

WAKE COUNTY BOARD OF COMMISSIONERS

Regular Meeting

November 21, 2011

2:00 P.M.

Room 700, Wake County Courthouse

Members present were: Chairman Paul Coble, Vice Chair Phil Matthews and Commissioners Joe Bryan, Tony Gurley, Ervin Portman, Betty Lou Ward and James West

Others attending were: David C Cooke, County Manager; Susan J Banks, Clerk to the Board, Scott Warren, County Attorney; Denise Hogan, Deputy Clerk; and Deputy Managers Joe Durham and Johnna Rogers.

Meeting Called to Order: Chairman Paul Coble

Pledge of Allegiance

Invocation: Commissioner James West

Items of Business

Approval of Agenda

Commissioner Bryan stated he would like to remove item # 7 from the consent agenda and place it on the regular agenda for consideration.

Betty Lou Ward motioned, seconded by Phil Matthews, to approve the agenda with the removal of item #7 from consent to regular agenda. The motion passed unanimously.

Approval of the Minutes of the Commissioners' Regular Meeting on November 7th and Work Session on November 14th, 2011

Ervin Portman motioned, seconded by Phil Matthews, to approve the Minutes of the Commissioners' Regular Meeting on November 7th and Work Session on November 14th, 2011 as presented. The motion passed unanimously.

Update from Wake County Council on Fitness and Health

Ms. Brenna Crowson, Chairman and Mr. David Fitzpatrick, Vice Chairman of the Wake County Council on Fitness, spoke about some programs the Council has worked on such as "Show Your Moves!" and "Fit-tastic." She said that the council uses Facebook and Twitter for communication. She said their mission is for Wake County Citizens to be healthier and more active. She said that the council members have met with the municipalities during this year to help the towns become more active.

Mr. Fitzpatrick shared the Wake Fitness Facebook page and navigated around on some of its features. He spoke of City of Raleigh and Town of Rolesville relationships and programs.

Ms. Crowson stated Mr. Phillip Smith has helped them with their facebook page and their interest in becoming more interactive using social networking. She asked the board to add a category position on the Council designated for "Social Media."

Commissioner Ward asked about the membership. Ms. Crowson said that the council is almost full and there are a variety of male and female members. Commissioner Ward thanked the council for their work.

Chairman Coble instructed Ms. Crowson to send a letter to the board of commissioners requesting the change in membership. It would then be researched and added to a future meeting agenda for consideration.

Retiree Recognition

Mr. Cooke recognized Mr. James Mike Aull, Facilities Design and Construction Office, for his 31 years of service. He was presented a plaque for his service and will retire December 1, 2011.

2011 State of the County Address

Chairman Coble gave the State of the County speech as follows:

2011 State of the County Address

Board of Commissioners Chairman, Paul Coble
November 21, 2011

Vice chairman Matthews, commissioners, County staff, community partners and my fellow Wake County citizens, I am pleased to be with you today to report to you on the state of Wake County.

It has been my privilege and honor to serve as your chair for the past year. Because of the leadership of our commissioners, along with our talented staff and the support of our business community and citizens, we have made significant strides toward maintaining Wake County as a great place to live, work, learn and play.

Each year the Board of Commissioners develops and prioritizes our goals for the year, and at the forefront of our priorities for 2011 were the economy, jobs and investment. In his budget message back in May, County Manager David Cooke talked about the economy and balancing the budget in terms of it being a roller coaster ride. And as we sit here six months later we continue to experience ups and downs. We recognize that employment is down since the summer of 2008. We understand that families and businesses are struggling. But even in these volatile times, we remain focused on our principles of efficient, effective government, and our goals reflect our intentions to keep a long-term perspective. Here's where we stand financially:

Similar to the past three years, we have a different revenue picture than what we have experienced in the past decade.

Property tax, the County's largest revenue source, continues to grow, albeit at a much slower rate than before. Three years ago we were seeing about 1,000 new housing units per month. For 2011, we added about 5,000 new units or roughly 415 per month.

As of September 2011, new construction permit activity is quite similar to the permit activity of 2010 at the same point. However, new residential construction permits issued in July, August and September of 2011 is at 1,053 compared to 923 issued for the same three months of 2010.

Business personal property was very weak for 2011 as anticipated, declining by more than \$500 million in value. Several things contributed to this value loss: businesses choosing to maintain liquidity rather than investing in new business assets, the failure or bankruptcy of many businesses, and the depreciating nature of this property.

Motor vehicle registrations and corresponding values rebounded in the last six months of fiscal year 2011. Vehicle registrations increased by 8,000 and values increased by \$220 million during this six month period.

As we prepare for the future, we understand that the needs of our residents have changed.

Knowing this, again this year the Board of Commissioners' number one goal was to not increase property taxes, while maintaining – and in some cases increasing – funding for our highest priorities: education, public safety and mental health.

This afternoon, as I discuss the state of Wake County, I want to take this opportunity to let you know about the progress we've made in our priority areas, while highlighting some of the people and programs that make it all possible.

While the figures I just revealed show that we're not immune to the impacts of the economy, people all across the United States still recognize Wake County as a great place to live. And we continue to receive accolades that speak to this. Accolades such as:

- The No.1 Place for Business and Careers;
- The No.1 Healthiest Housing Market;
- The No. 1 Most Sustainable Mid-Size Community;
- And the No. 1 Healthiest County in North Carolina.

According to the 2010 Census, Wake County grew by 43.5 percent over the last 10 years to more than 900,000 residents. And with that growth comes important strategic planning for the future. Major accomplishments were made on the 30-Year Justice Facilities Master Plan this past year.

- We continued construction on the new Justice Center and held a topping out ceremony to mark the completion of the steel framing in February. The Justice Center is expected to open in the spring of 2013;
- The 11th floor of the existing courthouse, which includes the Clerk of Court, was renovated;
- And major progress was made on the Hammond Road Detention Center expansion, which is expected to open next spring.

Another Board of Commissioners' goal for 2011 was Transportation Planning. The County is collaborating with municipal governments, transit providers and regional transportation agencies to begin discussions about our long-term transportation needs. The focus should be on providing efficient and effective modes of transportation for our citizens. Ultimately, municipalities will be asked to consider entering into an interlocal agreement to support the transit plan and future governance.

As we discuss growth and continue to plan for the arrival of more people in Wake County, our Board felt it was important that we make some needed changes to update some outdated regulations.

The Board established a goal in January to evaluate fees and practices to encourage business investment and re-investment in the community. Staff implemented a process to evaluate fees and regulations and solicited feedback from stakeholders including attorneys, the Wake County Planning Board, surveyors and developers. The results identified several areas in development regulations where it was practical to make changes, including:

- The Recreation Land Area Contributions Ordinance. This ordinance was instituted in 2002 and required builders to dedicate land or provide funds whenever a residential development was established. Due to the current state of the economy, and because the ordinance was not serving its original intent of acquiring open space, our Board enacted a text amendment to eliminate this fee and/or property dedication requirement from the Unified Development Ordinance. This was an opportunity to help the development community get back on its feet.
- My fellow commissioners and I also amended UDO text to increase the possibility of more commercial recreation facilities, such as fitness centers and recreational fields. By removing a 10-acre minimum area requirement for potential owners of these facilities, we expect more businesses to be able to invest in Wake County.
- The Board changed the standards for temporary outdoor seasonal sales for holiday flowers, fireworks and pumpkins, by increasing the time that vendors can sell these items from 45 to 90 days.

While these ordinance changes are examples of the county working to make things easier for citizens and businesses, I want to take a moment to talk about a time when many in our community did their part to make people's lives easier.

On the 16th of April, a storm cell spawned a tornado that touched down approximately eight times in Wake County. The storm caused four deaths and impacted more than 3,000 homes and businesses in excess of \$115 million in damages. More than 600 residents were sheltered after the storm and about 200 were homeless.

I would be remiss if I didn't take a moment to commend Wake County employees and our resilient residents, as well. The citizens of Wake County should be extremely proud of how our employees responded in this critical situation.

During and immediately after the storm the Raleigh/Wake 911 Center dispatched more than 1,800 emergency calls and answered more than 3,400 calls – three times the normal volume. All calls were answered within 20 seconds of being received. The initial response to the storm required more than 350 personnel from multiple County departments, to work in coordination with the state, FEMA, local towns

and private partners.

Following the storm, staff and community volunteers worked to find housing for the displaced, provided mental health counseling, cleared debris and repaired property.

In addition, staff developed interactive maps that showed the path of the storm and allowed residents to enter a street address to find out who was collecting their debris.

Again, a great job was done by all during this natural disaster.

Another one of the Board of Commissioners' long-standing priority goals is to improve the County's mental health system. The WakeBrook campus that we dedicated last November began to accept patients in January 2011. WakeBrook allows behavioral health consumers to have access to many levels of care, from outpatient visits to intensive, long-term inpatient treatment. The two-building campus represents Wake County's priority for quality mental health services.

There were other significant achievements in Human Services.

The County's Middle Class Express program, which helps individuals and families move into, or sustain, middle class status, continues to be a major part of the County's plan for Human Capital Development. The program was honored with the North Carolina Association of County Commissioners' Prioritization Award in 2011.

The Public Health Committee of the Human Services and Environmental Services Board adopted obesity as its major health priority this year. As a result, more than 125 Wake County leaders, representing business, government and nonprofits, came together in March to take part in the County's first Health and Wellness Summit, called Winning the Obesity Battle. The event highlighted the work that is currently being done to battle obesity, and provided a forum for resource providers to find ways to collaborate.

Wake County is responsible for the public safety of all its citizens and we're fortunate to have the leadership of Sheriff Donnie Harrison, who has led the Wake County Sheriff's Office for the past nine years.

As we were reminded last Thursday evening, the work that Sherriff Harrison and his deputies perform is not routine. They constantly put their lives at risk to protect our residents and too often we fail to appreciate the magnitude of their sacrifices. Let us be reminded that these brave citizens do unusual work. We are grateful that the results of the incident last week were neither fatal nor tragic.

The use of technology is being used now more than ever to keep people safe. The Sheriff's Office began upgrading its records, crimes and jail management systems to a web-based application and installed cameras in 60 vehicles to improve safety.

The City-County Bureau of Identification trained law enforcement officers from 22 agencies to use the Rapid Identification system – or Rapid ID – in June. Rapid ID allows officers to scan a person's fingerprints and immediately search CCBI's fingerprint database for a possible identification. The technology, the first of its type in North Carolina, will allow law enforcement agencies to complete their jobs in a more efficient manner.

Another Board of Commissioners' long-time goal has been to provide timely and life-saving delivery of Fire/Rescue and EMS services, and to continue discussions with contracted service providers to identify consolidation opportunities.

We took another step in realizing this goal and further strengthened our system in May with the consolidation of Six Forks Emergency Medical Services with Wake EMS. These changes continue the excellent service delivery and outcomes that citizens and residents expect from emergency medical services in Wake County.

Wake EMS has maintained an average arrival time of less than 10 minutes to the scene of major traumas for the last two years. This is a testament to the inter-agency cooperation between Fire and EMS, and their dedication to successfully treat trauma patients.

I'd like to recognize Dr. Brent Myers, the County's EMS Director, who is here with us today... Dr. Myers, you and your excellent staff are another example of why Wake County is such a great place to live. Thank you.

Wake County is also a great place to work, evident by the many programs that help people to find work, help employers find workers and bring new organizations to the community. Throughout the current economic environment we have expanded some of our existing programs and launched new ones to help our citizens cope.

The Capital Area Workforce Development Board – a public, private and community partnership – added four new N.C. SHARE Network Access Points in 2011, bringing the total to 13 sites where job seekers can go in their own communities to look for jobs.

SHARE – which stands for Sharing How Access to Resources Empowers – allows trained volunteers to connect users to the online JobLink system, to help them obtain jobs, create resumes and more.

Workforce Development held their signature event, Collaborate 2011, in June. The event, which raises awareness of the workforce development services available to local business owners and community leaders, attracted more than 150 business owners, workforce developers, government professionals and elected officials.

While the Capital Area Workforce Development Board provides many significant services for our residents, Our Economic Development Program remains one of the best in the nation.

Through the Economic Development Program, 51 current companies have expanded in Wake County, and five new companies have moved to the area since November 2010. These 56 companies account for 5,459 net new jobs, and more than \$467 million in investments.

Some of the larger announcements that have happened in the last year include:

- Red Hat's selection of North Carolina and Wake County for the location and expansion of its corporate headquarters, resulting in an additional 540 jobs and \$109 million in investments to Wake County.
- Biogen, a pharmaceuticals/biotech company, is planning to build a 190,000 square-foot office building on its campus, moving 300 jobs to the Research Triangle Park and making an investment of \$45 million.
- Other announcements include a new site for Strategic Behavioral Health in Garner and expansions for Lenovo, SAS and Novartis.

Ken Atkins, the Executive Director of the Wake County Economic Development Program, continues to do a great job and we thank him for his efforts.

Wake County Government employs more than 4,000 people and I think our award-winning products deserve recognition, as well.

- The County received a Governmental Award for Excellence in Accounting and Financial Management from the State Treasurer's Office in March for the Wake Accountability Tax Check website. Wake was one of two counties in the state to receive the award for implementing fiscally responsible procedures.
- The Register of Deeds' website was redesigned to make it faster and easier to use, and the site is now smartphone-friendly. The Register of Deeds was recognized with an Outstanding County Program Award from the North Carolina Association of County Commissioners for the project. I'd like to take this opportunity to thank Wake County Register of Deeds Laura Riddick for her outstanding leadership.
- Wake County and City of Raleigh GIS departments together received the 2011 Hebert Stout Award for Visionary Use of Technology, given in honor of former County Commissioner Herb Stout. The agencies were recognized for their collaborative approach in rewriting the iMaps application, which provides access to multiple county and city land records databases.

While finding jobs for our citizens has been a focal point, funding our educational system remains a priority, as well.

Education comprises more than one-third of the County's budget. The fiscal year 2012 budget increased the appropriation to the Wake County Public School System to \$314.4 million, an additional \$908,000 from the previous budget. This was the result of realigning the funding for 4-H school-based services and Ready to Learn programs, such that those dollars are now directly provided to the school system. In addition, the County funds a variety of programs in support of the school system, including School Resource Officers and School Health Nurses.

We are nearing the completion of the School's building program approved by the voters in November 2006 and we've identified \$99.4 million in savings, which will allow us to build another high school and provide more seats for students than we originally projected.

At the same time, we have funded the school system's budget requests in full over the last three years, while the County reduced its total budget by more than \$30 million. Of the largest counties in the state, we are the only county that has increased funding for schools over the past three fiscal years, without increasing the property tax rate.

Finally, in an attempt to reduce administrative costs and save taxpayer money, Wake County reached agreements with the School Board so the County now performs all legal work on acquisition services for new school sites and new contested workers' compensation claims involving local dollars. We're also reviewing the possibility of combining the County's risk management program with the School's program. These changes allow the school system's resources to be used more efficiently, while letting the School Board focus on its primary objective – student achievement.

We still have some unfinished work in this area. We've had some discussions about assuming the school system's real estate work involving the construction of new schools. I hope we can continue to work with the School Board and eventually find a more efficient process where the County can accept the responsibility of building schools, which would save taxpayer dollars, and lessen the School Board's burden in the process.

One of the most important pieces in our higher education system in Wake County is Wake Technical Community College.

Wake Tech, the second largest community college in North Carolina, is one of the fastest-growing community colleges in the state – and will soon become the largest. Enrollment was up another 10 percent last fall and the college now serves more than 64,000 people each year.

With cost savings from the 2007 bond referendum, the college purchased an additional 10 acres at its Research Triangle Park campus, bringing the total acreage there to 93.9 acres. Another bond referendum would be needed to acquire the funds to build on that site.

On Main Campus, Wake Tech renovated its Early Childhood Education Building to add a Physical Education wing that includes a new gymnasium, which is the college's first athletic facility in its history.

Wake Tech was also named one of the Best Colleges to Work for in the U.S. by the Chronicle of Higher education, and was one of just nine two-year institutions to make the list.

We were pleased to be able to fund Wake Tech at the same amount in the fiscal year 2012 budget, and I want to thank Dr. Stephen Scott for his outstanding leadership.

While we've talked about why Wake County is such a great place to live, learn and work, allow me to take just a few minutes to explain why our County is also a great place to play.

The County's Open Space program continues to acquire property for outdoor recreation and conservation. In 2004, we identified the Marks Creek area in eastern Wake County as a priority preservation area and we've purchased 14 tracts of land in this region. In October, we received a North Carolina Parks and Recreation Trust Fund grant for \$240,000 that will help us purchase more property to continue with our plans for the future Turnipseed Nature Preserve.

In February, we entered into a partnership with the city of Raleigh to build the Neuse River Greenway Trail, a 28-mile trail that will run along the Neuse River from Falls Lake dam to the Johnston County line. The plan is for the trail to become a segment of the state of North Carolina's Mountains to Sea Trail, which will run 1,000 miles across the state.

I think we're all aware of the love affair shared between the Carolina Hurricanes and Wake County. This past January, the Hurricanes, city of Raleigh and the entire County laid out the red carpet for the world. The 2011 NHL All-Star Weekend was one of the largest events – sporting or otherwise – to ever come to Wake County. It brought nearly 19,000 visitors to the area and generated more than 10,000 hotel stays. Total attendance figures for the weekend's events was estimated to be 138,000.

The event generated an estimated \$11.4 million in direct visitor spending for Raleigh and Wake County, and produced \$49 million in media value for the area, based on more than 685,000 domestic and international media impressions.

Our entire community came together to make the NHL All-Star Weekend in Wake County a tremendous success. It is clear from the comments from people who attended from all around the world that Raleigh, Wake County and the entire region put its best foot forward.

As we look to the challenges facing us in coming years, it's pretty clear what our priorities need to be. Even in our current economic environment, our County is still growing. We must continue to develop our workforce and provide for our citizens, while prioritizing our resources to meet the needs of a growing County.

It is now more important than ever that we stay on course with our economic development efforts with the Greater Raleigh Chamber of Commerce, and remain focused on attracting businesses from all over the world, providing quality employment for our citizens.

As I close, I would like to sincerely thank you for the honor of serving as your chairman for the past year. As we look to the future, I know that our county is ready to face the challenges that lie ahead, while capitalizing on the opportunities that present themselves.

On behalf of the Board of Commissioners, I would like to commend our excellent County employees for the great work that they continue to provide to our citizens on a daily basis. I thank County Manager David Cooke for his excellent leadership and County Attorney Scott Warren for his guidance and counsel. I also want to thank our clerk to the Board, Susan Banks, for her dedication to our entire Board.

And I must say thank you to the many volunteers who serve our County so passionately.

Finally, as we close out another year and prepare for what lies ahead, we recognize that the needs of our citizens have changed. As I mentioned earlier, we understand that families and businesses are struggling to maintain their quality of life.

In the face of all these challenges, the state of Wake County remains strong. We will continue to meet these obstacles head on, maintaining a long-term perspective, while doing the necessary things to make life better for our citizens.

Thank you.

Consent Agenda

Betty Lou Ward motioned, seconded by Joe Bryan, to approve the items on the consent agenda. The motion passed unanimously.

Award of Contract for Demolition and Asbestos Abatement for a Portion of the Sixth Floor of the Wake County Courthouse

Betty Lou Ward motioned, seconded by Joe Bryan, to award a contract in the amount of \$662,410 to Demolition and Asbestos Removal, Inc. of Raleigh, NC for demolition and asbestos abatement of the 6th Floor of the Wake County Courthouse. The motion passed unanimously.

Declaration of Maintenance Covenant and Grant of Protection Easements for Stormwater Control Facilities for the Richard B. Harrison Library

Betty Lou Ward motioned, seconded by Joe Bryan, to approve the execution of the attached Declaration of Maintenance Covenant and Grant of Protection Easements for Stormwater Control Facilities for the Richard B. Harrison Library, subject to terms and conditions acceptable to the County Attorney. The motion passed unanimously.

**Conveyance of 0.21 Acre Public Street Right-of-Way to the Town of Cary
at Cedar Fork District Park**

Betty Lou Ward motioned, seconded by Joe Bryan, to approve the dedication to the Town of Cary of approximately 0.21 acres of public street right-of-way for the construction of Liberty Hill Pass. The motion passed unanimously.

**Department of Homeland Security Metropolitan Medical Response System
(MMRS) for Federal Fiscal Year 2011 Grant Totaling \$267,608.35**

Betty Lou Ward motioned, seconded by Joe Bryan, to accept the Department of Homeland Security Metropolitan Medical Response System (MMRS) program grant via the North Carolina Department of Crime Control and public Safety in the amount of \$267,608.35 with funds to be appropriated in the FY 2012 Grants and Donations budget system, and authorize the County Manager to sign the accompanying Memorandum of Agreement and Grant Award Letter. The motion passed unanimously.

**Department of Homeland Security Training Grant for Federal Fiscal Year
2011 Totaling \$1,856.44**

Betty Lou Ward motioned, seconded by Joe Bryan, to Accept the training grant award from the Department of Homeland Security through the North Carolina Department of Crime Control and Public Safety, Division of Emergency Management in the amount of \$1,856.44 with funds to be appropriated in the FY 2012 grants and donations budget; Authorize the County Manager to sign the training award letter, and; Authorize the County Manager to sign the forthcoming Memorandum of Agreement pending approval/acceptance of the Memorandum of Agreement by the County Attorney. The motion passed unanimously.

Reduction of the Board for the Wake County Housing Authority

Betty Lou Ward motioned, seconded by Joe Bryan, to approve the attached Reduction reducing the number of Commissioners for the Housing Authority of the County of Wake from nine members to seven members. The motion passed unanimously.

Regular Agenda

**Disposition of Surplus Wake County and Town of Zebulon Owned Property
Located at 202 West Barbee Street in Zebulon**

Joe Bryan motioned, seconded by Betty Lou Ward, to Declares the property located at 202 W. Barbee St. Zebulon, NC (Tax ID# 0057149) as surplus

County property; Accepts the highest offer submitted for the purchase of the property located at 202 W. Barbee St. Zebulon, NC (Wake County Tax ID# 0057149) subject to the requirements of North Carolina General Statute §160A-269, approval of the sale by the Town of Zebulon and terms and conditions acceptable to the County Attorney; and Authorizes the County Manager to execute a contract with the Town of Zebulon and Ms. Richardson for the sale of the property.

Commissioner Bryan asked Mr. Aull about projects he had been involved in during his tenure with Wake County. Commissioner Ward thanked Mr. Aull for his dedicated service. Mr. Aull thanked the board for his time and experience as an employee of the county.

The motion passed unanimously.

Public Hearing to Consider Approval of up to \$125,000,000 in Revenue Bonds to be Issued by the Public Finance Authority for Samaritan Housing Foundation, Inc.

Mr. Allen K. Robertson, Attorney with Robinson, Bradshaw and Hinson, council for Samaritan Housing Foundation, Inc. (SearStone) asked for an extension of the bond previously heard and approved by the Board on January 3, 2011. The review was completed October 20, 2011 so it may be January 2012 before the bonds may be issued. There was discussion about the County's role in this process and if a public hearing was necessary. Due to the delay in issuing the bonds, following the initial public hearing, Mr. Robinson stated that a new public hearing was required by law.

Commissioner Gurley asked to see the wording of the item when it was previously approved by the board. Mr. Robinson provided a copy of the January 3, 2011 item for his review. It was determined that the Wake County had no liability on the issuing of these bonds and made no findings regarding the advisability or feasibility of the Facility to be financed with the bonds. The Public Finance Authority proposes to issue up to \$125,000,000 aggregate principal amount of its revenues bonds (the "Bonds") and lend the proceeds from the sale thereof to Samaritan Housing Foundation, Inc., a Georgia nonprofit corporation that is authorized to do business in North Carolina as "SearStone Retirement Community" (the Borrower), for the purpose of providing funds to: (a) acquire, design, construct, furnish and equip a continuing care retirement community to be known as SearStone consisting of approximately 131 independent living apartments, 38 independent living estate homes, 8 assisted living units and 16 skilled nursing beds, together with common areas located at 106 Walker Stone Drive, Cary, North Carolina (the "Facility"), (b) to pay capitalized interest on the Bonds, (c) to fund a debt service reserve fund, and (d) pay certain costs associated with the issuance of the Bonds. The Facility will be owned by the Borrower and operated by SearStone – RLA, Inc.

Mr. Warren said that the language is in the agenda item. It states:

"The County will not incur any liability for repayment of the Bonds by approving the Bonds for purposes of Section 147(f) of the Internal Revenue Code. Because no taxes or other revenues of the County are pledged to pay the Bonds, the staff of the County has made no financial analysis of the Bonds or the Facility."

Commissioner West asked about the liability. Mr. Roberson said there was no liability to Wake County. Chairman Coble clarified that the hearing is for the approval and financing of the bond.

Mr. Robertson said that the review by the North Carolina Department of Insurance (DOI) took a few months for stage three license. On October 20, 2011, the DOI issued a Conditional preliminary Certificate for the facility subject to certain conditions, including a review of the results of the offering of the Bonds.

Commissioner Portman said there is a community benefit from approval of this project. Mr. Warren said there may be a risk to the developer. Mr. Roberson said that the ACT from the 80's stated they are for a charitable non-profit.

Chairman Coble opened the public hearing. No one came forward. Chairman Coble closed the public hearing.

Mr. Warren said the wording in the resolution includes what is needed for Wake County.

Betty Lou Ward motioned, seconded by Ervin Portman, to solely for the purpose of Section 147(f) of the Internal Revenue Code, extends its January 2011 approval of the issuance of up to \$125,000,000 in Revenue Bonds to be issued by the Public Finance Authority for Samaritan Housing Foundation, Inc. and adopts the attached resolution. The motion passed unanimously.

MINUTES OF PUBLIC HEARING AND RESOLUTIONS

OF THE BOARD OF COMMISSIONERS FOR THE

COUNTY OF WAKE, NORTH CAROLINA

The Board of Commissioners for the County of Wake, North Carolina, met in Room 700, on the 7th Floor of the Wake County Courthouse, at 335 S. Salisbury Street in Raleigh, North Carolina, at 2:00 P.M., on November 21, 2011. Chairman Paul Y. Coble presided.

The following were:

Present: Commissioners Paul Y. Coble, Joe Bryan, Tony Gurley, Phil Matthews, Ervin Portman, Betty Lou Ward, and James West

Absent: Commissioners _____

Also Present: David Cooke, County Manager; Scott Warren, County Attorney; and Susan J. Banks, Clerk to the Board.

* * * * *

At approximately 2:50 P.M., Chairman Paul Y. Coble announced that the Board of Commissioners for the County of Wake (the "Board") would proceed to hold a public hearing and would hear anyone who wished to be heard on the proposed issuance by the Public Finance Authority (the "Authority") of not exceeding \$125,000,000 aggregate principal amount of its revenue bonds (the "Bonds"). The proceeds of the Bonds will be loaned to Samaritan Housing Foundation, Inc., a Georgia nonprofit corporation (the "Borrower") to be used for the purpose of providing funds to: (a) acquire, design, construct, furnish and equip a continuing care retirement community to be known as SearStone consisting of approximately 131 independent living apartments, 38 independent living estate homes, 8 assisted living units and 16 skilled nursing beds, together with common areas located at 106 Walker Stone Drive, Cary, North Carolina (the "Facility"), (b) to pay capitalized interest on the Bonds, (c) to fund a debt service reserve fund, and (d) pay certain costs associated with the issuance of the Bonds. The Facility will be owned by the Borrower and operated by SearStone – RLA, Inc.

The Clerk to the Board presented an affidavit of an officer of The News and Observer, showing publication on November 7, 2011, a date at least 14 days prior hereto, of notice of the public hearing. The affidavit of publication is attached to this extract of minutes as Exhibit A.

Chairman Coble opened the public hearing and inquired to determine whether there were any persons who wished to speak at the public hearing. The names and addresses of the persons who were

present and who offered comments on the proposed issuance of the Bonds and a summary of their comments are listed on Exhibit B.

After the Board had heard all persons who had requested to be heard, Chairman Coble closed the public hearing.

Thereupon, Commissioner Ward moved the approval of the following resolution, a copy of which had been distributed to each Commissioner with the meeting agenda, as amended at the meeting:

RESOLUTION APPROVING THE ISSUANCE BY THE PUBLIC FINANCE AUTHORITY OF UP TO \$125,000,000 AGGREGATE PRINCIPAL AMOUNT OF ITS REVENUE BONDS TO FINANCE FOR SAMARITAN HOUSING FOUNDATION, INC. A RETIREMENT COMMUNITY TO BE LOCATED IN CARY, WAKE COUNTY, NORTH CAROLINA.

WHEREAS, the Public Finance Authority (the "Authority") proposes to issue up to \$125,000,000 aggregate principal amount of its revenue bonds (the "Bonds") and lend the proceeds from the sale thereof to Samaritan Housing Foundation, Inc., a Georgia nonprofit corporation (the "Borrower"), for the purpose of providing funds to: (a) acquire, design, construct, furnish and equip a continuing care retirement community to be known as SearStone consisting of approximately 131 independent living apartments, 38 independent living estate homes, 8 assisted living units and 16 skilled nursing beds, together with common areas located at 106 Walker Stone Drive, Cary, North Carolina (the "Facility"), (b) to pay capitalized interest on the Bonds, (c) to fund a debt service reserve fund, and (d) pay certain costs associated with the issuance of the Bonds. The Facility will be owned by the Borrower and operated by SearStone – RLA, Inc.; and

WHEREAS, the Authority is a governmental entity established under Section 66.0304 of the Wisconsin State Statutes, authorized to issue tax-exempt, taxable, and tax credit conduit bonds for public and private entities throughout all 50 states. The Authority is jointly sponsored by the National Association of Counties, National League of Cities, Wisconsin Counties Association and League of Wisconsin Municipalities (the "Sponsors"); and

WHEREAS, under Section 147(f) of the Internal Revenue Code, one condition is to the issuance of tax-exempt bonds is a public hearing and approval by the elected body of a local government in which the bond-financed facility is located; and

WHEREAS, Section 4 of the Authority's Joint Exercise of Powers Agreement also requires this local government approval before the Authority issues bonds for a project in that jurisdiction; and

WHEREAS, on January 3, 2011, after conducting the public hearing required by Section 147(f) of the Code, the Board of Commissioners approved the issuance by the Authority of the Bonds pursuant to and in satisfaction of the requirements of Section 147(f) of the Code; and

WHEREAS, Section 147(f) of the Code and the regulations relating thereto provide that the Board's January 2011 approval is effective if the Bonds are issued within one year; and

WHEREAS, the Board of Commissioners has been informed that the offering of the Bonds commenced on November 9, 2011, after the North Carolina Department of Insurance ("DOI") completed its review of the application for a "Preliminary Certificate" for the Facility on October 20, 2011, and as a result thereof the issuance and delivery of the Bonds may not occur until after January 3, 2012; and

WHEREAS, the Board of Commissioners has been requested to extend its January 2011 approval of the issuance by the Authority of the Bonds for purposes of Section 147(f) of the Internal Revenue Code; and

WHEREAS, the Board of Commissioners today has held a further public hearing with respect to the approval of the issuance of the Bonds as evidenced by the Certificate and Summary of Public Hearing attached hereto; and

WHEREAS, the County will not incur any liability for repayment of the Bonds by approving the Bonds for purposes of Section 147(f) of the Internal Revenue Code; and

WHEREAS, the Board of Commissioners has been informed that DOI licenses and supervises continuing care retirement communities located in North Carolina pursuant to Article 64 of Chapter 58 of the North Carolina General Statutes, as amended, and regulations promulgated thereunder, and performs financial and regulatory reviews on these communities to ensure financial continuity and statutory oversight, with the ultimate objective of reducing the likelihood that any of these communities failing or to mitigate the effect of any such insolvency on residents of such communities; and

WHEREAS, on October 20, 2011, DOI issued a Conditional Preliminary Certificate for the Facility subject to certain conditions, including a review of the results of the offering of the Bonds, and the Board of Commissioners has been informed that (1) a condition for closing the Series 2011 Bonds is that an unconditional Preliminary Certificate be issued, which is required before construction commences (except for site work and construction of model units), and (2) after the Facility is constructed, the Borrower will be required to obtain a Permanent License from DOI before admitting residents;

NOW, THEREFORE, by the Board of Commissioners of Wake County, meeting in regular session at Raleigh, North Carolina, on November 21, 2011, does the following:

BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF WAKE COUNTY:

1. Pursuant to and in satisfaction of the requirements of Section 147(f) of the Internal Revenue Code of 1986, as amended, the Board hereby re-approves the issuance by the Authority of the Bonds described herein for the purpose of extending the time within which the Bonds may be issued until one year from the effective date of this resolution.
2. In approving the issuance by the Authority of the Bonds, this Board makes no findings regarding the advisability or feasibility of the Facility.
3. This resolution shall take effect immediately upon its passage.

Commissioner Portman seconded the motion, and the resolution was passed by the following vote:

Ayes: Commissioners Paul Y. Coble, Joe Bryan, Tony Gurley, Phil Matthews, Ervin Portman, Betty Lou Ward, and James West

Noes: Commissioners _____

Abstaining: _____

* * * * *

I, Susan Banks, Clerk to the Board of Commissioners for the County of Wake, North Carolina, DO HEREBY CERTIFY that the foregoing is a true and complete copy of so much of the public hearing and other proceedings of the Board of Commissioners for such County at a meeting held on November 21, 2011, as relates in any way to the public hearing and resolution hereinabove set forth.

I DO HEREBY FURTHER CERTIFY that minutes of such meeting have been duly recorded in the Board's Minute Book kept by me in accordance with law.

WITNESS my hand and the official seal of Wake County, this 21st day of November, 2011.

(SEAL)

Public Comments:

Mr. Danny Coleman congratulated the board for their discussion of Transit during the November 14th work session. He shared the NC Railroad Report and provided a presentation with the following conclusions:

- The Communities surrounding the proposed Rush Street - Hammond Road Commuter Rail Center have been the most active users of mass transit historically.
- A Bus Circulator with a route through the surrounding communities will greatly increase the rider-ship numbers indicated in the 2022 Base Scenario.
- A review of the current land uses surrounding the proposed Rush Street-Hammond Road Commuter Rail Center reveals the opportunity to maximize their use and subsequent value to the City and the County.
- This effort would greatly appreciate a positive response from this Commission and inclusion in the Interlocal Agreement.

Mr. Coleman said he would also be giving his presentation to the Raleigh City Council and the Capital Area Metropolitan Planning Organization.

Commissioner West asked Mr. Coleman if he said the Rush Street-Hammond Road area was the motion transit oriented. Mr. Coleman said that was his comment.

WCPSS Budget Amendments to FY 12 County Appropriation

Mr. David Neter, Wake County Public Schools, Budget Officer, said that budget adjustments need to be made. He presented the summary of budget amendments made to any line item that were over 15% to county appropriation to Wake County Public School System between July 1, 2011 thru September 30, 2011. A spreadsheet and backup materials, same as presented to the Board of Education, was included in the commissioners' agenda package. He

noted that the county appropriation was included in the WCPSS budget when it was adopted but state and federal funds were unknown. Once the state allotments were known, budget amendments were made and will continue to be made throughout the year. The county funds totaled \$314,411,592.

He reported the changes in the following areas:

- Special Population Services
- School-based Support Services
- Support and Development Services
- Nutrition Services
- Adult Services
- Unbudgeted

Special Populations Services



Beginning Budget	\$29,146,679
July 2011	\$(2,607,613)
August 2011	\$(3,581,680)
September 2011	\$ (29,569)
Ending Budget	\$22,927,817

Per the State Chart of Accounts, Special Populations Services covers the cost of activities for identifying and serving students (in accordance with state and federal regulations) having special physical, emotional, or mental impediments to learning. Also included are those students identified as needing specialized services such as limited English proficiency and gifted education. They include costs of those individuals responsible for proving school curriculum development and coordination as well as lead teachers for special population services.

July, August, and September adjustments to Support and Development Services budget include:

- Savings due to state allotment for Children with Special Needs being higher than estimated. WCPSS shifted local costs to state funds.
- Savings due to reassigning teacher assistant months to Federal Edujobs funds for the 2011-12 year only.
- Savings due to teacher assistant reduction in force from 10 month employment length to 9.25 month employment length.
- Savings due to hospitalization match rate being lower than estimated.
- Savings due to matching dental costs being lower than estimated.

- Decrease due to funds transferred to Special Populations Support and Development Services and Alternative Programs and Services for funds for mobile communication costs and Extended School Year costs in schools.
- Cost due to cost of retirement match rate being higher than estimated.

School-Based Support Services

Beginning Budget	\$8,342,359
July 2011	\$ 209,001
August 2011	\$(82,091)
September 2011	\$2,058,991
Ending Budget	\$10,528,260

Per the State Chart of Accounts, School-Based Support Services covers the cost of school-based student and teacher support activities to facilitate and enhance learning opportunities for students. These include the areas of educational media services, student accounting, guidance services, health, safety and security support services, instructional technology services, and unallocated staff development.

July, August, and September adjustments to School-Based Support Services budget include:

- Making budget adjustments to manage final legislated state funding reductions in non-instructional support. Transferred funds from Operational Support Services from Custodial Reduction to School-Based Support Services to cover costs of NC Wise Data Managers in the schools.
- School-based conversions of months of employment at schools to create media specialist and counselor positions with a purpose code designation of school-based support services. Principals submit conversion requests in accordance with state law as needed to change positions allotted from one type to another. The conversion requests route through a review process prior to approval.

Support and Development Services

Beginning Budget	\$4,894,324
July 2011	\$1,378,586
August 2011	\$ 54,674
September 2011	\$ 52,805
Ending Budget	\$6,380,389

Per the State Chart of Accounts, Support and Development Services covers the cost of activities that provide program leadership, support, and development

services for programs providing students in grades K-12 with learning experiences to prepare them for activities as workers, citizens, and family members. WCPSS presented basis for change in July 2011 to the Board of Commissioners on September 19, 2011. August and September adjustments to Support and Development Services budget include:

- Transfer magnet program dollars from professional development accounts in Regular Instructional Services to IB Diploma Testing Fees and School Membership Dues and Fees in Support and Development Services.
- School-based conversions of months of employment at schools to create coordinator positions with a purpose code designation of support and development services. Principals submit conversion requests in accordance with state law as needed to change positions allotted from one type to another. The conversion requests route through a review process prior to approval.
- Adjusting budgeted salaries and benefits to actual salaries and benefits using monthly projections. The budget included health insurance rate of \$5,461 per person which ended up being \$4,931 per person so adjustments were made.

Nutrition Services

Beginning Budget	\$ 381
July 2011	\$ 64
Ending Budget	\$ 445

WCPSS presented basis for change in July 2011 to the Board of Commissioners on September 19, 2011. Wake County Public School System Notification to Wake County of local purpose/function budget lines changing by more than 15% - as of September 30, 2011

Adult Services

Beginning Budget	\$ 89,847
July 2011	\$(89,847)
Ending Budget	\$ 0

WCPSS presented basis for change in July 2011 to the Board of Commissioners on September 19, 2011.

Unbudgeted

Beginning Budget	\$ 461,126
July 2011	\$1,158,515
August 2011	\$4,847,259
September 2011	\$ (953,201)
Ending Budget	\$5,513,699

Per the State Chart of Accounts, Unbudgeted Funds include unbudgeted federal grant funds administered by the State Board of Education that are

being set aside by the LEA and are not a part of the LEA's budgeted funds. These funds are not available for use in the current fiscal year for expenditures unless the LEA first transfers an amount from this account to their budgeted line item(s) by means of an approved budget amendment. This code may also be used to identify appropriated but unbudgeted funds in any fund source by the LEA. Unbudgeted Funds is an account in the local budget where savings/costs outside of the initial budget are identified during the fiscal year. Staff provides a summary of the "over/under" analysis to the Wake County Board of Education each quarter. Savings and costs from initial budget are reviewed throughout the year.

In 2011-12, WCPSS is using \$27.8 million of one-time Federal Education Jobs funding to support recurring expenditures associated with school-based staff. Savings sequestered during 2011-12 helps the system prepare for covering these costs in 2012-13 after the federal dollars end. WCPSS presented basis for change in July 2011 to the Board of Commissioners on September 19, 2011. August and September 2011 savings and cost adjustments include:

- Savings due to reassigning teacher assistant months to Federal Edujobs funds for the 2011-12 year only.
- Savings due to teacher assistant reduction in force from 10 month employment length to 9.25 month employment length.
- Savings due to elimination of Senior Director, Special Education and Receptionist to the Superintendent positions.
- Savings due to adjusting budgeted salaries to actual salaries, employer's social security costs saved due to pre-tax elections, and months shifted to the state budget.
- Cost of allotments to year round schools as of day 10 of traditional calendar. Wake County Public School System Notification to Wake County of local purpose/function budget lines changing by more than 15% - as of September 30, 2011
- Cost of one-time allotment to schools due to class size issues, leave situations.
- Cost to reinstate a director's position waived for hiring in the Technology Division.
- Cost for assistant principal and clerical months of employment allotted based on formula applied to day ten student membership.
- Cost of conversions of positions from one type to another, by schools.

He said they have gone through the first of the year amendments.

Chairman Coble asked about the savings of conversion of five schools to year-round. Mr. Neter said the savings are in positions and utilities. Mr. Neter said there was \$394,000 in savings. Commissioner West asked about the savings of the Federal Education Jobs funding. Mr. Neter said it was one-time funding for school based personnel.

Commissioner Bryan asked about state and federal funding. Mr. Neter said there would be adjustments throughout the year. Commissioner Bryan asked about the unbudgeted and whether there would be growth every quarter. Mr. Neter said he does not expect growth. Commissioner Bryan asked for cumulative changes and fund balance. Mr. Neter said he could get that information to the board.

Chairman Coble asked about the changes to teacher assistants in multiple places. Mr. Neter said teacher assistants throughout the system were effected which saved \$2.5 million. This area was reported because was over 15%. Teacher Assistants are not in the schools now unless students are in place. There was a reduction this year but there will be an increase in cost next year due to the additional school days required by the legislature.

Chairman Coble asked about the reduction of teacher assistants. Mr. Neter said that teacher assistants were reduced across the board with a savings of \$2.5 million. Mr. Neter said that the teacher assistants were not present on teacher work days but only when there were students in class.

Chairman Coble noted this item was for information only so no action was taken.

[Affordable Housing Development Funding Request for Millbrook Villas](#)

Ms. Annemarie Maiorano, Wake County Housing Director, said that Passage Home has requested a loan of \$155,424 to be used to refinance a bank loan and replace aging appliances in the units. The loan will allow them to lower the debt service on the property and allow the development to become self-supporting. They will convert Millbrook Villas from transitional housing to permanent housing with supportive services, a best practice and will no longer need annual operating subsidy for \$90,900 from the County. She said that the Housing Committee through the Human Services Board has approved the action. The Human Services Board approved this action in October 2011.

Commissioner West asked about support from the City of Raleigh. Ms. Maiorano said that the City of Raleigh has indicated its support.

Chairman Coble asked what will happen in 20 years with this loan. Ms. Maiorano said all three loans will retire at the same time. Commissioner Gurley asked the County Manager where the savings would be used. Mr. Cooke said staff does an annual evaluation on what the county puts into the affordable housing program. He said the program funding was reduced this year but they also look at how much other income is coming into the program. They will determine how the savings may be used as part of the budget process. Ms. Maiorano said they will start paying the loan or the county will determine what to do about the property. Commissioner Bryan said that \$100,000 investment will save \$1.8 million over 20 years.

Joe Bryan motioned, seconded by James West, to approve a loan of up to \$155,424 in County CIP funds to Millbrook Villas, LLC to convert Millbrook Villas Apartments, a 12-unit apartment building in Raleigh, from transitional to permanent housing, subject to terms and conditions acceptable to the County Attorney. Awards are also contingent upon developments receiving local approvals including site plan approval and all necessary permits from the local municipality. In addition, all awards are contingent upon the basic terms as identified in the project descriptions, including funding commitments from the financial partners as identified. The motion passed unanimously.

Accept and Appropriate \$637,379 of Federal Funds from the NC Department of Health and Human Services, Division of Social Services for Low Income Energy Assistance Program

Mr. Bob Sorrels, Deputy Human Services Director, said that this program the funding stream targets low income elderly (60 years and above) or disabled persons receiving SSI, SSA or VA disability payments. The program offers a one-time maximum payment of \$200 or \$400 to eligible households, the amount depends on the heating source. The funds are distributed to the utility vendors.

Citizens may apply for the benefit at the Human Services Swinburne location. He said the program exists until the money is spent. He said this is federal funding distributed through the state to the county which in turn disburses the funds. Chairman Coble asked for the income limits.

Commissioner Gurley asked about outreach to the community. Mr. Sorrels said that the funding announcement would be advertised.

Commissioner West asked about the decrease in funding. Mr. Sorrels said that only about 3,000 households will be helped down from 30,000 households last year.

Vice-Chairman Matthews asked about the households in outlying towns and if the advertisement will reach them. Mr. Sorrels said that Economic Assistance

Programs are advertised at the Regional Centers, but have to be applied for at the main facility on Swinburne Street.

Commissioner Bryan said that having this on the regular agenda allows the public to find out about the benefit.

Joe Bryan motioned, seconded by Tony Gurley, to accept and appropriate to the General Fund \$637,379 in revenues and expenditures from Federal funds from the NC Department of Health and Human Services, Division of Social Services for the Human Services Low Income Energy Assistance Program (LIEAP). The motion passed unanimously.

Accept and Appropriate \$854,253 of Federal Funds from the NC Department of Health and Human Services, Division of Social Services for Human Services Crisis Intervention Program

Mr. Bob Sorrels, Deputy Human Services Director, said that federal funds are disbursed from the North Carolina Department of Health and Human Services to fund the Crisis Intervention Program in assisting low income persons with a heating or cooling related crisis. The maximum amount payable is \$600 per year per household. Payments are made directly to the energy/fuel provider.

Vice-Chairman Matthews asked if a citizen could apply for both programs. Mr. Sorrels said that he would research this question and respond to the board. Mr. Sorrels said that this program runs throughout the year.

Commissioner West asked how they advertised this program. Mr. Sorrels said that the bulletins are placed on the front doors of county facilities.

Betty Lou Ward motioned, seconded by Ervin Portman, to accept and appropriate to the General Fund \$854,253 in additional revenues and expenditures of Federal Funds from the NC Department of Health and Human Services, Division of Social Services for Human Services Crisis Intervention Program. The motion passed unanimously.

Mr. Sorrels said that in the past few years assistance programs have been reduced. He said that a number of county administered energy assistance programs no longer exist.

Findings and Application to the Local Government Commission Regarding Proposed Issuance of General Obligation Refunding Bonds

Ms. Nicole Kreiser, Debt and Financial Manager, spoke of the variable rate debt moving to fixed cost.

On April 21, 2004, the County issued \$124 million of variable rate general obligation bonds for the purpose of partially financing Wake County Public School System building projects. Currently, \$67 million of these bonds is backed by a liquidity facility with RBC and \$57 million of these bonds is backed by a liquidity facility with Helaba. Both liquidity facilities expire in April 2012.

Currently, the County's variable rate portfolio totals \$324 million, which is 15.3 percent of the County's overall outstanding debt. At the same time, the County has sufficient capacity to refund \$124 million of variable rate school bonds. The County would use interest funds previously earned and credited in the WCPSS capital projects fund to pay-off \$30 million of the \$124 million of variable rate school bonds and refund \$94 million of variable rate bonds as fixed rate. As a result, the County would reduce its variable rate exposure to \$200 million, or 9.3 percent of outstanding debt, better positioning the County with respect to potential market turmoil related to the European debt crisis and issues raised during Moody's review of "AAA" municipal credits related to the U.S. sovereign credit rating.

In FY 2011, the interest rates averaged from 0.18 percent to 0.39 percent. These interest rates exclude remarketing and liquidity fees; when remarketing and liquidity fees are included, the all in costs equal approximately 0.74 percent. The proposed refunding would result in an average interest rate of 1.85 percent over the life of the debt.

Ms. Kreiser asked for approval of the bond order and to schedule a public hearing for December 5, 2011.

Tony Gurley motioned, seconded by Phil Matthews, to adopt the following resolution making certain findings, authorizing the filing of an application with the Local Government Commission, and confirming the County's bond counsel and financial advisor in connection with the proposed issuance of general obligation refunding bonds of the County; adopt the attached bond order; and schedule a public hearing for December 5, 2011 at the regular meeting of the Board of Commissioners regarding the order authorizing \$124 million general obligation refunding bonds. The motion passed unanimously.

RESOLUTION

The Board of Commissioners for the County of Wake, North Carolina, met in regular session in the Commissioners' Meeting Room in the Wake County Courthouse in Raleigh, North Carolina, the regular place of meeting, at 2:00 p.m., on November 21, 2011, with Paul Coble, Chairman, presiding. The following Commissioners were:

PRESENT: Joe Bryan, Tony Gurley, Phil Matthews, Erv Portman, Betty Lou Ward and James West.

ABSENT: N/A

ALSO PRESENT: David Cooke, County Manager; Scott Warren, County Attorney; Susan J. Banks, Clerk to the Board.

* * * * *

Chairman Paul Coble introduced the following resolution which was read:

RESOLUTION MAKING CERTAIN FINDINGS, AUTHORIZING THE FILING OF AN APPLICATION WITH THE LOCAL GOVERNMENT COMMISSION AND APPOINTING BOND COUNSEL AND A FINANCIAL ADVISOR IN CONNECTION WITH THE PROPOSED ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS OF THE COUNTY

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

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

(a) Preliminary analysis has been completed to demonstrate a benefit of refunding all or a portion of the County's outstanding (i) Variable Rate School Bonds, Series 2004A, dated April 21, 2004 and (ii) Variable Rate School Bonds, Series 2004B, dated April 21, 2004.

(b) The annual audits of the County show the County to be in strict compliance with debt management policies and that the budgetary and fiscal management policies are in compliance with law.

Section 2. The filing by the County of an application of the County with the North Carolina Local Government Commission for approval of the issuance of not to exceed \$124,000,000 General Obligation Refunding Bonds is hereby ratified, authorized, approved and confirmed.

Section 3. The law firm of Womble Carlyle Sandridge & Rice, LLP shall serve, but solely at the pleasure of the Board, as bond counsel to the County in connection with the issuance of the said bonds.

Section 4. Waters and Company, LLC shall serve, but solely at the pleasure of the Board, as financial advisor to the County in connection with the issuance of the said bonds.

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

Thereupon, upon the motion of Commissioner Gurley, seconded by Commissioner Matthews, the resolution entitled "RESOLUTION MAKING CERTAIN FINDINGS, AUTHORIZING THE FILING OF AN APPLICATION WITH THE LOCAL GOVERNMENT COMMISSION AND APPOINTING BOND COUNSEL AND A FINANCIAL ADVISOR IN CONNECTION WITH THE PROPOSED ISSUANCE OF GENERAL OBLIGATION REFUNDING BONDS OF THE COUNTY" was passed by the following vote:

Ayes: : Paul Coble, Joe Bryan, Tony Gurley, Phil Matthews, Erv Portman, Betty Lou Ward, and James West

Noes: _____

Thereupon, Chairman Paul Coble introduced the following order authorizing bonds which was read:

ORDER AUTHORIZING \$124,000,000 GENERAL OBLIGATION REFUNDING BONDS

BE IT ORDERED by the Board of Commissioners for the County of Wake, North Carolina:

1. That pursuant to The Local Government Bond Act, as amended, the County of Wake, North Carolina, is hereby authorized to contract a debt, in addition to any

and all other debt which said County may now or hereafter have power and authority to contract, and in evidence thereof to issue General Obligation Refunding Bonds in an aggregate principal amount not exceeding \$124,000,000 for the purpose of providing funds, together with any other available funds, to (a) refund all or a portion of the County's outstanding (i) Variable Rate School Bonds, Series 2004A, dated April 21, 2004, and (ii) Variable Rate School Bonds, Series 2004B, dated April 21, 2004, and (b) pay certain expenses related thereto.

2. That taxes shall be levied in an amount sufficient to pay the principal of and the interest on said bonds.

3. That a sworn statement of debt of said County has been filed with the Clerk to the Board of Commissioners for said County and is open to public inspection.

4. That this order shall take effect upon adoption.

The Board of Commissioners thereupon designated the Deputy County Manager/Chief Financial Officer to make and file with the Clerk to the Board the sworn statement of debt of the County which is required by The Local Government Bond Act, as amended, to be filed after the bond order has been introduced and before the public hearing thereon.

Thereupon, the Deputy County Manager/Chief Financial Officer filed with the Clerk to the Board, in the presence of the Board of Commissioners, the sworn statement of debt as so required.

Thereupon, upon the motion of Commissioner Gurley, seconded by Commissioner Matthews, the order entitled "ORDER AUTHORIZING \$124,000,000 GENERAL OBLIGATION REFUNDING BONDS" was passed upon introduction by the following vote:

Ayes: Paul Coble, Joe Bryan, Tony Gurley, Phil Matthews, Erv Portman, Betty Lou Ward, and James West

Noes: _____

On motion duly made, seconded and carried, the Board of Commissioners fixed 2:00 p.m. on December 5, 2011, in the Commissioners' Meeting Room in the Wake County Courthouse located at 335 South Salisbury Street in Raleigh, North Carolina, as the hour, day and place for the public hearing upon the foregoing order and directed the Clerk to the Board to publish said order, as required by The Local Government Bond Act, as amended, once in The News and Observer not later than the sixth day before said date.

* * * * *

I, Susan J. Banks, Clerk to the Board of Commissioners for the County of Wake, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of said Board at a regular meeting held on November 21, 2011, as it relates in any way to (a) the adoption of a resolution making certain findings and authorizing and ratifying the filing of an application with the Local Government Commission of North Carolina in connection with the proposed issuance of General Obligation Refunding Bonds and (b) the introduction of an order authorizing \$124,000,000 General Obligation Refunding Bonds and the calling of a public hearing upon such order and that said proceedings are recorded in the minutes of said Board.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said County this 21st day of November, 2011.

Clerk to the Board

[SEAL]

Other Items

Other Business

Commissioner Ward said that staff is working on the Keep America Beautiful Board and she hoped to report on the progress soon.

Closed Session

Mr. Warren said that the purpose of the closed session is to consider the amount of compensation and other material terms of employment contracts pursuant to G.S. 143-318.11a(5).

Paul Coble motioned, seconded by Betty Lou Ward, to go into Closed Session pursuant to G.S. 143-318.11a(5) as stated by the County Attorney. The motion passed unanimously.

The Board returned to open session.

Chairman Coble called the meeting back to order.

Joe Bryan motioned, seconded by Betty Lou Ward, to Commissioner Bryan stated that following evaluations and reviewing the performance over the past year of the County Manager, County Attorney and County Clerk, the Board of Commissioners unanimously agreed in discussion, to move that the County Manager be given an annual merit increase of 3%; further moved that the Clerk to the Board receive an annual merit increase of 3%; and further moved that the County Attorney be given an annual merit increase of 4% and that all these terms be effective October 1, 2011, and their respective contracts be modified accordingly, and signed by the Chair. The motion was seconded by Commissioner Ward and unanimously approved by the Board.

The motion passed unanimously.

Adjourn

Betty Lou Ward motioned, seconded by Phil Matthews, to adjourn the meeting at 5:08pm.

The motion passed unanimously.

Respectfully submitted,

Susan J. Banks, NCCCC
Clerk to the Board
Wake County Board of Commissioners