

March 23 2011

The Martin County Board of Commissioners met in Special Session on Wednesday, March 23, 2011 at 7:00 p.m. in the Board Room of the Martin County Governmental Center, 305 East Main Street, Williamston, North Carolina.

## **ASSEMBLY**

Chairman Elmo "Butch" Lilley, Vice Chairman Tommy Bowen, Commissioner Derek Price, Commissioner Bob Hyman, County Manager W. Russell Overman, and County Attorney J. Melvin Bowen. Commissioner Ronnie Smith arrived later.

Clerk to the Board Marion B. Thompson was training at SOG for clerk certification. Finance Officer Cindy Ange was the recorder of the minutes.

Chairman Lilley called the meeting to order at 7:00 p.m. The Pledge of Allegiance was led by Commissioner Price and the invocation was offered by Commissioner Bowen.

## **AGENDA APPROVAL**

Commissioner Price made a MOTION, with a SECOND by Vice Chairman Bowen to approve the agenda as presented. The motion was unanimously APPROVED.

## **RESOLUTION CALLING FOR PUBLIC HEARING ON FINANCING NEW MIDDLE SCHOOL**

Commissioner Tommy Bowen introduced the following resolution, a copy of which had been provided to each Commissioner and which was read by its title by county Attorney Melvin Bowen:

**RESOLUTION CALLING A PUBLIC HEARING ON WHETHER THE BOARD OF COMMISSIONERS FOR THE COUNTY OF MARTIN, NORTH CAROLINA SHOULD APPROVE A PROPOSED INSTALLMENT FINANCING AGREEMENT TO FINANCE A PART OF THE COST OF A NEW MIDDLE SCHOOL AND RELATED FACILITIES AND WHETHER SAID COUNTY SHOULD ACQUIRE CERTAIN PROPERTY INCLUDED IN SUCH PROJECT AND PROVIDING FOR CERTAIN RELATED MATTERS.**

WHEREAS, the County of Martin, North Carolina (the "County") and The Martin County Board of Education, which has general control and supervision of all

matters pertaining to the public schools in the Martin County Schools, its respective school administrative unit (the “Board of Education”), have determined to cooperate in a plan to finance a part of the cost of a project which each has found to be necessary and desirable to provide for improved public school facilities and improved public education in such school administrative unit; and

WHEREAS, such project consists of the construction of a new middle school and related facilities, including a new road, parking facilities and playing fields, on a 30-acre site located along US Highway 17 (the “Project”), which site is to be sold by the Board of Education to the County; and

WHEREAS, the County is considering entering into an installment financing agreement and certain related documents pursuant to G.S. §160A-20, as amended, for the purpose of providing funds in an amount not to exceed \$15,000,000, with other available funds, for the construction and other accomplishment of the Project, and the County is authorized to do so only after a public hearing on such proposed agreement; and

WHEREAS, the County is authorized to acquire the fee or any lesser interest in the real and personal property included in the Project for use by the Martin County Schools only upon the request of the Board of Education and after a public hearing; and

WHEREAS, the Board of Education has made such request of the County; and

WHEREAS, it is necessary to call a public hearing on such proposed agreement and such acquisition of property and to provide for certain related matters at this time;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners for the County as follows:

Section 1. A public hearing shall be held at 7:00 P.M. on April 13, 2011 in the Board Room in the Martin County Governmental Center located at 305 East Main Street, in Williamston, North Carolina for the purpose of (a) considering whether the Board of Commissioners for the County (the "Board") should approve such proposed agreement and certain related documents pursuant to G.S. §160A-20, as amended, for the purpose of providing funds in an amount not to exceed \$15,000,000, with other available funds, for the construction and other accomplishment of the Project and (b) considering whether the County should acquire the fee or any lesser interest in the real and personal property included in the Project for use by the Martin County Schools in order to proceed with the plan to finance a part of the cost of the Project as described above. The County would secure the repayment by it of moneys advanced pursuant to such proposed agreement by granting a security interest in a portion of the Project and certain related property.

Section 2. The Clerk to the Board shall cause a notice of such public hearing to be published in The Enterprise once at least 10 days before April 13, 2011, such notice to read substantially as follows:

NOTICE OF PUBLIC HEARING ON WHETHER THE BOARD OF COMMISSIONERS FOR THE COUNTY OF MARTIN, NORTH CAROLINA SHOULD APPROVE A PROPOSED INSTALLMENT FINANCING AGREEMENT TO FINANCE A PART OF THE COST OF A NEW MIDDLE SCHOOL AND RELATED FACILITIES AND WHETHER SAID COUNTY SHOULD ACQUIRE CERTAIN PROPERTY INCLUDED IN SUCH PROJECT.

NOTICE IS HEREBY GIVEN of a public hearing to be held at 7:00 P.M. on April 13, 2011 in the Board Room in the Martin County Governmental Center located at

305 East Main Street, in Williamston, North Carolina for the purpose of (a) considering whether the Board of Commissioners for the County of Martin, North Carolina (the “County”) should approve a proposed installment financing agreement and certain related documents pursuant to G.S. §160A-20, as amended, for the purpose of providing funds in an amount not to exceed \$15,000,000, with other available funds, for the construction and other accomplishment of the Project hereinafter described and (b) considering whether the County should acquire the fee or any lesser interest in the real and personal property included in the Project for use by the Martin County Schools in order to proceed with a plan by the County and The Martin County Board of Education (the “Board of Education”) to finance a part of the cost of the Project. The County would secure the repayment by it of moneys advanced pursuant to such proposed agreement by granting a security interest in a portion of the Project and certain related property.

The Project consists of the construction of a new middle school and related facilities, including a new road, parking facilities and playing fields, on a 30-acre site located along US Highway 17, which site is to be sold by the Board of Education to the County.

Marion B. Thompson  
Clerk to the Board of Commissioners  
for the County of Martin, North Carolina

Section 3. The Board hereby finds and determines in connection with such proposed agreement that the proceeds of such proposed agreement will be used to finance a part of the cost of the Project to meet an urgent need for improved public school facilities constituting the Project to serve the residents of the County and, accordingly, such proposed agreement is necessary or expedient for the County, (b) such proposed agreement, under current circumstances, is preferable to a bond issue of the County for

financing the same purpose because there is not sufficient time to authorize and issue bonds of the County prior to the time when funds will be needed for such purpose, (c) the sums estimated to fall due under such proposed agreement are adequate and not excessive for its proposed purpose because they are based upon the County's best estimate of the cost of the Project, (d) the County's debt management procedures and policies are good and its debt will continue to be managed in strict compliance with law, (e) any increase in taxes necessary to meet the sums estimated to fall due under such proposed agreement will not be excessive because the County expects that it will not be necessary to increase taxes for such purpose and (f) the County is not in default regarding any of its debt service obligations.

Section 4. The County Manager, the Finance Officer and the County Attorney of the County are each hereby designated as a representative of the County to file an application for approval of such proposed agreement with the Local Government Commission of North Carolina and are authorized to take such other actions as may be advisable in connection with the negotiation of such proposed agreement and the development of the related financing; and all actions heretofore taken by any of such officers or any other officer of the County relating to such matter on behalf of the County are hereby approved, ratified and confirmed.

Section 5. The Board hereby requests the Local Government Commission of North Carolina to approve such proposed agreement under Article 8 of Chapter 159 of the General Statutes of North Carolina, as amended.

Section 6. In connection with such proposed agreement, the law firm of Robinson, Bradshaw and Hinson, P.A., Charlotte, North Carolina, is hereby confirmed as

special counsel to the County and Davenport & Company, LLC is hereby confirmed as financial advisor of the County.

Section 7. This resolution shall take effect immediately upon its passage.

Upon motion duly made and seconded, the foregoing resolution was passed by the following vote: Motion Bob Hyman, 2<sup>nd</sup> Tommy Bowen

Ayes: Commissioners Elmo “Butch” Lilley, Tommy Bowen, and Bob Hyman.

Noes: Derek Price.

#### **APPROVAL OF REIMBURSEMENT RESOLUTION – MIDDLE SCHOOL PROJECT**

Thereupon, Commissioner Tommy Bowen introduced the following resolution, a copy of which had been provided to each Commissioner and which was read by its title by County Attorney Melvin Bowen:

**RESOLUTION OF THE BOARD OF COMMISSIONERS FOR THE COUNTY OF MARTIN, NORTH CAROLINA, DECLARING ITS INTENTION TO REIMBURSE SAID COUNTY FROM THE PROCEEDS OF ONE OR MORE TAX-EXEMPT FINANCINGS FOR CERTAIN EXPENDITURES IN CONNECTION WITH THE CONSTRUCTION OF A NEW MIDDLE SCHOOL AND RELATED FACILITIES.**

WHEREAS, the County of Martin, North Carolina (the “County”), is a political subdivision organized and existing under the laws of the State of North Carolina; and

WHEREAS, the County or The Martin County Board of Education (the “Board of Education”) will pay, on and after the date hereof, certain expenditures in connection with the construction of a new middle school and related facilities, including a new road, parking facilities and playing fields, on a 30-acre site located along US Highway 17 (the “Project”); and

WHEREAS, the Board of Commissioners for the County (the “Board”) has determined that certain moneys to be advanced on and after the date hereof by the County or the Board of Education to pay such expenditures (the “Expenditures”) are available only for a temporary period and it will be necessary to reimburse the County for the Expenditures from the proceeds of one or more qualified school construction bonds of the County in the form of one or more installment financings that are expected to be authorized by the Board (collectively, the “Financings”) in accordance with Section 54A(d)(2)(D) of the Internal Revenue Code of 1986, as amended;

NOW, THEREFORE, BE IT RESOLVED by the Board as follows:

Section 1. The Board hereby declares the County’s intent to reimburse the County with the proceeds of the Financings for the Expenditures made on and after the date hereof. The County reasonably expects on the date hereof that it will reimburse the Expenditures with the proceeds of the Financings.

Section 2. Each Expenditure will be (a) of a type properly chargeable to a capital account under general federal income tax principles (determined in each case as of the date of the Expenditure), (b) a cost of issuance with respect to the Financings, (c) a nonrecurring item that is not customarily payable from current revenues or (d) a grant to a party that is not related to or an agent of the County or the Board of Education so long as such grant does not impose any obligation or condition (directly or indirectly) to repay any amount to or for the benefit of the County or the Board of Education.

Section 3. The maximum principal amount of the Financings expected to be entered into with respect to the Project is \$15,000,000.

Section 4. The County will make a reimbursement allocation, which is a written allocation by the County that evidences the County's use of proceeds of the Financings to reimburse an Expenditure, no later than 18 months after the date on which the Expenditure is paid.

Section 5. This resolution shall take effect immediately upon its passage.

Thereupon, upon motion duly made and seconded, the foregoing resolution was passed by the following vote: Motion by Bob Hyman, 2<sup>nd</sup> Tommy Bowen

Ayes: Commissioners Bob Hyman, Elmo "Butch" Lilley, and Tommy Bowen.

Noes: Derek Price.

## **DEPARTMENTAL BUDGET PRESENTATIONS**

Manager Overman gave a general explanation of the budget requests from the department heads. Department personnel have done like they have in the past and have held the line. Budgets submitted for fiscal year 2011-2012 may be subjected to further adjustments.

**Finance:** Finance Officer Cindy Ange began by thanking the Board for meeting with the Department Heads and for their compassion for the employees of Martin County. Finance Officer Ange expressed thankfulness on behalf of the employees for having a job. The budget request for Finance was the same as last year.

**Building Inspector:** Inspector Jody Griffin stated that his budget was basically the same except for an increase in postage. Due to a renewed workload locally and new requirements by the State, Inspector Griffin asked that the part-time building inspector's position remain in the budget for the new fiscal year.

**Maintenance:** Supervisor Justin Harrison spoke on the budget for the ten buildings maintained by his department. Rising gasoline prices are causing increases in the cost of cleaning and maintenance supplies so cost comparisons are being done. Supervisor Harrison asked for an additional \$14,000 for two new air conditioner units. An additional \$34,500 for lighting upgrades in the governmental center and \$2,000 for the county office building as well. An extra \$3,000 to repair water damaged Bargain Shop walls. Monies had been budgeted for the walls last fiscal year but had to be used for air conditioner repairs. Also, he requested an additional \$1,000 for the Watts location for changes to air conditioner equipment.

Manager Overman added that two building were no longer included in the maintenance budget: the Martin House donated to the Am Vets and Biggs House vacated by TDA.

**Tax Assessor:** Tax Assessor Hilton Edmondson stated the Tax Assessor Office will try to keep their budget in line with last year. Tax Assessor Edmondson requested a slight increase for gasoline, abstract binders, a computer and travel.

**Tax Collector:** Tax Collector Christine Blevins stated that the Tax Collector Office budget has been kept the same or reduced from last year. Tax Collector Blevins stated supplies and equipment line item included amounts for computer replacements but would only be used in an emergency. Due to a more effective method of handling foreclosed property, contracted services had actually been reduced to a zero amount.

**Department of Motor Vehicles - LPA:** Tax Collector Christie Blevins said that the budget for DMV-LPA showed an increased fee for wildlife activity but this will be offset by revenue.

**Elections:** Director Kristy Modlin stated that Elections budget will be more fiscal year 2011-2012 due to all municipalities having elections except Bear Grass. The State has indicated that the software maintenance fee will transfer to the County beginning fiscal year 2012-2013.

**Register of Deeds:** Register of Deeds Tina Manning stated the budget for her department was about the same or less overall. Line items included small additions for typewriters, travel, computerizing indexing, and to have the office repainted after twenty seven years. Reductions are due to the minimum amount of the redaction for online records that will need to be done in the future.

**Sheriff:** Sheriff Dan Gibbs requested increases in monies over last year for gasoline, overtime due to training, part-time salaries, drug task force, and six replacement cars. Sheriff Gibbs recommended establishing a county garage to reduce vehicle repair expenditures.

**Communications:** Communications Supervisor Gertie Bowen requested an addition to the telephone line item over last year due to expenses beyond her control. The other line items requests were basically the same as last year.

**E-911:** Supervisor Bowen asked for an increase amount of \$220,031 to upgrade the communications center with three radios, upgrade the map program and to replace the current 1996 model security monitors with map consoles. Manager Overman added that the bulk of the monies needed for these upgrades would be paid from E-911 funds.

**Emergency Management:** Director Mike Stalls stated his budget request was pretty much the same except for requests for two replacement vehicles, a portable viper radio and a mobile viper.

**Animal Control:** Manager Overman explained that the Animal Control budget was very much the same as last year. The new Animal Control Officer is working out well. More adoptions are taking place. Many of the upgrades with equipment have been successful.

**Landfill:** Landfill Supervisor Maurice Robinson stated the budget presented was in line with last year's except for an increase for diesel fuel and a five year permit application, first estimate around \$21,000, due by August 31, 2011. Monies should be available in 2011-2012 to cover the cost of the mandated permit application. Supervisor Robinson listed cuts to revenue services and bulk waste.

**Cooperative Extension:** Interim Cooperative Extension Director Mitch Smith was introduced by Manager Overman. Plans are in the works to appoint a new director. Interim Director Mitch Smith stated the budget was relatively unchanged for last year. He requested an increase for educational EFNEP program materials, office supplies, and travel.

Vice Chairman Bowen offered condolences on behalf of the Board of Commissioners and Employees on the death of Cooperative Extension employee Brenda Gardner.

**Soil and Water Conservation:** Supervisor Lynn Whitehurst stated his budget request is the same as last year. USDA will continue to supply the computer and software for Soil and Water.

**Social Services:** Director Susan Davenport stated there are small changes to the budget. Director Davenport requested increases to line items gasoline, travel and supplies. Child support IT services are now a county expenses transferred from the State. Department of Social Services represents \$1.7 million of the County's budget. Total DSS budget was stated as over \$63 million which included \$45 million for Medicaid and \$8.8 million for food and nutrition benefits.

**Veterans:** Veterans Director Theodosia Robinson stated she had not requested any increases. She reminded the Board that Veterans Services pays for itself. Director Robinson requested a new sign for the front of the building that houses Veterans Service.

Martin County Veterans now have access to a healthcare van for general medical services for Vets. There is now a Veterans community based outpatient clinic in Greenville.

Veterans' seminars at Martin Community College have been successful in the past. Plans are to use the van for transport for this year's seminar.

Director Robinson is in search of 70 Martin County WWII veterans for a federal program that will pay for an all expense paid trip to France.

**Division of Aging:** Director of the Division of Aging Marsha Anderson was absent due to a mandatory training conference. Manager Overman stated that the budget was very

comparable to last year's request. Although a volunteer is still working as receptionist, funds are included in the budget should she no longer be able to perform this position.

**Water:** Manager Overman stated the Water Advisory Board will probably meet next month to review rates and revenue. Water District Manager Ed Warren stated that there has been a slight growth in WD1 and WD2. The increase in WD2 was due to the startup of WD2, Phase 2. Manager Overman added that the WD2 principal payment will double due to Phase 2 but the interest amount has dropped.

**Transit:** Director of Martin County Transit Betty Jo Keel was not present due to illness but Manager Overman stated that her requests were covered earlier at the March regular meeting when the Board considered the CTP grant application. Several smaller grants have been incorporated into the budget. There will be a significant decrease in revenue from Martin Enterprise due to cutbacks in grants.

**County Manger/Commissioners:** Manager Overman stated that the budgets for County Manager and Commissioners were the same as the last couple of years except for decreases in travel. Clerk Thompson will complete her training for clerk certification in April at the School of Government.

### **Comments**

Chairman Lilley commented that this is one of many budget workshops. He thanked the department heads for their cooperation and effects put forth in this difficult economy. Hopes are for a steady environment.

Commissioner Bowen thanked employees for making the Commissioners look good every day.

Commissioner Price commented that the employees are being asked to do more for less. He commended and thanked the employees.

Commissioner Smith stated that he had the opportunity to network with other commissioners and county officials across the country at the NACo Legislative Conference last week. Being small in tough times is not always bad. He commended the department heads for holding the line as they have for years and for only asking for what was mandated or beyond control. Commissioner Smith added that Martin County appeared to be in better shape than most Carolina counties and counties across the country. He thanked the department heads for being professionals in the management of resources given to them.

### **ADJOURNMENT**

With no further business to discuss, Vice Chairman Bowen made a MOTION, with a SECOND by Commissioner Smith, to adjourn the meeting. The motion was unanimously APPROVED, and the meeting was adjourned at 8:55 p.m.

---

Elmo "Butch" Lilley, Chairman

---

Marion B. Thompson, Clerk to the Board