

STATE OF NORTH CAROLINA

COUNTY OF VANCE

The Vance County Board of Commissioners met in special session on Tuesday, September 9, 2008 at 6:00 p.m. in the Commissioners' Conference Room, Vance County Administration Building, 122 Young Street, Henderson, NC. Those Commissioners present were as follows: Chairman Danny W. Wright, Commissioners Dan Brummitt, Deborah F. Brown, Terry E. Garrison, J. Timothy Pegram, and Eddie L. Wright.

Absent: Commissioner A. Scott Hughes.

Also present were County Attorney Jonathan S. Care, County Manager Jerry L. Ayscue, and Finance Director Steven C. Stanton.

Chairman Danny W. Wright gave the invocation.

Chairman Wright stated that the purpose of this special meeting was to allow the Board to act in its capacity as the Governing Body of the Vance County Water District in order to meet with USDA Rural Development representatives regarding terms and conditions for federal funding.

The Board of Commissioners will also address funding of school construction.

Ms. Barbara Beard-Hinton, USDA representative, appeared before the Board and presented a letter which established conditions which must be understood and agreed to by the Vance County Water District. Ms. Beard-Hinton discussed the conditions which included the repayment schedule, security requirements, interim financing, disbursement of funds, applicant contribution, vulnerability assessment and emergency response plan, organization, audits, management reports and accounting methods, insurance and bonding, loan resolution, equal opportunity and assurance agreements, grant agreement, operating budget and water rate schedule, rules and regulations, debarment certification, debt collection policies, drug free workplace certification, final plans and specifications, contract documents, procurement of construction services & supplies/equipment, professional services and contracts, use of service, water purchase contract, graduation, mitigation measures, closing instructions, and other general conditions.

Ms. Beard-Hinton presented a resolution needs to be adopted by the Board which authorizes the Chairman of the Vance County Water District to execute all forms necessary to obtain a loan and grant from Rural Development for Phase 1 which is as follows:

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BE IT RESOLVED

That the Vance County Water District accepts the conditions set forth in a Letter of Conditions dated September 9, 2008 and Form Rd 1780-27, "Loan Resolution" for the Vance County Water District Phase 1":

That the Chairman of the Vance County Water District be authorized to execute all forms necessary to obtain a loan and grant from Rural Development for Phase 1, but not limited to the following forms:

Form RD 1980-27	Loan Resolution
Form RD 1942-46	Letter of Intent to Meet Conditions
Form RD 400-1	Equal Opportunity Agreement
Form RD 400-4	Assurance Agreement
Form RD 1940-1	Request for Obligation of Funds
Form RD 1910-11	Applicant Certification Federal Collection Policies
Form AD-1047	Certification Regarding Debarment Primary Covered Transactions
Form AD 1049	Certification Regarding Drug Free Workplace (Grant)
1940-Q, Exhibit A-1	Certification for Contracts, Grants and Loans
Bulletin 1780-12	Water or Waste System Grant Agreement
Unnumbered Form	Certificate of Compliance

That if the interest rate charged by Rural Development should change between this date and the date of actual approval, the chairman of the Vance County Water District be authorized to execute new forms reflecting the current interest rate and revised payments as required by Rural Development.

That the Vance County Water District elects to have the interest charged by Rural Development to be the lower of the rate in effect at either the time of loan approval or loan closing.

The Vance County Water District hereby agrees to abide by the mitigation requirements in the Letter of Conditions.

This resolution is to become a part of the official minutes of the Vance County Water District meeting held on September 9, 2008.

MOTION MADE BY: Commissioner Terry E. Garrison and  
SECONDED BY: Commissioner Deborah F. Brown THAT THE RESOLUTION BE APPROVED.

MOTION PASSED 6 FOR AND 0 AGAINST.

BY: Danny W. Wright, Chairman (signed)

Attest: September 10, 2008 BY: Kelly H. Grissom, Clerk to the Board (signed)  
Date

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Chairman Wright then closed the meeting of the Vance County Water District Board and reconvened as the Board of County Commissioners to discuss funding of school construction.

Mr. Ayscue stated that the Education Committee met yesterday, and on a 2-1 consensus, the Committee recommended that the Board proceed with the necessary actions to allow the construction of a 773 student elementary school and that action be taken immediately so that construction may be completed by the beginning of the fall 2010 school year.

Motion was made by Commissioner Eddie L. Wright to approve the recommendation of the Education Committee and proceed with construction of the elementary school to replace Clark Street School and instruct the finance staff to review financing options. This motion was seconded by Commissioner Terry E. Garrison.

Commissioner Dan Brummitt stated that during the Joint Education Committee held on August 14, the County requested the Schools to provide an updated budget on construction costs and a proposed operating budget for the new school.

Since that information has not yet been received, Commissioner Brummitt made a motion to amend the original motion to ask the School Board for the original information that was requested in a time frame that is suitable to the Board and the Schools without delaying construction. This amended motion died for a lack of a second.

Chairman Wright thanked Commissioner Brummitt for his concerns and understands his support for the new school, but feels that the time is now to act on this matter and called for the vote.

The original motion to approve the recommendation of the Education Committee and proceed with construction of the elementary school to replace Clark Street School and instruct the finance staff to review financing options passed unanimously by a roll call vote as follows:

Commissioner Terry E. Garrison - aye

Commissioner Deborah F. Brown - aye

Commissioner Dan Brummitt - aye

Commissioner J. Timothy Pegram - aye

Commissioner Eddie L. Wright - aye

Chairman Danny W. Wright - aye

As there was no further business, motion was made by Commissioner Deborah F. Brown, seconded by Commissioner Eddie L. Wright, vote unanimous, that the meeting be adjourned.

Approved and signed October 6, 2008.

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Chairman