

STATE OF NORTH CAROLINA)
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COUNTY OF STOKES)
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OFFICE OF THE COMMISSIONERS
STOKES COUNTY GOVERNMENT
DANBURY, NORTH CAROLINA
NOVEMBER 24, 2008

The Board of Commissioners of the County of Stokes, State of North Carolina, met for regular session in the Commissioners' Chambers of the Ronald Wilson Reagan Memorial Building (Administrative Building) located in Danbury, North Carolina on Monday, November 24, 2008 at 6:00 pm with the following members present:

Chairman J. Leon Inman
Vice-Chairman Jimmy Walker
Commissioner Ron Carroll
Commissioner Ernest Lankford
Commissioner Stanley Smith

County Personnel in Attendance:
County Manager K. Bryan Steen
County Attorney Edward Powell
Clerk to the Board Darlene Bullins
Finance Director Julia Edwards
Support Services Supervisor Danny Stovall
Emergency Services Director Monty Stevens

Chairman J. Leon Inman called the meeting to order.

Commissioner Smith 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 – APPROVAL OF AGENDA

Chairman Inman entertained a motion to approve or amend the November 24, 2008 Agenda.

County Manager Bryan Steen requested to add the following to the Action Agenda:

- Appointment of Interim Medical Director for Stokes County EMS along with proposed contract for consideration

The Board unanimously agreed to add the Appointment of Interim Medical Director for Stokes County EMS and proposed contract to the Action Agenda.

Commissioner Lankford moved to approve the November 24, 2008 Agenda as amended. Commissioner Smith seconded and the motion carried unanimously.

PUBLIC COMMENTS

The following members of the Nancy Reynolds Historical Committee presented the following presentation regarding Nancy Reynolds Elementary School:

Bailey Nunn read the following: **Agenda**

WE ARE HERE TONIGHT, because...

#1 - We want to update the Board of Commissioners on the information received by the Board of Education regarding the structural needs of Nancy Reynolds and the option of renovation.

#2 - We EXPECT an independent review of SFL+a's long range planning study.

#3 - We EXPECT to have a historical renovation study conducted on Nancy Reynolds, as originally voted to do by the Board of Education on February 18, 2008.

#4 - We EXPECT the support of the Stokes County Commissioners on this endeavor.

#5 - Renovation IS an option.

Mable Booth read the following: **Introduction**

We the people would like to make you aware of the concern and the battle that the Nancy Reynolds community has been subjected to for the second time since our school has been in existence. The Board of Education has not heard the people. They have determined what they want to do with the money, once allotted, with no consideration of what the people really want.

Nancy Jane Cox Reynolds gave a gift that just keeps on giving to Stokes County. She shared her wealth with the people of this County willingly and continues to share even in death. She entrusted her gift to the people of this County, and we have not been good stewards of her generosity. Had we been good stewards and performed the proper maintenance on her as needed, we would not be standing before you tonight. We do not reward her legacy by using and abusing her and casting her aside as if she means nothing. Nancy Reynolds means something to all who have reaped the benefits of a good education in a beautiful environment as they walked the halls of the school they proudly called their alma mater.

Nancy Reynolds is not only important to this community, but for all of Stokes County. We cannot allow this school to be destroyed, because if we do, we will have failed our children in preserving a piece of the past for them to see and touch.

We all want the best education and facilities possible for our children. But, there will always be priorities, and we have to address them one at a time. For 85 years, Nancy Reynolds has given to others and now all she asks is that we give a portion back to continue providing a place for our youth's education.

The Stokes County Board of Education tried to imply that they didn't know how much it would cost for renovation, and once started, it could open up a whole can of worms, implying the price might exceed more than what they projected. They really don't want to spend anymore than what it would cost to build a new school

(assuming new would cost less than renovation), so they can spend the remainder of the 22 million elsewhere. They see a can of worms; we see a can of candy. The difference is in the eye of the beholder.

Henry David Thoreau said, "What lies before us and what lies beyond are tiny compared to what lies within us." We know the people of Nancy Reynolds have a passion within them for this school and we are not looking at dollars and cents for the long overdue maintenance for Nancy Reynolds.

Nancy Jane Cox Reynolds has been a mother to thousands of children who have walked her halls. She has provided a home away from home and a sanctuary during many storms during 85 years.

We CANNOT, we SHOULD NOT, and WE WILL NOT allow her to be destroyed!

Kim Martin read the following: **Historical Significance**

Nancy Reynolds was given to the community in 1923 by brothers William and Walter Reynolds as a memorial to their mother, Nancy Jane Cox Reynolds, for \$25,000. Nancy Jane was an educated woman. Her passion for education led her sons to commemorate her memory by erecting a building, on her original home place. The school served as a symbol, unifying the community for the past 85 years. During the early '30's, the school was growing and Mr. Will Reynolds came to the rescue by adding two additional wings and fourteen classrooms and a recreational basement. In 1951, a \$125,000 gym was built by Mr. Will Reynolds, which was the pride of the County. In 1956, the Z. Smith Reynolds Foundation provided the funds to build an additional Vocational Education Building for \$35,000. Since then, the building itself has undergone renovations and additions, but all the while, leaving the integrity of the architecture intact.

This school is historically significant because it represents the backbone of what this part of our state was built upon, which is an ideal that is slowly slipping away before us as we journey into a more technologically, fast paced, instant gratifying society. It is a symbol of integrity, honor and loyalty on behalf of families, community and education. It is a part of our state history, our county history and, most importantly, our community history. History is hard to come by these days, and as educators, and members of the community, we should be adamant in regards to the preservation of all things that will eventually be lost.

Pam Gibson and Rebecca Gibson read the following: **Poor Stewardship**

How did we get here?

Too often, ADA, fire safety and other important requirements are used as an excuse to demolish a valued school. Smaller community schools that have held neighborhoods together are destroyed without competent evaluations of their potential for continued use through modernization. Deferred maintenance on existing schools can very well set the stage for demolition of historic schools. Sometimes the failure to maintain schools properly reflect the simple lack of funds for maintenance. Often, it reflects a **deliberate** strategy to let buildings deteriorate and then to use their deterioration as justification for demolishing a school and replacing it with a new one. This is called "demolition by neglect." We would not be fighting for the preservation of Nancy Reynolds School at this time if the required maintenance had been done on the school a little at a time over the past years.

On January 23rd, during a joint session of the boards, Bill Hart noted that they were talking about a problem that was talked about 20 years ago. He stressed making sure other phases continue after Phase I. In that same meeting, Sonya Cox commended commissioners in getting the Board of Education to the point that they could talk about the school financially. She stated that the dilemma had opened the Board's eyes and she was excited about the planned structural analysis. She felt that both Boards had been talking about this way too long and that it was time to start Phase 1.

On February 18th, at the regular session of the Board of Education, Mr. Hart made a motion to retain Sfl+a to provide a long-range school facilities plan and to retain Ersoy, Brake & Appleyard to complete a facility study, specific to Nancy Reynolds. The motion passed 5-0. Dr. Hobbs and Mr. Hart shared that out of 8 architectural firms interviewed that Ersoy, Brake and Appleyard was the best qualified to offer an opinion and to complete a restoration at Nancy Reynolds, given their specialty in renovation.

On March 17th, at the regular session of the Board of Education, Dr. Hobbs requested the addition of Item C, Ersoy, Brake & Appleyard, to the discussion agenda. And this is the last we heard of Ersoy, Brake and Appleyard,

other than the night of September 30th, when Dr. Hobbs stated that the board did not retain them due to the \$13,000 up front retainer. After some research, it was discovered that some of the \$13,000 up front retainer fee would have been credited for any duplicative work in the schematic phase.

On September 30th, during our first town hall meeting, when questioned about the past board's neglect regarding Nancy Reynolds, Chairman Steve Shelton quickly retorted that the current administration cannot answer or be held accountable for past administrations. We, the people, have been victims of neglect by our elected officials too long. At this point, we do not feel that we should be subjected to any more oversights by the present board. This board should take action to correct previous administration's neglect and elevate Nancy Reynolds to the status she deserves.

It was also during this town hall meeting that Dr. Hobbs introduced the firm selected to perform the long-range study on all 18 schools. The architect, SfL+a, presented the following options regarding Nancy Reynolds: (1) renovation, (2) replace facility with a new school on the existing site, (3) replace the facility with a new school on a new site in an area adjacent to the original facility or (4) replace the facility with a new school, on a new site combined with Francisco. The presentation given by SfL+a stated that if renovation was the ultimate goal, the 1920's section would need to be replaced, the unused rooms corrected and building and site brought up to code. What does "unused rooms corrected" mean? Mr. Hughes, the architect's spokesperson, stated that renovation was possible, but that it would take money. Dr. Hobbs stated that it would take an "intensive study" by the architects and engineers to determine what could be done and what it would cost. He also noted that it would take months to complete the research and it would not be cut and dry, and he believed in getting all the information possible before making a decision. The initial figures analyzed in that meeting stated that the money it would cost to renovate the facility would be "economically close" to what it would cost to replace. Dr. Hobbs acknowledged that he understood that the community ultimately wanted renovation of the building. Mr. Shelton also allowed the other board members to show their affirmation by nodding their heads up and down "yes", they understood what the community wanted.

After that meeting, the people were under the impression the board knew we wanted Nancy Reynolds renovated and to remain as an elementary school. We also understood they would be undertaking an "intensive" study on renovation and bringing those results back to the community. Instead they were back within 41 days, and we were told renovation was NOT an option.

After just forty-one days, on November 10, 2008, the Board of Education held another meeting at Nancy Reynolds and presented new options: (1) reconstruction of the school on the existing site, (2) building a new school on the existing site, or (3) building a new school on a new site and the "old, tired, 1920's building" be used as a community center. So now, where would YOU like to be shot -- in the head, the neck or the toe? Of course, we didn't want to be shot at all, but getting shot was presented as our only option!! The last option was somewhat ironic in that the board's architects had earlier advised the board that the building was not structurally sound enough to use as a community center.

The School Board ultimately "envisioned" the extent of renovation and took it off the table, using the "shock and awe" tactic to confuse all those present. Sonya Cox had to stand up at the end of the meeting and express her confusion regarding the wishes of the community now. How on Earth could anyone make a two second decision after being sucker punched in the jaw? According to the materials provided by the board, the issues for the renovation of the facility noted a standard list that was nothing specific to Nancy Reynolds and that they "envisioned" what the renovation MAY consist of when a specific study had not been completed on Nancy Reynolds. They also based this decision on ONE firm's proposal -- the same firm that previously stated that renovation WAS an option. Now, if you had been diagnosed with a life threatening disease or were told by your lifelong doctor that you had thirty days to live, would you trust what that ONE doctor had to say about you, or would you consult someone else for a second opinion? With something on the line as precious as your life, without a doubt a second opinion would be sought. The same thing holds true regarding the diagnosis of Nancy Reynolds. There should be a second opinion, more tests run, more research completed, more data gathered before a conclusive decision is made.

Taxpayers in the geographical area of the Nancy Reynolds community, according to the tax office, contributed more than \$1,261,000 over the past 4 years in taxes. Over a period of 20 years, it has been estimated that this

same area has contributed approximately \$20 million dollars. Now consider what has been contributed by this same area in the past 85 years!!!

Melissa Wood read the following: **Get Facts Straight**

- **Insurance:** The architect, hired by the Board, stated that renovations to the school **could not** be insured, but that the full value of the new construction **would be** insured for the full amount. This information is incorrect.
- **Sentiment of Community:** On October 25, in an email, Steve Shelton stated that there was a growing sentiment in the community that a new school would be in the best interest of the students with the old building preserved for some other use. What community meetings has Mr. Shelton been attending?
- **Codes:** “Old schools were built before modern codes were written, but “this does not mean the buildings are not safe,” the National Trust says. Communities need to consider code compliance alternatives rather than strictly enforce the codes. [Several states, (e.g. New Jersey, Maryland and North Carolina), have adopted codes that recognize the special circumstances of older buildings]” (Z. Smith Reynolds Foundation). The firm hired by the Board is not knowledgeable with historical preservation guidelines in North Carolina.
- **History of the School:** On September 30, Dr. Hobbs had said that Nancy Reynolds was built in 1927. Nancy Reynolds was built in 1923.
- **Foundation of Nancy Reynolds:** Mr. Shelton stated that the structure of Nancy Reynolds was unsound and that the foundation of Nancy Reynolds consisted of a trench with brick placed directly on the ground with no footings. The board’s architect, however, stated during one of their workshops that the “four corners of Nancy Reynolds had not moved in 85 years and that it must be built on a solid rock.”
- The **emails of Steve Shelton** state that they have no problem with anyone in the community doing whatever research they can in the preservation of Nancy Reynolds school; however, a letter encouraging attendance to this meeting was prohibited from being distributed because it would imply that the school “sanctioned” the request, even though the letter was signed by the Nancy Reynolds Historical Committee.
- **Dates of Additions and Renovations and Construction:** SFL+a stated in their report that in 1975, more classrooms were added as well as an auditorium and music classroom. The auditorium is part of the original 1923 structure; how was it just added in 1975? Nothing was built; the floor plan was reconfigured. It appears that the architects are bewildered when it comes to facts.
- **Underserved Toilets as Key Issue:** How is the school underserved by toilets when there is the same number available now as there were in 1959 when there were approximately 335 students and staff and the building was a high school, as opposed to 175 students now and an elementary school?
- **Cafeteria Issues:** During the 1959-60 school year, approximately 315 children walked the halls, were educated, and dined in the same cafeteria.
- **POD Issues:** Why is this an issue when the renovation could be completed in phases without kids being housed in “PODS” or going off site? Classrooms could be set up in the gym (as has been done in the past) and the agriculture building in the back.

Chris Holland read the following: **Endowment Fund**

I am Chris Holland and I am on the Endowment Board at Nancy Reynolds School. The Endowment fund was established by the will of Mrs. Kate Bitting Reynolds stating that money was to be used for grounds purposes and/or grounds beautification. I am here tonight to explain how much the Endowment fund has relieved the County in regards to maintaining the grounds at Nancy Reynolds through tax dollars and labor.

The endowment fund at Nancy Reynolds has purchased

- all lawn mowing equipment
- all of the play ground equipment
- paving for the parking lots,
- walkways to the trailer classrooms
- tree pruning services for insurance reasons.
- fencing around all of the campus
- vinyl for outdoor concession and field house
- two outdoor storage buildings
- outdoor restroom facilities

- picnic tables
- the detached deck
- entry rugs
- and, all shrubbery and flowers used to beautify this historic site, which has alleviated these expenditures from the County.

By utilizing the generous gift of the Endowment fund, we have saved tax dollars for use on other projects throughout the County, enabling the County to use monies that would have been spent at Nancy Reynolds on other entities, within the county, as well as other schools---money that the County did not have to budget to the Board of Education. From July 2002 to June 2007, the endowment fund has spent over \$47,600 on the maintenance of the school grounds. We have not reaped any benefits of the savings. Simply look at the eaves, bell tower, and read the reports regarding our building now.

We believe this school can be kept open as a great learning institution with a little more research. It appears to me that a school, gym and land that has been given to the County along with an endowment fund that has maintained the grounds of the school, even though our tax monies are supposedly budgeted for these purposes and are being used elsewhere, a school that was even kept open during the Depression by the Reynolds family so our families could still receive an education, those people are the very students who helped build this County. The family that dedicated this school to their mother deserves a little more than three or four months consideration after 85 years of education. We expect more time and effort be placed in this decision after all the families, neighbors, community members and leaders and even corporations that have kept this facility open for 85 years.

We, the Nancy Reynolds community, the school with the greatest view from its ball field, beside of the largest gym in the County, that sits in front of the coolest playground, according to the students, which is on the land of a one of a kind, historic, operational, elementary school, known as Nancy Reynolds Elementary, want our school to continue to operate renovated and up-to-date, but located on that hill on Highway 66 in Stokes County.

Jerri McKinney read the following: **Renovations is Possible**

School districts, who are faced with the dilemma of overcrowding and building neglect, hire architects to perform a facility evaluation for all the schools in the district. “Such evaluations tend to be very superficial and are used to determine the broad outlines of need” and many times “school districts hire architects and professionals who know a lot more about designing new buildings than renovating older ones” With this in mind, there are positive aspects to renovation versus building a new facility.

Case Studies:

According to the National Trust for Historic Preservation in 2000, old schools were one of America’s top eleven endangered historical sites. In the surrounding area, there are no historical schools in Surry or Yadkin, only one in Forsyth, and one in Rockingham County. Nancy Reynolds is the only school in Stokes County that can boast as a historical school site. Renovation of endangered schools is not impossible. There are schools across the country, and in NC, who have renovated, and have done so successfully, and with children in the classrooms.

In 2000, Albemarle School in Stanley County was in jeopardy of being demolished. Before the school board made its decision to renovate, advocates visited two other schools that had been renovated in the general locale. The first was George Watts Elementary in Durham and the second was C. G. Credle Elementary in Oxford. Renovations of C. G. Credle were done in phases, allowing education to continue inside the structure itself.

Presently, Albemarle boasts an amazing floor plan, an up to date, state of the art facility in which test scores have increased, student, teacher, parent and community support has increased, and the overall morale of the community has grown astronomically. Not only does the school hold its structural integrity, it is also a safe environment for the students.

In the end, the cost to renovate Albemarle was still cheaper than building a new facility, even after cost over runs. The feasibility study completed by the company hired by the school system was significantly more than the study completed by an independent company hired by the school advocates. All three of these positive renovation projects faced county sabotage by facilities neglect, but eventually prevailed.

In a constant fight to save the history of our country, who would argue that symbols are more important than ever in this era of renewed American patriotism?

North Carolina adopted special codes for older buildings. Often times, new buildings do not even meet some specific building codes. In order for the codes to be interpreted correctly, an experienced historical architect, who is familiar with these codes, must be utilized. The codes set aside for historical buildings can be implemented in reference to this objective, but one must also know how to interpret them.

Renovation can be done in phases and during the summer; therefore, allowing the education process to continue. A historic school building provides a place in which children not only learn about, but also experience history. An older school that has anchored a neighborhood for generations represents tradition and continuity; these are important assets to a child.

In the July 21st regular School Board Session, SFL+a presented, as part of their recommendation, extensive additions and renovations, which could occur in phases, for Southeastern Middle. If this type of work could be done for them, why was it not an option for Nancy Reynolds?

Although many historic schools have suffered from deferred maintenance and other problems, they were generally solidly built often with great craftsmanship and architectural distinction. With the help of creative architects and sensible state policies, many school districts have demonstrated that historic schools can be brought up to 21st century standards and continue to serve the neighborhoods they anchored 50, 75 or even 100 years ago.

Nancy Reynolds, over the past years, has received band aids and now a major renovation would renew the school to last another 50-70 years with no more maintenance than a new building would require.

Positive Aspects of Renovation

Careful renovation can reduce waste intended for landfills, decrease air pollution, and save dwindling natural resources. The Environmental Protection Agency estimates every square foot of non residential building demolished adds 155 pounds of solid waste to area landfills.

In these struggling economic times, the process of renovation can create jobs in the community because it is more labor intense. New buildings actually require more maintenance since they lack the quality construction of an earlier era. Will a new school last 25 or 50 years? Nancy Reynolds has been here for 85 years and can last another 50-75 years with proper renovation.

The board's architect has recommended the community's least favored option, but IT IS the cheapest according to their estimates. Another board member agrees with the architect, at this point, and said he would rather "take one of the cheaper options" on Nancy Reynolds, in order to save money and spend it in another district. Commissioner Carroll was quoted as saying that the Board of Education should take into consideration due respect to the history and geography of Stokes County, and that the most cost effective route is not necessarily the best route when making decisions for school facilities needs.

Gary Gibson read the following: **Conclusion**

The Board has not fulfilled their due diligence on this project. Despite the Board's claim that they are not responsible for the past, they **are** responsible for what happens in this situation. Everyone is watching and waiting on the decision concerning Nancy Reynolds.

YOU are also responsible, commissioners. Nancy Reynolds is no longer just another school. She has become a historical monument for Stokes County that is in danger of being destroyed. The problems we face today are the same problems we faced twenty years ago. Why has it taken twenty years to finally see that this is an issue that needs not only to be addressed, but also acted upon?

The Nancy Reynolds community is just as deserving as any other district!

We expect that everything that needs to be done **will be done**. If we allow Nancy Reynolds to be reconstructed or demolished, we have absolutely destroyed a piece of history we can never get back.

Do you want that to be YOUR legacy?

After 85 years, you OWE it to Nancy Reynolds. You OWE it to this community. It is OUR turn to have tax money spent on OUR school in OUR district.

Jan Faries Cox read the following: **Questions and Re-Cap of the Agenda**

Has the Board of Education carried out their fiscal responsibility?

ABSOLUTELY NOT!

Has the Board of Education completed a special historical facility study on Nancy Reynolds?

ABSOLUTELY NOT!

Has the Board of Education thoroughly investigated the option of renovation?

ABSOLUTELY NOT!

Has the Board of Education been given accurate information from experienced qualified architects in the field of historical renovation?

ABSOLUTELY NOT!

Has the County of Stokes been good stewards of their gift?

ABSOLUTELY NOT!

Has the Board of Education complied with the G.S. 115C-521 law, which states “If a board of education is considering building a new school building to replace an existing school building, the board shall not invest any construction money in the new building unless it submits to the State Superintendent and the State Superintendent submits to the North Carolina Historical Commission an analysis that compares the costs and feasibility of building the new building and of renovating the existing building and that clearly indicates the desirability of building the new building.”

ALL EVIDENCE WOULD SUPPORT THEY ABSOLUTELY HAVE NOT!

Are we as a County going to let the last historical school we have in the County be destroyed or abandoned?

ABSOLUTELY NOT!

AGAIN, WE CAME HERE TONIGHT, because...

#1 - We wanted to update the Board of Commissioners on the information received by the Board of Education regarding the structural needs of Nancy Reynolds and the option of renovation.

#2 - We EXPECT an independent review of SFL+a’s long range planning study.

#3 - We EXPECT to have a historical renovation study conducted on Nancy Reynolds, as originally voted to do by the Board of Education on February 18, 2008.

#4 – We EXPECT the support of the Stokes County Commissioners on this endeavor.

#5 - Renovation IS an option.

Chairman Inman expressed the Board’s appreciation to the Nancy Reynolds Historical Committee for their presentation. Chairman Inman noted that the County is financially in a position to fund the project when a decision is made by the Board of Education.

CONSENT AGENDA

Chairman Inman entertained a motion to approve or amend the following items on the Consent Agenda:

Minutes

- Minutes of November 10, 2008

Vice Chairman Walker noted that November 26th on page 24 should read November 24th

Animal Control – Budget Amendment #30

Finance Director Julia Edwards submitted Budget Ordinance Amendment #30.

To amend the General Fund, the expenditures are to be changed as follows:

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
	Animal Control			
100.4380.260	Departmental Supplies	\$16,320.00	\$200.00	\$16,520.00
	Totals	\$16,320.00	\$200.00	\$16,520.00

This budget amendment is justified as follows:

To appropriate Animal Control Miscellaneous (donations) funding to purchase heartworm kits.

This will result in a net increase of \$200.00 in the expenditures and other financial use to the County’s annual budget. To provide the additional revenue for the above, the following revenues will increase. These revenues have already been received or are verified they will be received in this fiscal year.

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
100.3839.003	Animal Control Misc.	\$600.00	\$200.00	\$800.00
	Totals	\$600.00	\$200.00	\$800.00

Social Services – Budget Amendment #31

Finance Director Julia Edwards submitted Budget Ordinance Amendment #31.

To amend the General Fund, the expenditures are to be changed as follows:

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
	Social Services			
100.5480.000	Crisis Intervention	\$39,997.00	\$45,039.00	\$85,036.00
	Totals	\$39,997.00	\$45,039.00	\$85,036.00

This budget amendment is justified as follows:

To appropriate additional funding for Crisis Intervention, which is 100% Federal Funding.

This will result in a net increase of \$45,039.00 in the expenditures and other financial use to the County's annual budget. To provide the additional revenue for the above, the following revenues will increase. These revenues have already been received or are verified they will be received in this fiscal year.

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
100.3301.202	Crisis Intervention	\$1,964,787.00	\$45,039.00	\$2,009,826.00
	Totals	\$1,964,787.00	\$45,039.00	\$2,009,826.00

Walnut Cove Senior Center – Budget Amendment #32

Finance Director Julia Edwards submitted Budget Ordinance Amendment #32.

To amend the General Fund, the expenditures are to be changed as follows:

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
Walnut Cove Senior Center				
204.5861.490	Dues & Subscriptions	\$600.00	\$490.00	\$1,090.00
204.5861.180	Professional Services	\$18,000.00	\$2,000.00	\$20,000.00
204.5861.220	Food & Provisions	\$1,200.00	\$1,000.00	\$2,200.00
204.5861.320	Telephone	\$4,000.00	\$1,000.00	\$5,000.00
204.5861.321	Postage	\$800.00	\$600.00	\$1,400.00
	Totals	\$24,600.00	\$5,090.00	\$29,690.00

This budget amendment is justified as follows:

To appropriate funding from General Purpose Grant, additional funding was not expected.

This will result in a net increase of \$5,090.00 in the expenditures and other financial use to the County's annual budget. To provide the additional revenue for the above, the following revenues will increase. These revenues have already been received or are verified they will be received in this fiscal year.

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
204.3301.377	Senior Center Gen. Purpose	\$8,000.00	\$5,090.00	\$13,090.00
	Totals	\$8,000.00	\$5,090.00	\$13,090.00

Tax Administration Report – October 2008

Tax Administrator Jake Oakley submitted the following Real and Personal Property

Releases and Refunds (October 2008), which are more than \$100 at the November 10th meeting, with a request for action by the Board of Commissioners at the November 24th meeting:

Real and Personal Property Releases More than \$100 –October- Per NCGS 105-381 (b)

Name	Account Number	Amount	Reasons
James Granger	97A1997001939	\$124.61	
	96A1996000576	\$118.70	
	95A19953000018	\$150.37	
Lillian Craig	06A156001068.07.1	\$297.75	
Total		\$691.43	

Real and Personal Property Refunds More than \$100 –October - Per NCGS 105-381 (b)

Name	Account Number	Amount	Reasons
Della Collins	07A690404913199	\$117.04	Acreage Correction
	06A690404913199	\$115.28	Acreage Correction
	05A2005005431	\$115.28	Acreage Correction
	04A2004005432	\$113.88	Acreage Correction
	03A2003005395	\$113.88	Acreage Correction
Total		\$575.36	

Tax Administrator Jake Oakley presented an Appeal Request from Delma and Elaine Collins to refund the amount of taxes relating to the excess acreage billed for the years of 1996-2002 due to an error made by a surveyor; this request was presented at the November 10th meeting, with a request for action by the Board of Commissioners at the November 24th meeting. Tax Administrator Jake Oakley recommended the Board of Commissioners deny the Appeal Request from Delma and Elaine Collins for a refund for the amount of taxes relating to the excess acreage billed for the years of 1996-2002 per North Carolina General Statute 105.381.

Tax Administrator Jake Oakley presented a Late Application Request for Elderly Exemption for Calendar Year 2008 from Robert W. and Kayron H. Jessup at the November 10th meeting, with a request for action by the Board of Commissioners at the November 24th

meeting. Tax Administrator Jake Oakley recommended the Board of Commissioners approve the Request for Late Application for Elderly Exemption for Calendar Year 2008 for Robert W. and Kayron H. Jessup per North Carolina General Statute 105-281.1(a1).

Vice Chairman Walker moved to approve the Consent Agenda as amended.

Commissioner Lankford seconded and the motion carried unanimously.

GENERAL GOVERNMENT – GOVERNING BODY – INFORMATION AGENDA

Judicial District 17B Annual Operational Report

Judicial District Manager Brian Gates presented the North Carolina Division of Community Corrections Judicial District 17B Fiscal Year 2007-08. Manager Gates noted the following:

- Judicial District 17B is made up of Stokes and Surry counties
- 17B supervises all offenders placed on adult probation assigned to the Community Service Work Program
- 17B's mission is to provide viable alternatives and supervision to all offenders placed in 17B's custody
- 17B is divided into three separate work units – one in Stokes and two in Surry
- Stokes County utilizes a District Resource Center (DRC) which has served 55 offenders during fiscal year 2007-08 with a successful completion rate of 34% of all offenders who exited or were terminated from the program during the fiscal year
- 17B has a strong partnership with Stokes DRC
- Stokes County's District Resource Center managed by Tony Hill is a very successful operation
- Stokes County's DRC offers a weekend resource center staff member who supervises offenders who perform general labor and maintenance to county owed property; this is the only program in the state with this unique feature
- In fiscal year 2007-08, 119 offenders were placed at DRC by Community Service completing 3,621 hours valued at \$22,256.85
- During fiscal year 2007-08, the Community Service Work Program in Stokes County placed 414 offenders at local agencies where they completed 12,694 hours valued at \$78,034.50
- During fiscal year 2007-08, officers collected \$294,381.15 through the Office of the Administrative Court which was applied to the General Fund
- During fiscal year 2007-08, the top felony crime category for admissions to the Probation Supervision Program was "Drugs-Non Trafficked"
- During fiscal year 2007-08, the top misdemeanor crime category for admissions to the Probation Supervision Program was "Driving While Impaired"

Chairman Inman expressed the Board's appreciation to Manager Gates for his annual report.

Update – Manager and Board of Commissioners

There were no updates.

GENERAL GOVERNMENT – GOVERNING BODY – DISCUSSION AGENDA

Request for Equipment Purchase – Sauratown Volunteer Fire Department Inc.

Sauratown Volunteer Fire Department Fire Chief James Griffin presented the following request: (Assistant Fire Chief Wayne Barneycastle was unable to present the request)

- Request approval from the Stokes County Board of Commissioners to move forward with the purchase of a 2008 Ford F-550 Brush Truck
- Purchase price for the Brush Truck is \$89,987.00 (turnkey purchase)
- New apparatus will replace a 1988 Ford F-350 which is 20 years old and in need of repairs due to a failing suspension system along with other mechanical issues and also being overweight
- Projected date for purchase has been in the Sauratown Volunteer Fire Department's budget request every year since fiscal year 2005-06
- Department has requested escrow funding each year for this item
- Currently, the department has \$20,000 on hand towards the purchase
- During 2008-09 Stokes County Fire Commission budget hearings, the department requested approval to purchase the apparatus this fiscal year
- Documentation from Stokes County Fire Commission Chairman Clifford Hall notes that Sauratown Fire Department (Station 38) was approved by the Stokes County Fire Commissioners in budget year 2005-06 to purchase a Brush Truck in 2008, department has received a total of \$20,000 in escrow monies over the last 4 years
- Apparatus will respond primarily to grass and woods fires, but could be used for other incidents as deemed necessary
- Department is currently finalizing financing with an anticipated interest rate of 3.50%
- Request approval to move to the item to tonight's Action Agenda in order to proceed with the purchase so that the department can get the truck purchased and equipped in order to train all department personnel before Spring fire season

The Board discussed the request with Fire Chief Griffin.

Commissioner Lankford noted budgets would be tight next fiscal year and questioned

Chief Griffin whether the department could work the payment into their current budget without a budget increase next year and still provide the same fire service.

Fire Chief Griffin noted that the department had already discussed the additional payment being added to their upcoming budget without a budget request increase.

Commissioner Lankford requested whether any other department in the Service District would be coming before this Board requesting to purchase capital equipment this fiscal year.

Fire Chief Griffin stated that he thought all the departments who were approved for equipment purchases this fiscal year have already been before the Board.

Vice Chairman Walker moved to place the item on the December 8th Action Agenda. Commissioner Lankford seconded and the motion carried unanimously.

Proposed Resolution – Piedmont Triad Seamless Mobility Study

County Manager Bryan Steen presented the following proposed Resolution Accepting The Piedmont Triad Seamless Mobility Study and Authorizing Staff to Participate in the Development of the Piedmont Triad Seamless Mobility Work Plan for the Board's consideration:

RESOLUTION ACCEPTING THE PIEDMONT TRIAD SEAMLESS MOBILITY STUDY AND AUTHORIZING STAFF TO PARTICIPATE IN THE DEVELOPMENT OF THE PIEDMONT TRIAD SEAMLESS MOBILITY WORK PLAN

Whereas, public transportation services are provided in the Piedmont Triad Region by the Greensboro Transit Authority, High Point Transit, Winston Salem Transit Authority, Piedmont Authority for Regional Transportation, Alamance County Transportation Authority, Davidson County Transportation System, Forsyth County, Guilford County Transportation and Mobility Services, Regional Coordinated Area Transportation System of Randolph County, and the Yadkin Valley Economic Development District, Incorporated in Davie, Stokes, Surry and Yadkin Counties; and

Whereas, the governing bodies of the above transportation agencies approved resolutions supporting their participation in the development of a Seamless Mobility Study of all routes, schedules, administrative and operating policies within the total service territories; and

Whereas, a Steering Committee of elected leaders and a Technical Advisory Committee of staff from the participating agencies provided oversight and participated in the development of the Seamless Mobility Study; and

Whereas, the Piedmont Triad Seamless Mobility Study was completed in August 2008 and includes recommendations for improving communication, coordination and consolidation of services and functions among participating agencies; and

Whereas, there will be no action taken that commits financial resources without the review and consent of the affected governing body.

NOW, THEREFORE, LET IT BE RESOLVED that the **Stokes County** accepts the Piedmont Triad Seamless Mobility Study and supports continued efforts to improve public transportation services in the Piedmont Triad Region and is committed to working with other agencies to improve the efficiency and effectiveness of public transportation services; and

BE IT FURTHER RESOLVED, that the Stokes County supports the continuation of a Technical Advisory Committee to undertake the work plan and recommendations in the Piedmont Triad Seamless Mobility Study and authorizes staff to work with other transportation agencies to prepare a Seamless Mobility Work Plan that will guide future efforts.

Motion made by _____ and seconded by _____ and approved on this being the __ day of _____, 2008.

Approved: _____

Title: Clerk to the Board of Commissioners

Manager Steen noted that the proposed Resolution had been submitted by PART Executive Director Brent McKinney at the October Planning Meeting for the Board's consideration.

County Manager Steen noted the following item, which is included in the proposed Resolution which states that there will be no action taken that commits financial resources without the review and consent of the affected governing body.

- **Whereas**, there will be no action taken that commits financial resources without the review and consent of the affected governing body.

The Board discussed the proposed Resolution.

Chairman Inman, with full consent of the Board, directed the Clerk to place the item on the December 8th Action Agenda.

Review of Stokes County Financial Model – Capital Projects

President Doug Carter, DEC Associates, Inc., presented the second update to the Board of Commissioners regarding County Capital Needs Funding Plan.

Mr. Carter noted the following:

- Reviewed \$22.1 million available from existing resources – retirement of debt along with lottery proceeds
- Reviewed the Establishment of a Dedicated Capital Fund
 - **Creates a new County Fund – Capital Fund**
 - Deposit dedicated Revenues into the fund
 - Merges revenues and cost to define debt and pay go capacity
 - Retain interest earnings in fund
 - Ability to add additional resources in future, if need arises
 - Creates new capacity as debt declines and dedicated revenues grow
 - **Integrates the various sources of debt and pay go funding**
 - Blends cost
 - Adds diversity
 - Levels Tax Impacts
 - Produces a sound and credit positive means to define capital needs for established and on-going priorities
- \$800,000 Lottery proceeds available for 2008
- **Scenario 1** - \$22,100,000 for a new elementary school and Nancy Reynolds Elementary – no tax increase
- **Scenario 2** - \$35,000,000 for schools and \$5,300,000 for community college – requires additional resources - an equivalent of a 3 cent tax increase in fiscal year 2010 to pay debt service and make the dedicated capital fund work
- **Scenario 3** - \$56,000,000 for schools and \$5,300,000 for community college – requires additional resources – an equivalent of a 7.5 cent tax increase in fiscal year 2010 to pay debt service and make the dedicated capital fund work
- County is considering a Reimbursement Resolution for potential school land acquisition which allows the County to reimburse itself if the land acquisition takes place for a new elementary school
 - Reimbursement of land acquisition cost necessary to keep the model in sound position under current economic/other conditions
 - Adopting the proposed Resolution does not eliminate the opportunity to use cash for the land (not reimburse when financing is completed) if the financial model changes, based upon timing or other factors
- Projected costs are currently being developed by the school system which will update the current scenarios

Mr. Carter recommended the Board adopt the proposed Resolutions, which would allow

the County to request reimbursement if necessary. Mr. Carter noted under the current financial model, the Board would need to request financial reimbursement if acquisition of land did occur. If the Board did not request reimbursement, the County would go below zero in the capital fund balance, which would require the County to raise taxes to cover the debt.

Mr. Carter noted that he would return when projected costs are received and applied to the current financial models for the Board's review.

Mr. Carter reiterated the need to establish the Dedicated Capital Fund and the need to make sure the dedicated funding is transferred to the fund.

Finance Director Julia Edwards noted that the scenarios did not include short-term debt, which could be used for operating expenses once the debt is retired.

The Board discussed the financial models with Mr. Carter.

Commissioner Carroll confirmed that the financial model does not include ADM funding, only includes retirement of existing long term debt and lottery proceeds.

Commissioner Carroll noted the following things that also needed to be considered:

- Part of the State's Medicaid settlement indicates that every county when the settlement is fully implemented would be \$500,000 to the good
- Hold Harmless Funding which is scheduled to sunset within the next few years
- Sales taxes which are on the decline

Commissioner Smith reiterated the need for the Board to be diligent in placing the designated funding in the Dedicated Capital Fund.

Mr. Carter noted his firm could run other options if the Board so desired when the information is received from the Board of Education.

Vice Chairman Walker noted the need to have all available information before making a financial commitment for schools.

Pinnacle EMS Station – Potential Building Plans

County Manager Bryan Steen requested the following direction from the Board:

- Intended short-term and long-term crew capacity of the desired facility
- Is the proposed facility intended to house only two crews or have the capability of housing four crews
- Board selection of plan for staff to move forward

Manager Steen presented “option one” which is a traditional stick built facility with the potential of having the upstairs area finished at a later date to accommodate sleeping quarters for two additional crews.

Manager Steen presented “option two” which is a Morton Building that would require an addition to the building to accommodate quarters for additional crews in the future. Cost estimates for both building have been completed with no charge by Colon Moore, Magnolia Construction - Option One = \$388,500 and Option Two = \$358,900 (turnkey price)

Emergency Services Director Monty Stevens discussed the following with the Board:

- Facility needs to accommodate only two crews
- Two bays with an additional bay to place a “spare unit” so that the crews would not have to drive to Danbury every time a unit had to be changed out for service or breakdown
- Additional bay that could house a spare ambulance would decrease mileage that the crews have to travel and would get the crews back in service quicker when a breakdown occurs
- NC Office of EMS Placement Study does not recommend that the County add additional ambulances in that particular area
- Location of facility on Chestnut Grove Road would decrease response time to the Double Creek area

Chairman Inman noted the need to have a consensus regarding the type of building, the county being its own contractor, along with direction to proceed with the project.

County Attorney Edward Powell confirmed that the County could serve as its own contractor as long as county personnel oversees the project.

The Board discussed the options with Manager Steen and EMS Director Stevens.

Commissioner Lankford presented pictures of a 40’x 80” metal building which had

been discussed at the November 10th meeting. The proposed metal building could house two crews along with a spare bay.

Commissioner Lankford noted the metal building is the most economical way to go for the EMS facility. Commissioner Lankford stated that he is ready for the County Manager to start pursuing the idea of a metal building.

Commissioner Smith noted the need to have a building that is the most cost effective, serves the purpose, and the need for input from the EMS Director Stevens and his staff.

Commissioner Carroll reiterated the need to have input from the EMS Director and his staff before deciding on a particular floor plan.

Vice Chairman Walker stated that he would like to see a recommendation presented to the Board which includes the reasons for the particular plan, cost of the facility, and specific items needed.

Manager Steen noted the need to have a particular plan in order to proceed with the project. Manager Steen also noted that the County could use county funding and then request reimbursement; once the Local Government Commission has approved the financing as long as the Board adopts the Reimbursement Resolution first.

Chairman Inman polled the Board regarding the cost of a proposed EMS facility:

- Commissioner Lankford – within \$250,000
- Vice Chairman Walker – up to \$350,000 or less, but need recommendation before setting a price
- Commissioner Carroll – need for a recommendation before setting a price, \$350,000 as the upper cost level, a nice facility that will meet the County needs; thinking right now with space for only two crews and a bay for a spare unit; and more concerned on what we can get with the amount we are spending
- Commissioner Smith – need for a recommendation before setting a price, facility that is adequate for the county needs
- Chairman Inman – cost effective facility, a facility that meets the needs of the county – around \$250,000

Support Services Supervisor Danny Stovall noted that if the County decided to go with an engineered building, the County must first hire an Architect/Engineering firm. Mr. Stovall noted the best guess for breaking ground would probably be early April 09.

Manager Steen noted the things that must be done in order to get approval from LGC- the need for an architect, proposed plans, and bids must be done before approaching LGC.

Mr. Stovall noted that the County must decide on who the general contractor will be for the project before hiring an architect.

Manager Steen stated that the County Attorney had confirmed that some type of “hold harmless” for county employees working on the project would need to be completed.

Manager Steen requested direction from the Board regarding proceeding with the project.

The Board unanimously agreed to direct the County Manager to work with EMS Director Stevens and his staff on a floor plan design.

Chairman Inman questioned using the funding already secured for paving for the new EMS Station which in his opinion is a higher priority. Chairman Inman noted that the County could take this request back to LGC, but wanted to put this option out before the Board.

Appointments

Stokes County Nursing Home Advisory Committee

Clerk to the Board Darlene Bullins updated the Board with the following information regarding the vacancies on the Nursing Home Advisory Committee:

- NWPCOG Ombudsman Program Associate Peggy Shadrick has been contacted concerning the vacancies
- Ms. Shadrick was unaware that the County had not been notified of the vacancies
- Ms. Shadrick will send notices to the Nursing Homes in Stokes County for nominations and will also verify whether the two individuals whose terms expire in November are interested in being re-appointed

- To Ms. Shadrick’s knowledge, none of the current members have been nominated by Nursing Homes in Stokes County
- After Ms. Shadrick’s findings, the County will proceed with advertising the vacancies for both the Stokes County Nursing Home Advisory Committee and the Stokes County Adult Care Home Community Advisory Committee

Stokes County Fire Commission

Chairman Inman submitted the names of Joe James and Jerry Jenkins who both have been nominated.

Chairman Inman entertained a motion.

Commissioner Carroll moved to appoint Joe James to serve as a member affiliated with a Service District Agency. Commissioner Lankford seconded and the motion carried unanimously.

ETJ Alternate Member – Town of Danbury

Chairman Inman noted the Town of Danbury recommended Ms. Melinda Ring to serve on the Danbury Planning Board/Board of Adjustments as an out-of-town ETJ alternate member. Clerk to the Board Darlene Bullins noted the position has been advertised and placed on the county website.

Commissioner Lankford nominated Melinda Ring to serve as ETJ alternate member for the Danbury Planning Board/Board of Adjustments.

The appointment can be considered at the December 8th meeting.

GENERAL GOVERNMENT – GOVERNING BODY – ACTION AGENDA

Copier Services for Government Center Complex

Support Services Supervisor Danny Stovall presented the following bid information regarding copier services for the Government Center Complex which was received on Monday, November 3, 2008 by 5:00 pm:

Vendor

Bid

Sharp Business Systems	\$ 3,212.00
Dean's Office Machines	\$ 3,243.83
Ikon Office Solutions	\$ 3,296.00
Kelly Office Solutions	\$ 3,389.72
Applied Copier Concepts	\$ 3,815.49
Applied Copier Concepts	\$ 4,245.82
COECO Office Systems	\$ 4,313.52
Ikon Office Solutions	\$ 4,669.00
Applied Copier Concepts	\$ 5,208.24

Mr. Stovall presented these bids at the November 10th meeting.

Mr. Stovall presented changes that had been made by the lowest bidder, which consisted of mainly changing the type of copiers in some departments. Mr. Stovall stated that he had not contacted all bidders and did not want to reveal the revised bid in case the Board wished for all bidders to be given the opportunity to resubmit their bids. With the changes, the revised bid is in the range of the current budget.

Mr. Stovall stated that the Board had two options: (1) accept the low bid and award the contract or (2) reject all bids on the table and direct the county to revisit the issue with all bidders.

Commissioner Carroll expressed concerns about the amount of paper being used each year by county departments.

The Board discussed all bidders being on the same playing field since the scope of the RFP has been changed.

Commissioner Smith noted that the bid that Mr. Stovall presented as the low bid at the last meeting was slightly over budget and that Mr. Stovall had stated he could possibly change out some machines which could possibly bring the low bid within the current budgeted amount. Commissioner Smith stated that he had no issues with accepting the low bid and awarding the contract.

Chairman Inman entertained a motion.

Vice Chairman Walker moved to reject all bids and have the county contact all bidders regarding the new requirements. Commissioner Lankford seconded and the motion carried (4-1) with Commissioner Smith voting against the motion.

Danbury Water System – Loan for Capital Rehabilitation Project
Proposed Resolution and Inter Local Agreement
Budget Amendment #26

Chairman Inman presented the following proposed Resolution Authorizing the Chairman of the Board of Commissioners and Public Works Director to execute the Inter Local Agreement Between the County of Stokes and The Stokes County Utilities Department/Danbury Water System Enterprise Fund, the Inter Local Loan Agreement and Budget Amendment #26, which Manager Steen submitted at the November 10th meeting.

STOKES COUNTY
RESOLUTION AUTHORIZING THE CHAIRMAN OF THE STOKES COUNTY BOARD OF COMMISSIONERS AND PUBLIC WORKS DIRECTOR TO EXECUTE THE INTER LOCAL AGREEMENT BETWEEN THE COUNTY OF STOKES AND THE STOKES COUNTY UTILITIES DEPARTMENT/DANBURY WATER SYSTEM ENTERPRISE FUND

WHEREFORE, the Stokes County Utilities Department / Danbury Water System is due to receive grant funds for rehabilitation of the Danbury Water System and plans to initiate rehabilitation activities upon receipt of approximately \$800,000.00 in grant funds, local grant matches of \$25,000.00 from the Town of Danbury and \$25,000 from Stokes County and loaned funds of approximately \$136,500.00 to fully fund the rehabilitation project.

WHEREAS, the Danbury Water System must provide evidence of the availability of grant match funds and additional funds needed to fully fund said project; and

WHEREAS, information has been received from the Local Government Commission that the County can legally loan funds to the Danbury Water System Enterprise Fund.

BE IT RESOLVED, that J. Leon Inman, Chairman of the Board of Commissioners and Mark Delehant, Public Works Director be authorized to execute the Inter-Local Agreement between the County of Stokes and the Stokes County Utilities Department/Danbury Water System Enterprise Fund.

Adopted this the 24th day of November, 2008.

J. Leon Inman- Chairman

Jimmy Walker – Vice Chairman

Ron Carroll - Commissioner

Ernest Lankford - Commissioner

Stanley Smith - Commissioner

Attest:

Darlene M. Bullins – Clerk to the Board

NORTH CAROLINA

INTER-LOCAL LOAN AGREEMENT

STOKES COUNTY

This is an Inter-local Loan Agreement dated the 24th day of November, 2008 between the County of Stokes and the Stokes County Utilities Department / Danbury Water System Enterprise Fund.

WHEREFORE, the Stokes County Utilities Department / Danbury Water System is due to receive grant funds for rehabilitation of the Danbury Water System and plans to initiate rehabilitation activities upon receipt of approximately \$800,000.00 in grant funds, local grant matches of \$25,000.00 from the Town of Danbury and \$25,000 from Stokes County and loaned funds of approximately \$136,500.00 to fully fund the rehabilitation project.

WHEREFORE, the Danbury Water System must provide evidence of the availability of grant match funds and additional funds needed to fully fund said project.

NOW THEREFORE, for and in consideration of the mutual promises and agreements contained herein and other valuable consideration, the County of Stokes and the Stokes County Utility Department / Danbury Water System agree as follows:

1. The County of Stokes agrees that it will provide the Stokes County Utility Department / Danbury Water System Enterprise Fund a loan of \$136,500.00 from the County of Stokes General Fund for completion of the Danbury Water System Rehabilitation Project.
2. The Stokes County Utilities Department / Danbury Water System agrees to repay to Stokes County all the principal amount of the loan and agrees that the County of Stokes will charge and the Stokes County Utilities Department / Danbury Water System will pay the County a (3.86%) per annum interest rate for the term of said loan which will be for fifteen (15) years from the date funds are actually received from the Stokes County General Fund. Payments of principal and interest are anticipated to start December 1, 2009 through fulfillment of the debt or December 1, 2024 which ever comes first.
3. The loan amount may be repaid early without penalty.

IN WITNESS WHEREOF, the County of Stokes and the Stokes County Utilities Department /Danbury Water System have caused this agreement to be executed upon approval of the Stokes County Board of County Commissioners this the 24th day of November, 2008.

J. Leon Inman, Chairman
Stokes County Board of Commissioners

Darlene Bullins, Clerk
Board of County Commissioner

Mark Delehant, Director
Stokes County Utilities Department
Danbury Water System
Budget Amendment #26

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
General Fund				
100.4931.003	Danbury Water Fund	00.00	\$161,500.00	\$161,500.00
	Totals	00.00	\$161,500.00	\$161,500.00
Capital Reserve Fund				
201.4190.013	Public Buildings	\$128,552.00	\$(20,000.00)	\$108,552.00
201.4370.010	EMS	\$115,000.00	\$(115,000.00)	\$00.00
201.4920.027	Town of Danbury	\$25,000.00	\$(25,000.00)	\$00.00
201.9810.000	Transfer to General Fund	\$62,285.00	\$161,500.00	\$223,785.00
		\$330,837.00	\$1,500.00	\$332,337.00

This budget amendment is justified as follows:

To transfer funds for the appropriation of \$25,000 from the County and the loan from the General Fund to the Danbury Water Project.

This will result in a net increase of \$163,000.00 in the expenditures and other financial use to the County's annual budget. To provide the additional revenue for the above, the following revenues will increase. These revenues have already been received or are verified they will be received in this fiscal year.

Account Number	Account Description	Current Budgeted Amount	Increase (Decrease)	As Amended
General Fund				
100.3982.960	Transfer from Capital Reserve	\$62,285.00	\$161,500.00	\$223,785.00
		\$62,285.00	\$161,500.00	\$223,785.00
Capital Reserve Fund				
201.3991.000	Fund Balance	\$944,573.00	\$1,500.00	\$946,073.00
	Totals	\$944,573.00	\$1,500.00	\$946,073.00

Vice Chairman Walker questioned if this action (designating \$136,500) would weaken the County's position for acquiring funding for school construction.

Manager Steen noted the need to allocate this funding in order to secure the

\$800,000.00 in grant funding for the Danbury Water System, which is in desperate need of repairs and that this should not affect further funding for school construction.

Commissioner Carroll expressed concerns using the funding that had been set aside for other capital projects and seems it would have been cleaner to just borrow the amount needed to match the grants for the Danbury Water System.

Manager Steen noted that the full amount needed for the EMS Station would be borrowed and using the funding in the capital reserve fund enables the Rehabilitation Project for the Danbury Water System to get started quicker. Borrowing funding would necessitate approval from LGC, which could be time consuming.

Commissioner Lankford had no issues with proceeding with the Rehabilitation Project and thus saving the taxpayers by receiving \$800,000 in grant funding for the project.

Commissioner Smith had no issues with proceeding with the Rehabilitation Project and felt that borrowing funding solely for the EMS Station is a better financial move.

Chairman Inman noted the need for urgent repairs and improvements to the Danbury Water System, which supplies water to all governmental buildings along with Stokes Reynolds Memorial Hospital and for future growth in this area of the County.

Chairman Inman entertained a motion.

Commissioner Lankford moved to approve the following:

- Stokes County Resolution Authorizing the Chairman of the Stokes County Board of Commissioners and Public Works Director to Execute the Inter Local Agreement Between The County of Stokes and the Stokes County Utilities Department /Danbury Water System Enterprise Fund
- Inter Local Loan Agreement
- Budget Amendment # 26

Vice Chairman Walker seconded and the motion carried unanimously.

Appointment of Interim Medical Director For Stokes County EMS

Emergency Services Director Monty Stevens requested the Board consider the appointment of Dr. Sam Newsome to serve as Interim Medical Director for Stokes County EMS due to the untimely passing of Dr. Carl Beavers.

County Manager Bryan Steen presented a proposed contract for Dr. Newsome to serve as Interim Medical Director for up to 90 days or until a permanent Medical Director is recommended for the Board's consideration. Manager Steen noted that funding was already allocated for the position in this year's budget and requested approval to execute the contract for Dr. Newsome's interim appointment.

Emergency Services Director Stevens expressed his appreciation for the services provided by Dr. Beavers during the time he served as Medical Director for Stokes County. Director Stevens stated that Dr. Beavers always strived to make Stokes County EMS the best it could be and will be greatly missed. Director Stevens noted that the Office of EMS has approved appointing an Interim Director and that General Statute requires the Board of Commissioners approve the Medical Director's appointment.

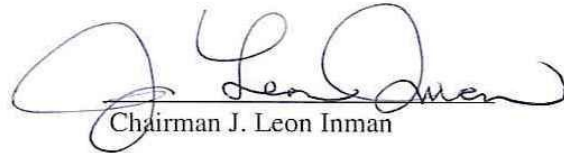
Chairman Inman entertained a motion.

Commissioner Smith moved to appointment Dr. Sam Newsome to serve as Interim Medical Director for Stokes County EMS and authorize the County Manager to execute the proposed contract. Commissioner Carroll seconded and the motion carried unanimously.

Chairman Inman turned the meeting over to Vice Chairman Walker.

Chairman Inman stated the following:

"I request the Board to excuse me from discussion and voting on Discussion Items C, D, E, and F on today's Agenda (November 24, 2008) because I have a financial interest in them and am prohibited from voting and discussion of these issues pursuant to G.S. 153A-44.



Chairman J. Leon Inman

Vice Chairman Walker entertained a motion to excuse Chairman Inman from discussion and voting on Action Agenda Items C, D, E, and F on today's Agenda due to a financial interest in them per G. S. 153A-44.

Commissioner Lankford moved to excuse Chairman Inman from discussion and voting on Action Agenda Items C, D, E, and F on today's Agenda due to a financial interest in them per G. S. 153A-44. Commissioner Smith seconded and the motion carried unanimously.

Chairman Inman excused himself from the meeting.

Stokes County Board of Education – Establishment of Capital Funding for School Projects

Vice Chairman Walker offered the Establishment of Capital Funding for School Projects, which was discussed at the November 10th meeting for the Board's consideration.

Commissioner Carroll moved the Board of Commissioners establish a dedicated Capital Fund for school construction projects with the funding amount to be determined at a later date and that the Board of Commissioners establish a meeting with the Board of Education as quickly as possible to discuss the specifics of school construction projects that we may want to fund in the immediate future. Commissioner Lankford seconded and the motion carried (4-0) with Chairman Inman abstaining from the vote.

Stokes County Board of Education – Request for Approval to Purchase Land

Vice Chairman Walker offered the request for approval to purchase land by the Stokes County Board of Education which was discussed at the November 10th meeting for the Board's consideration.

Vice Chairman Walker entertained a motion.

Commissioner Smith moved to approve the purchase of land as requested by the Stokes County Board of Education. Vice Chairman Walker seconded the motion for discussion.

Commissioner Carroll noted that the Board's sole decision is only the price for the land and that the location and what will be placed on the land are the sole discretion of the Stokes County Board of Education.

Commissioner Carroll stated that he could not agree with the purchase price of the property. Commissioner Carroll also stated that the current Board of Commissioners will be setting as the Board of E&R in the Spring of 2009. Commissioner Carroll questions whether he is willing to assign a value per acre to comparable land in Yadkin Township that equates to the asking price per acre; and the answer is "No, I am not".

Commissioner Smith stated the following:

- The 62 acres would be the future site for two schools
- The 62 acres is one complete tract
- Respect the other Commissioners' opinions
- Very familiar with the topography of the land
- The price of the land is approximately \$100,000 less than the price paid for the grading of a recent high school
- Has water and sewer available which are valuable assets
- Already has roads for transportation
- Property is available and for sell
- Other tracts have been evaluated
- Thinks the county would be fortunate to obtain this piece of property
- Land has been bought in other areas of the county for future construction (Lawsonville area), with no issues
- No issues with approving the request today

Commissioner Lankford expressed concerns regarding the price and had some questions regarding the location and also noted that he had requested the item be put on the Discussion

Agenda instead of the Action Agenda.

Vice Chairman Walker noted that he would like to see the County continue to move forward with the top three priorities designated by the Board of Education and that the purchase of the land is a critical step in having a new elementary school.

Vice Chairman Walker called the question.

The motion failed 2-2 with Commissioners Carroll and Lankford voting against the motion and Chairman Inman abstaining from the vote.

Stokes County Board of Education – Lottery Funding for Capital Projects and ADM Funding for Technology per Fiscal Year 2008-09 Budget

Vice Chairman Walker offered the Lottery Funding for Capital Projects and ADM Funding for Technology per Fiscal Year 2008-09 Budget which was discussed at the November 10th meeting for the Board's consideration.

Commissioner Carroll questioned whether the ADM Fund with the things already scheduled to be funded can accommodate the request.

County Manager Bryan Steen noted this could be done, but could limit the County in the future if additional funds were needed.

Commissioner Carroll reiterated that he does not agree with using ADM Funds as part of the construction package, funds should be reserved for technology, routine maintenance, and ongoing minor capital requests.

Vice Chairman Walker entertained a motion.

Commissioner Carroll moved that the ADM request in the amount of \$400,000 for school technology be approved. Commissioner Lankford seconded and the motion carried (4-0) with Chairman Inman abstaining from the vote.

Proposed Resolutions – Reimbursement of Capital Expenditures

Vice Chairman Walker offered the following Proposed Resolutions for Reimbursement of Capital Expenditures which were discussed at the November 10th meeting for the Board's consideration:

Extract of Minutes of a regular meeting of the Board of Commissioners of the County of Stokes, North Carolina held in the Commissioners' Chambers, New Government Center, Danbury, North Carolina 27016, on November ____, 2008.

* * *

The following members were present:

The following members were absent:

Also present:

* * *

Commissioner _____ moved for consideration of the following resolution (the "Resolution"), a copy of which was available to the Board and which was read by title:

RESOLUTION OF THE COUNTY OF STOKES, NORTH CAROLINA DECLARING THE INTENT OF THE COUNTY OF STOKES, NORTH CAROLINA TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE ACQUISITION OF LAND, CONSTRUCTION, ARCHITECT/ENGINEER FEES AND OTHER RELATED EXPENSES FOR AN ELEMENTARY SCHOOL FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS TO BE EXECUTED AND DELIVERED IN CALENDAR YEAR 2008 OR 2009.

WHEREAS, the Board of Commissioners of the County of Stokes, North Carolina ("County") has determined that it is in the best interests of County to acquire land, construction, architect/engineer fees and other related expenses for an elementary school (the "Project");

WHEREAS, the County presently intends, at one time or from time to time, to finance all or a portion of the costs of the Project with proceeds of tax-exempt obligations and reasonably expects to execute and deliver its tax-exempt obligations (the "Obligations") to finance, or to reimburse itself for, all or a portion of the costs of the Project; and

WHEREAS, the County desires to proceed with the Project and will incur and pay certain expenditures in connection with the Project prior to the date of execution and delivery of the Obligations (the "Original Expenditures"), such Original Expenditures to be paid for originally from a source other than the proceeds of the Obligations, and the County intends, and reasonably expects, to be reimbursed for such Original Expenditures from a portion of the proceeds of the Obligations to be executed and delivered at a date occurring after the dates of such Original Expenditures;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County of Stokes, North Carolina as follows:

Section 1. **Official Declaration of Intent.** The County presently intends, and reasonably expects, to reimburse itself for the Original Expenditures incurred and paid by the County on or after the date occurring 60 days prior to the date of adoption of this Resolution from a portion of the proceeds of the Obligations. The County reasonably expects to execute and deliver the Obligations to finance all or

a portion of the costs of the Project and the maximum principal amount of Obligations expected to be executed and delivered by County to pay for all or a portion of the costs of the Project to be reimbursed is \$ 2,402,000.

Section 2. **Compliance with Regulations.** The County adopts this Resolution as a declaration of official intent under Section 1.150-2 of the Treasury Regulations promulgated under Section 103 of the Internal Revenue Code of 1986, as amended, to evidence the County's intent to reimburse itself for the Original Expenditures from proceeds of the Obligations.

Section 3. **Itemization of Capital Expenditures.** The Finance Officer of the County, with advice from special counsel, is hereby authorized, directed and designated to act on behalf of the County in determining and itemizing all of the Original Expenditures incurred and paid by the County in connection with the Project during the period commencing on the date occurring 60 days prior to the date of adoption of this Resolution and ending on the date of execution and delivery of the Obligations.

Section 4. **Effective Date.** This Resolution is effective immediately on the date of its adoption.

On motion of Commissioner _____, seconded by Commissioner _____, the foregoing resolution entitled **"RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF STOKES, NORTH CAROLINA, DECLARING THE INTENT OF THE COUNTY OF STOKES, NORTH CAROLINA TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE ACQUISITION OF LAND, CONSTRUCTION, ARCHITECT/ENGINEER FEES AND OTHER RELATED EXPENSES FOR AN ELEMENTARY SCHOOL FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS TO BE EXECUTED AND DELIVERED IN CALENDAR YEAR 2008 OR 2009"** was duly adopted by the following vote:

AYES:

NAYS:

STATE OF NORTH CAROLINA)
) ss:
COUNTY OF STOKES)

I, *Darlene M. Bullins*, Clerk to the Board of Commissioners of the County of Stokes, 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 STOKES, NORTH CAROLINA, DECLARING THE INTENT OF THE COUNTY OF STOKES, NORTH CAROLINA TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE ACQUISITION OF LAND, CONSTRUCTION, ARCHITECT/ENGINEER FEES AND OTHER RELATED EXPENSES FOR AN ELEMENTARY SCHOOL FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS TO BE EXECUTED AND DELIVERED IN CALENDAR YEAR 2008 OR 2009"** adopted by the Board of Commissioners of the County of Stokes, North Carolina, at a meeting held on the ____ day of November, 2008.

WITNESS my hand and the corporate seal of the County of Stokes, North Carolina, this the ____ day of November, 2008.

Darlene M. Bullins
Clerk to the Board
County of Stokes, North Carolina

Extract of Minutes of a regular meeting of the Board of Commissioner of the County of Stokes, North Carolina held in the Commissioners' Chambers, New Government Center, Danbury, North Carolina 27016, on November ____, 2008.

* * *

The following members were present:

The following members were absent:

Also present:

* * *

Commissioner _____ moved for consideration of the following resolution (the "Resolution"), a copy of which was available to the Board and which was read by title:

RESOLUTION OF THE COUNTY OF STOKES, NORTH CAROLINA DECLARING THE INTENT OF THE COUNTY OF STOKES, NORTH CAROLINA TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF AN EMS FACILITY FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS TO BE EXECUTED AND DELIVERED IN CALENDAR YEAR 2008 OR 2009.

WHEREAS, the Board of Commissioners of the County of Stokes, North Carolina ("County") has determined that it is in the best interests of County to acquire, construct and equip an EMS Facility (the "Project");

WHEREAS, the County presently intends, at one time or from time to time, to finance all or a portion of the costs of the Project with proceeds of tax-exempt obligations and reasonably expects to execute and deliver its tax-exempt obligations (the "Obligations") to finance, or to reimburse itself for, all or a portion of the costs of the Project; and

WHEREAS, the County desires to proceed with the Project and will incur and pay certain expenditures in connection with the Project prior to the date of execution and delivery of the Obligations (the "Original Expenditures"), such Original Expenditures to be paid for originally from a source other than the proceeds of the Obligations, and the County intends, and reasonably expects, to be reimbursed for such Original Expenditures from a portion of the proceeds of the Obligations to be executed and delivered at a date occurring after the dates of such Original Expenditures;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County of Stokes, North Carolina as follows:

Section 1. **Official Declaration of Intent.** The County presently intends, and reasonably expects, to reimburse itself for the Original Expenditures incurred and paid by the County on or after the date occurring 60 days prior to the date of adoption of this Resolution from a portion of the proceeds of the Obligations. The County reasonably expects to execute and deliver the Obligations to finance all or a portion of the costs of the Project and the maximum principal amount of Obligations expected to be executed and delivered by County to pay for all or a portion of the costs of the Project to be reimbursed is \$400,000.00.

Section 2. **Compliance with Regulations.** The County adopts this Resolution as a declaration of official intent under Section 1.150-2 of the Treasury Regulations promulgated under Section 103 of

the Internal Revenue Code of 1986, as amended, to evidence the County's intent to reimburse itself for the Original Expenditures from proceeds of the Obligations.

Section 3. **Itemization of Capital Expenditures.** The Finance Officer of the County, with advice from special counsel, is hereby authorized, directed and designated to act on behalf of the County in determining and itemizing all of the Original Expenditures incurred and paid by the County in connection with the Project during the period commencing on the date occurring 60 days prior to the date of adoption of this Resolution and ending on the date of execution and delivery of the Obligations.

Section 4. **Effective Date.** This Resolution is effective immediately on the date of its adoption.

On motion of Commissioner _____, seconded by Commissioner _____, the foregoing resolution entitled **"RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF STOKES, NORTH CAROLINA, DECLARING THE INTENT OF THE COUNTY OF STOKES, NORTH CAROLINA TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF AN EMS FACILITY FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS TO BE EXECUTED AND DELIVERED IN CALENDAR YEAR 2008 OR 2009"** was duly adopted by the following vote:

AYES:
NAYS:

STATE OF NORTH CAROLINA))
) ss:
COUNTY OF STOKES))

I, *Darlene M. Bullins*, Clerk to the Board of Commissioners of the County of Stokes, 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 STOKES, NORTH CAROLINA, DECLARING THE INTENT OF THE COUNTY OF STOKES, NORTH CAROLINA TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF AN EMS FACILITY FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS TO BE EXECUTED AND DELIVERED IN CALENDAR YEAR 2008 OR 2009"** adopted by the Board of Commissioners of the County of Stokes, North Carolina, at a meeting held on the ____ day of November, 2008.

WITNESS my hand and the corporate seal of the County of Stokes, North Carolina, this the ____ day of November, 2008.

Darlene M. Bullins
Clerk to the Board
County of Stokes, North Carolina

County Manager Bryan Steen suggested the Board might consider dismissing the request to use Lottery Funding for the purchase of land and the proposed Resolution for Reimbursement of Capital Expenditures for school construction due to the failed motion.

Commissioner Carroll noted the need to hold off on any action pertaining to the request

to use Lottery Funding for the purchase of land and the proposed Resolution for Reimbursement of Capital Expenditures for school construction until after the meeting with the Board of Education.

Commissioner Carroll moved to approve the proposed Resolution for Reimbursement of Capital Expenditures as it relates to the construction of an EMS facility. Commissioner Lankford seconded and the motion carried (4-0) with Chairman Inman abstaining from the vote.

Chairman Inman returned to the regular November 24th meeting.

Vice Chairman Walker turned the meeting back over to Chairman Inman

Closed Session

Chairman Inman entertained a motion to enter into closed session for the following:

- To prevent the disclosure of information that is privileged or confidential pursuant to the law of this state or of the United States, or is not considered a public record within the meaning of Chapter 132 of the General Statutes G.S. pursuant to 143-318.11(a)(1).

Commissioner Lankford moved to enter into closed session for the following:

- To prevent the disclosure of information that is privileged or confidential pursuant to the law of this state or of the United States, or is not considered a public record within the meaning of Chapter 132 of the General Statutes G.S. pursuant to 143-318.11(a)(1).

Vice Chairman Walker seconded and the motion carried unanimously.

The Board returned to the open session of the November 24th meeting.

Adjournment

There being no further business to come before the Board, Chairman Inman entertained a motion to adjourn the meeting.

Commissioner Carroll moved to adjourn the meeting. Commissioner Smith seconded and the motion carried unanimously.

Darlene M. Bullins
Clerk to the Board

J. Leon Inman
Chairman