

PERSON COUNTY BOARD OF COMMISSIONERS
MEMBERS PRESENT

OCTOBER 6, 2014
OTHERS PRESENT

Jimmy B. Clayton
Kyle W. Puryear
B. Ray Jeffers
Frances P. Blalock
David Newell, Sr.

Heidi York, County Manager
C. Ronald Aycock, County Attorney
Brenda B. Reaves, Clerk to the Board

The Board of Commissioners for the County of Person, North Carolina, met in regular session on Monday, October 6, 2014 at 7:00 pm in the Commissioners' meeting room in the Person County Office Building.

Chairman Clayton called the meeting to order, led invocation and asked Vice Chairman Jeffers to lead the Pledge of Allegiance.

DISCUSSION/ADJUSTMENT/APPROVAL OF AGENDA:

A **motion** was made by Vice Chairman Jeffers and **carried 5-0** to approve the agenda.

RECOGNITION:

NC ASSOCIATION OF COUNTY COMMISSIONERS AWARDS PERSON COUNTY SUPER MEMBER DESIGNATION:

Person County, by virtue of celebrating its 5th year of continuous membership in both NC Association of County Commissioners' (NCACC) risk pools, has earned itself a Super Member plaque. NC Association of County Commissioners' Risk Control Manager, Bob Carruth, presented a plaque to the Board of Commissioners. Chairman Clayton accepted the award on behalf of the Board.

RECESSED PUBLIC HEARING:

**A FINANCIAL GRANT INCENTIVE IN THE AMOUNT OF \$30,000
DISBURSED TO ROXBORO DEVELOPMENT GROUP OVER 3-YEARS FOR
AN ECONOMIC PROJECT FOR PUBLIC IMPROVEMENTS BENEFITING
THE UPTOWN AREA AND HALL'S AGRIBUSINESS:**

Chairman Clayton called the recessed public hearing for a financial grant incentive in the amount of \$30,000 disbursed to Roxboro Development Group over 3-years for an economic project for public improvements benefiting the Uptown Area and Hall's Agribusiness to order. The Public Hearing was initially scheduled to be held on September 8, 2014 but was recessed until October 6, 2014 due to the incentive agreements were being developed between the participating partners. The partners participating are Person County Government (\$30,000), City of Roxboro (\$30,000), Roxboro Development Group (\$5,000) and Hall's Agribusiness.

County Manager, Heidi York stated the County is limited by General Statutes in its ability to fund incentives for "downtown area improvements." As an option, Ms. York noted the County can contribute to economic development project by contracting with the City of Roxboro, rather than Roxboro Development Group, to assist in a specific and limited public improvement, such as infrastructure, and specifically, in this case, the sidewalks. Ms. York stated this option would provide for a simpler, expedited process which is desired by Hall's Agribusiness.

Ms. York recommended the Board to close and cancel the Public Hearing for a financial grant incentive in the amount of \$30,000 disbursed to Roxboro Development Group over 3-years for an economic project for public improvements benefiting the Uptown Area and Hall's Agribusiness noting a new request for a public hearing would be on the Board's upcoming agenda for discussion of economic incentives with an interlocal agreement that reflects the County funding the project through the City of Roxboro to increase the accountability of economic incentives. Upon the development of an incentive agreement, a new public hearing will be scheduled and properly advertised.

A **motion** was made by Vice Chairman Jeffers and **carried 5-0** to close and cancel the public hearing for a financial grant incentive in the amount of \$30,000 disbursed to Roxboro Development Group over 3-years for an economic project for public improvements benefiting the Uptown Area and Hall's Agribusiness.

Ms. York introduced Ms. Lauren Wrenn, present in the audience, as the new Director of Roxboro Development Group.

INFORMAL COMMENTS:

There were no comments from the public.

DISCUSSION/ADJUSTMENT/APPROVAL OF CONSENT AGENDA:

A **motion** was made by Commissioner Puryear and **carried 5-0** to approve the Consent Agenda with the following items:

- A. Approval of Minutes of September 22, 2014
- B. Budget Amendment 6
- C. Budget Amendment 7
- D. Budget Amendment 8
- E. CDBG Quarterly Reporting for the months of July, August and September 2014

NEW BUSINESS:

REQUEST FROM WOODSDALE VOLUNTEER FIRE DEPARTMENT TO OPERATE A SECOND STATION WITH THE INTENT OF REDUCING THE ISO RATING IN UNPROTECTED AREAS:

George Woody, Chief of Woodsdale Volunteer Fire Department appeared before the Board to make them aware that the Woodsdale Volunteer Fire Department is working to secure and operate a second volunteer fire station. Mr. Woody noted the second station is located at 9379 Boston Road and will provide better assistance to the unprotected area of their district. Mr. Woody stated the goal is for the unprotected area to receive a reduction in their ISO insurance ratings from a 10 down to a 9E which will provide some savings to homeowners through their insurance policies. Mr. Woody stated as part of the certification process required by the State Fire Marshal, a letter from the Board Chairman and County Manager authorizing this second station is required. When asked by the Board for an estimate of the number of homeowners currently in the unprotected area of their district, Mr. Woody stated there are 15-18 households on Mayo Lake that are in the unprotected area of the Woodsdale district.

A **motion** was made by Vice Chairman Jeffers and **carried 5-0** to authorize a letter of support for the Woodsale Volunteer Fire Department to operate a second station.

RESOLUTION APPROVING AN INSTALLMENT FINANCING CONTRACT, A DEED OF TRUST AND OTHER DOCUMENTS AND APPROVING AND AUTHORIZING CERTAIN ACTIONS IN CONNECTION WITH FINANCING A PORTION OF THE COST OF VARIOUS PROJECTS - PERSON COUNTY RECYCLING CENTER AND VARIOUS RE-ROOFING PROJECTS:

County Manager, Heidi York requested Board approval on a Resolution Approving an Installment Financing Contract, a Deed of Trust and Other Documents and Approving and Authorizing Certain Actions in Connection with Financing a Portion of the Cost of Various Projects regarding the Person County Recycling Center and Various Re-Roofing Projects.

Ms. York stated the Resolution is set forth by sections in the following:

Preamble: The approval of documents associated with the plan to finance a portion of costs of the Project through an Installment Financing Contract, including the conveyance of Earl Bradsher Preschool to the County as collateral.

Section 1: States that the County and Board of Education have agreed to finance a portion of the cost of a project consisting of the re-roofing of Earl Bradsher Preschool which each has found it necessary and desirable to provide improved educational facilities for the citizens of Person County and that the County has also determined to finance a portion of the cost of a project consisting of the acquisition and improvement of the Person County Recycling Center and the re-roofing of the Kirby Civic Auditorium (collectively, the "Project").

Section 2: States that the County has determined to finance a portion of the cost of the Project in an amount not exceeding \$2,360,000 as a tax-exempt and bank-qualified installment financing pursuant to G.S. Section 160A-20.

Section 3: Lists the financing documents that were included in the agenda packets for review, including (a) the Installment Financing Contract between the County and BB&T, the lending institution, that sets up the arrangement for the advancement of funds to the County to be repaid in installments until the debt is paid; (b) the Deed of Trust which provides for the pledge of Earl Bradsher Preschool as security for the County's obligation to repay the debt; (c) an Administrative Agreement between the County and the Board of Education which authorizes the conveyance of Earl Bradsher Preschool to the County and its lease by the County back to the Board of Education; and (d) the Lease between the County and Board of Education to lease Earl Bradsher Preschool to the Board of Education for the duration of the loan as part of the financing plan.

Commissioner Puryear requested the Board to recuse him from the vote due to fact the lending institution is his employer.

A **motion** was made by Vice Chairman Jeffers and **carried 4-0** to allow Commissioner Puryear to recuse himself from the vote.

Vice Chairman Jeffers asked if the various re-roofing projects would be repaired or replaced. Ms. York confirmed the re-roofing projects would be repaired if possible and replaced if required.

A **motion** was made by Commissioner Blalock, and **carried 4-0** to adopt a Resolution Approving an Installment Financing Contract, a Deed of Trust and Other Documents and Approving and Authorizing Certain Actions in Connection with Financing a Portion of the Cost of Various Projects regarding the Person County Recycling Center and Various Re-Roofing Projects as presented.

Chairman Clayton stated the financing pre-closing date for signatures is scheduled for October 22, 2014 at 10:00 am.

RESOLUTION APPROVING AN INSTALLMENT FINANCING CONTRACT,
A DEED OF TRUST AND OTHER DOCUMENTS AND APPROVING AND
AUTHORIZING CERTAIN ACTIONS IN CONNECTION WITH FINANCING
A PORTION OF THE COST OF VARIOUS PROJECTS

WHEREAS, the County of Person, North Carolina (the "County"), is a validly existing political subdivision of the State of North Carolina (the "State"), under and by virtue of the Constitution and laws of the State; and

WHEREAS, the County has the power, pursuant to Section 160A-20 of the General Statutes of North Carolina, as amended, to (a) finance the purchase of real and personal property by installment agreements that create in the property purchased a security interest to secure payment of the purchase price to the entity advancing moneys for such transaction and (b) finance the construction of fixtures or improvements on real property by agreements that create in such fixtures or improvements and in the real property on which such fixtures or improvements are located a security interest to secure repayment of moneys advanced or made available for such construction; and

WHEREAS, the County and The Person County Board of Education, a body corporate which has general control and supervision of all matters pertaining to the non-charter public schools in the Person County Schools, its respective school administrative unit (the "Board of Education"), have determined to cooperate in a plan to finance a portion of the cost of a project which each has found to be necessary and desirable to provide for improved public school facilities and improved public education in such school administrative unit; and

WHEREAS, such project consists of the repair or replacement of the roof on Earl Bradsher Preschool (the "School Project"); and

WHEREAS, the County has also determined to finance a portion of the cost of a project consisting of the repair or replacement of the roof on the Kirby Civic Auditorium and the

acquisition and improvement of a building and related property to house the Person County Recycling Center (collectively, the "County Project" and, together with the School Project, the "Project"); and

WHEREAS, the Board of Commissioners for the County (the "Board") has determined to proceed with the financing pursuant to said Section 160A-20 of a portion of the cost of the Project in an amount not to exceed \$2,360,000 (the "Amount Advanced"), and it is necessary to approve an installment financing contract, a deed of trust and other documents and approve and authorize certain actions in connection therewith; and

WHEREAS, there have been presented for consideration by the Board copies of the following documents relating to such matter:

(a) a draft of an Installment Financing Contract, between the County and Branch Banking and Trust Company (the "Installment Financing Contract"), under which Branch Banking and Trust Company (the "Bank") would advance the Amount Advanced to finance a portion of the cost of the Project and the County would be obligated to make Installment Payments (as defined therein) to repay the Amount Advanced and to make certain other payments, among other requirements, such obligations being subject to termination by the County under certain circumstances as provided therein;

(b) a draft of a Deed of Trust and Security Agreement (the "Deed of Trust") which the County would execute and deliver to a trustee for the benefit of the Bank and which would encumber the site of Earl Bradsher Preschool and the improvements on such site and certain related property, subject to certain exceptions, as security for the County's obligation to repay the Amount Advanced and any other funds advanced to it pursuant to the Installment Financing Contract;

(c) a draft of an Agreement Concerning School Roof Improvements (the “Administrative Agreement”) between the Board of Education and the County, under which the Board of Education would convey to the County the site of Earl Bradsher Preschool and the improvements thereon by a General Warranty Deed and undertake certain responsibilities with respect to the School Project as described therein; and

(d) a draft of a Lease (the “Lease”) between the County, as lessor, and the Board of Education, as lessee, which provides for the lease by the County to the Board of Education of the site of Earl Bradsher Preschool and the improvements thereon as a part of such plan to finance a portion of the cost of the Project;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

Section 1. The Board hereby confirms that the Project and its use are essential for the improved administration of County government and improved public education in the County and the Project will permit the County to carry out public functions that it is authorized by law to perform.

Section 2. The Board hereby finds and determines that it is in the best interest of the County to enter into the Installment Financing Contract, the Deed of Trust, the Administrative Agreement and the Lease in order to effectuate the financing of a portion of the cost of the Project as described above.

Section 3. The form and content of the Installment Financing Contract, the Deed of Trust, the Administrative Agreement and the Lease, each of which will be a valid, legal and binding obligation of the County in accordance with its terms, are hereby approved in all respects and the Chairman of the Board, the County Manager of the County, the Finance Director of the County, the County Attorney of the County and the Clerk to the Board are hereby authorized and

directed to execute and deliver the Installment Financing Contract, the Deed of Trust, the Administrative Agreement and the Lease, as may be applicable, in substantially the forms presented to the Board, together with such additions, changes, modifications and deletions as they, with the advice of counsel, may deem necessary and appropriate, and such execution and delivery shall be conclusive evidence of the approval and authorization thereof by the Board and the County; provided, however, that the due date of the final Installment Payment is not later than December 31, 2029 and that the Amount Advanced does not exceed \$2,360,000.

Section 4. The Board hereby approves, ratifies and confirms the actions of the County Manager, the Finance Director and the County Attorney of the County in connection with this matter.

Section 5. The officers and employees of the County are authorized and directed (without limitation except as may be expressly set forth herein) to take such other actions and to execute and deliver such other documents, certificates, undertakings, agreements or other instruments as they, with the advice of counsel, may deem necessary or appropriate to effectuate the transactions contemplated by the Installment Financing Contract, the Deed of Trust, the Administrative Agreement and the Lease.

Section 6. The County covenants that, to the extent permitted by the Constitution and laws of the State of North Carolina, it will comply with the requirements of the Internal Revenue Code of 1986, as amended (the "Code"), as applicable to the Installment Financing Contract except to the extent that the County obtains an opinion of nationally-recognized bond counsel to the effect that noncompliance would not result in the interest components of the Installment Payments being includable in the gross income of the recipient thereof under Section 103 of the Code, as more specifically provided in the Installment Financing Contract.

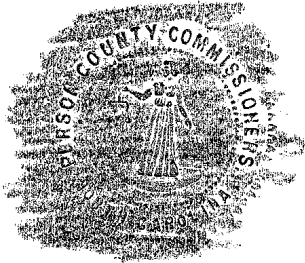
Section 7. The County hereby finds, declares and represents that (a) it reasonably expects that it, all entities subordinate to the County and all entities that issue obligations on behalf of the County (all within the meaning of Section 265(b)(3)(E) of the Code) will not issue in the aggregate more than \$10,000,000 of tax-exempt obligations (not counting private-activity bonds and certain refunding bonds as provided in Section 265(b)(3)(C)(ii) of the Code) during the current calendar year and (b) no entity has been or will be formed or availed of to avoid the limits described above. In addition, the County hereby designates its obligations to make Installment Payments under the Installment Financing Contract as a "qualified tax-exempt obligation" for the purposes of Section 265(b)(3) of the Code.

Section 8. If any section, phrase or provision of this resolution is for any reason declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases or provisions of this resolution.

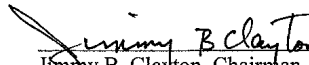
Section 9. All motions, orders, resolutions, ordinances and parts thereof in conflict herewith are hereby repealed.

Section 10. This resolution shall take effect immediately upon its passage.

Adopted this the 6th day of October 2014.



Person County Board of Commissioners


Jimmy B. Clayton, Chairman

Attest:


Brenda B. Reaves, Clerk to the Board

CHAIRMAN'S REPORT:

Chairman Clayton had no report.

MANAGER'S REPORT:

County Manager, Heidi York stated Commissioner Newell had requested information for Person County's readiness for an Ebola outbreak. Ms. York provided an email from the County's Health Director, Janet Clayton related to any such outbreak response plan at this time. A planning meeting is scheduled for October 9, 2014 with community response partners. Ms. York stated the email update from the Health Director would be sent along to *The Courier-Times*. Ms. York noted a hotline may be set up to assist citizens in identifying symptoms for Ebola and upper respiratory diseases.

COMMISSIONER REPORT/COMMENTS:

Commissioner Newell commented a hotline for an outbreak response is a good idea.

Commissioner Blalock commented on the following:

- The Bicycle Tour participants she recently met while traveling through Person County,
- Rebecca Sauter would be attending the Re-Entry meeting on October 14, 2014 at Ronnie Dunevant's office, and
- Her disappointment in Commissioner Puryear's campaign advertisement related to the Board's efforts regarding the proposed Recreation and Senior Center and the events (2008 referendum vote, public forums, Board meetings) to which citizens did not voice disapproval until the City's Board of Adjustment noting Person County had every right to question the process through an appeal.

Commissioner Puryear stated the Board meeting was not the appropriate forum for Commissioner Blalock to voice a candidate debate noting his campaign was focused on the current issues.

Vice Chairman Jeffers reported the Fire Chief's Association has requested a joint meeting with the Board of Commissioners before the annual board retreat.

ADJOURNMENT:

A **motion** was made by Vice Chairman Jeffers and **carried 5-0** to adjourn the meeting at 7:29 pm.

Brenda B. Reaves
Clerk to the Board

Jimmy B. Clayton
Chairman