

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  
MARCH 4, 2013

The Board of Commissioners of the County of Stokes, State of North Carolina, met for a Water and Sewer Project Work Session in the Third Floor Conference Room of the Ronald Wilson Reagan Memorial Building (Administration Building) located in Danbury, North Carolina on Monday, March 4, 2013 at 10:00 am with the following members present:

Chairman Ernest Lankford  
Vice Chairman James D. Booth  
Commissioner J. Leon Inman  
Commissioner Jimmy Walker

Commissioner Ronda Jones - absent

County Personnel in Attendance:  
County Manager Richard D. Morris  
Clerk to the Board Darlene Bullins  
Finance Director Julia Edwards  
Public Works Director Mark Delehant  
Health Director Scott Lenhart  
Environmental Health Supervisor Leslie Easter  
Economic Development Director Alan Wood

Others in Attendance:  
Charles Anderson, Pilot RC&D  
Debbie Dodson, Pilot RC&D  
Don Hunley, Baker Engineer  
Ann Watts, Forsyth Tech Stokes Director

Chairman Ernest Lankford called the Water and Sewer Work Session to order.

Commissioner Walker delivered the invocation.

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

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

Chairman Lankford expressed the Board's appreciation for those attending the work session.

### **Water and Sewer Work Session**

Chairman Lankford opened the floor for discussion.

County Manager Rick Morris presented the following information:

- Purpose of today's meeting is to update the Board of Commissioners on the Water and Sewer Extension Project
- One decision the Board will need to make today is the relocating the route of the waterline
- County staff is continuing to work with Pilot View on grant applications

Charles Anderson, Pilot View RC&D presented the following update regarding the Water and Sewer Extension Project:

- A community college in Stokes County has been a long time coming
- Feel the County is on the road to making it a reality
- The community college will be a great addition to Stokes County not only a social development, but an economic development for the County
- Will be providing the Board with a short update

Don Hunley, Baker Engineer, presented the following information regarding the Water and Sewer Extension Project:

- In the process of finalizing the sewer route and the sewer pump station design
- Will be walking the access route and sewer pump station site with NCDOT County Engineer Daniel Horne
- The water line is temporarily on hold to make sure that the Forsyth Tech needs are met
- On schedule to start construction by the end of calendar year 2013
- Once the design is finalized, formal application will be submitted to the State Division of Water Quality for authorization to start construction

### **Grants**

Mr. Anderson continued with Grant Update:

- County has been awarded a \$2 million grant from Golden LEAF Foundation
  - Golden LEAF Board unanimously approved the grant
  - \$230,000 can be used immediately for preconstruction and design
  - The balance to be used after the remainder of the needed funds have been secured

- Will be meeting with representatives from Golden LEAF on March 6<sup>th</sup> to discuss implementation of the grant
- Once contract is signed, funds will be available June 2013
- This grant, which was awarded on 02-28-2013, has established a base for matching dollars
- Submitted grant application to Clean Water Management Trust Fund for \$600,000
  - Clean Water Management Trust Fund will probably not make any decision until September or October
  - Soonest funds will be available is February 2014
- EDA Grant is a very critical grant for the County; gives the county the dollars needed to make this project possible (\$2.6 million)
  - Not too concerned about the first \$2 million of the EDA Grant, but do have some concerns regarding the \$600,000 which certain requirements have to be met (hardship requirement)
  - EDA Grant is due 03-13-2013

Commissioner Walker questioned Mr. Anderson if the hardship requirement must be met to be awarded the \$2 million or can the \$2 million be awarded without the hardship funding?

Mr. Anderson responded:

- The hardship requirement requires a lot more paperwork to be submitted
- \$2 million can be awarded without the hardship funding
- Funding could be received before 2014
- October 1<sup>st</sup> is the start of the fiscal year for the federal government
- Federal Government is currently working on a resolution for the 2013 budget
- Been involved with grant applications with the federal government for many years
- Dollars are not allocated until dollars are available, could be June 2014 before funding is allocated
- Funding could be left over from this year's budget
- Come September, there is a mad rush to spend left over funding before the new fiscal year starts October 1<sup>st</sup>
- If there is leftover funding, allocation could be awarded as early as September 2013
- ARC Grant, \$300,000 federal funds, has not been submitted; working on that grant with submission being April 2013
- Will probably not know the outcome of the ARC Grant until March 2014 with June 2014 being the soonest funds could become available
- Have spoken ARC representative who does not feel that the ARC Grant will be an issue based on funding being available
- NC Rural Center Grant has not been submitted yet
- Chairman Lankford, Commissioner Inman, County Manager Morris, and myself met with Representative Bryan Holloway requesting any assistance from State level funding (Golden LEAF, Rural Center, Clean Water Management Trust Fund)
- Understand Representative Holloway has already spoken to each funding agency
- Feel comfortable with getting some funding from the Rural Center, but they have various programs that you must apply for

- Want to make application for approximately \$1.5 million
- Do not want to apply for programs that have a cap on the amount you can receive
- Will be working with the Rural Center for maximum funding available
- If all grants come thru, there should be sufficient funding for the estimated \$6.2 million dollar project

Commissioner Walker noted with his calculations, there would actually be more funding than what is estimated for the project.

Mr. Anderson responded:

- Always like to have more funding than not enough funding
- Have to remember that the amounts submitted for the grants are estimates
- Project cost could be more when the final cost is calculated

Mr. Hunley responded:

- Extra funding will provide extra contingency funding in case one grant does not come thru
- Could be added expenses for unknowns

Mr. Anderson noted:

- Most all grant funding must be used for what was detailed in the grant application
- Everything is on a reimbursable basis

Commissioner Inman noted:

- The most important thing from the taxpayer's standpoint is that we get more than we need; can't come up a million dollars short and make this work
- The taxpayers have already stepped up to the plate with the 4 cent tax
- County has already provided the funding for the architectural fees
- In my opinion, everything from here forward must come from grant funding
- Just want to make the point it is much better to have too much than too little, very optimistic about grant funding

Mr. Anderson responded:

- Do the best we possibly can with all our network avenues and representatives to get the funding on the table
- If funding comes up short, that will be a decision the Board of Commissioners make

Vice Chairman Booth commented:

- If funding comes up short, may have to look at scaling down the project

Mr. Anderson continued:

- Even though it is one project, looking at a backdoor approach of phasing it, sewer versus water
- Looking at bidding the sewer project in December 2013
- Looking at bidding the water project in April or June 2014

- What is more critical making the community college project happen? Sewer
- Must have sewer for the community college project to be a reality
- Water is as important as sewer, but without sewer, there is no project
- If the \$600,000 comes in from Clean Water, we should be in a position to move along with the schedule
- Sewer construction would probably starting March 2014 and then do the water project

Mr. Hunley commented:

- One big advantage going ahead with the sewer, even if the funding is not committed for the water, is that the septic fields located at the entrance can be taken offline
- This will free the architect's hands and schedules in terms of sighting the building in the best possible location

Vice Chairman Booth questioned how long would it take for the construction of the sewer?

Mr. Hunley responded:

- Will bid it out for basically a construction season, should take about a year

Commissioner Walker commented:

- At the last Forsyth Tech Advisory Committee, Dr. Green stated that if things go as hoped, the facility could be available by the summer of 2015

Mr. Anderson stated the summer of 2015 basically matched the projected schedule.

Vice Chairman Booth confirmed with Mr. Anderson that he felt comfortable, if the \$600,000 is awarded from the Clean Water Management Trust Fund, there would be enough funding for the sewer project.

Commissioner Inman confirmed with Mr. Hunley that the preliminary bid for the sewer project is \$2.5 million.

Vice Chairman Booth confirmed with Mr. Anderson that the final projected cost for the sewer project would be done probably by June 1<sup>st</sup>.

Chairman Lankford confirmed with Mr. Anderson that work has already been started on the ARC Grant.

Commissioner Walker questioned what happens if the sewer project has already been started and the other grants do not come in, will that be a problem with the Golden LEAF

Foundation?

Mr. Anderson responded:

- The Golden LEAF Foundation and the Clean Water Management Trust Fund were both structured for sewer only
- Clean Water Management Trust Fund can only be used for sewer
- Pilot View is always looking at the worst case scenario; we are looking two to three years in the future

Commissioner Walker questioned Mr. Anderson what is his comfort level as you look at the needs, the dollars being requested and the agencies involved based on your experience; the “crystal ball answer”?

Mr. Anderson responded:

- We don't guarantee anything and sometimes that “crystal ball breaks”
- With our network of what we are doing and discussions with our representatives requesting their support, we feel:
  - Very pleased with the award from Golden LEAF
  - Good about the Clean Water Management Trust Fund depending on what funding they are appropriated
  - Feel fairly good about the \$2 million from EDA, not sure about the \$600,000 (hardship/need)
- Pilot View has done a lot of work with Clean Water Management Trust Fund in the past; normally get a grant from Clean Water Management Trust Fund each year

### **Meeting with Representatives**

Mr. Anderson noted the following dates for meetings with representatives:

- Congressman Howard Coble – Friday, March 8<sup>th</sup>
- Senator Kay Hagan – Thursday, March 21<sup>st</sup>
- Senator Richard Burr – To be determined
- State Representative Bryan Holloway – To be determined

Mr. Anderson noted the following:

- Always good to have grant applications in before meeting with representatives
- Feel representatives will support our applications
- Representative Holloway, who is in a critical seat in Raleigh, is a very good representative for Stokes County

Chairman Lankford noted that he felt Congresswoman Virginia Foxx, even though she no longer represents Stokes County, will support the federal grant applications submitted by the County.

Commissioner Inman wanted to clarify his comments regarding too much or too little

funding:

- First of all, in the meetings with Forsyth Tech folks and Forsyth Tech Advisory meetings, there has been discussion about a fallback position
- That fallback position is sewer only
- This Board of Commissioners is fully committed to doing building a community college, we are going to do build a community college
- Feel one of the main keys for the project was the Golden LEAF Grant which was started over a year ago
- Can make this project work with sewer and water being a separate component if it comes down to that
- Hope it doesn't, feel we can make the entire project work
- Want everyone to know that I am fully committed to this entire project
- Going to make it happen
- This is a two-fold project – one for community college and the other for economic development
- Questioned what is the hardship for sewer, is it for jobs, is it for unemployment, what is the hardship they will be looking for?

Mr. Anderson responded:

- It is just more of meeting the criteria of the need here versus the need somewhere else
- Showing the jobs that can be created, new businesses coming to Stokes County, etc.
- Some of the grants include funding requests for some sewer construction

Commissioner Inman commented:

- I have been in Raleigh twice during February
- Recently met with Representative Holloway
- After his meeting with the Rural Center, Representative Holloway stated that he could not guarantee that Stokes County will get the \$1.5 million that you are asking for, but feel very confident at the half million dollar level
- Confirmed with Mr. Anderson that the sewer project could be a reality even if the County only receives a half million dollars from the Rural Center
- Feel good with the ways things are going right now
- Reiterated, very committed to this project
- Very exciting time in Stokes County

Mr. Anderson responded:

- Reiterated that other grants also include funding requests for sewer in case it is needed
- There are three Trustees from Forsyth County on the Clean Water Management Trust Fund Board that will hopefully see the need and the importance of this project

Commissioner Walker commented:

- Always need to make sure everyone is involved, wondering why Senator Randleman is not on the meeting list?

County Manager Morris noted that he had already spoken to Senator Randleman and will be meeting with her within the new few weeks to brief her on the entire project.

Mr. Anderson noted that he had received correspondence from Senator Randleman and she fully supports the project.

Vice Chairman Booth noted that he dittoed Commissioner Inman's comments regarding the commitment of this Board regarding the community college. Vice Chairman Booth also noted that once the sewer is there, the County can build a community college.

Vice Chairman Booth noted that currently the location does have a water supply.

Mr. Anderson responded it is not the most desirable water supply.

Vice Chairman Booth questioned what it would cost to get the water to the new facility from the existing well on the property?

Mr. Hunley responded:

- We do have some flexibility when it comes to the water, there is no flexibility with the sewer component
- Would have to get more information from Forsyth Tech before a cost can be associated with getting the existing water supply to the new facility

Vice Chairman Booth confirmed with Mr. Anderson that there is some flexibility with applying the grant funds to various components of the entire Water and Sewer Project.

### **NCDOT – Financial Participation**

Mr. Anderson commented:

- NCDOT is being very gracious in working with Pilot View
- NCDOT is on board in helping to move the project forward
- Mr. Hunley has met with NCDOT staff several times regarding providing some cash for a new water and sewer agreement
- Working with NCDOT on in-kind services and easements



Mr. Hunley commented:

- Have met several times with Division Engineers Mike Shaffner and John Rhyne and County Engineer Daniel Horne regarding the project
- NCDOT is trying to secure \$100,000 cash contribution from NCDOT General Services in Raleigh for the project in addition to in-kind services
- NCDOT in-kind services will include the following services:
  - Build the access road to the pump station
  - Grade out the pad for the pump station
  - Can do some of the clearing for the sewer line that is on NCDOT property
- This will be a substantial amount of in-kind services, approximately \$75,000
- In-kind services will be taken from NCDOT local budgets
- County will need to provide a draft letter to NCDOT regarding the current water and sewer agreement with the County in order for NCDOT to secure the funding

Mr. Anderson discussed the current local agreement NCDOT has with the County and the draft letter from the County needed by NCDOT with the Board.

Commissioner Walker noted that enterprise funds must be self sufficient.

Mr. Anderson noted that this cash contribution from NCDOT was not being figured in for use on the construction project, but could be included for upkeep of the system unless needed.

Mr. Anderson suggested meeting with NCDOT to further discuss the NCDOT water and sewer needs.

Mr. Anderson also noted that there could be additional NCDOT contingency funding for repaving.

Mr. Hunley explained the NCDOT Funding, District Funding, NCDOT General Funding, and NCDOT Contingency Funding (Senate and House).

Mr. Anderson reiterated the sizeable amount of work that NCDOT has offered as in-kind services.

## **NCDOT – Easements**

Mr. Anderson noted the following:

- When the first arrangement for water with NCDOT was done, the county recorded the plat, but did not record it on the deed (this was actually a property exchange); the recording is being corrected
- Surveyor has prepared a plat for the easement throughout the NCDOT facility for the main line; this will be sent to the State Property Office for the easement which will probably take 90 days for the transaction
  - Permanent easement will include easement across the NCDOT property for the existence and maintenance of the gravity sewer line, sewer force main that will go to HWY #8 & 89 and also for the pump station and access road
- Once the plat is approved by NCDOT, the County Attorney will need to record the permanent easement

## **NCDOT – Encroachment**

Mr. Anderson noted that the encroachment into the road has been signed by the Manager.

Mr. Hunley noted:

- Have a few property owners that it would be nice to be able to cross their property, but don't have to have them to build the project
- Will be talking to a couple of citizens about encroachment issues

Mr. Anderson noted:

- There is funding in the Clean Water Management Trust Fund and the EDA Grant for easement purchases - hope they will be donated

## **Forsyth Tech Architect Solicitation**

Ms. Ann Watts, Forsyth Tech – Stokes Director, updated the Board with the following information:

- Ken Jarvis sends his regret for not being able to attend the meeting
- Forsyth Tech selected Walter, Robs, Pierce, and Callahan Architects which have been used by Forsyth Tech before
- State Construction is working to develop a contract with the selected firm
- Mr. Greene noted that it could take up to 4 weeks to get the necessary paperwork approved and signed
- Once the contract is approved and signed, a committee will be established with individuals from Forsyth Tech and Stokes County to help the architect design facility
- Would like to thank the visionary commissioners who put this into place and the leadership now who will make this happen

Mr. Anderson noted that Pilot View needed to contact the architect as soon as it is approved in order to get needed information.

Commissioner Walker commented:

- Very encouraged with the upbeat tone of the meeting
- Forsyth Tech is putting a high priority on the design of the facility
- Forsyth Tech is planning to work concurring with the water and sewer project

Commissioner Inman noted that Dr. Greene had stated that the County will have input in design of the facility.

### **Alternate Water Tank Locations and Waterline Location**

Mr. Anderson presented the following information regarding alternate water tank locations and waterline location:

- Initially started talking about this project in 2012
- As the project progressed, it came to realization that water did not have to be run from Danbury
- Rerouting the water line from a different location would decrease the cost of the project
- Reducing cost and getting a greater benefit is most important
- Relocating the tank to somewhere in the vicinity of South Stokes Fire Department will allow greater water service to the County that was not anticipated
- Sure there are people in the area that would want to be on a water system
- Will make it easier in the future to provide water services to the southeastern part of the county
- More users the better
- This route make water available to a lot more users

Commissioner Inman confirmed with Manager Morris that there were not many people who attended the public meeting that were eager to sign up for water and sewer.

County Manager Morris noted that he had not had anyone say they were going to sign up for water and sewer.

Commissioner Inman confirmed with Mr. Hunley that the preliminary cost estimates indicate there will be a huge savings.

Mr. Hunley responded:

- Changing the water route could possibly save a large amount- could be \$200,000+
- Less disruption in traffic
- Possible more users
- Future connection with the Town of Walnut Cove

Commissioner Inman confirmed with Economic Development Director Wood that changing water route would not harm the economic development.

ED Director Wood stated that as long as water and sewer is available to the intersection, there should be no issues.

The Board briefly discussed availability fees being charged when the project is finished even though they do not hook onto the systems.

Commissioner Walker noted this topic opens up several questions that the Board will have to decide before the project is completed.

Chairman Lankford confirmed with Mr. Hunley that if water was run from Danbury to Meadows, the pipes would have to be 10ft apart, any closer, it gets complicated and very expensive. Chairman Lankford noted the possibility of hitting rock on the route from Danbury to Meadows.

Mr. Hunley reiterated the pluses with running the water from South Stokes Fire Department area to Meadow:

- Less risks
- Less disruption in traffic
- Allows separation of construction, will allow the sewer to be started
- Get more for you money
- Possible more users
- Could run sewer at a later time

Commissioner Walker noted the need to try to get more water and sewer throughout County by working with the Town of Walnut Cove, City of King, Winston Salem, Surry County, etc.

Mr. Hunley agreed with Commissioner Walker that this project is creating options.

Mr. Anderson stated that Pilot View would need a vote from the Board regarding the relocation of the water route (South Stokes Fire Department area to Meadows).

Chairman Lankford stated due to Commissioner Jones absent, could possibly vote on the issue tomorrow at a scheduled budget meeting.

Mr. Anderson stated he would need an answer before the next grant is due (March 13<sup>th</sup>).

Vice Chairman Booth expressed his appreciation for the meeting which brings all the Board up to date.

Commissioner Inman not that from this day forward, all the stakeholders need to be on the same page.

Director Mark Delehant expressed his appreciation to Mr. Hunley for thinking out of the box with the changing of the water route.

Mr. Hunley expressed his appreciation to county staff for their participation in the grant applications.

### **Adjournment**

There being no further business to come before the Board, Chairman Lankford entertained a motion to adjourn the work session.

Commissioner Inman moved to adjourn the meeting. Vice Chairman Booth seconded and the motion carried (4-0) with Commissioner Jones absent.

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

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**Ernest Lankford**  
**Chairman**