



REQUEST FOR BOARD ACTION

Item No. 6

DATE OF MEETING: November 4, 2013

REQUESTED BY: Mickey Duvall, County Manager & C. B. "Butch" Watson, Assistant Manager/Finance Officer

SHORT TITLE: Resolution Authorizing the purchase of the McLean Property for use to build the New Pender County Law Enforcement Center/Jail and to authorize Moseley Architects to proceed with due diligence/engineering activities under their current approved contract regarding this project.

BACKGROUND: Approximately 33.826 +/- acres (pending a metes and bounds survey) has been identified. Included in the total acreage will be an 80' access (extreme Northern boundary or extreme Southern boundary of the subject property) directly off U.S. 117 (approximately 2 miles South of Burgaw, NC), to build a new Jail/Law Enforcement Center. The total purchase price will be determined by a selling price of \$20,000 per acre (pending a metes and bounds survey). The subject property can be referenced more specifically as Pender County Tax ID # 3228-88-1880-000, and being a portion of that property more particularly described in a deed recorded in Deed Book 764, Page 703, of the Pender County Registry, excepting a 10 acre +/- tract to be retained by the Seller directly fronting U.S. 117 South. Please reference the attached Pender County GIS map designated as "Exhibit A" for visual specifics and orientation.

SPECIFIC ACTION REQUESTED: Authorization to spend the FY 13/14 Budgeted Jail/LEC Building Line Item (Project 6093) amount of up to \$892,551 to purchase the above referenced property and perform necessary due diligence/engineering regarding the subject property prior to closing. Also it is requested to authorize Moseley Architects to proceed with remaining due diligence/engineering activities under their prior approved contract regarding this project once the subject property Offer to Purchase and Contract is fully executed by all applicable parties.

As part of this transaction, any approvals for financing (if needed) by the Local Government Commission, will be received prior to the final property closing date. Also, latitude will be given to the County Manager, Assistant Manager/Finance Office & County Attorney to negotiate acceptable financing terms (if needed) that is in compliance with the North Carolina Local Government Commission guidelines and Pender County Financial Policies.

The Board of County Commissioners has previously passed on April 15, 2013 (Item #11), a Resolution to Provide for the Reimbursement of Initial Expenditures and Project Costs for a Law Enforcement Center/Jail Project (attached as "Exhibit B").

COUNTY MANAGER'S RECOMMENDATION

Respectfully recommend approval.



Initial

RESOLUTION

NOW, THEREFORE BE IT RESOLVED by the Pender County Board of Commissioners that:

the Board authorizes the FY 13/14 Budgeted amount of up to \$892,551 be allocated from Fund #60 (for Project # 6093) and applicable purchase orders be approved for property acquisition and Moseley Architects due diligence/engineering costs. The Chairman/County Manager is authorized to execute any/all documents necessary to implement this resolution (please reference attached FY 13/14 Budget Ordinance attached as "Exhibit C").

AMENDMENTS:

MOVED _____ SECONDED _____

APPROVED _____ DENIED _____ UNANIMOUS

YEA VOTES: Brown _____ McCoy _____ Tate _____ Ward _____ Williams _____

George R. Brown, Chairman 11/04/2013
Date

ATTEST 11/04/2013
Date

" EXHIBIT B "



REQUEST FOR BOARD ACTION

ITEM NO. 11.

DATE OF MEETING: April 15, 2013

REQUESTED BY: Claiburn B. Watson, Finance Officer

SHORT TITLE: Resolution Authorizing Approval to Provide for the Reimbursement of Initial Expenditures and Project Costs for a Law Enforcement Center Project.

BACKGROUND: The County intends to undertake a Project, use its own funds to pay initial Project costs, and then reimburse itself from financing proceeds for these early expenditures. The Manager and the Finance Officer are advising the Board that it should adopt this resolution to document the County's plans for reimbursement, in order to comply with federal tax rules relating to reimbursement from financing proceeds.

SPECIFIC ACTION REQUESTED: To consider a resolution authorizing approval to provide for the reimbursement of initial expenditures and project costs for a Law Enforcement Center Project.

COUNTY MANAGER'S RECOMMENDATION

Respectfully recommend approval.



Initial

RESOLUTION

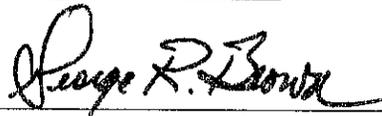
NOW, THEREFORE BE IT RESOLVED by the Pender County Board of Commissioners that:

the attached Resolution hereby authorizes the County to advance funds for the initial Project costs for the Law Enforcement Center Project, and then reimburse itself from financing proceeds to recover these initial expenditures. The Chairman/County Manager is authorized to execute any/all documents necessary to implement this resolution

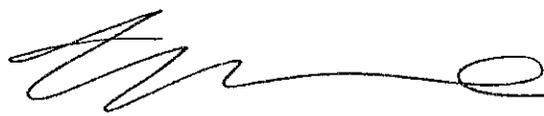
MOVED Ward SECONDED Williams

APPROVED X DENIED _____ UNANIMOUS

YEA VOTES: Brown ___ McCoy ___ Tate ___ Ward ___ Williams ___



George R. Brown, Chairman 4/15/13
Date



ATTEST 4/15/13
Date

Reimbursement Resolution for Law Enforcement Center Project

WHEREAS --

The County intends to undertake a Project (as described below), use its own funds to pay initial Project costs, and then reimburse itself from financing proceeds for these early expenditures. The Manager and the Finance Officer have advised the Board that it should adopt this resolution to document the County's plans for reimbursement, in order to comply with federal tax rules relating to reimbursement from financing proceeds.

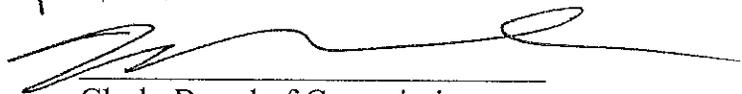
BE IT RESOLVED by the Board of Commissioners of Pender County, North Carolina, as follows:

1. The Project is the acquisition and construction of a new law enforcement center.
2. The County intends to advance funds for initial Project costs, and then reimburse itself from financing proceeds to recover these initial expenditures. The expected type of financing for the Project (which is subject to change) is installment financing under Section 160A-20, including the possible use of certificates of participation or limited obligation bonds. The expected maximum amount of bonds or other obligations to be issued or contracted for the Project is approximately \$25,000,000.
3. Funds for the early Project expenditures may come from the County's General Fund.
4. The County intends for the adoption of this resolution to be a declaration of its official intent to reimburse itself from financing proceeds for Project cost expenditures.

I certify as follows: that the foregoing resolution was properly adopted at a meeting of the Board of Commissioners of Pender County, North Carolina; that this meeting was properly called and held on April 15, 2013; that a quorum was present and acting throughout this meeting; and that this resolution has not been modified or amended, and remains in full effect as of today.

Dated this 15th day of April, 2013.

[SEAL]



Clerk, Board of Commissioners
Pender County, North Carolina

everything is bid out. Mr. Mack said "Professional Services" contracts have to be chosen by qualification, not cost. Mr. Boney said his firm came to the project under the impression that the project is under time constraints. Mr. Tate said he only asked a simple question and he is made to feel belittled by the answer. Other discussion included renovating the bottom floor of the building first and the need to be out of the Annex before the lease has to be renewed. Mr. Williams made a motion to approve the resolution, and Mr. Tate seconded it. Dr. Duvall reminded the Board that the contingency fund is getting low. Mr. Williams then made an amended motion to approve the item up to \$294,176, not-to-exceed \$50,000 out of the current year's budget. Mr. Tate seconded the amended motion and it was unanimously approved.

10. Resolution Authorizing Approval of the Juvenile Crime Prevention Council's Annual Plan, Board Members and Funding Recommendations for FY 2013-2014.

Planner Dee Turner explained: The Juvenile Crime Prevention Council (JCPC) is a state mandated county board who oversees the distribution of state funds for programs serving youth who are currently in the juvenile justice system or are at risk of entering it; JCPC is required to prepare an Annual Plan each year; and the Division of Juvenile Justice has told them to prepare a budget this year based on a 2% reduction, which would be \$111,319. Ms. Turner said the following programs are recommended by the Pender County JCPC: Psychological Services \$58,500, administered by Pender DSS; Juvenile Restitution/Community Service \$25,250, administered by Boys and Girls Club; Teen Court \$18,840, administered by ADR Center; Counseling Services & Anger Management \$11,359, administered by Coastal Horizons; and JCPC Administration \$7,370, majority for an Administrative Assistant. In the event full funding is received, some programs will be allocated additional funds in the total amount of \$2,272. Mr. Tate asked about the Juvenile Restitution Program and Ms. Turner explained a Judge can order restitution which happens often with a property crime, the juvenile earns money usually through doing community service and that money is sent to the victim. Mr. Tate asked if community service sites are in county or out of county. Ms. Turner responded they have sites in Pender County and in Wilmington. The sites in Wilmington are available for juveniles who have to do their community service work on Saturday. Mr. Tate asked which Boys Club it is and Ms. Turner responded the Brigade Boys and Girls Club out of Wilmington. She said they no longer have an office in Pender County since Juvenile Probation moved to Hampstead, but someone comes to Teen Court and are right there to do intake as soon as a sentence is given. They also use the Pender County Library to meet with parents so they don't have to drive to Wilmington. Mr. Tate said he is glad they meet people here because he is always concerned about people who can't afford to drive out of County. Mr. Tate made a motion to approve the resolution, Mr. Williams seconded the motion and it was unanimously approved.

11. Resolution Authorizing Approval to Provide for the Reimbursement of Initial Expenditures and Project Costs for a Law Enforcement Center Project.

Mr. Watson said Item Numbers 11 and 12 are the same. He explained the County intends to undertake a Law Enforcement Project, use its own funds to pay initial Project costs, and then reimburse itself from financing proceeds for these early expenditures. He said federal tax laws require that a reimbursement resolution must be in place for reimbursement of any past or future expenses, and he and the Manager are advising the Board that it should adopt this resolution to document the County's plans for reimbursement. Mr. Watson gave an example of a large city in North Carolina that lost \$1 million in reimbursement funds because it didn't have documentation of a reimbursement resolution. Mr. Ward made a motion to approve the resolution, Mr. Williams seconded the motion and it was unanimously approved.

" EXHIBIT C "

BOARD OF COMMISSIONERS
PENDER COUNTY

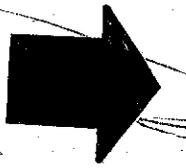
INTRODUCED BY: Dr. Michael Duvall, County Manager/Budget Officer & Mr. Butch Watson,
Pender County Finance Officer

BUDGET ORDINANCE FOR THE FISCAL YEAR BEGINNING JULY 1, 2013

BE IT ORDAINED by the Board of Commissioners of Pender County, North Carolina:

Section 1A. The following amounts are hereby appropriated in the General Fund (Fund #10) for the operation of the County Government and its activities for the fiscal year beginning July 1, 2013 and ending June 30, 2014, in accordance with the chart of accounts heretofore established for this County:

Board of Commissioners	\$141,521
County Manager	\$244,719
Human Resources	\$156,754
County Attorney	\$77,564
Finance	\$320,096
Information Technology	\$899,401
Board of Elections	\$254,675
Register of Deeds	\$268,041
Tax Assessor	\$724,413
Tax Collector	\$481,701
Planning/Parks & Recreation	\$1,365,069
Library	\$749,604
Public Works/Mosquito Control	\$1,770,486
Vehicle Maintenance	\$583,966
Emergency Management	\$330,243
Sheriff/Jail/Animal Control	\$6,718,889
Tourism	\$148,207
Veterans Service Office	\$112,673
Animal Shelter	\$210,107
Health Department	\$4,163,746
Public Assistance	\$9,502,332
Pender County Schools	\$13,366,694
Clerk of Superior Court	\$20,000
Division of Forest Resources	\$230,000
NC Cooperative Extension Services	\$134,514
Outside Agencies	\$1,019,974
Process Funds	\$527,742
Medical Examiner	\$75,000
Contingency	\$894,916
Debt Service	\$86,480
Non-Departmental	\$1,063,500
Federal & State Seizures	\$135,000
Capital Improvement Program (CIP)	\$1,621,040
Public School	\$2,660,896
Revaluation	\$125,000
Workers' Comp	\$375,000
Vehicle Replacement	-
TOTAL GENERAL FUND	\$51,559,963



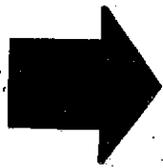
*The Sheriff/Jail appropriation total is \$6,718,889 and is exclusive of the salary and benefits of Commissioner and Deputy Sheriff Chester Ward, the amount of which totals \$48,034. The total of the General Fund above reflects the amount of \$48,034 added to General Fund Contingency for the purposes of enabling Commissioner Ward to vote on this ordinance without any appearance of a conflict of interest or impropriety. After this ordinance is passed, Deputy Ward's salary will be added back to the Sheriff/Jail appropriation funded from General Fund Contingency as a Budget Amendment which will restore the Sheriff/Jail appropriation back to the original amount of \$6,766,923 and the General Fund Contingency back to the original amount of \$846,882. The follow-up amendment will be voted on by the Board with the exclusion of Commissioner Ward.

Section 1B. It is estimated that the following revenues will be available in the General Fund (Fund #10) for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

Property Taxes	\$32,608,582
Sales Tax	\$4,775,000
Sales, Services, and Other Revenues	\$3,372,893
Intergovernmental Revenues	\$6,956,040
General Fund Appropriated Fund Balance	\$3,847,449
Total Revenues	\$51,559,963

Section 1C. There is hereby levied a tax at the rate of fifty-one point two cents (\$.512) per one hundred dollars (\$100) valuation of property listed as of January 1, 2013, for the purpose of raising revenue included in "Property Taxes" in the General Fund in Section 1B of this ordinance. This rate of tax is based on an estimated total valuation of property for the purpose of taxation of \$6,406,978,792 estimated collection rate of 96.00%.

Section 2A. The following amounts are hereby appropriated in the Capital Improvements Program Fund (Fund #60) for the capital projects for the fiscal year beginning July 1, 2013 and ending June 30, 2014, in accordance with the chart of accounts heretofore established for this County:



Capital Improvement Projects	
Old Hampstead School Renovation (Installment Pmts)	\$175,000
US 421 Property Acquisition	\$326,277
Industrial Shell Building – CDBG Loan	\$227,211
Jail/LEC Building	\$892,551
Total Expenditures	\$1,621,039

Section 2B. It is estimated that the following revenues will be available to the Capital Improvements Program Fund (Fund #60) for the fiscal year beginning July 1, 2013 and ending June 30, 2014:

Transfer From General Fund	
Other Than One-time Fund Balance Transfers	\$1,621,039
Total Revenues	\$1,621,039

Section 3A. The following amounts are hereby appropriated in the Public School Capital Special Revenue Fund (Fund #28) for the expenditures associated with the debt service and other school capital projects funded by the County for the fiscal year beginning July 1, 2013 and ending June 30, 2014, in accordance with the chart of accounts heretofore established for this County:

Debt Service Expenditures – 2008	\$462,438
Debt Service Expenditures – 2007	\$1,624,500
Debt Service Expenditures – 2005	\$1,536,500
Debt Service Expenditures – 2004	\$801,800
Debt Service Expenditures – 2010	\$632,150
Debt Service Expenditures -- 2012	\$971,600
Programmed Capital Outlay	\$1,110,000