



Commissioner Walker delivered the invocation.

## **GENERAL GOVERNMENT-GOVERNING BODY-PLEDGE OF ALLEGIANCE**

Chairman Inman opened the meeting by inviting the citizens in attendance to join the Board with the Pledge of Allegiance.

## **GENERAL GOVERNMENT – GOVERNING BODY – PROPOSED WALNUT COVE LIBRARY EXPANSION PROJECT**

Chairman Inman updated those in attendance with the proposed Walnut Cove Library Expansion Project:

- Walnut Cove Library Board initiated the proposed library expansion in 2005 and approached both the Boards for funding and have been actively securing private pledges for the proposed expansion project
- Stokes County officials requested tentatively approval from the Local Government Commission (LGC) in January 2006 to borrow funding for the proposed expansion project
- LGC requested that Stokes County increased the tax rate before borrowing funding due to the County fund balance being slightly below 8%
- Since January 2006, both Boards have collectively been trying to work together to make this project possible

Town Manager Jack Gardin updated those in attendance with the progress made by the Town of Walnut Cove regarding the proposed expansion project:

- The Town has proceeded to secure funds from the USDA Rural Development
- The Town requested tentatively approval from LGC to borrow funding
- LGC had no problem with borrowing funding
- Completed the USDA Rural Development Loan application
- Received a letter from USDA Rural Development on 05-19-06 giving notice to the Town of Walnut Cove that their application for financial assistance had been approved in the amount of \$675,120
- Notification from USDA that the amount awarded to the Town of Walnut Cove was the last funding available during this funding cycle
- The Town is currently completing the LGC application
- Work now must be decided if both Boards are ready to proceed to work together to complete this proposed project

The Stokes County Board of Commissioners and the Walnut Cove Board of Commissioners discussed the following regarding the proposed Walnut Cove Library Expansion Project:

- Working together to make the proposed expansion project a reality
- Possible shortfall of \$375,000
- Stokes County Board of Commissioners' pledge of \$200,000
- Walnut Cove Board of Commissioners' pledge of \$100,000
- Scope of the proposed expansion project
- Funding schedule of the possible debt – loan period = 40 years
- Possible shorter loan period
- Interest rate @ 4.30%
- First payment due one year after the completion of the project
- Commitment of both Boards
- Commitment of the Walnut Cove Library Board to raise the shortfall
- Increased cost of the proposed expansion project
- Total Proposed Project cost = \$863,120 which does not include interest
- Transfer of the Walnut Cove Library property to the Town of Walnut Cove
- Responsibility of the shortfall of the proposed expansion project
- Current assets of the Walnut Cove Library Board
- Outdoor patio will be paved with pavers that will be sold for \$100 which will help to reduce the shortfall
- Possible scaling down the proposed expansion project
- Partnership from both Boards to complete the proposed expansion project
- Recalculation of total costs resulted in shortfall estimated only being \$297,000 instead of the estimated \$375,000
- Interlocal agreement with Stokes County Board of Commissioners, Town of Walnut Cove Board of Commissioners, and Walnut Cove Library Board
- Partnership sharing the shortfall between both Boards
- Other possible funding options

The Boards continued the discussion of partnering together to share the shortfall.

Vice Chairman Joe Turpin suggested a possible 2 to 1 ratio - Stokes County and the Town of Walnut Cove sharing the shortfall.

Town Manager Jack Gardin proposed the following:

- Stokes County responsible for \$200,000 of the shortfall
- Town of Walnut Cove responsible for \$97,000 of the shortfall

- Take available funding when payment time comes due which gives both Boards 7 years to raise the shortfall funding if the Walnut Cove Library Board is not successful in securing the additional needed funding
- Possibly paying the loan off in about 7 to 8 years to save interest costs

### **Stokes County Board of Commissioners**

Chairman Inman entertained a motion to concur with Town Manager Jack Gardin's recommendations:

- Stokes County responsible for \$200,000 of the shortfall
- Town of Walnut Cove responsible for \$97,000 of the shortfall
- With expectations the shortfall funding will be raised by the Walnut Cove Library Board

Vice Chairman Joe Turpin moved to approve the following:

- Stokes County responsible for \$200,000 of the shortfall
- Town of Walnut Cove responsible for \$97,000 of the shortfall
- With expectations the shortfall funding will be raised by the Walnut Cove Library Board

Commissioner McHugh seconded and the motion carried unanimously

### **Town of Walnut Cove Board of Commissioners**

Commissioner Kim Lewis moved to approve the following:

- Town of Walnut Cove responsible for \$97,000 of the shortfall
- Stokes County responsible for \$200,000 of the shortfall
- With expectations the shortfall funding will be raised by the Walnut Cove Library Board

Commissioner Cowan seconded and the motion carried unanimously.

### **Stokes County Board of Commissioners**

Vice Chairman Joe Turpin moved to adjourn the special session.

Vice Chairman Joe Turpin withdrew his motion to adjourn the special session.

### **Town of Walnut Cove Board of Commissioners**

Commissioner Kim Lewis moved that any communication between these two Boards

be performed by a person who has the given jurisdiction to communicate by appropriation from each Board and it be in writing or email to avoid any misunderstanding to all members of the Board. Commissioner Shannon Fenner seconded and the motion carried unanimously.

#### **Stokes County Board of Commissioners**

Commissioner McHugh moved that all communication with the Town of Walnut Cove be done by a Board vote and that all communication be sent to all Board Members of the Town of Walnut Cove and to the Town Manager. Commissioner John Turpin seconded and the motion carried unanimously.

Chairman Inman expressed appreciation to all those in attendance.

#### **Stokes County Board of Commissioners**

There being no further business to come before the Board, Chairman Inman entertained a motion for the Stokes County Board of Commissioners to adjourn the special session. Commissioner John Turpin moved to adjourn the special session. Vice Chairman Joe Turpin seconded and the motion carried unanimously.

#### **Town of Walnut Cove Board of Commissioners**

Mayor Ken Starnes entertained a motion for the Walnut Cove Board of Commissioners to adjourn the special session. Commissioner Cowan moved to adjourn the special session. Commissioner Fenner seconded and the motion carried unanimously.

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**Darlene M. Bullins**  
**Clerk to the Board**

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**J. Leon Inman**  
**Chairman**