

PERSON COUNTY BOARD OF COMMISSIONERS

SEPTEMBER 22, 2014

MEMBERS PRESENT

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, September 22, 2014 at 9:00 am 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 Commissioner Blalock and **carried 5-0** to approve the agenda.

PUBLIC HEARING:

WHETHER THE BOARD OF COMMISSIONERS FOR THE COUNTY OF PERSON, NC SHOULD APPROVE A PROPOSED INSTALLMENT FINANCING AGREEMENT TO FINANCE A PORTION OF THE COSTS OF VARIOUS PROJECTS AND WHETHER SAID COUNTY SHOULD ACQUIRE CERTAIN SCHOOL PROPERTY INCLUDED IN SUCH PROJECTS RELATED TO THE FINANCING OF PERSON COUNTY'S RECYCLING CENTER ACQUISITION AND IMPROVEMENTS, AND EARL BRADSHER PRESCHOOL AND KIRBY CIVIC AUDITORIUM RE-ROOFING CONSTRUCTION:

A **motion** was made by Commissioner Puryear and **carried 5-0** to open the duly advertised Public Hearing related to whether the Board of Commissioners for the County of Person, NC should approve a proposed installment financing agreement to finance a portion of the costs of various projects and whether said County should acquire certain school property included in such projects related to the financing of Person County's Recycling Center acquisition and improvements, and Earl Bradsher Preschool and Kirby Civic Auditorium Re-roofing construction.

Finance Director, Amy Wehrenberg stated the purpose of the Public Hearing set for September 22, 2014 was to consider whether the Board of Commissioners for Person County should approve a proposed installment financing agreement and certain related documents to provide funds in an amount not exceeding \$2.5M for the acquisition and improvements of the Person County Recycling Center and the replacement of roofing for Earl Bradsher Preschool and the Kirby Civic Auditorium. Ms. Wehrenberg stated another purpose of the Public Hearing was to consider whether the County should acquire from the Person County Board of Education an interest in the site of Earl Bradsher Preschool and the improvements thereon in connection with the financing. Ms. Wehrenberg noted the County would secure repayment of the financing by granting a security interest in such property and certain related property. Ms. Wehrenberg confirmed that Notice of the Public Hearing was published in *The Courier Times* not less than 10 days before the date of the Public Hearing.

Ms. Wehrenberg explained the current plan of the County is to finance a portion of the cost of this Project for \$2.36M, with the remaining cost to be sourced from available funds set aside as contingency that were initially approved for this purpose.

Ms. Wehrenberg provided the latest budget summary of revenues and expenditures associated with the project for the Board's review. Ms. Wehrenberg informed the Board of two changes since the Project was established and a Capital Project Ordinance was adopted. The first change related to the roofing construction bids coming in approximately \$53K higher for the Recycling Building's roof than was anticipated. Ms. Wehrenberg noted the General Services Director actually received one bid that was lower from a less experienced governmental bidding vendor, but due to some missing documents, the bid had to be rejected.

Ms. Wehrenberg stated the second change discovered was that a survey was not on file for Earl Bradsher Preschool that is required by the bank since it is the property being pledged as collateral. Ms. Wehrenberg stated the cost of the survey that had to be added to the Earl Bradsher re-roofing project was \$5,855. Ms. Wehrenberg stated both changes caused the need to revise the project estimates that are covered by the \$2.36M financing being proposed. Ms. Wehrenberg also included the transfer of contingency funds for \$30K that was approved for the Project in the CIP Fund noting these changes will be included in a budget amendment for the Board's meeting on October 6, 2014, the same meeting that final financing documents will be presented to the Board should the Board decide to move forward after the close of the Public Hearing. Ms. Wehrenberg asked if any Board members had any questions about the summary of costs.

Commissioner Newell asked Ms. Wehrenberg what the amount of difference was between the lowest accepted bid and the rejected bid on the roofing construction bids. Ms. Wehrenberg deferred the question to the General Services Director, Ray Foushee. Mr. Foushee stated the difference was approximately \$30,000.

Commissioner Newell asked Ms. Wehrenberg if the Board could approve the installment financing of various projects and acquisition of certain school property contingent upon a rebid for the roofing construction bids. Ms. Wehrenberg stated if the Board ordered a rebid for the roofing construction bids, the financing closing would be delayed by three months.

Ms. Wehrenberg told the Board that an increase in taxes to fund the repayment of the debt is not anticipated, and the County's current debt structure has been determined to be sound and sufficient to support this additional debt that is the subject of this Public Hearing.

Ms. Wehrenberg stated the County received bids on August 29, 2014 from the banking lenders in response to the County's request for proposals on the \$2.36M proposed installment financing agreement noting the proposal requested a fixed tax-exempt and bank-qualified interest rate-financing for the principal amount stated with a desired term of 15 years.

Ms. Wehrenberg referenced the bid sheet that was included in the Board's agenda packet that summarizes the bids noting there were many variables on which to base the comparison; the primary factor was the offered interest rate. Ms. Wehrenberg explained that BB&T's proposal was more favorable in the 2.8% interest rate proposed versus the 3.07% interest rate offered by SunTrust. Other factors in the bid proposals that were considered included the prepayment penalty provisions, legal fees, and other required special conditions. Ms. Wehrenberg said that from both responses, BB&T's proposal appears to be the most appropriate of the proposals received by the County to meet its needs and recommended the Board award BB&T as the lending institution for the proposed financing agreement.



Person County Bid Tabulation Recycling Center & Re-roofing Projects

**Project: \$2.36 Million Installment Financing Contract
Term: 15 Years, Fixed Rate**

Bank	Tax-Exempt Interest Rate	Collateral Acceptance	Acceptance Date	Prepayment Penalty/Premium	Escrow acc't with NCCMT	Legal Fees	(1) Special Conditions	(2) Special Conditions	(3) Special Conditions
BB&T	2.80%	Earl Bradsher Preschool	Acceptance notification in 10 days/ 45 days to close	1% Prepyt in whole or non-callable for 10 yrs & at par thereafter	No, Project Fund available with lender.	\$5,900	Boundary survey required	Requires Bank's Special Resolution of BOCC	Flood hazard certification on property required.
SunTrust	3.07%	Earl Bradsher Preschool	Acceptance by Sept 4th/closing date of October 16th	With prepyt: cost to be determined at time of prepyt.	No, Project Fund available with lender.	\$5,000	Updated survey (or Title Insurance with no exception to survey)	Written opinion from Borrower's Counsel that all documents are valid & binding	Environmental report required (no cost to County)

There were no individuals appearing before the Board of Commissioners to speak in favor of or in opposition to the proposed installment financing agreement to finance a portion of the costs of various projects and whether said County should acquire certain school property included in such projects related to the financing of Person County's Recycling Center acquisition and improvements, and Earl Bradsher Preschool and Kirby Civic Auditorium Re-roofing construction.

A **motion** was made by Vice Chairman Jeffers and **carried 5-0** to close the Public Hearing related to whether the Board of Commissioners for the County of Person, NC should approve a proposed installment financing agreement to finance a portion of the costs of various projects and whether said County should acquire certain school property included in such projects related to the financing of Person County's Recycling Center acquisition and improvements, and Earl Bradsher Preschool and Kirby Civic Auditorium Re-roofing construction.

CONSIDERATION TO GRANT OR DENY REQUEST OF WHETHER THE BOARD OF COMMISSIONERS FOR THE COUNTY OF PERSON, NC SHOULD APPROVE A PROPOSED INSTALLMENT FINANCING AGREEMENT TO FINANCE A PORTION OF THE COSTS OF VARIOUS PROJECTS AND WHETHER SAID COUNTY SHOULD ACQUIRE CERTAIN SCHOOL PROPERTY INCLUDED IN SUCH PROJECTS RELATED TO THE FINANCING OF PERSON COUNTY'S RECYCLING CENTER ACQUISITION AND IMPROVEMENTS, AND EARL BRADSHER PRESCHOOL AND KIRBY CIVIC AUDITORIUM RE-ROOFING CONSTRUCTION AND APPROVAL OF LENDER FOR FINANCING OF RECYCLING CENTER AND VARIOUS RE-ROOFING PROJECTS:

Commissioner Puryear respectively requested Board permission to recuse himself from the vote for Board action related to the proposed financing agreement to finance a portion of the costs of various projects and whether said County should acquire certain school property included in such projects related to the financing of Person County's Recycling Center acquisition and improvements, and Earl Bradsher Preschool and Kirby Civic Auditorium Re-roofing construction and the approval of the lender for such financing due to the recommended lender is his employer.

A **motion** was made by Vice Chairman Jeffers and **carried 4-0** to recuse Commissioner Puryear from the vote for Board action related to the proposed financing agreement to finance a portion of the costs of various projects and whether said County should acquire certain school property included in such projects related to the financing of Person County's Recycling Center acquisition and improvements, and Earl Bradsher Preschool and Kirby Civic Auditorium Re-roofing construction and the approval of the lender for such financing.

Chairman Clayton requested consideration for a motion to (a) proceed with the proposed financing of a portion of the cost of the described project (the “Project”) and approve on a preliminary basis the proposal of BB&T (the “Proposal”) to finance a portion of the cost of the Project in an amount not to exceed \$2.5M substantially as presented, (b) to authorize the Chairman of the Board of Commissioners and the County Manager and the Finance Director of the County to negotiate further with BB&T the terms of the Proposal as they consider to be necessary or advisable and to execute and deliver the Proposal to BB&T at such time as they determine to be appropriate and (c) to acquire the fee or any lesser interest in the real and personal property included in the Project, including specifically the site of Earl Bradsher Preschool and the improvements thereon, for use by the Person County Schools in order to proceed with such plan by the County and the Board of Education to finance a portion of the cost of the Project.

A **motion** was made by Commissioner Blalock and **carried 3-1** to (a) proceed with the proposed financing of a portion of the cost of the described project (the “Project”) and approve on a preliminary basis the proposal of BB&T (the “Proposal”) to finance a portion of the cost of the Project in an amount not to exceed \$2.5M substantially as presented, (b) to authorize the Chairman of the Board of Commissioners and the County Manager and the Finance Director of the County to negotiate further with BB&T the terms of the Proposal as they consider to be necessary or advisable and to execute and deliver the Proposal to BB&T at such time as they determine to be appropriate and (c) to acquire the fee or any lesser interest in the real and personal property included in the Project, including specifically the site of Earl Bradsher Preschool and the improvements thereon, for use by the Person County Schools in order to proceed with such plan by the County and the Board of Education to finance a portion of the cost of the Project. Commissioner Newell cast the lone dissenting vote.

INFORMAL COMMENTS:

The following individuals appeared before the Board to make informal comments:

Ms. Benita Purcell, Person County Group Homes, Inc. staff member and Chair of the Cardinal Innovation Consumer and Family Advisory Council made the Board aware of an upcoming Town Hall meeting scheduled for October 1, 2014 at Roxboro City Hall to address mental health needs/services in rural communities and across the state. Ms. Purcell invited the Board members as local policy makers to attend. Ms. Purcell stated Mr. Dave Richard, Deputy Director of NC Division of Health and Human Services will be the guest speaker.

Ms. Susan Naylor of 481 Valhalla Drive, Timberlake asked the Board to commission funding for a Senior Center facility noting the great need for a dedicated space to have exercise classes. Ms. Naylor explained that the Auditorium has been and will continue to be unavailable at many of the times she holds her exercise class causing the participants to have to make a choice in programming.

Mr. Ryan Wilson of 471 Parham Road, Roxboro and staff of Wilson Ambulance Service & Support (WASS) stated his intention to make the Board aware of a private ambulance service transporting residents which is not allowed according to the provisions of the County's Ambulance Franchise Ordinance. Mr. Wilson noted a discussion with the County Attorney prior to the meeting let him know the County is aware and is in process of checking into it. The Board allowed County Attorney, Ron Aycock to respond to Mr. Wilson's comments. Mr. Aycock stated the Emergency Services Director is currently investigating if any violations have taken place through his review of the Ordinance.

Mr. Tim Chandler of 116 Cheryl Circle, Roxboro acknowledged and praised the County's Home, Health and Hospice agency noting all staffs were wonderful and very helpful to his dad.

DISCUSSION/ADJUSTMENT/APPROVAL OF CONSENT AGENDA:

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

- A. Approval of Minutes of September 8, 2014
- B. Budget Amendment #4
- C. Budget Amendment #5 and Carry Forward Commitments detail
- D. Tax Adjustments for August 2014
 - a. August 2014 Tax Releases, and
 - b. August 2014 NC Vehicle Tax System pending refunds

NEW BUSINESS:

VETERAN'S PARK UPDATE:

Mr. Richard Vining, President of the Person Veterans Council gave the Board an update on the Person County Veteran's Park. Mr. Vining gave the Board a brochure depicting the Veteran's Park project to be located at 316 S. Morgan Street, Roxboro. The brochure outlined the Person Veterans Council's vision, membership, short term and long term objectives. Mr. Vining noted a correction related to donations, informing the group that any donations should be made to the American Legion.

Mr. Vining noted a sign has been erected on the lot announcing the future site of the park. Mr. Vining stated the Person Veterans Council has completed a preliminary construction schedule for the park. Mr. Vining told the Board that phase one of the Veterans' Park construction will begin in October 2014 and will include concrete work for all sidewalks of the park and the footings for the brick walls. Mr. Vining said the park fundraising efforts are underway for phase two noting that phase one of the project is totally funded. Mr. Vining described phase two as purchasing and placement of items such as the brick walls through donated labor, flag poles, service branch seals, donor stones and informational stones.

Mr. Vining stated the intent that any existing landscaping will not be disturbed.

Mr. Vining informed the Board that the Person Veterans Council would like to schedule a ribbon cutting and/or groundbreaking ceremony in early October and would like governmental representation. The commemorative target date for opening the park is Memorial Day 2015.

Commissioner Newell asked Mr. Vining if all the necessary permits have been obtained. Mr. Vining stated the conditional use permit was granted by unanimous vote by the City of Roxboro Board of Adjustment and the only other permit required will be through the County Inspections Department once the footings have been dug.

Mr. Vining thanked the Board for their continued support and making Person County a vet friendly county.

REVISED AUDIT CONTRACT WITH WINSTON, WILLIAMS, CREECH AND EVANS FOR MEDICAID PROGRAM COMPLIANCE:

Finance Director, Amy Wehrenberg requested Board action to approve a revision to Person County's current audit contract to cover the additional tasks related to evaluation of the intake function of the Medicaid program recently requested by the Office of State Auditor. Ms. Wehrenberg stated a letter from Beth Wood, State Auditor to all county district auditors was received requesting completion of the additional tasks to assist the state in obtaining an understanding of the internal controls and eligibility determinations under the Medicaid program.

Ms. Wehrenberg noted the information collected by the auditors on the Medicaid compliance will come mainly from the Health Department and the Department of Social Services. Ms. Wehrenberg further noted an increase required to the County's current audit contract is \$1,500. Ms. Wehrenberg recommended that this expenditure be sourced from undesignated contingency funds (leaving a remaining balance of \$36,000 for future unanticipated costs).

A **motion** was made by Commissioner Blalock and **carried 5-0** to approve the revised audit contract with Winston, Williams, Creech and Evans and to fund the \$1,500 from the undesignated contingency budget as presented.

CHAIRMAN'S REPORT:

Chairman Clayton acknowledged Ms. Margaret Jay's effort to find Person County money through the State Treasurer's Department website.

MANAGER'S REPORT:

County Manager, Heidi York reported the following:

- PCBIC will be meeting on Tuesday, September 23, 2014 related to the Site Certification Process, and
- State Highway Patrol and county staff will visit the Woodland School site related to the tower project on Wednesday, September 24, 2014.

COMMISSIONER REPORT/COMMENTS:

Commissioner Newell asked if the Sansbury gym would be available for the Senior Center to use for its exercise class. Ms. Naylor, who had spoken during public comments, stated the gym is available and she had a meeting with the Director of Recreation, Arts & Parks, John Hill to set up the dates to use the gym.

Commissioner Blalock reported the following:

- a) A Mountain to the Coast Bicycle Tour which begins in Sparta on September 27, 2014 and continue through Mt. Airy, Reidsville, Oxford, Roanoke Rapids, Edenton, Manteo and Hatteras. Commissioner Blalock noted this tourism event has over 1,000 riders participating that will be stopping on their way in the parking lots at Antioch Baptist Church and Mt. Harmony Baptist Church for rest stops on September 30, 2014. Commissioner Blalock suggested a request be made for the next bicycle tour to include Roxboro.
- b) The project Re-Entry program co-founder and coordinator, Rebecca Sauter has been invited to the next Re-Entry meeting scheduled for October 14, 2014. Commissioner Blalock encouraged everyone to look at Rebecca Sauter's YouTube video.

Commissioner Puryear reported his attendance at a grand opening event for a new, local business called The Bullpen located at the site of the former Outer Limits.

Vice Chairman Jeffers expressed a concern directly to Commissioner Puryear related to utilizing county resources and the County Manager's time to help the Larry Yarborough campaign through his request for budget information from 2007 to present noting that information is available on the county website and further noting the exact chart provided by the County Manager was forwarded to Larry Yarborough. Commissioner Puryear stated any email related to the county is a public record and if it is requested, he will forward such. Commissioner Puryear said that Vice Chairman Jeffers had used public facilities for his campaign.

Chairman Clayton stated in his capacity as Chairman, he will limit any such campaign discussion at the Board meetings so not to be perceived as a forum to campaign in support or against any political candidate.

CLOSED SESSION #1

A **motion** was made by Vice Chairman Jeffers and **carried 5-0** to enter Closed Session per General Statute 143-318.11(a)(5) to consider the acquisition or lease of real property at 9:39 am with the following individuals permitted to attend: County Manager, Heidi York, Clerk to the Board, Brenda Reaves, County Attorney, Ron Aycock, Assistant County Manager, Sybil Tate, and General Services Director, Ray Foushee.

A **motion** was made by Commissioner Blalock and **carried 5-0** to return to open session at 9:47 am.

ADJOURNMENT:

A **motion** was made by Vice Chairman Jeffers and **carried 5-0** to adjourn the meeting at 9:48 am.

Brenda B. Reaves
Clerk to the Board

Jimmy B. Clayton
Chairman