

MINUTES OF THE MEETING OF THE BOARD OF COUNTY COMMISSIONERS HELD AT THE RUTHERFORD COUNTY OFFICE BUILDING IN THE COUNTY COMMISSIONERS' MEETING ROOM ON JANUARY 4, 2010 AT 6:00 P.M.

**PRESENT: CHAIRMAN BRENT WASHBURN
VICE CHAIRMAN MARGARET HELTON
SUSAN CROWE
EDDIE HOLLAND
PAUL MCINTOSH**

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CALL TO ORDER\INVOCATION\PLEDGE OF ALLEGIANCE

Chairman Washburn called the meeting to order. Vice Chairman Helton gave the invocation. Commissioner Crowe led the pledge of allegiance to the flag.

ADOPTION OF AGENDA

Chairman Washburn read the items on the printed agenda and the supplemental agenda. Commissioner Crowe made a motion to approve the agenda as amended. The motion was unanimously approved.

Additions:

- VII. New Business
 - E. Recovery Zone Facility Bond Resolutions
- VIII. Old Business
 - D. Rutherford County Airport Transportation Improvement Plan
- IX. Closed Session
 - A. Attorney-Client Privilege\G.S. 143.318.11(a)(3)
 - B. Personnel\G.S. 143-318.11(a)(6)
 - C. Industrial Location\G.S. 143-318.11(a)(4)

PUBLIC HEARING\GOLF CART ORDINANCE

6:07 P.M. Chairman Washburn declared the public hearing open to receive comments on the proposed golf cart ordinance pertaining to the operation of golf carts on public streets and roads within Rutherford County. The ordinance would authorize the use of golf carts under the provisions of the ordinance on Moss Drive, SR 1222, and would authorize the addition and deletion of streets or roads by the Rutherford County Board of Commissioners. Manager Condrey called attention to the petition signed by the residents of Moss Drive requesting that golf carts be driven on their street explaining it will apply to Moss Drive only and that it has been made as simple as possible, with minimal restrictions, although the Commissioners may make it as restrictive as they choose.

No one else wished to speak.

6:10 P.M. Chairman Washburn declared the public hearing to be closed.

Commissioner McIntosh made a motion to approve the ordinance authorizing the use of golf carts in daylight hours by drivers age 16 and older on Moss Drive SR 1222. The motion was unanimously approved.

PUBLIC COMMENTS

Chairman Washburn opened the floor for public comments.

Mrs. Rose Priano gave an update on Frank West Park. She reported the park is being maintained and cleaned on a regular basis by citizens. A new design and priority list are being prepared. She thanked the Commissioners for their help and said that the use of the park is increasing.

Mr. Duncan Edwards spoke on the importance of communication between county government and citizens. He referred to previous difficulties between the tax department and members of his family. He said when there is more communication there are smaller problems. When someone requests public records, there should be follow-up and he asked the Commissioners and county staff to make sure that this happens.

Mr. Zoran Naskov objected to the county relinquishing control of the fiber optic network to Pangaea. He said the stipulation that the network would revert to the county in the case of bankruptcy by Pangaea is not favorable to the county, since bankruptcy can take a long time. According to Mr. Naskov Golden Leaf provided funding for the project in order to improve internet access for people in the county, but Pangaea does not provide residential service. He asked that the current contract be discarded and new bids be solicited.

Chairman Washburn recognized each of the Commissioners for a three-minute comment.

Commissioner Holland said Rutherford County has good citizens but that not all citizens are receiving the facts. He pointed to the new webcasting as a way of opening the facts to the public.

Commissioner Crowe stated that she did not feel comfortable voting on the Pangaea contract at the present time.

Commissioner McIntosh observed that it is very difficult to get specific information out to the public. He wants everyone to have the actual facts.

Vice Chairman Helton voiced appreciation for all the calls and emails she has received. She said she will act on what she feels is best for the county and her constituents.

Chairman Washburn commented that the arrangement with Pangaea has been in the works for some two years. There have been many meetings on the subject that have been open to everyone. He said that although at first he had reservations about it, he now thinks the negotiations between county staff and Pangaea have produced a result that will be good for the county.

CONSENT AGENDA.

Commissioner McIntosh made a motion to approve the consent agenda. The motion was approved on unanimous vote.

Bonds for County Officials

By consent, surety bonds as listed below were approved:

Sheriff	\$10,000
Social Services Director	\$100,000
Coroner	\$2,000
Tax Administrator	\$100,000
Finance Director	\$100,000
County Manager	\$100,000
Register of Deeds	\$10,000

Minutes

By consent, the minutes of the December 7, 2009, meeting were approved.

Tax Refunds and Releases

By consent, tax refunds of \$269.08 and tax releases greater than \$100 totaling \$20,788.84 as outlined by Tax Administrator Kep Kepley were accepted. Tax releases of amounts less than \$100, which totaled \$2,466.15, were submitted by the Finance Office. (A copy of these tax refunds and releases is in the Minute Book.)

AGENDA

Vice Chairman Helton reiterated her opinion that unless there is an emergency situation, only items that appear on the original agenda for each meeting should be considered at the meeting. When new items are put on a supplemental agenda, there often is not enough time for Commissioners to study the matter, and there is the appearance that something is being hidden. Manager Condrey advised that the Commissioners have the prerogative to remove any item from the agenda that they do not wish to consider. Only material that has been received after the original agenda has been distributed are included on the supplemental agenda.

Chairman Washburn noted that providing webcasts of the proceedings on the internet is a further demonstration that nothing is being done in secret.

RECOGNITION OF MIKE AND BARBARA NELSON

Commissioner McIntosh saluted the generosity of the people of the county and, in particular, of Mike and Barbara Nelson, who in partnership with Preservation North Carolina have made it possible

for the Biggerstaff Hanging Tree property, site of events in the American Revolution, to be preserved. He read the text of a resolution expressing gratitude and appreciation for their donation.

Vice Chairman Helton made a motion to approve the resolution acknowledging the generosity of Mike and Barbara Nelson in the preservation of the site of the Biggerstaff Hanging Tree. The motion was unanimously approved.

RESOLUTION

WHEREAS, events in Rutherford County contributed significantly to the founding the United States of America; and

WHEREAS, the Battle of Kings Mountain was considered a "turning point" of the Revolutionary War; and

WHEREAS, prisoners from the Battle of Kings Mountain were taken to Gilbert Town in Rutherford County where many were tried and convicted and sentenced to death by hanging; and

WHEREAS, convicted prisoners were taken to Biggerstaff's Old Fields (Red Chimneys) on October 10, 1780; and

WHEREAS, nine of the convicted prisoners were hanged from a tree at Biggerstaff's Old Fields; and

WHEREAS, Linda Gordon and Martha Shinn, heirs of the property where the hanging tree was believed to stand, desired to preserve the property and its history; and

WHEREAS, Barbara and Mike Nelson have a keen interest in history and a desire to preserve it; and

WHEREAS, Barbara and Mike Nelson's extreme generosity made it possible for Rutherford County, with its partner Preservation North Carolina, to purchase the Biggerstaff Hanging Tree property; and

WHEREAS, the Biggerstaff Hanging Tree property is now preserved and will be a publically accessible historic site where future generations can understand and appreciate our nation's story.

NOW, THEREFORE, BE IT RESOLVED, that the Rutherford County Board of Commissioners expresses its deep gratitude and appreciation for the Nelson's donation to the preservation of our county and our country's history and for a gift that will live on for the benefit of all the citizens of Rutherford County and to Ms. Gordon and Ms. Shinn for their perseverance in assuring the property was preserved.

Adopted this the 4th day of January, 2010.

APPOINTMENTS\SWEEP

Commissioner Crowe made a motion to approve the appointmentS of William Coxe and Peggy Barr to the SWEEP committee. The motion was unanimously approved.

APPOINTMENT\WATERSHED COMMISSION

A motion was made by Commissioner Holland to approve the appointment of Mr. Herb Toms to the Watershed Commission. The motion was unanimously approved.

APPOINTMENT\TRANSPORTATION COMMITTEE

There was a unanimous vote of approval to a motion made by Vice Chairman Helton to approve the appointment of Mr. Tom Padgett to the Transportation Committee.

APPOINTMENTS\CAPITAL PLANNING AND FINANCE ADVISORY COMMITTEE

Commissioner Crowe made a motion to approve the re-appointments of Mr. Kevin Rogers and Mr. Tom Johnson to the Capital Planning and Finance Advisory Committee. She also moved that Mr. Jim Rhyne be appointed to replace Mr. Chad Conner and Mr. R. Cameron McHargue be appointed to replace Mr. John Lewis. The motion was unanimously approved.

APPOINTMENTS\WATERSHED REVIEW BOARD

A motion to approve the appointment of Mr. Bob Owens and Mr. Linwood Perry to the Watershed Review Board was made by Commissioner Holland. The motion was unanimously approved.

FY 2008-2009 FIRE DISTRICT AUDITS

Ms. Crystal Hamrick presented the volunteer fire department audits. She thanked the respective departments for their work in providing detailed and accurate records. All but one have purchased additional equipment this year. She encouraged the departments to seek grant funding for replacement of old equipment.

Commissioner McIntosh made a motion to approve the audits as presented. The motion was unanimously approved.

BUDGET AMENDMENTS

Paula Roach explained the budget amendments.

	Expense	Revenue
GENERAL FUND		
Sheriff - Project Lifesaver	\$20	
Project Lifesaver Donations *donations received		\$ 20
Sheriff - Equipment Purchased with Seizure Funds	\$ 7,735	
Federal/State Forfeited Funds		\$ 7,735

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	Expense	Revenue
*forfeited funds received from DEA		
Sheriff - Drug Buy Money	\$82	
Sheriff - Miscellaneous Revenues *Clerk of Court restitutions		\$ 82
Sheriff - Equipment Purchased with Seizure Funds	\$ 6,590	
Drug Seizure Funds *unauthorized substance tax distribution		\$ 6,590
Sheriff - Reserve Officer Supplies	\$ 350	
Sheriff - Miscellaneous Revenues *reimbursement received from Zurich Insurance for services rendered during fuel spill (May 2009)		\$350
EMS - Unemployment Compensation	\$ 4,361	
Detention - Unemployment Compensation	\$ 712	
NCACC Insurance Pool *additional unemployment claims received (extended benefits)	\$ (5,073)	
EMS - Emergency Management Task Force	\$ 8,764	
EMS Miscellaneous Revenues *reimbursement received for supplies/materials purchased during fuel spill		\$ 8,764
Library Professional Services-Strategic Plan	\$20,000	
LSTA EZ Planning Grant *State grant received by library for strategic planning. No local match is required.		\$ 20,000
DSS FUND		
Food and Nutrition Program	\$38,246	
ARRA Revenues - Food and Nutrition Program *Oct09 - Sept10 ARRA Food and Nutrition Program distribution		\$ 38,246
Special Children Adoption Program	\$45,000	
Special Children Adoption Fund Revenues *additional funding received; no county match		\$ 45,000
FIRE DISTRICTS FUND		
Fire Advisory Council - Capital Outlay Equipment	\$ 3,443	
Miscellaneous Revenues *reimbursement for supplies/materials purchased during fuel spill		\$3,443
TRANSIT FUND		
Transit - Unemployment Claims	\$ 109	
Fund Balance Appropriated *additional unemployment claims received		\$109

Commissioner Crowe made a motion to approve the budget amendments. The motion was unanimously approved.

2010-2011 BUDGET CALENDAR

Manager Condrey presented the 2010-2011 budget calendar. The schedule calls for a proposed budget in to be presented in May, 2010.

CLIFFSIDE SANITARY DISTRICT BOARD OF COMMISSIONERS

Manager Condrey reviewed the circumstances concerning the Cliffside Sanitary District. Since Cone Mill ceased operations, the District now only provides sewer service to two schools, 67 homes and 19 commercial facilities, and is struggling to survive. There are problems of over-capacity, deterioration from age, and unexplained infiltration of storm water. The county has had to subsidize the operations in the past two years.

In addition, during the last filing period for the Board of Directors of the Cliffside Sanitary District, no one filed to serve on the board. Barry Jones, who had served on the board for 30 years but did not wish to be re-elected, has indicated a willingness to continue to serve while a resolution of the District's problems can be developed. The Rural Center may be willing to consider a grant out of its normal grant cycle if the county and the district collaborate on an application. The grant would allow for data gathering, evaluation and planning for the future of the system.

Vice Chairman Helton made a motion to approve the agreement between Rutherford County and the Cliffside Sanitary District to apply for Rural Center funding for a planning project to develop a sustainable scenario for the future of the District.

Commissioner Holland asked to be excused from the vote, since he is the owner of a business served by the District.

Vice Chairman Helton made a motion to excuse Commissioner Holland from the vote. The motion was approved on a 4-0 vote.

The motion to approve the agreement was approved on a 4-0 vote.

RUTHERFORD COUNTY AIRPORT TRANSPORTATION IMPROVEMENT PLAN

Alan Guffey of the Airport Authority presented the 2011-2015 Airport Transportation Improvement Program (TIP) plan for the airport and explained that this plan is updated annually and is necessary for the airport to be in a position to obtain grant money from the state.

Vice Chairman Helton made a motion to approve the Rutherford County Airport Transportation Improvement Program for 2011-2015. The motion was unanimously approved.

OPTION TO PURCHASE REAL PROPERTY

Manager Condrey asked for authorization to obtain an extension to an existing option to purchase a parcel of real estate and explained that this purchase may become necessary to meet the requirements of a prospective industry. The Commissioners were in agreement with negotiations to extend the option.

PANGAEA CONTRACT

Manager Condrey provided information on the proposed agreement between Pangaea and Rutherford County for the ownership and operation of the fiber optic system. The information is also available on the county's website.

Rhonda Owens, Rutherford County Information Technology Director, outlined the recent history of efforts to provide broadband to Rutherford County schools and to Emergency Services locations. These efforts have been supported with grant funding to Rutherford County from the Golden Leaf Foundation and have resulted in a 62-mile fiber network to the schools and a 38-mile EMS fiber network to emergency locations, including fire stations, police stations, libraries and governmental facilities.

Benny Hendrix, Rutherford County School Chief Operations Officer/Chief Information Office, described the process by which the Broadband Advisory Team has studied and examined all aspects of constructing the network and the relationship between the county and Pangaea. Its purpose has been to serve the county in the best possible way. The result has been a consensus by all members of the team. He spoke of the importance of maintaining the integrity of the network and access for students and teachers in their homes, as well as, at school.

Rhonda Owens explained that an agreement signed in 2007 supports the school network. Under the agreement, Pangaea owns the fiber and Rutherford County owns an IRO (Indefeasible Right to Use). A restriction under that agreement that the fiber can be used only for government uses will be lifted on November 5, 2010. The present proposed agreement, which will be in effect until November 5, 2010, covers the Emergency Services Fiber Network, which attaches to and expands the original schools network.

Julie Scherer, Rutherford County Finance Officer, discussed the factors involved in the decision to make Pangaea the owner of the network with Rutherford County having the Indefeasible Right to Use (IRU), including unity of management and maintenance as well as liability, right-of-way, insurance and pole attachment issues. She further explained that in accounting terms, the IRU is a form of capital and investment in the system is treated as a capital cost rather than as an operating expense. This initial proposed agreement will end November 5, 2010 and the county will have an opportunity to review the agreement at that time.

Commissioner Washburn commented on the fact that any decision on the use of the fiber is in the hands of the Commissioners. Manager Condrey confirmed this, saying that if a private internet provider wanted use of the fiber, it would have to be approved by the county in a public process. If a provider obtains use of a portion of the fiber, the maintenance costs paid by the county would be reduced and the county would receive a percentage of the fees paid by the provider.

Amanda King, Chairman of the Board of Pangaea and former Rutherford County Commissioner, discussed the structure, financial position, and operating philosophy of Pangaea.

Ron Walters, Pangaea Executive Director, also spoke on the strength and sustainability of Pangaea and its business model.

Jim Edwards, Executive Director of Isothermal Planning and Development Commission and member of the Pangaea board of directors, said he believes it is a community asset.

County Attorney Beth Miller noted that e-NC has been consulted throughout the process and that on their suggestion the county obtained legal advice from an attorney who specializes in fiber matters.

Manager Condrey pointed out that Pangaea is not carrying any debt and that it will not be allowed to incur any debt using the fiber as collateral.

Paul Martin, of Foothills Connect, noted that the purpose of Foothills Connect is to promote economic growth through the use of technology. The Foothills Connect board has reviewed the arrangement with Pangaea, asked questions and had them answered, and supports the agreement.

Mr. Omar Causey said he formerly practiced telecommunications law in the state of Florida and that he has never seen an agreement structured in this way. He said the county would be giving up rights to something that it has acquired. He asked whether a lease agreement would be preferable.

Manager Condrey said the vote on the resolution which was presented will permit the proposal to be published as required by statute and that the actual vote on the agreement with Pangaea would not take place at this meeting.

Chairman Washburn made a motion to approve the resolution calling for publication of the proposed agreement between Rutherford County and Pangaea. The vote on the motion was as follows:

Yes: Commissioner McIntosh, Commissioner Holland and Chairman Washburn

No: Commissioner Crowe and Vice Chairman Helton

NOTICE

WHEREAS, Rutherford County received \$1.45 million in grant funds from the GoldenLEAF Foundation of which \$1.15 million was used to extend from fiber already connecting the schools additional middle mile fiber to unserved areas of the county to serve fire stations, police stations, libraries and governmental facilities within Rutherford County; and

WHEREAS, the 38 miles of fiber constructed ("Emergency Services Fiber Network") with said grant funding is attached to 62 miles of PANGAEA's already existing fiber network; and

WHEREAS, PANGAEA has the necessary telecommunication pole attachment license agreements for the currently attached fiber herein referenced; and

WHEREAS, PANGAEA is a non-profit corporation; and

WHEREAS, the County is a party to an existing contract with PANGAEA wherein the County has Indefeasible Rights to Use (IRUs) fiber in PANGAEA's previously constructed network; and

WHEREAS, the County proposes to transfer unto PANGAEA ownership of the constructed Emergency Services Network for the consideration of \$10 and with the County receiving in exchange Indefeasible Rights to Use all of the County constructed fibers for \$10; and

WHEREAS, the County will retain beneficial and equitable control of the fiber by virtue of the Indefeasible Right to Use the fiber; and

WHEREAS, the value of said network lies within the value of said Indefeasible Rights of Use (IRUs); and

WHEREAS, the County proposes to pay PANGAEA management and maintenance fees associated with the operation of the network; and

WHEREAS, PANGAEA has the ability to provide bandwidth and transport which is necessary for the use of Emergency Service Fiber Network; and

WHEREAS, the County has a proposed agreement drafted stating the terms of the transaction with PANGAEA which includes a transfer back to County upon termination of the agreement; and

WHEREAS, a copy of the agreement is available for review at the Office of the Clerk to the Board at the Rutherford County Office Building, 289 North Main Street, Rutherfordton.

NOW, THEREFORE BE IT RESOLVED that the Rutherford County Board of Commissioners, pursuant to General Statutes 160A-279 and 160A-267, proposes to transfer the Emergency Services Fiber Network to PANGAEA, a non-profit corporation, upon the terms and conditions set forth herein and more particularly described in the agreement provided that said agreement is subsequently approved by the Rutherford County Board of Commissioners; and

Adopted this the 4th day of January, 2010.

CLOSED SESSION/ATTORNEY-CLIENT PRIVILEGE/G.S. 143.318.11(a)(3)/N.C.G.S. 143-318.11(a)(6)/Industrial Location/G.S. 143-318.11(a)(4)

Vice Chairman Helton made a motion to go into closed session for attorney-client privilege under G.S. 143.318.11(a)(3), personnel under G.S. 143.318.11(a)(6), and industrial location under G.S. 143.318.11(a)(4). The motion was unanimously approved.

8:45 P.M. – The Board went into Closed Session

9:40 P.M. – The Board returned to regular session.

RESOLUTION\ APPLICATION\RECOVERY ZONE BONDS

Tom Johnson, Director of the Economic Development Commission, explained the resolution designating Rutherford County as a recovery zone which is required for the issuance of Recovery Zone Facility Bonds.

Commissioner Crowe made a motion to approve the resolution designating Rutherford County as a Recovery Zone under the American Recovery and Reinvestment Act of 2009. The motion was unanimously approved.

RESOLUTION DESIGNATING RUTHERFORD COUNTY AS A RECOVERY ZONE FOR RECOVERY ZONE BOND PURPOSES

WHEREAS, the American Recovery and Reinvestment Act of 2009 (the "Act") amended the Internal Revenue Code of 1986, as amended (the "Code") by authorizing the issuance of recovery zone economic development bonds ("RZED Bonds") to finance "qualified economic development purposes" (as defined in Section 1400U-2 of the Code) and recovery zone facility bonds ("RZF Bonds" and, collectively with the RZED Bonds, "Recovery Zone Bonds") to finance "recovery zone property" (as defined in Section 1400U-3 of the Code), each subject to the limitations set forth in the Code; and

WHEREAS, in connection therewith, the Board of Commissioners (the "Board") of the County of Rutherford, North Carolina (the "County") desires to designate the entirety of the County as a "recovery zone" as permitted by and in accordance with the provisions of Section 1400U-1 of the Code, based on the factors set forth in Section 1400U-I of the Code.

NOW, THEREFORE, BE IT RESOLVED by the Board, as follows:

Section 1. The Board, as permitted by Section 1400U-1 of the Code, hereby designates the entirety of Rutherford County as a "recovery zone" within the meaning of said Section 1400U-1 of the Code by virtue of having significant poverty, unemployment, rate of home foreclosures or general distress in the County.

Section 2. This resolution shall take effect immediately upon its adoption.

Upon motion of Commissioner Crowe and unanimously carried, the Board approved the passage of the foregoing resolution entitled "RESOLUTION DESIGNATING RUTHERFORD COUNTY AS A RECOVERY ZONE FOR RECOVERY ZONE BOND PURPOSES."

Adopted this the 4th day of January, 2010.

RESOLUTION REALLOCATION

Commissioner McIntosh made a motion to approve the resolution requesting reallocation of Recovery Zone Bonds in the amount of \$9,000,000 for acquisition and installation of machinery equipment by an industry to be named at a later time. The motion was unanimously approved.

RESOLUTION REQUESTING REALLOCATION OF RECOVERY ZONE BOND AUTHORITY TO RUTHERFORD COUNTY

WHEREAS, the American Recovery and Reinvestment Act of 2009 (the "Act") amended the Internal Revenue Code of 1986, as amended (the "Code") by authorizing the issuance of recovery zone economic development bonds ("RZED Bonds") to finance "qualified economic development purposes" (as defined in Section 1400U-2 of the Code) and recovery zone facility bonds ("RZF Bonds" and, collectively with the RZED Bonds, "Recovery Zone Bonds") to finance "recovery zone property" (as defined in Section 1400U-3 of the Code), each subject to the limitations set forth in the Code;

WHEREAS, the Board of Commissioners (the "Board") of the County of Rutherford, North Carolina (the "County") has, by resolution adopted on January 4, 2010, has designated

the entirety of the County as a "recovery zone" in accordance with the provisions of Section 1400U-1 of the Code;

WHEREAS, the County, through the issuance of RZF Bonds, desires to assist a private corporation with the financing of various improvements to an existing facility located in the County, including, without limitation, the acquisition and installation of machinery and equipment related thereto, which improvements, machinery and equipment are expected to cost approximately \$9 million

WHEREAS, the County has no existing allocation of RZF Bond authority;

WHEREAS, under the provisions of Article 51B of Chapter 143 of the General Statutes of the State of North Carolina, as amended by Session Law 2009-140 of the North Carolina General Assembly, the North Carolina Federal Tax Reform Allocation Committee (the "Committee") is given the authority to determine whether the initial allocations of RZF Bonds are being waived and in the event of such waiver to determine reallocations of such waived initial allocations;

WHEREAS, the North Carolina Department of Commerce ("DOC") has promulgated rules (the "Allocation Rule") providing a procedure for a unit of local government to request a reallocation of RZF Bonds as provided in the Allocation Rule; and

WHEREAS, the County, in order to assist said private corporation with the financing of said improvements to an existing facility located in the County, including, without limitation, the acquisition and installation of machinery and equipment related thereto, desires to request a reallocation of RZF Bond authority in the amount of \$9,000,000.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners (the "Board") of the County, as follows:

Section 1. The County Manager and the Finance Officer are each hereby authorized and directed to take any and all action as either the County Manager or Finance Officer deems necessary or advisable to carry out the intent of this resolution and accomplish the goal of obtaining a reallocation of RZF Bond authority in the amount of \$9,000,000, including, without limitation, providing such additional information relating to the project as may be requested in connection with the County's request for reallocation of RZF Bond authority for the project.

Section 2. In connection with the request for reallocation of RZF Bond authority, the Board makes the following findings:

- (a) The Board has heretofore designated the entire County as a recovery zone.
- (b) The obligations to be issued will be Recovery Zone Facility Bonds.
- (c) The Rutherford County Industrial Facilities and Pollution Control Financing Authority will be the issuer of the RZF Bonds.
- (d) The project to be financed includes the rehabilitation, improvement and renovation of an existing facility located in Rutherford County, North Carolina, including the acquisition and installation of machinery and equipment related thereto, to be used for the manufacture of three-dimensional woven textile products.
- (e) The maximum amount of RZF Bonds to be issued will be \$9 million.

Section 3. This resolution shall take effect immediately upon its adoption.

Adopted this the 4th day of January, 2010.

SETTLEMENT OF LAWSUIT

Manager Condrey announced that the county's lawsuit against RC Motorsports for failure to fulfill the terms of the economic incentives awarded to Rutherford County Motorsports by the county has been settled. Under the terms of the settlement the principals of the company have agreed to repay the county \$140,000, of which \$14,000 has been received and the remainder is to be paid under a promissory note.

ADJOURNMENT

Chairman Washburn declared the meeting adjourned.

Meeting adjourned at 10:47 p.m.

Chairman, Board of Commissioners

Vice Chairman, Board of Commissioners

Attest:

Clerk, Board of Commissioners