

**MINUTES
CHATHAM COUNTY
BOARD OF COMMISSIONERS
WORK SESSION
MARCH 28, 2005**

The Board of Commissioners ("the Board") of the County of Chatham, North Carolina, met in the Henry H. Dunlap, Jr. Building Classroom, located in Pittsboro, North Carolina, at 9:00 AM on March 28, 2005.

Present: Chairman Bunkey Morgan; Vice Chair Tommy Emerson; Commissioners Patrick Barnes, Mike Cross, and Carl Outz; County Manager, Charlie Horne; County Attorney, Bob Gunn; Assistant County Manager, Renee Dickson; Finance Officer, Vicki McConnell; and Clerk to the Board, Sandra B. Sublett

The Chairman called the work session to order at 9:07 AM.

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Work Session Agenda

1. **School Board Needs**
2. **Town of Pittsboro Presentation**

SCHOOL BOARD NEEDS

Bunkey Morgan, Chairman, explained that, as per the Local Government Commission, \$65,000,000 was the most reasonable debt load for the County and that the purpose for the day's meeting was to try to set priorities based on the Local Government Commission comments. He asked the Chairman of the Board of Education for his thoughts on school needs.

Alan Zimmerman, Chairman of the Chatham County Board of Education, stated that he had asked his board to review their school needs and prioritize their requests.

The County Manager distributed a list of staff recommendations of possible funding priorities.

The Finance Officer distributed a list of 2006-2010 Capital Projects. She explained the General Fund Projects, Utility Fund Projects, and other projects to be funded with Fund Balance. She reviewed evaluated debt capacity, ratio guidelines, and other considerations.

The Board discussed increasing the Impact Fee to cover the anticipated costs of building two new schools (Siler City Elementary and Northeast Middle School) and expanding the school cafeteria at Jordan-Matthews High School.

The Board asked the staff to look at the three capital improvements priorities, how they would affect tax rates, and how much the impact fee would have to be increased to pay for construction of the two new schools.

BREAK

The Chairman called for a ten-minute break.

The Board prioritized funding requests. A discussion ensued as to the best funding either through bank loans or by selling certificates of participation (COPs). Both must be approved by the Local Government Commission.

The Finance Officer explained that interest rates on certificates of participation do not vary much from those on general obligation bonds but Bond Counsel expenses are significantly more; that the interest on bank loans is usually less but must be repaid in fifteen years instead of twenty years with bonds; that bonds and COPs are generally twenty years; and that bank loans are usually cheaper to administer due to less paperwork involved.

Commissioner Emerson moved, Commissioner Cross seconded, to approve the prioritization of funding options as follows:

- Siler City Elementary School
- Northeast Middle School
- Jordan Matthews Cafeteria
- Horton Renovations
- Chatham Business Park – Phase I
- Community College – Siler City and Pittsboro
- Judicial Facility
- Social Services
- Library

Light systems, softball field lights at three high schools and tennis court lights at two high schools, are part of the CIP.

The motion carried five (5) to zero (0).

BREAK

The Chairman called for a short break until the Town of Pittsboro's Town Manager arrived.

TOWN OF PITTSBORO

David Hughes, Pittsboro Town Manager, explained the specifics of a new spray field, an alternative wastewater discharge system, to be built by the Town of Pittsboro outside of the city limits on State Road #1010. He explained that if the state approved the proposed system, the Town would have an extra 800,000-900,000 gallons per day to take care of the needs of the Town and until the Town determines whether or not a new wastewater plant can be constructed.

Commissioner Cross moved, seconded by Chairman Morgan, to approve funding in the amount of

\$5,000 per month, up to sixty months, to go toward the Town of Pittsboro spray field project, contingent upon the project being approved. The motion carried five (5) to zero (0).

ADJOURNMENT

Chairman Morgan moved, seconded by Commissioner Cross, that the meeting be adjourned. The motion carried five (5) to zero (0), and the meeting was adjourned at 11:40 AM.

Bunkey Morgan, Chairman

ATTEST:

Sandra B. Sublett, CMC, Clerk to the Board
Chatham County Board of Commissioners