

The Alleghany County Board of Commissioners met in regular session on Monday, July 16, 2007, at 3:30pm in the Commissioners 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 Warren Taylor led the Pledge of Allegiance and opened the meeting with a prayer.

Chair Ken Richardson stated that the Regional Water Authority Agreement needs to be added to the agenda under county business.

Commissioner Milly Richardson made a motion to approve the amended agenda for this July 16, 2007, meeting. Commissioner Randy Miller seconded the motion. Vote 5:0.

AGENDA  
Monday, July 16, 2007  
3:30 PM

- 3:30 Meeting Called To Order, Pledge of Allegiance and Prayer  
Motion on Agenda for July 16, 2007, meeting  
Motion on Minutes for July 2, 2007, meeting  
Motion on June's Tax Releases & Refunds
- 3:35 A. Public Comments—30 minutes  
B. Gary Wilson  
RE: Benchmark Contract  
C. Mental Health Annual Report  
D. Board of Education Annual Report  
E. County Business
1. Reimbursement Resolution
  2. NCACC Annual Conference Voting Delegate
  3. AIM Contract with Ashe Social Services
  4. DSS—Adoption Assistance Budget Amendment
  5. Regional Water Authority Agreement (added)
  6. Other Business
  7. Adjourn

Commissioner Warren Taylor made a motion to approve the minutes for the July 2, 2007, meeting. Commissioner Milly Richardson seconded the motion. Vote 5:0.

Commissioner Milly Richardson made a motion to approve the June Tax Releases and Refunds. 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.

Gary Wilson with Benchmark CMR came before the Board to discuss the Single-Family Rehabilitation (SFR) Program that Alleghany County has received. He explained how their company provided a proposal to administer the program for Alleghany County. He talked about the rehabilitation work here in the county and his concerns with this project; availability of contractors and costs restraints. He explained types of work that can be performed with these monies.

County Manager Don Adams presented the proposed project ordinance. He explained that this puts the program in place. He reviewed the \$200,000 project costs; \$161,000 for rehabilitation, \$23,000 for soft costs and \$16,000 for administration.

Commissioner Milly Richardson and Gary Wilson talked about soft costs that may be associated with the projects and requirements of people who receive the monies.

County Manager Don Adams explained that he is requesting the Board allow the Chairman to execute the final grant agreement, vote on the budget ordinance contingent upon final grant approval, vote on administrative services contingent upon final grant approval, vote on the procurement policy contingent upon final grant approval and vote on the assistance policy contingent upon final grant approval. He talked about the contract with Benchmark being \$35,335.

Commissioner Doug Murphy and Gary Wilson talked about using local contractors and having to get certified people for the lead abatement.

Chair Ken Richardson and Gary Wilson talked about this is federal monies with no county monies being put into the program.

County Manager Don Adams reviewed the assistance policy.

Commissioner Milly Richardson made a motion to allow the Chairman to execute the final grant agreement. Commissioner Randy Miller seconded the motion. Vote 5:0.

Commissioner Doug Murphy made a motion to approve the project budget ordinance in the amount of \$200,000 contingent upon final grant approval. Commissioner Randy Miller seconded the motion. Vote 5:0.

County Manager Don Adams talked about the agreement with Benchmark is for two years. He further talked about the work that will be performed for these monies.

Gary Wilson explained that they can only get 5% of the money in the beginning and then can only get a percentage of the completed work as it is done.

Commissioner Warren Taylor made a motion to approve the Agreement for Administrative Services contingent upon final grant approval. Commissioner Randy Miller seconded the motion. Vote 5:0.

Commissioner Milly Richardson made a motion to approve the Assistance Policy contingent upon final grant approval. Commissioner Randy Miller seconded the motion. Vote 5:0.

Commissioner Milly Richardson made a motion to approve the Code of Conduct contingent upon final grant approval. Commissioner Warren Taylor seconded the motion. Vote 5:0.

Commissioner Warren Taylor made a motion to approve the resolution giving the County Manager the authority to sign rehabilitation contracts for the 2007 SFR program. Commissioner Doug Murphy seconded the motion. Vote 5:0.

Commissioner Doug Murphy made a motion to approve the Procurement Policy contingent upon grant approval. Commissioner Milly Richardson seconded the motion. Vote 5:0.

County Manager Don Adams talked about the County wants to have local contractors bid on these projects. He talked about the cycle of the \$300,000 and the \$400,000 grants that the County will continue being involved with. He reiterated that if any local contractors are interested to call his office.

Commissioner Doug Murphy and Gary Wilson talked about advertising in the local paper and contacting licensed contractors to let them know about these jobs. Gary Wilson stated that local contractors will be a priority.

Pam Andrews came before the Board to discuss the activities for the New River Service Authority (NRSA) and for New River Behavioral Healthcare (NRBH). She talked about Alleghany County joined a multi-county interlocal agreement to provide mental health services. She updated the Board about the actions of the service authority with the interlocal agreement and about the local NRBH name change to New River Local Management Entity (New River LME). She explained the services that these organizations perform. She further explained that after the final audit this fall New River LME will officially close and dissolve and then people will only deal with the New River Service Authority or the Smoky Mountain LME. She talked about the New River Service Authority began offering services in Elkin, Mount Airy and Statesville and having a 12-month contract. She reviewed services that are offered at those three locations.

County Manager Don Adams asked about the fund balance the issue between New River and Smoky Mountain.

Pam Andrews explained that it was her understanding that issue was settled at the last meeting. She stated her appreciation for the Commissioners.

Sandy Walker came before the Board to present the annual report for New River

Behavioral Healthcare (NRBH). She gave the Board statistics regarding services provided by them. She reviewed the activities available and programs offered through mental health.

Dr. Jeff Cox came before the Commissioners to present the Board of Education's annual report. He provided information about the recent unofficial test results. He invited the Commissioners to attend a welcome-back-to-school cookout on August 1. He reviewed the unofficial test results for the school system and individual schools. He talked about changes that are taking place at the schools including staff changes. He further talked about highlights at each school and system-wide highlights.

County Manager Don Adams presented a reimbursement resolution regarding the \$2,000,000 school capital funding for all four schools. He explained the timing on the QZAB funding.

Dr. Cox talked about having the air conditioners installed before schools starts at an approximate cost of \$100,000. He further talked about this is included in the QZAB funding.

Chair Ken Richardson and County Manager Don Adams talked about this resolution allows the County to use the QZAB loan monies to reimburse the schools for these costs.

County Manager Don Adams stated that this type of resolution is not unusual. He gave examples of prior resolutions.

Commissioner Doug Murphy and Dr. Cox talked about having a verbal agreement on the QZAB funding and the QZAB information has been posted on the web site showing the counties that received funding.

County Manager Don Adams stated that he is concerned about finding a bank that will provide these services and timing issues with renovating the Piney Creek School gymnasium where the Local Government Commission requires a formal bid process on those renovations. He further stated that the resolution is for the HVAC project for \$100,000 plus small incidentals from the County like legal fees or Local Government Commission fees associated with the project.

Commissioner Randy Miller and Dr. Cox talked about the air-conditioning projects will be in place prior to school beginning.

Commissioner Warren Taylor made a motion to approve the reimbursement resolution as presented by the County Manager. Commissioner Randy Miller seconded the motion.

County Manager Don Adams stated that the schools are assuming the liability on this.

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

Dr. Cox and County Manager Don Adams talked about additional costs will need to come back before the Board.

County Manager Don Adams stated that the North Carolina Association of County Commissioners need to have someone elected as the voting delegate for the annual conference.

Commissioner Milly Richardson made a motion to appoint Ken Richardson. Commissioner Warren Taylor seconded the motion. Vote 5:0.

County Manager Don Adams presented a contract between Alleghany in Motion and Ashe County Social Services for transportation services. He explained the need for the contract.

Commissioner Milly Richardson made a motion to allow the Chairman to sign these contracts. Commissioner Warren Taylor seconded the motion. Vote 5:0.

County Manager Don Adams presented budget amendment General Fund #1 in the amount of \$2,644 for adoption assistance.

Commissioner Warren Taylor made a motion to approve budget amendment General Fund #1 in the amount of \$2,644. Commissioner Randy Miller seconded the motion. Vote 5:0.

County Manager Don Adams presented the Regional Water Authority Agreement. He stated that the other entities have agreed to this Agreement. He reviewed the two main changes from when the Board last considered this Agreement.

Commissioner Warren Taylor talked about how the County Manager has extensively reviewed this Agreement. He further talked about the Authority has an attorney who has worked on this Agreement.

Commissioner Warren Taylor made a motion to approve the Regional Water Agreement. Commissioner Doug Murphy seconded the motion.

Commissioner Milly Richardson and County Manager Don Adams talked about the costs for the Town of Sparta and the Town of Independence. She further talked about the costs issue for the Town of Sparta.

Commissioner Warren Taylor stated that he thinks the Town's officials are looking at future needs.

The Board voted on the motion on the floor. Vote 4:1 (Milly Richardson).

County Manager Don Adams mentioned that Alleghany County is now hiring a Planning Director and a Recreation Director. He stated that the job ads are in the Alleghany News.

Chair Ken Richardson presented a letter from the Library Board recommending Alice Keighton to replace Jonathan Halsey on the Library Board.

Commissioner Milly Richardson made a motion to appoint Alice Keighton. Commissioner Randy Miller seconded the motion. Vote 5:0.

Commissioner Warren Taylor talked about the Department of Corrections sending a crew here to help keep the roadsides clean. He asked if the County Manager will send a letter stating the County's appreciation for their services.

Commissioner Milly Richardson asked the County Manager to give the Board an update on a cemetery issue.

County Manager Don Adams talked about receiving a complaint in April about a cemetery that had been disturbed off of Pine Swamp Road. He further talked about his investigations regarding this complaint. He reviewed his actions of sending a letter to the property owner, Rivers Edge Landing, on June 8. He stated that he continued researching this cemetery; discovered that this is the Major Joines cemetery and other things that he discovered. He further stated that he discovered that he wasn't the appropriate person to handle this complaint. He read a portion of NCGS 65-13 that deals with abandoned cemeteries. He said he turned over all of his information to the Sheriff's Department who is researching this issue. He talked about the survey at the Library indicated that nine possible gravesites are still there. He stated that he isn't comfortable quoting what he has heard. He reviewed facts that he knows and thinks Law Enforcement would be the more appropriate people to talk to about this incident.

Commissioner Milly Richardson stated that she has received calls about the Commissioners are trying to sweep this under the rug. She further stated that this is why she brought it up for the County Manager to discuss publicly.

County Manager Don Adams talked about following the procedures in NCGS 65-13, but it is not this Board's responsibility to make sure the procedures are followed and not to investigate the complaints. He advised the Board to wait until the investigation has been completed.

Being no further business, Commissioner Warren Taylor made a motion to adjourn the meeting at 5:15pm. Commissioner Doug Murphy seconded the motion. Vote 5:0.

Respectfully Submitted,

Karen Evans  
Clerk to the Board

Attest:

Ken Richardson  
Chairman

NORTH CAROLINA

ALLEGHANY COUNTY

RESOLUTION  
DECLARATION OF OFFICAL INTENT TO REIMBURSE

BE IT HEREBY RESOLVED that Alleghany County, North Carolina does hereby adopt the following declaration (the "Declaration") of official intent to reimburse.

This declaration (the "Declaration") is made pursuant to the requirements of the United States Treasury Regulations Section 1.150-2 and is intended to constitute a Declaration of Official Intent to Reimburse under such Treasury Regulations Section.

The undersigned is authorized to declare the official intent of Alleghany County, North Carolina (the "issuer") with respect to the matters contained herein.

1. **Expenditures to be Incurred.** The Issuer anticipates incurring expenditures (the "Expenditures") to renovate Alleghany High School, Glade Creek Elementary School, Piney Creek Elementary School and Sparta Elementary School in Alleghany County, North Carolina.
2. **Plan of Finance.** The Issuer intends to finance a portion of the costs of the Project with proceeds of debt to be issued through Qualified Zone Academy Bonds and/or through standard installment purchase contracts, the interest on which is to be excluded from gross income for Federal income tax purposes (the "Borrowing").
3. **Maximum Principal Amount of Debt to be Issued.** The maximum principal amount of the Borrowing to be incurred by the Issuer to finance the Project is currently \$2,000,000.
4. **Declaration of Official Intent to Reimburse.** The Issuer hereby declares its official intent to reimburse itself with the proceeds of the Borrowing for any of the Expenditures incurred by it prior to the issuance of the Borrowing.

Adopted this the 16<sup>th</sup> day of July, 2007.