Caldwell County
Lenoir, North Carolina

Board of Commissioners
March 4, 2019
6:00 p.m.

Present: Randy T. Church, Chairman
Mike LaBrose, Vice Chairman
Jeff Branch
Donnie Potter
Robbie Wilkie

Absent: None

Staff Present: Stan Kiser, County Manager
Kathy Greene, Clerk to the Board
Amanda Triplett, Deputy Clerk
David Lackey, County Attorney

Chairman Church opened the meeting and welcomed everyone.

Public Comment

There was no public comment.

Regular Session

Rev. Dave Melton Senior Pastor of FUMC, provided the invocation and Commissioner Potter led the Pledge of Allegiance. Chairman Church asked if there were any additions or amendments to the March 4, 2019 agenda. The Deputy Clerk asked that Item 7. Public Hearings be moved to become Item 6. and Reports be moved behind Public Hearings to become Item 7. The Deputy Clerk requested the addition of a closed session pursuant to N.C.G.S. §143-318.11(a)(5) to discuss potential property acquisition. Commissioner LaBrose moved to approve the agenda as presented and amended by the Deputy Clerk. The vote was unanimous.

Public Hearing - Local Jobs Incentive for Project Friday

EDC Executive Director Deborah Murray met with a local manufacturing company looking to expand its operations within Caldwell County. The company has been in business for two years manufacturing product for local and national clientele. In addition to increasing its national sales, the company plans to build its international sales as well.

An estimated private investment of $400,000 will include machinery, equipment, real estate and/or renovations. The company plans to make application for a NC Building Reuse grant as well as a $2,000 per job Local Jobs Incentive to create up to 15 new, full-time jobs in its first two years. The Local Jobs Incentive will provide the required 5% local match for the Building Reuse Grant. Confidentiality has been requested until plans are finalized.
Ms. Murray requested the Board approve a $30,000 Local Jobs Incentive for Project Friday for 15 new, full-time jobs to be created over a two-year period to run concurrently with a two-year Building Reuse Grant and to adopt the Resolution.

Chairman Church declared the public hearing open; however, there was no public comment. Chairman Church declared the public hearing closed.

Commissioner Wilkie moved to approve a Local Jobs Incentive of $30,000 ($2,000 per job) as presented and adopt the Resolution. The motion carried unanimously.

Caldwell County Resolution
Authority to Apply to the
North Carolina Department of Commerce
Building Reuse and Restoration Grants Program
Project Friday Economic Development Expansion Project

March 4, 2019

WHEREAS, Caldwell County desires to assist through grant funding the expansion of Project Friday, and

WHEREAS, Caldwell County intends to request from the North Carolina Department of Commerce grant assistance for this expansion project.

NOW THEREFORE BE IT RESOLVED, BY THE CALDWELL COUNTY BOARD OF COMMISSIONERS:

That the Caldwell County Local Jobs Incentive will provide the local match of 5% for the Building Reuse grant requested.

That Stan Kiser, County Manager, and successors so titled, is hereby authorized to execute and file an application on behalf of Caldwell County with the North Carolina Department of Commerce for a grant to assist in the development of the project described above.

That Stan Kiser, County Manager, and successors so titled, is hereby authorized and directed to furnish such information as the North Carolina Department of Commerce may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That Caldwell County has substantially complied or will substantially comply with all Federal, State, and local laws, rules, regulations, and ordinances applicable to the project and to the grants pertaining thereto.

Adopted this the 4th day of March 2019, at Lenoir, North Carolina.
Attest: ________________
Kathy Greene, Clerk to the Board

Public Hearing - Consider Borrowing to Construct Granite Falls Middle School

Tony Helton has requested this public hearing necessary to consider the borrowing of up to $12,300,000.00 to construct a new middle school in Granite Falls. He has included the accompanying resolution as part of the request.

The school system applied for a 15-million-dollar state grant to help with construction costs. To obtain this grant the schools must forego 5 years of education lottery funds (about 4 million dollars). Another source of money would be Sales Tax which must be used for either economic development or education.

The first year of payments on the loan would be interest only. Payments would start the following year.

Dr. Church, Assistant Superintendent of Caldwell County Schools, stated that an architect has been contracted to do a facilities study to determine future construction needs.

Chairman Church declared the public hearing open; however, there was no public comment. Chairman Church declared the public hearing closed.

Commissioner LaBrose made a motion to approve the Resolution authorizing the negotiation of an Installment Financing Contract to borrow up to $12,500,000 to construct Granite Falls Middle School. The motion carried with a majority vote, Commissioners Church and Branch voting against.

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF CALDWELL, NORTH CAROLINA, AUTHORIZING THE NEGOTIATION OF AN INSTALLMENT FINANCING CONTRACT AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO**

WHEREAS, the County of Caldwell, North Carolina (the “County”) is a political subdivision validly existing as such under and by virtue of the constitution, statutes and laws of the State of North Carolina (the “State”);

WHEREAS, the County has the power, pursuant to the General Statutes of North Carolina to (1) enter into installment contracts in order to purchase, or finance or refinance the purchase of, real or personal property and to finance or refinance the construction or repair of fixtures or improvements on real property and (2) create a security interest in some or all of the property financed or refinanced to secure repayment of the purchase price;
WHEREAS, the County wishes to enter into an installment financing contract (the “Contract”) in order to obtain funds, together with grant funds the County expects to receive, to pay the capital costs of partially demolishing, reconstructing, renovating, equipping and furnishing Granite Falls Middle School located in the County at 90 N Main St, Granite Falls, North Carolina (the “Project”);

WHEREAS, the Board of Education of the County (the “Board of Education”) currently owns the site on which the Project is and will be located, together with all improvements and fixtures located thereon (the “Site”) and will execute and deliver a general warranty deed conveying the Site to the County in connection with financing the Project;

WHEREAS, the Board of Commissioners of the County (the “Board of Commissioners”) hereby determines that it is in the best interest of the County to (1) accept title to the Site under the general warranty deed from the Board of Education to the County (2) enter into the Contract with a financial institution to be selected through a requests for proposal process (the “Lender”) in order to obtain funds to finance the Project, (3) grant to the Lender under a deed of trust, security agreement and fixture filing (the “Deed of Trust”) a security interest in the County’s fee simple interest in the Site as security for the County’s obligations under the Contract and (4) enter into a lease and agency agreement (the “Lease and Agency Agreement”) with the Board of Education in order to provide for the construction and completion of the Project.

WHEREAS, the Board of Commissioners hereby determines that the Project is essential to the County’s proper, efficient and economic operation and to the general health and welfare of its inhabitants; that the Project will provide an essential use and will permit the County to carry out public functions that it is authorized by law to perform; and that accepting title to the Site and entering into the Contract, the Deed of Trust and the Lease and Agency Agreement is necessary and expedient for the County by virtue of the findings presented herein;

WHEREAS, the Board of Commissioners hereby determines that the Contract allows the County to finance the Project at a favorable interest rate currently available in the financial marketplace and on terms advantageous to the County;

WHEREAS, the Board of Commissioners hereby determines that the estimated cost of financing the Project, in addition to grant funds the County expects to receive for the Project, is an amount not to exceed $12,300,000 and that such cost of the Project exceeds the amount that can be prudently raised from currently available appropriations, unappropriated fund balances and non-voted bonds that could be issued by the County in the current fiscal year pursuant to Article V, Section 4 of the Constitution of the State;

WHEREAS, although the cost of financing the Project pursuant to the Contract is expected to exceed the cost of financing the Project pursuant to a bond financing for the same undertaking, the Board of Commissioners hereby determines that the cost of financing the Project pursuant to the Contract and Deed of Trust and the obligations of the County thereunder are preferable to a general obligation bond financing or revenue bond financing for several reasons, including but not limited to the following: (1) the cost of a special election necessary to approve a general obligation bond financing, as required by the laws of the State, would result in the expenditure of significant funds; (2) the time required for a general obligation bond election would cause an unnecessary delay which would thereby decrease the financial benefits of acquiring and constructing the Project; and (3) insufficient revenues are produced by the Project so as to permit a revenue bond financing;

WHEREAS, the Board of Commissioners has determined and hereby determines that the estimated cost of financing the Project pursuant to the Contract reasonably compares with an estimate of similar costs
under a bond financing for the same undertaking as a result of the findings delineated in the above preambles;

WHEREAS, the Board of Commissioners does not anticipate a future property tax increase to pay installment payments falling due under the Contract;

WHEREAS, no deficiency judgment may be rendered against the County in any action for its breach of the Contract, and the taxing power of the County is not and may not be pledged in any way directly or indirectly or contingently to secure any money due under the Contract;

WHEREAS, the County is not in default under any of its debt service obligations;

WHEREAS, the County’s budget process and Annual Budget Ordinance are in compliance with the Local Government Budget and Fiscal Control Act, and external auditors have determined that the County has conformed with generally accepted accounting principles as applied to governmental units in preparing its Annual Budget Ordinance;

WHEREAS, past audit reports of the County indicate that its debt management and contract obligation payment policies have been carried out in strict compliance with the law, and the County has not been censured by the Local Government Commission of North Carolina (the “LGC”), external auditors or any other regulatory agencies in connection with such debt management and contract obligation payment policies;

WHEREAS, the County has retained (A) Parker Poe Adams & Bernstein LLP, as special counsel (“Special Counsel”) and (B) First Tryon Advisors, a business unit of First Tryon Securities, LLC, as financial advisor (collectively, the “Financing Team”) in connection with effectuating the transactions described above;

WHEREAS, Special Counsel will render an opinion to the effect that entering into the Contract and the transactions contemplated thereby are authorized by law;

WHEREAS, a public hearing on the Contract and the related matters described above, after publication of a notice with respect to such public hearing, was held on March 4, 2019 and approval of the LGC with respect to entering the Contract must be received; and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF CALDWELL, NORTH CAROLINA, AS FOLLOWS:

Section 1. Authorization to Negotiate the Contract, Deed of Trust and Lease and Agency Agreement. The County Manager and the Finance Officer (the “Authorized Officers”), with advice from the County Attorney and Special Counsel, are hereby authorized and directed to negotiate on behalf of the County for the (1) financing of the Project for a principal amount not to exceed $12,300,000 under the Contract to be entered into with the Lender in accordance with the provisions of Section 160A-20 of the General Statutes of North Carolina, as amended (2) providing of a security interest in the Site as security for the County’s obligations under the Contract as the Lender providing funds to the County may require and (3) entering into the Lease and Agency Agreement in connection with the construction and completion of the Project.

Section 2. Application to LGC. The Finance Officer or his designee is hereby directed to file with the LGC an application for its approval of the Contract and all relevant transactions contemplated
thereby on a form prescribed by the LGC and to state in such application such facts and to attach thereto such exhibits regarding the County and its financial condition as the LGC may require.

Section 3. **Approval of the Financing Team.** The Financing Team is hereby approved in connection with the financing of the Project. The Authorized Officers are each hereby authorized to retain other persons or organizations as may be necessary and appropriate to carry out the intention of this Resolution.

Section 4. **Ratification.** All actions of the County, the Authorized Officers and their respective designees, whether previously or hereinafter taken, in effectuating the proposed financing as described herein are hereby approved, ratified and authorized.

Section 5. **Repealer.** All motions, orders, resolutions and parts thereof in conflict herewith are hereby repealed.

Section 6. **Effective Date.** This Resolution is effective on the date of its adoption.

STATE OF NORTH CAROLINA  
)  
COUNTY OF CALDWELL  
)  SS:

I, Kathy Greene, Clerk to the Board of Commissioners of the County of Caldwell, North Carolina, **DO HEREBY CERTIFY** that the foregoing is a true and exact copy of a resolution entitled **"RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF CALDWELL, NORTH CAROLINA, AUTHORIZING THE NEGOTIATION OF AN INSTALLMENT FINANCING CONTRACT AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO"** adopted by the Board of Commissioners of the County of Caldwell, North Carolina, at a meeting held on the 4th day of March, 2019.

**WITNESS** my hand and the corporate seal of the County of Caldwell, North Carolina, this the ____ day of __________________, 2019.

[Seal]

Kathy Greene  
Clerk to the Board of Commissioners  
County of Caldwell, North Carolina

Health Department State of the County Health

Anna Martin, Interim Health Director and Health Department staff presented the 2018 State of the County Health Report. They gave updated information on key indicators for Caldwell County for the purpose of comparing local and state health data about our community’s health and well-being.

This report included information on the progress made over the past three years as well as information on the identified priority areas for the 2017 Community Health Assessment: Preventative Care, Mental Health and Substance Abuse.

They shared that the information is designed to educate and update community members, community leaders, agencies, organizations and others on progress in addressing certain health
issues. This update is also intended to influence the development of new policies that affect the health of the community, guide the planning of health programs, and recruit interested community members to participate in future activities. The Caldwell County Health Department seeks to “promote, protect and improve the health of our community” by focusing on long-term health priorities identified in the 2018 Community Health Assessment.

Paycor Presentation

Tony Helton introduced representatives from Paycor who gave a presentation about the services they can offer the County. Paycor is a technology company that provides cloud-based Human Capital Management. They explained the key features and services. They also discussed a training module that Commissioner Potter expressed interest in including in the package.

Mr. Helton discussed the need for the software and the benefits to the County.

Commissioner Potter made a motion to give the County Manager the authority to negotiate a contract with Paycor and to approve the following budget amendment:

<table>
<thead>
<tr>
<th>Increase</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.9800.397000</td>
<td>Fund Balance Appropriation</td>
<td>26,750.00</td>
</tr>
<tr>
<td>10.4190.444100</td>
<td>Contractual</td>
<td>26,750.00</td>
</tr>
</tbody>
</table>

The vote was unanimous to approve.

DSS Request to Add Job Classification

Will Wakefield has requested that the classification of Income Maintenance Administrator I be added to the county classification schedule. It is currently not on the county schedule, but it is a classification recognized by the State Office of Human Resources.

With this classification available, DSS will be able to down-grade a Program Administrator position in order to restructure some management responsibilities that will enhance our focus and efficiency in the management of our Economic Services Programs. This change would lower the cost of the current position.

Commissioner Wilkie made a motion to approve the addition of the job classification of Income Maintenance Administrator I to the county classification schedule. The motion passed unanimously.

Project Ordinance for Collettsville Water Tank

Attached is the project ordinance and budget revision necessary to set up a new capital project need to construct the Collettsville Water Tank on the land recently purchased on Abington Road. The total cost is projected at $1.4 million and the funds will come from the Water Operations Fund.
Barry Calloway and Heather Watson explained how the new water tank would help flow and water pressure.

Chairman Church moved to adopt the following project budget ordinance to construct the Collettsville Water Tank. The vote was unanimous to approve.

**ESTABLISHMENT OF THE COLLETTESVILLE WATER TANK PROJECT ORDINANCE**

**WHEREAS,** there is a need to add a water tank to the existing system to improve the system in the Collettsville area.

**WHEREAS,** Caldwell County has purchased land off Abington Road for this purpose.

**WHEREAS,** Caldwell County's Water Fund has sufficient resources to pay for this project without the need to borrow money.

**NOW, THEREFORE, BE IT RESOLVED** by the Caldwell County Board of Commissioners that:

Section 1. The governing board hereby creates a project fund for the purpose of constructing the Collettsville Water Tank.

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Transfer from the Water fund</td>
<td>$1,400,000</td>
</tr>
<tr>
<td>Construction</td>
<td>$1,200,000</td>
</tr>
<tr>
<td>Engineering</td>
<td>$200,000</td>
</tr>
</tbody>
</table>

Section 2. The fund will remain operational until completion of the project and the disbursement of all project funds.

Section 3. The project shall be effective March 4, 2019.

Adopted March 4, 2019.

**ATTEST:**

Kathy Greene
Clerk to the Board

Randy Church
Chairman
Emergency Services QRV & Equipment

Dino DiBernardi requested authorization to purchase a new QRV truck and associated equipment to replace an existing unit that will be transferred to the Soil & Water Conservation Department.

The following budget amendment is necessary to use General Fund revenues to pay for the purchase.

<table>
<thead>
<tr>
<th>Increase/Decrease</th>
<th>Account Code</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase</td>
<td>10.9800.397000</td>
<td>Fund Balance App.</td>
<td>$50,110.00</td>
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<tr>
<td>Increase</td>
<td>10.9000.451001</td>
<td>Vehicles</td>
<td>$50,110.00</td>
</tr>
</tbody>
</table>

Commissioner LaBrose moved to approve the budget amendment to purchase a new QRV truck and related equipment. The motion carried unanimously.

Consent Agenda

1. Approval of Minutes

The County Manager recommended the Board of Commissioners approve the minutes of the February 4, 2019 meeting as presented.

2. Budget Amendments

The County Manager recommended the Board of Commissioners approve the following budget amendments and authorize execution of associated documents.

A) Public Utilities (Equipment) $7,669.00

The following budget amendment is necessary to use supply line revenue to purchase equipment for the water department.

<table>
<thead>
<tr>
<th>Increase/Decrease</th>
<th>Account Code</th>
<th>Description</th>
<th>Amount</th>
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</thead>
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<tr>
<td>Increase</td>
<td>60.7120.424000</td>
<td>Maintenance Supply</td>
<td>$7,669.00</td>
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<tr>
<td>Increase</td>
<td>60.7120.451000</td>
<td>Equipment</td>
<td>$7,669.00</td>
</tr>
</tbody>
</table>

B) Health Department (Maternal & Child Health Mini Grants) $20,757.00

The goals of these one-time Maternal and Child Health Mini Grants funds are to positively impact the communities maternal and child health outcomes and build local health department capacity to address health equity and social determinants of health.

<table>
<thead>
<tr>
<th>Increase/Decrease</th>
<th>Account Code</th>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Increase</td>
<td>10.5113.330000</td>
<td>Child Health</td>
<td>$20,757.00</td>
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<tr>
<td>Increase</td>
<td>10.5113.426000</td>
<td>Supplies</td>
<td>$20,757.00</td>
</tr>
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</table>

C) Health Department (Title X Planning Funding) $576.00

The notice of award stipulated the budget period for Title X funding had been reduced from 12 months to 9 months; thereby, reducing the amount of reawarded Title X funding. This funding will be absorbed within medical supplies.

<table>
<thead>
<tr>
<th>Increase/Decrease</th>
<th>Account Code</th>
<th>Description</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Decrease</td>
<td>10.5116.330508</td>
<td>Clinic Family Planning</td>
<td>$576.00</td>
</tr>
</tbody>
</table>
D) Health Department (Healthy Mothers Healthy Children) $8,000.00
The Healthy Mothers Healthy Children Program is increasing funding across three programs; Maternal Health, Family Planning, and Child Health Program. The additional funds will enable the health department to provide additional services based on our determined needs.

<table>
<thead>
<tr>
<th>Description</th>
<th>Code</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Increase</td>
<td>10.5116.330000 Clinic-Other</td>
<td>$8,000.00</td>
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<tr>
<td>Increase</td>
<td>10.5116.426100 Medical Supplies</td>
<td>$2,504.98</td>
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<tr>
<td>Increase</td>
<td>10.5116.41922 Professional Fee</td>
<td>$5,495.02</td>
</tr>
</tbody>
</table>

E) DSS (Low Income Energy Assistance Program) $40,251.00
This request is to increase county budget appropriation for Low Income Energy Assistance Program funds to additional State allocation received February 8, 2019. These funds are used to assist eligible families with heating expenses during winter months. The program is funded 100% with Federal funds with no County participation required. This revision will increase total allocation for State Fiscal Year 2018-2019 to $430,000.

<table>
<thead>
<tr>
<th>Description</th>
<th>Code</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Increase</td>
<td>10.5392.334623 Low Income Energy Asst.</td>
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<tr>
<td>Increase</td>
<td>10.5392.441150 Low Income Energy Asst.</td>
<td>$40,251.00</td>
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F) Scrap Tire Disposal $22,000.00
Estimates for the Scrap Tire and White goods revenue and expenditures will fall short for the current fiscal year. This revision is necessary to increase the revenue as well as expenditures to accommodate those estimates. This requires no local funding as these are flow through items.

<table>
<thead>
<tr>
<th>Description</th>
<th>Code</th>
<th>Amount</th>
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<tbody>
<tr>
<td>Increase</td>
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<td>$18,000.00</td>
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<tr>
<td>Increase</td>
<td>10.4286.435400 Scrap Tire Disposal</td>
<td>$18,000.00</td>
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<tr>
<td>Increase</td>
<td>10.4286.318010 White Goods Tax</td>
<td>$4,000.00</td>
</tr>
<tr>
<td>Increase</td>
<td>10.4286.435600 White Goods Tax</td>
<td>$4,000.00</td>
</tr>
</tbody>
</table>

3. NCDOT Request to Add Wilderness Lane to State Road System
NCDOT received a road addition petition from the property owners of Wilderness Lane, requesting the road be added to the state-maintained system. The County Manager recommended the Board of Commissioners adopt the resolution to add Wilderness Lane to the State Road System which his hereby incorporated by reference and made a part of these minutes (Exhibit A).

Commissioner Potter moved to approve the 3 items on the consent agenda as presented and recommended by the County Manager. The motion carried unanimously.

Closed Session

At 7:42 p.m. Chairman Church moved to go into closed session pursuant to N.C.G.S. §143-318.11(a)(5) to discuss property acquisition. The motion carried unanimously.

Commissioner Branch moved to come out of closed session to regular session and it carried unanimously.
Commissioner LaBrose moved to adjourn. By unanimous vote Chairman Church declared the meeting adjourned at 8:15 p.m.

Amanda Triplett, NCCCC
Deputy Clerk to the Board

Randy T. Church
Chairman