

The Alleghany County Board of Commissioners met in regular session on Monday, December 17, 2007, at 3:30pm in the Board Meeting Room of the County Administration Building, 348 South Main Street, Sparta, North Carolina.

Present: Chair Ken Richardson, Vice-Chair Warren Taylor, Commissioner Randy Miller, Commissioner Doug Murphy, Commissioner Milly Richardson, County Attorney Donna Shumate, County Manager Don Adams and Clerk to the Board Karen Evans.

Chair Ken Richardson called the meeting to order.

Commissioner Doug Murphy led the Pledge of Allegiance and opened the meeting with a prayer.

Chair Ken Richardson stated that item F needs to be deleted and #2 under County Business needs to be moved under item B.

Commissioner Milly Richardson made a motion to approve the amended agenda for this December 17, 2007, meeting. Commissioner Randy Miller seconded the motion. Vote 5:0.

AGENDA  
Monday, December 17, 2007  
3:30 PM

- 3:30 Meeting Called To Order, Pledge of Allegiance and Prayer
- Motion on Agenda for December 17, 2007, meeting
- Motion on Minutes for December 3, 2007, meeting
- Motion on November Tax Releases & Refunds
- 3:35 A. Public Comments—30 minutes
- B. Public Hearing  
RE: Bond Order
- C. Public Hearing  
RE: Sign Moratorium
- D. Mary Walker  
RE: DMV Office Recommendation
- E. Health Advisory Council Annual Report
- F. Senior Services Annual Report (deleted)
- G. Alleghany Memorial Hospital Annual Report
- H. Kathy Murphy  
RE: Cave Rock Estates Phase 2 Final Approval
- I. County Business
  - 1. QZAB Resolution
  - 2. Referendum Resolution (moved)
  - 3. Budget Amendment—Animal Control
  - 4. Budget Amendment—Safety Needs Assessment
  - 5. Alleghany Leadership Development Program
  - 6. Transfer Facility Holidays
  - 7. Gated Communities Update
  - 8. Pool Update
  - 9. Other Business
  - 10. Closed Session—NCGS 143-318.11 (a) (3)—legal
  - 11. Adjourn

Commissioner Milly Richardson made a motion to approve the minutes for the December 3, 2007, meeting. Commissioner Randy Miller seconded the motion. Vote 5:0.

Commissioner Milly Richardson made a motion to approve the real property and auto releases for November. Commissioner Randy Miller seconded the motion. Vote 5:0.

Commissioner Doug Murphy made a motion to approve the real property and auto refunds for November. Commissioner Randy Miller seconded the motion. Vote

5:0.

Chair Ken Richardson opened the public comments' portion of the meeting. He asked for public comments. None were received. He closed the public comments' portion.

County Manager Don Adams read the proposed bond order authorizing the issuance of general obligation school bonds in the maximum amount of \$7,535,000. He also read the resolution regarding publication of Bond Order and details for a bond referendum.

Chair Ken Richardson opened the public hearing regarding the bond order at 3:37pm. He asked for public comments. None were received. He closed the public hearing closed at 3:38pm.

Commissioner Warren Taylor made a motion to adopt the Bond Order. Commissioner Doug Murphy seconded the motion. Vote 5:0.

Commissioner Warren Taylor made a motion to adopt the resolution regarding publication of Bond Order and details for bond referendum. Commissioner Doug Murphy seconded the motion. Vote 5:0.

County Manager Don Adams explained that the Board has before them an ordinance establishing a moratorium on off-site signs pursuant to NCGS 153A-340 (h) and NCGS 153A-121. He stated that the moratorium is for 60 days. He read a portion of the ordinance explaining the purpose of the moratorium and the exclusion of temporary signs.

Chair Ken Richardson opened the public hearing regarding the sign moratorium at 3:40pm. He asked for public comments.

Bob Alexander talked about an issue he is having placing a sign along Highway 21 at Glade Valley Road for his business. He asked the Board not to over-regulate signs. He stated that he thinks that is what has happened along Highway 21. He urged the Commissioners to not regulate the business people out of business. He asked that this be taken into consideration.

Joe Edwards stated that he agrees with Bob Alexander. He talked about a business that he has just built and can't advertise for the access on Highway 21. He further talked about his choose and cut tree farm activities and having to create a mobile sign to meet regulations. He stated that they can't get people to businesses because they can't put up signs. He asked the Commissioners to remember the small businesses.

Commissioner Doug Murphy and Joe Edwards talked about his businesses' needs for signs. Commissioner Doug Murphy talked about temporary signs are not affected by the moratorium.

Chair Ken Richardson said that the County's actions will not affect the Federal/State laws.

County Manager Don Adams stated that is correct that whatever the Board does doesn't affect the Federal/State regulations in place along Highway 21. He talked about this moratorium is a 60-day moratorium for all signs regardless if the signs meet federal/state laws. He further talked about the Planning Department has a very preliminary draft of a sign ordinance. He stated that the next Planning Board meeting is on January 7, 2008, in the County Office Building conference room. He urged interested people to get a copy of the draft ordinance then attend the meeting on the 7<sup>th</sup>. He read the last paragraph of the moratorium. He explained the process of getting a sign ordinance adopted.

Chair Ken Richardson asked for additional public comments. None were received. He closed the public hearing at 3:51pm.

Commissioner Warren Taylor made a motion to adopt the moratorium regarding off-site signage. Commissioner Milly Richardson seconded the motion. Vote 5:0.

Mary Walker, Tax Administrator, presented information about the tag agency. She reviewed the proposed revenues, proposed budget with two employees and proposed budget with one full-time and one part-time employee. She stated that she recommends that this office not be in the Tax Office. She explained that she had talked to several people, and they don't recommend putting these offices together in the same location. She further explained the Tax Office traffic. She talked about if the tag office is in the Tax Office then there would have to be two computers and two cash drawers at each window.

Commissioner Milly Richardson, County Manager Don Adams and Mary Walker talked about their discussions with DMV offering this to the County first then offering it privately in order to have a tag office in Allegheny County.

Commissioner Warren Taylor and Mary Walker talked about the tax office will begin collecting taxes on tags before issuing tags in July 2010. Mary Walker talked about discussions with other counties, who operate the tag office, hasn't shown the tax collections increasing. She talked about the law taking effect in July 2010 and how it would impact the revenues.

County Manager Don Adams talked about it will cost the County \$18,000 to \$25,000 to operate the tag office. He talked about Mrs. Walker's conversations with other counties about they haven't seen an increase in tax collections. He stated that it is his understanding that there are 30 individual applications. He talked about having the newspaper print information for people about how to get an application for those that are interested in operating a tag office.

Commissioner Warren Taylor and Mary Walker continued talking about the tax collection/tag requirement changes in July 2010.

Chair Ken Richardson and Mary Walker talked about vehicle tax collections being at 83%. She further talked about problems with collecting taxes on vehicles. Chair Ken Richardson gave a scenario of increasing the collection rate to offset the costs associate with the operations of the tag office.

Mary Walker talked about training on the first-year budget that wouldn't have to be included every year. She talked about getting people to stay by offering benefits.

Chair Ken Richardson asked if the County Manager is reasonably sure Allegheny County wouldn't be without a tag office.

County Manager Don Adams explained his conversations with DMV that the County is offered the opportunity then they would review individual applications if the County declined the offer.

Commissioner Milly Richardson made a motion to turn down the offer to operate the tag office. Commissioner Doug Murphy seconded the motion.

Commissioner Doug Murphy clarified that this issue can be revisited if there is no one to operate the tag office.

The Board voted motion on the floor. Vote 5:0.

County Manager Don Adams talked to Mary Walker about providing a letter to DMV explaining the Board's actions.

Lee Cornett presented the Health Advisory Council's annual report. She explained their purpose, activities including Allegheny High School health fair and the be happy, be healthy celebration. She talked about trying different activities to promote health and well-being. She further talked about using Allegheny County's data to determine what areas need to be targeted. She thanked the Board for their support.

Commissioner Doug Murphy talked about the program at Alleghany High School was very successful when he was teaching there.

Ralph Castillo with Alleghany Memorial Hospital presented their annual report. He gave the Board information about the hospital activities and reviewed the handout. He thanked the Commissioners for their support and financial help.

County Manager Don Adams and Ralph Castillo talked about the bad debt figures and critical access status.

Kathy Murphy, Planner, presented a subdivision plat showing 55.9 acres in the Cherry Lane Township. She explained the roads in the subdivision. She further explained that the plat has a note stating that a driveway maintenance agreement is required for tracts using that private driveway. She stated that she has completed an on-site inspection of the roads and a review of the plat, and although she has concerns about the steepness of the grade on the Private Driveways, find that the proposed land subdivision meets the standards of the Alleghany County Land Subdivision Ordinance. She explained that the ordinance states that private driveways may provide access from a publicly or privately maintained roadway and serve up to five lots. She read a portion of the ordinance regarding private driveways

Commissioner Doug Murphy and Kathy Murphy talked about the steepness of the grade.

County Manager Don Adams stated that the problem is there are no standards for a private drive. He talked about it is hard to tell the Board that the emergency service vehicles can get through a subdivision when there are no standards in place to review the road.

Commissioner Milly Richardson stated this is something that we need to look at.

Commissioner Warren Taylor made a motion to approve Phase 2 for Cave Rock Estates. Commissioner Doug Murphy seconded the motion. Vote 5:0.

Chair Ken Richardson stated that the Board has talked about the driveway issue and is sending it to the Planning Board.

County Manager Don Adams talked about concerns tying it up with the subdivision ordinance when sending it to the Planning Board. He talked about the original intent of private driveways. He gave examples of using numerous private driveways, which have no standards. He stated that this situation can be addressed with a paragraph. He further stated that the Board could ask the Planning Board to address this scenario.

Chair Ken Richardson asked the Planner and County Manager to present it to the Planning Board at their next meeting.

Kathy Murphy addressed another issue about larger-tract subdivisions that can easily turn into several additional lots and there is nothing preventing that.

Chair Ken Richardson talked about including that in the wording. He further talked about the Planning Board working through it and bring it back.

County Manager Don Adams presented the resolution providing final approval of the terms and documents for the QZAB project. He explained that the resolution gives the County Manager, Finance Officer and Clerk to the Board the authority to execute the financing documents. He reviewed the fees associated with the project; Financial Consultation/Services for \$20,000, Credit Enhancement Insurance for \$14,000 (paid by the bank), Bond Counsel for \$6,750, Survey & Title Work for \$2,000, LGC Application for \$500, and Advertisements/Miscellaneous for \$750. He explained that the funds will come out the \$146,000 for debt service payment and escrow payments.

Commissioner Warren Taylor made a motion to approve the resolution providing the documentation for QZAB financing. Commissioner Doug Murphy seconded the

motion. Vote 5:0.

County Manager Don Adams presented budget amendment General Fund #11 in the amount of \$1,500 for gates on the outside pens at the animal shelter. He explained that the State inspects the animal shelter, and this stemmed from one of the inspections.

Commissioner Milly Richardson made a motion to approve budget amendment General Fund #11 in the amount of \$1,500. Commissioner Doug Murphy seconded the motion. Vote 5:0.

County Manager Don Adams presented budget amendment General Fund #12 in the amount of \$7,500 for the safety needs assessment. He provided a project update to the Board and stated that the report will be at the first meeting in February.

Commissioner Milly Richardson made a motion to approve General Fund #12 in the amount of \$7,500. Commissioner Doug Murphy seconded the motion. Vote 5:0.

County Manager Don Adams presented a letter from David Isner asking that Allegheny County fund the Allegheny Leadership Development Program as a sustaining partner for \$1,000.

Commissioner Warren Taylor made a motion to approve the request. Commissioner Doug Murphy seconded the motion. Vote 5:0.

Commissioner Doug Murphy asked that David Isner present an update on the program at a later date.

County Manager Don Adams stated that there has been a request at the Transfer Facility to close early on Christmas Eve. He reviewed the current holiday schedule.

The Board of Commissioners talked about allowing the Transfer Facility to close a couple hours early.

Commissioner Milly Richardson made a motion to move back the closing time at the Transfer Facility to 4pm on December 24. Commissioner Doug Murphy seconded the motion. Vote 5:0.

County Manager Don Adams provided the Board an update on the gated communities. He stated that he has written a letter to Blue Ridge Electric requesting access to their keys and asked that they respond in writing. He talked about the Planning Department is pulling together ordinances. He stated that he recommends that the Planning Board take this issue up with the subdivision ordinance because they go hand in hand. He talked about needing a legal opinion about enforcing any type of action on existing communities. He further talked about language in the fire codes about providing access, which he will share with the County Attorney, and will report back when he has the legal opinion.

County Manager Don Adams provided an update on the swimming pool. He reviewed the history of the project, explained all of the activities that have been completed, and what is left on the existing contract. He talked about issues that they have run into during the renovations and the current contract doesn't deal with the boiler. He reviewed his spreadsheet explaining the contracted/budget amounts, proposed budget with new items and additional funds needed.

Commissioner Warren Taylor and County Manager Don Adams talked about the additional amount needed is \$32,840.

Commissioner Milly Richardson asked about pursuing grant funds for these costs. She talked about the project can't be stopped at this point.

The Board of Commissioners talked about owing it to the community to be open by June.

Commissioner Milly Richardson talked about finishing the project.

Commissioner Warren Taylor talked about proceeding with the pump house renovations.

Commissioner Warren Taylor made a motion to approve \$13,625. Commissioner Milly Richardson seconded the motion.

Chair Ken Richardson asked the County Manager to come back with the other numbers.

Commissioner Doug Murphy talked about the lack of a fence is a safety concern.

County Manager Don Adams explained that one of the items he is requesting is a pool cover. He reviewed the reasons for the pool cover including his recommendation of leaving the water in the pool.

Commissioner Milly Richardson talked about the need for a pool cover as soon as possible.

Commissioner Warren Taylor amended his motion to include the pool cover for a total of \$17,635. Commissioner Milly Richardson seconded the amended motion. Vote 5:0.

Commissioner Warren Taylor talked about a letter he received about workshops on alternative revenue sources.

Commissioner Warren Taylor wished everyone a Merry Christmas.

Commissioner Doug Murphy stated that he wanted to clarify where to get applications for the tag office.

County Manager Don Adams stated that he would get people an application.

Commissioner Milly Richardson talked about using the newspaper to get the word out about the tag office.

Commissioner Milly Richardson asked about the teapot project report.

County Manager Don Adams stated that it is tentatively scheduled for the agenda in mid-January.

Commissioner Milly Richardson wished everyone a Merry Christmas.

Commissioner Doug Murphy made a motion to enter into closed session at 5:05pm under NCGS 143-318.11 (a) (3)—legal. Commissioner Warren Taylor seconded the motion. Vote 5:0.

Commissioner Milly Richardson made a motion to adjourn closed session at 5:32pm and reconvene the regular meeting. Commissioner Doug Murphy seconded the motion. Vote 5:0.

Chair Ken Richardson stated that no action was taken during closed session.

Being no further business, Commissioner Milly Richardson made a motion to adjourn the meeting at 5:33pm. Commissioner Warren Taylor seconded the motion. Vote 5:0.

Respectfully Submitted,

Karen Evans

Clerk to the Board

Attest:

Ken Richardson  
Chairman

<http://www.alleghanycounty-nc.gov/ordinances/1-421.PDF>

**ALLEGHANY COUNTY**

**NORTH CAROLINA**

**Resolution regarding publication of Bond Order and details for bond referendum**

WHEREAS, there has been adopted at this meeting a Bond Order entitled as follows:

**BOND ORDER AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION SCHOOL BONDS IN THE MAXIMUM AMOUNT OF \$7,535,000**

AND WHEREAS, such Bond Order is to take effect when approved by the voters;

AND WHEREAS, the General Statutes require certain additional actions to complete the process of authorizing the bonds and the bond referendum;

**BE IT THEREFORE RESOLVED by the Board of Commissioners of Alleghany County, North Carolina, as follows:**

1. The Clerk to this Board is authorized and directed to publish a notice of the adoption of such Bond Order, in the form provided for in Section 159-58 of the General Statutes, one time in a newspaper having general circulation in the County.
2. The Bond Order will be subject to a bond referendum to be held within the County on March 11, 2008.
3. The Board requests that the Alleghany County Board of Elections conduct the referendum in the manner provided for by law.
4. The ballot question shall be in the following forms:

**ALLEGHANY COUNTY SCHOOL BONDS**

Shall the order authorizing up to \$7,535,000 of Alleghany County general obligation bonds to pay capital costs of providing school facilities and paying related costs, as adopted by the County's Board of Commissioners on December 17, 2007, be approved?

5. The Clerk to this Board is authorized and directed to transmit a certified copy of this resolution to the Alleghany County Board of Elections within three days after today.
6. The Clerk to this Board is authorized and directed to publish notice of such bond referendum as required by Section 159-61 of the General Statutes.

Adopted this the 17<sup>th</sup> day of December, 2007.

**ALLEGHANY COUNTY**

## NORTH CAROLINA

### **Resolution Providing Final Approval of Terms and Documents for QZAB School Improvements Financing**

#### **WHEREAS:**

Alleghany County has previously determined to carry out a plan (the "Project") to undertake the acquisition and construction of various improvements to Alleghany High School, Glade Creek School, Piney Creek School and Sparta Elementary School. The County has also stated an intent to finance Project costs by the use of an installment contract, as authorized under Section 160A-20 of the North Carolina General Statutes, that qualifies as a "qualified zone academy bond" (a "QZAB"). The QZAB program is a federal tax credit program that provides for very low cost financing for qualified school projects.

The County Manager has worked to obtain a proposal from Dubuque Bank and Trust, of Dubuque, Iowa ("DB&T"), to provide the QZAB installment financing to the County with a zero percent nominal interest rate.

The County Manager has made available to this Board the draft agreements listed on Exhibit A (the "Agreements"), which relate to the County's carrying out the QZAB financing plan.

**BE IT THEREFORE RESOLVED by the Board of Commissioners of Alleghany County, North Carolina, as follows:**

**1. *Determination To Proceed with Financing*** – The County confirms its plans to undertake and finance the Project. The County will carry out the plan in accordance with a financing proposal dated November 5, 2007, from DB&T. This proposal has been provided to the County through the agency of North by Northwest Capital, a financial services company in the business of matching eligible QZAB borrowers with prospective QZAB lenders.

Under the financing plan, DB&T will make funds available to the County for use on Project costs. The County will repay the amount advanced over time. As part of the plan of financing, the Alleghany County School Board will convey some portion of the real estate to be improved through the QZAB financing, so that the transferred school can provide collateral for the financing. The County will grant to DB&T a mortgage-type interest in the school to secure the County's repayment obligation.

**2. *Approval of Agreements; Direction To Execute Documents*** -- The Board approves the forms of the Agreements submitted to this meeting. The Board authorizes and directs the Board's Chair and the County Manager, or either of them, to execute and deliver the Agreements in their final forms. The Agreements in their respective final forms must be in substantially the forms presented, with such changes as the Chair or the County Manager may approve, and with any appropriate modifications to reflect the requirements of the QZAB program. The Agreements in final form, however, must be consistent with the financing plan described in this resolution and must provide (a) for the amount financed by the County not to exceed \$2,000,000, (b) for an annual interest rate not to exceed 0.00% (in the absence of default, or a change in tax status), and (c) for a financing term not to extend beyond December 31, 2028.

In addition, the Board's Chair and the County Manager, or either of them, are authorized and directed to approve, execute and deliver any further documents and agreements they deem desirable for carrying out the purposes and intents of this resolution. It is the Board's understanding that the financing documents may include (a) a lease agreement, providing for the School Board to continue to use the transferred school property during the term of the financing, and (b) an agency agreement, under which the School Board will carry out the planned school renovations on the County's behalf.

The execution and delivery of any document by an authorized officer will be conclusive evidence of his approval of the final form of such document.

**3. *Authorization to County Manager To Complete Closing*** – The County Manager and all other County officers and employees are authorized and directed to take all proper steps to complete the financing in cooperation with DB&T and in accordance with the terms of this resolution.



The Board authorizes and directs the County Manager to hold executed copies of all financing documents authorized or permitted by this resolution in escrow on the County's behalf until the conditions for their delivery have been completed to such officer's satisfaction, and thereupon to release the executed copies of such documents for delivery to the appropriate persons or organizations.

Without limiting the generality of the foregoing, the Board specifically authorizes the County Manager to approve changes to any Documents, agreements or certifications previously signed by County officers or employees, provided that such changes do not conflict with this resolution or substantially alter the intent from that expressed in the form originally signed. The County Manager's authorization of the release of any such document for delivery will constitute conclusive evidence of such officer's approval of any such changes.

**4. Resolutions As To Tax Matters** -- The County will not take or omit to take any action the taking or omission of which will cause its obligations to pay principal and interest (the "Obligations") to be "arbitrage bonds," within the meaning of Section 148 of the United States Internal Revenue Code of 1986, as amended, including the applicable Treasury regulations (the "Code").

**5. Designation as a QZAB** -- The County designates the Obligations as a "qualified zone academy bond" for the purposes of, and within the meaning of, Code Section 1397E. The County and DB&T intend that the financing will qualify as a QZAB.

**6. Miscellaneous Provisions** -- All County officers and employees are authorized and directed to take all such further action as they may consider necessary or desirable in furtherance of the purposes of this resolution. All such prior actions of County officers and employees are ratified, approved and confirmed. Upon the absence, unavailability or refusal to act of the County Manager, the Board's Chairman or the Finance Officer, any other of such officers may assume any responsibility or carry out any function assigned in this resolution. All other Board proceedings, or parts thereof, in conflict with this resolution are repealed, to the extent of the conflict. This resolution takes effect immediately.

Adopted this the 17<sup>th</sup> day of December, 2007.