

The Alleghany County Board of Commissioners held a special meeting on Monday, January 2, 2006 at 6:30pm in the Conference Room of the County Office Building, 90 South Main Street, Sparta, North Carolina. The purpose of this meeting is to gain citizen input on the proposed financing for an eight-classroom/multipurpose room addition at Sparta Elementary School

Present: Chair Eldon Edwards, Vice-Chair Warren Taylor, Commissioner Sandy Carter Herndon, Commissioner Ken Richardson and County Manager Don Adams. Commissioner Graylen Blevins was present but arrived late. County Attorney Donna Shumate and Clerk to the Board Karen Evans were absent.

Chair Eldon Edwards called the meeting to order at 6:35pm.

Commissioner Warren Taylor made a motion to approve the agenda for this January 2, 2006, meeting. Commissioner Sandy Carter Herndon seconded the motion. Vote 4:0.

AGENDA
Monday, January 2, 2006
6:30 PM

- 6:30 Meeting Called To Order
Motion on Agenda for January 2, 2006 meeting
Public Hearing
RE: Sparta Elementary School—LGC Application
County Business
1. LGC Application
 2. Adjourn

County Manager Don Adams reminded everyone tonight's purpose is to hold a public hearing on the eight classrooms/multi-purpose room addition at Sparta Elementary School. He explained that after the public hearing if the Board wishes to go forward with the project, then the resolution must be approved that gives him permission to file the Local Government Commission application. He stated that final approval for the project will come at a later date.

Superintendent Dr. Jeff Cox gave everyone an overview of the project for the eight classrooms and multipurpose room addition at Sparta Elementary School.

Chair Eldon Edwards opened public hearing at 6:49pm.

Karena Caudill talked about how excited they are at Sparta School for the new facility and her appreciation for the Board's efforts.

Beth Phillips stated her appreciation to the Board. She talked about trying to have the facility open by August. She continued stating her appreciation.

Rick Wooten talked about visiting the Sparta Elementary School facility and seen the space issues. He stated that he is pleased that the boards have worked together for the children and their education.

Susan Murphy thanked the Board. She talked about this is the beginning of solving their space problems. She stated her appreciation for the Board's support and time. She said that her staff appreciates the Board, as well.

John Farrelly thanked the Board for their leadership. He brought up important issues that this project will address; currently they cannot offer special education for preschoolers and the parking issues. He talked about more steps will be needed in the long term as enrollment and programs increase. He stated that this is a tremendous step, and he is very excited about it.

Missey Weaver thanked everyone that has been involved with this project. She talked about this will alleviate some of the space problems at the School for a few years. She further talked about their increased enrollment including enrolling four more families today. She talked about the community. She stated her appreciation to the boards.

Misty Seal said thank you to both boards. She talked about the parking problems at the School.

Duane Davis talked about this is the first phase in construction for the schools. He further talked about he is pleased with the progress that has been made on this project. He stated that they had to turn down monies for the More at Four program due to inadequate space. He talked about the lottery monies. He thanked the leadership in the County.

Commissioner Graylen Blevins arrived at 6:56pm.

Chair Eldon Edwards asked for further comments. None were received.

Chair Eldon Edwards closed the public hearing at 6:57pm and reconvened the regular meeting.

County Manager Don Adams talked about the financing side of this project. He reminded everyone about previous discussions concerning the financing. He stated that it is better for the County to negotiate with the current lien holder; which is, Wachovia. He further stated that he recommends going with the bid from Wachovia. He talked about further construction discussions regarding the schools. He reminded everyone that Sparta Elementary School already has a loan on the property. He explained how the gymnasium was financed. He talked about further construction discussions and financing future projects. He talked about the bid from Wachovia being 4.07%. He explained how Wachovia will be doing this loan. He further explained that this type of financing will enable the County to have future financing on this property. He compared Wachovia's rate to the most recent loan on the Courthouse. He stated that the Local Government Commission has given approval for this type of financing.

Commissioner Ken Richardson talked about passing the additional \$25,000 in order for the facility to be open by August 1. He stated that he hopes there is something in the contract that ensures that it is completed by August 1.

Dr. Jeff Cox talked about the incentive is to provide the additional \$25,000 to be complete by August 1. He stated that there aren't any penalties added beyond that date. He explained that Vannoy completed a project similar to this in 39 days. He talked about the architects are comfortable with the August date.

Charles Joines talked about Vannoy would not receive the additional \$25,000 if the project wasn't completed by August 1.

Commissioner Warren Taylor talked about being impressed with the structure at Millers

Creek; which is similar to this project.

Charles Joines and Dr. Cox talked about the quality, the structure and timeline for this project compared to the pod units.

Commissioner Sandy Carter Herndon thanked the Board of Education. She talked about they had gone through a lot to get to this point. She thanked the parents and teachers for attending this meeting.

Commissioner Graylen Blevins apologized for being late today. He talked about this is encouraging and glad to see it. He thanked the Board of Education and parents for attending this meeting.

Chair Eldon Edwards stated that he thinks this is a worthwhile project for everyone in the County.

Commissioner Sandy Carter Herndon made a motion to approve the application to go to the Local Government Commission for the Sparta Elementary School project. Commissioner Warren Taylor seconded the motion. Vote 5:0.

Being no further business, Chair Eldon Edwards adjourned the meeting at 7:04pm.

Respectfully Submitted,

Karen Evans
Clerk to the Board

Attest:

Eldon Edwards
Chairman

**ALLEGHANY COUNTY
NORTH CAROLINA**

**RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION FOR APPROVAL
OF A FINANCING AGREEMENT AUTHORIZED BY NORTH CAROLINA GENERAL
STATUTE 160A-20**

WHEREAS, the County of Alleghany, North Carolina desires to finance the construction of eight classrooms/multi-purpose room at Sparta Elementary School; and

WHEREAS, the County of Alleghany desires to finance the Project by the use of an installment contract authorized under North Carolina General Statute 160A, Article 3, Section 20; and

WHEREAS, findings of fact by this governing body must be presented to enable the North Carolina Local Government Commission to make its findings of fact set forth in North Carolina General Statute 159, Article 8, Section 151 prior to approval of the proposed contract;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of Alleghany County, North

Carolina, meeting in regular session on the 2nd day of January, 2006, make the following findings of fact:

1. The proposed contract is necessary to construct an eight-classroom / multi –purpose room at Sparta Elementary School.
2. The proposed contract is preferable to a bond issue for the same purpose because of the cost incurred for this small of an issue and interest rates would be very similar in either instance. (i) It would not be prudent for Alleghany County to use available unappropriated fund balance to undertake the proposed project and the County is not capable of issuing a non-voted bond pursuant to Article V, Section 4, of the North Carolina Constitution to fund the project. (ii) This method was chosen to expedite the process without causing undue expenses.
3. It is anticipated the cost of financing under the proposed contract is less than the cost of issuing general obligation bonds.
4. The sums to fall due under the contract are adequate and not excessive for the proposed purpose because of the size of the issue.
5. Alleghany County’s debt management procedures and policies are good because of the continued management letters stating responsible fiscal control in all areas in funds and departmental operations. These operations continually meet with Generally Accepted Accounting Principles as required by the LGC.
6. The increase in taxes necessary to meet the sums to fall due under the proposed contract will be \$0.0210 per \$100 valuation and is not deemed to be excessive.
7. The County of Alleghany is not in default in any of its debt service obligations.
8. The attorney for the County of Alleghany has rendered an opinion that the proposed Project is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of North Carolina.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the County Manager is hereby authorized to act on behalf of the County of Alleghany in filing an application with the North Carolina Local Government Commission for approval of the Project and the proposed financing contract and other actions not inconsistent with this resolution.

This resolution is effective upon its adoption this 2nd day of January, 2006.