

**STATE OF NORTH CAROLINA
COUNTY OF McDOWELL
BOARD OF COMMISSIONERS
SPECIAL MEETING – PUBLIC HEARING
AUGUST 26, 2013**

ASSEMBLY

The McDowell County Board of Commissioners met in a Special Meeting at 4:00 p.m. on Monday, August 26, 2013 for the purpose of holding a public hearing on a financing application that will be submitted to the Local Government Commission. The meeting was held in the Commission Board Room.

MEMBERS PRESENT

David N. Walker, Chairman; Michael K. Lavender; Randy Hollifield; and Joseph R. Kaylor

MEMBERS ABESENT

Barry McPeters, Vice Chairman.

OTHERS PRESENT

Charles R. Abernathy, County Manager; Alison Morgan, Finance Officer; and Ashley Wooten, Assistant to the County Manager.

CALL TO ORDER

Chairman David Walker called the meeting to order and stated the reason for the meeting was to consider financing matters related to the purchase of property for the purpose of locating a future water filtration plant.

LOCAL GOVERNMENT COMMISSION REQUIRED PUBLIC HEARING

Chairman Walker declared the Board of Commissioners in a Public Hearing for the purpose of submitting a financing application to the Local Government Commission. The County Manager gave a brief overview of the project noting that the matter had been on virtually every agenda of the Commissioners for a year. The project would enable the construction of a water filtration plant located at the deepest point in Lake James. The future facility would be initially constructed to handle 1 million gallons per day with future capacity of 3.8 million gallons per day. The project would guarantee McDowell County a secure water source for fifty years and beyond.

Chairman Walker asked for comments from the public. Former County Commissioner and Nebo resident J. Dean Buff spoke in favor of the project, noting that

the project had planned and considered for many years. He spoke about the value of Lake James as a resource and its importance for the future of McDowell County.

The County Manager explained that the submission of the application was being fast-tracked due to several factors such as the expiration of the Crescent Resources option to purchase. He gave a general update on the status of the permitting process before reviewing the necessary LGC documents.

Commissioner Lavender asked for clarification on the percentage of 4.65% annual debt service payments to the budget calculation as mentioned in the LGC documents. The County Manger clarified that number was the percentage of the debt payment of the total county budget. Mr. Kaylor asked Ms. Morgan to explain the outstanding figure total as it relates to school debt and also asked for explanation on several debt items.

The County Manager also reviewed the bank bids. BB&T and Mountain 1st Bank were the only banks to respond to the request for bids. BB&T provided the lowest bid at 2.58% for 10 years and 3.53% for 15 years. Mountain 1st's bid was 3.45% at 10 years and 4.50% at 15 years.

A motion was made by Commissioner Lavender and seconded by Commissioner Hollifield to go out of the Public Hearing.

Commissioner Lavender spoke in favor of the project and said he appreciated Mr. Buff's comments. Commissioner Hollifield spoke about the importance of the Catawba River and how important it would be to obtain an intake on Lake James while it is still permissible. A general discussion of the project timeline followed.

Commissioner Lavender motioned to approve the LGC resolution and application in the amount of \$995,114 and to approve the BB&T financing for that amount at an interest rate of 2.58% for a 10 year term. Commissioner Hollifield seconded the motion and the vote to approve was unanimous.

ADJOURNMENT

There being no further business to transact at this time, upon motion by Commissioner Kaylor and seconded by Commissioner Hollifield and a unanimous vote, the meeting was adjourned.

David N. Walker, Chairman

Ashley R. Wooten, Deputy Clerk to the Board