

Approved: 6/21/2010

Minutes of the Regular Meeting
of Monday, May 17, 2010
7:00 p.m.

The Union County Board of Commissioners met in a regular meeting on Monday, May 17, 2010, at 7:00 p.m. in the Commissioners' Board Room, first floor, Union County Government Center, 500 North Main Street, Monroe, North Carolina. The following were

PRESENT: Chairwoman Kim Rogers, Vice Chairwoman Tracy Kuehler, Commissioner Allan Baucom, Commissioner A. Parker Mills, Jr., and Commissioner Lanny Openshaw

ABSENT: None

ALSO PRESENT: Al Greene, County Manager; Matthew Delk, Assistant County Manager; Lynn G. West, Clerk to the Board; Jeff Crook, Senior Staff Attorney; Keith Merritt, County Attorney; Kai Nelson, Finance Director; members of the press; and interested citizens

OPENING OF MEETING:

At approximately 7:00 p.m., Chairwoman Rogers convened the meeting and welcomed everyone present.

a. Invocation

Commissioner Baucom presented the invocation.

b. Pledge of Allegiance

Chairwoman Rogers led the body in reciting the Pledge of Allegiance to the United States flag.

c. Featured Community Benefit Organization

Chairwoman Rogers recognized Gloria Barrino of the Union County Crisis Assistance Ministry. She asked Ms. Barrino to introduce the members of the Board of Directors for Crisis Assistance Ministry. Ms. Barrino deferred to Ms. Ruby Stegall, President of the Union County Crisis Assistance Board of Directors. Ms. Stegall asked the members of the Board of Directors and staff who were present to stand.

She introduced Ms. Gloria Barrino, Director of the Union County Crisis Assistance Ministry. Ms. Barrino stated that the Union County Crisis Assistance Ministry is celebrating 25 years of existence this year. She explained that the organization provides short-term assistance to individuals and families who are experiencing a short-term crisis in their lives, through no fault of their own. She said that with the economic distress, they are seeing an alarming number of people seeking assistance from them, with Union County being one of the seven largest growing counties in the nation.

She said that last year alone, Crisis Assistance Ministry was able to keep 1,200 families in their homes and their children out of foster care. Ms. Barrino stated that the primary objective of the Union County Crisis Assistance Ministry is to prevent homelessness. She shared a Power Point presentation with the Board and the audience. She pointed out that the Union County Crisis Assistance Ministry is a United Way agency, which also receives funding from churches, individuals, grants and FEMA. She said that they are still turning people who need help away every day. Ms. Barrino said their organization works very closely with the Department of Social Services, and it is designed to assist people who work.

She said that they do a very thorough assessment and assist with rent, utilities, and mortgage payments. She stated that most of the organization's referrals come from the Department of Social Services and other approved agencies. Ms. Barrino said that they have a food pantry. She stated that they partner with other organizations in the community so as not to duplicate services. She stated that they encourage volunteers from the community to assist with the clerical work and fundraising.

She shared that the types of donations that are needed by the Union County Crisis Assistance Ministry include monetary donations, gas, cars, and food cards.

Ms. Barrino expressed appreciation to the Board for allowing her to share information about the Crisis Assistance Ministry in Union County.

Commissioner Mills stated that the Union County Crisis Assistance Ministry was the recipient of the Waxhaw-Weddington Sunrise Rotary 5K. He said he thought the ministry would be receiving approximately \$8,000.

Chairwoman Rogers shared that she had served as a volunteer with the Crisis Assistance Ministry in Mecklenburg County. She agreed that the people seeking assistance from the ministry are not accustomed to asking for assistance and need a little bit of a helping hand. She encouraged anyone who wanted to volunteer to consider this organization, and said that it is a very much needed organization.

d. Employee Service Award Recognitions:

Chairwoman Rogers recognized the following employees for their years of service with the County:

Five Years of Service

Dale Louder
Thomas Luisa
Randall Hargrove

Department

Health Department
Sheriff's Office
Social Services

Ten Years of Service

Beth Yow

Department

Social Services

Twenty-Five Years of Service

John Tarlton

Department

Public Works

PUBLIC HEARING – RE: BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$110,000,000 GENERAL OBLIGATION REFUNDING BONDS OF THE COUNTY OF UNION, NORTH CAROLINA:

At approximately 7:10 p.m., Chairwoman Rogers opened the public hearing and stated that no one had registered to comment during the public hearing. She closed the public hearing at approximately 7:11 p.m.

INFORMAL COMMENTS:

Chairwoman Rogers stated that two individuals had signed to speak during the informal comments. She explained the purpose of the informal comments and the guidelines for the comments.

Virginia Bjorlin, who resides at 1220 Rosa Drive, Monroe, North Carolina, stated that she is President of the Monroe-Union County Historical Society. Mrs. Bjorlin shared that on July 4, 1910, a crowd gathered on the west side of the Union County Courthouse to dedicate the new Confederate Monument, which was financed by the United Daughters of the Confederacy (UDC), which has disbanded in Union County since that time.

She said that while there are no individual names on the monument, they feel that it extends beyond the 1,809 soldiers of whom 552 died and 467 were wounded. She stated that she would like to think it extends to civilians and others who gave a lot, especially the women who also suffered a lot during the war. Mrs. Bjorlin said that the Historic Society is planning a commemoration of the 100th birthday on Monday, July 5. She stated that it is intended to be a celebration of history and not emphasizing the lost cause. She said that they hope that all of the Board members would be able to attend the celebration.

Tony Way shared a newspaper article that was published in *The Charlotte Post* regarding the proposed monument recognizing the contributions of ten black Confederate pensioners. He suggested that the County acknowledge the descendents of these men at some time.

Mr. Way disagreed that the present monument commemorates everyone, because the black soldiers were not recognized in any way until the 1927 Class B Pension Act. He stated that after that time, these men participated in the United Confederate Veterans Groups, but before then there was no recognition.

ADDITIONS, DELETIONS, AND/OR ADOPTION OF AGENDA:

Chairwoman Rogers said that she had received a request to remove Consent Agenda Item #1 – Minutes, to move Consent Agenda Items 2 (Establishment of FY 2011 Budget Calendar) and Item 3 (Jackson Community Volunteer Fire and Rescue, Inc. – Purchase of a Used 1996 Freightliner 2,500 Gallon Tanker-Pumper) to the Regular Agenda. Further, she asked to add an Item 12 to the Consent Agenda – Weddington Optimist Park.

With there being no further additions or deletions, Chairwoman Rogers moved adoption of the agenda with the amendments as requested. The motion passed unanimously.

Chairwoman Rogers listed the placement of the additions to the Regular Agenda as follows:

1. Consent Agenda Item 2 – Establishment of FY 2011 Budget Calendar – to become Item 9b
2. Consent Agenda Item 3 – Jackson Community Volunteer Fire and Rescue, Inc. – Purchase of a Used 1996 Freightliner 2,500 Gallon Tanker – Pumper to become Item 9c

CONSENT AGENDA:

Vice Chairwoman Kuehler moved approval of the items listed on the Consent Agenda as amended. The motion passed unanimously.

Minutes: Minutes were removed from the agenda

Establishment of FY 2011 Budget Calendar: This item was moved to the regular agenda as Item 9b.

Jackson Community Volunteer Fire and Rescue, Inc. – Purchase of a Used 1996 Freightliner 2,500 Gallon Tanker-Pumper: This item was moved to the regular agenda as Item 9c.

Motor Vehicle Tax Refunds for April 2010: Approved motor vehicle tax refund overpayments for April 2010 in the amount of \$5,546.48.

Contracts/Purchase Orders Over \$20,000: Authorized the County Manager to approve Items a and b as follows: a) Sheriff's Office: Purchase Order to Lawmen's for Tasers and Related Equipment in the amount of \$25,953.45 (Funding was approved in this year's budget); and b) Tax Administration: Agreement with Thomas A. Ebert for Appraisal Support in the amount of \$53,850.

Budget Transfers Report for March and April 2010: Approved budget transfers report for March and April 2010.

Tax Administration: Approved the Tenth Motor Vehicle Refund Register for the Period of April 1, 2010 – April 30, 2010 in the amount of \$866.19-.

Tax Administration: Approved the Tenth Motor Vehicle Release Register for the Period of April 1, 2010 – April 30, 2010 in the amount of \$9,541.70-.

Tax Administration: Approved the Eleventh Motor Vehicle Billing in the grand total of \$1,005,537.62.

Tax Administration: Approved Releases for April 2010 in the grand total of \$21,607.50 as follows:

RELEASES APRIL 2010

| Acct # | Name | Release # | Totals |
|--------------------|--------------------------------------|-----------|-----------------|
| 2010 | | | |
| 07033057 | ALLEN WILLIAM M & WF WANDA OLIVER | 6420 | 1,699.74 |
| Totals-2010 | | | 1,699.74 |
| 2009 | | | |
| 50087915 | JORDAN WENDI | 6346 | 166.32 |
| 50054692 | CRAY INC | 6348 | 82.94 |
| 50102401 | SMITH BRENT M | 6350 | 422.90 |
| 50074501 | MCLAIN BRIAN STEVEN | 6351 | 158.12 |
| 50096687 | CAROLINA MOTOR CARS & RENTALS | 6353 | 7.32 |
| 50083234 | TIMMONS ANGELA | 6354 | 159.00 |
| 50096527 | ALPHA OMEGA FINANCIAL GROUP INC | 6355 | 223.15 |
| 50097552 | GRIFFIN MELISSA | 6356 | 10.98 |
| 50096635 | BELK BAXTER THOMAS | 6359 | 1,609.30 |
| 50083963 | BAUGHMAN GARY G | 6360 | 8.19 |
| 50099456 | DOMINO'S | 6369 | 851.66 |
| 50099960 | GARRIS PHILLIP ALLEN | 6375 | 245.71 |
| 09321530 | CRAFT DEVELOPMENT LLC | 6377 | 119.70 |
| 09321536 | CRAFT DEVELOPMENT LLC | 6380 | 119.70 |
| 09321537 | CRAFT DEVELOPMENT LLC | 6383 | 119.70 |

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|----------|-------------------------|------|----------|
| 09321533 | CRAFT DEVELOPMENT LLC | 6386 | 119.70 |
| 09321532 | CRAFT DEVELOPMENT LLC | 6389 | 119.70 |
| 09321538 | CRAFT DEVELOPMENT LLC | 6392 | 119.70 |
| 09321531 | CRAFT DEVELOPMENT LLC | 6395 | 119.70 |
| 09321534 | CRAFT DEVELOPMENT LLC | 6398 | 119.70 |
| 09321535 | CRAFT DEVELOPMENT LLC | 6401 | 119.70 |
| 09321539 | CRAFT DEVELOPMENT LLC | 6404 | 119.70 |
| 09321529 | CRAFT DEVELOPMENT LLC | 6407 | 119.70 |
| 09321496 | TRUE HOMES LLC | 6410 | 119.70 |
| 09321497 | TRUE HOMES LLC | 6413 | 119.70 |
| 09321498 | TRUE HOMES LLC | 6416 | 119.70 |
| 09143019 | GASKINS RUTH E | 6419 | 894.43 |
| 50077383 | UNION MEDICAL ASSOC PA | 6421 | 1,975.78 |
| 50074190 | CARLTON D M CO | 6422 | 74.03 |
| 50073146 | MOORE BRIAN EDWARD | 6431 | 67.36 |
| 50101744 | DONATOS PIZZA | 6437 | 182.88 |
| 50101289 | B K G UTILITY SERVICES | 6438 | 365.75 |
| 50068442 | CARLTON CONSTRUCTION CO | 6443 | 104.90 |

Totals-2009

9,286.52

2008

| | | | |
|----------|----------------------|------|--------|
| 50087915 | JORDAN WENDI | 6347 | 121.70 |
| 50093844 | GREJDIERU LEAH M | 6349 | 53.97 |
| 50074501 | MCLAIN BRIAN STEVEN | 6352 | 101.50 |
| 50097552 | GRIFFIN EMMETT | 6357 | 26.25 |
| 50083963 | BAUGHMAN GARY G | 6361 | 8.59 |
| 50083234 | TIMMONS ANGELA | 6368 | 114.96 |
| 50099456 | DOMINO'S | 6370 | 740.56 |
| 50098523 | RORIE GARY | 6374 | 441.01 |
| 50099960 | GARRIS PHILLIP ALLEN | 6376 | 198.97 |
| 50074190 | CARLTON D M CO | 6423 | 64.37 |
| 50073146 | MOORE BRIAN EDWARD | 6432 | 70.90 |

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|--------------------|-------------------------|------|-----------------|
| 50068771 | HARGETT CRYSTAL DAWN | 6439 | 80.88 |
| 50068442 | CARLTON CONSTRUCTION CO | 6444 | 91.22 |
| Totals-2008 | | | 2,114.88 |
| 2007 | | | - |
| 50097552 | GRIFFIN EMMETT | 6358 | 28.09 |
| 50083963 | BAUGHMAN GARY G | 6362 | 9.23 |
| 50089414 | I T C MILLWORK LLC | 6365 | 3,199.00 |
| H2208002A 01 | POLK LILLIE REE | 6367 | 121.82 |
| 50074501 | MCLAIN BRIAN STEVEN | 6371 | 172.25 |
| 50074190 | CARLTON D M CO | 6424 | 59.84 |
| 50073146 | MOORE BRIAN EDWARD | 6433 | 84.30 |
| 50068771 | HARGETT CRYSTAL DAWN | 6440 | 152.31 |
| 50068442 | CARLTON CONSTRUCTION CO | 6445 | 84.79 |
| Totals-2007 | | | 3,911.63 |
| 2006 | | | - |
| 50083963 | BAUGHMAN GARY G | 6363 | 8.82 |
| 50089414 | I T C MILLWORK LLC | 6366 | 3,282.15 |
| 50074501 | MCLAIN BRIAN STEVEN | 6372 | 153.87 |
| 50074190 | CARLTON D M CO | 6425 | 46.57 |
| 50073146 | MOORE BRIAN EDWARD | 6434 | 74.96 |
| 50068771 | HARGETT CRYSTAL DAWN | 6441 | 135.43 |
| 50068442 | CARLTON CONSTRUCTION CO | 6446 | 66.04 |
| Totals-2006 | | | 3,767.84 |
| 2005 | | | - |
| 50083963 | BAUGHMAN GARY G | 6364 | 9.25 |
| 50074501 | MCLAIN BRIAN STEVEN | 6373 | 149.30 |
| 50074190 | CARLTON D M CO | 6426 | 40.07 |
| 50073146 | MOORE BRIAN EDWARD | 6435 | 74.15 |
| 50068771 | HARGETT CRYSTAL DAWN | 6442 | 175.86 |

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|---------------------|-------------------------|------|--------------------|
| 50068442 | CARLTON CONSTRUCTION CO | 6447 | 56.82 |
| Totals-2005 | | | 505.45 |
| 2004 | | | - |
| 50074190 | CARLTON D M CO | 6427 | 32.86 |
| 50073146 | MOORE BRIAN EDWARD | 6436 | 70.04 |
| 50068442 | CARLTON CONSTRUCTION CO | 6448 | 46.66 |
| Totals-2004 | | | 149.56 |
| 2003 | | | - |
| 50074190 | CARLTON D M CO | 6428 | 28.81 |
| 50068442 | CARLTON CONSTRUCTION CO | 6449 | 40.92 |
| Totals-2003 | | | 69.73 |
| 2002 | | | - |
| 50074190 | CARLTON D M CO | 6429 | 22.58 |
| 50068442 | CARLTON CONSTRUCTION CO | 6450 | 32.06 |
| Totals-2002 | | | 54.64 |
| 2001 | | | - |
| 50074190 | CARLTON D M CO | 6430 | 19.63 |
| 50068442 | CARLTON CONSTRUCTION CO | 6451 | 27.88 |
| Totals-2001 | | | 47.51 |
| GRAND TOTALS | | | \$21,607.50 |

Department of Social Services: Budget Ordinance Amendment #45 to Appropriate \$133,446 in Federal Department of Defense Funding for Food and Nutrition Service Benefits to County Residents: Adopted Budget Amendment #45

| BUDGET AMENDMENT | | | | | | | | | |
|------------------|--|--|--|--|--|--|--|--|--|
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|---------------------------|---|---------------|------------------------|---|---------|
| BUDGET | DSS | | REQUESTED BY | Dontae Latson | |
| FISCAL YEAR | FY2010 | | DATE | May 03, 2010 | |
| <u>INCREASE</u> | | | <u>DECREASE</u> | | |
| <u>Description</u> | | | <u>Description</u> | | |
| Operating Expenses | | 133,446 | | | |
| Federal Revenue | | 133,446 | | | |
| Explanation: | Appropriate Federal Dept of Defense funding for Food and Nutrition Service benefits to county residents | | | | |
| DATE | | | APPROVED BY | Bd of Comm/County Manager Lynn West/Clerk to the Board | |
| FOR POSTING PURPOSES ONLY | | | | | |
| <u>DEBIT</u> | | | <u>CREDIT</u> | | |
| <u>Code</u> | <u>Account</u> | <u>Amount</u> | <u>Code</u> | <u>Account</u> | |
| 10553101-5381-1450 | Professional Services | 133,446 | 10453101-4342-1450 | Federal Funding | 133,446 |

| | | | | | | | |
|---------------------------|---|--|---------------|------------------------|------------------------------|--|--------|
| FISCAL YEAR | FY2010 | | | DATE | May 17, 2010 | | |
| <u>INCREASE</u> | | | | <u>DECREASE</u> | | | |
| <u>Description</u> | | | | <u>Description</u> | | | |
| Operating Expenses | | | 15,105 | | | | |
| Grant Revenue | | | 15,105 | | | | |
| | | | | | | | |
| | | | | | | | |
| | | | | | | | |
| Explanation: | Appropriate additional funding for the Union Smart Start grant. | | | | | | |
| | | | | | | | |
| DATE | | | | APPROVED BY | | | |
| | | | | | Bd of Comm/County Manager | | |
| | | | | | Lynn West/Clerk to the Board | | |
| FOR POSTING PURPOSES ONLY | | | | | | | |
| <u>DEBIT</u> | | | | <u>CREDIT</u> | | | |
| <u>Code</u> | <u>Account</u> | | <u>Amount</u> | <u>Code</u> | <u>Account</u> | | |
| 10561100-5233-1804 | Periodicals, Books | | 1,000 | 10461100-4447-1804 | Grant Funding | | 15,105 |
| | | | | | | | |
| 10561100-5260-1804 | Printing & Office Supp | | 10,755 | | | | |
| | | | | | | | |

FROM:

CONSENT AGENDA:

Motion was made by Vice Chairman Pressley that the items as included on the consent agenda be approved as submitted:

TO:

CONSENT AGENDA:

Motion was made by Vice Chairman Pressley that the items as included on the consent agenda be approved as submitted. The motion was passed unanimously.

Purchases by Health Department Using Federal Phase III Pandemic Flu Funds: Authorized recommended purchases as follows:

a) Emergency Mass Notification System with an estimated annual cost of the service and associated software and equipment purchases of \$37,500; and b) Pandemic Flu Phase III Purchases which includes an outdoor LED full color sign to be located on the façade at Union Village to display H1N1 information updates, as well as other public health related updates to citizens with the estimated cost of the signage to be \$33,490.

Weddington Optimist Park: Authorized the County Manager to coordinate with the Town of Weddington in developing a joint information release providing assurance for use of Weddington Optimist Park during the upcoming athletic season.

Information Only – No Action Required: Included in the agenda package, with no action required, were the following reports: a) Personnel Department's Monthly Report for April 2010; and b) Department of Inspection's Monthly Report for April 2010.

PUBLIC INFORMATION OFFICER'S COMMENTS:

Chairwoman Rogers recognized Brett Vines, Union County Public Information Officer, for his comments.

Mr. Vines offered the following comments:

1. There will be a yard sale on Saturday, May 22, 2010, from 8:00 a.m. until at the Morningstar Storage, 5530 West Highway 74, Monroe, North Carolina. The proceeds will benefit “The Friends of the Union County Animal Shelter.” Anyone who would like to participate can rent a table to sell items for \$10 cash or \$10 worth of pet supplies or food.
2. The rabies clinics are continuing to be held. Clinics are scheduled for the following dates and locations:
 - a. Saturday, May 22, 2010 –
 1. Marshville Elementary School from 9:00 a.m. to 10:30 a.m.
 2. Union Elementary School from 11:00 a.m to 12:30 p.m.
 3. Union County Farmers Market from 1:30 p.m. to 3:00 p.m.
 4. Sun Valley High School from 3:30 p.m. to 5:00 p.m.
 - b. Wednesday, May 26, 2010 –
 1. Weddington High School from 5:30 p.m. to 7:00 p.m.

The cost is \$10 cash per vaccine.

3. The County is still under Stage II Mandatory Water Conservation Restrictions.
 - a. Each Union County water customer has two days (Sunday through Friday) they are permitted to irrigate based on their geographic location within the county.
 - b. Schedules for the irrigation days will be included in each customer’s next water bill.
 - c. Customers irrigating on non-scheduled days are subject to fines from Public Works.
 - d. For more information, visit the Public Works’ website at: <http://ucpw.co.union.nc.us>.
4. Mr. Vines shared the following Memorial Day Closings for county services:
 - a. Union County offices will be closed on Monday, May 31.
 - b. County libraries will be closed on Saturday, May 29 – Monday, May 31.
 - c. County landfill will be closed on Monday, May 31.
 - d. Animal Shelter will be closed on Saturday, May 29 – Monday, May 31.

- e. Cane Creek Park will be open all weekend from 7:30 a.m. – 6:30 p.m. Jesse Helms Park and Fred Kirby Park will be closed on Saturday, May 29 – Monday, May 31.

CONSIDERATION OF LIGHTING TEXT AMENDMENT ARTICLE XV SECTION 242 AND ARTICLE II, SECTION 15 AND APPLICABLE CONSISTENCY STATEMENT:

Chairwoman Rogers stated that the public hearing was held earlier in tonight’s meeting. She said that the staff’s recommendation contained in the Board’s agenda package was for the Board to note the comments and requests but not to take action on the matter. She stated that as the Board’s liaison to the schools that the Chairman of the Board of Education, Dean Arp, had spoken with her and pointed out some of the issues that the schools would have with the text amendment.

Commissioner Openshaw moved to approve Section 242(d) as follows:

“(d) No light is to be emitted out of the fixture above the horizontal plane.”

He stated that this would apply to residential, street lighting, and amenity centers. He said the remainder of the suggested text amendments could be reviewed in the fall when the comprehensive land use ordinance is reviewed.

The Board discussed the motion. Commissioner Mills stated that he did not think the text amendment should be piecemealed, but he thought staff’s recommendation is what should be followed and then come back with the comprehensive revision of the Land Use Ordinance.

Chairwoman Rogers asked Jim King, Planning Board Chairman, and Richard Black, Planning Director, if they had a proposed date for bringing the revised Land Use Ordinance to the Board for consideration. Mr. King responded that the Planning Board is still working on the land use plan, and he estimated the time for a completed land use ordinance to be probably a minimum of two years. He stated that there is not sufficient funding to have a consultant help in completing the land use ordinance. In response to a question by Chairwoman Rogers asking if the portion of the land use ordinance suggested by Commissioner Openshaw could be changed at this time or if it would need to wait for the total use ordinance, Mr. King replied that any part of the ordinance could be instituted now.

Mr. Black stated that he thought the comprehensive land use plan should be completed first and develop a strategy developed *on how to prioritize and rewrite the land use ordinance based on the limited funding and to identify and prioritize the issues. He

pointed out that with the economic decline, the County has the opportunity to do a comprehensive and detailed approach on the land use ordinance.

Vice Chairwoman Kuehler stated that it was her understanding that the County has no lighting ordinance at this time. Mr. King responded that within the residential areas, there are no restrictions. He read from the table of uses a number of uses that were allowed by right in residential areas, where there would be no lighting requirements.

Vice Chairwoman Kuehler offered a friendly amendment to Commissioner Openshaw's motion that, based on the information that has been given, the lighting ordinance be prioritized and reviewed first as soon as the comprehensive land use plan is completed. She clarified that her amendment was that once the rewriting of the land use ordinance has begun, that the lighting ordinance be one of the top priorities. She stated that her amendment only added to Commissioner Openshaw's motion.

Al Greene, County Manager, suggested that the Board also consider in conjunction with the motion that some people already may have obtained their building permits and ordered equipment. He recommended that the effective date of the text amendment be for new building permits issued after a certain date so as not to create confusion and controversy. He stated his other point would be that as he understood the motion, the text amendment would apply to residential, street lights, and amenity centers. He asked if the County's ordinance included a definition of amenity centers.

Commissioner Baucom stated that he had no opposition to the text amendment but said his concern was that it was piecemealing the ordinance, as had been stated by Commissioner Mills. He said that he did not have a problem with expediting the entire process but did have a problem with piecemealing the ordinance.

Mr. King stated that the Board had sent the text amendment to the Planning Board for review in October, and the only real suggestions had been offered by the Planning Board. He asked if the Board could specify that staff bring its suggestions to the Planning Board should the motion fail. He stated that the Planning Board has discussed the text amendment during three meetings, and there have been no suggestions from the staff, schools, or anyone else on how to resolve the problem.

Chairwoman Rogers asked Commissioner Openshaw if he wanted to amend his motion to add clarity. Commissioner Openshaw responded that as far as the point brought up by the Manager of grandfathering those who might have already obtained their building permits, that made sense, and as far as a definition of amenity centers, he thought this highlighted the need for the text amendment.

Commissioner Openshaw amended his motion to add asking staff to bring the definition of amenity centers to the Board at its next meeting. He suggested that a definition of amenity centers could be found in a number of municipal ordinances.

Jeff Crook, Staff Attorney, stated that he did not see any mention of amenity centers in the materials provided. Commissioner Openshaw responded that his motion was that the text amendment be applied in the places he had mentioned which included amenity centers.

Mr. Crook stated that an issue had been pointed out in the agenda materials about the definition of full cutoff which is referenced in Section d. He said that the consultant had said that the definition for full cutoff may be deleted from the National Standards, and it also requires certification by a photometric test report, which is somewhat unclear as to what that entails. He stated that if there were to be changes to the proposed text amendment, the Board needed to make certain that the changes are not substantive to the point that they would have to redirect the changes to the Planning Board for rehearing. He said he was trying to get an exact understanding of the motion.

Commissioner Openshaw said that there are certain areas in the county that literally abut farmland that illuminate those properties, because the lights are so bright, and they create a glow around the areas and the lights are on for a ridiculous amount of hours. He said that he could understand reducing the light spread in the future, because that was more technical, but he wanted those lights to be capped. He stated that the power company had issued a comment about this that shows specific light fixtures and other things as options to address the lighting that has been used in other areas.

Mr. Crook stated that when the Board adopts an ordinance, the language needs to be precise, unlike the language in resolutions. He suggested that if the Board wanted to modify the language of the proposed text amendment to Section 242(d), that the Board should recess its meeting to allow the changes to be made in the language so the Board could review the exact wording.

At approximately 7:40 p.m., the Chairwoman called a ten-minute recess to allow Mr. Crook to work on the wording of the text amendment based on the motion and discussion.

Mr. Crook asked for clarification stating that he did not understand the motion.

Commissioner Baucom suggested that in order to obtain clarification that the Board table action on the item until the next meeting.

Chairwoman Rogers called the recess and stated that the meeting would reconvene at 7:50 p.m. She asked that Commissioner Openshaw talk with Mr. Crook during the recess to provide clarification.

At approximately 7:50 p.m., Chairwoman Rogers reconvened the meeting and asked that Mrs. West restate motion and amendments.

Mrs. West restated the main motion by Commissioner Openshaw to be that he moved to approve Section 242(d) to read as follows: "No light is to be emitted out of the fixture above the horizontal plane." She stated that motion included that the text amendment would apply to residential, street lighting, and amenity centers and that the remainder of the suggested text amendments be reviewed in the fall.

Commissioner Openshaw agreed that his motion had been as read by the Clerk, but explained that during his conversation with Mr. Crook during the recess, Mr. Crook had agreed to bring suggested language for the text amendment for the Board's review and consideration at the June 7, 2010, meeting to address the issue. Commissioner Openshaw said that he would table his motion at this time.

Chairwoman Rogers asked Mr. Crook, since there was no longer a main motion on the floor, was one needed to defer consideration of the item. Mr. Crook agreed that was correct.

Commissioner Openshaw moved to defer consideration of the item. The motion passed unanimously.

"FILL" TEXT AMENDMENT DEFINITION ARTICLE XXIV FLOOD DAMAGE PREVENTION SECTION 384 AND APPLICABLE CONSISTENCY STATEMENT (Public Hearing Held on May 3, 2010):

Chairwoman Rogers recognized Al Greene, County Manager, and requested that he provide a summary of this item.

Mr. Greene stated that the staff has talked with Milton Carpenter with the NCFIP program regarding a definition of fill. He explained that the staff's concern is that it may not be best to provide definitions in all cases, and, given the agricultural activities

primarily that occur within floodplains, that any definition may be interpreted in the future more strictly than was intended, as there are new personnel added to the staff. He further stated that in talking with state officials, it is believed that to define fill might remove the latitude of the zoning administrator to use judgment or common sense.

Vice Chairwoman Kuehler stated that she understood staff's concerns, but she believed that the converse is true. She explained that she thought many times when information is not specific enough, a decision depends on which zoning administrator is available and what day as to what the subjective interpretation might be when there is no written definition. She stated that she would lean toward tightening the language, so there is not a lot of subjectivity and so that the citizens understand what is expected.

Following her comments, Vice Chairwoman Kuehler moved to adopt the following text amendment to Section 384 Definitions of Article XXIV Flood Damage Prevention to the Union County Land Use Ordinance:

Section 384 DEFINITIONS.

Unless specifically defined below, words or phrases used in this article shall be interpreted so as to give them the meaning they have in common usage and to give this ordinance its most reasonable application.

“Fill” means material from any source placed inside the SFHA (Special Flood Hazard Area) causing a permanent increase in existing ground elevations.

Vice Chairwoman Kuehler's motion further included adoption of the applicable Consistency Statement as recorded below:

TO APPROVE AMENDMENTS

- (1) Amendment to Section 384, Definitions.

Pursuant to N.C.G.S. §153A-341, the Board of Commissioners does hereby find and determine that adoption of the proposed text amendment is consistent with the adopted Union County Land Use Plan, and that adoption of the proposed text amendment is reasonable and in the public interest, because the amendment will clarify what is meant by the term “fill” as applied in the flood management provisions.

By way of discussion, Commissioner Baucom expressed his concerns with the proposed text amendment saying that as had been stated by the County Manager, agricultural procedures would come under scrutiny with the proposed text amendment, and there would be no latitude. He stressed that agriculture is extremely important to Union County in many ways. He stated that in lieu of voting against the motion, he would offer what he hoped to be a friendly amendment to add to the motion the wording "with the exception of agriculture or agriculture exemption," whichever would be more appropriate or appealing.

Chairwoman Rogers repeated the amendment by Commissioner Baucom as follows: to include the verbiage of "with an exemption for agricultural uses."

There was discussion of examples of agricultural uses that would not be permanent under the proposed text amendment such as a farmer spreading manure on a field. Mr. Jenson explained that he would not consider this example to cause a permanent increase in elevations, because the manure would break down over time.

Chairwoman Rogers agreed that there should be a good definition of fill included in the Land Use Ordinance and did not have an objection to including wording for agricultural purposes. However, she said that she was not sure that including an exemption for agricultural uses is the appropriate wording because the verbiage is too broad.

Commissioner Baucom asked that the Board take into consideration that North Carolina does have a right to farm law. He said that if wording is not included in the definition to exempt agriculture, it may already be within the legal parameters of the State.

Chairwoman Rogers stated that she wanted clarification of the text amendment that it is not in conflict with state law. Mr. Jenson said that when text amendments are drafted, they are sent to the staff attorney for review and any proposed text amendment that is related to floodplains is sent to the State NFIP for review. He explained that he was unsure whether the NFIP specifically looks for agriculturally related issues, but they are making sure that the County's ordinance is compliant with the State's model ordinance and the Federal FEMA guidelines.

Mr. Jenson stated that the County's Land Use Ordinance does contain a section that states "All agricultural activities are exempt from the Land Use Ordinance except for any activity that is under Article 24" which is the flood protection section.

Commissioner Baucom questioned whether Vice Chairwoman Kuehler had accepted his amendment as a friendly amendment to her motion. Vice Chairwoman Kuehler responded that she had not accepted it as a friendly amendment because she felt that the amendment was too broad.

Chairwoman Rogers called first for a vote on the amendment offered by Commissioner Baucom. The amendment failed by a vote of two to three. Commissioner Baucom and Commissioner Mills voted in favor of the amendment. Chairwoman Rogers, Vice Chairwoman Kuehler, and Commissioner Openshaw voted against the amendment.

Chairwoman Rogers stated that she would now call for a vote on the main motion offered by Vice Chairwoman Kuehler and, prior to the vote, asked that Mrs. West restate the motion. Mrs. West restated the motion as follows: To adopt the text amendment as presented and to approve the applicable Statement of Consistency to the Land Use Ordinance.

By way of further discussion on the motion, Commissioner Openshaw stated that he would like to see the Staff Attorney bring language to the Board in terms of traditional agricultural uses. He said that one of his concerns is storage of fill in floodplains, but he did not have any problem with spreading of manure or other traditional functions of agriculture.

Mr. Crook assured that he would be glad to bring draft language to the Board as suggested by Commissioner Openshaw, but emphasized the language that is adopted by the Board needs to be exact.

Commissioner Mills asked Mr. Black had there been any difficulty in the past defining “fill.” Mr. Black responded that he did not think so. Mr. Black stated that the Planning Board had requested that staff provide five or six definitions of “fill”, and he said that staff had prepared one that incorporated five or six definitions, which the Planning Board unanimously approved. He explained that the Planning Board has been reviewing the Land Use Plan, and has been reviewing parts of the Land Use Ordinance as well, which is a separate endeavor from the Land Use Plan.

Commissioner Baucom questioned what is being approved by the motion and asked about the legalities of the proposed text amendment. Vice Chairwoman Kuehler stated that the motion was to approve pending all the reviews that had been mentioned by Mr. Jensen.

Mr. Crook commented that staff always reviews any text amendments that come before the Board, and it would not intentionally let the Board adopt language that was not legal.

Commissioner Baucom stated that the motion did not say to adopt the proposed text amendment pending legal review.

Mr. Crook stated that the definition of “fill” has been reviewed legally. He said that he understood the concern that Commissioner Baucom has expressed. He stated that he preferred not to give an opinion until he has had an opportunity to study this particular issue, if that is the desire of the Board. He said that the Flood Damage Prevention provisions have been in the Land Use Ordinance since before he became employed with the County, more than two decades ago. In addition, he said that he was familiar with the statutory provision that Commissioner Baucom had referred to regarding bona fide farms being exempt from zoning, but the issue has never been raised before for him to reconcile these two provisions.

Following Mr. Crook’s comments, Commissioner Baucom moved to table action on this matter for two meetings. Chairwoman Rogers stated that there is already a motion on the floor.

Commissioner Baucom offered an amendment to the motion by Commissioner Kuehler to table action for two board meetings. Mr. Crook stated that this would be a procedural motion and suggested that the motion should be to defer consideration on the matter.

Commissioner Baucom agreed to amend his amendment to defer consideration on the matter for two board meetings.

Commissioner Openshaw stated that he was willing to defer consideration on the matter, but he wanted to hear if there were any pros and cons regarding the amendment.

Commissioner Baucom explained that the purpose of his amendment was to make sure that the County is not amending the land use ordinance that would not be legal from a state and national level and the County is not having to deal with matters that it has no jurisdiction over.

Following the comments by Commissioner Baucom, Vice Chairwoman Kuehler agreed to withdraw her motion and to defer to Commissioner Baucom’s motion to defer consideration. He agreed to not set a specific time for this matter to come back before the Board.

Vice Chairwoman Kuehler added that the reason she had withdrawn her motion was for the reasons clarified by Commissioner Baucom to allow Mr. Crook to complete a cursory review of the proposed text amendment to assure that whatever text amendment that might be adopted is not in conflict with state and federal regulations already in place.

Chairwoman Rogers called for a vote on the motion by Commissioner Baucom to defer consideration in the matter to allow Mr. Crook to complete his review. The motion was passed unanimously.

CONSIDERATION OF RESOLUTION REQUESTING NAMING OF THE “MONROE BYPASS/CONNECTOR” (from May 3, 2010, Meeting):

Chairwoman Rogers stated that this item was deferred from the May 3, 2010, meeting.

Commissioner Baucom stated that he thought he had made a motion at the May 3, 2010, meeting to adopt the Resolution Requesting Naming of the “Monroe Bypass/Connector” to the “Union Parkway” as recorded below:

RESOLUTION REQUESTING NAMING OF THE “MONROE BYPASS/CONNECTOR” TO THE “UNION PARKWAY”

WHEREAS, the Monroe Bypass/Connector project (the Project) is a combination of two projects previously analyzed by the North Carolina Department of Transportation (NCDOT), the Monroe Bypass (US 601 in Monroe to US 74 near Marshville) and the Monroe Connector (I-485 to US 601 in Monroe), and

WHEREAS, the North Carolina Turnpike Authority (NCTA) adopted the Monroe Connector as one of its first toll candidate projects, and

WHEREAS, in 2006, the Mecklenburg-Union Metropolitan Planning Organization (MUMPO) requested that the Monroe Bypass also be adopted by the NCTA and combined with the Monroe Connector into a single planning and environmental study administered by the NCTA, and

WHEREAS, the NCTA Board adopted combining the Monroe Bypass with the Monroe Connector in November 2006, and

WHEREAS, the Project will be a four-lane, controlled-access, toll road approximately 20 miles long that extends from US 74 at I-485 in eastern Mecklenburg County to just west of the Town of Marshville in Union County, and

WHEREAS, the Project would improve mobility and capacity throughout Union County as well as provide a new high-speed route for regional travel,

NOW, THEREFORE, BE IT RESOLVED, that the Union County Board of Commissioners request the North Carolina Turnpike Authority to designate the new toll facility as the Union Parkway.

Adopted the 17th day of May, 2010.

ATTEST:

Lynn G. West, Clerk to the Board

Kim Rogers, Chairwoman

He explained that the rationale of his motion to name it Union Parkway is that Union means unification rather than only the designation of this county. He said there are several towns that would like to have the bypass/connector named for their towns, including Monroe. He stated that by naming it “Union Parkway”, that is signifying some cohesiveness and moving forward. He said that parkway gives a nice grand, scenic attitude.

Vice Chairwoman Kuehler said that she wondered if there is an issue with the fact that it is a toll road. Mr. Crook reminded that the Board does not have the authority to name the bypass/connector, but it could recommend a name to the Department of Transportation.

Following discussion, the motion passed unanimously.

ESTABLISHMENT OF FY 2011 BUDGET CALENDAR (Moved from the Consent Agenda to the Regular Agenda at the Request of Chairwoman Rogers):

Chairwoman Rogers stated that she had sent an e-mail today regarding some scheduling conflicts with the meeting dates that had been included on the proposed budget calendar. She requested that for the second budget session (proposed for Wednesday, June 9) that Public Safety be moved from Session 3 to Session 2 and Economic and Physical Development, and Human Services be moved from Section 2 to Session 3. She stated that she was not available to meet on Wednesday June 2 or Wednesday, June 16. She said that she could meet on Tuesday, June 1, and during the following week, she could meet on Tuesday, June 8.

Al Greene, County Manager, responded that he was not aware of any reason that June 1 would not be workable, but if there is a work session on June 8, it would give staff very little time to prepare for the session on June 9.

Mr. Nelson said that for the session on Wednesday, June 9, staff has confirmed the availability of the school officials to meet that day. He said that the Board has a regular meeting on Monday, June 21, and to have a work session late the previous week is somewhat problematic, because staff is actively involved in preparing the agenda.

Mr. Greene asked if the session on June 16 could be moved to June 15. Mr. Nelson suggested moving the session on June 2 to June 1. Mr. Nelson recapped that the budget sessions as amended would be: Tuesday, June 1; Wednesday, June 9; and Tuesday, June 15 and the discussions regarding Human Services scheduled for June 9 would be switched to Public Safety.

Chairwoman Rogers moved to adopt the FY 2011 Budget Calendar as amended, which is recorded below. The motion passed unanimously.

Budget Review Schedule

The County Manager's recommended budget is scheduled for delivery to the Board of County Commissioners on May 28, 2010.

The following budget calendar is proposed for review and adoption of the 2011 budget.

| | |
|--------|--|
| May 28 | Filing of Budget with Clerk |
| June 2 | Presentation and overview of FY2011 recommended budget |

| | |
|-------------|--------------------------|
| May – June | Budget review sessions |
| June 7 | Public hearing on budget |
| NLT June 21 | Budget adoption |

It is recommended that the budget review sessions operate with the following guidelines:

- be agenda driven – with the objective of completing the budget reviews scheduled for the session
- commence at 9:00 a.m.
- conclude at 12:00 noon or the earlier of the completion of the agenda
- discussion remain focused on budget and financial matters and program delivery

The following three (3) budget review sessions have been established by the County Commission. Additional review sessions may be scheduled as necessary.

Session 1.

Date: Tuesday, June 1

Overview of budget content and format
 Summary of factors influencing the budget
 Proposed FY2011 budget ordinance
 General Government

Session 2.

Date: Wednesday, June 9

Union County Public Schools
 SPCC
 Public Safety (Sheriff, Fire/VFDs, Communications, EMS)
 Economic and Physical Development

Session 3.

Date: Tuesday, June 15

Human Services (DSS, Public Health, Charitable)
 Cultural and Recreational
 Proprietary & Other Funds
 Consensus budget ordinance

| May/June 2010 | | | | | | |
|---------------|-----|------|-----|-------|-----|-----|
| Sun | Mon | Tues | Wed | Thurs | Fri | Sat |
| 23 | 24 | 25 | 26 | 27 | 28 | 29 |
| 30 | 31 | 1 | 2 | 3 | 4 | 5 |
| 6 | 7 | 8 | 9 | 10 | 11 | 12 |
| 13 | 14 | 15 | 16 | 17 | 18 | 19 |
| 20 | 21 | 22 | 23 | 24 | 25 | 26 |
| 27 | 28 | 29 | 30 | | | |

JACKSON COMMUNITY VOLUNTEER FIRE AND RESCUE, INC. – PURCHASE OF A USED 1996 FREIGHTLINER 2,500 GALLON TANKER-PUMPER (Moved from the Consent Agenda to the Regular Agenda at the Request of Chairwoman Rogers):

Chairwoman Rogers stated that she also had sent an e-mail today regarding this item. She said that her request was to add to the resolution a statement along the lines of the information included in the letter from Jackson Community Volunteer Fire and Rescue, Inc. stipulating that the vehicle will be the department’s only debt, as all of the vehicles and buildings are paid in full and the purchase of this firetruck will not affect the department’s fiscal budget requirements.

Mr. Crook responded that he had received the Chairwoman’s e-mail this afternoon, and it was not entirely clear to him what was being requested. He explained that the purpose of the resolution is to secure tax exempt financing for the fire department.

Chairwoman Rogers said that she wanted it to be clear to those who might read the resolution that there is not going to be any tax increase due to the acquisition of this equipment, as was stated in the fire department’s letter to the County. Mr. Crook stated that unlike an Ordinance where the language needs to be exact in order for the Board to adopt it, he thought the Clerk could provide the motion for the Resolution, and he could retool the resolution. He said that he thought it should be made clear exactly what the point is, and point that being there will be no additional charge to the taxpayer pursuant to the Board’s approval of this transaction. Mr. Greene suggested adding to the language “at this time,” which was agreed to by Chairwoman Rogers.

Chairwoman Rogers moved adoption of the Resolution as recorded below, which was passed unanimously.

RESOLUTION APPROVING THE INCURRENCE BY JACKSON COMMUNITY VOLUNTEER FIRE AND RESCUE, INC. OF UP TO \$230,000.00 IN INDEBTEDNESS FROM UNITED FINANCIAL OF NORTH CAROLINA, INC. TO FINANCE A FIRETRUCK.

WHEREAS, the Board of Directors of Jackson Community Volunteer Fire and Rescue, Inc., on behalf of the Board, pursuant to public notice duly given (the “*Notice*”), held a public hearing on the proposed Loan and Project and considered the comments of persons who requested to be heard; and

WHEREAS, neither the County nor any agency thereof shall be liable in any event for the repayment of the Loan, the Loan does not constitute an indebtedness of the County or any agency thereof, and the Loan does not constitute or create in any manner a debt or liability of the County or any agency thereof; and

WHEREAS, the Board desires to approve the Loan and approve the Project.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of Union County, North Carolina, as follows:

- (1) The publication of the Notice and the designation of the meeting held by Jackson Community Volunteer Fire and Rescue, Inc. Board of Directors on April 7, 2010, as a public hearing on the Loan and the Project is hereby ratified and approved.
- (2) The incurrence by Jackson Community Volunteer Fire and Rescue, Inc. of indebtedness of up to \$230,000.00 to United Financial of North Carolina, Inc. to finance the Firetruck is hereby approved.
- (3) The Project is hereby approved.
- (4) All actions heretofore taken and taken in the future by the officers or other representatives of Jackson Community Volunteer Fire and Rescue, Inc. or the County of Union, North Carolina, on behalf of Jackson Community Volunteer Fire and Rescue, Inc. in connection with the Project, including but not limited to the execution of a Loan and Security Agreement, a Promissory Note and a Deed of Trust, be, and hereby are, ratified, approved and confirmed in all respects.
- (5) This resolution shall take effect immediately upon its passage.

(6) As represented to the Board of Commissioners by the Treasurer of Jackson Community Volunteer Fire and Rescue, Inc., approval of this resolution by the Board of Commissioners will not result in a tax increase at this time within the district served by Jackson Community Volunteer Fire and Rescue, Inc.

SALE AND/OR LEASE NEGOTIATIONS OF HOSPITAL/CONSIDERATION OF SERVICES OF KAUFMAN HALL AS PROVIDED IN AGREEMENT:

Vice Chairwoman Kuehler stated that the intentions and actions surrounding the issue of the hospital have always been to represent the best interests of the County and its citizens. She said, however, at this time, to proceed with any discussions of the CMC-Union hospital sale or lease would be detrimental to the workings of the County's present government. She stated that as was pointed out in several newspapers, the primary vote, with less than 10 percent of voter turnout, is representative of the people who took the time to vote. She said that staying the course at this point in time will cost the taxpayers additional money which may not end in the result those in control over the next four years endorse. She stated that based on the perceived process and the unknown outcomes, it is appropriate and proper to leave the discussion up to the new Board of Commissioners that will be taking office in December.

Following her comments, Vice Chairwoman Kuehler moved to temporarily suspend the services of Kaufman Hall and any further discussions of the hospital sale and/or lease until December 2010.

Commissioner Openshaw offered an amendment to allow for negotiations to continue regarding the Waxhaw Emergency Department.

Vice Chairwoman Kuehler stated that she had no problem with accepting the amendment by Commissioner Openshaw as long as it is clear that those negotiations have always been between the County and CHS, and that Kaufman Hall is not involved with those negotiations. She said that she wanted to be very clear in her motion that it is the temporary suspension of the services of Kaufman Hall and involves the sale and/or lease of the main hospital. She said that it is her understanding that Kaufman Hall has not been involved in the negotiations concerning the Waxhaw Emergency Department.

Commissioner Mills questioned how much has been paid to Kaufman Hall for its services at this time. Kai Nelson, Finance Director, responded that he believed that amount is approximately \$120,000.

Commissioner Mills said that he, too, heard what the voters said loud and clear, and it was “don’t sell the hospital.” He said that at the Board meeting held on the night prior to the election, there were numerous members of the medical community who came forward to say “don’t sell the hospital, but move forward with a lease.” He stated that he did not see that it is a wise decision to stop the lease negotiations from moving forward. He said that the lease or sale of the hospital and the Waxhaw Emergency Department have become intertwined. He stated that he knew that Vice Chairwoman Kuehler and Commissioner Openshaw have met with members of the hospital staff in the past about the Waxhaw Emergency Department, but he has not heard a report on how those negotiations went.

He said that it was his understanding that a lease is in the works. Commissioner Mills stated that some of the physicians pointed out that equipment is waiting to be purchased and installed that would further the healthcare for the citizens of Union County that cannot be installed until the lease is completed. He said to stop the lease negotiations completely until the next Board of Commissioners takes office could delay any progress for a year. He stated that since the Waxhaw Emergency Department and the sale and/or lease of the hospital have been tied together, he was not sure that one could be done without the other. He said that whether the Board continues the services with Kaufman Hall is another issue. He stated he would like to know the status of a lease.

Chairwoman Rogers said that CHS has publicly stated numerous times that the Waxhaw Emergency Department is not tied into the hospital lease negotiations. She stated that certain members of the Board of Commissioners have stated multiple times “What is the hurry, there are ten years left on the lease: Wouldn’t it be better to wait when there are two years left to do this?”

She said that to constrain someone within certain parameters when trying to do a negotiation makes it difficult, if not impossible, for that negotiation to be conducted in a manner that is beneficial to the citizens of this county. She stated that as was stated by Vice Chairwoman Kuehler and in the County’s press release, the vote is not a mandate of the public, but she believes in regards to this issue, as far as the hospital goes, there is not a comfort in this Board to handle this situation, and it would be best to utilize the people, whoever it might be, on the next Board in the discussion on something that is going to so impact the County. She stressed that she wanted to make it very clear that Kaufman Hall has done nothing but an exemplary job in this matter and has done exactly as the Board has requested. She said she had nothing but good comments to say about Kaufman Hall, which is the reason she would support the temporary suspension of Kaufman Hall’s services and not a full suspension. Chairwoman Rogers said she thought Kaufman Hall was very much needed in the negotiations with the assets of CMC-Union, and in regards to the Waxhaw Emergency Department, Kaufman Hall is not involved in those negotiations now.

Commissioner Baucom said that he has not been told by any of the citizens not to continue the lease negotiations. He stated that as Commissioner Mills had reminded, a number of doctors came forward two weeks ago, and what he heard is “don’t sell the hospital, take that off the table,” but what he also heard clearly was “let’s get this done so we’ll know where we’re going.” He said right now there are challenges in recruiting physicians, challenges in knowing the direction of the hospital as far as equipment, where to locate equipment, how to deal with issues, how growth is. He reiterated that he has not been told not to work to negotiate for the conclusion of this issue. Commissioner Baucom said he has been opposed to the sale of the hospital from the beginning, and he remains opposed to the sale of the hospital.

He stated with that in mind, he offered an amendment to the motion that for enhanced healthcare for the citizens of Union County, that the County suspend consideration of the sale from any negotiation but that it continue with lease negotiations.

Chairwoman Rogers asked Jeff Crook, Senior Staff Attorney, if the amendment offered by Commissioner Baucom would be allowable, since it is in direct conflict with the main motion. Mr. Crook responded that in his opinion the amendment would be allowable. Chairwoman Rogers stated that there were currently two amendments to the motion on the floor.

Mr. Crook responded that it was his understanding that the first amendment, which was offered by Commissioner Openshaw, was accepted by Vice Chairwoman Kuehler as a friendly amendment.

Vice Chairwoman Kuehler added as a follow-up to the discussion that it has always been their philosophy and has been discussed several times from her viewpoint of not moving forward with a single-source provider. She said that had been one of her concerns that if the sale was going to be taken off the table, she did not like the prospect of going forward with one provider. She stated that she was not so sure she agreed with Commissioner Baucom’s comments about the Board not having been told to not move forward with the lease. She said that the current chair of the Community Trustee Council had sent letters and had interviews with the local newspapers and had expressed specifically that position. She stated that this is a very charged, very emotional, and very intricate item, and there is a lot of distrust in the process and in the players. She said that she thought everyone needed a breather and needed to step back and determine where to go from here.

Commissioner Openshaw commented that on the surface he would be inclined to move forward and hear what CHS has to say; however, there was significant leverage lost by the vote of the few percent of citizens who turned out to vote. He said that CHS has had two years to put a lease on the table that is in the best interest of Union County, and staff has never told the Board that CHS has done so. He stated that with a new Board of Commissioners coming on, and three of the present Board rotating off, he questioned

why CHS would put forth its best effort at this time. He said that logically he could understand why the Board would want to move forward to see what CHS would present as far as a lease proposal, but in reality, he would not expect their best product to come forward.

Mr. Greene informed the Board that as of Friday, CHS was prepared to submit a proposal and have it in the Board's hands by tonight; however, given the controversy within the community within the last week or so, CHS did not believe it would be in its best interests to submit a proposal unless a majority of the Board of Commissioners wanted it to do so. He said that CHS has made it clear to him that if the Board provides an indication that it is willing to review a proposal to determine if the proposal has merits to proceed, it will be happy to submit a proposal and could submit a proposal within a day or two. He stated that he thought he would be remiss in not explaining this to the Board.

Commissioner Baucom clarified that his amendment does not specify only CHS for the continued lease negotiations. He said that he has stated during the entire process that he is not married to CHS, but is married to the best healthcare that can be obtained for the citizens of Union County. He said that Kaufman Hall is in place, and the Board needs to move forward.

Chairwoman Rogers questioned if Commissioner Baucom was clarifying that his amendment was to take the sale of the hospital off the table but to continue lease negotiations with any hospital entity. Commissioner Baucom responded that it was not specified.

Chairwoman Rogers requested that Mrs. West restate the amendment as stated by Commissioner Baucom. Mrs. West restated that the amendment was for the enhanced healthcare for the citizens, to suspend the sale of the hospital from any negotiations but to continue lease negotiations. Commissioner Baucom agreed this was the amendment he had offered.

Chairwoman Rogers asked if he wanted to add clarification to his amendment. Commissioner Baucom responded that he did not believe clarification was necessary, because it leaves the competitive factor.

Vice Chairwoman Kuehler said that she has heard time and time again that a number of the entities interested in the hospital cannot make a proposal until they are formally invited, because there is an issue with interference caused by the years remaining on the current lease. She said she was not sure if lease negotiations could begin with a new partner at this point.

Chairwoman Rogers called for a vote on the amendment as stated. The amendment failed by a vote of two to three. Commissioner Baucom and Commissioner Mills voted in favor of the amendment. Chairwoman Rogers, Vice Chairwoman Kuehler, and Commissioner Openshaw voted against the motion.

Chairwoman Rogers restated the main motion and requested that Mrs. West restate the amendment offered by Commissioner Openshaw.

Mr. Crook asked if there were any desire by the Board to authorize the County Manager to address the contractual issue with Kaufman Hall. He explained that if there were not such a desire, then the termination of that agreement, if Kaufman Hall is not willing to do a suspension of the agreement by amendment, would need to be brought back to the Board. He suggested that the Board might want to authorize the County Manager to either negotiate an amendment with Kaufman Hall to temporarily suspend its services under the agreement or to authorize a termination of the agreement.

Chairwoman Rogers asked Vice Chairwoman Kuehler if she would be willing to amend her motion further to authorize the County Manager to speak with Kaufman Hall about temporarily suspending its services, which was agreed to by Vice Chairwoman Kuehler.

Chairwoman Rogers called for a vote on the motion as amended. The motion passed by a vote of three to two. Chairwoman Rogers, Vice Chairwoman Kuehler, and Commissioner Openshaw voted in favor of the amended motion. Commissioner Baucom and Commissioner Mills voted against the amended motion.

CONSIDERATION OF APPOINTMENTS TO THE CMC-UNION COMMUNITY TRUSTEE COUNCIL:

Chairwoman Rogers stated that as far as she knew, as of this afternoon, the Board had still not received resumes. She said that it has been requested for several months to obtain the resumes of the candidates, and she was not prepared to make any appointments at this point in time.

Commissioner Baucom nominated Donnie Baucom and Ray Killough. He read the qualifications of both Mr. Baucom and Mr. Killough.

Commissioner Baucom also nominated Ken Harris and read his qualifications.

As a point of order, Vice Chairwoman Kuehler stated that Ken Harris has been submitted as the Alternate Candidate for Position #1 opposite Donnie Baucom. Further, she pointed out that for Position #4, Mrs. Anderson has withdrawn her name and there is only one candidate remaining for this position. Chairwoman Rogers asked the Vice Chairwoman if her point of order was that the Community Trustee Council is required to submit two candidates for each position.

Commissioner Baucom responded that it was his understanding that the Community Trustee Council makes recommendations for candidates, but it is the Board of Commissioners' right to appoint whomever it deems appropriate from the names submitted.

Chairwoman Rogers asked Keith Merritt, County Attorney, if he were familiar with the lease and could answer the Board's questions. Mr. Crook was out of the room at this time, and Mr. Merritt suggested that the Board wait for Mr. Crook to return to answer the questions.

At approximately 8:50 p.m., Chairwoman Rogers called for a five-minute recess in the meeting. Prior to the Board's taking a recess, Mr. Greene pointed out that a number of persons were waiting in the audience for Item #12 – Rescoping of Jesse Helms Park. He stated that he did not think this item would take a long time, and he requested that the Board consider hearing the presentation.

Chairwoman Rogers asked if there was any objection to the Board's not going into recess. There was no objection by the Board.

Mr. Crook rejoined the meeting and Chairwoman Rogers explained to him that in his absence a point of order was brought forth by Vice Chairwoman Kuehler in regards to the requirement that the lease states in regards to the members of the Community Trustee Council. She said that her understanding is that the lease requires that two candidates be recommended for each vacancy, a candidate and an alternate candidate. She explained what had occurred during his absence regarding the nomination of Donnie Baucom and Ken Harris (alternate).

Mr. Crook said that it was his understanding from the lease that there are two nominations by the corporation, CMC-Union, for each position, and the Board is to select one of the two or reject both, and, in which case, CMC-Union would submit two more names. He stated that he did not believe in accordance with the lease both Donnie Baucom and Ken Harris could be elected.

Commissioner Baucom said that he would withdraw Mr. Harris' nomination.

Commissioner Baucom nominated Michael Lanphier and Judy Kennedy and read their qualifications.

Chairwoman Rogers restated the nominations on the floor for four candidates: Donnie Baucom, Ray Killough, Michael Lanphier, and Judy Kennedy. She asked if there were any further nominations.

Commissioner Mills questioned whether there was confirmation that Nancy Anderson had withdrawn her nomination. Chairwoman Rogers responded this was correct.

Commissioner Mills nominated Richard Helms, whose name was submitted as the alternate candidate for Mrs. Anderson, to fill the fifth vacancy on the Community Trustee Council. It was pointed out that there has to be two names submitted by the Trustee Council for each vacancy.

Chairwoman Rogers commented that she had requested resumes from the candidates and believed that the request was a reasonable one. She said that one needed to go back to the goal of the Community Trustee Council, and it is difficult to achieve that goal when the selection of the members is by CMC-Union and not the County. She stated that her understanding is that the Trustee Council is supposed to be watching out for Union County, looking at the budgets, making sure that the expenses for the budgets are in compliance with the lease, and also being used for Union County and not for other purposes. She said that she needed more information about the candidates, so she was not going to support the nominations.

Commissioner Mills said that resumes are not required for other board applicants. He said that in reviewing the appointments for the Community Trustee Council, the position held by Tom Williams has not been filled since December 2008; Mrs. Anderson's appointment became vacant in December 2009; and Ray Killough's appointment became vacant in 2009. He stated that Dr. McGee resigned, and his appointment has not been filled and his term expires in December 2010. He said he would respectfully request that the appointments be made and the County move forward. He stated he had asked several times for the appointments to be placed on the agenda, and the requests have been voted down. Commissioner Mills said if these appointments could be made, he would encourage the Board to hold a work session in the very, very near future with the Community Trustee Council and, hopefully, come up with some ideas on how to get the Waxhaw Emergency Department opened.

Chairwoman Rogers responded that just as Commissioner Mills has requested that the appointments be placed on the agenda, she has requested resumes from the candidates. She said that she was sorry that the nominations had been made, because she was not going to support the nominations.

Vice Chairwoman Kuehler commented that while applicants are not asked to submit resumes when applying to boards and committees, they do complete applications that address their civic duties and explain the reasons why they want to serve on certain boards and committees. She stated that the Community Trustee Council is the only board that the Board of Commissioners makes appointments to where it does not have control over the whole process. She said that she thought there should be a higher level of scrutiny here and more required of the candidates because the County does not have control of it, and they are being appointed by the entity they are being tasked with watching.

Commissioner Mills asked Mr. Crook if there was any requirement in the lease for the hospital to require resumes for the appointments. Mr. Crook read the applicable language from the lease agreement and pointed out that the County has 30 days from submittal of the nominations to appoint or reject the candidates. Commissioner Mills asked Mr. Lutes to come forward and explain what information has been presented to the County.

Chairwoman Rogers stated that only the Chair would call Mr. Lutes forward, and the Commissioners know what has been presented.

Chairwoman Rogers moved to call the question on the previous motion stating that all Board members have had an opportunity to comment. Commissioner Openshaw stated that he had not had a chance to comment.

The Chair recognized Commissioner Openshaw for his comments. Commissioner Openshaw stated that he agreed with Vice Chairwoman Kuehler that the people who are supposed to oversee the hospital actually put forth the names they want appointed to the Community Trustee Council. He said that was an alteration to the existing lease. He stated that another issue is whether the Hospital Board of Trustees is involved in financial transactions. He said that the Trustee Council had asked to review the lease proposal, but were not given the opportunity to do so, and he attended a meeting where the Trustee Council approved the expenditure of over one million dollars that will be coming to the Board of Commissioners for a future improvement. He stated that he thought this was an issue that needs to be addressed.

Following his comments, Commissioner Openshaw offered an amended motion to appoint Donnie Baucom and Ray Killough because they are already serving on the Board. He said that Mr. Baucom serves as the Chairman of the Board of Trustees, and Mr. Killough serves as the Chairman of the Finance Committee. He stated that he would not recommend supporting the other nominations along with the logic that there were no resumes.

At the request of Chairwoman Rogers, Commissioner Openshaw amended his motion to divide a complex motion and consider it be paragraph rather than to amend it.

Chairwoman Rogers explained that to divide a complex motion considered by paragraph, each nominee can be voted on separately, which was recommended by Mr. Crook.

The motion was passed by a vote of three to two. Chairwoman Rogers, Vice Chairwoman Kuehler and Commissioner Openshaw voted in favor of the motion. Commissioner Baucom and Commissioner Mills voted against the motion.

Chairwoman Rogers called for a vote on the nominations as follows:

1. Donnie Baucom – Mr. Baucom received three votes: Commissioner Baucom, Commissioner Mills, and Commissioner Openshaw. Chairwoman Rogers and Vice Chairwoman Kuehler voted against the nomination.
2. Ray Killough – Mr. Killough received three votes: Commissioner Baucom, Commissioner Mills, and Commissioner Openshaw. Chairwoman Rogers and Vice Chairwoman Kuehler voted against the nomination.
3. Michael Lanphier – Mr. Lanphier received two votes: Commissioner Baucom and Commissioner Mills voted for the nomination. Chairwoman Rogers, Vice Chairwoman Kuehler and Commissioner Openshaw voted against the nomination.
4. Judy Kennedy – Ms. Kennedy received two votes: Commissioner Baucom and Commissioner Mills. Chairwoman Rogers, Vice Chairwoman Kuehler, and Commissioner Openshaw voted against the nomination.

RESCOPING OF JESSE HELMS PARK PASSIVE AREA PHASE II:

Al Greene, County Manager, explained that several months ago, the Board of Commissioners approved an agreement with CM&E for services to complete the engineering work associated with the Passive Area, Phase II, of the Jesse Helms Park. He said that this required a great deal of due diligence, schematic design, and ultimately rescoping of the project because the funds available

for construction were not estimated to be sufficient to complete all of the items in the grant application. He said that it has been confirmed that the project needs to be rescoped, and the consultants and staff have met with representatives from the state regarding rescoping of the project and an extension to the grant. He said that timing is an issue in connection with the expiration of the grant one year from now.

He introduced Bill Whitley, Interim Director, Parks and Recreation; Frances Gallagher and Myron George of CM&E; Kevin Ammons with Cole, Jenst and Stone, and Wes Baker, the County's Internal Auditor. He recognized Ms. Gallagher to provide a brief update for the Board on the project.

Ms. Gallagher explained that the Board had approved Task Order #2 with CM&E, and the services that were authorized in the task order were the due diligence, the site analysis, and the schematic phase of the project. She stated that there was also an additional services allowance included in the task order which was basically an estimate of the work remaining to complete the project, which included the design, permitting, bidding, construction engineering, and inspection services.

Ms. Gallagher said that they have completed the schematic design and are ready to present their findings and recommendations. She reviewed the history of the project. She stated that they were provided the 2004 master plans, and she located the passive area of the park as outlined on the map and noted the area which CM&E were tasked to review in the schematic design process. Ms. Gallagher said in addition they were provided a copy of the PARTF grant application.

She stated that the elements of the PARTF grant included the passive picnic area (festival area) and the equestrian and pedestrian trails, but did not include the homestead area. Ms. Gallagher stated that CM&E was directed to prepare a schematic design for a portion of the passive recreation area based on the master plan including the elements desired by the County as well as the elements included in the PARTF grant. She said that CM&E believed it was in the best interests of the County to take the project through the schematic design phase, stop at that point, evaluate the results before completing the final design. She stated that this would provide an accurate cost estimate for Phase II with all of the elements that the County desired, and then it would compare the results to the PARTF grant elements and budget. Lastly, she said they would then determine what portion of the project could be completed to meet the grant requirements. She stated that this is the process that they have followed.

She said that the cost estimated for Phase II was over two million dollars. Ms. Gallagher stated that they compared this cost with the PARTF grant and budget, and that budget was \$1.5 million. She explained that the main differences that were found through the schematic design and what was included in the PARTF grant were due to some items being unknown at the time of the

PARTF grant application such as new stormwater and erosion control permitting requirements. Ms. Gallagher stated that there were also more extensive elements than were included in the grant application such as the water service. She explained that as a part of the schematic design, they went into detail and determined what the real costs would be, based on the current field conditions, to get water service to the park. She said another element that was more extensive was the length of the trails, and the drainage associated with the trails. She stated there were also additional elements not included in the grant, some of which are required and others were desired elements for the park.

Ms. Gallagher explained that they looked at how to revise the schematic plan and the project elements to meet the grant scope and budget. She said that this could be accomplished by reducing the overall scope and costs while maintaining the original grant elements as well. She stated that this would enable them to bid additional elements as alternates, so they could be included if the budget allowed.

She stated that they had met with the PARTF grant administrator and presented the revised schematic plan. She described the proposed revisions in the schematic plans. Ms. Gallagher said that they had discussed with the grant administrator the revised project schedule and the need for a time extension. She stated that the grant administrator was very receptive to the proposed project and schedule revisions and he directed them to submit the necessary documentation for review and approval.

She stated that the next steps would be approval by the Board of the Additional Services Agreement #1 which would allow for completion of the project, and upon approval, CM&E would begin design immediately and submit that formal request to the grant administration and request the modifications as well as the time extension. Ms. Gallagher said that the recommended time extension is five months, which results in a more desirable season for the construction project than previously required to meet the time schedule. She stated that previously much of the work would have been done in the winter, and the extension would put the work being done in the spring and summer, which is more desirable for that construction. She said that once approval is received for the grant, CM&E would complete the design, permitting, bidding and construction.

Mr. Greene reminded the Board that it has approved the budget for the engineering for the entire project. He reiterated that the Board had previously approved Task Order #2 with CM&E that had the additional services, but staff had told the Board at that time given the budget constraints and the concerns about budget, that it would come back to the Board before proceeding with design. He said that this action authorizes CM&E to proceed with design of the project. He stated that it is anticipated that the engineering work will remain within budget.

Commissioner Baucom questioned the impact to the PARTF grant if the Board does not approve moving forward with the second part of the engineering services. Mr. Greene responded that the County would ultimately lose the grant.

Wes Baker, Internal Auditor, interjected that not only would the County lose this grant but also in the future when the County applies for a grant, the PARTF will look at the County's track record and history, and this would be taken into consideration and would count against the County on any future grants for which the County might apply.

Following further discussion, Commissioner Mills moved to authorize the County Manager to approve the Additional Services Agreement with CM&E for design, permitting, bidding and construction administration services. The motion further included authorizing the staff to negotiate with PARTF Grant Administrator to rescope the project and obtain an extension to the grant period for five months. The motion passed unanimously.

At approximately 9:20 p.m., the Chairwoman called for a short recess in the meeting.

The Chairwoman reconvened the meeting at approximately 9:35 p.m.

GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007 A/B/C (Public Hearing Held Earlier on the Agenda):

Kai Nelson, Finance Director, stated that the public hearing was held earlier tonight in connection with this item. He said that this particular action would restructure some of the County's outstanding debt. He reviewed that the Board introduced the Bond Order on May 3 and the actions that are requested by the Board today are: 1) Adopt the Bond Order; and 2) Adopt the Bond Resolution that sets forth the terms of the bonds.

Commissioner Baucom moved: 1) that the Board of Commissioners adopt without change or amendment, and direct the Clerk to the Board to publish a notice of adoption as prescribed by The Local Government Bond Act, the bond order titled, "**BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$110,000,000 GENERAL OBLIGATION REFUNDING BONDS OF THE COUNTY OF UNION, NORTH CAROLINA**", which was introduced at the meeting of the Board of Commissioners held on May 3, 2010; and 2) that the Board adopt A Resolution of the Board of Commissioners of the County of Union, North Carolina Providing for the Issuance of Not to Exceed \$110,000,000 General Obligation Refunding Bonds, Series 2010A of the County of Union, North Carolina. The motion passed unanimously.

**BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$110,000,000
GENERAL OBLIGATION REFUNDING BONDS OF THE COUNTY OF UNION, NORTH CAROLINA**

WHEREAS, the County of Union, North Carolina (the “*County*”) has issued (1) \$65,365,000 aggregate principal amount of the County’s Variable Rate General Obligation Bonds, Series 2007A, of which \$58,435,000 is currently outstanding; (2) \$39,220,000 aggregate principal amount of the County’s Variable Rate General Obligation Bonds, Series 2007B, of which \$35,065,000 is currently outstanding; and (3) \$26,145,000 aggregate principal amount of the County’s Variable Rate General Obligation Bonds, Series 2007C, of which \$23,385,000 is currently outstanding (collectively, the “*2007 Bonds*”);

WHEREAS, the Board of Commissioners of the County of Union, North Carolina (the “*Board of Commissioners*”) deems it advisable to refund the 2007 Bonds;

NOW, THEREFORE, BE IT ORDERED by the Board of Commissioners of the County of Union, North Carolina, as follows:

Section 1. The Board of Commissioners deems it advisable to refund all or a portion of the outstanding aggregate principal amount of the 2007 Bonds.

Section 2. To raise the money required to pay the costs of refunding the 2007 Bonds as set forth above, General Obligation Refunding Bonds of the County are hereby authorized and shall be issued pursuant to the Local Government Bond Act of North Carolina. The maximum aggregate principal amount of such General Obligation Refunding Bonds authorized by this bond order shall be and not exceed \$110,000,000.

Section 3. A tax sufficient to pay the principal of and interest on said General Obligation Refunding Bonds when due shall be annually levied and collected.

Section 4. A sworn statement of the County’s debt has been filed with the Clerk to the Board of Commissioners and is open to public inspection.

Section 5. This bond order is effective on its adoption.

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF UNION, NORTH CAROLINA PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$110,000,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2010A OF THE COUNTY OF UNION, NORTH CAROLINA

WHEREAS, the Bond Order hereinafter-described has been adopted, and it is desirable to make provision for the issuance of the Bonds authorized by said Bond Order;

WHEREAS, the County of Union, North Carolina (the “*County*”) desires to issue its General Obligation Refunding Bonds, Series 2010A (the “*Bonds*”) for the purposes described herein and to request that the Local Government Commission (the “*Commission*”) sell the Bonds through a negotiated sale to Wells Fargo Bank, National Association and certain co-managing underwriters (collectively, the “*Underwriters*”) in accordance with the terms and conditions set forth in a Bond Purchase Agreement to be dated on or about June 9, 2010 (the “*Bond Purchase Agreement*”) among the County, the Commission and the Underwriters;

WHEREAS, the County has entered into interest rate swap agreements in connection with the 2007 Bonds (as defined herein) that the Board of Commissioners of the County (the “*Board of Commissioners*”) deems advisable to terminate in connection with the refunding of all or a portion of the 2007 Bonds;

WHEREAS, copies of the forms of the following documents relating to the transactions described above have been filed with the County and have been made available to the Board:

1. the Bond Purchase Agreement; and
2. the Preliminary Official Statement with respect to the Bonds to be dated on or about June 2, 2010, together with the Official Statement with respect to the Bonds to be dated on or about June 9, 2010 (collectively, the “*Official Statement*”);

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

Section 1. For purposes of this Resolution, the following words have the meanings ascribed to them below:

“*Bond Order*” means the Bond Order authorizing the General Obligation Refunding Bonds adopted by the Board of Commissioners on May 17, 2010 and effective on its adoption.

“*Bonds*” means the County’s General Obligation Refunding Bonds, Series 2010A, authorized under the Bond Order.

“Code” means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code herein will be deemed to include the United States Treasury Regulations proposed or in effect with respect thereto.

“Federal Securities” means (a) direct obligations of the United States of America for the timely payment of which the full faith and credit of the United States of America is pledged; (b) obligations issued by any agency controlled or supervised by and acting as an instrumentality of the United States of America, the timely payment of the principal of and interest on which is fully guaranteed as full faith and credit obligations of the United States of America (including any securities described in (a) or (b) issued or held in the name of the Trustee in book-entry form on the books of the Department of Treasury of the United States of America), which obligations, in either case, are held in the name of a trustee and are not subject to redemption or purchase prior to maturity at the option of anyone other than the holder; (c) any bonds or other obligations of the State of North Carolina or of any agency, instrumentality or local governmental unit of the State of North Carolina which are (i) not callable prior to maturity or (ii) as to which irrevocable instructions have been given to the trustee or escrow agent with respect to such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified, and which are rated by Moody’s, if the Bonds are rated by Moody’s, and S&P, if the Bonds are rated by S&P, within the highest rating category and which are secured as to principal, redemption premium, if any, and interest by a fund consisting only of cash or bonds or other obligations of the character described in clause (a) or (b) hereof which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; or (d) direct evidences of ownership of proportionate interests in future interest and principal payments on specified obligations described in (a) held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the underlying obligations described in (a), and which underlying obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated.

“Moody’s” means Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns and, if such corporation for any reason no longer performs the functions of a securities rating agency, “Moody’s” will be deemed to refer to any other nationally recognized rating agency other than S&P designed by the County.

“2007 Bonds” means, collectively, the 2007A Bonds, the 2007B Bonds and the 2007C Bonds.

“2007A Bonds” means \$65,365,000 aggregate principal amount of the County’s Variable Rate General Obligation Bonds, Series 2007A, of which \$58,435,000 is currently outstanding.

“2007B Bonds” means \$39,220,000 aggregate principal amount of the County’s Variable Rate General Obligation Bonds, Series 2007B, of which \$35,065,000 is currently outstanding.

“2007C Bonds” means \$26,145,000 aggregate principal amount of the County’s Variable Rate General Obligation Bonds, Series 2007C, of which \$23,385,000 is currently outstanding.

“Pricing Certificate” means the certificate of the County’s Finance Director delivered in connection with the issuance of the Bonds which establishes, with respect to the Bonds, the final maturity amounts, the interest payment dates and the provisions for redemption, all as agreed on in the Bond Purchase Agreement.

“S&P” means Standard & Poor’s Ratings Services, a Division of The McGraw-Hill Companies, Inc., its successors and their assigns and, if such corporation for any reason no longer performs the functions of a securities rating agency, “S&P” will be deemed to refer to any other nationally recognized rating agency other than Moody’s designed by the County.

Section 2. The County shall issue its Bonds in an aggregate principal amount not to exceed \$110,000,000. While the Bonds are designated in this Resolution as “Series 2010A,” the Bonds may be issued with such other designation as the Commission may determine or may be issued together with bonds provided for by the Board of Commissioners under the Resolution of the Board of Commissioners of the County of Union, North Carolina Providing for the Issuance of Not to Exceed \$140,000,000 General Obligation Refunding Bonds, Series 2010B of the County of Union, North Carolina adopted on the same date as this Resolution.

Section 3. The Bonds shall be dated as of their date of issuance. The Bonds shall pay interest semiannually on March 1 and September 1, beginning September 1, 2010, unless the County Finance Director establishes different dates in his Pricing Certificate. The Bonds are being issued to refund all or a portion of the 2007 Bonds pursuant to and in accordance with the Bond Order.

Section 4. The Bonds are payable in annual installments on March 1 in each year, unless the County Finance Director establishes different a date in his Pricing Certificate. The maturities of the Bonds will be as set forth in the Pricing Certificate.

Section 5. The Bonds are to be numbered from “R-1” consecutively and upward and shall bear interest from their date at a rate or rates which will be hereafter determined on the sale thereof computed on the basis of a 360-day year of twelve 30-day months.

Section 6. The Bonds are to be registered as to principal and interest, and the Finance Director of the County is directed to maintain the registration records with respect thereto. The Bonds shall bear the original or facsimile signatures of the Chairman of the Board of Commissioners or County Manager of the County and the Clerk to the Board of Commissioners of the County. An original or facsimile of the seal of the County is to be imprinted on each of the Bonds.

Section 7. The Bonds will initially be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. One bond certificate for each maturity will be issued to The Depository Trust Company, New York, New York (“DTC”), and

immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or integral multiples thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC. Interest on the Bonds will be payable to DTC or its nominee as registered owner of the Bonds in immediately available funds. The principal of and interest on the Bonds will be payable to owners of Bonds shown on the records of DTC at the close of business on the 15th day of the month preceding an interest payment date or a bond payment date. The County will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

If (a) DTC determines not to continue to act as securities depository for the Bonds or (b) the Finance Director for the County determines that the continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the County will discontinue the book-entry system with DTC. If the County fails to identify another qualified securities depository to replace DTC, the County will authenticate and deliver replacement bonds in accordance with DTC's rules and procedures.

Section 8. If the Pricing Certificate designates a date for the Bonds on and after which the Bonds are subject to redemption, then such Bonds are subject to redemption before maturity, at the option of the County, from any money that may be made available for such purpose, either in whole or in part on any date on or after the date set forth in the Pricing Certificate, at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, with such redemption premium, if any, designated for the Bonds in the Pricing Certificate.

If the Bonds are subject to optional redemption and if less than all the Bonds are called for redemption, the County shall select the maturity or maturities of the Bonds to be redeemed in such manner as the County in its discretion may determine, and DTC and its participants shall determine which Bonds within a maturity are to be redeemed by lot; *provided, however*, that the portion of any Bond to be redeemed must be in principal amount of \$5,000 or integral multiples thereof and that, in selecting Bonds for redemption, each Bond is to be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. When the County elects to redeem any Bonds, notice of such redemption of such Bonds, stating the redemption date, redemption price and identifying the Bonds or portions thereof to be redeemed by reference to their numbers and further stating that on such redemption date there are due and payable on each Bond or portion thereof so to be redeemed, the principal thereof and interest accrued to the redemption date and that from and after such date interest thereon shall cease to accrue, is to be given not less than 30 days nor more than 60 days before the redemption date in writing to DTC or its nominee as the registered owner of such Bonds, by prepaid certified or registered United States mail (or in such other manner as is permitted by DTC's rules and procedures), at the address provided to the County by DTC, but any failure or defect in respect of such mailing will not affect the validity of the redemption. If DTC is not the registered owner of such Bonds, the County will give notice at the time set forth above by prepaid first class United States mail, to the then-registered owners of such Bonds or portions thereof to be redeemed at the last address shown on the registration books kept by the County. The County will also mail or transmit by facsimile a copy of the notice of redemption within the time set forth above (1) to the Commission, (2) to each of the then-existing securities depositories and (3) to at least two of the then-existing national information services.

Section 9. The Bonds and the provisions for the registration of the Bonds and for the approval of the Bonds by the Secretary of the Local Government Commission are to be in substantially the form set forth in the Appendix A hereto.

Section 10. The County covenants to take such action as may be required in the opinion of nationally recognized bond counsel to cause the Bonds and all actions of the County with respect to the proceeds thereof to comply with Code. In particular, the County covenants as follows:

(a) At least one of the following two conditions will be satisfied for the Bonds: (1) less than 10% of the proceeds of the Bonds, reduced by costs of issuance, will be used directly or indirectly in the business of a person other than a state or local governmental unit or (2) less than 10% of the principal or interest on the Bonds will be (under the terms of such issue or any underlying arrangement) directly or indirectly (A) secured by an interest in property used or to be used in a private business or any interest in payments made with respect to such property or (B) to be derived from payments made with respect to property, or borrowed money, used or to be used in a private business;

(b) At least one of the following two conditions will be satisfied: (i) less than 5% of the proceeds of the Bonds, reduced by costs of issuance, will be used by nongovernmental persons for a use unrelated or disproportionate to the purposes for which the Bonds were issued or (ii) less than 5% of the principal or interest on the Bonds will be (under the terms of such issue or any underlying arrangement) directly or indirectly (A) secured by an interest in property used or to be used in a private business described in (i) or by any interest in payments made with respect to such property or (B) derived from payments made with respect to property the use of which is described in (i), or borrowed money, used or to be used in a private business

(c) It will not loan directly or indirectly more than 5% of the proceeds of the Bonds to nongovernmental persons;

(d) It will not enter into any management contract with respect to the facilities refinanced with the proceeds of the Bonds unless it obtains an opinion of nationally recognized bond counsel that such management contract will not impair the exclusion from a recipient's gross income for federal income tax purposes of the interest on the Bonds;

(e) The County acknowledges that the continued exclusion of interest on the Bonds from a recipient's gross income for federal income tax purposes depends, in part, on compliance with the arbitrage limitations imposed by Section 148 of the Code. The County covenants to comply with all the requirements of Section 148 of the Code, including the rebate requirements, and it shall not permit at any time any of the proceeds of the Bonds or other funds of the County to be used, directly or indirectly, to acquire any asset or obligation, the acquisition of which would cause the Bonds to be "*arbitrage bonds*" for purposes of Section 148 of the Code;

(f) The Bonds shall not be “*federally guaranteed*” as defined in Section 149(b) of the Code;

(g) The County covenants to file or cause to be filed Form 8038G with respect to the Bonds in accordance with Section 149(e) of the Code.

Section 11. The Finance Director shall cause a portion of the proceeds of the sale of the Bonds to be applied to redeem the 2007 Bonds on the date that the Bonds are issued, or a later date that the Finance Director determines to be in the best interest of the County. The Finance Director shall deposit the balance of the proceeds of the sale of the Bonds in a special account to be designated “*County of Union, North Carolina General Obligation Refunding Bonds, Series 2010A Cost of Issuance Account*” (the “*Cost of Issuance Account*”) and apply such funds to pay the costs of issuance of the Bonds. The Finance Director shall transfer any money remaining in the Cost of Issuance Account on August 30, 2010 to pay the interest on the Bonds on the next interest payment date therefor.

Section 12. Actions taken by officials of the County to select paying and transfer agents, and a bond registrar, or alternate or successor agents and registrars pursuant to Section 159E-8 of the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, are hereby authorized and approved.

Section 13. The Commission is hereby requested to sell the Bonds through a negotiated sale to the Underwriters pursuant to the terms of the Bond Purchase Agreement at a true interest cost not to exceed 5.90%. The managing Underwriter for the Bonds is Wells Fargo Bank, National Association and the County Manager and the Finance Director may select co-managing underwriters among BB&T Capital Markets, a division of Scott & Stringfellow, LLC, and Merrill Lynch, Pierce, Fenner & Smith Incorporated (formerly Banc of America Securities LLC) that in their discretion may be in the best interest of the County. The form and content of the Bond Purchase Agreement is in all respects approved and confirmed, and the Chairman of the Board of Commissioners, the County Manager or the Finance Director of the County is hereby authorized, empowered and directed to execute and deliver the Bond Purchase Agreement for and on behalf of the County, including necessary counterparts, in substantially the form and content presented to the County, but with such changes, modifications, additions or deletions therein as he may deem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of the Board of Commissioners’ approval of any and all such changes, modifications, additions or deletions therein, and that from and after the execution and delivery of the Bond Purchase Agreement, the Chairman of the Board of Commissioners, the County Manager and the Finance Director of the County are each hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Bond Purchase Agreement as executed.

Section 14. The Chairman of the Board of Commissioners, the County Manager, the Finance Director and the Clerk to the Board of Commissioners of the County are each hereby authorized and directed to cause the Bonds to be prepared and, when they shall have been duly sold

by the Commission, to execute the Bonds and to turn the Bonds over to the registrar and transfer agent of the County for delivery through the facilities of DTC to the Underwriters.

Section 15. The form and content of the Official Statement are in all respects authorized, approved and confirmed, and the Chairman of the Board of Commissioners, the County Manager, the Finance Director and the Clerk to the Board of Commissioners of the County are authorized, empowered and directed to execute and deliver the Official Statement in substantially the form and content presented to the Board of Commissioners, but with such changes, modifications, additions or deletions therein as the Chairman of the Board of Commissioners, County Manager or the Finance Director of the County may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the approval of the Board of Commissioners of any and all changes, modifications, additions or deletions therein from the form and content of the Official Statement presented to the Board of Commissioners.

Section 16. The County Manager and the Finance Director are hereby directed to evaluate the costs and benefits of refunding the 2007 Bonds and terminating all or a portion of the interest rate swap agreements between the County and Wachovia Bank, National Association (now Wells Fargo Bank, National Association), Citibank, N.A. and UBS AG, respectively (the “*Swap Counterparties*”) related to the 2007 Bonds (the “*Swaps*”) and other costs related to the refunding, against the cost of not doing so. The Board of Commissioners authorizes the Chairman of the Board of Commissioners, the County Manager and the Finance Director to proceed with the issuance of the Bonds, the termination of all or a portion of the Swaps and other related matters if the all-in cost to the County is not greater than, on an aggregate net present value basis, the all-in cost of keeping the comparable portions of the 2007 Bonds outstanding and Swaps in place. For purposes of evaluating the relative costs of issuing the Bonds against keeping the comparable portions of the 2007 Bonds outstanding and Swaps in place, the Board of Commissioners is assuming that (1) the current costs of the liquidity facilities and remarketing agreements in place to support the 2007 Bonds will remain the same for the term of the 2007 Bonds, (2) the County will receive 9 basis points less from the Swap Counterparties on the variable leg of the Swaps than the County has to pay on the 2007 Bonds for the term of the 2007 Bonds and (3) all other current market conditions remain the same for the term of the 2007 Bonds.

The Swaps may be terminated either in whole or in part before, contemporaneously with or after the issuance of the Bonds as Chairman of the Board of Commissioners, the County Manager and the Finance Director of the County in his reasonable judgment determines to be in the best interests of the City and each are authorized to enter into termination agreements with each of the Swap Counterparties in connection therewith.

Section 17. The Chairman of the Board of Commissioners, the County Manager, the Finance Director and the Clerk to the Board of Commissioners of the County are authorized and directed to execute and deliver for and on behalf of the County any and all additional certificates, documents, opinions or other papers and perform all other acts as may be required by the documents contemplated hereinabove or as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 18. The County agrees, in accordance with Rule 15c2-12 (the “*Rule*”) promulgated by the Securities and Exchange Commission (the “*SEC*”) and for the benefit of the Registered Owners and beneficial owners of the Bonds, as follows:

- (1) by not later than seven months after the end of each Fiscal Year to the Municipal Securities Rulemaking Board (the “*MSRB*”) the audited financial statements of the County for the preceding Fiscal Year, if available, prepared in accordance with Section 159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or if such audited financial statements are not then available, unaudited financial statements of the County for such Fiscal Year to be replaced subsequently by audited financial statements of the County to be delivered within 15 days after such audited financial statements become available for distribution;
- (2) by not later than seven months after the end of each Fiscal Year to the MSRB, (a) the financial and statistical data as of a date not earlier than the end of the preceding Fiscal Year for the type of information included under the captions “**THE COUNTY--DEBT INFORMATION**” and “**--TAX INFORMATION**” (excluding information on overlapping units) in the Official Statement referred to in Section 16 and (b) the combined budget of the County for the current Fiscal Year to the extent such items are not included in the audited financial statements referred to in clause (1) above;
- (3) in a timely manner to the MSRB, notice of the occurrence of any of the following events with respect to the Bonds, if material:
 - (a) principal and interest payment delinquencies;
 - (b) non-payment related defaults;
 - (c) unscheduled draws on debt service reserves reflecting financial difficulties;
 - (d) unscheduled draws on credit enhancements for the Bonds reflecting financial difficulties;
 - (e) substitution of any credit or liquidity providers, or their failure to perform;
 - (f) adverse tax opinions or events affecting the tax-exempt status of the Bonds;
 - (g) modification to the rights of the beneficial owners of the Bonds;
 - (h) call of any of the Bonds for redemption, other than sinking fund redemptions;

- (i) defeasance of any of the Bonds;
- (j) release, substitution or sale of any property securing repayment of the Bonds;
- (k) rating changes on the Bonds; and

(4) in a timely manner to the MSRB, notice of the failure by the County to provide the required annual financial information described in (1) and (2) above on or before the date specified.

The County agrees that its undertaking under this Paragraph is intended to be for the benefit of the registered owners and the beneficial owners of the Bonds and is enforceable by any of the registered owners and the beneficial owners of the Bonds, including an action for specific performance of the County's obligations under this Paragraph, but a failure to comply will not be an event of default and will not result in acceleration of the payment of the Bonds. An action must be instituted, had and maintained in the manner provided in this Paragraph for the benefit of all of the registered owners and beneficial owners of the Bonds.

The County agrees to provide all documents described in this section in an electronic format as prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB. The County may discharge its undertakings described above by transmitting the documents or notices referred to above in a manner subsequently authorized or required by the SEC in lieu of the manner described above.

The County may modify from time to time, consistent with the Rule, the information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the County, but:

- (1) any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the County;
- (2) the information to be provided, as modified, would have complied with the requirements of the Rule as of the date of the Official Statement, after taking into account any amendments or interpretations of the Rule as well as any changes in circumstances;
- (3) any such modification does not materially impair the interest of the registered owners or the beneficial owners, as determined by nationally recognized bond counsel or by the approving vote of the registered owners of a majority in principal amount of the Bonds.

Any annual financial information containing modified operating data or financial information will explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The provisions of this Paragraph terminate on payment, or provision having been made for payment in a manner consistent with the Rule, in full of the principal of and interest on the Bonds.

Section 19. Those portions of this Resolution other than Section 18 may be amended or supplemented, from time to time, without the consent of the owners of the Bonds if in the opinion of nationally recognized bond counsel, such amendment or supplement would not adversely affect the interests of the owners of the Bonds and would not cause the interest on the Bonds to be included in the gross income of a recipient thereof for federal income tax purposes. This Resolution may be amended or supplemented with the consent of the owners of a majority in aggregate principal amount of the outstanding Bonds, exclusive of Bonds, if any, owned by the County, but a modification or amendment (1) may not, without the express consent of any owner of Bonds, reduce the principal amount of any Bond, reduce the interest rate payable on it, extend its maturity or the times for paying interest, change the monetary medium in which principal and interest is payable, or reduce the percentage of consent required for amendment or modification and (2) as to an amendment to Section 18, must be limited as described therein.

Any act done pursuant to a modification or amendment consented to by the owners of the Bonds is binding on all owners of the Bonds and will not be deemed an infringement of any of the provisions of this Resolution, whatever the character of the act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent has been given, no owner of a Bond has any right or interest to object to the action, to question its propriety or to enjoin or restrain the County from taking any action pursuant to a modification or amendment.

If the County proposes an amendment or supplemental resolution to this Resolution requiring the consent of the owners of the Bonds, the Registrar shall, on being satisfactorily indemnified with respect to expenses, cause notice of the proposed amendment to be sent to each owner of the Bonds then outstanding by first-class mail, postage prepaid, to the address of such owner as it appears on the registration books; but the failure to receive such notice by mailing by any owner, or any defect in the mailing thereof, will not affect the validity of any proceedings pursuant hereto. Such notice shall briefly set forth the nature of the proposed amendment and shall state that copies thereof are on file at the principal office of the Registrar for inspection by all owners of the Bonds. If, within 60 days or such longer period as shall be prescribed by the County following the giving of such notice, the owners of a majority in aggregate principal amount of Bonds then outstanding have consented to the proposed amendment, the amendment will be effective as of the date stated in the notice.

Section 20. Nothing in this Resolution precludes (a) the payment of the Bonds from the proceeds of refunding bonds or (b) the payment of the Bonds from any legally available funds.

If the County causes to be paid, or has made provisions to pay, on maturity or on redemption before maturity, to the owners of the Bonds the principal of the Bonds (including interest to become due thereon) and, premium, if any, on the Bonds, through setting aside trust funds or setting apart in a reserve fund or special trust account created pursuant to this Resolution or otherwise, or through the irrevocable segregation for that purpose in some sinking fund or other fund or trust account with an escrow agent or otherwise, moneys sufficient therefor, including, but not limited to, interest earned or to be earned on Federal Securities, the County shall so notify Moody's and S&P, and then such Bonds shall be considered to have been discharged and satisfied, and the principal of the Bonds (including premium, if any, and interest thereon) shall no longer be deemed to be outstanding and unpaid; provided, however, that nothing in this Resolution requires the deposit of more than such Federal Securities as may be sufficient, taking into account both the principal amount of such Federal Securities and the interest to become due thereon, to implement any such defeasance.

If such a defeasance occurs and after the County receives an opinion of a nationally recognized accounting firm that the segregated moneys or Federal Securities together with interest earnings thereon are sufficient to effect a defeasance, the County shall execute and deliver all such instruments as may be necessary to effect such a defeasance and desirable to evidence such release, discharge and satisfaction. Provisions shall be made by the County, for the mailing of a notice to the owners of the Bonds that such moneys are so available for such payment.

Section 21. All acts and doings of the Chairman of the Board of Commissioners, the County Manager, the Finance Director of the County and the Clerk to the Board of Commissioners of the County that are in conformity with the purposes and intents of this Resolution and in the furtherance of the issuance of the Bonds and the execution, delivery and performance of the Bond Purchase Agreement are in all respects approved and confirmed.

Section 22. If any one or more of the agreements or provisions herein contained is held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or for any reason whatsoever is held invalid, then such covenants, agreements or provisions are null and void and separable from the remaining agreements and provisions and will in no way affect the validity of any of the other agreements and provisions hereof or of the Bonds authorized hereunder.

Section 23. All resolutions or parts thereof of the Board of Commissioners in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 24. This Bond Resolution is effective on its adoption.

APPENDIX A

Form of Bond

No. R-

\$

UNITED STATES OF AMERICA
STATE OF NORTH CAROLINA
COUNTY OF UNION

INTEREST

| | | | |
|-------------|----------------------|-----------------------|--------------|
| <u>RATE</u> | <u>MATURITY DATE</u> | <u>DATED DATE</u> | <u>CUSIP</u> |
| | MARCH 1, _____ | [DATE OF ISSUE], 2010 | 906395[] |

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: DOLLARS

GENERAL OBLIGATION REFUNDING BOND, SERIES 2010A

THE COUNTY OF UNION, NORTH CAROLINA (the “*County*”) acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner named above, on the Maturity Date specified above, on surrender hereof, the Principal Sum shown above and to pay to the Registered Owner hereof interest thereon from the date of this Bond until it shall mature at the Interest Rate per annum specified above, payable on September 1, 2010 and semiannually thereafter on March 1 and September 1 of each year. Principal of and interest on this Bond are payable in immediately available funds to The Depository Trust Company (“*DTC*”) or its nominee as registered owner of the Bonds and is payable to the owner of the Bonds shown on the records of *DTC* at the close of business on the 15th day of the month preceding an interest payment date or a bond payment date. The County is not responsible or liable for maintaining, supervising or reviewing the records maintained by *DTC*, its participants or persons acting through such participants.

This Bond is issued in accordance with the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, and pursuant to The Local Government Finance Act, a bond order adopted by the Board of Commissioners of the County on May 17, 2010 and effective on the date of its adoption. The Bonds are issued to provide funds to refund in advance of their maturities (1) \$65,365,000 aggregate principal amount of the County’s Variable Rate General Obligation Bonds, Series 2007A, of which \$58,435,000 is currently outstanding; (2) \$39,220,000 aggregate principal amount of the County’s Variable Rate General Obligation Bonds, Series 2007B, of which \$35,065,000 is currently outstanding; and (3) \$26,145,000 aggregate principal amount of the County’s Variable Rate General Obligation Bonds, Series 2007C, of which \$23,385,000 is currently outstanding.

The Bonds maturing on or before [Call Date] are not subject to redemption before maturity. The Bonds maturing after [Call Date] are subject to redemption before maturity, at the option of the County, from any moneys that may be made available for such purpose, either in whole or in part on any date on or after [Call Date], at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, [without premium].

If less than all of the Bonds are called for redemption, the County shall select the maturity or maturities of the Bonds to be redeemed in such manner as the County in its discretion may determine and DTC and its participants shall determine which of the Bonds within a maturity are to be redeemed by lot; *provided, however*, that the portion of any Bond to be redeemed is to be in principal amount of \$5,000 or integral multiples thereof and that, in selecting Bonds for redemption, each Bond is to be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. Whenever the County elects to redeem Bonds, notice of such redemption of Bonds, stating the redemption date, redemption price and identifying the Bonds or portions thereof to be redeemed by reference to their numbers and further stating that on such redemption date there shall become due and payable on each Bond or portion thereof so to be redeemed, the principal thereof, redemption premium and interest accrued to the redemption date and that from and after such date interest thereon shall cease to accrue, is to be given not less than 30 days nor more than 60 days before the redemption date in writing to DTC or its nominee as the registered owner of the Bonds, by prepaid certified or registered United States mail, at the address provided to the County by DTC, but any failure or defect in respect of such mailing will not affect the validity of the redemption. If DTC is not the registered owner of the Bonds, the County will give notice at the time set forth above by prepaid first class United States mail to the then-registered owners of the Bonds or portions thereof to be redeemed at the last address shown on the registration books kept by the County.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of North Carolina to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, and that the amount of this Bond, together with all other indebtedness of the County, is within every debt and other limit prescribed by said Constitution or statutes. The faith and credit of the County are hereby pledged to the punctual payment of the principal of and interest on this Bond in accordance with its terms.

This Bond is not valid or obligatory for any purpose until the certification hereon has been signed by an authorized representative of the Local Government Commission.

IN WITNESS WHEREOF, the County has caused this Bond to bear the original or facsimile of the signatures of the Chairman of the Board of Commissioners of the County and the Clerk to the Board of Commissioners of the County and an original or facsimile of the seal of the County to be imprinted hereon and this Bond to be dated as of the Dated Date above.

(SEAL)

Clerk to the
Board of Commissioners

Chairman,
Board of Commissioners

Date of Execution: [Date of Issue], 2010

The issue hereof has been approved under the
provisions of The Local Government Bond Act.

T. VANCE HOLLOMAN
Secretary of the Local Government Commission

FORM OF ASSIGNMENT

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address,
including Zip Code, and Federal Taxpayer Identification or
Social Security Number of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to register the transfer of the within Bond on the books kept for registration thereof,
with full power of substitution in the premises.

Dated: _____

Signature guaranteed by:

NOTICE: Signature must be guaranteed by a Participant in the Securities Transfer Agent Medallion Program (“*Stamp*”) or similar program.

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration, enlargement or any change whatever.

TRANSFER FEE MAY BE REQUIRED

GENERAL OBLIGATION REFUNDING BONDS, SERIES 2007D & 2009 A/B:

Kai Nelson, Finance Director, stated that this item has been discussed with the Board also. He explained that this is a traditional fixed rate refunding that takes fixed rate bonds, which are at higher interest rates, and if it can be competitive in the market place on the day of sale to actually lower the interest rate cost with lower new fixed rate interest bonds. He stated that with traditional fixed rate refunding, there is a requirement that there be three percent savings.

Mr. Nelson stated that both of these are scheduled for pricing in the month of June.

Following the explanation by Mr. Nelson, Commissioner Mills moved to: 1) Adopt a Resolution of the Board of Commissioners of the County of Union, North Carolina Making Certain Statements of Fact Concerning Proposed Bond Issue; and s; 2) Introduce and Adopt the Bond Order Authorizing the Issuance of Not to Exceed \$140,000,000 General Obligation Refunding Bonds of the County of Union, North Carolina; and 3) Adopt a Resolution of the Board of Commissioners of the County of Union, North Carolina Providing for the Issuance of Not to Exceed \$140,000,000 General Obligation Refunding Bonds, Series 2010B of the County of Union, North Carolina.

Mr. Nelson commented that he and the Manager met with the rating agencies on Thursday and Friday of last week. He said it was an in-depth session on the County’s credit and financial position. He stated that the rating agencies acknowledged the County’s

modest favorable financial results in 2009 and that the County finished the year in the black when many of their other credits were in the red. Mr. Nelson said that the rating agencies acknowledged that in order to achieve the favorable results, the Board had to make some very hard decisions relative to position cuts and deferring capital.

He said that he and the Manager had shared with the rating agencies that for the 2010 year, it is believed that the results likewise will be in the black for the current fiscal year. He stated that the rating agencies continue to focus on the County's fund balance, having a structurally balanced budget, and they are concerned with "one-time kind" of financial gimmicks when paygo is not fully funded and fund it out of one-time sources of revenues. He said that several of the credit ratings expressed concern about some of the pension issues such as retirement increases and retirement healthcare. He stated they did acknowledge favorably the Board's recent actions with regards to the debt portfolio mix. He reported that he thought the discussions with the rating agencies went well, and the County was recently upgraded by two of the three rating agencies to essentially AA+ which is one notch below AAA. He said the County's credit is superior. Mr. Nelson said that when he arrived in Union County eight years ago, Union County's credit was A+, so the credit rating has gone from A+ to AA-, AA+, which is one whole rating upgrade. He credited this credit upgrade to the current and prior Boards of Commissioners and to the Managers.

Commissioner Openshaw noted that the credit upgrade also was due to the efforts of Mr. Nelson.

Following Mr. Nelson's comments, the motion was passed unanimously.

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF UNION, NORTH CAROLINA MAKING CERTAIN STATEMENTS OF FACT CONCERNING PROPOSED BOND ISSUE

WHEREAS, the Board of Commissioners is considering the issuance of bonds of the County of Union, North Carolina (the "County") which shall be for the following purposes and in the following maximum amount:

Not to exceed \$140,000,000 of General Obligation Refunding Bonds to pay the costs of refunding in advance of their maturities all or a portion of the (1) \$90,000,000 aggregate principal amount of the County's General Obligation School Bonds, Series 2007D, of which \$84,000,000 is currently outstanding; (2) \$64,500,000 aggregate principal amount of the County's General Obligation School Bonds, Series 2009A, of which \$63,375,000 is currently outstanding; and (3) \$72,000,000 aggregate principal amount of the County's General Obligation Refunding Bonds, Series 2009B, of which \$68,570,000 is currently outstanding.

WHEREAS, certain findings of fact by the Board of Commissioners must be presented to enable the Local Government Commission of the State of North Carolina to make certain determinations as set forth in Article 4 of Chapter 159 of the General Statutes, Section 52.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners meeting in open session on the 17th day of May, 2010, has made the following factual findings in regard to this matter:

A. **Facts Regarding Necessity of Proposed Financing.** The proposed bonds are necessary and expedient to lower debt service costs to the County.

B. **Facts Supporting the Amount of Bonds Proposed.** The sums estimated for these bonds are adequate and not excessive for the proposed purpose.

C. **Past Debt Management Policies.** The County's debt management policies have been carried out in compliance with law. The County employs a Finance Director to oversee compliance with applicable laws relating to debt management. The Board of Commissioners requires annual audits of County finances. In connection with these audits, compliance with laws is reviewed. The County is not in default in any of its debt service obligations. The County Attorney reviews all debt-related documents for compliance with laws.

D. **Past Budgetary and Fiscal Management Policies.** The County's budgetary and fiscal management policies have been carried out in compliance with laws. Annual budgets are closely reviewed by the Board of Commissioners before final approval of budget ordinances. Budget amendments changing a function total or between functions are presented to the Board of Commissioners at regular Board of Commissioners meetings. The Finance Director presents financial information to Board of Commissioners which shows budget to actual comparisons annually and otherwise as the County Manager deems necessary or as a member of the Board of Commissioners may request.

E. **Retirement of Debt.** The schedule for issuing the bonds does not require a property tax increase. The schedule for issuance calls for issuing all of the bonds in 2010.

F. **Financing Team.** The Board has previously authorized and directed the County staff to retain the assistance of a financing team related to the proposed issuance of bonds.

**BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$140,000,000
GENERAL OBLIGATION REFUNDING BONDS OF THE COUNTY OF UNION, NORTH CAROLINA**

WHEREAS, the County of Union, North Carolina (the “*County*”) has issued the (1) \$90,000,000 aggregate principal amount of the County’s General Obligation School Bonds, Series 2007D, of which \$84,000,000 is currently outstanding (the “*2007D Bonds*”); (2) \$64,500,000 aggregate principal amount of the County’s General Obligation School Bonds, Series 2009A, of which \$63,375,000 is currently outstanding (the “*2009A Bonds*”); and (3) \$72,000,000 aggregate principal amount of the County’s General Obligation Refunding Bonds, Series 2009B, of which \$68,570,000 is currently outstanding (the “*2009B Bonds*” and collectively with the 2009A Bonds, the “*2009 Bonds*”);

WHEREAS, the Board of Commissioners of the County of Union, North Carolina (the “*Board of Commissioners*”) deems it advisable to refund all or a portion of the 2007D Bonds and the 2009 Bonds;

NOW, THEREFORE, BE IT ORDERED by the Board of Commissioners of the County of Union, North Carolina, as follows:

Section 1. The Board of Commissioners deems it advisable to refund all or a portion of the outstanding aggregate principal amount of the 2007D Bonds and the 2009 Bonds.

Section 2. To raise the money required to pay the costs of refunding the 2007D Bonds and the 2009 Bonds as set forth above, General Obligation Refunding Bonds of the County are hereby authorized and shall be issued pursuant to the Local Government Bond Act of North Carolina. The maximum aggregate principal amount of such General Obligation Refunding Bonds authorized by this bond order shall be and not exceed \$140,000,000.

Section 3. A tax sufficient to pay the principal of and interest on said General Obligation Refunding Bonds when due shall be annually levied and collected.

Section 4. A sworn statement of the County’s debt has been filed with the Clerk to the Board of Commissioners and is open to public inspection.

Section 5. This bond order is effective on its adoption.

A RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF UNION, NORTH CAROLINA PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$140,000,000 GENERAL OBLIGATION REFUNDING BONDS, SERIES 2010B OF THE COUNTY OF UNION, NORTH CAROLINA

WHEREAS, the Bond Order hereinafter-described has been adopted, and it is desirable to make provision for the issuance of the Bonds authorized by said Bond Order;

WHEREAS, the County of Union, North Carolina (the “*County*”) desires to issue its General Obligation Refunding Bonds, Series 2010B (the “*Bonds*”) for the purposes described herein and to request that the Local Government Commission (the “*Commission*”) sell the Bonds through a negotiated sale to Wells Fargo Bank, National Association and certain co-managing underwriters (collectively, the “*Underwriters*”) in accordance with the terms and conditions set forth in a Bond Purchase Agreement to be dated on or about June 9, 2010 (the “*Bond Purchase Agreement*”) among the County, the Commission and the Underwriters;

WHEREAS, copies of the forms of the following documents relating to the transactions described above have been filed with the County and have been made available to the Board:

1. the Bond Purchase Agreement;
2. the Preliminary Official Statement with respect to the Bonds to be dated on or about June 2, 2010, together with the Official Statement with respect to the Bonds to be dated on or about June 9, 2010 (collectively, the “*Official Statement*”); and
3. the Escrow Agreement between the County and the escrow agent to be named therein with respect to the Refunded Bonds (as defined below);

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

Section 1. For purposes of this Resolution, the following words have the meanings ascribed to them below:

“*Bond Order*” means the Bond Order authorizing the General Obligation Refunding Bonds adopted by the Board of Commissioners on May 17, 2010 and effective on its adoption.

“*Bonds*” means the County’s General Obligation Refunding Bonds, Series 2010B, authorized under the Bond Order.

“*Code*” means the Internal Revenue Code of 1986, as amended. Each reference to a section of the Code herein will be deemed to include the United States Treasury Regulations proposed or in effect with respect thereto.

“*Escrow Agent*” means the escrow agent, and its successors and assigns, appointed as such under the Escrow Agreement.

“*Escrow Agreement*” means the Escrow Agreement between the City and the Escrow Agent related to the Refunded Bonds.

“*Federal Securities*” means (a) direct obligations of the United States of America for the timely payment of which the full faith and credit of the United States of America is pledged; (b) obligations issued by any agency controlled or supervised by and acting as an instrumentality of the United States of America, the timely payment of the principal of and interest on which is fully guaranteed as full faith and credit obligations of the United States of America (including any securities described in (a) or (b) issued or held in the name of the Trustee in book-entry form on the books of the Department of Treasury of the United States of America), which obligations, in either case, are held in the name of a trustee and are not subject to redemption or purchase prior to maturity at the option of anyone other than the holder; (c) any bonds or other obligations of the State of North Carolina or of any agency, instrumentality or local governmental unit of the State of North Carolina which are (i) not callable prior to maturity or (ii) as to which irrevocable instructions have been given to the trustee or escrow agent with respect to such bonds or other obligations by the obligor to give due notice of redemption and to call such bonds for redemption on the date or dates specified, and which are rated by Moody’s, if the Bonds are rated by Moody’s, and S&P, if the Bonds are rated by S&P, within the highest rating category and which are secured as to principal, redemption premium, if any, and interest by a fund consisting only of cash or bonds or other obligations of the character described in clause (a) or (b) hereof which fund may be applied only to the payment of such principal of and interest and redemption premium, if any, on such bonds or other obligations on the maturity date or dates thereof or the specified redemption date or dates pursuant to such irrevocable instructions, as appropriate; or (d) direct evidences of ownership of proportionate interests in future interest and principal payments on specified obligations described in (a) held by a bank or trust company as custodian, under which the owner of the investment is the real party in interest and has the right to proceed directly and individually against the obligor on the underlying obligations described in (a), and which underlying obligations are not available to satisfy any claim of the custodian or any person claiming through the custodian or to whom the custodian may be obligated.

“*Moody’s*” means Moody’s Investors Service, a corporation organized and existing under the laws of the State of Delaware, its successors and their assigns and, if such corporation for any reason no longer performs the functions of a securities rating agency, “*Moody’s*” will be deemed to refer to any other nationally recognized rating agency other than S&P designed by the County.

“*Refunded Bonds*” means, collectively, the 2007D Bonds, the 2009A Bonds and the 2009B Bonds.

“*2007D Bonds*” means \$90,000,000 aggregate principal amount of the County’s General Obligation School Bonds, Series 2007D, of which \$84,000,000 is currently outstanding.

“2009A Bonds” means \$64,500,000 aggregate principal amount of the County’s General Obligation School Bonds, Series 2009A, of which \$63,375,000 is currently outstanding.

“2009B Bonds” means \$72,000,000 aggregate principal amount of the County’s General Obligation Refunding Bonds, Series 2009B, of which \$68,570,000 is currently outstanding.

“Pricing Certificate” means the certificate of the County’s Finance Director delivered in connection with the issuance of the Bonds which establishes, with respect to the Bonds, the final maturity amounts, the interest payment dates and the provisions for redemption, all as agreed on in the Bond Purchase Agreement.

“S&P” means Standard & Poor’s Ratings Services, a Division of The McGraw-Hill Companies, Inc., its successors and their assigns and, if such corporation for any reason no longer performs the functions of a securities rating agency, “S&P” will be deemed to refer to any other nationally recognized rating agency other than Moody’s designed by the County.

Section 2. The County shall issue its Bonds in an aggregate principal amount not to exceed \$140,000,000. While the Bonds are designated in this Resolution as “Series 2010B,” the Bonds may be issued with such other designation as the Commission may determine or may be issued together with bonds provided for by the Board of Commissioners under the Resolution of the Board of Commissioners of the County of Union, North Carolina Providing for the Issuance of Not to Exceed \$110,000,000 General Obligation Refunding Bonds, Series 2010A of the County of Union, North Carolina adopted on the same date as this Resolution.

Section 3. The Bonds shall be dated as of their date of issuance. The Bonds shall pay interest semiannually on March 1 and September 1, beginning September 1, 2010, unless the County Finance Director establishes different dates in his Pricing Certificate. The Bonds are being issued to refund all or a portion of the Refunded Bonds pursuant to and in accordance with the Bond Order.

Section 4. The Bonds are payable in annual installments on March 1 in each year, unless the County Finance Director establishes different a date in his Pricing Certificate. The maturities of the Bonds will be as set forth in the Pricing Certificate.

Section 5. The Bonds are to be numbered from “R-1” consecutively and upward and shall bear interest from their date at a rate or rates which will be hereafter determined on the sale thereof computed on the basis of a 360-day year of twelve 30-day months.

Section 6. The Bonds are to be registered as to principal and interest, and the Finance Director of the County is directed to maintain the registration records with respect thereto. The Bonds shall bear the original or facsimile signatures of the Chairman of the Board of Commissioners or County Manager of the County and the Clerk to the Board of Commissioners of the County. An original or facsimile of the seal of the County is to be imprinted on each of the Bonds.

Section 7. The Bonds will initially be issued by means of a book-entry system with no physical distribution of bond certificates made to the public. One bond certificate for each maturity will be issued to The Depository Trust Company, New York, New York (“DTC”), and immobilized in its custody. A book-entry system will be employed, evidencing ownership of the Bonds in principal amounts of \$5,000 or integral multiples thereof, with transfers of beneficial ownership effected on the records of DTC and its participants pursuant to rules and procedures established by DTC. Interest on the Bonds will be payable to DTC or its nominee as registered owner of the Bonds in immediately available funds. The principal of and interest on the Bonds will be payable to owners of Bonds shown on the records of DTC at the close of business on the 15th day of the month preceding an interest payment date or a bond payment date. The County will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

If (a) DTC determines not to continue to act as securities depository for the Bonds or (b) the Finance Director for the County determines that the continuation of the book-entry system of evidence and transfer of ownership of the Bonds would adversely affect the interests of the beneficial owners of the Bonds, the County will discontinue the book-entry system with DTC. If the County fails to identify another qualified securities depository to replace DTC, the County will authenticate and deliver replacement bonds in accordance with DTC’s rules and procedures.

Section 8. If the Pricing Certificate designates a date for the Bonds on and after which the Bonds are subject to redemption, then such Bonds are subject to redemption before maturity, at the option of the County, from any money that may be made available for such purpose, either in whole or in part on any date on or after the date set forth in the Pricing Certificate, at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, with such redemption premium, if any, designated for the Bonds in the Pricing Certificate.

If the Bonds are subject to optional redemption and if less than all the Bonds are called for redemption, the County shall select the maturity or maturities of the Bonds to be redeemed in such manner as the County in its discretion may determine, and DTC and its participants shall determine which Bonds within a maturity are to be redeemed by lot; *provided, however*, that the portion of any Bond to be redeemed must be in principal amount of \$5,000 or integral multiples thereof and that, in selecting Bonds for redemption, each Bond is to be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. When the County elects to redeem any Bonds, notice of such redemption of such Bonds, stating the redemption date, redemption price and identifying the Bonds or portions thereof to be redeemed by reference to their numbers and further stating that on such redemption date there are due and payable on each Bond or portion thereof so to be redeemed, the principal thereof and interest accrued to the redemption date and that from and after such date interest thereon shall cease to accrue, is to be given not less than 30 days nor more than 60 days before the redemption date in writing to DTC or its nominee as the registered owner of such Bonds, by prepaid certified or registered United States mail (or in such other manner as is permitted by DTC’s rules and procedures), at the address provided to the County by DTC, but any failure or defect in respect of such mailing will not affect the validity of the redemption. If DTC is not the registered owner of such Bonds, the County will give notice at the time set forth above by prepaid first class United States mail, to the then-registered owners of such Bonds or portions thereof to be redeemed at the last address shown on the

registration books kept by the County. The County will also mail or transmit by facsimile a copy of the notice of redemption within the time set forth above (1) to the Commission, (2) to each of the then-existing securities depositories and (3) to at least two of the then-existing national information services.

Section 9. The Bonds and the provisions for the registration of the Bonds and for the approval of the Bonds by the Secretary of the Local Government Commission are to be in substantially the form set forth in the Appendix A hereto.

Section 10. The County covenants to take such action as may be required in the opinion of nationally recognized bond counsel to cause the Bonds and all actions of the County with respect to the proceeds thereof to comply with Code. In particular, the County covenants as follows:

(a) At least one of the following two conditions will be satisfied for the Bonds: (1) less than 10% of the proceeds of the Bonds, reduced by costs of issuance, will be used directly or indirectly in the business of a person other than a state or local governmental unit or (2) less than 10% of the principal or interest on the Bonds will be (under the terms of such issue or any underlying arrangement) directly or indirectly (A) secured by an interest in property used or to be used in a private business or any interest in payments made with respect to such property or (B) to be derived from payments made with respect to property, or borrowed money, used or to be used in a private business;

(b) At least one of the following two conditions will be satisfied: (i) less than 5% of the proceeds of the Bonds, reduced by costs of issuance, will be used by nongovernmental persons for a use unrelated or disproportionate to the purposes for which the Bonds were issued or (ii) less than 5% of the principal or interest on the Bonds will be (under the terms of such issue or any underlying arrangement) directly or indirectly (A) secured by an interest in property used or to be used in a private business described in (i) or by any interest in payments made with respect to such property or (B) derived from payments made with respect to property the use of which is described in (i), or borrowed money, used or to be used in a private business

(c) It will not loan directly or indirectly more than 5% of the proceeds of the Bonds to nongovernmental persons;

(d) It will not enter into any management contract with respect to the facilities refinanced with the proceeds of the Bonds unless it obtains an opinion of nationally recognized bond counsel that such management contract will not impair the exclusion from a recipient's gross income for federal income tax purposes of the interest on the Bonds;

(e) The County acknowledges that the continued exclusion of interest on the Bonds from a recipient's gross income for federal income tax purposes depends, in part, on compliance with the arbitrage limitations imposed by Section 148 of the Code. The County covenants to comply with all the requirements of Section 148 of the Code, including the rebate requirements,

and it shall not permit at any time any of the proceeds of the Bonds or other funds of the County to be used, directly or indirectly, to acquire any asset or obligation, the acquisition of which would cause the Bonds to be “*arbitrage bonds*” for purposes of Section 148 of the Code;

(f) The Bonds shall not be “*federally guaranteed*” as defined in Section 149(b) of the Code;

(g) The County covenants to file or cause to be filed Form 8038G with respect to the Bonds in accordance with Section 149(e) of the Code.

Section 11. The proceeds from the sale of the Bonds, less the costs of issuance of the Bonds to be paid from the proceeds of the Bonds, shall be deposited with the Escrow Agent, in an Escrow Fund created pursuant to the Escrow Agreement. The Chairman of the Board of Commissioners, the County Manager and the Finance Director are each hereby authorized and directed to enter into the Escrow Agreement, a form of which has been made available to the Board of Commissioners, but with such changes, modifications, additions or deletions therein as shall to them seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the Board of Commissioner’s approval of any and all changes, modifications, additions or deletions therein from the form and content of the Escrow Agreement presented to the Board of Commissioners, and that from and after the execution and delivery of the Escrow Agreement, the Chairman of the Board of Commissioners, the County Manager and the Finance Director are each hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Escrow Agreement as executed. Proceeds of the Bonds to be used to pay the costs of issuance of the Bonds shall be deposited in a separate segregated account held by the County and invested and reinvested by the Finance Director as permitted by the laws of the State of North Carolina. The Finance Director shall keep and maintain adequate records pertaining to such account and all disbursements therefrom so as to satisfy the requirements of the laws of the State of North Carolina and to assure that the City maintains its covenants with respect to the exclusion of the interest on the Bonds from gross income for purposes of federal income taxation. To the extent any funds remain in such account after all of the costs of issuance on the Bonds are paid, the Finance Director shall apply them to pay interest on the Bonds on that date.

Section 12. Actions taken by officials of the County to select paying and transfer agents, and a bond registrar, or alternate or successor agents and registrars pursuant to Section 159E-8 of the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, are hereby authorized and approved.

Section 13. The Commission is hereby requested to sell the Bonds through a negotiated sale to the Underwriters pursuant to the terms of the Bond Purchase Agreement at a true interest cost not to exceed 4.90%. The managing Underwriter for the Bonds is Wells Fargo Bank, National Association and the County Manager and the Finance Director may select co-managing underwriters among BB&T Capital Markets, a division of Scott & Stringfellow, LLC, and Merrill Lynch, Pierce, Fenner & Smith Incorporated (formerly Banc of America Securities LLC) that in their discretion may be in the best interest of the County. The form and content of the Bond Purchase Agreement is in all respects approved and

confirmed, and the Chairman of the Board of Commissioners, the County Manager or the Finance Director of the County is hereby authorized, empowered and directed to execute and deliver the Bond Purchase Agreement for and on behalf of the County, including necessary counterparts, in substantially the form and content presented to the County, but with such changes, modifications, additions or deletions therein as he may deem necessary, desirable or appropriate, the execution thereof to constitute conclusive evidence of the Board of Commissioners' approval of any and all such changes, modifications, additions or deletions therein, and that from and after the execution and delivery of the Bond Purchase Agreement, the Chairman of the Board of Commissioners, the County Manager and the Finance Director of the County are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Bond Purchase Agreement as executed.

Section 14. The Chairman of the Board of Commissioners, the County Manager, the Finance Director and the Clerk to the Board of Commissioners of the County are hereby authorized and directed to cause the Bonds to be prepared and, when they shall have been duly sold by the Commission, to execute the Bonds and to turn the Bonds over to the registrar and transfer agent of the County for delivery through the facilities of DTC to the Underwriters.

Section 15. The form and content of the Official Statement are in all respects authorized, approved and confirmed, and the Chairman of the Board of Commissioners, the County Manager, the Finance Director and the Clerk to the Board of Commissioners of the County are authorized, empowered and directed to execute and deliver the Official Statement in substantially the form and content presented to the Board of Commissioners, but with such changes, modifications, additions or deletions therein as the Chairman of the Board of Commissioners, County Manager or the Finance Director of the County may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the approval of the Board of Commissioners of any and all changes, modifications, additions or deletions therein from the form and content of the Official Statement presented to the Board of Commissioners.

Section 16. The Chairman of the Board of Commissioners, the County Manager, the Finance Director and the Clerk to the Board of Commissioners of the County are authorized and directed to execute and deliver for and on behalf of the County any and all additional certificates, documents, opinions or other papers and perform all other acts as may be required by the documents contemplated hereinabove or as may be deemed necessary or appropriate in order to implement and carry out the intent and purposes of this Resolution.

Section 17. The County agrees, in accordance with Rule 15c2-12 (the "*Rule*") promulgated by the Securities and Exchange Commission (the "*SEC*") and for the benefit of the Registered Owners and beneficial owners of the Bonds, as follows:

- (1) by not later than seven months after the end of each Fiscal Year to the Municipal Securities Rulemaking Board (the "*MSRB*") the audited financial statements of the County for the preceding Fiscal Year, if available, prepared in accordance with Section 159-34 of the General Statutes of North Carolina, as it may be amended from time to time, or any successor statute, or if such audited financial statements are not then available, unaudited financial statements of the County for such Fiscal Year to be replaced subsequently by

audited financial statements of the County to be delivered within 15 days after such audited financial statements become available for distribution;

(2) by not later than seven months after the end of each Fiscal Year to the MSRB, (a) the financial and statistical data as of a date not earlier than the end of the preceding Fiscal Year for the type of information included under the captions “**THE COUNTY--DEBT INFORMATION**” and “**--TAX INFORMATION**” (excluding information on overlapping units) in the Official Statement referred to in Section 16 and (b) the combined budget of the County for the current Fiscal Year to the extent such items are not included in the audited financial statements referred to in clause (1) above;

(3) in a timely manner to the MSRB, notice of the occurrence of any of the following events with respect to the Bonds, if material:

- (a) principal and interest payment delinquencies;
- (b) non-payment related defaults;
- (c) unscheduled draws on debt service reserves reflecting financial difficulties;
- (d) unscheduled draws on credit enhancements for the Bonds reflecting financial difficulties;
- (e) substitution of any credit or liquidity providers, or their failure to perform;
- (f) adverse tax opinions or events affecting the tax-exempt status of the Bonds;
- (g) modification to the rights of the beneficial owners of the Bonds;
- (h) call of any of the Bonds for redemption, other than sinking fund redemptions;
- (i) defeasance of any of the Bonds;
- (j) release, substitution or sale of any property securing repayment of the Bonds;
- (k) rating changes on the Bonds; and

(4) in a timely manner to the MSRB, notice of the failure by the County to provide the required annual financial information described in (1) and (2) above on or before the date specified.

The County agrees that its undertaking under this Paragraph is intended to be for the benefit of the registered owners and the beneficial owners of the Bonds and is enforceable by any of the registered owners and the beneficial owners of the Bonds, including an action for specific performance of the County's obligations under this Paragraph, but a failure to comply will not be an event of default and will not result in acceleration of the payment of the Bonds. An action must be instituted, had and maintained in the manner provided in this Paragraph for the benefit of all of the registered owners and beneficial owners of the Bonds.

The County agrees to provide all documents described in this section in an electronic format as prescribed by the MSRB and accompanied by identifying information as prescribed by the MSRB. The County may discharge its undertakings described above by transmitting the documents or notices referred to above in a manner subsequently authorized or required by the SEC in lieu of the manner described above.

The County may modify from time to time, consistent with the Rule, the information provided or the format of the presentation of such information, to the extent necessary or appropriate in the judgment of the County, but:

(1) any such modification may only be made in connection with a change in circumstances that arises from a change in legal requirements, change in law or change in the identity, nature or status of the County;

(2) the information to be provided, as modified, would have complied with the requirements of the Rule as of the date of the Official Statement, after taking into account any amendments or interpretations of the Rule as well as any changes in circumstances;

(3) any such modification does not materially impair the interest of the registered owners or the beneficial owners, as determined by nationally recognized bond counsel or by the approving vote of the registered owners of a majority in principal amount of the Bonds.

Any annual financial information containing modified operating data or financial information will explain, in narrative form, the reasons for the modification and the impact of the change in the type of operating data or financial information being provided.

The provisions of this Paragraph terminate on payment, or provision having been made for payment in a manner consistent with the Rule, in full of the principal of and interest on the Bonds.

Section 18. Those portions of this Resolution other than Section 17 may be amended or supplemented, from time to time, without the consent of the owners of the Bonds if in the opinion of nationally recognized bond counsel, such amendment or supplement would not adversely affect the interests of the owners of the Bonds and would not cause the interest on the Bonds to be included in the gross income of a recipient thereof for federal income tax purposes. This Resolution may be amended or supplemented with the consent of the owners of a majority in aggregate principal amount of the outstanding Bonds, exclusive of Bonds, if any, owned by the County, but a modification or amendment (1) may not, without the express consent of any owner of Bonds, reduce the principal amount of any Bond, reduce the interest rate payable on it, extend its maturity or the times for paying interest, change the monetary medium in which principal and interest is payable, or reduce the percentage of consent required for amendment or modification and (2) as to an amendment to Section 17, must be limited as described therein.

Any act done pursuant to a modification or amendment consented to by the owners of the Bonds is binding on all owners of the Bonds and will not be deemed an infringement of any of the provisions of this Resolution, whatever the character of the act may be, and may be done and performed as fully and freely as if expressly permitted by the terms of this Resolution, and after consent has been given, no owner of a Bond has any right or interest to object to the action, to question its propriety or to enjoin or restrain the County from taking any action pursuant to a modification or amendment.

If the County proposes an amendment or supplemental resolution to this Resolution requiring the consent of the owners of the Bonds, the Registrar shall, on being satisfactorily indemnified with respect to expenses, cause notice of the proposed amendment to be sent to each owner of the Bonds then outstanding by first-class mail, postage prepaid, to the address of such owner as it appears on the registration books; but the failure to receive such notice by mailing by any owner, or any defect in the mailing thereof, will not affect the validity of any proceedings pursuant hereto. Such notice shall briefly set forth the nature of the proposed amendment and shall state that copies thereof are on file at the principal office of the Registrar for inspection by all owners of the Bonds. If, within 60 days or such longer period as shall be prescribed by the County following the giving of such notice, the owners of a majority in aggregate principal amount of Bonds then outstanding have consented to the proposed amendment, the amendment will be effective as of the date stated in the notice.

Section 19. Nothing in this Resolution precludes (a) the payment of the Bonds from the proceeds of refunding bonds or (b) the payment of the Bonds from any legally available funds.

If the County causes to be paid, or has made provisions to pay, on maturity or on redemption before maturity, to the owners of the Bonds the principal of the Bonds (including interest to become due thereon) and, premium, if any, on the Bonds, through setting aside trust funds or setting apart in a reserve fund or special trust account created pursuant to this Resolution or otherwise, or through the irrevocable segregation for that purpose in some sinking fund or other fund or trust account with an escrow agent or otherwise, moneys sufficient therefor, including, but not limited to, interest earned or to be earned on Federal Securities, the County shall so notify Moody's and S&P, and then such Bonds shall be considered to have been discharged and satisfied, and the principal of the Bonds (including premium, if any, and interest thereon) shall no longer be deemed to be outstanding and unpaid; provided, however, that nothing in this Resolution requires the deposit of more than such Federal

Securities as may be sufficient, taking into account both the principal amount of such Federal Securities and the interest to become due thereon, to implement any such defeasance.

If such a defeasance occurs and after the County receives an opinion of a nationally recognized accounting firm that the segregated moneys or Federal Securities together with interest earnings thereon are sufficient to effect a defeasance, the County shall execute and deliver all such instruments as may be necessary to effect such a defeasance and desirable to evidence such release, discharge and satisfaction. Provisions shall be made by the County, for the mailing of a notice to the owners of the Bonds that such moneys are so available for such payment.

Section 20. All acts and doings of the Chairman of the Board of Commissioners, the County Manager, the Finance Director of the County and the Clerk to the Board of Commissioners of the County that are in conformity with the purposes and intents of this Resolution and in the furtherance of the issuance of the Bonds and the execution, delivery and performance of the Bond Purchase Agreement are in all respects approved and confirmed.

Section 21. If any one or more of the agreements or provisions herein contained is held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or for any reason whatsoever is held invalid, then such covenants, agreements or provisions are null and void and separable from the remaining agreements and provisions and will in no way affect the validity of any of the other agreements and provisions hereof or of the Bonds authorized hereunder.

Section 22. All resolutions or parts thereof of the Board of Commissioners in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 23. This Bond Resolution is effective on its adoption.

APPENDIX A

Form of Bond

No. R-

\$

UNITED STATES OF AMERICA
STATE OF NORTH CAROLINA
COUNTY OF UNION

INTEREST
RATE

MATURITY DATE
MARCH 1, _____

DATED DATE
[DATE OF ISSUE], 2010

CUSIP
906395[]

REGISTERED OWNER: CEDE & CO.

PRINCIPAL SUM: DOLLARS

GENERAL OBLIGATION REFUNDING BOND, SERIES 2010B

THE COUNTY OF UNION, NORTH CAROLINA (the “*County*”) acknowledges itself indebted and for value received hereby promises to pay to the Registered Owner named above, on the Maturity Date specified above, on surrender hereof, the Principal Sum shown above and to pay to the Registered Owner hereof interest thereon from the date of this Bond until it shall mature at the Interest Rate per annum specified above, payable on September 1, 2010 and semiannually thereafter on March 1 and September 1 of each year. Principal of and interest on this Bond are payable in immediately available funds to The Depository Trust Company (“*DTC*”) or its nominee as registered owner of the Bonds and is payable to the owner of the Bonds shown on the records of *DTC* at the close of business on the 15th day of the month preceding an interest payment date or a bond payment date. The County is not responsible or liable for maintaining, supervising or reviewing the records maintained by *DTC*, its participants or persons acting through such participants.

This Bond is issued in accordance with the Registered Public Obligations Act, Chapter 159E of the General Statutes of North Carolina, and pursuant to The Local Government Finance Act, a bond order adopted by the Board of Commissioners of the County on May 17, 2010 and effective on the date of its adoption. The Bonds are issued to provide funds to refund in advance of their maturities (1) \$90,000,000 aggregate principal amount of the County’s General Obligation School Bonds, Series 2007D, of which \$84,000,000 is currently outstanding; (2) \$64,500,000 aggregate principal amount of the County’s General Obligation School Bonds, Series 2009A, of which \$63,375,000 is currently outstanding; and (3) \$72,000,000 aggregate principal amount of the County’s General Obligation Refunding Bonds, Series 2009B, of which \$68,570,000 is currently outstanding.

The Bonds maturing on or before [Call Date] are not subject to redemption before maturity. The Bonds maturing after [Call Date] are subject to redemption before maturity, at the option of the County, from any moneys that may be made available for such purpose, either in whole or in part on any date on or after [Call Date], at the principal amount of the Bonds to be redeemed, together with interest accrued thereon to the date fixed for redemption, [without premium].

If less than all of the Bonds are called for redemption, the County shall select the maturity or maturities of the Bonds to be redeemed in such manner as the County in its discretion may determine and DTC and its participants shall determine which of the Bonds within a maturity are to be redeemed by lot; *provided, however*, that the portion of any Bond to be redeemed is to be in principal amount of \$5,000 or integral multiples thereof and that, in selecting Bonds for redemption, each Bond is to be considered as representing that number of Bonds which is obtained by dividing the principal amount of such Bond by \$5,000. Whenever the County elects to redeem Bonds, notice of such redemption of Bonds, stating the redemption date, redemption price and identifying the Bonds or portions thereof to be redeemed by reference to their numbers and further stating that on such redemption date there shall become due and payable on each Bond or portion thereof so to be redeemed, the principal thereof, redemption premium and interest accrued to the redemption date and that from and after such date interest thereon shall cease to accrue, is to be given not less than 30 days nor more than 60 days before the redemption date in writing to DTC or its nominee as the registered owner of the Bonds, by prepaid certified or registered United States mail, at the address provided to the County by DTC, but any failure or defect in respect of such mailing will not affect the validity of the redemption. If DTC is not the registered owner of the Bonds, the County will give notice at the time set forth above by prepaid first class United States mail to the then-registered owners of the Bonds or portions thereof to be redeemed at the last address shown on the registration books kept by the County.

It is hereby certified and recited that all conditions, acts and things required by the Constitution or statutes of the State of North Carolina to exist, be performed or happen precedent to or in the issuance of this Bond, exist, have been performed and have happened, and that the amount of this Bond, together with all other indebtedness of the County, is within every debt and other limit prescribed by said Constitution or statutes. The faith and credit of the County are hereby pledged to the punctual payment of the principal of and interest on this Bond in accordance with its terms.

This Bond is not valid or obligatory for any purpose until the certification hereon has been signed by an authorized representative of the Local Government Commission.

IN WITNESS WHEREOF, the County has caused this Bond to bear the original or facsimile of the signatures of the Chairman of the Board of Commissioners of the County and the Clerk to the Board of Commissioners of the County and an original or facsimile of the seal of the County to be imprinted hereon and this Bond to be dated as of the Dated Date above.

(SEAL)

Clerk to the
Board of Commissioners

Chairman,
Board of Commissioners

Date of Execution: [Date of Issue], 2010

The issue hereof has been approved under the provisions of The Local Government Bond Act.

T. VANCE HOLLOMAN
Secretary of the Local Government Commission

FORM OF ASSIGNMENT

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

(Please print or typewrite Name and Address,
including Zip Code, and Federal Taxpayer Identification or
Social Security Number of Assignee)

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

Attorney to register the transfer of the within Bond on the books kept for registration thereof,
with full power of substitution in the premises.

Dated: _____

Signature guaranteed by:

NOTICE: Signature must be guaranteed by

NOTICE: The signature to this assignment must

a Participant in the Securities Transfer Agent Medallion Program (“Stamp”) or similar program.

correspond with the name as it appears on the face of the within Bond in every particular, without alteration, enlargement or any change whatever.

TRANSFER FEE MAY BE REQUIRED

CLARIFICATION OF MOTION OF MAY 18, 2009, REGARDING RECOMMENDATION TO CONSIDER SCHEDULING A COMPREHENSIVE PLAN WORKSHOP:

Chairwoman Rogers stated that she had been asked about clarifying a motion by the Board on May 18, 2009. She assured that the clarification was that the Board of Commissioners wants one copy of the Comprehensive Land Use Plan, redlined with Planning Board comments, staff comments, and the comments of whomever else needs to comment.

She asked Jeff Crook, Senior Staff Attorney, if the request needed to be made in the form of a motion.

Mr. Crook asked if the Chairwoman wanted to have one document with the changes redlined. He asked if the Board wanted to have different colors for the various comments.

Chairwoman Rogers said that she did not want to tell staff how to show the comments but said whatever would be the easiest way with having just one copy of the plan.

Richard Black, Planning Director, asked for further clarification. Chairwoman Rogers explained that there would be the draft plan submitted by the consultant, and any comments from the Planning Board, the Planning Staff, Legal, etc. is to be redlined on this plan.

There was no motion on this matter.

ESTABLISH OFFICIAL COUNTY BOUNDARY BETWEEN UNION AND CABARRUS COUNTIES:

John Petoskey, Tax Administrator, explained that this item is for the county line between Union and Cabarrus Counties. He said that occasionally a county has a need to clarify its boundary with adjoining counties. He said that the State has an office in the Department of Natural Resources known as the North Carolina Geodetic Survey, and this office has been designated by the General Assembly to assist with the resurveying of county lines.

Mr. Petoskey stated that Cabarrus County embarked on a project with this department to establish the location of its boundary with Union County in May 2009. He said that Cabarrus County had the boundary resurveyed through the North Carolina Geodetic Survey Office, and in February 2010, the Cabarrus County Board of Commissioners adopted a resolution to adopt the resurvey and it has asked that Union County do the same.

He stated that there is little discrepancy in the two lines, and he recommended that the Board consider the requested actions. Mr. Petoskey said that there was a net gain to Union County of approximately four acres with the resurvey.

Following the explanation by Mr. Petoskey, Commissioner Baucom moved that the Board: 1) Adopt a resolution to approve the location of the Cabarrus-Union County line as presented in the plat entitled “County Boundary Re-Survey Plat for The Cabarrus-Union County Line and appoint John Petoskey, Tax Administrator, as a Special Boundary Commissioner (a) to supervise, to the extent needed, the surveying, marking, and mapping of the boundary, (ii) to serve as the County’s contact agent for the North Carolina Geodetic Survey, and (iii) to enter upon private property, if necessary, to view and survey the boundary and to erect boundary markers. The motion passed unanimously.

UNION COUNTY BOARD OF COMMISSIONERS RESOLUTION TO RATIFY PLAT SHOWING BOUNDARY BETWEEN UNION AND CABARRUS COUNTIES

WHEREAS the North Carolina Geodetic Survey (“NCGS”) has been designated and funded by the North Carolina General Assembly to assist with the resurvey of ambiguous or uncertain county boundaries pursuant to G.S. 153A-18; and

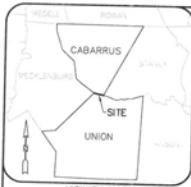
WHEREAS The North Carolina Geodetic Survey has resurveyed a part of the Union and Cabarrus County lines; and

WHEREAS, on February 15, 2010, the Cabarrus County Board of Commissioners ratified the county boundary lines as shown on the plat entitled “County Boundary Re-survey Plat for: THE CABARRUS-UNION COUNTY LINE,” and dated May 20, 2009; and

WHEREAS, pursuant to G.S. 153A-18, a special commissioner must be appointed by each county to supervise the surveying, marking, mapping, and to act as a liaison between Union County and the NCGS;

NOW, THEREFORE, BE IT RESOLVED that the Union County Board of Commissioners does hereby accept the County boundary lines as shown on the plat entitled "County Boundary Re-survey Plat for: THE CABARRUS-UNION COUNTY LINE," and dated May 20, 2009, as being the true boundary between Union County and Cabarrus County, and therefore ratifies the referenced plat showing such boundary lines; and

BE IT FURTHER RESOLVED that the Union County Board of Commissioners appoints John Petoskey, Union County Tax Assessor, as special commissioner under the provisions of G.S. 153A-18(a), and directs him to record the plat ratified by this Resolution in the Office of the Union County Register of Deeds, and, if not done so by Cabarrus County, in the Office of the Cabarrus County Register of Deeds and the North Carolina Secretary of State's office. The recorded plat shall contain a reference to the date of this resolution of ratification, the date of Cabarrus County's resolution of ratification, and the page in the minutes of each board of commissioners where the resolution of ratification may be found.



MECKLENBURG COUNTY

CABARRUS COUNTY

UNION COUNTY

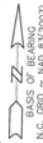
STANLY COUNTY

STATE OF NORTH CAROLINA
COUNTY OF CABARRUS
REVIEW OFFICE OF THE CABARRUS COUNTY
SURVEY REQUIREMENTS OF NORTH CAROLINA GENERAL STATUTES FOR RECORDING.

STATE OF NORTH CAROLINA
COUNTY OF UNION
REVIEW OFFICE OF THE UNION COUNTY
SURVEY REQUIREMENTS OF NORTH CAROLINA GENERAL STATUTES FOR RECORDING.

CONTROL POINTS - N.C. GRID - NAD 83 (2007)

| PT. NAME | NORTHING | EASTING |
|-----------|-------------|--------------|
| MC 002 | 538044.922' | 1537515.297' |
| DEBRAVE | 538010.023' | 1540315.200' |
| MIDLAND | 543001.348' | 1550101.051' |
| OLD DUTCH | 520070.443' | 1538958.599' |



COUNTY LINE SET POINTS - N.C. GRID - NAD83(2007)

| PT. NO. | NORTHING | EASTING |
|---------|-------------|--------------|
| #3 | 525796.244' | 1550144.938' |
| #4 | 526800.866' | 1548610.704' |
| #6 | 531608.061' | 1541235.055' |

COUNTY LINE AZIMUTH MARKS - N.C. GRID - NAD83(2007)

| PT. NO. | NORTHING | EASTING |
|----------|-------------|--------------|
| AZ PT. 1 | 530340.156' | 1543470.688' |
| AZ PT. 2 | 534261.840' | 1537118.442' |
| AZ PT. 5 | 527365.018' | 1548727.833' |
| AZ PT. 7 | 532251.504' | 1541846.718' |

PURSUANT TO NC GENERAL STATUTE 153A-160, THIS PLAT WAS ADOPTED BY AND RECORDED IN THE MINUTES OF THE COUNTY BOARD OF COMMISSIONERS BY:

CABARRUS COUNTY: WHITE BOOK _____ PAGE _____ DATE _____
UNION COUNTY: WHITE BOOK _____ PAGE _____ DATE _____

LEGEND

- CMP (AS DESCRIBED)
- ▲ EXISTING STONE
- EPT (AS REPAIR BY ALUMINUM CAP)
- SP (AS REPAIR BY ALUMINUM CAP)
- GPS CONTROL MONUMENT
- COUNTY LINE (AS SURVEIRED)
- - - - - "E" LINE
- - - - - BOUNDARY LINE (BY DEED OR PLAT)
- - - - - "E" LINE
- - - - - S.I.S. RIGHT-OF-WAY LINE

PRELIMINARY PLAT
NOT FOR RECORDATION,
CONVEYANCES OR SALES.

CERTIFICATE OF SURVEY AND ACCURACY

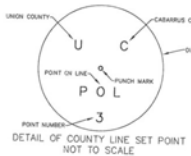
I, JAMES E. CRADDOCK, CERTIFY THAT THIS PLAT WAS DRAWN UNDER MY SUPERVISION FROM AN ACTUAL SURVEY MADE UNDER MY SUPERVISION (SEE EXPLANATION PROVIDED BY THE NORTH CAROLINA GEODETIC SURVEY) THAT THE BOUNDARIES NOT SURVEIRED ARE CLEARLY INDICATED AS DRAWN FROM INFORMATION AS FOLLOWS: THAT THE STATUS OF PRACTICE FOR LAND SURVEYING IN NORTH CAROLINA (21 NCAC 56.1000) THAT THIS PLAT WAS PREPARED IN ACCORDANCE WITH G.S. 17-42.33 AS AMENDED, AND THAT:

☒ C. ANY OF THE FOLLOWING:

1. THE SURVEY IS OF AN EXISTING PARCEL OR PARCELS OF LAND AND DOES NOT CREATE A NEW STREET OR CHANGE AN EXISTING STREET.
2. THE SURVEY IS OF AN EXISTING BUILDING OR OTHER STRUCTURE, OR NATURAL FEATURE, SUCH AS A WATERCOURSE, OR
3. THAT THE SURVEY IS A CONTROL SURVEY.

WITNESS MY ORIGINAL SIGNATURE, REGISTRATION NUMBER AND SEAL, THIS _____ DAY OF MAY, 2009 A.D.

PROFESSIONAL LAND SURVEYOR
LICENSE NO. L-3038



REFERENCES:
1. CABARRUS IN UNION COUNTY ON-LINE S.I.S. TAX MAP.

NOTES:
1. ALL DISTANCES SHOWN ARE HORIZONTAL GRID DISTANCES IN U.S. SURVEY FEET (UNLESS OTHERWISE NOTED).
2. ALL COORDINATES ARE BASED ON N.C. GRID - NAD(2007).
3. COORDINATE SYSTEM:
a. POSITION OF THE GRANITE STONE MONUMENT LOCATED AT THE INTERSECTION OF THE AVENUE EXTENSION AND THE AVENUE EXTENSION WAS NOT SURVEYED. THE ONLY SURVEYED POINT ON THE AVENUE EXTENSION IS THE POINT ON THE GROUND. THE BOTTOM HALF OF THE EXISTING MONUMENT COULD NOT BE FOUND. THEREFORE, WE COULD NOT ESTABLISH THE ORIGINAL POSITION OF THE MONUMENT.
b. CONVENTIONAL AND WGS 84 NETWORK REAL TIME KINEMATIC GPS SURVEYING METHOD USED DURING PROJECT.
c. THE GPS COORDINATES SHOWN ON THIS PLAT WERE DERIVED BY REAL TIME KINEMATIC GPS SURVEYING OPERATIONS USING ONE FIXED STATION LISTED UNDER TRADE NAMES (ADVANCED SURVEY SOFTWARE) PRODUCING A SITE CALIBRATED ALIGNMENT OF THE GPS (2007) POSITIONS. THE RESULTS OF THE GPS SITE CALIBRATION ARE AS FOLLOWS:
HORIZONTAL ADJUSTMENT PARAMETERS
NORTHING COORDINATE OF REFERENCE CENTER: 54824.017'
EASTING COORDINATE OF REFERENCE CENTER: 154082.867'
ROTATION ABOUT THE CENTER POINT: 0.000°
TRANSLATION NORTH: -0.007'
TRANSLATION EAST: -0.004'
SCALE FACTOR: 1.00000000
VERTICAL ADJUSTMENT PARAMETERS
NORTHING COORDINATE OF ORIGIN POINT: 538044.922'
EASTING COORDINATE OF ORIGIN POINT: 1537515.297'
SEPARATION AT ORIGIN: -0.014'
SLOPE SOUTH: -0.000°
SLOPE EAST: 0.000°
GEOD MODEL DEFINITION
WGS84 (GEOID)
RESIDUAL DIFFERENCES BETWEEN GPS AND BROWN COORDINATES
HORIZONTAL: MAX ERROR = 0.007' BEH AVE S.E. ERROR = 0.007' POINT BEHAVE = 0.007'
VERTICAL: 0.007' BEH AVE S.E. ERROR = 0.011' POINT BEHAVE = 0.011'
THREE-DIMENSIONAL: 0.007' BEH AVE S.E. ERROR = 0.011' POINT BEHAVE = 0.011'

COUNTY BOUNDARY RE-SURVEY PLAT FOR:
THE CABARRUS - UNION COUNTY LINE
CABARRUS COUNTY & UNION COUNTY, NORTH CAROLINA

FOR CLIENT:
NORTH CAROLINA GEODETIC SURVEY
20323 MAE SERVICE CENTER
RALEIGH, NC 27699

DATE: MAY 20, 2009
SCALE: 1" = 1000'
JOB NO.: 090409000

COMPUTED BY: JIB
DRAWN BY: JIB
CHECKED BY: SEC

SCALE IN FEET
0 1000 2000 3000

CESD LAND DEVELOPMENT SERVICES
N.C. PLS LICENSE NO. C-2343
48 SPRING STREET SW CONCORD (704) 788-8404
CONCORD, NC 28025 FAX (704) 788-7434
© 1994 CESD A/CID FAX: 590409.000.DWG

ANNOUNCEMENT OF VACANCIES ON BOARDS AND COMMITTEES:

Chairwoman Rogers announced vacancies on the following boards and committees:

- a. Adult Care Home Advisory Committee (at least 3 Vacancies)
- b. Agricultural Advisory Board (3 Vacancies Expiring June 2010)
- c. Union County Industrial Facilities and Pollution Control Financing Authority (3 vacancies for terms expiring May 2010)
- d. Juvenile Crime Prevention Council:
 1. Substance Abuse Professional
- e. Nursing Home Advisory Committee (at least 1 Vacancy)
- f. Parks and Recreation Advisory Committee (1 vacancy for a member with a physical disability)
- g. Region F Advisory Committee (1 Vacancy for a regular member and 1 vacancy for an alternate member, both as of June 30, 2010)
- h. Centralina Workforce Development Board (1 Vacancy as of June 30, 2010, representing Community Based Organizations and 1 Vacancy as of June 30, 2010, representing Vocational Rehabilitation)

APPOINTMENTS TO BOARDS AND COMMITTEES:

a. Adult Care Home Advisory Committee

Chairwoman Rogers stated that Ms. Barbara Fordyce currently serves on this committee, and her term expires in June 2010. She noted that Ms. Fordyce has submitted her application for reappointment.

Chairwoman Rogers nominated Ms. Fordyce for reappointment on the Adult Care Home Advisory Committee. With there being no further nominations, Ms. Fordyce was appointed by acclamation.

b. Parks and Recreation Advisory Committee

Commissioner Openshaw nominated Joe Smith to fill an unexpired term ending in February 2011 on the Parks and Recreation Advisory Committee. With there being no further nominations, Mr. Smith was appointed by acclamation.

c. *Social Services Board*

Commissioner Baucom nominated Nathel Hailey for reappointment to the Social Services Board.

Vice Chairwoman Kuehler nominated Rhonda Annamunthodo to serve on the Social Services Board.

With there being no further nominations, Chairwoman Rogers called for a vote on the nomination of Nathel Hailey. Mr. Hailey received two votes: Commissioner Baucom and Commissioner Mills.

She then called for a vote on the nomination of Rhonda Annamunthodo. Ms. Annamunthodo received three votes: Chairwoman Rogers, Vice Chairwoman Kuehler, and Commissioner Openshaw.

d. *South Piedmont Community College Board of Trustees*

Commissioner Openshaw moved to reappoint Charles Palmer to serve on the South Piedmont Community College Board of Trustees.

With there being no further nominations, the Chairwoman called for a vote on the nomination of Mr. Palmer. Mr. Palmer was appointed by acclamation.

Commissioner Mills pointed out in regards to the appointment on the Social Services Board, it was noted in the agenda package that Ms. Annamunthodo had applied in December of 2009, but there was no vacancy on this board at that time. He questioned whether it was known if Ms. Annamunthodo still wished to be appointed to this board. Commissioner Mills said that Mr. Hailey has done an outstanding job as a member of the Social Services' Board for a number of years and has been very active in the community. He stated that he was curious as to whether or not Ms. Annamunthodo knew her application was carried forward to this vacancy. Chairwoman Rogers suggested that at the time Ms. Annamunthodo is notified of her appointment, if she does not wish to serve, the Board could revisit this appointment at this time.

MANAGER'S COMMENTS:

Al Greene, County Manager, stated that Ed Goscicki, Public Works Director, provided him with a report today showing that another 100,000 gallons of water has been taken down. He said that it appears that about 100,000 gallons of water is being allocated to actual development every six months.

Mr. Greene said that Chairwoman Rogers has requested that staff provide the Board with updates on various projects. He stated that staff has provided updates for the initial list of projects sent by the Chairwoman. He said that staff was going to formalize the process as soon as he has time to meet with Mr. Vines and Mr. Delk and try to keep the Board up to date on major projects.

Chairwoman Rogers said that Mr. Vines had sent out an update that the County remains under Stage II of mandatory water conservation restrictions. She asked if the water rates were also at Stage II. She asked that Mr. Greene look into the answer to this question.

COMMISSIONERS' COMMENTS:

Commissioner Baucom asked for a status report on the ethics investigation.

Mr. Greene responded that he had spoken with Keith Merritt, County Attorney, several weeks ago, and he had said he thought there was one other person who needed to be interviewed, and to the best of his knowledge, Mr. Greene said that this has not occurred.

Commissioner Baucom asked if this matter could be expedited in any way. Chairwoman Rogers said that Mr. Merritt could be requested to provide the Board with an update on this matter via a confidential e-mail or at the Board's next meeting.

Commissioner Baucom said that he would like to have a full report to the public.

Secondly, Commissioner Baucom said that he had received a call from a gentleman, who is 75 years old, married, and has been on permanent disability since 1968. He stated that the gentleman has been a participant in the tax valuation reduction on his home within the County, which is a 50 percent reduction, and with this program, he and his wife are allowed together to earn \$26,100 per year. He said that this past year because of a Cost of Living Adjustment by Social Security, they earned \$26,260, which is \$160

more than he is eligible to earn and still receive the 50 percent reduction in tax valuation. Commissioner Baucom said that the 50 percent reduction moves him from paying \$800 in taxes to \$1,600.

He said that as he understood it, the statutes of the State of North Carolina, does not allow the County to make adjustments to the valuation. Commissioner Baucom suggested that the Board consider writing a letter to the County's legislative delegation to ask them to address this issue. He stated that possibly there is time to bring this issue for the Board's consideration at its next regular meeting.

Commissioner Mills reminded everyone that the Memorial Day Holiday is approaching and asked everyone to remember its purpose.

He said that he had heard on the news that Union County has additional winners in school athletic state championships in 3A Doubles State Championship in Men's Double Tennis, Mike Treskie and Joey Hatala.

Commissioner Openshaw expressed appreciation to all who supported him in the primary and thanked all who had volunteered their time to help in the election. He expressed appreciation to Jeff Gerber, Craig Horn, Fern Shubert, Roger Lane, and Walker Davidson for running clean campaigns. He thanked the residents in the Marvin Elementary School precinct for having the highest percentage of voter turnout in the County. He encouraged everyone to vote in November.

Commissioner Openshaw said that Armed Forces Day was celebrated on Saturday and explained that day is in honor of those currently serving the country.

Vice Chairwoman Kuehler congratulated the Town of Waxhaw on its great Springfest. She said this event gets better and bigger every year. She encouraged everyone to visit Waxhaw's historic downtown even when there are not special events occurring, because they have some wonderful things to see in downtown Waxhaw.

Chairwoman Rogers had no comments.

With there being no further discussion or comments, at approximately 10:00 p.m., Commissioner Mills moved to adjourn the regular meeting. The motion passed unanimously.

ATTEST:

Lynn G. West, Clerk to the Board

Read and Approved:

Kim Rogers, Chairwoman