

**STATE OF NORTH CAROLINA  
COUNTY OF AVERY**

The Avery County Board of Commissioners met in Regular Session on Monday, June 17, 2019 at 3:30 p.m. in the Commissioners Board Room, Avery County Administrative Complex, 175 Linville Street, Newland, NC.

Members Present: Blake Vance, Vice-Chair; Dennis Aldridge; Tim Phillips; Wood Hall Young, Jr.

Members Absent: Martha Hicks (surgery)

**Call To Order**

Vice-Chair Blake Vance called the meeting to order at 3:30 p.m.

Wood Hall Young, Jr. led prayer.

Dede Traver led the Pledge of Allegiance.

**Public Comment**

There were no public comments.

**Avery County Economic Development Advisory Committee**

There are three vacancies on the Avery County Economic Development Advisory Committee. Susan Siirila's term is expired and she has reapplied. Carmen Lacey has resigned due to work conflict and Eric Berg has applied for that position. Kate Gavenus was finishing out Trey Oakley's term which is expired now and she has reapplied.

**Motion by Wood Hall Young, Jr. and second by Tim Phillips to appoint Susan Siirila; Eric Berg; and Kate Gavenus to the Avery County Economic Development Advisory Committee. Motion unanimous with those in attendance (4-0).**

**Mayland Community College Board of Trustees**

There is one vacancy on the Mayland Community College Board of Trustees. Jennie Harpold has reapplied for this position. Carmen Lacey has also applied for this position.

**Motion by Wood Hall Young, Jr. and second by Dennis Aldridge to appoint Jennie Harpold to the Mayland Community College Board of Trustees. Motion unanimous with those in attendance (4-0).**

**Avery County Planning Board**

Randall Joe Buchanan has applied for a vacancy on the Avery County Planning Board.

**Motion by Dennis Aldridge and second by Tim Phillips to appoint Randall Joe Buchanan to the Avery County Planning Board. Motion unanimous with those in attendance (4-0).**

### **Resolution to Appoint Tax Collector**

**WHEREAS**, The Avery County Tax Collector serves a two year term appointed in odd numbered years; and

**WHEREAS**, the Board of County Commissioners previously indicated that it desired the tax collector and tax administrator to be consolidated into the same individual; and

**WHEREAS**, the Board appointed Bruce Daniels as tax administrator in July 2017 and the Board intended to appoint said individual to the combined office of tax administrator and tax collector; and

**WHEREAS**, the Board hereby, pursuant to NCGS 105-349, appoints Bruce Daniels as Tax Collector, with such term set to expire 1 July 2021; and

**NOW, THEREFORE, BE IT RESOLVED** that the Avery County Board of Commissioners meeting in regular session on the \_\_\_\_ day of July 2019, pursuant to NCGS 105-349 appoints Bruce Daniels as Tax Collector.

**Motion by Tim Phillips and second by Wood Hall Young, Jr. to Adopt the Resolution to Appoint the Tax Collector. Motion unanimous with those in attendance (4-0).**

### **Deputy Tax Collector Appointment**

**Motion by Wood Hall Young, Jr. and second by Tim Phillips to appoint Sharon Moody as the Deputy Tax Collector. Motion unanimous with those in attendance (4-0).**

### **Finance Officer Report- Tim Greene**

#### **Budget Amendment**

The Commissioner's Department needs to be amended to account for higher refunds than originally budgeted.

**Motion by Tim Phillips and second by Dennis Aldridge to adopt the Budget Amendment in the amount of \$25,000 with a debit of \$25,000.00 to Tax Refunds (104100.5500) and a credit of \$25,000.00 to Tax Collections (103100.0000).**

#### **Budget Amendment**

The Finance department needs to amend the salary line items due to a change in personnel.

**Motion by Wood Hall Young, Jr. and second by Tim Phillips to adopt the Budget Amendment in the amount of \$13,015.00 with a debit of \$13,015.00 to Salary— Finance Officer (104400.0200) and a credit of \$13,015.00 to Salary (104400.0210). Motion unanimous with those in attendance (4-0).**

#### **Budget Amendment**

Due to increased revenues on excise stamps, the Register of Deeds requires an increase in the excise tax line item.

**Motion by Wood Hall Young, Jr. and second by Tim Phillips to adopt the Budget Amendment in the amount of \$90,000.00 with a debit of \$90,000.00 to State Excise Tax (104800.5700) and a credit of \$90,000.00 to State Excise Stamps (103571.0000). Motion unanimous with those in attendance (4-0).**

**Budget Amendment**

Avery County will collect fire taxes in excess of budgeted figures. A budget amendment is required in order to pass through the additional tax collections.

**Motion by Dennis Aldridge and second by Wood Hall Young, Jr. to adopt the Budget Amendment in the amount of \$105,000.00 with a debit of \$105,000.00 to Fire Commission (206600.4012) and a credit of \$105,000.00 to Tax Collections-Fire (203100.0000). Motion unanimous with those in attendance (4-0).**

**Budget Amendment**

Avery County needs to forward prior year fire taxes that were not previously sent.

**Motion by Tim Phillips and second by Wood Hall Young, Jr. to adopt the Budget Amendment in the amount of \$354,434.08 with a debit of \$354,434.08 to Fire Commission (206600.4012) and a credit of \$354,434.08 to Tax Collections-Fire (203100.0000). Motion unanimous with those in attendance (4-0).**

**Budget Amendment**

The EMS Department needs to amend the salary line items due to a change in personnel and higher personnel expenses.

**Motion by Wood Hall Young, Jr. and second by Dennis Aldridge to adopt the Budget Amendment in the amount of \$82,400.00 with a debit of \$11,700.00 to Salary-EMS Director (105300.0200); debit of \$70,700.00 to Salaries—Part-Time (105300.0210); credit of \$42,480.00 to Salaries-EMT (105300.0220); credit of \$39,920.00 to Fund Balance-Appropriated (103990.0000). Motion unanimous with those in attendance (4-0).**

**Budget Amendment**

The Agriculture Building Project Fund can be closed with the remaining monies transferred to the General Fund.

**Motion by Wood Hall Young, Jr. and second by Tim Phillips to adopt the Budget Amendment in the amount of \$15,688.00 with a debit of \$7,844.00 to Transfer to General Fund (506600.8540); credit of \$7,844.00 to Fund Balance-Appropriated (503990.0000); debit of \$7,844.00 to Available for Appropriations (107000.6000); credit of \$7,844.00 to Transfer to General Fund (103903.0000). Motion unanimous with those in attendance (4-0).**

## **County Attorney Report – Michaele Poore**

### **Avery High School Financing Documents**

Michaele Poore, County Attorney, stated that she had the proposed Avery High School Financing Documents for the Board to consider. There are two pieces of property that comprise the entire high school tract; the original 34 acre tract and then a .63 acre tract that is beside the bus entrance and the school board has title to that small tract and as part of what we are doing they will convey that to the county as part of the financing documents. There is a draft deed for the board to look at regarding that. There is a lease agreement that is not for approval for the board but the board will be considering the Amended and Restated lease agreement so this is the actual document that will be considered at the time of closing instead of the one that is in the packet. There is also a construction agreement and that is an agreement between the County and the Board of Education and that gives them the authority to manage the project. After that is the actual installment financial agreement. This is what we will send to the LGC for their approval.

Wood Hall Young, Jr. questioned what the difference in the first lease agreement compared to the Amended and Restated lease agreement. Ms. Poore stated that the main difference was that there is already a lease agreement on the high school property and we decided just to amend the old lease agreement instead of doing a new lease agreement. There will just be one lease agreement for the property. As part of that, Section 13 of the lease agreement spells out that this lease keeps the County and the Board of Education in compliance with the Qzab.

Ms. Poore explained the Resolution authorizing the execution and delivery of an installment financing agreement, a deed of trust, an escrow agreement, a third party custodian agreement, an amended and restated lease agreement and a construction agreement with the Board of Education, and related documents in connection with installment financing for school improvements. The Board does hereby find and determine that the Avery County Board of Education is the governing board of the Avery County local school administrative unit and has determined that a need exists for renovating and modernizing the Avery County High School including demolition of a portion of the school and new construction and has requested that the county provide capital funding for the project; the board of commissioners approve the project; the county requested proposals for financing on the project; the County held a public hearing on June 3, 2019 and determined that they would proceed with financing not to exceed \$11,000,000 with Sterling National Bank and the county will repay the advancement by making semi-annual installment payments. Also, the loan proceeds will be held pursuant to an Escrow Agreement among the County, the Bank and an escrow agent acceptable to the County; in order to secure the performance of the County's obligations under the agreement, the County will execute and deliver a Deed of Trust granting a lien on the site of the Project; the County will enter into a Construction Agreement with the Board of Education; and there will be a lease back to the Board of Education pursuant to an Amended and Restated Lease Agreement.

There is one modification to the Resolution to insert the Amended and Restated Lease Agreement in front of where it says "lease agreement".

**RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT FINANCING AGREEMENT, A DEED OF TRUST, AN ESCROW AGREEMENT, A THIRD PARTY CUSTODIAN AGREEMENT, AN AMENDED AND RESTATED LEASE AGREEMENT AND A CONSTRUCTION AGREEMENT WITH THE BOARD OF EDUCATION, AND RELATED DOCUMENTS IN CONNECTION WITH INSTALLMENT FINANCING FOR SCHOOL IMPROVEMENTS**

BE IT RESOLVED by the Board of Commissioners (the "Board") of the County of Avery, North Carolina (the "County"):

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

(a) The Avery County Board of Education (the "Board of Education"), the governing board of the Avery County local school administrative unit, has determined that a need exists for renovating and modernizing Avery County High School, including demolition of a portion of the school and new construction, and has requested that the County provide capital funding therefor (the "Project").

(b) The Project is hereby approved.

(c) The County Requested Proposals for financing on the Project.

(d) After a public hearing on 3 June 2019 and after due consideration, the Board has determined that the most efficient manner of financing the Project will be for the County to enter into an Installment Financing Agreement (the "Agreement"), in a principal amount not to exceed \$11,000,000 with Sterling National Bank (the "Bank") pursuant to Section 160A-20 of the General Statutes of North Carolina. Pursuant to the Agreement, the Bank will advance moneys to the County in an amount sufficient to pay, together with other available funds, the costs of the Project, and the County will repay the advancement by making semi-annual installment payments (the "Installment Payments"), with interest, for the term of the loan. The term of the loan will be 15 years (the "Term").

(e) The loan proceeds will be held pursuant to an Escrow Agreement among the County, the Bank and an escrow agent acceptable to the County.

(f) In order to secure the performance of the County's obligations under the Agreement, the County will execute and deliver a Deed of Trust (the "Deed of Trust"), granting a lien on the site of the Project and all improvements and fixtures located and to be located thereon (the "Mortgaged Property").

(g) In order to facilitate the renovation of the Project, the County will enter into a Construction Agreement (the "Construction Agreement") with the Board of Education providing for the supervision of construction of the Project by the Board of Education.

(h) The Mortgaged Property will be leased back to the Board of Education pursuant to An Amended and Restated Lease Agreement (the "Lease Agreement") between the County and the Board of Education, which Amended and Restated Lease Agreement will be subordinate to the lien created by the Deed of Trust.

(i) There has been presented to the Board forms of the following documents relating to the transaction hereinabove described:

- (1) the Agreement;
- (2) the Deed of Trust;
- (3) the Construction Agreement;
- (4) the Amended and Restated Lease Agreement;
- (5) the Escrow Agreement; and
- (6) the Third Party Custodian Agreement

Section 2. The Board hereby approves the Agreement, the Deed of Trust, the Construction Agreement, the Amended and Restated Lease Agreement, the Escrow Agreement and the Third Party Custodian Agreement in substantially the forms presented at this meeting. The Chairman or Vice Chairman of the Board or the County Manager is hereby authorized to execute and deliver on behalf of the County each such document in substantially the form presented at this meeting, containing such insertions, deletions and filling in of blanks as the person executing such document shall approve, such execution to be conclusive evidence of approval by the Board of any such changes. The Clerk to the Board is hereby directed to affix the corporate seal of the County to each such document and to attest the same.

Section 3. No deficiency judgment may be rendered against the County in any action for breach of any contractual obligation under the Agreement or the Deed of Trust, and the taxing power of the County is not and may not be pledged directly or indirectly to secure any moneys due under the Agreement or the Deed of Trust.

Section 4. The Chairman, Vice Chairman, County Manager, Finance Director, County Attorney and the Clerk to the Board, and any other officers, agents and employees of the County, are hereby authorized and directed to execute and deliver such closing certificates, federal tax certificates, opinions and other items of evidence as shall be deemed necessary to consummate the transactions described above, including (a) any necessary financing statements relating to fixtures located on the Mortgaged Property and (b) any documents necessary for the conveyance of the site of the Project to the County.

Section 5. This resolution shall take effect immediately upon its passage.

Upon motion of Commissioner \_\_\_\_\_, seconded by Commissioner \_\_\_\_\_, the foregoing resolution entitled "**RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN**

**INSTALLMENT FINANCING AGREEMENT, A DEED OF TRUST, AN ESCROW AGREEMENT, A THIRD PARTY CUSTODIAN AGREEMENT, AN AMENDED AND RESTATED LEASE AGREEMENT AND A CONSTRUCTION AGREEMENT WITH THE BOARD OF EDUCATION, AND RELATED DOCUMENTS IN CONNECTION WITH INSTALLMENT FINANCING FOR SCHOOL IMPROVEMENTS”** was passed by the following vote:

Ayes: \_\_\_\_\_ Nays: \_\_\_\_\_

**Motion by Tim Phillips and second by Wood Hall Young, Jr. to adopt the above Resolution with the correction of Amended and Restated lease agreement. Motion unanimously approved with those in attendance (4-0).**

**Approval Of Minutes**

**Motion by Wood Hall Young, Jr. and second by Dennis Aldridge to approve the April 4, 2019 Joint Meeting with the Board of Education and the April 25, 2019 Budget Workshop. Motion unanimous with those in attendance (4-0).**

**Agenda Consent Items**

**Adopted by Consensus of the Board.**

**Upcoming Meetings**

The next Regular Meeting is Monday, July 1, 2019 at 3:30 p.m.

Dennis Aldridge stated that the Avery County Historical Society should be commended for the Heritage Festival. It was a beneficial event for the community. The folks that do all the planning and work should be recognized publically.

**Adjourn**

**Motion by Wood Hall Young, Jr. and second by Tim Phillips to adjourn this meeting at 4:00 p.m. Motion unanimous with those in attendance (4-0).**

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**Blake Vance, Vice-Chair  
Avery County Board of Commissioners**

Attest: \_\_\_\_\_  
Cindy Turbyfill, Clerk

