

**MINUTES - SPECIAL MEETING
BOONE TOWN COUNCIL
JULY 24, 2008**

A special meeting of the Boone Town Council was called to order at 9:03 a.m., Thursday, July 24, 2008, in the Council Chambers, 1500 Blowing Rock Road. Mayor Loretta Clawson presided. Council Members present were Liz Aycock, Janet Pepin, Rennie Brantz, and Stephen Phillips. Staff members present were Greg Young-Town Manager, Kimberly Brown-Deputy Town Clerk, Rick Miller-Public Utilities Director, and Andrea Gimlin-Program Coordinator. Brian Tripp of W.K. Dickson and Maggie Tilley of G & T Communications were also present.

Mayor Clawson welcomed all in attendance and invited Town Manager Greg Young to begin discussion of the first item on the agenda.

ADOPTION OF RESOLUTION - DIRECTING NOTICE OF INTENT TO APPLY TO THE LGC

Town Manager Greg Young stated this resolution is required by state law as part of the bond referendum process for the proposed water intake system for the Town of Boone. Upon a motion by Council Member Brantz, seconded by Council Member Pepin, Council moved to adopt the following resolution:

**Resolution of the Town Council
of the Town of Boone, North Carolina
Directing the Publication of Notice of Intention
to Apply to the Local Government
Commission for Approval of Bonds**

WHEREAS, the Town Council (the "*Town Council*") of the Town of Boone, North Carolina (the "*Town*") is considering the issuance of general obligation bonds of the Town which shall be for the following purposes and in the following maximum amount:

\$25,000,000 of bonds to provide funds to pay the capital costs of acquiring, constructing and equipping facilities for a new water source along the South Fork of the New River, including the costs of related studies, plans and design; acquiring land and rights-of-way in land and installing water transmission lines related to the acquisition of the new water source; renovating the Town of Boone Water Treatment Plant in order to increase its daily capacity, including improvements to and the acquisition and installation of plant equipment.

NOW, THEREFORE, BE IT RESOLVED by the Town Council that the Town Clerk is hereby directed to cause a copy of the "Notice of Intention to Apply to the Local Government Commission for Approval of Bonds" to be published in the *Watauga Democrat* on or about July 28, 2008.

Adopted this the 24th day of July, 2008.

ATTEST:

Mayor

Town Clerk

(RESOLUTION TO BE TYPED IN BOOK 3, PAGE 65)

VOTE: Aye - All
 Nay - None

ADOPTION OF RESOLUTION - AUTHORIZING FINANCE DIRECTOR TO APPLY TO THE LGC

Upon a motion by Council Member Brantz, seconded by Council Member Aycock, Council moved to adopt the following resolution:

**Resolution of the Town Council of the Town of Boone,
North Carolina Authorizing the Finance Director to Apply to the
Local Government Commission for Approval of the Town's Proposed
General Obligation Water System Bond Financing and
to Submit Such Application to the Local Government Commission**

WHEREAS, the Town Council (the "*Town Council*") of the Town of Boone, North Carolina (the "*Town*") proposes to set a public hearing on the following Bond Order entitled:

"Bond Order Authorizing the Issuance of \$25,000,000 General
Obligation Water System Bonds of the Town of Boone, North
Carolina;"

WHEREAS, it is necessary, as a condition to the consideration and adoption of the Bond Order, to submit an Application to the Local Government Commission for Approval of the Bonds, all in the manner required by The Local Government Bond Act.

NOW, THEREFORE, be it resolved by the Town Council that the Finance Director of the Town is hereby directed to file with the Local Government Commission an application for its approval of the General Obligation Water System Bonds hereinbefore described, on a form prescribed by said Commission, and (1) to request in such application that said Commission approve the Town's use of Parker Poe Adams & Bernstein LLC of Charlotte, North Carolina, as bond counsel for the Town and (2) to state in such application such facts and to attach thereto such exhibits in regard to such General Obligation Water Bonds and to the Town and its financial condition, as may be required by said Commission.

BE IT FURTHER RESOLVED that this Resolution shall become effective on the date of its adoption.

Adopted this the 24th day of July, 2008.

ATTEST:

Mayor

Town Clerk

(RESOLUTION TO BE TYPED IN BOOK 3, PAGE 66)

VOTE: Aye - All
 Nay - None

ADOPTION OF RESOLUTION - MAKING CERTAIN FINDINGS OF FACT

Upon a motion by Council Member Phillips, seconded by Council Member Brantz, Council moved to adopt the following resolution:

**Resolution of the Town Council
of the Town of Boone, North Carolina
Making Certain Statements of Fact
Concerning Proposed Bond Issue**

WHEREAS, the Town Council (the "*Town Council*") of the Town of Boone, North Carolina (the "*Town*") is considering the issuance of bonds of the Town which shall be for the following purposes and in the following maximum amount:

\$25,000,000 of bonds to provide funds to pay the capital costs of
acquiring, constructing, and equipping facilities for a new water
source along the South Fork of the New River, including the costs of

related studies, plans and design; acquiring land and rights-of-way in land and installing water transmission lines related to the acquisition of the new water source; renovating the Town of Boone Water Treatment Plant in order to increase its daily capacity, including improvements to and the acquisition and installation of plant equipment.

WHEREAS, certain findings of fact by the Town Council must be presented to enable the Local Government Commission of the State of North Carolina to make certain determinations as set forth in Section 159-52 the North Carolina General Statutes, as amended.

NOW, THEREFORE, BE IT RESOLVED that the Town Council, meeting in open session on the 24th day of July, 2008, has made the following factual findings in regard to this matter:

- A. **Facts Regarding Necessity of Proposed Financing.** The proposed bonds are necessary and expedient to pay the capital costs of acquiring, constructing and equipping facilities for a new water source along the South Fork of the New River, including the costs of related studies, plans and design; acquiring land and rights-of-way in land and installing water transmission lines related to the acquisition of the new water source; renovating the Town of Boone Water Treatment Plant in order to increase its daily capacity, including improvements to and the acquisition and installation of plant equipment.
- B. **Facts Supporting the Amount of Bonds Proposed.** The sums estimated for these bonds are adequate and not excessive for the proposed purposes. Estimates for the proposed construction and improvements have been carefully analyzed and determined by persons knowledgeable about the construction and improvements.
- C. **Past Debt Management Procedures and Policies.** The Town's debt management procedures and policies are excellent and have been carried out in compliance with law. The Town employs a Finance Director to oversee compliance with applicable laws relating to debt management. The Town Council requires annual audits of Town finances. In connection with these audits, compliance with laws is reviewed. The Town is not in default in any of its debt service obligations. The Town Attorney reviews all debt-related documents for compliance with laws.
- D. **Past Budgetary and Fiscal Management Policies.** The Town's budgetary and fiscal management policies have been carried out in compliance with laws. Annual budgets are closely reviewed by the Town Council before final approval of budget ordinances. Budget amendments changing a function total or between functions are presented to the Town Council at regular Town Council meetings. The Finance Director presents financial information to the Town Council which shows budget to actual comparisons annually and otherwise as the Town Manager deems necessary or as a member of the Town Council may request.
- E. **Increase in Taxes; Retirement of Debt.** The increases in taxes, if any, necessary to service the proposed debt will not be excessive. The schedule for issuance anticipates issuing all of the bonds in one or more series of fiscal years 2010 through 2012.

Adopted this the 24th day of July, 2008.

ATTEST:

Mayor

Town Clerk

(RESOLUTION TO BE TYPED IN BOOK 3, PAGE 67)

VOTE: Aye - All
 Nay - None

SCHEDULING OF SPECIAL MEETING

Town Manager Greg Young stated that in order to stay on track with the general obligation bond referendum schedule, a special meeting needs to be set for Friday, August 8, 2008. He stated that Council will receive the bond order on that date and will schedule a public hearing on the bond order for the August 21st regular meeting. Mayor Clawson informed the Council that the Town Clerk has suggested meeting as early as possible on that date in order to meet the publishing deadline for the public notice in the *Watauga Democrat*. Upon a motion by Council Member Phillips, seconded by Council Member Aycock, Council moved to set a special meeting on Friday, August 8, 2008, at 9:00 a.m. in the Council Chambers to receive the bond order and to schedule a public hearing on the bond order for the August 21st regular meeting of the Town Council.

VOTE: Aye - All
 Nay - None

CLOSED SESSION (NCGS 143-318.11a)5) - EMPLOYMENT CONTRACT

Upon a motion by Council Member Brantz, seconded by Council Member Pepin, Council moved to enter Closed Session at 9:10 a.m. pursuant to NCGS 143-318.11a)5) in order to discuss the following matter: Employee Contract.

VOTE: Aye - All
 Nay - None

Upon a motion by Council Member Brantz, seconded by Council Member Aycock, Council moved to exit Closed Session at 9:49 a. m.

VOTE: Aye - All
 Nay - None

ACTION FOLLOWING CLOSED SESSION

Upon a motion by Council Member Pepin, seconded by Council Member Aycock, Council moved to approve a contract to hire G & T Communications for the purpose of overseeing an education program regarding the Town’s water system and water issues.

VOTE: Aye - All
 Nay - None

ADJOURNMENT

Upon a motion by Council Member Aycock, seconded by Council Member Brantz, Council moved to adjourn at 9:51 a.m.

VOTE: Aye - All
 Nay - None

Deputy Town Clerk

Mayor