

**EXTRACTS FROM MINUTES OF
BOARD OF COMMISSIONERS OF THE COUNTY OF CHATHAM, SITTING AS THE
GOVERNING BODY OF SOUTHWEST CHATHAM WATER DISTRICT**

At a regular meeting of the Board of Commissioners for the County of Chatham, sitting as the Governing Body of Southwest Chatham Water District held after due notice at 9:00 o'clock a.m. on September 7, 2004, in the Auditorium of the Agriculture Building in Pittsboro, N. C. with Commissioners Robert C. Atwater, Thomas J. Emerson, Bunkey Morgan, Carl Outz and Margaret Pollard being present, and none being absent, the following proceedings were had:

* * * *

The Clerk of the Board of Commissioners placed before the Board of Commissioners, sitting as the governing body of Southwest Chatham Water District, a Certificate of Canvass of the Chatham County Board of Elections certifying to the Board of Commissioners the results of the Special Bond Election held for the Southwest Chatham Water District on July 20, 2004. The Certificate was read and considered.

Commissioner Morgan moved the adoption of the following resolution:

WHEREAS, the Board of Commissioners, sitting as the governing body of Southwest Chatham Water District, has considered the Certificate of Canvass of the Chatham County Board of Elections canvassing the referendum held for the Southwest Chatham Water District on July 20, 2004 and certifying the result thereof to the Board of Commissioners and has canvassed the result of said Special Election; NOW, THEREFORE,

BE IT RESOLVED, that it be and hereby is certified and declared that the total number of voters who voted "YES" in answer to the question, "SHALL the order authorizing \$7,500,000 of bonds to pay capital costs of providing water facilities for Southwest Chatham Water District, including the acquisition, construction and installation of water mains, water storage tanks and pumping stations, and including the acquisition and installation of machinery and equipment and the acquisition of land or rights-in-land required therefor, and a tax to be levied for the payment thereof, be approved", was 751. The total number of voters who voted "NO" in answer to such question was 352.

FURTHER RESOLVED, that a statement substantially in the form hereinafter set forth declaring the result of said election shall be prepared, delivered to the Clerk of the Board of Commissioners and of the District for filing and recordation and published in accordance with law:

**STATEMENT OF RESULT OF SPECIAL ELECTION
HELD FOR THE SOUTHWEST CHATHAM WATER DISTRICT**

JULY 20, 2004

WHEREAS, by direction of the Board of Commissioners of the County of Chatham, sitting as the governing body of the Southwest Chatham Water District, in the State of North Carolina, a special bond election was duly called and held for said District on July 20, 2004 for the purpose of submitting to the qualified voters of said District the question hereinafter set forth, and the said Board of Commissioners of the County of Chatham, sitting as the governing body of Southwest Chatham Water District has received from the Chatham County Board of Elections certifications of the results of the election, and has determined the result of said election to be as hereinafter stated; NOW, THEREFORE,

The Board of Commissioners of the County of Chatham, sitting as the governing body of Southwest Chatham Water District hereby makes the following statement of the result of said election pursuant to The Local Government Bond Act:

The total number of voters who voted "YES" in answer to the question, "SHALL the order authorizing \$7,500,000 of bonds to pay capital costs of providing water facilities for Southwest Chatham Water District, including the acquisition, construction and installation of water mains, water storage tanks and pumping stations, and including the acquisition and installation of machinery and equipment and the acquisition of land or rights-in-land required therefor, and a tax to be levied for the payment thereof, be approved", was 751. The total number of voters who voted "NO" in answer to such question was 352. The question in the form submitted was approved by the affirmative vote of a majority of those who voted thereon at said election.

Any action or proceeding challenging the regularity or validity of this bond referendum must be begun within 30 days after September 16, 2004.
(date of publication)

Board of Commissioners of the County of
Chatham, sitting as the governing body of
Southwest Chatham Water District , North
Carolina

Commissioner Outz seconded the motion, and the motion was adopted by the following vote:

AYES: Commissioners Atwater, Emerson, Morgan, Outz and Pollard

NAYS: None

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The Board of Commissioners, sitting as the governing body of Southwest Chatham Water District, hereby makes the following statement of the result of said election pursuant to The Local Government Bond Act:

The total number of voters who voted "YES" in answer to the question, "SHALL the order authorizing \$7,500,000 of bonds to pay capital costs of providing water facilities for Southwest Chatham Water District, including the acquisition, construction and installation of water mains, water storage tanks and pumping stations, and including the acquisition and installation of machinery and equipment and the acquisition of land or rights-in-land required therefor, and a tax to be levied for the payment thereof, be approved", was 751. The total number of voters who voted "NO" in answer to such question was 352. The question in the form

submitted was approved by the affirmative vote of a majority of those who voted thereon at said election.

Any action or proceeding challenging the regularity or validity of this bond referendum must be begun within 30 days after September 16, 2004.
(date of publication)

Board of Commissioners of the County of Chatham,
sitting as the governing body of Southwest Chatham
Water District , North Carolina

STATE OF NORTH CAROLINA)
: ss.:

COUNTY OF CHATHAM)

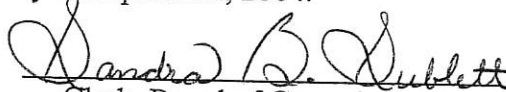
I, SANDRA B. SUBLETT, Clerk of the Board of Commissioners of the County of Chatham and Clerk of Southwest Chatham Water District, DO HEREBY CERTIFY, as follows:

1. A regular meeting of the Board of Commissioners of the County of Chatham, sitting as the governing body of Southwest Chatham Water District, located in the State of North Carolina, was duly held on September 7, 2004, proper notice of such meeting having been given as required by North Carolina statutes, and minutes of said meeting have been duly recorded in the Minute Book kept by me in accordance with law for the purpose of recording the minutes of said Board.

2. I have compared the attached extract with said minutes so recorded and said extract is a true copy of said minutes and of the whole thereof insofar as said minutes relate to matters referred to in said extract.

3. Said minutes correctly state the time when said meeting was convened and the place where such meeting was held and the members of said Board who attended said meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and have hereunto affixed the corporate seal of said District, this 7th day of September, 2004.


Clerk, Board of Commissioners
of the County of Chatham, and
Clerk, Southwest Chatham Water
District

(SEAL)