



**WAKE COUNTY BOARD OF EDUCATION**  
**MEETING MINUTES**  
**Thursday, June 24, 2010**  
**12:00 p.m.**

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Board Members Present: Ron Margiotta, Chair  
Debra Goldman, Vice Chair  
Chris Malone  
Carolyn Morrison  
Keith Sutton  
John Tedesco

Board Attorney Present: Kenneth C. Haywood

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Board Chair Ron Margiotta called the meeting to order at 12:02 p.m. Mr. Margiotta stated that this was a special called meeting related to administrative space to comply with a requirement of the Local Government Commission.

**FACILITIES**

**1. RESOLUTION PERTAINING TO LEASE FOR ADMINISTRATIVE SPACE**


The Board of Education approved lease for approximately 175,000 square feet of office space in the Crossroads I and II buildings on May 18, 2010 and the Board of Commissioners approved that lease on June 22, 2010. The lease is scheduled to be considered by the Local Government Commission (LGC) at its meeting on July 5, 2010. As a condition of consideration, the LGC in accordance with G.S. 159.151 requires that the Board of Education pass a resolution addressing four specific assurances. The Wake County bond counsel has prepared the attached resolution. Fiscal Implications: This proposed resolution will have no fiscal impact beyond the lease terms. Recommendation for Action: Board approval of the attached resolution is recommended.

Don Haydon, Chief Facilities and Operations Officer, presented information to the Board regarding the resolution being presented (Attachment 1). With no questions or discussion from the Board, Debra Goldman made a motion to approve the resolution, seconded by John Tedesco. The motion was unanimously approved.

The meeting adjourned at 12:08 p.m. on a motion from Debra Goldman, seconded by John Tedesco.

Respectfully submitted by,

  
Ron Margiotta, Chair

  
Lorraine D. Dumas, Recording Secretary

The Wake County Board of Education met in special session in the Board Room in the Administration Building in Raleigh, North Carolina, the regular place of meeting, at 12:00 p.m., on June 24, 2010, with Chairman Ron Margiotta, presiding. The following Board Members were:

PRESENT: \_\_\_\_\_

\_\_\_\_\_

ABSENT: \_\_\_\_\_

\_\_\_\_\_

ALSO PRESENT: \_\_\_\_\_

\_\_\_\_\_

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\_\_\_\_\_ introduced the following resolution the title of which was read and copies of which had been distributed to each Board Member:

**RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING THE EXECUTION OF AN OPERATING LEASE FOR ADMINISTRATIVE FACILITIES AND REQUESTING THE LOCAL GOVERNMENT COMMISSION TO APPROVE SAID OPERATING LEASE**

BE IT RESOLVED by the Board of Education (the "Board") for the County of Wake, North Carolina (the "County") as follows:

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

(a) There exists a need to obtain administrative facilities (the "Project") to be used by the Board and the Wake County Public School System (the "System") and the Board has determined to enter into a 15-year operating lease with PFRS Crossroads Corporation (the "Lease"), a copy of which has been made available to Board Members; and

(b) The Board of Commissioners for the County adopted a resolution on June 21, 2010 agreeing to appropriate sufficient funds to the Board to meet the Board's payment obligations under the Lease, as described in said resolution of the Board of Commissioners; and

(c) It is in the best interest of the Board to enter into the Lease in that such transaction will result in satisfying the Board and the System's administrative space needs in an efficient and cost effective manner.

Section 2. The Board hereby requests the Local Government Commission to approve the Lease pursuant to Section 115C-530 of the North Carolina General Statutes. In connection therewith the Board hereby finds and determines that:

(a) entering into the Lease is preferable to a general obligation bond and revenue bond issue in that (i) the Board does not have the constitutional authority to issue general obligation bonds and the County does not have the constitutional authority to issue non-voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution because the County has not retired a sufficient amount of debt in the preceding fiscal year to issue a sufficient amount of general obligation bonds for the Project without an election; (ii) the nature of the Project is such that a revenue bond financing under The State and Local Government Revenue Bond Act is not feasible; (iii) the cost of constructing or purchasing the Project exceeds the amount to be prudently provided from currently available appropriations and unappropriated fund balances; (iv) the circumstances existing require that funds be available to commence related construction on the Project as soon as practicable and the time required for holding an election for the issuance of voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution and the Local Government Bond Act will delay the commencement of construction of the Project by several months; and (v) there can be no assurances that the Project will be approved by the voters, the Board and the County agree that current bond capacity be utilized for school construction, renovation and related expenses, and the necessity of

such Project dictates that the Project be financed by a method that assures that such Project will be constructed in an expedient manner;

(b) the cost of providing for the Project through the entering into of the Lease is reasonable comparable to the costs of issuing general obligation bonds or other available methods of financing and is acceptable to the Board; and

(c) the debt management policies of the County have been carried out in strict compliance with law, and the County is not in default under any obligation for repayment of borrowed money; and

(d) as described in the aforementioned June 21, 2010 resolution of the Board of Commissioners of the County, payments on the Lease will be provided as part of the County's regular appropriations to the Board so no tax or rate increase is anticipated to be necessary to pay Lease payments..

Section 3. The Board hereby determines that it is in the Board's best interest to proceed at this time with entering into the Lease.

Section 4. This resolution shall take effect immediately upon its passage.

Upon motion of \_\_\_\_\_, seconded by \_\_\_\_\_, the foregoing resolution entitled "RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING THE EXECUTION OF AN OPERATING LEASE FOR ADMINISTRATIVE FACILITIES AND REQUESTING THE LOCAL GOVERNMENT COMMISSION TO APPROVE SAID OPERATING LEASE" was passed by the following vote:

Ayes: \_\_\_\_\_

\_\_\_\_\_

Noes: \_\_\_\_\_

\_\_\_\_\_

\* \* \* \* \*

I, \_\_\_\_\_, Secretary of the Wake County Board of Education, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of said Board of Education at a special meeting held on June 24, 2010, as relates in any way to the passage of the foregoing resolution and that said proceedings are recorded in the minutes of said Board of Education.

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

WITNESS my hand and the official seal of said Board of Education this 24th day of June, 2010.

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Secretary of the Board of Education

[SEAL]