was not about to be pulled down. He stated that it would have been a low blow to Pasquotank County and the EMS service.

Commissioner Griffin said there is a long history between Pasquotank County and Camden County in that there was a need for certain services in Camden County which Camden could not support, such as EMS, 911, and Library. He stated that Pasquotank County has worked with Camden to provide these services. He said in the last few years Camden County has felt it wanted to step up and play hard ball with Pasquotank County. He noted that as they have moved forward Camden has started to realize that some of their growth pains have started to cost the taxpayers of Camden County some significant tax dollars over the past three years as they have taken on added services. He explained that what really hurt some of the Pasquotank Commissioners the most was when the Camden Commissioners decided in a meeting to go out and get an outside vendor without any notification to the County Manager or EMS Director that they planned to put the EMS service out for bids. He said the Camden Commissioners brought this on themselves without the common courtesy of notifying Pasquotank County they planned to pursue this. He added that Pasquotank County had to read about it in the newspaper. He stated that there must be some cooperation on Camden's part.

Vice-Chairman Perry said some years ago the Pasquotank County Board of Commissioners went to Camden to discuss a water issue and the Board was not very well received. He stated that if everyone can work together and solve the problem, it will be much better for the citizens. He said communication is a big part of finding a solution.

Chairman Winslow said in spite of all this Pasquotank County is going to reach out to Camden to try to work together. He pointed out that 52,000 people can afford a better system of EMS and other services the two counties do together than 12,000 people. He said the people of Camden should know that Pasquotank County will reach out and try to work with them. He stated that it will be mutually beneficial to everyone to do that.

Commissioner William Sterritt commented if what Pasquotank County has gone through recently with EMS had followed the same protocol as the Library when it parted company with Pasquotank County, there would not be a problem. He said when the Library issue came up there were a number of County Commissioners who applauded Camden County for the idea of having its own Library for the citizens of Camden County. He stated that he was told at the time that Camden County was the only county in North Carolina that did not have its own Library. He said Camden does now have its own Library and he thinks it is a wonderful thing even though it results in more cost for Pasquotank County.

8. COMMENTS BY DR. JOHNNY HOUSTON:

Chairman Winslow called on Dr. Johnny Houston to address the Board. Dr. Houston congratulated each of the Commissioners who have been re-elected or elected for the first time, especially Mrs. Parker. He said he was brought to Pasquotank County 30 years ago by the action of a County Commissioner over 100 years ago. He explained that Hugh Cale made an effort to improve Pasquotank County educationally and helped establish Elizabeth City State University. He said 30 years ago Elizabeth City State University invited him here to participate in the higher education process and he was thankful for that opportunity. Dr. Houston stated that he would like to commend Pasquotank County for the joint efforts it has made to improve what it is doing for the citizens of the county. He stated that the Board now has a lady as a member and is more diverse. He said by working together he believes Pasquotank County can be one of the greatest counties in the world. He commended the Board for what it has done and challenged it to make Pasquotank County even better as it moves forward.

9. PUBLIC HEARING ON CONDITIONAL USE PERMIT 14-03:

Chairman Winslow declared the meeting to be a public hearing on Conditional Use Permit 14-03. County Attorney Mike Cox explained that this is a request for a Conditional Use Permit for a solar farm. He said it will be a quasi-judicial proceeding and anyone who intends to present evidence needs to be sworn. He said the questions should strictly be limited to the factors that are set out in the county's ordinance. The Clerk to the Board swore in all those who planned to testify in this matter including Shelley Cox, April Montgomery, Montrose Hinton, Patricia Williams, Delicia Moore, Shelley Kirkpatrick, and Rich Kirkland.

Planning Director Shelley Cox presented the staff analysis. She explained that Conditional Use Permit Request 14-03 is for a Conditional Use Permit to allow the construction of a 20 MW solar farm on six parcels of land off of U.S. Highway 158 and Blindman Road. Total acreage for the project is 221.14 acres with approximately 109 acres of disturbance. Mrs. Cox advised that the applicant is Morgans Corner Solar Energy LLC. All of the parcels are zoned A-1 agricultural and current use of the properties is agricultural. She presented an aerial photo showing the properties involved in the request. She said the first and second abutting property owners were notified of this request and public hearing signs have been posted on the properties included in the request. Additionally, a public hearing notice was published in *The Daily Advance*. She stated that Section 9.04-29 of the Zoning Ordinance contains the requirements for solar farms within Pasquotank County. She said solar farms are a permitted use within the A-1 district with a Conditional Use Permit that is issued by the Board of Commissioners. The Land Use Classification for this property is Rural Agricultural and this request is consistent with the Rural Agricultural classification. Mrs. Cox advised that the applicant has provided extensive details regarding the stormwater application. She said at the current time it is her understanding that the applicant does not plan to change any of the existing ditches and Greg Johnson, the county's engineering consultant, is here tonight and can answer any questions regarding the stormwater review. She stated that Mr. Johnson has reviewed the project and has determined that the stormwater plans are compliant with the Pasquotank County Stormwater Design Manual. She explained that driveway permits for this project that allow access onto Highway 158 and Blindman Road have been issued by the North Carolina Department of Transportation. She said a 150 foot setback/buffer has been provided between the solar panels and all adjacent public street right-of-ways, residentially zoned properties and residential uses. She stated that they are proposing to use perimeter fencing for the project that would consist of a six foot chain link fence with three strands of barbed wire at the top. The height of the panels is proposed to be seven feet, three inches above finished grade which is well under the 25 foot maximum height that is required by the ordinance. Mrs. Cox noted that an existing cemetery is located on the Patricia Williams property on the north side of Highway 158 and the applicant has indicated that the cemetery will not be impacted by this project. She explained that in granting this permit the Board may impose additional conditions as it deems reasonable and appropriate. She stated that staff does recommend approval of this request. She said they have found that the Conditional Use Permit application as proposed does meet the requirements of Section 9.04-29 of the Zoning Ordinance and the project is consistent with the Elizabeth City-Pasquotank County Land Use Plan and is compliant with the Stormwater Design Manual. She stated that approval is recommended with the following conditions:

- A 150 foot buffer shall permanently be maintained between the solar facility and all adjacent public street right-of-ways, residentially zoned property, and existing residential uses.
- The height of the solar panels shall not exceed eight feet above ground level.
- Prior to the issuance of a building permit, Morgans Corner Solar Energy, LLC shall provide a decommissioning bond or irrevocable letter of credit in an amount equal to the estimated cost of removal of all solar collectors, cabling, electrical components, and any other associated facilities, less the salvage value of the equipment.
- State Stormwater and Sedimentation & Erosion Control permits must be received prior to the issuance of a building permit for this project.
- An as-built survey shall be provided within six (6) months of the project's commercial operation date.
- Glare from this development shall not negatively impact traffic on Highway 158 and Blindman Road.
- No construction activities shall take place between the hours of 11:00 pm and 7:00 am.
- The term of the Conditional Use Permit shall remain valid for a period of 30 years from the date the building permit is issued by the county.

Mrs. Cox said the Planning Board reviewed this request at its October meeting and accepted staff's recommendations and findings and recommended approval of the request. She said staff is recommending the following findings of fact:

- a. *That the use will not materially endanger the public health or safety if located where proposed and approved.*

RECOMMENDED CONCLUSION: The project has demonstrated compliance with the Pasquotank County Stormwater Drainage Manual and will not increase flooding or runoff within the surrounding area. The solar panels installed with this project will have

a UL listing and will be designed with anti-reflective coatings to ensure there are no glare issues on adjacent roadways. All environmental permits and approvals will be received for the project before construction commences. Driveway permits have been issued by the NCDOT and there will be limited traffic impact once construction of the project is complete.

b. *That the use meets all required conditions and specification.*

RECOMMENDED CONCLUSION: A permanent 150 foot buffer will be maintained between solar panels and adjacent residential uses and street right-of-ways, the height of the panels will not exceed eight feet above ground level, the applicant will provide a decommissioning bond and an as-built survey will be provided once construction has been completed to ensure compliance with the approved site plan.

c. *That the use will not substantially injure the value of adjoining or abutting property, or that the use is a public necessity.*

RECOMMENDED CONCLUSION: The 150 foot buffer that is required between the solar panels and adjacent residential uses and street right-of-ways should help to mitigate any potential impact on neighboring properties. No evidence has been provided that the use will substantially injure the value of adjoining or abutting property.

d. *That the location and character of the use, if developed according to the plan as submitted and approved, will be in harmony with the area in which it is to be located and in general conformity with the plan of development for Pasquotank County.*

RECOMMENDED CONCLUSION: The project as proposed is consistent with the Pasquotank County Land Use Plan and it fits in with the character of the surrounding uses in the area.

Mrs. Cox provided an overhead photo showing the layout of the solar panels on the properties involved in the request. She said two properties will have no solar panels on them, but will be leased to run underground lines to connect the project within.

Mr. Henry Campen of 301 Fayetteville Street, Raleigh, stated that he is a partner with the firm of Parker, Poe, Adams, and Bernstein and is an attorney representing the applicant in this proceeding. He stated that he will offer six witnesses this evening. He said April Montgomery is a principal in a development services firm and has worked under contract for Morgans Corner Solar Energy, the applicant. She will give an overview of the project in more detail and testify about how the project meets several of the requirements of the county's ordinance. Mr. Campen said the next three witnesses are property owners or residents in the immediate area: Montrose Hinton, Patricia Williams, and Delicia Moore. The next witness will be Shelley Kirkpatrick, a licensed professional engineer who is employed with the engineering firm Black & Veatch. Mr. Campen said Ms. Kirkpatrick will testify about how the project will comply with the ordinance's public health and safety standards. He requested that the Board accept Ms. Kirkpatrick as an expert witness in view of her being a licensed professional engineer. He stated that the final witness will be Rich Kirkland, a general real estate appraiser licensed by the State of North Carolina. Mr. Kirkland also holds the MIA designation which is recognized in that profession. He said Mr. Kirkland has conducted a detailed study of solar farms throughout the State of North Carolina and on the basis of his study he has formed an opinion about the impact of the Morgans Corner Solar Project on the value of adjoining and abutting property and on the question of whether the project will be in harmony with the surrounding area. Mr. Campen said he would also ask that the Board accept Mr. Kirkland as an expert in his field in view of his being licensed as a real estate appraiser.

Mr. Campen noted that North Carolina law requires every quasi-judicial decision to be based on competent material and substantial evidence. He said the testimony the Board is about to hear from the witnesses he has described all meet that standard. He stated that North Carolina law also provides that competent evidence shall not be deemed to include lay opinion testimony about whether the use of property in a particular way would affect the value of property. He added that evidence concerning property value can only be considered competent if given by an expert witness such as Mr. Kirkland. Mr. Campen introduced two members of Invenergy LLC which is the parent company of Morgans Corner Solar Energy, LLC: Kelly Myer, Director of

Development for the company; and Brad Poznassi, a Manager of Business Development with the company.

Mr. Campen passed out an exhibit book which includes Mr. Kirkland's report and some filings with the North Carolina Utilities Commission. He said the witnesses as they testify will identify and describe the significance of those exhibits. He called on April Montgomery as the first witness.

Ms. Montgomery said she is the principal of REAP, a development services firm with a business address of P.O. Box 1806, Sanford, North Carolina. She stated that she works under contract with Morgans Corner Solar Energy and its parent company, Invenery LLC. She said she has over seven years experience in the renewable energy and sustainable development fields and has worked with Invenery since 2010. She co-founded a consulting services firm in 2001 that was focused on assisting private and public sector clients complete local, state and federal land use and environmental permit protocols. She said prior to joining the private sector she served as an environmental review specialist with the State of North Carolina Historic Preservation Office, and as a planner with the Davidson County Metropolitan Planning Organization in Tennessee. She stated that she earned a B.A. in History from Florida State University, and a Masters in Urban and Regional Planning from the University of Florida. Ms. Montgomery said the purpose of her testimony tonight is to briefly describe the solar industry in North Carolina and its growth in recent years, to give an overview of the project and the site, and to describe how the project meets the Zoning Ordinance requirements. She explained that Pasquotank County is well aware of the growth of the solar industry because it currently has several projects proposed in Pasquotank County. The foundation was a law that was passed in 1978, the Public Utility Regulatory Policies Act and the purpose of this act was to require utilities to buy power from independent power producers. Ms. Montgomery said this is what Morgans Corner Solar Energy is and it will sell power into the utility market. She explained that this law has served to create a market for solar energy. She said the second layer is the passage of the Renewable Energy Portfolio Standard by the North Carolina Legislature in 2007. She stated that this advanced the market by requiring utilities, co-ops, and municipal electrics to start to integrate renewables into their portfolio. She noted that solar is not the only part of this as wind, hydropower and geothermal are all part of renewable energy. She said the third driver in this is cost and over the years the cost of solar energy has gone down which makes it more competitive in the market with other traditional fuels.

Ms. Montgomery provided maps of Pasquotank County showing the location and the layout of the project. She said Invenery has developed or is in the process of developing a handful of wind farms and she provided photos of these other projects. She stated that the Morgans Corner project will be their first in North Carolina. She referred to the layout of the parcels and noted that 221 acres sounds like a lot, but that is the total of the parcels and they are not using all of that acreage. She said they are avoiding wetlands and adhering to setback rules from houses and public roads which gets the project down to about 100 acres within the fence line of the solar development. Ms. Montgomery stated that at the Planning Board meeting some property owners expressed concern about visibility of the solar panels and as a result of that discussion they have agreed to install landscaping for the areas that will be visible to the surrounding houses. She said the property owners are pleased that they have offered this modification to their site plan so that it improves what they will be seeing out of their front doors once the project is constructed. She said the Board might wonder why they picked this site and there are two reasons for that. One is land availability and the other is proximity to a transmission line that has enough capacity for them to put power into the line. Ms. Montgomery said both of these exist at this site. She noted that the Zoning Ordinance requires the Board to make four findings and the first of those is public health and safety. She said this proposed use will not endanger public health or safety and there are several factors about this project that satisfy this requirement. The first is that it will not increase traffic in the area, although there will be an increase in traffic during construction. Ms. Montgomery explained that once the project is operational the site will not be staffed and it will be visited approximately once a month for routine maintenance. She stated that the solar farm will not generate any noise other than the low hum of inverters which will be non-discernible from the public right-of-way. She said there will be no odor from the site and there will be no hazardous materials used or stored on the site. She added that there will also be no lighting on the site once it is operational. Ms. Montgomery stated that the application meets all requirements of the county's ordinances and Morgans Corner Solar Energy also agrees with all of the proposed conditions offered by staff. She said the third element the county considers is harmony and one of the findings the Board must make is that the proposed use will be in harmony with the area and in conformity with the plan for development for Pasquotank County.

She stated that Mrs. Cox has testified to conformity and that the use is in conformity with the county's land use plan. She said with respect to harmony, the same factors she has already mentioned regarding noise, traffic, odor, hazardous chemicals are all evidence of harmonious use in the area. She stated that the existing features of the area also demonstrate that this solar farm is a compatible use. She said there is and has been for some time an electrical substation on the north side of U.S. 158 as well as a convenience center. She pointed out that the solar panels will be less than eight feet in height which is lower than most housing in the area. She said the construction plan for the project will become clearer as they approach their start date and they would likely begin site work across the whole project area, followed by fencing, equipment delivery, installation, and commercial operation. She said installation of landscaping would occur at the end of project construction once the majority of equipment has been moved off the site. Ms. Montgomery said the fourth element to be addressed is the impact on property value and public necessity. She stated that the finding is that the use will not substantially injure the value of adjoining property or that the use is a public necessity. She said Mr. Kirkland will speak to the impact on property value. She explained that on the question of public necessity, they addressed this through the North Carolina Utilities Commission's Certificate of Public Convenience and Necessity. She said they have filed for that application and a copy of the application is in the packets provided to the Board. She stated that the public staff of the Utilities Commission has filed an affidavit on this application recommending approval. The Commission had earlier scheduled a public hearing in Elizabeth City on the application; however citing the fact that no complaints were filed with the Commission after public notice in *The Daily Advance* the Commission issued an order last week cancelling that hearing. The public staff testimony and the order cancelling the hearing are in the exhibit book that was provided to the Board. Ms. Montgomery said based on the support of the public staff and the fact that no one has objected to the application, they expect an order from the Utilities Commission granting the application before the end of this month. She said finally she would like to address economic impact. She stated that Morgans Corner Solar Energy will pay property taxes to the county for the life of the project which is estimated to be 25 years. She said while some of the land will be purchased by the company, much of it will be leased from private land owners and Morgans Corner Solar Energy will make lease payments to them over the life of the project. On average through lease and tax payments Morgans Corner will contribute more than \$50,000 to the local economy every year for 25 years. Ms. Montgomery said this is in addition to the economic investment that will occur during construction. During construction there will be approximately 100 jobs for a period of six months. Traditionally Invenergy has hired a general contractor with solar experience to manage site construction. Ms. Montgomery explained that they understand the interest of the community in hiring local and are working with the local Employment Security Commission to identify firms and individuals with the necessary skills to fill the positions.

Commissioner Jeff Dixon asked the total value of the investment in this project. Ms. Montgomery responded that the investment will be approximately \$35 million. Commissioner Dixon noted that the \$50,000 figure for economic benefit seems low. Ms. Montgomery said this is an average over the life of the project and the number will be larger in the beginning.

Commissioner Frankie Meads asked if there has been any test to prove the life of the panels. He said he has been told by an engineer for an electric company that the panels can start going bad in ten to fifteen years. Ms. Montgomery said the engineer can better answer this question when she testifies.

Chairman Winslow asked which parcels will be bored with electrical conduit. Ms. Montgomery pointed out the parcels and said they will bore under the property and under the wetland. She noted that the Corps has identified this method as a way to avoid a permanent wetland impact.

Commissioner Bettie Parker stated that solar power is a relatively new source of energy and she asked who will monitor for compliance with health and safety standards once the project is completed. Mrs. Cox said ultimately it is the county's responsibility to ensure compliance with the Conditional Use Permit throughout the 25-year life of the project. Ms. Montgomery said they will have maintenance staff that come out and monitor and service the solar farm on a regular basis. Commissioner Parker asked what would happen to the land that is purchased at the end of the project. Ms. Montgomery stated that Invenergy would still own the property and would be responsible for it. She said the property would probably be sold or the project might possibly continue into another phase.

Chairman Winslow asked how many permanent employees would be hired after construction. Ms. Montgomery said there would be no permanent employees after construction, only contract employees for service and maintenance.

Commissioner William Sterritt noted that information in the packet states that State Stormwater and Sedimentation & Erosion Control permits must be received prior to the Board of Commissioners' public hearing. He asked if that had taken place. Mrs. Cox stated that it has not taken place. She explained that at the time the Planning Board met it was their understanding that the permits would be in hand for tonight's hearing. She said although they are not currently in hand, it is recommended as a condition of the approval tonight that those permits are in hand before construction begins. Commissioner Sterritt pointed out that another statement in the packet is that the comments contained within Greg Johnson's memo dated October 21, 2014 must be adequately addressed prior to the Board of Commissioners' public hearing. He asked if that has taken place. Mrs. Cox responded that it has and Mr. Johnson is here tonight to testify to that.

Mr. Campen called on Montrose Hinton to testify. Ms. Hinton stated that she is here tonight on behalf of her mother, Gladys Griffin, one of the land owners, who is 82 years old and is unable to attend. She said her mother's parcel has been in her family's possession for almost 80 years. She stated that it is not an easy thing to give up something that has been a big part of their lives, but her mother is at the stage in her life where she is trying to take care of her personal matters. She stated that there is no one else in their family who has the ability to farm the property and this would be an opportunity for her mother to take care of this piece of property. She said her mother is very much in favor of this project and she asked the Board to respect her wishes and support the project.

Mr. Campen called on Patricia Williams who said she and her family have been in farming all of their lives. They purchased the 100 acre tract on U.S. 158 in the early 1960's. She said they tried to work with Albemarle Electric to not put power lines across their farmland so they could continue to use it for cropland. She said for many years they fought this battle. She stated they felt this would be a long term solution for them to preserve their farmland by putting the power lines on the highway rather than on the cropland. She said the power lines have taken the entire road frontage which did not leave many options for the remainder of the parcel. She stated her family was approached by April Montgomery who wanted to discuss the Invenergy solar project and they met with her on several occasions and agreed that this was a good project for this location. She said she and her family feel very receptive to this project and she asked that the Board consider making it possible.

Mr. Campen called on Delicia Moore who said she is one of the heirs of Mr. Linwood Carver who is 93 and has owned the land for a long time. She stated that this is an awesome opportunity for her family. She said her grandfather raised seven children and none of them are in the business of farming or have any interest in farming. She stated that she owns three rental properties adjacent to the parcel on U.S. 158 and she has been assured that her property would be protected. She said the family sees the solar farm as an opportunity for the family to be able to maintain her grandfather's remaining farm once he has passed. She noted that the project would cause some of the neighboring farmers to not have access to their farmland and Invenergy has agreed to provide right-of-ways for those farmers to get to their land. She asked that the Board approve the project. Commissioner Frankie Meads asked if there is anything in writing that gives the farmers access to their farms. Ms. Moore said there will be right-of-way agreements. Commissioner Meads noted that there have been drainage concerns from farmers at the solar project on Foreman-Bundy Road. County Manager Rodney Bunch said that concern will be addressed with him following the public hearing since it does not involve this particular project.

Mr. Campen called on Shelly Kirkpatrick, a professional engineer with Black & Veatch, 9000 Regency Parkway, Suite 300, Cary, North Carolina. She said Black & Veatch is an engineering procurement and construction firm with offices in Cary, North Carolina and around the world. She stated that Morgans Corner Solar Energy has contracted with Black & Veatch to prepare the site plan and assist with environmental permitting. She explained that in regards to public health and safety, the components of this solar facility will have an Underwriters Laboratory listing as required by the county's ordinance. Also, the solar panels will be manufactured with an anti-reflective coating. Ms. Kirkpatrick explained that solar panels are specifically designed to absorb rather than reflect the sunlight and the solar production comes from the sunlight absorbed. She said the project has also received correspondence from Dion Viventi, Airport Manager at the Elizabeth City Regional Airport, and he has agreed that this project raises no concern with

regards to impacts to the airport. She stated that Morgans Corner Solar Energy will obtain all environmental permits as required by the state and county. She said Black & Veatch has prepared the Stormwater Management Plan required by the ordinance and this plan has been reviewed and conditionally approved by the county staff. She noted that this same plan was submitted to the Department of Environment & Natural Resources as part of their stormwater and erosion and sedimentation control applications and they are currently pending approval. She said Morgans Corner Solar Energy is requesting that its application for this Conditional Use Permit be granted conditioned upon the expected state permits. In addition to these permits, the project is designed to avoid wetland impacts, so the engineer has been in correspondence with the Corps of Engineers and the Corps has approved the jurisdictional determination of the wetlands. The engineer will continue to work with the Corps and obtain any necessary permits.

Commissioner Lloyd Griffin asked Ms. Kirkpatrick about the effects of electromagnetic hypersensitivity and the radiation being generated from the panels. Ms. Kirkpatrick stated that the types of panels have not been chosen for this project, but generally speaking the panels are encased in tempered glass and the percentage of breakage is very low and would most likely occur during the construction process. In those cases the broken panel is immediately removed from the site by the manufacturer. She said there are no known contaminants from a panel that is immediately recycled offsite, there is no soil cleanup, and there is nothing that would impact the community. She stated that there is minimal breakage after operation. Commissioner Griffin stated that in his research on health issues related to solar panels, electromagnetic radiation is a topic specifically discussed related to the long term wear of the solar panels due to environmental effects. Mr. Campen said he has permitted probably 100 solar projects in North Carolina and has been to dozens of hearings before local boards and that issue has never come up. Mr. Campen advised that all of these projects have to go through the State Clearinghouse which includes all of the environmental agencies. He said the Clearinghouse has reviewed this project except for one issue that does not have to do with public health and safety and the Clearinghouse has cleared this project. The state environmental agencies have not found any environmental issue with respect to this project.

Commissioner Griffin said he would like to note that the power from this solar farm will not benefit Morgans Corner residents or Pasquotank County residents, but will instead be exported to the grid and will benefit some large corporation.

Commissioner Griffin raised questions regarding the wetlands, stormwater and drainage at the site. Ms. Kirkpatrick said in regards to the stormwater plan, the concept with this project and with many solar projects is to do a low impact project. She said there are no stormwater ponds which offer permanent retention or detention. She stated that in this case they are building around the existing agricultural ditches and the final topography is exactly the same as the existing topography, so the site drainage will not change. She said the majority of the site will be grassed which will drain slower and benefit the drainage off the site. She explained that no wetlands will be impacted onsite, however there is a floodplain onsite and existing drainage ditches and there are varying degrees of setbacks that the panels will be installed from these features. She stated that they have consulted with all agencies about what the setbacks should be and because of the wetland and floodplain there is not a defined dimension off of the wetland. She said sometimes the setback may be 50 feet and sometimes it may be 60 feet or 100 feet.

Commissioner Griffin stated that he is concerned about drainage because when it rains the water will sheet off of the panels and the ditches will not be able to handle the runoff, unlike a crop where rainwater filters into the ground. Ms. Kirkpatrick stated that there will be spacing between each solar panel and when the rain falls off the solar panels it will fall to the grass surface. She said they are working with the local soil conservation specialists to determine what type of grass will work in this area and in the shade so as to be able to grow grass beneath the solar panels.

Commissioner Griffin also expressed concern about the silt from the site silting into the wetlands. He asked if BMP's will be used at the site. Ms. Kirkpatrick stated they will and that silt fences will be used for most of the site during construction and where there is a wetland they will use double rows of silt fence to try to best mitigate any silting into the wetlands. She said they will also utilize check dams in the existing agricultural ditches to cause the silt to drop out. She explained that they will use rock road entrances and will utilize dust control to keep the dust down during the construction process, as well as temporary seeding and mulching to cover up any soil that has been disturbed.

Commissioner Meads asked the size of the solar panels. Ms. Kirkpatrick said the approximate width of a solar panel is almost 13 feet and the length is 62 feet. Commissioner Meads said he cannot understand how the soil beneath the panels can absorb the water like row crops. Ms. Kirkpatrick stated that water runs off faster from a row crop than from grasslands. She said when this is changed, stormwater is slowed down. She said the runoff will be less in the post-development condition than the pre-development condition. Commissioner Meads added that the panels will actually be putting more water on an acre of ground than a residential home.

Chairman Winslow noted that Pasquotank County is in a hurricane prone area and he asked what maximum windspeed the panels could withstand. Ms. Kirkpatrick said since the actual panels have not been selected yet, she cannot currently answer that question. She added that they will be designed to withstand a certain windspeed just as other structures are constructed to meet the North Carolina Building Code. She noted that the panels are designed to counteract any uplift. She said there have been solar farms that have gone through hurricanes.

Vice-Chairman Perry asked if continued maintenance is required for the panels. Ms. Kirkpatrick stated that the panels will be designed to last the length of the project, but if things break or something happens, repairs will be made. Vice-Chairman Perry asked if there will be someone at the operation on a daily basis to monitor for needed repairs. Ms. Montgomery responded that there will be no one at the site daily for maintenance and they do hire locally for landscape maintenance and mowing, but there will not be anyone at the site daily.

Commissioner Parker asked what the monthly maintenance will entail. Ms. Montgomery said it averages out over time and there may not be someone there to maintain the panels monthly, but to maintain the landscaping monthly. She added that Invenergy can monitor the project remotely from Chicago or other locations, so if something is not operating correctly they will know.

Mr. Campen asked Ms. Kirkpatrick to clarify several points. He asked that she explain what a BMP means. Ms. Kirkpatrick said a BMP is a best management practice and is a good measure that is not a code requirement, but an industry standard to mitigate sedimentation and erosion control. The plan designed for this project includes BMP's. Mr. Campen said there was a question about erosion control and he asked if this project will require a Sedimentation and Erosion Control Permit. Ms. Kirkpatrick said it will be required and is in process now. Mr. Campen stated that there was a question about the project being designed to withstand a hurricane. Ms. Kirkpatrick stated that the project will be designed to comply with the North Carolina Building Code requirements.

Commissioner Griffin raised additional questions regarding runoff from the panels. Ms. Kirkpatrick stated that there will be panels over 80% of the 100 acres, so it is not like they are creating a parking lot, and water will be able to get to the ground and follow existing topography. She said it is very important to have controls in place for the silt and this is the purpose of providing an Erosion and Sedimentation Control Plan that must be fulfilled during the construction process. The plan provides for a specialist to do weekly site walks and if there are any problems the contractor has to fix them within a certain timeframe.

Commissioner Griffin asked how compliance would be handled after construction is complete. Mrs. Cox explained that there are several different approvals that must be obtained before the project could ever be built: the local approval which is the Conditional Use Permit and compliance with the local Stormwater Design Manual; several state permits including a state Stormwater Permit and a state Sedimentation and Erosion Control permit. She said the state would also be responsible for enforcing any conditions of their approvals. There would be consequences for non-compliance with any county or state permits or conditions.

Commissioner Dixon said he would like to point out that some of the questions Commissioners are asking are policies the Board created. He stated that the Board is questioning its very own policies and it appears some members of the Board want to change the rules in mid-stream. He stated that they need to hear from staff.

Mrs. Cox stated that the county's engineering consultant, Greg Johnson, is here tonight. He has reviewed all of the plans and the drainage calculations for this project to determine compliance with the county's Stormwater Design Manual. She said Mr. Johnson will be able to answer questions about the drainage.

Mr. Campen said Ms. Kirkpatrick mentioned that she has consulted with the Army Corps of Engineers about the areas in question. He asked her if she has done anything in designing this project that is inconsistent with her consultation with the Corps or with any other state or federal agency. Ms. Kirkpatrick said she has not.

Mr. Campen stated that he would like to introduce into the record email correspondence between Ms. Montgomery and Dion Viventi, Airport Manager for the Elizabeth City Regional Airport. In the correspondence Ms. Montgomery informed Mr. Viventi of the proposed solar project at Morgans Corner and asked if he has any concerns about the project in relation to the impact on the airport. Mr. Viventi's response was that he had reviewed the plans and had no concerns with regards to the impact on the airport. Mr. Campen provided a copy of this correspondence to the Board as Exhibit 5.

Mr. Campen called on Mr. Rich Kirkland to testify. Mr. Kirkland stated that he is a commercial appraiser, a state certified general appraiser in North Carolina, and an MIA designated appraiser through the Appraisal Institute. He explained that he was hired to answer the question about whether this proposed project would have an impact on the values of surrounding properties. He said he has gone through the law library at the Appraisal Institute, has visited 40 solar farms or solar farm proposed sites across North Carolina, and has done a study which is included in the packet given to Commissioners. He stated that he conducted a matched pair analysis of a solar farm in Goldsboro that backs up to a residential development. This development was in the process of being built before the solar farm was announced and it had homes built or sold before the solar farm was approved, after it was approved and during construction. He said after looking at the sales of these homes that either back up to the solar farm or were down the street from the solar farm, he found they were selling for the same price per square foot regardless of where they were located within the subdivision. He said this shows that there was no impact from the solar farm. He added that the developers of the subdivision said they also had no concern regarding the solar farm. He stated that he spoke with people in the subdivision and they expressed no concern with the solar farm. Mr. Kirkland said he also looked at the sale of a tract of land in Orange County adjacent to a solar farm and it sold for a price very similar to other tracts that were not near a solar farm. He stated that he also looked at another project in Roxboro where a solar farm was located on a corner of a large farm tract. After construction, another parcel was sold out of the same tract at the same price per acre as a similar tract not near a solar farm. Mr. Kirkland said these matched pairs all show that there was no impact on adjoining property values as a result of a solar farm. He stated that it is his professional opinion that the solar farm proposed in this case will have no impact on property values. He said there are no odors being generated, no light pollution being generated, no objectionable noise, and he has never heard any hum from the solar inverters. He added it is also his professional opinion that the proposed use of the property is in harmony with the surrounding area.

Mr. Campen stated that this concludes their case. He said he believes they have met their burden of producing competent material and substantial evidence with expert witnesses and detailed studies. He moved to have the five exhibits that Morgans Corner Solar Energy has offered introduced into evidence in the record of this proceeding. County Attorney Mike Cox moved to also introduce Mrs. Cox's report into evidence. He noted that Mr. Campen had two witnesses he was tendering as experts in their field based on their experience or expertise, Mr. Kirkland and Ms. Kirkpatrick.

Motion was made by Jeff Dixon, seconded by Cecil Perry to admit the five exhibits and the report by Planning Director Shelley Cox into evidence in the record of tonight's proceeding and to accept Mr. Kirkland and Ms. Kirkpatrick as expert witnesses. The motion carried unanimously.

Mr. Campen said he would also like to confirm with staff that the Stormwater Management Plan and the county's consultants' memoranda are all part of the record.

Engineer Greg Johnson, the county's stormwater consultant, was sworn in by the Clerk. Mr. Johnson said he would answer questions from the Board and address a couple of issues that have come up tonight. He explained that the way they judged the stormwater plan was that there was cropland there and in the winter there was typically bare soil. He said what he thought would happen with the installation of the panels would be that there would be gaps in the panels that would allow a modest amount of sunlight to allow shade grasses to grow. He stated that a new solar farm would be comparable to a newly planted field. Water indeed comes off the panels and there is a drip line, but if the water is given a chance to run a distance, they felt the difference

between that and row crops would not be that different. Mr. Johnson said when they looked at curve numbers which calculate how much water runs off versus how much water is captured by the soil in this type of field they tend to believe there will be a modest decrease in the amount of runoff. He stated that the proposed plan is very kind to the existing drainage system, retains the ditch, and gets more sunlight to it to try to get more natural grass to grow to hold on to the water a little better. Mr. Johnson stated that he would expect when this project settles in that the amount of water that runs off this land now is slightly less once the project is two or three years in and nature has had a chance to take its course. He said he was also impressed by the fact that they didn't try to get panels back near the present woodland area. He stated that they will be doing limited clearing so as to not harm trees on other people's property. He said based upon his research with soil conservation manuals and the project design he believes there will be a little less runoff from the solar farm than from the current farm field condition.

Commissioner Griffin pointed out some elevation differences on the plans and Mr. Johnson said there are already some existing erosion problems at the site. Commissioner Griffin asked if further setbacks are needed from the woodlands to get the panels farther away from the sensitive areas. Mr. Johnson advised that the plans include a grassed area and gravel check dams in the ditches so they would be able to hold onto the water and the sediments. He added that in the event of a 100 year storm some repair work will have to be done, but this would also be the case in the agricultural field.

Mr. Johnson said he would recommend as a condition of the permit that the project be revisited and reseeded as necessary and those areas between the panels and the wood line be checked very often during the first year or two to make sure that the soils are established and repairs are made as needed.

Mr. Campen stated that Morgans Corner Solar Energy has presented substantial evidence demonstrating that they have complied with each and every requirement of the county's ordinance with regard to development standards as well as general standards for all conditional uses. He said they have put on expert testimony to that effect. He pointed out that there has been no testimony to contradict any of the testimony they have presented and there has been no opposition whatsoever to the testimony offered this evening. He said in view of that he requests that the Board grant the Conditional Use Permit that has been requested.

Chairman Winslow closed the public hearing on Conditional Use Permit 14-03 by Morgans Corner Solar Energy and he asked for comments from Commissioners.

Commissioner Griffin asked how the Board can add amendments to the Conditional Use Permit. Mr. Cox advised that the Board can put reasonable conditions related to the project in the Conditional Use Permit.

Commissioner Griffin suggested that an additional condition be placed on the permit to require video monitoring of the drainage ways periodically during the construction process, after six months, after one year, after 18 months, and annually thereafter for the life of the project. He suggested that vegetative buffers for sensitive areas be required, and also that the permit specify what state the land will be returned to at decommissioning.

Mrs. Cox explained that what the ordinance states regarding decommissioning is that decommissioning shall include removal of solar collectors, cabling, electrical components, and any other associated facilities down to 36 inches below grade. Disturbed earth shall be graded and re-seeded unless the landowner requests in writing that the access roads or other land surface areas are not to be restored.

Following a brief recess, the meeting was reconvened.

Mr. Campen said with respect to decommissioning the leases the company has with the landowners provide for the land to be restored to the same condition it was in before construction started, but the landowner has the right to change it. This might happen in the case that a road may have been built or a fence may have been installed during the project and the landowner would like to keep it in place. He said the leases speak to decommissioning more than the ordinance does. He stated that between the leases and the ordinance he believes decommissioning is well provided for.

After further discussion regarding setbacks and wetlands;

Motion was made by Lloyd Griffin, seconded by Cecil Perry to approve Conditional Use Permit 14-03 for Morgans Corner Solar Energy as recommended for a solar farm in Newland Township with staff's recommended findings of fact and subject to the following conditions:

1. That the project will comply with Section 9.04-29 ("Solar Farms") of the Pasquotank County Zoning Ordinance.
2. A 150' buffer shall permanently be maintained between the solar facility and all adjacent public street right-of-ways, residentially zoned property, and existing residential uses.
3. The height of the solar panels shall not exceed 8' above ground level.
4. Prior to the issuance of a building permit, Morgans Corner Solar Energy, LLC shall provide a decommissioning bond or irrevocable letter of credit in an amount equal to the estimated cost of removal of all solar collectors, cabling, electrical components, and any other associated facilities, less the salvage value of the equipment.
5. State Stormwater and Sedimentation & Erosion Control permits must be received prior to the issuance of a building permit for this project.
6. An as-built survey shall be provided within six (6) months of the project's commercial operation date.
7. Glare from this development shall not negatively impact traffic on Highway 158 and Blindman Road.
8. No construction activities shall take place between the hours of 11:00 p.m. – 7:00 a.m.
9. The term of the Conditional Use Permit shall remain valid for a period of thirty years from the date the building permit for the project is issued by the County.
10. Morgans Corner Solar Energy, LLC shall monitor the Best Management Practices ("BMP's") and/or drainage on the Project during construction, at the six (6) month period after construction, one (1) year after construction, eighteen (18) months after construction and twenty four (24) months after construction and thereafter annually during the life of the Project. If there are any issues with the BMP's and/or drainage the Applicant will promptly make the necessary corrections.
11. Pasquotank County shall video and/or photograph the sensitive drainage areas during the life of this Project.
12. The Applicant shall complete development strictly in accordance with the plans submitted to and approved by this Board. In addition to those additional requirements contained herein, if any of the conditions affixed hereto or any part thereof shall be held invalid or void then this permit shall be void and of no effect.

The motion carried unanimously.

10. PUBLIC HEARING ON AMENDED PROPOSAL TO PROVIDE CERTAIN ECONOMIC DEVELOPMENT INCENTIVES TO ATLANTIC WIND, LLC:

Chairman Winslow declared the meeting to be a public hearing on an amended proposal to provide certain economic development incentives to Atlantic Wind, LLC. The original agreement was approved on April 26, 2011.

Mr. Craig Poff with Iberdrola Renewables explained that in 2011 the Board agreed to enter into an Economic Development Agreement with Atlantic Wind for their proposed wind energy project. He said the idea was that the construction and permanent jobs created by the project along with the landowner payments and the tax revenues warranted some acknowledgment that the tax rates that would otherwise be operative in the State of North Carolina, if abated, would allow the project to be on equal footing with projects in other states. He stated that the incentive for the county to do that was the jobs, the landowner payments and the taxes. He said at that time the Board entered into an agreement that expires in December of 2015. Mr. Poff said at this point Atlantic Wind knows that it will not be ready to meet the deadline of December 31, 2015 and has asked to extend the agreement for two more years. They have also adjusted the table to consider the new revaluation of property in Pasquotank County as well. Mr. Poff stated that the net result per turbine in dollars remains unchanged. He said his proposal is to adjust the deadline and the tax table. He asked that the Board approve the resolution to adopt the changes to the 2011 agreement.

Commissioner Griffin said he is concerned that Mr. Poff has reworked the tax table before coming to the Board. Mr. Bunch stated that Mr. Poff has reworked the table for the Board's consideration. He said the revenue the county receives will not change, the percentage value has only been changed based on the current tax rate and the new values of the wind turbines.

Motion was made by Frankie Meads, seconded by Lloyd Griffin to table this issue until the next meeting.

Mr. Poff said he would like to mention why they had asked the county and why the county found in favor of approving an Economic Development Agreement in 2011 so the project could be built. The benefit to the county would be \$1 million in landowner payments and Atlantic Wind LLC would be largest taxpayer in the county. He said they are at a point in this project where they hope to start construction as early as next spring if everything goes as planned. He explained that before they can do this, they need to show this to their investment committee to commit to investing hundreds of millions of dollars in Pasquotank and Perquimans Counties. He stated that the economic terms of this agreement do not change one dollar from the original economic development agreement that was agreed to in 2011 and time is of the essence. Mr. Poff said he would understand if the Board chooses to take its time, but there are no changes to the terms of the agreement except to give time to complete the investment to 2017. He stated that it is important to make that change quickly so they can demonstrate to their investment committee that they still have a willing partner in Pasquotank County. He said they have invested continued time and resources of their own capital and have been advancing the project and completing the permits and he believes they have a project that is potential for construction early next year if things go well.

Chairman Winslow closed the public hearing on the amended proposal and he asked for discussion on the motion.

Commissioner Dixon stated that the amended agreement contains the exact same numbers this Board has already approved. He said this would be the biggest taxpayer in the county and he cannot understand why anyone would want to delay it and delay a revenue stream that would be coming into Pasquotank County when the county is strapped for money every year. He noted that Atlantic Wind may not yet have a buyer for its energy, but this approval will give them the opportunity to continue to seek buyers. He said further delays will just make it more difficult for Mr. Poff to find buyers. He added that this company will pay more taxes than Wal-Mart and he asked if anyone refused to allow Wal-Mart to come into Pasquotank County. He said it would make no sense to shut this project down. He commented if anyone else has a better project that is coming to Pasquotank County that will produce this type of tax revenue he would like to hear about it.

Commissioner Sterritt explained when this issue came up four years ago when he first came on the Board, the county spent hundreds of hours between staff, Planning Board, and Board of Commissioners time. He said he cannot see any advantage to a delay. He said if there is any issue other than what is involved tonight, then he would like to hear it.

Economic Development Wayne Harris pointed out that this agreement is very similar to the Business Investment Program agreement that provided Thompson-Thrift similar rebates for a \$25 million project. He reiterated that the terms of the proposed agreement have not changed and Atlantic Wind will become the biggest taxpayer in Pasquotank County, there will be 300 jobs during the construction phase, and the project will be like a gift horse in terms of the revenue that the county will get from it.

Commissioner Meads said he only asked for a delay until the next meeting. He stated that he believes the Board should have an opportunity to study the proposal instead of trying to hurry to make such an important decision at 10:30 PM when it needs to take its time to make the correct decision. He added that no one has said anything about killing the project.

Motion was made by Cecil Perry, seconded by Lloyd Griffin to call for the question on the previous motion. The motion carried unanimously.

The motion to delay action failed by a two to five margin with Commissioners Meads and Griffin voting in favor and Commissioners Winslow, Dixon, Sterritt, Perry, and Parker voting against delaying action.

Mr. Poff reviewed a spreadsheet comparing the grant percentages and the calculations included in the 2011 agreement and the calculations included in the current proposal. He said the proposal changes the grant percentages so that based on the current tax rate and the actual expected costs, it results in the exact same dollar figures as proposed in 2011. He added that the County Manager and staff have reviewed this spreadsheet and have verified the calculations and can speak to their accuracy. He stated that the grant percentages for each year are shown in Exhibit A of the Economic Development Agreement. The grant percentage for the first year of the 2011 agreement was 79.79% and it increases to 80.85% in the proposed agreement, however the net tax to the county per turbine is the same at \$4,999. As the grant percentage decreases over the life of the agreement the county's net taxes will increase. Mr. Poff said wind turbines pay very little taxes in other areas and in an effort to make this project more competitive with projects elsewhere they found this mechanism in the Economic Development grant to help address the tax disparity.

Chairman Winslow asked for the Board's decision.

Motion was made by William Sterritt, seconded by Jeff Dixon to approve the amended proposal to provide certain economic development incentives to Atlantic Wind, LLC and to adopt the following resolution approving the amendment to the Economic Development Agreement which extends the agreement until December 31, 2017 and amends the tax grant percentage schedule.

Commissioner Griffin said he would like to amend the motion to add that there would be no further extensions after December 31, 2017. Commissioner Meads seconded the amendment.

Discussion followed and Commissioner Griffin stated that this project has received several extensions because of delays with federal tax credits and he believes if the project is not complete by December, 2017, Atlantic Wind should submit a new proposal to the county and the process should start over again.

Commissioner Sterritt said he cannot see any advantage to the amendment because three years from now there will be a different group of Commissioners with different ideas.

The amendment failed by a two to five margin with Commissioners Griffin and Meads voting in favor and Commissioners Winslow, Dixon, Perry, Sterritt, and Parker voting against the proposed amendment to the motion.

Chairman Winslow asked for the Board's decision on the original motion.

Commissioner Parker asked if staff has reviewed this amendment and has a recommendation. Mr. Bunch responded that staff has reviewed it and is recommending approval of the resolution.

The original motion to approve the amended proposal to provide certain economic development incentives to Atlantic Wind, LLC and to adopt a resolution approving the amendment to the Economic Development Agreement carried unanimously and the following resolution was adopted.

RESOLUTION OF THE BOARD OF COMMISSIONERS, PASQUOTANK COUNTY
Authorizing County to Pay Economic Development Incentives and to Sign Amendment to Economic Development Agreement

Background. Atlantic Wind, LLC (“**Company**”) and the County entered into an Economic Development Agreement dated [April 26,] 2011 (“**2011 EDA**”), to induce the Company to construct a wind energy facility, including wind turbines, transmission lines, electric substations, roads, and related buildings spanning an area that is in the County and Perquimans County and to acquire and install equipment related to the wind turbines at the facility (the “**Project**”). To locate the facility in the County and in Perquimans County, the Company would lease and/or purchase land in those areas from landowners. As part of the facility, the Company expects to make expenditures in the County of at least \$30 million.

As a result of certain developments since the parties entered into the 2011 EDA, the Company has requested that the County agree to amend the 2011 EDA to extend certain deadlines in the 2011 EDA and to modify the grant percentages in **Exhibit A** of the 2011 EDA. The Company has informed the County that if the County does not agree to those amendments the Company will not locate the Project in the

County. The County agrees to these amendments in order to induce to the Company to continue seeking to develop the Project in the County.

The incentives provided to the Company under the amended 2011 EDA will provide substantial benefits to the County and its residents and businesses. The Board of Commissioners deems it desirable and in the best interests of the County and its businesses and residents to agree to the proposed amendments and to enter into an amendment to the 2011 EDA with the Company.

Resolution. The Board of Commissioners of Pasquotank County, North Carolina, resolves as follows:

1. The Board of Commissioners approves appropriating and spending from the County's general fund amounts to make the following annual cash grants to the Company:

(a) Cash grants, for a term of up to 30 consecutive years, equal to a percentage of the real property taxes paid to the County with respect to the facility each year (both directly by the Company and indirectly by a lessor of the real property on which the facility is located if there is an increase in that lessor's real property taxes as a result of the facility and the Company reimburses that lessor). Those payments are more specifically described in the draft amendment to the 2011 EDA attached to this Resolution as **Exhibit A ("Amendment to Economic Development Agreement")**; and

(b) Cash grants, for a term of up to 30 years, equal to a percentage of the personal property taxes the Company pays to the County each year, such amounts being more specifically described in the attached Amendment to Economic Development Agreement.

2. To implement these incentives and the Company's associated refund obligations, the Board of Commissioners hereby approves the attached Amendment to Economic Development Agreement and authorizes the Chair of the Board of Commissioners and the County Manager (or either of them) to execute that Amendment to Economic Development Agreement on the County's behalf and to take all actions necessary or appropriate to implement the actions and grants required by that Amendment. The Board of Commissioners also authorizes the Chair of the Board of Commissioners and the County Manager (or either of them), before executing the Amendment to Economic Development Agreement, to negotiate and approve changes to that Amendment to Economic Development Agreement's language that would not increase the amounts of the cash grants the County is required to pay the Company, or decrease the amount the Company is required to refund to the County, under the attached Amendment to Economic Development Agreement.

This 1st day of December, 2014.

11. APPROVAL OF CONSENT AGENDA:

The Board considered the following consent agenda:

a. Approval of Minutes of November 17 and 24, 2014 Commissioner Meetings

b. Approval of Tax Releases, Refunds, and Solid Waste Fee Releases

The Finance Committee has recommended approval of the following tax releases, refunds and solid waste fee releases:

Releases:

| | County | City |
|-------------------------------|----------|--------|
| 1. Coastal Beverage Co., Inc. | 1,048.04 | |
| 2. Kevin P. Braun | | 172.50 |
| 3. Kevin P. Braun | | 285.00 |

Refunds:

| | |
|------------------------------|--------|
| 1. Tod Carlton Storie | 154.07 |
| 2. Melissa Thornley Copeland | 382.87 |

Solid Waste Releases:

| Owner's Name | Parcel ID Number | Reason for Release |
|--------------------|------------------|--------------------|
| Bobbie Lee Balance | P47-7-1C | Vacant since 2004 |

c. Approval of Budget Amendments

The Finance Committee has recommended that the Board approve the following budget amendments:

| Newland Drainage | | |
|------------------|------------------|---------------------------|
| Increase | 027.0991.4991.00 | Fund Balance Appropriated |
| Increase | 027.4731.5350.00 | Maintenance |
| | | 13,000.00 |
| | | 13,000.00 |

| | | | |
|------------------|------------------|-------------------|----------|
| Library Increase | 013.0600.4940.05 | Elizabeth City | 1,250.00 |
| Library Increase | 013.6110.5232.00 | Library Materials | 1,250.00 |

d. Approval of Banking Services Proposal with Gateway Bank
The Finance Committee has recommended that the Board accept Gateway Bank's proposal to provide the county's banking services for the next three years beginning January 1, 2015.

e. Approval of First Amendment to Contract with YoungWilliams, P.C. for Child Support Services

The Finance Committee has recommended that the Board approve the First Amendment to the Contract with YoungWilliams, P.C. for Child Support Services. Under the amendment the cost to Pasquotank County would be reduced by \$325 per month.

Motion was made by Jeff Dixon, seconded by Cecil Perry to approve the consent agenda as amended. The motion carried.

12. ADOPTION OF 2015 COMMISSIONER MEETING SCHEDULE:
The Board considered a proposed schedule of regular County Commissioner meetings for 2015.

Motion was made by Jeff Dixon, seconded by Frankie Meads to adopt the 2015 Commissioner meeting schedule as proposed. The motion carried unanimously.

13. DESIGNATION OF VOTING DELEGATE FOR NCACC LEGISLATIVE GOALS CONFERENCE:

The Board considered the designation of a voting delegate for the NCACC Legislative Goals Conference which will be held January 15-16.

Motion was made by Cecil Perry, seconded by Lloyd Griffin to designate Chairman Joe Winslow as the voting delegate for the 2015 NCACC Legislative Goals Conference. The motion carried unanimously.

14. REPORTS FROM COMMISSIONERS:

Commissioner William Sterritt reported that the Community Relations Commission met a couple of weeks ago and will be meeting again on December 6. He stated that the Recreation Advisory Committee will not be meeting in December. He reported that City Council has appointed Debbie Malenfant as a city representative to the Recreation Advisory Committee.

Commissioner Jeff Dixon stated that he has been appointed to the NCACC Mental Health Engagement Task Force and will be attending its first meeting tomorrow in Raleigh.

Commissioner Lloyd Griffin stated that he would like to congratulate those who have been elected to the Board for the next four years.

Vice-Chairman Cecil Perry said he would also like to congratulate everyone, especially Commissioner Bettie Parker. He added that he taught Mrs. Parker in school.

Chairman Winslow stated that he would also like to welcome Mrs. Parker and looks forward to working with her for the betterment of Pasquotank County.

Chairman Winslow asked if there was any further business to come before the Board. There being none, he asked for a motion to adjourn the meeting.

Motion was made by Lloyd Griffin, seconded by Bettie Parker to adjourn the meeting. The motion carried and the meeting was adjourned at 11:00 PM.

Karen Jansen
CLERK TO THE BOARD

Lloyd Griffin
CHAIRMAN