WARREN COUNTY BOARD OF COMMISSIONERS

Monday, May 21, 2012

Public Hearing – 4:30pm &

Special Meeting – 4:45pm

WARREN COUNTY ARMORY CIVIC CENTER WARRENTON, NORTH CAROLINA

Prepared by:

Angelena Kearney-Dunlap
NC Certified County Clerk

4:30 pm

Public Hearing

Financing for purchase of two modular units to be used by Warren County School System.

Agenda

- 1. Chairman Call Public Hearing to Order 4:30 pm
- 2. Clerk Read Notice of Public Hearing
- 3. Comments from Finance Officer Barry Mayo
- 4. Clerk Read Rules for Citizen Comments
- 5. Public Comments
- 6. Comments from Board and/or Manager
- 7. Adjourn Public Hearing

Clerk Read

Notice Of Public Hearing

Notice of Public Hearing Financing for Two (2) Modular Units For Warren County School System

Notice is hereby given that on Monday, May 21, 2012 at 4:30 pm in the Warren County Armory Civic Center, Warrenton, NC, the Warren County Board of Commissioners will hold a public hearing to hear citizen comments regarding financing for the purchase of two (2) modular units to be used at Warren New Tech and Warren Early College High Schools.

For further information contact:

Linda T. Worth, Warren County Manager 602 West Ridgeway Street, PO Box 619 Warrenton, North Carolina 27589

Phone: (252) 257-3116

E-mail: ppulley@co.warren.nc.us

All interested citizens are urged to attend this public hearing.

A special meeting will follow said public hearing to consider award of bid for financing Modular Unit project.

Ulysses S. Ross, Chairman Warren County Board of Commissioners

Comments

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Finance Officer

Barry Mayo

Citizen Comments

PUBLIC HEARING PROCEDURES

This public hearing is being held to hear citizens' comments regarding financing of two modular units to be used at Warren County New Tech and Warren Early College High School campuses.

RULES:

- Please sign up to speak
- The maximum time allotted to each speaker will be five (5) minutes. The Clerk to the Board will keep time.
- Any group of people who support or oppose the same position should designate a spokesperson.
- Please address only those items which might not have been addressed by a previous speaker
- Order and decorum will be maintained during this hearing
- Two questions are permitted by each speaker.

Warren County Board of Commissioners

Comments

Board Members and/or County Manager

Adjourn

May 21, 2012 Public Hearing

Call May 21, 2012 Special Meeting to Order By Chairman or Designee

Agenda

- 1. Chairman Call Special Meeting to Order 4:45 pm
- 2. Moment of Silence
- 3. Clerk Read Notice of Special Meeting
- 4. Clerk Read Conflict of Interest Disclaimer
- 5. Consider Financing Terms for Purchase of Modular Units for Warren New Tech and Warren Early College High School Campuses Barry Mayo, Finance Officer
- 6. Schedule FY 2013 ROAP Public Hearing for Monday, June 4, 2012 at 5:30 pm
- 7. Approve Waste Water Treatment Plant (WWTP) Phase I Rehabilitation Construction Contract with Turner Murphy Company, Inc. (bid amount \$751,074) and Authorize County Manager to sign contract documents.
- 8. Appoint Interim Director of Social Services
- 9. Adjourn Special Meeting

Agenda Item # 2 Moment of Silence

Agenda Item # 3
Clerk Read Notice of Special Meeting

REVISED

NOTICE Warren County Board of Commissioners Special Meeting

Notice is hereby given that the Warren County Board of Commissioners will hold a Special Meeting on Monday, May 21, 2012 at 4:45 pm in the Warren County Armory Civic Center, 501 US Hwy 158 Business E, Warrenton, NC 27589.

The purpose of this special meeting is to:

- Discuss and consider bids for financing the purchase of modular units at the Warren New Tech and Warren Early College High School Campuses;
- Schedule a Public Hearing for the 2013 ROAP Program;
- Approval of Waste Water Treatment Plant Phase I Rehabilitation Construction Contract with Turner Murphy Company, Inc. (bid amount \$751,074) and County Manager authorization to sign contract documents; and
- Appoint Interim Director of Social Services.

For more information contact:

Linda T. Worth, Warren County Manager 602 W. Ridgeway Street; P. O. Box 619 Warrenton, North Carolina 27589 ppulley@co.warren.nc.us

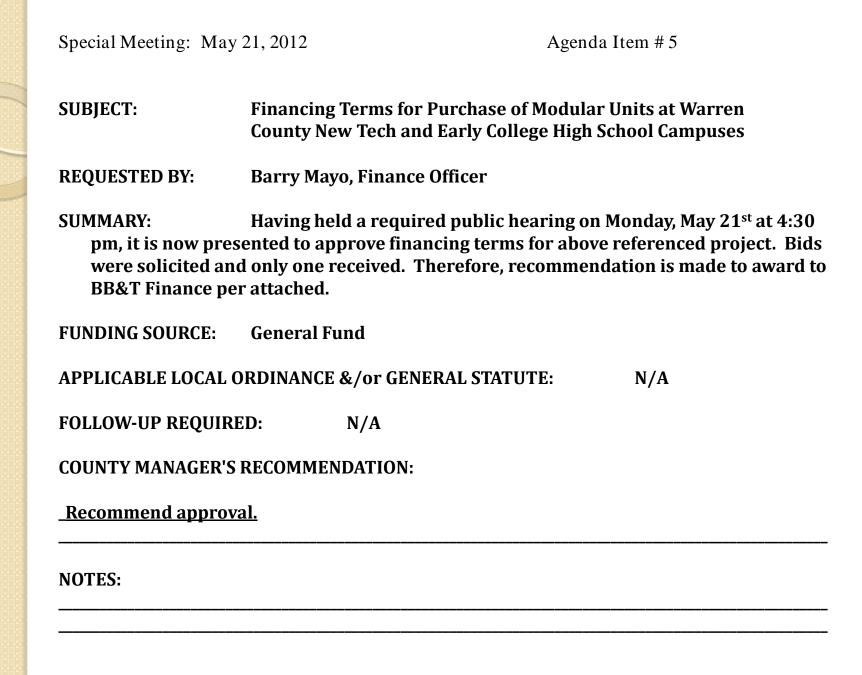
Any and all interested citizens are invited to attend this Special Meeting.

Ulysses S. Ross, Chairman Warren County Board of Commissioners

Agenda Item # 4

Clerk Read Conflict of Interest Disclaimer

- "Members of the Warren County Board of Commissioners are advised, hereby, of their duty under the State Government Ethics Act to avoid conflicts of interest and the appearance of such conflict; and, further, are instructed to refrain from participating in any matter coming before this Board of County Commissioners with respect to which there is a conflict of interest or appearance of such conflict".
- In accordance with the State Government Ethics Act, it is the duty of every Board member to avoid both conflicts of interest and appearances of conflict.
- Does any Board member have any known conflict of interest or appearance of conflict with respect to any matter coming before this Board today?
- If so, please identify the conflict and refrain from any undue participation in the particular matter involved.



WARREN COUNTY

PROPOSALS FOR INSTALLMENT PURCHASE FINANCING BID TABULATION

Warren County Schools Modular Classrooms

April 17, 2012

| Institution | Interest Rate | Total Interest | Fees | Total Cost | Terms |
|-----------------|------------------|-------------------|----------|------------|--------|
| RBC/PNC | | | | No Bid | |
| First Citizens | | | 1 | No Bid | |
| BB&T | 3.39 | 98,948.87 | 1,700.00 | 477,273.87 | 15 yrs |
| Wachovia | | | ŀ | No Bid | |
| Bank of America | | | l | No Bid | |
| Capital Bank | | | į | No Bid | |
| SunTrust | | | | No Bid | |

I certify that the above is true and accurate tabulation of the bids received at the above referenced dates.

Signature

Witness



BB&T

BB&T Governmental Finance

5130 Parkway Plaza Blvd. Charlotte, N.C. 28217 (704) 954-1700 Fax (704) 954-1799

April 17, 2012

Mr. Barry J. Mayo Finance Director Warren County 548 Ridgeway Street Warrenton, North Carolina 27589

Dear Mr. Mayo:

Branch Banking and Trust Company ("BB&T") is pleased to offer this proposal for the financing of a modular classroom for the Warren County New Tech and Early College High Schools, as requested by Gates County, North Carolina ("County").

1) Project:

Modular Classrom

Amount To Be Financed:

\$376,625.00

(3) Interest Rates, Financing Terms and Corresponding Payments:

| Term | Rate | | |
|----------|-------|--|--|
| 15 years | 3.39% | | |

Payments shall be semi-annually in arrears, as requested. See the attached amortization schedule(s) for information on payments based on the debt service as requested.

The financing proceeds shall be deposited on behalf of the County in a project fund account with Branch Banking & Trust. Earnings on the project fund shall accrue to the benefit of the County for use on Project costs or interest payments.

The interest rates stated above are valid for a closing not later than 45 days after today. A convenient date and time shall be mutually agreed upon for closing. Closing is contingent upon completing documentation acceptable to BB&T and upon the condition of the property acceptable to BB&T. BB&T shall provide a list of required documentation for closing should we be the successful proposer. At a minimum, BB&T shall require flood certification, if applicable, copies of the plans and specifications and an estimated expenditure budget two weeks in advance of closing for our review. Additionally, we shall review your most recent financial statements before funding this transaction.

Remuneration for our legal review expenses and underwriting for this financing transaction shall be \$1,700.00. All applicable taxes, surveys, zoning, appraisals, permits, costs of environmental studies, title insurance premiums, LGC approval fees, costs of counsel for the County and any other costs shall be the County's responsibility and separately payable by the County. The financing documents shall allow



prepayment of the principal balance in whole on a scheduled anniversary date with a 1% prepayment premium.

The stated interest rates assume that the County expects to borrow less than \$10,000,000 in calendar year 2012 and that the County shall comply with IRS Code Sections 141, 148, 149(e) and Section 265(b)(3). BB&T reserves the right to terminate its interest in this bid or to negotiate a mutually acceptable rate if the financing is not a qualified tax-exempt financing.

(4) Security:

This financing shall be secured by a first lien security interest on (a) all personal property acquired with financing proceeds, (b) all improvements to real estate that are constructed or improved with financing proceeds, and all associated real estate, and (c) all real estate acquired with financing proceeds.

(5) Financing Documents:

BB&T and its counsel shall prepare the deed of trust and all documentation for the County. We shall provide a sample of those documents to you should BB&T be the successful proposer.

* * * * * *

BB&T appreciates the opportunity to provide this proposal and requests to be notified within ten days of this proposal should BB&T be the successful proposer.

BB&T shall have the right to cancel this offer by notifying the County of its election to do so (whether or not this offer has previously been accepted by the County) if at any time prior to the closing there is a material adverse change in the County's financial condition, if we discover adverse circumstances of which we are currently unaware, if we are unable to agree on acceptable documentation with the County or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to BB&T. We reserve the right to negotiate and/or terminate our interest in this transaction should we be the successful proposer.

Should we become the successful proposer, we have attached the form of a resolution that your governing board can use to award the financing to BB&T. If your board adopts this resolution, then BB&T shall not require any further board action prior to closing the transaction.

Please call me at 336.376.0254 with your questions and comments. We look forward to hearing from you.

Sincerely,

BRANCH BANKING AND TRUST COMPANY

Alison W. Peeler

Senior Vice President

Olivan W. Peeler



Resolution Approving Financing Terms

WHEREAS: Warren County ("County") has previously determined to undertake a project for modular classroom for the Warren County New Tech and Early College High Schools Project (the "Project"), and the Finance Officer has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

- 1. The County hereby determines to finance the Project through Branch Banking and Trust Company ("BB&T"), in accordance with the proposal dated April 17, 2012. The amount financed shall not exceed \$376,625.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 3.39%, and the financing term shall not exceed fifteen (15) years from closing.
- 2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the County are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution. The Financing Documents shall include a Financing Agreement and Deed of Trust and a Project Fund Agreement as BB&T may request.
- 3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by County officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.
- 4. The County shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The County hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).
- 5. The County intends that the adoption of this resolution will be a declaration of the County's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The County intends that funds that have been advanced, or that may be advanced, from the County's general fund, or any other County fund related to the project, for project costs may be reimbursed from the financing proceeds.
- 6. All prior actions of County officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

| Approved this day of _ | , 2012. |
|------------------------|---------|
| Ву: | Ву: |
| Title: | Title: |
| SEAL | |

Warren County

Compound Period:

Semiannua

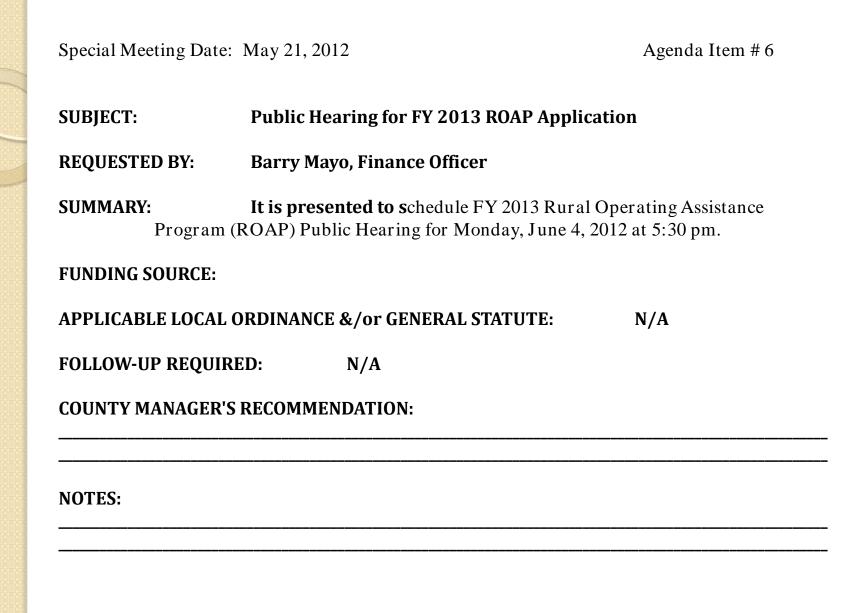
Nominal Annual Rate:

3.390%

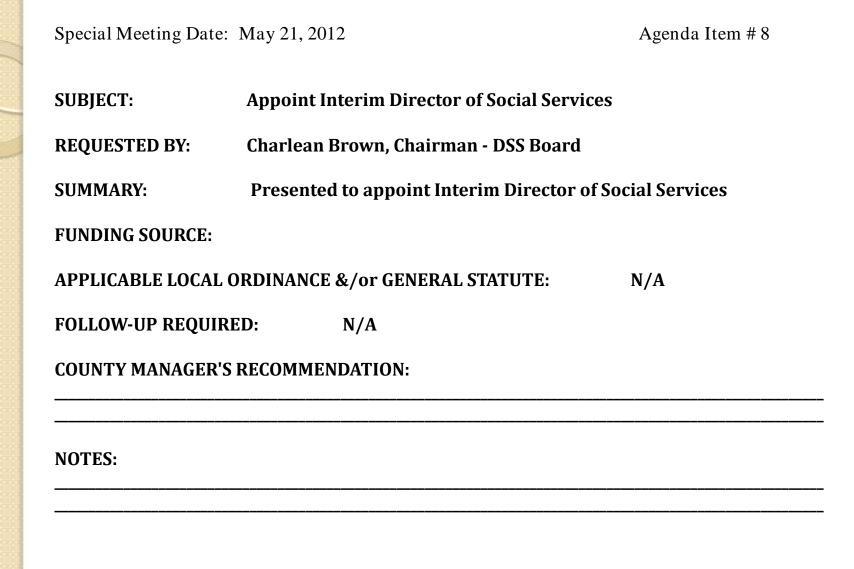
AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

| | Date | Payment | Interest | Principal | Balance |
|--------|------------|------------|-----------|---------------------------------------|------------|
| Loan | 4/17/2012 | | | | 376,625.00 |
| 2012 T | otals | 0.00 | 0.00 | 0.00 | |
| | | | | | |
| 1 | 10/17/2012 | 18,937.96 | 6,383.79 | 12,554.17 | 364,070.83 |
| 2 | 4/17/2013 | 18,725.17 | 6,171.00 | 12,554.17 | 351,516.66 |
| 2013 T | otals | 37,663.13 | 12,554.79 | 25,108.34 | |
| | | | , | | |
| 3 | 10/17/2013 | 18,512.38 | 5,958.21 | 12,554.17 | 338,962.49 |
| 4 | 4/17/2014 | 18,299.58 | 5,745.41 | 12,554.17 | 326,408.32 |
| 2014 T | otals | 36,811.96 | 11,703.62 | 25,108.34 | , |
| | | , | , | ,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,,, | |
| 5 | 10/17/2014 | 18,086.79 | 5,532.62 | 12,554.17 | 313,854.15 |
| 6 | 4/17/2015 | 17,874.00 | 5,319.83 | 12,554.17 | 301,299.98 |
| 2015 T | | 35,960.79 | 10,852.45 | 25,108.34 | 001,200.00 |
| | | 00,000 | , | 20, 100.01 | |
| 7 | 10/17/2015 | 17,661.20 | 5,107.03 | 12,554.17 | 288,745.81 |
| 8 | 4/17/2016 | 17,448,41 | 4,894.24 | 12,554.17 | 276,191.64 |
| 2016 T | | 35,109,61 | 10,001.27 | 25,108.34 | 270,101.04 |
| 20101 | Otais | 33, 103.01 | 10,001.27 | 25,100.54 | |
| 9 | 10/17/2016 | 17,235.62 | 4,681.45 | 12,554.17 | 263,637.47 |
| 10 | 4/17/2017 | 17,022.83 | 4,468.66 | 12,554.17 | 251,083.30 |
| 2017 T | | 34,258.45 | 9,150.11 | 25,108.34 | 251,005.50 |
| 2017 1 | Otais | 34,230.43 | 3, 130.11 | 25, 100.54 | |
| 11 | 10/17/2017 | 16,810.03 | 4,255.86 | 12,554.17 | 238,529.13 |
| 12 | 4/17/2018 | 16,597.24 | 4,043.07 | 12,554.17 | 225,974.96 |
| 2018 T | | 33,407,27 | 8,298.93 | 25,108.34 | 220,374.50 |
| 2010 1 | Otalo | 33,407.27 | 0,200.00 | 20,100.04 | |
| 13 | 10/17/2018 | 16,384.45 | 3,830.28 | 12,554.17 | 213,420.79 |
| 14 | 4/17/2019 | 16,171.65 | 3,617.48 | 12,554.17 | 200,866.62 |
| 2019 T | | 32,556.10 | 7.447.76 | 25,108.34 | |
| | | 02,0000 | ., | | |
| 15 | 10/17/2019 | 15,958.86 | 3,404.69 | 12,554.17 | 188,312.45 |
| 16 | 4/17/2020 | 15,746.07 | 3,191.90 | 12,554.17 | 175,758.28 |
| 2020 T | | 31,704.93 | 6,596,59 | 25,108.34 | , |
| 2020 . | otaio | 01,704.00 | 0,000.00 | 20,100.01 | |
| 17 | 10/17/2020 | 15,533.27 | 2,979.10 | 12,554,17 | 163,204,11 |
| 18 | 4/17/2021 | 15,320.48 | 2,766.31 | 12,554.17 | 150,649.94 |
| 2021 T | | 30,853.75 | 5,745,41 | 25,108.34 | |
| | | , | 2, | _2,, | |
| 19 | 10/17/2021 | 15,107.69 | 2,553.52 | 12,554.17 | 138,095.77 |
| | | , | _, | , | , |

| 20 | 4/17/2022 | 14,894.89 | 2,340.72 | 12,554.17 | 125,541.60 |
|--------|------------|------------|-----------|------------|------------|
| 2022 T | otals | 30,002.58 | 4,894.24 | 25,108.34 | |
| 21 | 10/17/2022 | 14,682.10 | 2,127.93 | 12,554.17 | 112,987.43 |
| 22 | 4/17/2023 | 14,469.31 | 1,915.14 | 12,554.17 | 100,433.26 |
| 2023 T | otals | 29,151.41 | 4,043.07 | 25,108.34 | |
| 23 | 10/17/2023 | 14,256.51 | 1,702.34 | 12,554.17 | 87,879.09 |
| 24 | 4/17/2024 | 14,043.72 | 1,489.55 | 12,554.17 | 75,324.92 |
| 2024 T | otals | 28,300.23 | 3,191.89 | 25,108.34 | |
| 25 | 10/17/2024 | 13,830.93 | 1,276.76 | 12,554.17 | 62,770.75 |
| 26 | 4/17/2025 | 13,618.13 | 1,063.96 | 12,554.17 | 50,216.58 |
| 2025 T | otals | 27,449.06 | 2,340.72 | 25,108.34 | |
| 27 | 10/17/2025 | 13,405.34 | 851.17 | 12,554.17 | 37,662.41 |
| 28 | 4/17/2026 | 13,192.55 | 638.38 | 12,554.17 | 25,108.24 |
| 2026 T | otals | 26,597.89 | 1,489.55 | 25,108.34 | |
| 29 | 10/17/2026 | 12,979.75 | 425.58 | 12,554.17 | 12,554.07 |
| 30 | 4/17/2027 | 12,766.96 | 212.89 | 12,554.07 | 0.00 |
| 2027 T | otals | 25,746.71 | 638.47 | 25,108.24 | |
| Grand | Totals | 475,573.87 | 98,948.87 | 376,625.00 | |



Contract document will be provided in separate e-mail.



Adjourn

May 21, 2012 Special Meeting