

Surry County Board of Commissioners
Meeting of January 16, 2018

The Surry County Board of Commissioners met on January 16, 2018. The meeting was held in the County Commissioners' Meeting Room, Surry County Government Center, Dobson, North Carolina.

Board members present for the meeting were Chairman Eddie Harris, Vice-Chairman Van Tucker, Commissioner Larry Johnson and Commissioner Larry Phillips.

Commissioner R.F. "Buck" Golding was unable to attend.

Others present for the meeting, at various times, were:

Chris Knopf, County Manager
Conchita Atkins, Clerk to the Board
Sandy Snow, Assistant County Manager
Sarah Bowen, Finance Officer
Kim Bates, Planning Director
Kristy Preston, Social Services Director
Daniel White, Parks and Recreation Director
Clerk of Court Teresa Odell
Susan Campbell, Social Services Attorney

Chairman Harris called the meeting to order.

Commissioner Phillips delivered the invocation and led the Pledge of Allegiance.

Chairman Harris requested the Board review and approve the agenda.

Upon motion of Commissioner Johnson, seconded by Commissioner Phillips, the Board voted unanimously to approve the agenda.

Chairman Harris requested the Board consider the minutes of the January 2, 2018 meeting.

Upon motion of Commissioner Tucker, seconded by Commissioner Johnson, the Board voted unanimously to approve the minutes.

Chairman Harris requested that the Board consider the consent agenda. Upon motion of Commissioner Phillips, seconded by Commissioner Tucker, the Board voted unanimously to approve the following consent agenda items:

Requests by the County Manager:

- Approve the following from the Tax Office:
 - Total releases for the month ending 12/31/2017 in the amount of \$5,599.80.
 - Total refunds for the month ending 12/31/2017 in the amount of \$4,581.93.
 - Total NCVTS Tag and Tax refunds for the month ending 12/31/17 in the amount of \$923.16.
 - Total real and personal property discoveries for the month ending 12/31/2017 in the amount of \$494,072.15.

Total Motor Vehicle Discoveries for the month ending 12/31/17 in the amount of \$26.94.

Total EMS additions as of 12/31/17 in the amount of \$178,050.99.

Total EMS and EMD refunds as of 12/31/2017 in the amount of \$154.80.

Total EMS and EMD releases as of 12/31/2017 in the amount of \$3,052.43.

Total EMS and EMD collections as of 12/31/2017 in the amount of \$19,432.49.

- Approve the Tax Office to enter a contract with SouthData regarding an on-line listing system for the filing of personal property tax listings for the listing period of 2018.
- Approve a Waste Haulers Non-Exclusive Franchise Agreement for Vixster Waste and Recycling Service.

Request from the Assistant County Manager:

Approve for the Communications Director to complete the National Association of Public Communications officials class for Certified Public Safety Executive with tuition funded within the current Communications budget.

Requests from the Finance Officer:

- Approve budget amendment no. 13 as follows:

The Board of County Commissioners approved an amendment to the FY 2017-2018 Budget Ordinance at their meeting on January 16, 2018.

ACCOUNT CODE	DESCRIPTION	PREVIOUS AMOUNT	CHANGE	REVISED AMOUNT
<u>GENERAL FUND</u>				
<u>EXPENDITURES</u>				
<u>NON-DEPARTMENTAL</u>				
1054199 59510	General Fund Contingency	88,369	(29,374)	58,995
	Decrease departmental totals.	1,053,831	(29,374)	1,024,457
<u>EMERGENCY SERVICES</u>				
1054370 53040	Vehicle Maintenance	137,913	2,674	140,587
	Increase departmental totals.	5,929,657	2,674	5,932,331
<u>TRANSFERS</u>				
1059810 59142	Transfer to SR-Grant Proj Fund	101,797	29,374	131,171
	Increase departmental totals.	6,084,002	29,374	6,113,376
<u>REVENUES</u>				
1044000 48500	Insurance Refunds	34,613	2,674	37,287
	Increase fund totals	71,693,464	2,674	71,696,138
<u>GENERAL FUND-GRANT PROJECT FUND</u>				
<u>EXPENDITURES</u>				
<u>WEYERHAEUSER</u>				
3854979 51640	Project Construction	769,200	29,374	798,574
	Increase departmental totals.	870,315	29,374	899,689
<u>REVENUES</u>				
3844979 49800	Transfer from General Fund	101,797	29,374	131,171

Increase fund totals. 1,395,315 29,374 1,424,689

AIRPORT CAPITAL PROJECT FUND

EXPENDITURES

RW & TW EXTENSION

99754988 51640 Project Construction 4,491,135 150,000 4,641,135
 Increase departmental total. 4,904,995 150,000 5,054,995

REVENUES

99744988 43388 NC DOT Grant 4,414,496 135,000 4,549,496
 99744988 49900 Unencumbered Balance 490,499 15,000 505,499
 Increase fund totals 4,904,995 150,000 5,054,995

▪ Approve budget amendment no. 14 as follows:

The Board of County Commissioners approved an amendment to the FY 2017-2018 Budget Ordinance at their meeting on January 16, 2018.

<u>ACCOUNT CODE</u>	<u>DESCRIPTION</u>	<u>PREVIOUS AMOUNT</u>	<u>CHANGE</u>	<u>REVISED AMOUNT</u>
<u>GENERAL FUND</u>				
<u>EXPENDITURES</u>				
<u>GOVERNING BODY</u>				
1054110 52010	Supplies & Materials	20	850	870
	Increase departmental total	543,277	850	544,127
<u>ADMINISTRATION</u>				
1054120 52010	Supplies & Materials	200	1,450	1,650
	Increase departmental total	185,576	1,450	187,026
<u>HUMAN RESOURCES</u>				
1054122 52010	Supplies & Materials	245	1,350	1,595
	Increase departmental total	504,678	1,350	506,028
<u>FINANCE</u>				
1054130 52010	Supplies & Materials	4,560	2,750	7,310
	Increase departmental total	611,266	2,750	614,016
<u>TAX SUPERVISOR</u>				
1054140 52010	Supplies & Materials	5,000	5,500	10,500
1054140 56010	Equipment	0	10,418	10,418
	Increase departmental total	1,540,732	15,918	1,556,650
<u>BOARD OF ELECTIONS</u>				
1054170 52010	Supplies & Materials	400	300	700
	Increase departmental total	465,865	300	466,165
<u>REGISTER OF DEEDS</u>				
1054180 52010	Supplies & Materials	4,100	1,575	5,675
	Increase departmental total	484,500	1,575	486,075
<u>JUDICIAL CENTER BUILDING</u>				
1054185 52010	Supplies & Materials	1,000	1,385	2,385
	Increase departmental total	343,487	1,385	344,872
<u>PERMIT & HEALTH BLDG</u>				
1054189 52010	Supplies & Materials	250	250	500
	Increase departmental total	96,750	250	97,000
<u>HISTORIC COURTHOUSE</u>				
1054192 52010	Supplies & Materials	300	3,300	3,600

		Increase departmental total	167,825	3,300	171,125
<u>ADMIN/SOCIAL SERVICES BUILDING</u>					
1054196	52010	Supplies & Materials	1,500	3,800	5,300
		Increase departmental total	270,900	3,800	274,700
<u>HUMAN SERVICES BLDG-MT AIRY</u>					
1054197	52010	Supplies & Materials	350	225	575
		Increase departmental total	201,275	225	201,500
<u>CENTRAL SERVICES</u>					
1054200	52010	Supplies & Materials	559,356	(211,780)	347,576
1054200	52900	Small Equipment	33,431	(3,640)	29,791
1054200	56010	Equipment	724,623	(415,769)	308,854
		Decrease departmental total	1,389,301	(631,189)	758,112
<u>MANAGEMENT INFORMATION SERVICE</u>					
1054210	52010	Supplies & Materials	500	3,600	4,100
		Increase departmental total	683,292	3,600	686,892
<u>SHERIFF'S</u>					
1054310	52010	Supplies & Materials	52,000	13,300	65,300
1054310	52012	Tacticle Supplies	0	37,450	37,450
1054310	56010	Equipment	0	146,700	146,700
		Increase departmental total	4,776,118	197,450	4,973,568
<u>COUNTY JAIL</u>					
1054320	52010	Supplies & Materials	10,250	15,000	25,250
1054320	52012	Tacticle Supplies	0	8,600	8,600
		Increase departmental total	2,599,837	23,600	2,623,437
<u>COMMUNICATIONS CENTER</u>					
1054325	52010	Supplies & Materials	200	850	1,050
		Increase departmental total	1,191,687	850	1,192,537
<u>EMERGENCY MANAGEMENT</u>					
1054330	52010	Supplies & Materials	4,850	1,100	5,950
		Increase departmental total	119,040	1,100	120,140
<u>FIRE MARSHALL</u>					
1054340	52010	Supplies & Materials	4,600	175	4,775
		Increase departmental total	263,576	175	263,751
<u>CENTRAL PERMITTING</u>					
1054348	52010	Supplies & Materials	300	200	500
		Increase departmental total	330,760	200	330,960
<u>INSPECTIONS</u>					
1054350	52010	Supplies & Materials	50	50	100
		Increase departmental total	393,339	50	393,389
<u>EMERGENCY MEDICAL SERVICES</u>					
1054370	52010	Supplies & Materials	55,000	14,530	69,530
1054370	52040	Perishable Supplies	220	340	560
1054370	56010	Equipment	0	231,691	231,691
		Increase departmental total	5,928,525	246,561	6,175,086
<u>RABIES CONTROL</u>					
1054380	52010	Supplies & Materials	3,000	400	3,400
		Increase departmental total	494,400	400	494,800
<u>PLANNING AND DEVELOPMENT</u>					
1054910	52010	Supplies & Materials	800	350	1,150
1054910	56010	Equipment	0	26,960	26,960

		Increase departmental total	223,067	27,310	250,377
<u>ROAD SIGNS PROJECT</u>					
1054912	52010	Supplies & Materials	100	850	950
		Increase departmental total	4,312	850	5,162
<u>COOPERATIVE EXTENSION</u>					
1054950	52010	Supplies & Materials	100	1,830	1,930
		Increase departmental total	281,337	1,830	283,167
<u>SOIL & WATER CONSERVATION</u>					
1054960	52010	Supplies & Materials	200	200	400
		Increase departmental total	113,552	200	113,752
<u>HEALTH DEPARTMENT ADMINISTRATION</u>					
1055110	52010	Supplies & Materials	25,000	(11,200)	13,800
1055110	52040	Perishable Supplies	1,200	(780)	420
		Decrease departmental total	168,650	(11,980)	156,670
<u>COMMUNICABLE/STD</u>					
1055121	52010	Supplies & Materials	500	4,500	5,000
		Increase departmental total	296,450	4,500	300,950
<u>SCHOOL HEALTH</u>					
1055126	52010	Supplies & Materials	50	1,350	1,400
1055126	52040	Perishable Supplies	0	500	500
		Increase departmental total	83,500	1,850	85,350
<u>ADULT PRIMARY CARE</u>					
1055148	52010	Supplies & Materials	600	5,400	6,000
		Increase departmental total	338,250	5,400	343,650
<u>YADKIN - PREGNANCY CARE MGMT</u>					
1055150	52010	Supplies & Materials	50	2,950	3,000
		Increase departmental total	102,100	2,950	105,050
<u>YADKIN - CARE COORD 4 CHILDREN</u>					
1055151	52010	Supplies & Materials	600	3,400	4,000
		Increase departmental total	99,000	3,400	102,400
<u>COMMUNITY ALTERNATIVES PROGRAM</u>					
1055154	52010	Supplies & Materials	500	2,500	3,000
		Increase departmental total	492,744	2,500	495,244
<u>HOME HEALTH PROGRAMS</u>					
1055155	52010	Supplies & Materials	0	3,800	3,800
		Increase departmental total	364,800	3,800	368,600
<u>CANCER CONTROL PROGRAM</u>					
1055158	52010	Supplies & Materials	300	2,950	3,250
		Increase departmental total	256,150	2,950	259,100
<u>PREGNANCY CARE MANAGEMENT</u>					
1055161	52010	Supplies & Materials	50	3,450	3,500
		Increase departmental total	167,200	3,450	170,650
<u>MATERNAL HEALTH PROGRAM</u>					
1055162	52010	Supplies & Materials	200	800	1,000
		Increase departmental total	105,085	800	105,885
<u>CHILD HEALTH PROGRAM</u>					
1055163	52010	Supplies & Materials	2,500	15,500	18,000
		Increase departmental total	1,112,050	15,500	1,127,550

FAMILY PLANNING PROGRAM

1055164	52010	Supplies & Materials	600	3,400	4,000
		Increase departmental total	346,000	3,400	349,400

SUPPLEMENTAL FOOD PROGRAM

1055167	52010	Supplies & Materials	600	9,400	10,000
		Increase departmental total	644,950	9,400	654,350

IMMUNIZATION ACTION PLAN

1055170	52010	Supplies & Materials	400	3,600	4,000
		Increase departmental total	280,550	3,600	284,150

BEHAVIORAL HEALTH

1055175	52010	Supplies & Materials	0	600	600
		Increase departmental total	152,075	600	152,675

CHILD SERVICES

1055178	52010	Supplies & Materials	1,200	2,300	3,500
		Increase departmental total	154,000	2,300	156,300

ENVIRONMENTAL HEALTH

1055181	52010	Supplies & Materials	1,400	5,500	6,900
		Environmental Health			
1055181	52017	Supplies	0	2,500	2,500
		Increase departmental total	655,650	8,000	663,650

BIOTERRORISM AND PREPAREDNESS

1055185	52010	Supplies & Materials	0	500	500
		Increase departmental total	39,450	500	39,950

HEALTH PROMOTIONS

1055191	52010	Supplies & Materials	200	2,800	3,000
		Increase departmental total	111,400	2,800	114,200

DENTAL CLINIC

1055192	52010	Supplies & Materials	5,000	23,000	28,000
1055192	52900	Small Equipment	0	3,640	3,640
		Increase departmental total	1,264,350	26,640	1,290,990

VETERANS SERVICE OFFICE

1055820	52010	Supplies & Materials	0	550	550
		Increase departmental total	180,003	550	180,553

RECREATION

1056120	52010	Supplies & Materials	1,250	450	1,700
		Increase departmental total	343,523	450	343,973

FISHER RIVER PARK

1056125	52010	Supplies & Materials	1,000	500	1,500
		Increase departmental total	245,042	500	245,542

Chairman Harris then declared the meeting to be an open forum and invited members of the audience to address the Board on any matters of civic concern.

Ken Badgett read the following into record:

With the upcoming national commemoration of the centennial of the end of World War I (the Great War) on November 11, 2018; and, the upcoming expenditure of one million plus dollars to continue the renovation of the former courthouse, it would seem to be an appropriate time to review the current memorial landscape surrounding the building and to create a plan to deal

with current issues as well as the potential for the placement of a new monuments and markers.

The most urgent current issue is the condition of the World War I, or Great War, Memorial. The granite memorial was dedicated on the east (Main Street) side of the building in 1939, more than a decade after fundraising by Surry County's public-school children and others began. The obvious intent of the monument was and is to honor Surry County citizens who directly participated in the war in Europe from 1914 through 1918; however, due to the longstanding tradition of racial segregation in the County, the names on the monument were and are listed and inscribed by racial category. The members of the "colored Army" are listed separately, thus making our World War I Memorial a segregated war memorial. This memorial should be modified or replaced with an identical memorial that does not distinguish between "colored" and white military services.

Also, the memorial to soldiers who died in World War II, Korea, Vietnam, and more recent conflicts has a quotation on it attributed to Jefferson Davis, the president of the Confederate States of America. This monument was dedicated in 1985. The individuals on this memorial died in service to the United States of America, not to the ill-fated slaveholding republic. This quotation should be removed.

In, addition, the existence of the monument "In Memory of the Confederate Soldiers of Surry County", placed on the former courthouse square by the Sons of Confederate Veterans in 2000, needs to be reevaluated. With online resources, including the advent of large databases of scanned and easily searchable historical newspapers, anyone can literally match the names of local Confederate soldiers to brazenly racist proclamations that they made before the Civil War began in April 1861. Listed in the published volume "Surry County Soldiers in the Civil War", among others, the following soldiers, namely David Cooper, Richard Reeves, James McDaniel, James Snow, Daniel Riggs, Elijah Thompson, Warren Gillespie, and Columbus Holyfield attended a meeting of secessionists at the Surry County Courthouse on December 24, 1860, and proclaimed in a resolution published in The Western Sentinel on January 11, 1861, page three, that they were opposed to the success "of a fanatical, insane and sectional party of negro worshippers at the North...(that would) shortly place the federal government in the hands of those who openly declare the white and black race equal, which policy so revolting to common sense, and decency, must result in our political destruction." These local men who became Confederate soldiers justified a civil insurrection based on racism, and we have a memorial to them on our courthouse square that pays tribute to their tragic, reckless behavior. This monument needs to be removed and replaced with another that memorializes all of the suffering that has taken place in Surry County because of racial discrimination. Why can't we have a memorial to the hundreds of slaves who were forced to live and work in this County before 1865? We have a memorial for some of their owners, masters, and tormentors.

Finally, only two women are memorialized on the lawn around the old courthouse-Josie Ashby, an Army nurse, on the World War I Memorial; and Tabitha Holton, the first women to practice law in North Carolina and eighth woman with such a license in the United States. The Holton marker was placed on the old square by the State of North Carolina in 1993. Two women-Surry County

is nearly 250 years old and only two women are memorialized on our public square. Thousands of men are memorialized, only two women.

Please, beginning with the World War I Memorial, review any and all issues concerning the existing memorials, remove or modify socially divisive monuments, memorialize virtues that don't involve war or police tragedy, create new memorials that promote social harmony and recognize the contributions of blacks, Hispanics, and women. Spend whatever money is necessary to improve the memorial landscape around the old courthouse.

Rawley King stated he feels the monuments should remain in their current state.

There being no additional comments, Chairman Harris closed the open forum, and the Board resumed regular business.

Chairman Harris then declared the meeting to be a public hearing on zoning application ZCR1174. The site is 1.33 acres of tax parcel 5938-00-74-8111. The property owner is Dan Sheets. The property is currently RA. The petition is to rezone the property to CB.

Kim Bates, Planning Director, presented facts pertaining to the rezoning and stated the Planning Board recommends approval of the rezoning.

Chairman Harris asked for comments from the public.

No one spoke.

Chairman Harris closed the public hearing and asked the Board for a recommendation.

Upon motion of Commissioner Phillips, seconded by Commissioner Tucker, the Board voted unanimously to approve the following Statement of Consistency:

January 16, 2018: Surry County Board of Commissioners' Statement of Consistency:

Subject: Case # ZCR1174, a Petition for General-Use Rezoning

Applicant: Chad Lewis

Owner (also applying): Dan Sheets, address 413 Hiatt Road, Mount Airy, NC 27030; property under contract to purchase by applicant Chad Lewis, contingent on rezoning as proposed.

Property Description: Tax Parcel 5938-00-74-8111, located at 365 Hiatt Road, north of I-74 corridor, Long Hill Township

Requested Reclassification:

From Rural Agricultural (RA) to Community Business (CB)

Planning and Development Staff recommends adoption of the proposal. The rezoning would establish appropriate classification for a property having existing commercial building and parking, and an extended history of commercial use on a 1.33-acre tract, since before initial zoning in 2001.

Following public notification as required by state statute and local ordinance, no citizen had voiced opposition to the rezoning petition from the application date of August 18, 2017 to the Planning Board's regular meeting date of January 8, 2018. The Surry County Planning Board reviewed the petition on January 11, 2018, and returned a unanimous recommendation of approval, based on the above elements of compatibility and on consistency of the proposal with current adopted plans as presented below.

Consistency Elements from Land Use Plan 2020:

5.3.3 Encourage economic and commercial development that does not detract from the rural environment.

5.4.5.4 New commercial development should be encouraged to locate within existing areas of commercial activity.

5.4.5.10 Isolated businesses should have the ability to expand and grow if the proposed expansion does not drastically change the business' impact on the surrounding community.

5.4.5.12 Businesses should be served by roads and streets of a capacity sufficient for safe traffic flow; large businesses should locate at major intersections.

5.4.5.14 Standard site development requirements for commercial and non-residential land uses should be incorporated into the Zoning Ordinance that will facilitate the desire to better address landscaping, access, and site design

The Surry County Board of Commissioners, having held a duly noticed public hearing on January 16, 2018, and having heard no substantive objection to the proposal, hereby concurs with the above recommendations and consistency principles, and will vote on the question to adopt the proposed zoning map amendment.

Upon motion of Commissioner Tucker, seconded by Commissioner Johnson, the Board voted unanimously to approve the rezoning as presented.

Marcie Spivey, Martin Starnes and Associates, addressed the Board regarding the 2017 audited financial statements. Ms. Spivey discussed the audit process, general fund summary, total fund balance general fund, fund balance (non-spendable, restricted, committed, assigned, and unassigned), fund balance position, available fund balance as a percent of expenditures, property valuation, general fund reserves, general fund expenditures, Landfill fund, Dobson Water, Interstates Water and Sewer District, and the Flat Rock/Bannertown Water and Sewer District.

The Board discussed fund balance. Ms. Spivey stated that fund balance will decrease next year.

The Board thanked Ms. Spivey for the presentation.

Chairman Harris informed the audience that it was time for the special recognition portion of the agenda. The Board recognized the following individuals:

Ricky Dean II, Benjamin Easter, Calvin Dutton, Mackenzie Eads, Ryan Matthews, Dale Mitchell, and Larry Parker for

representing Special Olympics Surry County at the North Carolina Special Olympics Surry County State Fall Tournament.

Eddie Harrison, Charles Wilkes, Michael Stone, Dean Eads, Averil McCoy, Junior Inman for their participating in Special Olympics Surry County serving as a Golf Unified Partner.

The Board took a ten-minute recess.

The Board resumed regular business.

Dick Everhart, Resource Institute, addressed the Board regarding the Ararat River Phase VI Greenway Project easements. Mr. Everhart stated the City of Mount Airy is seeking easements from property owners for the project. The project is a cooperative effort between the City of Mount Airy, Pilot View Resource Conservation and Development, and the Resource Institute. The project will connect the Emily B. Taylor and Ararat River Greenways with a segment on the north side of Mount Airy. The connection will provide local pedestrians and cyclists a looped greenway around the entire City. Mr. Everhart stated that Surry County owns three parcels (5030-05-28-1697, 5030-05-29-4064, and 5031-03-20-1014) effected by the project. Mr. Everhart stated that parcels 1697 and 4064 will only be affected by river restoration and parcel 1014 will be affected by an asphalt greenway and river restoration. Mr. Everhart stated a 100-foot conservation easement is needed on each parcel for the project.

Upon motion of Commissioner Tucker, seconded by Commissioner Johnson, the Board voted unanimously to approve the three easements along the Ararat River Greenway.

Chairman Harris then declared the meeting to be a public hearing for the FY 18 debt issuance and a resolution making certain findings and determinations regarding the proposed financing of various capital projects by the County of Surry, North Carolina and requesting the Local Government Commission to approve the financing arrangement.

Sarah Bowen, Finance Officer, stated the debt issuance is related to the approved County and public-school capital projects for 2018. Ms. Bowen stated that Paul Billow, Bond Counsel, and Andrew Carter, DEC Associates, are in attendance for any questions. Ms. Bowen stated the projects are the renovation of the Historic Courthouse, Dobson Plaza, design fees and renovation at the former Pike building for the Mount Airy City Schools Administration facility, design fees for Elkin City Schools High School gym and the design fees for Surry County Schools (Dobson Elementary, Mountain Park Elementary, and Franklin Elementary).

Chairman Harris asked for comments from the public.

Rawley King stated he is okay to borrow money for the schools, but borrowing money for the Pike building, the former Lowes building and the funds for the Historic Courthouse is not good. Mr. King stated the tax payers may not have to pay more taxes this year, but if the County borrows money, it will have

to increase taxes in the near future. Mr. King asked Commissioner Phillips if he pays taxes? Commissioner Phillips stated he pays taxes on his vehicle and when he purchases anything in the County. Mr. King asked if he pays property taxes? Commissioner Phillips stated that the church owns the property, and Surry County does not tax churches.

Mr. King also stated that when the County spends money, they cannot borrow themselves out of debt.

Chairman Harris closed the public hearing.

Ms. Bowen stated there is a resolution that needs to be adopted.

Paul Billow stated the resolution is for bonds to be approved by the North Carolina Local Government Commission, and the Commission requires when they approve the bonds, it makes sure the findings and determinations are met. The Local Government Commission asked that the local board to approve a resolution in support. The resolution authorizes the filing and application for approving the debt. This issuance will not exceed \$10 million this fiscal year. It is a Master Trust Agreement where you can issue multiple bonds under the same security structure. The County can approve to borrow up to \$40 million this fiscal year and next fiscal year. It is an installment financing and is structured so the County agrees to pay, but has the right in any year to not appropriate. This issuance will not require a tax rate increase to pay the cost of the projects.

Andrew Carter stated for projects of this nature, twenty-years is a typical mortgage term for the assets. Currently there is a 5% interest rate assume, but as of January 9, 2018 the current rate was approximately 3.25%. Mr. Carter stated that markets change daily. The revenues that the County has considered are school resources, property tax resources, lottery funds and a mix of resources that are dedicated to the Dedicated Capital Improvement Plan. Mr. Carter stated there will be no tax rate increase necessary for the project.

Chairman Harris stated the County has been prudent on managing finances and resources. It is an obligation of the Board to maintain the upkeep of facilities. Chairman Harris stated the Historic Courthouse would have to be vacated and removed or renovated. The current Agriculture facility has been there since the early 50's. The building was at a point where it needed to be removed or build a new facility. The Cooper Street facility has some major issues and needs to be removed. The County had an opportunity to purchase a facility next to the Government Center with a cost savings to the County. The County has public schools that must be maintained and up fitted. It is an obligation for the County to maintain the public-school facilities. Chairman Harris discussed issues at various schools. Surry County has worked with their financial advisors to design a conservative model that will allow Surry County to complete the projects without raising taxes.

Mr. Carter and Mr. Billow discussed the bidding process and bond ratings.

Commissioner Tucker stated that borrowing money needs to be approached cautiously. In Surry County, there are three school

systems with independently elected, by the public, school boards. The North Carolina General Assembly has ordained that the County Commissioners fund the school systems. They are funded by per pupil spending and special allocations, which is added to the State funds for school projects. The school systems must pick their own projects. The Board of Commissioners cannot micromanage each project and that would be outside of the Board's responsibilities. Commissioner Tucker stated he feels the schools do a good job managing projects. It is up to them to decide where they spend the funds. Commissioner Tucker stated that borrowing is necessary to move forward.

Commissioner Phillips stated if you look at the history of Surry County and how the County has funded public education, the majority has been a debt installment. The County borrows and pays it down, then the debt rolls off to complete the project. Commissioner Phillips stated that his goal is for school revenues allocated by the Board to be predictable

Commissioner Johnson asked if this fiscal year, the County will borrow up to \$10 million, and \$30 million next year. Commissioner Johnson echoes other Board members remarks.

Upon motion of Commissioner Phillips, seconded by Commissioner Johnson, the Board voted unanimously to approve the following resolution:

RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS
REGARDING THE PROPOSED FINANCING OF VARIOUS CAPITAL
PROJECTS BY THE COUNTY OF SURRY, NORTH CAROLINA AND
REQUESTING THE LOCAL GOVERNMENT COMMISSION TO APPROVE
THE FINANCING ARRANGEMENT

BE IT RESOLVED by the Board of Commissioners (the "Board") for the County of Surry, North Carolina (the "County") as follows:

Section 1. The Board does hereby find and determine as follows:

(a) There exists a need in the County to finance through the issuance of one or more series of limited obligation bonds the costs of (i) acquiring, constructing, renovating, improving and equipping various public school facilities, (ii) renovating and improving an existing County building to be used as a central administrative office for the Mount Airy City Schools Administrative Unit, (iii) acquiring, renovating and improving buildings located at Dobson Plaza to be used to house various County departments, and (iv) renovating and improving the Historic County Courthouse (collectively, the "Project").

(b) The County has further determined to initially finance (i) the design of various public school facilities, (ii) the renovation and improvement of an existing County building to be used as a central administrative office for the Mount Airy City Schools Administrative Unit, (iii) the acquisition, renovation and improvement of buildings located at Dobson Plaza to be used to house various County departments, and (iv) the renovation and improvement of the Historic County Courthouse in the County (the "2018 Project"), which 2018 Project constitutes a portion of the Project.

(c) After a public hearing and due consideration, the County has determined to issue limited obligation bonds in an aggregate

principal amount not to exceed \$10,000,000 (the "2018 Bonds") for the purpose of providing funds, together with any other available funds, to (i) pay or reimburse the costs of the 2018 Project and (ii) the pay the fees and expenses to be incurred in connection with the sale and issuance of the 2018 Bonds.

(d) The 2018 Bonds will be issued pursuant to a Master Trust Agreement and a First Supplemental Trust Agreement, each to be dated as of March 1, 2018 or other mutually agreeable date (collectively, the "Trust Agreement"), between the County and Branch Banking and Trust Company, as trustee. In order to secure its obligations under the Trust Agreement, the County will execute and deliver a Deed of Trust, to be dated as of March 1, 2018 or other mutually agreeable date (the "Deed of Trust"), granting a lien on one or more sites of the Project, together with all improvements and fixtures located or to be located thereon.

(e) It is in the best interest of the County to enter into the Trust Agreement and the Deed of Trust in that such plan of finance will result in providing financing for the 2018 Project in an efficient and cost-effective manner.

(f) Entering into the Trust Agreement and the Deed of Trust is preferable to a general obligation bond issue or a revenue bond issue in that (i) the County does not have sufficient constitutional authority to issue non-voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution because the County has not retired a sufficient amount of debt in the preceding fiscal year to issue a sufficient amount of general obligation bonds for the 2018 Project without an election; (ii) the non-revenue producing nature of the 2018 Project does not allow for the issuance of revenue bonds to finance the 2018 Project; (iii) the cost of the 2018 Project exceeds the amount to be prudently provided from currently available appropriations and unappropriated fund balances; (iv) the financing of the 2018 Project in the manner proposed will allow for commencement of construction of the 2018 Project in a more timely and expedient manner than the issuing of voted general obligation bonds due to the time required for holding a referendum for the issuance of voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution; and (v) the necessity of the 2018 Project dictates that the 2018 Project be financed by a method that assures that the 2018 Project will be constructed in an expedient manner.

(g) Based upon information provided to the Board, the costs of the financing described above are reasonably comparable to the costs associated with other alternative means of financing and are acceptable to the Board.

(h) Special counsel to the County will render an opinion to the effect that the proposed undertaking as described above is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of the State of North Carolina.

(i) The debt management policies of the County have been carried out in strict compliance with law, and the County is not in default under any obligation for repayment of borrowed money.

(j) No tax rate increase is anticipated to be necessary to pay the principal of and interest on the 2018 Bonds.

Section 2. The Board hereby authorizes and approves the filing of an application with the Local Government Commission for approval of the 2018 Bonds and the Trust Agreement and requests the Local Government Commission to approve the 2018 Bonds and the Trust Agreement and the proposed financing in connection therewith.

Section 3. This resolution shall take effect immediately upon its adoption.

Sarah Bowen, Finance Officer, addressed the Board regarding the Surry County Schools Architect Contract, Elkin City Schools Architect Contract and the Mount Airy City School Architect and Construction Contract. This also includes the contracts with Hayco Construction and Simcon Construction for the County projects. Ms. Bowen stated the contracts have been approved by the respective school boards and need approval by the Board of County Commissioners for the next phase of the upcoming debt issuance.

Elkin City Schools has a contract for \$525,000. \$393,750 will be covered in the first debt issuance for the design portion.

Surry County Schools has a contract for \$973,294. \$632,642 will be covered under the first debt issuance. The remainder will be included in the FY 2019 issuance.

Mount Airy City Schools has a design contract for \$97,977.72 and construction contract for \$1,714,610.10.

Dr. Travis Reeves, Surry County Schools Superintendent, stated the system has interviewed five architects and feels good about the architect selected.

Dr. Myra Cox, Elkin City Schools Superintendent, stated the system has interviewed three architects and is excited about the project.

Upon motion of Commissioner Tucker, seconded by Commissioner Johnson, the Board voted unanimously to allow the Facilities Director and County Manager to sign contracts with Hayco Construction and Simcon Construction for the Historic Courthouse project and the Dobson Plaza project.

Upon motion of Commissioner Phillips, seconded by Commissioner Johnson, the Board voted unanimously to approve the Elkin, Mount Airy and Surry County Schools contracts, contingent upon debt issuance.

Sarah Bowen, Finance Officer, addressed the Board regarding request for proposals for auditing services for Surry County for fiscal year 2019. The request for proposal does include a request for quotes for the Mount Airy/Surry County Airport Authority, Tourism Development Authority and requests a separate quote for the compilation and review of seventeen local volunteer fire departments. Ms. Bowen stated the current contract is with Martin Starnes and Associates. The proposals

will be presented to the Board at the February 23, 2018 Board retreat.

Upon motion of Commissioner Tucker, seconded by Commissioner Phillips, the Board voted unanimously to allow the Finance Director to seek competitive request for proposals for auditing services for Surry County.

Chairman Harris stated the Social Services agenda packet was in the Boards information for review. Chairman Harris also welcomed Susan Campbell, Social Services Attorney.

Chris Knopf, County Manager, addressed the Board regarding a request from Emergency Services for a Community Paramedicine Duke Endowment Grant through Northern Hospital. Northern Hospital has agreed to seek Duke Endowment Grant funding to support personnel and equipment within Emergency Services. Emergency Services has been performing a preliminary program with Northern Hospital on community paramedicine cases throughout the County. The grant will fund a full-time crew that would operate for three years under the grant. Surry County would need to create the personnel, purchase the vehicle and get reimbursed by the grant. Once the three-year grant is complete, Surry County would need to pick-up the costs. Mr. Knopf explained the program. John Shelton, Emergency Services Director, will be requested to discuss further with the Board at the Planning Retreat on February 23, 2018.

Chris Knopf, County Manager, addressed the Board regarding a lease agreement for Juvenile Justice utilizing 2,400 square feet of office space located at 1218 State Street, Mount Airy. The lease agreement is for five years with a termination date of 2023.

Upon motion of Commissioner Johnson, seconded by Commissioner Tucker, the Board voted unanimously to approve the lease agreement.

Chris Knopf, County Manager, reminded the Board of the Economic Development Partnership's Annual Meeting on February 16, 2018.

Upon motion of Commissioner Phillips, seconded by Commissioner Johnson, the Board voted unanimously to approve and not release the January 2, 2018 closed session minutes.

Upon motion of Commissioner Phillips, seconded by Commissioner Tucker, the Board voted unanimously to go into closed session to discuss personnel pursuant to G.S. 143-318.11(a)6) and property matters pursuant to 143-318.11(a)5).

The Board came out of closed session and resumed regular business.

Upon motion of Commissioner Phillips, seconded by Commissioner Tucker, the Board voted unanimously to pay a \$4,000 Retainer to Wake Forest University Health Sciences to have Dr. Rahn Bailey perform the medical component of the psychosocial analysis recommended by Dr. Naylor in connection with pending litigation involving Surry County. Fred Johnson, Guardian ad Litem, will make arrangements to have his client present for appointments on February 5, 2018 and February 12, 2018, barring inclement weather. This is the second of three phases of the psychosocial analysis recommended by Buzz Ellis and Julee Phifer.

Upon motion of Commissioner Tucker, seconded by Commissioner Johnson, the Board voted unanimously to fund 30% of a 30 hour a week 4H EFNEP position, in lieu of a current 20 hour per week position, effective October 1, 2018, with the balance of funding being paid by NC State.

Upon motion of Commissioner Johnson, seconded by Commissioner Tucker, the Board voted unanimously to provide funds up to \$300,000 for the purchase of properties adjacent to East Surry High School.

Commissioner Tucker discussed the Pilot Knob Volunteer Fire Department lease agreement. Surry County leases 950 square feet of a rescue facility at 676 South Key Street, Pilot Mountain for an emergency services outpost at \$750.00 per month. Commissioner Tucker discussed the amount the County pays for each outpost that is leased for Emergency Services. Commissioner Tucker also stated the Fire Chief had discussed the lease agreement and the cost-of-living inflation. Commissioner Tucker stated that Pilot Knob Volunteer Fire Department would like to increase the lease amount from \$750 to \$800 per month.

It was the consensus of the Board to increase the lease payment to \$800 per month.

Chairman Harris addressed the Board regarding a Surry County School Choice Week resolution.

Upon motion of Commissioner Tucker, seconded by Commissioner Johnson, the Board voted unanimously to approve the following resolution:

Surry County School Choice Week

WHEREAS all children in Surry County should have access to the highest-quality education possible; and,

WHEREAS Surry County recognizes the important role that an effective education plays in preparing all students in Surry County to be successful adults; and,

WHEREAS quality education is critically important to the economic vitality of Surry County; and,

WHEREAS Surry County is home to a multitude of high quality public and nonpublic schools from which parents can choose for their children, in addition to families who educate their

children in the home; and

WHEREAS, educational variety not only helps to diversify our economy, but also enhances the vibrancy of our community; and,

WHEREAS Surry County has many high-quality teaching professionals in all types of school settings who are committed to educating our children; and,

WHEREAS, School Choice Week is celebrated across the country by millions of students, parents, educators, schools and organizations to raise awareness of the need for effective educational options;

NOW, THEREFORE, I, Eddie Harris do hereby recognize January 21-27, 2018 as Surry County School Choice Week, and I call this observance to the attention of all of our citizens.

There was no further business to come before the Board.

Upon motion of Commissioner Tucker, seconded by Commissioner Harris, the Board voted unanimously to adjourn. The meeting ended at 8:50 p.m.

Conchita Atkins
Clerk to the Board