

**GOVERNMENTAL OPERATIONS AGENDA
INDEX**

July 26, 2006

ALLOCATION: The following item is presented for consultation pursuant to NCGS 143-341(4)g

1. Department of Health & Human Services (ADMINISTRATION) Buncombe County

ACQUISITION BY DEED: The following items are reported pursuant to NCGS 146-22

2. Thomas J. Stevens (AGRICULTURE) Durham County
3. Cynthia Gibson (AGRICULTURE) Martin County
4. National Committee for the New River (AGRICULTURE) Watagua County
5. C. Philip Ginn (DENR-PARKS) Ashe County
6. Clay D. Fox (DENR-PARKS) Buncombe County
7. Jesse Fisher (DENR-PARKS) Burke County
8. Association for the Preservation of the Eno River Valley, Inc. (DENR-PARKS) Orange County
9. Darlene C. Johnson (DENR-PARKS) Washington County
10. John C. Wooten Revocable (DENR-WILDLIFE) Caldwell County
11. NC Coastal Land Trust (DENR-WILDLIFE) Carteret County
12. Douglas F. Gupton (DENR-WILDLIFE) Franklin County
13. Otis Purifoy (DENR-WILDLIFE) Hyde County
14. Crescent Resources, Inc. (DENR-WILDLIFE) Macon County
15. Duke Energy Corporation (DENR-WILDLIFE) Macon County
16. Crescent Resources, Inc. (DENR-WILDLIFE) Macon County
17. Crescent Resources, Inc. (DENR-WILDLIFE) Macon County
18. The Nature Conservancy (DENR-WILDLIFE) Pender County
19. City of Kannapolis (DENR-WILDLIFE) Rowan County
20. County of Rutherford (ITS) Rutherford County
21. Cedar Ridge Properties, LLC (NC SCHOOL OF ARTS) Forsyth County
22. Paul Johnson Smith (UNC-P) Robeson County

DISPOSITION BY DEED: The following items are presented for consultation pursuant to NCGS 146-27(b)

23. David S. Shapio (NC SCHOOL OF ARTS) Forsyth County
24. H&H Products, Inc. (CORRECTION) Harnett County

OTHER MATTERS: The following items are reported pursuant to NCGS 146-30

25. NC Agriculture Foundation, Inc. (NCSU) Carteret County

ALLOCATION

ITEM 1

GRANTOR: State of NC, Department of Health and Human Services,
Division of Human Services

GRANTEE: State of NC, Department of Administration, Division of Veteran Affairs

LOCATION: North Fork Road, Black Mountain Center, Buncombe County

AREA: ±6 acres

CONSIDERATION: N/A

COMMENTS: Property proposed for allocation is adjacent to the existing Black Mountain Center and the Correctional Center for Women in Buncombe County. In accordance with Session Law 2006-66, Section 23.1, the Division of Veteran Affairs plans to construct a 100-bed nursing home on the property at an estimated cost of \$12,000,000. The allocation will be at no cost to the Department of Administration.

ACQUISITION BY DEED

ITEM 2

GRANTOR: Thomas J. Stevens and Emilie B. Stevens

GRANTEE: State of NC, Department of Agriculture and Consumer Services,
Plant Industry Division

LOCATION: Lying on the north side of Infinity Road, Durham, Durham County

AREA: 19.53 acres – subject to survey

UNIT COST: \$12,000/acre

CONSIDERATION: \$234,360 – subject to survey

COMMENTS: The property proposed for acquisition has been identified as meeting the ecological criteria for the Ecosystem Enhancement Program and the Plant Conservation Program. This tract is located within the Eno River Diabase Sill, a geologic formation found only in the triangle area. The federally endangered plant species are the Smooth Coneflower and the Tall Larkspur. There are 20 other rare species found within the Diabase Sill. This area is along the Eno River and is known as Penny's Bend. Acquisition of this property is crucial to protecting an identified Significant Natural Heritage Area containing state and federally endangered plant populations along the Eno River. The Eno River Association will be reimbursed for overhead and expenses associated with this transaction. Option expires September 30, 2006. Funding is provided by the Natural Heritage Trust Fund.

ITEM 3

GRANTOR: Russell Wade Gibson and Thomas W. Gibson and Cynthia Lynn Biggs Gibson

GRANTEE: State of NC, Department of Agriculture and Consumer Services, Senator Bob
Martin Eastern Agricultural Center

LOCATION: 2960 Prison Camp Road, Williamston, Martin County

AREA: 9,474 sq. ft. or 0.22 acre

UNIT COST: \$3.54/sq. ft.

CONSIDERATION: \$33,500

COMMENTS: Property is needed for inclusion in the Bob Martin Eastern Agricultural Center in accordance with the master plan. This parcel and adjacent future land acquisitions will be used as a horse steeplechase. Funding is available through the Center's income. The option expires September 30, 2006.

ACQUISITION BY DEED

ITEM 4

GRANTOR: National Committee for the New River

GRANTEE: State of NC, Department of Agriculture and Consumer Service,
Plant Industry Division

LOCATION: Tater Hill Plant Conservation Preserve, Watauga County

AREA: 20 acres (subject to survey)

UNIT COST: \$8,625/acre

CONSIDERATION: \$172,500 (subject to survey)

COMMENTS: Tater Hill is a mountain property with a rare high-elevation bog about 10 miles west of Boone. It is part of the Amphibolite Range with unique characteristics that provide habitat for Gray's lily, a striking red-orange wildflower on the endangered plant species list. Other rare plants native to Tater Hill include spreading avens, tall larkspur and white fringeless orchid. The purchase of this tract will further protect the endangered species in the Tater Hill Plant Conservation Preserve. This tract is an "inholding" within the Tater Hill Preserve, surrounded on three sides by existing State owned property. Tater Hill Conservation Preserve currently consists of 796 acres out of 962 acres in the master acquisition plan. The National Committee for the New River will be reimbursed for overhead and expenses associated with purchasing the property on behalf of the State. Funding provided by the Natural Heritage Trust Fund.

ACQUISITION BY DEED

ITEM 5

GRANTOR: C. Philip Ginn and Lynn R. Ginn and Joseph B Robinson, III and Renee N. Robinson

GRANTEE: State of NC, Department of Environment and Natural Resources,
Division of Parks and Recreation

LOCATION: NCSR 1274, North Fork Township, Ashe County

AREA: 205 acres (subject to survey)

UNIT COST: \$5,500/acre

CONSIDERATION: \$1,127,500 (subject to survey)

COMMENTS: House Bill 1545 of the 2001 Session of the General Assembly authorized the addition of Elk Knob State Natural Area to the State Parks System. Property proposed for acquisition is needed for inclusion in Elk Knob State Natural Area. Acquisition is necessary to prevent future development and to protect natural resources of "The Peak" area and to provide access to "The Peak" area. Funding provided by the Parks and Recreation Trust Fund. The option expires December 6, 2006. Elk Knob State Natural Area currently consists of 1,296 acres out of a planned 3,900 acres

ACQUISITION BY DEED

ITEM 6

GRANTOR: Clay D. Fox and Elizabeth S. Fox

GRANTEE: State of NC, Department of Environment and Natural Resources,
Division of Parks and Recreation

LOCATION: South side of Shumont Road (SR 2798), Broad River Township,
Buncombe County

AREA: 87 acres improved with a dilapidated mobile home of no value

UNIT COST: \$8,500/acre

CONSIDERATION: \$739,500

COMMENTS: Senate Bill 586 of the 2005 session of the General Assembly authorized the addition of Hickory Nut Gorge to the State Parks System. Property is needed for inclusion in the Hickory Nut Gorge State Park pursuant to the master plan. This proposed acquisition is of high priority due to potential for future residential development. Hickory Nut Gorge State Park currently consists of 700 acres out of a planned 5,000 acres. Funding for this acquisition is provided by the Parks and Recreation Trust Fund (\$600,000) and Natural Heritage Trust Fund (\$139,500).

ITEM 7

GRANTOR: Jesse Fisher and wife, Jean Fisher and Charles Fisher

GRANTEE: State of NC, Department of Environment and Natural Resources,
Division of Parks and Recreation

LOCATION: Crawley Dale Road, Morganton Township, Burke County

AREA: 26.63 acres

UNIT COST: \$2,750/acre

CONSIDERATION: \$73,232

COMMENTS: Property is needed for inclusion in the South Mountains State Park pursuant to the master plan. Property proposed for acquisition is located on the northwest side of South Mountain. The acquisition of this inholding will increase ease of boundary management in this section of the park. Funding is available through Parks and Recreation Trust Fund. The option expires December 23, 2006. South Mountains State Park currently has 16,915 acres out of a planned 17,258 acres.

ACQUISITION BY DEED

ITEM 8

GRANTOR: The Association for the Preservation of the Eno River Valley, Inc.
Robin Jacobs – President

GRANTEE: State of NC, Department of Environment and Natural Resources,
Division of Parks and Recreation

LOCATION: West side of River Bend Drive, Hillsborough, Orange County

AREA: Two lots consisting of 0.97 acre and 1.47 acres totaling 2.44 acres

UNIT COST: \$14,508/acre

CONSIDERATION: \$35,400

COMMENTS: Property is needed for inclusion into the Eno River State Park in accordance with the master plan. This acquisition, with 290 feet of water frontage, is critical to maintaining water quality of the Eno River and preserving the property from development. The Eno River State Park currently consists of 3,873 acres out of a planned 4,793 acres. The Eno Association will be reimbursed for overhead and expenses associated with purchasing the property on behalf of the State. Funds are provided from the Parks and Recreation Trust Fund.

ITEM 9

GRANTOR: Darlene C. Johnson

GRANTEE: State of NC, Department of Environment and Natural Resources,
Division of Parks and Recreation

LOCATION: 2151 Lakeshore Rd, Scuppernong Township, Washington County

AREA: 0.93 acre improved with a 2-story frame dwelling containing 2,878 sq. ft.

UNIT COST: \$40,000 – land
\$69.49 sq. ft. – improvement

CONSIDERATION: \$240,000

COMMENTS: The property is needed for inclusion in Pettigrew State Park pursuant to the master plan. Proposed acquisition is of high priority because the dwelling will be used as housing for park rangers. Pettigrew State Park currently has a total of 19,741 acres out of a planned 24,206 acres. Funding provided by the Parks and Recreation Trust Fund. The option expires December 21, 2006.

ACQUISITION BY DEED

ITEM 10

GRANTOR: John C. Wooten Revocable Trust
John C. Wooten – Trustee

GRANTEE: State of NC, Department of Environment and Natural Resources,
Wildlife Resources Commission

LOCATION: 5179 Buffalo Cove Road, Patterson, Yadkin Valley Township,
Caldwell County

AREA: ±20.76 acres

UNIT COST: \$4,000/acre

CONSIDERATION: \$83,000

COMMENTS: The property proposed for acquisition will be incorporated into the ±5,630 acre Buffalo Cove Game Land Program and will be utilized to protect water quality and important wildlife habitat and provide hunting and other wildlife recreational opportunities for sportsmen. There is a dilapidated manufactured house on the property that will be disposed of by sale or demolition. The acquisition of this property will provide improved access to the Game Land. The seller shall retain access rights to his adjacent property. Funding from the Wildlife Fund.

ITEM 11

GRANTOR: North Carolina Coastal Land Trust

GRANTEE: State of NC, Department of Environment and Natural Resources,
Wildlife Resources Commission

LOCATION: Neuse River at Turnagain Bay, Merrimon Township, Carteret County

AREA: ±1,378 acres

UNIT COST: \$1,451.79/acre

CONSIDERATION: \$2,000,000

COMMENTS: The property proposed for acquisition will be incorporated into the Game Land program and will be utilized to protect water quality and important wildlife habitat and provide hunting and other wildlife recreational opportunities for sportsmen. The North Carolina Coastal Land Trust acquired this property using a commercial loan and will be reimbursed for interest, overhead and direct expenses. The Wildlife Resources Commission will acquire the property using funding from the US Fish and Wildlife Service (\$500,000) and the Clean Water Management Trust Fund (\$1,500,000).

ACQUISITION BY DEED

ITEM 12

GRANTOR: Douglas F. Gupton and Elizabeth M. Gupton

GRANTEE: State of NC, Department of Environment and Natural Resources,
Wildlife Resources Commission

LOCATION: 7,715 linear feet along the Tar River in Franklin County

AREA: 172 acres – subject to survey

UNIT COST: \$3,350/ acre

CONSIDERATION: \$576,200 – subject to survey

COMMENTS: The subject property is located adjacent to the Wildlife Resources Commission Shocco Creek Game Land, which is part of a significant natural area known as the Lower Shocco Creek Bluffs and Floodplain. The NC Natural Heritage Program has extended the boundaries of this area to include the subject property, which is also downstream from property owned by the NC State University Forestry Foundation. This property has over 1.5 miles of frontage on Shocco Creek, which is a Nationally significant body of water that contains several rare species, including the federally endangered dwarf wedge mussel (*Alasmidonta heterodon*), and the Tar River spiny mussel (*Elliptio steinstansana*). This property will be utilized to protect these endangered species and to provide hunting and other wildlife recreational opportunities for sportsmen. Option expires August 1, 2006. Funding is provided by a grant from the Natural Heritage Trust Fund (\$363,475), and the Ecosystem Enhancement Program (\$212,725).

ACQUISITION BY DEED

ITEM 13

GRANTOR: Otis Purifoy and Judy Purifoy

GRANTEE: State of NC, Department of Environment and Natural Resources,
Wildlife Resources Commission

LOCATION: 6740 US Highway 264 East, Scranton, Hyde County

AREA: ±8.9 acres improved with a 865 sq. ft. wood frame building, boat ramp fuel tank
and pumps and a gravel parking area

UNIT COST: ±\$36,517/acre - land

CONSIDERATION: \$325,000

COMMENTS: The property proposed for acquisition will be used as a public boating access area. This property is located ±4 miles east of Scranton and is located on a canal that gives the site access to Rose Bay near Pamlico Sound at the confluence of the Pamlico and Pugo Rivers. The site was formerly housed a private boating access area with a small marina store. The improvements do not contribute value to the property. The boat ramp will be retained and the other improvements will be removed by the Department of Administration, State Surplus Property. Option expires October 31, 2006. Funding from boat registration receipts.

ACQUISITION BY DEED

ITEM 14

GRANTOR: Crescent Resources, Inc., a South Carolina Corporation

GRANTEE: State of NC, Department of Environment and Natural Resources,
Wildlife Resources Commission

LOCATION: NC Highway 28, Cowee Township, Macon County

AREA: ±54.07 acres

UNIT COST: ±\$11,000/acre

CONSIDERATION: \$594,800

COMMENTS: The subject property is located along the Little Tennessee River lying northwest of the Town of Franklin. The property proposed for this acquisition will be incorporated into the ±4,442 acre Needmore Game Land and will be utilized to protect water quality, important wildlife habitat and provide hunting and other wildlife recreational opportunities for sportsmen. Funding from the Clean Water Management Trust Fund (±\$434,204), the US Fish and Wildlife Service- Section 6 Program (±\$154,648) and the balance by the Land Trust for the Little Tennessee and/or the Wildlife Resources Commission (±\$5,948).

ITEM 15

GRANTOR: Duke Energy Corporation

GRANTEE: State of NC, Department of Environment and Natural Resources,
Wildlife Resources Commission

LOCATION: NC Highway 28, Cowee Township, Macon County

AREA: ±21.2 acres

UNIT COST: ±\$8,823.11/acre

CONSIDERATION: \$187,050

COMMENTS: The subject property is located near the Little Tennessee River lying northwest of the Town of Franklin. The property proposed for this acquisition will be incorporated into the ±4,442 acre Needmore Game Land and will be utilized to protect water quality, important wildlife habitat and provide hunting and other wildlife recreational opportunities for sportsmen. Funding from the Clean Water Management Trust Fund (±\$136,546.50), the US Fish and Wildlife Service- Section 6 Program (± \$48,633) and the balance by the Land Trust for the Little Tennessee and/or the Wildlife Resources Commission (±\$1,870.50).

ACQUISITION BY DEED

ITEM 16

GRANTOR: Crescent Resources, Inc., a South Carolina Corporation

GRANTEE: State of NC, Department of Environment and Natural Resources,
Wildlife Resources Commission

LOCATION: NC Highway 28, Cowee Township, Macon County

AREA: ±6.25 acres

UNIT COST: ±\$5,680/acre

CONSIDERATION: \$35,500

COMMENTS: The subject property is located along the Little Tennessee River lying northwest of the Town of Franklin. The property proposed for this acquisition will be incorporated into the ±4,442 acre Needmore Game Land and will be utilized to protect water quality, important wildlife habitat and provide hunting and other wildlife recreational opportunities for sportsmen. Funding from the Clean Water Management Trust Fund (±\$25,915), the US Fish and Wildlife Service- Section 6 Program (±\$9,230) and the balance by the Land Trust for the Little Tennessee and/or the Wildlife Resources Commission (±\$355).

ITEM 17

GRANTOR: Crescent Resources, Inc., a South Carolina Corporation

GRANTEE: State of NC, Department of Environment and Natural Resources,
Wildlife Resources Commission

LOCATION: NC Highway 28, Cowee Township, Macon County

AREA: ±7.483 acres

UNIT COST: ±\$10,500/acre

CONSIDERATION: \$78,600

COMMENTS: The subject property is located near the Little Tennessee River lying northwest of the Town of Franklin. The property proposed for this acquisition will be incorporated into the ±4,442 acre Needmore Game Land and will be utilized to protect water quality, important wildlife habitat and provide hunting and other wildlife recreational opportunities for sportsmen. Funding from the Clean Water Management Trust Fund (±or \$57,378), the US Fish and Wildlife Service- Section 6 Program (± \$20,436) and the balance by the Land Trust for the Little Tennessee and/or the Wildlife Resources Commission (±\$786).

ACQUISITION BY DEED

ITEM 18

GRANTOR: The Nature Conservancy

GRANTEE: State of NC, Department of Environment and Natural Resources,
Wildlife Resources Commission

LOCATION: ±10 miles east of Wallace and being adjacent to the Angola Bay Game Land,
Pender County

AREA: ±5,520.56 acres

UNIT COST: \$671.10/acre

CONSIDERATION: \$3,704,847.82 (subject to survey)

COMMENTS: The property proposed for acquisition will be incorporated into Angola Bay Game Land and will be utilized to protect important wildlife habitat and provide hunting and other wildlife recreational opportunities for sportsmen. Angola Bay Game Land is a ±22,622 acre property lying in both Pender and Duplin Counties. A letter of intent has been issued for the acquisition of ±9,942 acres of land adjacent to Angola Bay to The Nature Conservancy and will be reimbursed for direct expenses and overhead. Funding from the Natural Heritage Trust Fund.

ITEM 19

GRANTOR: City of Kannapolis

GRANTEE: State of NC, Department of Environment and Natural Resources,
Wildlife Resources Commission

LOCATION: ±8 miles due west of Salisbury and being south of Hwy 70, Rowan County

AREA: ±2,842.77 acres

UNIT COST: \$2,990.04/acre (average)

CONSIDERATION: \$8,500,000

COMMENTS: The property proposed for acquisition will be incorporated in the Game Land Program and will be utilized to protect water quality, important wildlife habitat and provide hunting and other wildlife recreational opportunities for sportsmen. The proposed acquisition is a part of a bargain sale that is scheduled to close in phases over a five-year period. The first phase shall be for ±1,100 acres at \$4,079.09 per acre or \$4,487,000. Phase One funding from the Clean Water Management Trust Fund (\$2,522,000), the Natural Heritage Trust Fund (\$1,697,560) and the Land Trust for Central North Carolina (\$267,440).

ACQUISITION BY DEED

ITEM 20

GRANTOR: County of Rutherford

GRANTEE: State of NC, Office of Information Technology Services

LOCATION: Lot 11, Rutherford Corporate Center, US Hwy 74, Forest City, Rutherford County

AREA: ±16.3 acres

UNIT COST: \$13,804/acre

CONSIDERATION: \$225,000

COMMENTS: The State Chief Information Officer declared an emergency in February 2006, related to ITS back-up Data Center. The State is seeking a second data center, outside of Raleigh for critical state applications in case of natural disaster, homeland security incident or other catastrophic failure. A new 50,000 sq. ft. facility is proposed for this site which will house the data center and serve as an applications back-up center to operate in concert with the State data center in Raleigh. Plans and specifications for the new facility are being reviewed by the Department of Insurance and the State Construction Office. Tentative plans are for the facility to be operational on or about January 2008. Funding is included in the FY 2006-07 budget. The property is encumbered by a ±3.3 acre conservation easement to the U.S. Fish and Wildlife service for protection of the Dwarf flowered heartleaf. This easement will not affect future plans for construction. This item was reported to the Joint Legislative Commission on Governmental Operations.

ACQUISITION BY DEED

ITEM 21

GRANTOR: Cedar Ridge Properties, LLC
Douglas R. Eitel – Manager

GRANTEE: State of NC, North Carolina School of the Arts

LOCATION: 1803 Sunnyside Avenue, Winston-Salem, Forsyth County

AREA: 0.24 acre-lot improved with a 2,560 sq. ft. vinyl veneer frame dwelling

UNIT COST: \$2.86/sq. ft. – land or \$30,000 for lot
\$62.89/sq. ft. – improvement

CONSIDERATION: \$ 191,000

COMMENTS: The property proposed for acquisition is needed pursuant to the School's master plan. The property will be used for the expansion of the Campus and renovation for future use as office space. Funds provided by 2000 Higher Education Bond Funds

ITEM 22

GRANTOR: Paul Johnson Smith

GRANTEE: State of NC, University of North Carolina at Pembroke

LOCATION: 906 Dogwood Lane, Pembroke, Robeson County

AREA: 26,136 sq. ft. or 0.60 acres improved with one single-story dwelling containing 2,162 sq. ft.

UNIT COST: \$0.61/sq. ft. – land
\$44.40/sq. ft. – improvements

CONSIDERATION: \$112,000

COMMENTS: Property proposed for acquisition is adjacent to campus and will be utilized initially as office space during many renovation projects that will be occurring over the next several years. Ultimately, this site will be utilized for parking needs in accordance with the university's master plan. Funds provided through lapsed salaries.

DISPOSITION BY DEED

ITEM 23

GRANTOR: State of NC, North Carolina School of the Arts

GRANTEE: David S. and Brantly B. Shapiro

LOCATION: 28 Cascade Avenue, Chancellor's Residence, Winston- Salem, Forsyth County

AREA: 0.86 acre improved with a 2½ story frame dwelling containing 4,964 sq. ft. with detached garage, gazebo and other improvements

UNIT COST: \$3.15/sq. ft. – land
\$84.01/sq. ft. – improvements

CONSIDERATION: \$535,000

COMMENTS: On September 8, 2005 the Board of Governors approved the sale of the Chancellor's residence. House Bill 1414 of the 2004 Session of the General Assembly provided that the School of Arts retain the proceeds from the proposed sale of their existing chancellor's residence to construct or otherwise acquire a new chancellor's residence. The property was listed for sale with a local real estate firm which has received the above offer.

ITEM 24

GRANTOR: State of NC, Department of Correction, Division of Correction Enterprises

GRANTEE: H & H Products, Inc.
Jerry Hartman – President

LOCATION: #2 Morganite Drive, Dunn, Harnett County

AREA: ±6.42 acres of land improved with a ±15,100 sq. ft. brick structure

CONSIDERATION: \$125,000

COMMENTS: The Department of Correction acquired this property in 1976 for use as a meat processing plant operated by Correction Enterprise that has been relocated to a more modern facility. The property is poor condition, outdated and no longer functional for its designed use. The property is surplus to the State's needs. Negotiated sales price.

OTHER MATTERS

ITEM 25

North Carolina State University (NCSU) requests approval to acquire property located at 142 Banks Street, Morehead City, Carteret County, from the North Carolina Agriculture Foundation, Inc., for \$200,000. The property consists of two contiguous parcels totaling 0.533 acres improved with a single-story frame dwelling containing 768 square feet. The intended purpose of the proposed acquisition was to provide a site for the construction of a 16-unit housing structure to further NCSU's Center for Marine Science and Technology (CMAST) program located on the campus of Carteret Community College (CCC), Morehead City. The structure will provide temporary housing accommodations for students, visiting professors and other researchers in accordance with NCSU's plans for the program. The existing four-story CMAST building was constructed on property leased from CCC. Due to its close proximity to the existing CMAST building, NCSU has concluded it would be in the best interest of all parties to site the new 16-unit housing structure on land owned by CCC rather than the Banks Road property. Therefore, authorization is requested to acquire 142 Banks Road, Morehead City, from the Foundation and in lieu of lease payments, exchange for a 99-year ground lease from CCC to construct the 16-unit housing facility.