

August 14, 2006

The Union County Board of Commissioners met in a regular meeting on Monday, August 14, 2006, at 7:00 p.m. in the Commissioners' Formal Board Room, ninth floor, Union County Government Center, 500 North Main Street, Monroe, North Carolina. The following were

PRESENT: Chairman Roger Lane, Vice Chairman Hughie Sexton, Commissioner Kevin Pressley, and Commissioner Stony Rushing

ABSENT: Commissioner Richard Stone

ALSO PRESENT: Mike Shalati, County Manager, Lynn G. West, Clerk to the Board of Commissioners, Jeff Crook, Senior Staff Attorney, Christie Putnam, Public Works Director, Kai Nelson, Finance Director, Brett Vines, Public Information Officer, Pat Beekman, Homeland Security Director, Don Perry, County Attorney, members of the press, and other interested citizens

OPENING OF MEETING:

Chairman Lane opened the meeting, welcomed everyone present, and asked that all cellular telephones be silenced during the meeting.

a. Invocation

Commissioner Rushing introduced his daughter, Riley Sue Rushing, and then offered the invocation.

b. Pledge of Allegiance

Commissioner Rushing stated that he had the opportunity to sponsor a baseball team this year at the South Union Athletic Association. He introduced the team members: Nick Roets, Nathan Neblett, Sawyer Rollins, Alyssa Windsor, Michael Capps, Tyler Bragg, Jake Clontz, Trent Riggins, Zack Glasser, Reagan Rushing, and Will Aldridge. Commissioner Rushing also introduced Coach Phil Riggins to offer further comments regarding the team and the South Union Athletic Association.

After their introduction, the team members led the body in reciting the Pledge of Allegiance to the American flag.

c. Informal Comments

Sue Ratliff addressed the Board on behalf of the Humane Society of Union County and provided the Board with a written copy of her comments. She stated that the Humane Society of Union County was asking that the County provide lethal injections for unwanted animals with no gas chamber on the premises.

Ms. Ratliff noted that one of the main reasons that has been given in support of the gas chamber is that it is not safe to use lethal injections on vicious and/or wild dogs and cats. She offered that there are a number of ways to handle wild and/or vicious dogs or feral cats without resorting to a gas chamber, such as pre-euthanasia sedatives, tranquilizer guns, blowguns, all of which are readily available to shelters. She stated that there are a number of counties that use only lethal injections. Ms. Ratliff said that the method is sedation first and then lethal injection is the most humane method to destroy an animal and ensure the safety of staff.

She stated that the Humane Society of Union County is also recommending that the County hire a full-time veterinarian as soon as possible to oversee some of the controversial matters at the shelter. Further, she said that the Humane Society's Board and a local veterinarian are prepared to discuss issues with the Board of Commissioners, the Sheriff, and other county officials, including euthanasia, spay/neuter, adoption, and volunteer programs.

PUBLIC HEARING - RE: VALIDITY OF THE GENERAL OBLIGATION SCHOOL BONDS AND THE ADVISABILITY OF ISSUING THE BONDS:

Chairman Lane opened the public hearing regarding the validity of the General Obligation School Bonds and the advisability of issuing the bonds.

At 7:15 o'clock p.m., the Chairman of the Board announced that the Board would hear anyone who wished to be heard on the questions of validity of the general obligation school bond order and the advisability of issuing the general obligation school bonds.

Henry Drake spoke in opposition to the general obligation school bonds. Mr. Drake stated that he resides in the Marshville area. He said that he had supported almost every school bond of which he has had knowledge. Further, he said that he had served as the school board attorney in Anson County for ten years and as a County Commissioner in Anson County for approximately four and a half years. He stated that during that time he was known as an avid supporter of the public school system.

Mr. Drake said that anyone who would think because he might question these bonds that he is not in favor of education is sorely incorrect. He stressed that he is highly in favor of education. However, he believes that the proposed school bond of \$264 million is absurd and is too much money.

Mr. Drake stated that the schools on the west side of the County are performing pretty well. He said that according to *The Charlotte-Observer*, they are the best in the region. He said that apparently trailers do not seem to bother the students' education. He stated that people complain about the trailers, but the real problem is there is no place to feed the students or for them to have recreation.

He said that east of Highway 601, there are two schools that have failed the No Child Left Behind for three years in a row. He stated that the school board has a plan for the 70 percent of the students who go through the system, but it has no plan for the 30 percent of the students who drop out of the system.

Mr. Drake stated that the school bond would not go toward education, but it would go toward bricks and mortar. He said that he thought the amount of the bond should be reconsidered.

Liza Kravis spoke in favor of the general obligation school bond. Ms. Kravis said that while there were a number of points on which she agreed with Mr. Drake, there are other points on which they disagree. She stated that her daughter is a rising eighth grader in the Union County Schools, and mostly she has attended overcrowded schools her entire education. Ms. Kravis said that regardless of the test scores on the west side of the County, she believes that her daughter's education has been compromised because of some of the overcrowding challenges and has been affected negatively because of the situation in which she has been placed.

Ms. Kravis stated that trailers are not bad, and she agreed with Mr. Drake that it is the core of the facilities that is the main part of the problem, but there are also issues about the scale of how many students a principal and a faculty can handle over time. She said that she has always supported the school bonds, and she will continue to support them because she believes that it is the right thing to do, and there is an obligation to the children in the county to provide adequate facilities for them. Ms. Kravis stated that the County has been on a growth binge for years, and the reality is the price tag has finally come home to roost because when the thousands of houses were approved to be built, there was an obligation to provide schools for the students in those houses.

She commended the school board and said that it made great strides in the last few years. She stated that the school board is trying to find ways to cut costs and to build more schools with the bond money.

Ms. Kravis reiterated that she has supported past school bonds and would continue to support the school bonds. She said that this bond would not support her neighborhood, but she urged the Board to vote in favor of the bond referendum and let the public decide on the bonds.

After the Board had heard all persons who requested to be heard in connection with the foregoing question, Chairman Lane closed the public hearing.

ADDITIONS, DELETIONS AND/OR ADOPTION OF AGENDA:

Chairman Lane stated that there would be a closed session at the conclusion of the regular meeting.

He requested to add an item to the regular agenda for a briefing by Pat Beekman regarding progress on the new animal shelter.

Chairman Lane stated that an item needed to be added to the consent agenda to designate the voting delegate to the North Carolina Association of County Commissioners' Annual Conference.

Commissioner Pressley requested to move Item 4a - Public Works Department: Add Assistant Director, Engineering, Pay Grade 81, to the County's Pay Plan and Classification System, from the consent agenda to the regular agenda. Chairman Lane stated that this item would become 10d on the regular agenda and the item for the briefing on the animal shelter would become 10c.

With there being no further additions or deletions, Commissioner Pressley moved adoption of the agenda as modified. The motion was passed by a vote of four to zero. Chairman Lane, Vice Chairman Sexton, Commissioner Pressley, and Commissioner Rushing voted in favor of the motion. Commissioner Stone was not present.

CONSENT AGENDA:

Vice Chairman Sexton moved approval of the items listed on the Consent Agenda as modified. The motion was passed by a vote of four to zero. Chairman Lane, Vice Chairman Sexton, Commissioner Pressley, and Commissioner Rushing voted in favor of the motion. Commissioner Stone was not present.

Minutes: Approved minutes of the regular meeting of July 10, 2006.

Sheriff: Approved Budget Amendment #7 to the Sheriff's Office Budget increasing Operating Expense by \$11,960 and Revenue by \$11,960 to appropriate revenue from the Town of Indian Trail to be used towards the purchase of eight (8) Automatic Defibrillator units for the deputies assigned to the town.

Finance: Approved Motor Vehicle Tax Refunds for July 2006 in the amount of \$3,140.99.

Modifications to the County's Pay Plan and Classification System: Public Works Department - Add Assistant Director, Engineering, Pay Grade 81, to the County's Pay Plan and Classification System - This item was moved to the regular agenda at the request of Commissioner Pressley.

Modifications to the County's Pay Plan and Classification System: Public Works Department - Approved amending current job classification title of CIP Construction Manager to CIP Project Manager (No additional County funds or positions requested).

Modifications to the County's Pay Plan and Classification System: Homeland Security - Add Administrative Officer I Position, Pay Grade 67, to the County's Pay Plan and Classification System (No additional County funds or positions requested).

Tax Administrator: Add Data Collection Specialist, Pay Grade 60, and Data Collection Technician, Pay Grade 58, to the County's Pay Plan and Classification System (does not create new positions but replaces up to four existing appraisal positions as they become available through attrition).

Library-Family Literacy Grant from Union County Partnership for Children: 1) Accepted Family Literacy Grant from Union County Partnership for Children in the amount of \$71,700; 2) Adopted Budget Amendment #8 to the Library's Budget increasing Operating Expense by \$71,700 and Revenue by \$71,700; 3) approved the addition of a Library Assistant III-Family Literacy Position, Pay Grade 64, to the County's Pay Plan and Classification System and increasing position authorizations by one (1) FTE (52.8 to 53.8) and 0.4 PTE (11.7 to 12.1) for the grant-funded positions.

Library-Union West Parking Lot: 1) Approved Budget Amendment #6 increasing Interfund Transfers by \$57,219 and Fund Balance Appropriated by \$57,219 to appropriate funds for Union West parking lot; and 2) Adopted Capital Project Ordinance Amendment (CPO) #56 to appropriate sources for Union West parking lot.

Health Department-State's Sliding Fee Scale Changes: Accepted the State's Sliding Fee Scale Changes based on the Poverty Base Rate and the Per Person Rate as follows:

N. C. Division of Public Health											Revised 2/2006
Women's and Children's Health Section											Effective 7/2006
Annual Gross Family Income											
Sliding Fee Scale--101% to 250% of Poverty											
Family Planning Waiver Eligibility Included											FP Waiver Eligibility*
Family Size	Federal Poverty	Twenty Percent		Forty Percent		Sixty Percent		Eighty Percent		Full Pay	
		From	To	From	To	From	To	From	To		
1	\$ 9,800	\$ 9,801	\$ 13,475	\$ 13,476	\$ 17,150	\$ 17,151	\$ 18,130	\$ 20,825	\$ 20,826	\$ 24,499	\$ 24,500
2	\$ 13,200	\$ 13,201	\$ 18,150	\$ 18,151	\$ 23,100	\$ 23,101	\$ 24,420	\$ 28,050	\$ 28,051	\$ 32,999	\$ 33,000
3	\$ 16,600	\$ 16,601	\$ 22,825	\$ 22,826	\$ 29,050	\$ 29,051	\$ 30,710	\$ 35,275	\$ 35,276	\$ 41,499	\$ 41,500
4	\$ 20,000	\$ 20,001	\$ 27,500	\$ 27,501	\$ 35,000	\$ 35,001	\$ 37,000	\$ 42,500	\$ 42,501	\$ 49,999	\$ 50,000
5	\$ 23,400	\$ 23,401	\$ 32,175	\$ 32,176	\$ 40,950	\$ 40,951	\$ 43,290	\$ 49,725	\$ 49,726	\$ 58,499	\$ 58,500
6	\$ 26,800	\$ 26,801	\$ 36,850	\$ 36,851	\$ 46,900	\$ 46,901	\$ 49,580	\$ 56,950	\$ 56,951	\$ 66,999	\$ 67,000
7	\$ 30,200	\$ 30,201	\$ 41,525	\$ 41,526	\$ 52,850	\$ 52,851	\$ 55,870	\$ 64,175	\$ 64,176	\$ 75,499	\$ 75,500
8	\$ 33,600	\$ 33,601	\$ 46,200	\$ 46,201	\$ 58,800	\$ 58,801	\$ 62,160	\$ 71,400	\$ 71,401	\$ 83,999	\$ 84,000
9	\$ 37,000	\$ 37,001	\$ 50,875	\$ 50,876	\$ 64,750	\$ 64,751	\$ 68,450	\$ 78,625	\$ 78,626	\$ 92,499	\$ 92,500
10	\$ 40,400	\$ 40,401	\$ 55,550	\$ 55,551	\$ 70,700	\$ 70,701	\$ 74,740	\$ 85,850	\$ 85,851	\$ 100,999	\$ 101,000
11	\$ 43,800	\$ 43,801	\$ 60,225	\$ 60,226	\$ 76,650	\$ 76,651	\$ 81,030	\$ 93,075	\$ 93,076	\$ 109,499	\$ 109,500
12	\$ 47,200	\$ 47,201	\$ 64,900	\$ 64,901	\$ 82,600	\$ 82,601	\$ 87,320	\$100,300	\$100,301	\$ 117,999	\$ 118,000
											*at or below
											185% of federal
											poverty level

Health Department: Approved Budget Amendment #5 decreasing Operating Expense by \$12,801; Revenue by \$16,801; and Contingency by \$4,000 to reduce the Smart Start Peer Breastfeeding Program.

Public Works Department: Approved Request by City of Monroe to allow it to provide water service to the existing residence of Jeff and Annette Wallace located at 1403 Wallace Road (Tax Parcel #09-253-002) (Union County Public Works does not have existing water infrastructure located to meet the needs in this area).

Acquisition of Parking Easement from SunTrust Banks, Inc.: Approved Reciprocal Easements by and between Union County and SunTrust Banks, Inc. which provides that Union County agrees to allow two additional parking spaces for SunTrust parking along Jefferson Street, for a total of five spaces, in exchange for SunTrust granting to Union an easement over 222 square feet on the north side of SunTrust's exit to North Hayne Street.

Tax Administrator: Approved Amended Delinquent Motor Vehicle Tax Settlement as set forth below:



UNION COUNTY
Office of the Tax Administrator
Collections Division
407 N. Main Street
P.O. Box 38
Monroe, NC 28111-0038

704-283-3848
704-283-3897 Fax

FISCAL YEAR 2005-2006
AMENDED SETTLEMENT FOR DELINQUENT MOTOR VEHICLE TAXES
FOR YEARS 2001-2004

TO: Union County Board of Commissioners
FROM: John C. Petoskey, Tax Administrator
Vann Harrell, Assistant Collector of Revenue
CC: Mike Shalati, County Manager
Kai Nelson, Finance Director
DATE: July 27, 2006

CHARGES TO TAX COLLECTOR

1.	Total amount of delinquent taxes placed in the Tax Collector's hands for collection for this year:	\$ 1,358,932.59
2.	Municipal Adjustment	\$ (412,520.21)
3.	All interest, costs, and fees collected by the Tax Collector	\$ 116,459.71
TOTAL:		<u>\$ 1,062,872.09</u>

CREDITS TO TAX COLLECTOR

1.	All sums deposited by the Tax Collector to the credit Of the taxing unit or received for by the proper official:	\$ 749,265.03
2.	Releases allowed by the governing body:	\$ 28,502.83
3.	Write-offs allowed by governing body:	\$ 133,080.48
4.	Reimbursements approved by governing body:	\$ (25,679.38)
5.	\$1.00 over and under adjustments:	\$ (44.79)
6.	The principal amount of delinquent motor vehicle taxes outstanding	\$ 177,747.92
TOTAL:		<u>\$ 1,062,872.09</u>



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**FY 05-06 Breakdown of Amended Settlement for Delinquent Motor Vehicle Taxes
 for Tax Years 2001-2004**

Charges to the Collector					
	Beginning Balance	Levy Added	Supplementals	Total Balance	
2004	\$ 803,283.84	\$ -	\$ -	\$ 803,283.84	
2003	\$ 317,213.50	\$ -	\$ -	\$ 317,213.50	
2002	\$ 137,041.71	\$ -	\$ -	\$ 137,041.71	
2001	\$ 101,393.54	\$ -	\$ -	\$ 101,393.54	
Totals	\$ 1,358,932.59	\$ -	\$ -	\$ 1,358,932.59	

Credits to the Collector						
	Sums Deposited	Total Net Releases, Refunds, Adjustments, and Reimbursements	Write-offs	Balance of credits to Collector	**Municipal Adjustments	Principal amount outstanding
2004	\$ 571,019.29	\$ 3,490.70	\$ -	\$ 574,509.99	\$128,356.48	\$ 100,417.37
2003	\$ 38,621.67	\$ 35.41	\$ -	\$ 38,657.08	\$201,225.87	\$ 77,330.55
2002	\$ 15,607.15	\$ (658.29)	\$ 71,525.56	\$ 86,474.42	\$ 50,567.29	\$ -
2001	\$ 7,557.21	\$ (89.16)	\$ 61,554.92	\$ 69,022.97	\$ 32,370.57	\$ -
Totals	\$ 632,805.32	\$ 2,778.66	\$ 133,080.48	\$ 768,664.46	\$412,520.21	\$ 177,747.92

****Municipal Adjustments reflect an adjustment not only on the principal amount outstanding but also on the beginning balance brought forward. Adjustment must be made due to a change in reporting requirements implemented after the beginning of the 2004-2005 fiscal year. The purpose of this adjustment is to Reduce the beginning balance and the outstanding balance by the amount of municipal taxes that had been included in those totals under the previous reporting requirements.**

Tax Administrator: Approved Second Motor Vehicle Billing in the Grand Total Amount of \$1,012,846.11.

Tax Administrator: Approved First Motor Vehicle Refund Register for the Period of July 1, 2006 - July 31, 2006 in the Net Grand Total of \$1,099.41-.

Tax Administrator: Approved First Motor Vehicle Release Register for the Period of July 1, 2006 - July 31, 2006 in the Net Grand Total Amount of \$10,181.34-.

Designation of Voting Delegate to the North Carolina Association of County Commissioners' Annual Conference: See minutes of regular agenda recorded below.

PRESENTATION OF PROPOSED 2006-2007 SECONDARY ROAD CONSTRUCTION PROGRAM:

Chairman Lane recognized Scott Cole, P.E., District Engineer with the North Carolina Department of Transportation to present the proposed 2006-2007 Secondary Road Construction Program.

Mr. Cole introduced David Gillette, Union County Maintenance Engineer. He invited the Board to address road maintenance issues in the County with Mr. Gillette.

Mr. Cole reviewed the proposed 2006-2007 Secondary Road Construction Program. He stated that there was no program presented to the Board last year. He said that because of a shortage of funds statewide, there was no significant program for the 2005-2006 fiscal year. Mr. Cole stated that there is a priority system by which the roads are paved and every four years the priorities are re-evaluated. He reviewed the list of roads on the program for 2006-2007.

Following the presentation, Chairman Lane moved adoption of the Resolution Accepting the 2006-2007 Secondary Road Program.

RESOLUTION

BE IT HEREBY RESOLVED that the Union County Board of Commissioners accepts the 2006-2007 Secondary Road Construction Program for Union County as presented on August 14, 2006, and as recorded below:

UNION COUNTY						
2006-2007 SECONDARY CONSTRUCTION PROGRAM						
					SEC. CONST.	SEC. TRUST

2006-2007 Fund Allocation (Estimated):		\$274,289	\$1,001,211
Plus 2005-2006 Fund Balance (Estimated):		\$580,269	\$120,629
	FUNDS AVAILABLE:	\$854,558	\$1,121,840
Less amount reserved for various maintenance functions Such as spot stabilization, paved road improvements, Replacement of small bridges with pipe culverts, safety Projects, etc.:		\$85,000	\$110,000
Less 15% reserved for overruns, contingencies, road Additions, property owner participation paving, safety Items, project surveys, and right of way signatures:		\$115,000	\$152,000
Less \$60,000 reserved for maintenance of rural VFD:		\$60,000	
	FUNDS AVAILABLE:	\$594,558	\$859,840
	TOTAL PROGRAM FUNDS AVAILABLE:		<u>\$1,454,398</u>
NOTES:			
Estimated allocation of funds for Fiscal Year 2006-2007 are based on those funds received for Fiscal Year 2004-2005. Adjustments to the proposed program will be made as necessary To reflect the actual funding amount.			
When NCDOT is unable to acquire the right of way for paving a road, funds programmed for That improvement will be applied toward the next roads in priority order.			
NCDOT may submit additional projects at a later date.			

Program is subject to availability of funding, right-of-way, and environmental review.

2006-2007 SECONDARY ROAD PROGRAM (UNION CO.)				
MAP NO.	DESCRIPTION			ESTIMATED COST
1	RURAL PRIORITY NUMBER 1F SR 2173 Lee Cook Road From SR 2146 to Dead End Grade, Drain, Base, and Pave Length: 0.30 miles Binder			\$93,585
2	RURAL PRIORITY NUMBER 2F SR 1176 Elizabethan Road From NC 75 and SR 1315 Grade, Drain, Base, and Pave Length: 0.15 miles Binder			\$44,654
3	RURAL PRIORITY NUMBER 3F SR 1704 Meggs Road From SR 1701 to Dead End Grade, Drain, Base, and Pave Length: 0.60 miles Binder			\$93,973
4	RURAL PRIORITY NUMBER 4F SR 1701 St. Timothy Road From NC 742 to SR 1710 Grade, Drain, Base, and Pave Length: 0.70 miles Stone			\$200,390
5	RURAL PRIORITY NUMBER 5F SR 1729 Jim Nash Road			

		From SR 1735 to SR 1736			
		Grade, Drain, Base, and Pave			
		Length: 0.50 miles	Stone		\$140,520
6		<u>RURAL PRIORITY NUMBER 6F</u>			
		SR 1914 Zion Church Road			
		From SR 1914 to Dead End			
		Grade, Drain, Base, and Pave			
		Length: 0.50 miles	Stone		\$120,658
7		<u>RURAL PRIORITY NUMBER 8F</u>			
		SR 1360 Blanchard Circle			
		From SR 1008 to Dead End			
		Grade, Drain, Base, and Pave			
		Length: 0.10 miles	Binder		\$31,433
8		<u>RURAL PRIORITY NUMBER 9F</u>			
		SR 1152 Parks McCorkle Road			
		From SR 1107 to Dead End			
		Grade, Drain, Base, and Pave			
		Length: 0.20 miles	Stone		\$49,156
9		<u>RURAL PRIORITY NUMBER 10F</u>			
		SR 1744 Osborn Road			
		From SR 1741 to Dead End			
		Grade, Drain, Base, and Pave			
		Length: 0.30 miles	Stone		\$115,392
10		<u>FROM HOLD LIST</u>			
		SR 1157 Fletcher Broom Road			
		From NC 200 S to SR 1149			
		Grade, Drain, Base, and Pave			
		Length: 1.00 miles	Stone		\$243,703
11		<u>SUBDIVISION PRIORITY NUMBER 1</u>			
		SR 1238 Crestview Drive			

		From Crestview Drive to Dead End			
		Grade, Drain, Base, and Pave			
		Length:	0.35 miles	Binder	\$117,540
		TOTALS:	4.70 miles		\$1,251,004

Adopted this the 14th day of August, 2006.

ATTEST:

s/Lynn G. West, Clerk to the Board s/Roger Lane, Chairman

Following discussion, the motion was passed by a vote of four to zero. Chairman Lane, Vice Chairman Sexton, Commissioner Pressley, and Commissioner Rushing voted in favor of the motion. Commissioner Stone was not present.

Chairman Lane introduced Julia Oliver with *The Union Observer*.

UNION COUNTY PUBLIC SCHOOLS INSTALLMENT FINANCING CONTRACT:

a. Resolution of the Board of Commissioners of the County of Union, North Carolina, Authorizing the Negotiation of an Installment Financing Contract, Directing the Publication of Notice with Respect Thereto and Providing for Certain Other Related Matters Thereto

Kai Nelson, Finance Director, explained that at the July 24, 2006, meeting, the Board adopted a Resolution agreeing to finance approximately \$80 million in school projects. He stated that the schools' Capital Improvement Plan (CIP) contained \$645 million in capital expenditures from 2007-2011, and included in that CIP was a projection for two bond referendums: one in November 2006 in the amount of \$264,500,000 and one in November 2008 in the amount of \$142,500,000. Mr. Nelson further stated that the CIP along with a proposed \$264,500,000 bond referendum was submitted to the Local Government Commission (LGC). He said that the LGC was looking for a plan of finance in the amount of \$264,500,000 and a request for a General Obligation Bond Referendum in the same amount. He stated that upon reviewing the plan of finance of \$264,500,000, there were approximately \$80,000,000 in projects that the Board had a desire to execute before the November 2006 bond referendum. He noted that those projects generally related to the construction of Elementary Schools G, H, and I, and land acquisition for "C." Mr. Nelson said that the LGC's opinion was that the

financing of those projects is independent of the 2006 bond referendum. He said that the LGC wanted the Board to issue installment financing, otherwise known as Certificates of Participation (COPS) for the \$80,000,000.

Vice Chairman Sexton moved adoption of the following resolution (the "*Resolution*"), a copy of which was available with the Board and which was read by title:

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF UNION, NORTH CAROLINA, AUTHORIZING THE NEGOTIATION OF AN INSTALLMENT FINANCING CONTRACT, DIRECTING THE PUBLICATION OF NOTICE WITH RESPECT THERETO AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO

WHEREAS, the County of Union, North Carolina (the "*County*") is a validly existing political subdivision of the State of North Carolina, existing as such under and by virtue of the Constitution, statutes and laws of the State of North Carolina (the "*State*");

WHEREAS, the County has the power, pursuant to the General Statutes of North Carolina to (1) purchase real and personal property, (2) enter into installment financing contracts in order to finance the purchase of real and personal property used, or to be used, for public purposes, and (3) grant a security interest in some or all of the property purchased to secure repayment of the purchase price;

WHEREAS, the Board of Commissioners of the County of Union, North Carolina (the "*Board of Commissioners*"), determines that it is in the best interest of the County to enter into (a) an installment financing contract (the "*Contract*") with the Union County Public Facilities Corporation, a North Carolina nonprofit corporation, in order to pay the capital costs of the (1) acquisition of land for elementary schools "G," "H" and "I," (2) construction and equipping of elementary schools "G," "H" and "I," Rock Rest Elementary School, Wolfe Elementary School, Marvin Ridge Middle School, Marvin Ridge High School and middle and high schools "C" and (3) construction and equipping of health and education classrooms as Forest Hills, Monroe, Parkwood, Piedmont and Sun Valley High Schools (collectively, the "*Projects*") and (b) a deed of trust and security agreement (the "*Deed of Trust*") related to the County's fee simple interest in the real property on which Marvin Ridge Middle School and Marvin Ridge High School will be located (the "*Sites*" and collectively with Marvin Ridge Middle School and Marvin Ridge High School, the "*Mortgaged Property*");

WHEREAS, the County hereby determines that the acquisition of the Projects is essential to the County's proper, efficient and economic operation and to the general health and welfare of its inhabitants; that the Projects will provide an essential use and will permit the County to carry out public functions that it is authorized by law to perform; and that entering into the Contract and Deed of Trust is necessary and expedient for the County by virtue of the findings presented herein;

WHEREAS, the County hereby determines that the Contract allows the County to purchase the Projects and take title thereto at a favorable interest rate currently available in the financial marketplace and upon terms advantageous to the County;

WHEREAS, the County hereby determines that the estimated cost of the acquisition of the Projects is an amount not to exceed \$80,000,000 and that such cost of the acquisition of the Projects exceeds the amount that can be prudently raised from currently available appropriations, unappropriated fund balances and non-voted bonds that could be issued by the County in the current fiscal year pursuant to Article V, Section 4 of the Constitution of the State;

WHEREAS, although the cost of the acquisition of the Projects pursuant to the Contract is expected to exceed the cost of the acquisition of the Projects pursuant to a bond financing for the same undertaking, the County hereby determines that the cost of the acquisition of the Projects pursuant to the Contract and Deed of Trust and the obligations of the County thereunder are preferable to a general obligation bond financing or revenue bond financing for several reasons, including but not limited to the following: (1) the cost of a special election necessary to approve a general obligation bond financing, as required by the laws of the State, would result in the expenditure of significant funds; (2) the time required for a general obligation bond election would cause an unnecessary delay which would thereby decrease the financial benefits of acquiring, constructing, improving and equipping the Projects; and (3) no revenues are produced by the Projects so as to permit a revenue bond financing;

WHEREAS, the County has determined and hereby determines that the estimated cost of the acquisition of the Projects pursuant to the Contract reasonably compares with an estimate of similar costs under a bond financing for the same undertaking as a result of the findings delineated in the above preambles;

WHEREAS, the County anticipates a future property tax increase of approximately \$.045 per \$100 assessed valuation to pay installment payments falling due under the Contract;

WHEREAS, Parker Poe Adams & Bernstein LLP, as special counsel ("*Special Counsel*"), will render an opinion to the effect that entering into the Contract and the transactions contemplated thereby are authorized by law;

WHEREAS, no deficiency judgment may be rendered against the County in any action for its breach of the Contract, and the taxing power of the County is not and may not be pledged in any way directly or indirectly or contingently to secure any moneys due under the Contract;

WHEREAS, the County is not in default under any of its debt service obligations;

WHEREAS, the County's budget process and Annual Budget Ordinance are in compliance with the Local Government Budget and Fiscal Control Act, and external auditors have determined that the County has conformed with generally accepted accounting principles as applied to governmental units in preparing its Annual Budget ordinance;

WHEREAS, past audit reports of the County indicate that its debt management and contract obligation payment policies have been carried out in strict compliance with the law, and the County has not been censured by the North Carolina Local Government Commission (the "*LGC*"), external auditors or any other regulatory agencies in connection with such debt management and contract obligation payment policies;

WHEREAS, a public hearing on the Contract and the County's acquisition of the Projects after publication of a notice with respect to such public hearing must be held and approval of the LGC with respect to entering the Contract must be received; and

WHEREAS, the County hereby determines that all findings, conclusions and determinations of the County in this Resolution are subject to modification or affirmation after all interested parties have been afforded the opportunity to present their comments at a public hearing regarding the execution and delivery of the Contract, the Deed of Trust and the acquisition and refinancing of the Projects to be financed thereby.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF UNION, NORTH CAROLINA, AS FOLLOWS:

Section 1. ***Application to LGC.*** That the Finance Director or his designee is hereby directed to file with the LGC an application for its approval of the Contract and all relevant transactions contemplated thereby on a form prescribed by the LGC and to state in such application such facts and to attach thereto such exhibits regarding the County and its financial condition as may be required by the LGC.

Section 2. ***Financing Team.*** That the County approves the financing team for the Contract of Parker Poe Adams & Bernstein LLP, Charlotte, North Carolina, as special counsel, Wachovia Bank, National Association, Citigroup Global Markets Inc. and Banc of America Securities LLC, as underwriters, and Robinson, Bradshaw & Hinson, P.A., as underwriters' counsel.

Section 3. ***Public Hearing.*** That a public hearing (the "*Public Hearing*") shall be conducted by the Board of Commissioners on September 5, 2006 at 7:00 p.m. in the Ninth Floor Board Room, Union County Government Center, 500 N. Main Street, Monroe, North Carolina, concerning the Contract, the Deed of Trust, the proposed acquisition of the Projects and any other transactions contemplated therein and associated therewith.

Section 4. **Notice of Public Hearing.** That the Clerk to the Board is hereby directed to cause a notice of the Public Hearing, in the form attached hereto as Exhibit A, to be published once in a qualified newspaper of general circulation within the County no fewer than 10 days prior to the Public Hearing.

Section 5. **Repealer.** That all motions, orders, resolutions and parts thereof in conflict herewith are hereby repealed.

Section 6. **Effective Date.** That this Resolution is effective on the date of its adoption.

Following discussion, on motion of Vice Chairman Sexton, the foregoing resolution entitled “**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF UNION, NORTH CAROLINA, AUTHORIZING THE NEGOTIATION OF AN INSTALLMENT FINANCING CONTRACT, DIRECTING THE PUBLICATION OF NOTICE WITH RESPECT THERETO AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO**” was duly adopted by the following vote:

AYES: CHAIRMAN LANE, VICE CHAIRMAN SEXTON, COMMISSIONER PRESSLEY, AND COMMISSIONER RUSHING

NAYS: NONE (COMMISSIONER STONE WAS NOT PRESENT.)

SCHOOLS' GENERAL OBLIGATION BOND REFERENDUM:

Kai Nelson, Finance Director, explained that this item requested that the Board consider adoption of a bond order and resolution in connection with the General Obligation Bond. He pointed out that the Local Government Commission (LGC) has reviewed the County's plan of finance for the \$264,500,000 in bonds. He stated that with subtracting the \$80,000,000 installment financing from the \$264,500,000, the balance of the County's application for the General Obligation Bond was \$184,500,000.

Mr. Nelson said that the Board could continue to proceed with a General Obligation Bond referendum of \$264,500,000 with the understanding and knowledge that the Local Government Commission has a single application before it with a balance of \$184,500,000. He further said that if the bond referendum were to pass in the amount of \$264,500,000, the County would be authorized only to sell bonds totaling \$184,500,000 based on the application before the Local Government Commission. He stated that the County would be required to submit another application to spend the \$80,000,000 difference. He said that the practical effect of having a \$184,500,000 bond referendum is based on the schools' current Capital Improvement Plan (CIP). Mr. Nelson stated that if the bond referendum were to remain at \$264,500,000, it would reduce the amount of a 2008 bond referendum by \$80,000,000

(currently at \$142,000,000). He said that in the alternative, which is recommended by staff, that the General Obligation Bond Order be amended to reduce the amount from \$264,500,000 to \$184,500,000.

Commissioner Pressley moved that the Board amend the bond order which was introduced at a meeting of the Board on July 24, 2006 to lower the principal amount of the general obligation school bonds in the bond order by \$90 million to a principal amount of \$174,500,000 and that the Board adopt a resolution entitled Resolution Setting a Special Bond Referendum and Directing the Publication of Notice of a Special Bond Referendum and Notification of the Union County Board of Elections.

AMENDED BOND ORDER AUTHORIZING THE ISSUANCE OF \$174,500,000
GENERAL OBLIGATION SCHOOL BONDS
OF THE COUNTY OF UNION, NORTH CAROLINA

WHEREAS, the County of Union, North Carolina (the "*County*") desires to raise \$174,500,000 to provide for the costs incurred in connection with the construction, renovation, improvement, equipping and furnishing of public school facilities within the County, including the acquisition of land or rights-of-way, if necessary; and

WHEREAS, an application has been filed with the Secretary of the Local Government Commission of North Carolina requesting Commission approval of the general obligation school bonds hereinafter described as required by the Local Government Bond Act, and the Clerk to the Board of Commissioners has notified the Board that the application has been accepted for submission to the Local Government Commission.

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

Section 1. In order to raise the money required for the school construction described above, in addition to any funds which may be made available for such purpose from any other source, general obligation school bonds of the County are hereby authorized and shall be issued pursuant to the Local Government Finance Act of North Carolina. The maximum aggregate principal amount of such general obligation school bonds authorized by this order shall be \$174,500,000.

Section 2. A tax sufficient to pay the principal of and interest on said general obligation school bonds when due shall be annually levied and collected.

Section 3. A sworn statement of the County's debt has been filed with the Clerk to the Board and is open to public inspection.

Section 4. This bond order shall take effect when approved by the voters of the County at a referendum scheduled for November 7, 2006.

The foregoing order was adopted on the 14th day of August, 2006, and is hereby published on the ___ day of August, 2006. Any action or proceeding questioning the validity of the order must be begun within 30 days after the date of publication of this notice.

RESOLUTION

RESOLUTION SETTING A SPECIAL BOND REFERENDUM AND DIRECTING THE PUBLICATION OF NOTICE OF A SPECIAL BOND REFERENDUM AND NOTIFICATION OF THE UNION COUNTY BOARD OF ELECTIONS

WHEREAS, the Board of Commissioners (the "*Board*") of the County of Union, North Carolina (the "*County*") has adopted the following bond order and such bond order should be submitted to the voters of the County for their approval or disapproval in order to comply with the constitution and laws of North Carolina:

"AMENDED BOND ORDER AUTHORIZING THE ISSUANCE OF \$174,500,000 GENERAL OBLIGATION SCHOOL BONDS OF THE COUNTY OF UNION, NORTH CAROLINA;" and

NOW, THEREFORE, be it resolved by the Board of Commissioners of the County of Union, North Carolina, as follows:

- (1) For the purpose of determining the question whether the qualified voters of the County shall approve or disapprove (a) the indebtedness to be incurred by the issuance of the general obligation school bonds of the County authorized by said bond order, which indebtedness shall be secured by a pledge of the County's full faith and credit and (b) the levy of a tax for the payment thereof, said bond order shall be submitted to the qualified voters of said County at a special bond referendum to be held in said County on November 7, 2006.
- (2) The Clerk to the Board is hereby authorized and directed to publish a notice of said referendum which shall be in substantially the form entitled "COUNTY OF UNION, NORTH CAROLINA NOTICE OF SPECIAL BOND REFERENDUM," attached hereto. Said notice of referendum shall be published at least twice. The first publication shall be not less than 14 days, and the second publication shall be not less than 7 days before the last day on which voters may register for the special bond referendum.
- (3) The Union County Board of Elections is hereby requested to print and distribute the necessary ballots and to provide the equipment for the holding of said referendum and to conduct and to supervise said referendum.
- (4) The ballots to be used at said referendum shall contain the following words:

“SHALL the order authorizing \$174,500,000 of bonds secured by the pledge of the full faith and credit of the County of Union, North Carolina to pay the costs of providing for the construction, renovation, improvement, equipping and furnishing of public school facilities within the County, including the acquisition of land or rights-of-way, if necessary, and a tax to be levied for the payment thereof be approved?”;

with squares labeled “YES” and “NO” beneath or beside such words in which squares the voter may record his or her choice on the question presented; and

(5) The Clerk to the Board shall mail or deliver a certified copy of this resolution to the Union County Board of Elections within three days after this resolution is adopted.

BE IT FURTHER RESOLVED that this Resolution shall become effective on the date of its adoption.

READ, APPROVED AND ADOPTED this 14th day of August, 2006.

Clerk to the Board of Commissioners

Chairman of the Board of Commissioners

Commissioner Pressley clarified that the \$90 million difference was deleting the \$10 million in landbanking.

Vice Chairman Sexton stated that he disagreed with Commissioner Pressley's motion because he believed that landbanking is necessary. He said that it makes no difference about how well prepared the County is in the future, if the land is not available where schools are needed. He stated that he would be voting against the motion by Commissioner Pressley.

Vice Chairman Sexton then offered a substitute motion that the Board amend the bond order which was introduced at a meeting of the Board on July 24, 2006 to lower the principal amount of the general obligation school bonds in the bond order by \$80 million to a principal amount of \$184,500,000 and adopt a resolution entitled **Resolution Setting a Special Bond Referendum and Directing the Publication of Notice of a Special Bond Referendum and Notification of the Union County Board of Elections.**

RESOLUTION

RESOLUTION SETTING A SPECIAL BOND REFERENDUM AND DIRECTING THE PUBLICATION OF NOTICE OF A SPECIAL BOND REFERENDUM AND NOTIFICATION OF THE UNION COUNTY BOARD OF ELECTIONS

WHEREAS, the Board of Commissioners (the "*Board*") of the County of Union, North Carolina (the "*County*") has adopted the following bond order and such bond order should be submitted to the voters of the County for their approval or disapproval in order to comply with the constitution and laws of North Carolina:

"AMENDED BOND ORDER AUTHORIZING THE ISSUANCE OF \$184,500,000 GENERAL OBLIGATION SCHOOL BONDS OF THE COUNTY OF UNION, NORTH CAROLINA;" and

NOW, THEREFORE, be it resolved by the Board of Commissioners of the County of Union, North Carolina, as follows:

(1) For the purpose of determining the question whether the qualified voters of the County shall approve or disapprove (a) the indebtedness to be incurred by the issuance of the general obligation school bonds of the County authorized by said bond order, which indebtedness shall be secured by a pledge of the County's full faith and credit and (b) the levy of a tax for the payment thereof, said bond order shall be submitted to the qualified voters of said County at a special bond referendum to be held in said County on November 7, 2006.

(2) The Clerk to the Board is hereby authorized and directed to publish a notice of said referendum which shall be in substantially the form entitled "COUNTY OF UNION, NORTH CAROLINA NOTICE OF SPECIAL BOND REFERENDUM," attached hereto. Said notice of referendum shall be published at least twice. The first publication shall be not less than 14 days, and the second publication shall be not less than 7 days before the last day on which voters may register for the special bond referendum.

(3) The Union County Board of Elections is hereby requested to print and distribute the necessary ballots and to provide the equipment for the holding of said referendum and to conduct and to supervise said referendum.

(4) The ballots to be used at said referendum shall contain the following words:

"SHALL the order authorizing \$184,500,000 of bonds secured by the pledge of the full faith and credit of the County of Union, North Carolina to pay the costs of providing for the construction, renovation, improvement, equipping and furnishing of public school facilities within the County, including the acquisition of land or rights-of-way for current or future use, if necessary, and a tax to be levied for the payment thereof be approved?";

with squares labeled "YES" and "NO" beneath or beside such words in which squares the voter may record his or her choice on the question presented; and

(5) The Clerk to the Board shall mail or deliver a certified copy of this resolution to the Union County Board of Elections within three days after this resolution is adopted.

BE IT FURTHER RESOLVED that this Resolution shall become effective on the date of its adoption.

READ, APPROVED AND ADOPTED this 14th day of August, 2006.

Clerk to the Board of Commissioners

Chairman of the Board of Commissioners

AMENDED BOND ORDER AUTHORIZING THE ISSUANCE OF \$184,500,000
GENERAL OBLIGATION SCHOOL BONDS
OF THE COUNTY OF UNION, NORTH CAROLINA

WHEREAS, the County of Union, North Carolina (the "*County*") desires to raise \$184,500,000 to provide for the costs incurred in connection with the construction, renovation, improvement, equipping and furnishing of public school facilities within the County, including the acquisition of land or rights-of-way for current or future use, if necessary; and

WHEREAS, an application has been filed with the Secretary of the Local Government Commission of North Carolina requesting Commission approval of the general obligation school bonds hereinafter described as required by the Local Government Bond Act, and the Clerk to the Board of Commissioners has notified the Board that the application has been accepted for submission to the Local Government Commission.

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

Section 1. In order to raise the money required for the school construction described above, in addition to any funds which may be made available for such purpose from any other source, general obligation school bonds of the County are hereby authorized and shall be issued pursuant to the Local Government Finance Act of North Carolina. The maximum aggregate principal amount of such general obligation school bonds authorized by this order shall be \$184,500,000.

Section 2. A tax sufficient to pay the principal of and interest on said general obligation school bonds when due shall be annually levied and collected.

Section 3. A sworn statement of the County's debt has been filed with the Clerk to the Board and is open to public inspection.

Section 4. This bond order shall take effect when approved by the voters of the County at a referendum scheduled for November 7, 2006.

The foregoing order was adopted on the 14th day of August, 2006, and is hereby published on the ___ day of August, 2006. Any action or proceeding questioning the validity of the order must be begun within 30 days after the date of publication of this notice.

Commissioner Pressley did not accept Vice Chairman Sexton's motion as an amendment to his motion and explained the reason that he did not agree with the Vice Chairman was because the Board of Education cannot pinpoint where schools would be needed in the future. He said that he was for landbanking when there is a reason and property that can be purchased when it is available. Commissioner Pressley stated that he believed the taxpayers deserve a break and if in 2008, there could be a better idea of where land needs to be purchased at that time, then monies could be added to the 2008 bond referendum for landbanking.

Chairman Lane commented that he disagreed with Commissioner Pressley's reasoning a little bit, because if the bond is passed with the \$10 million for landbanking, it does not mean that the bonds would be issued and the monies would be spent immediately. He said that it might be 2008 before the school board spends that money.

Commissioner Pressley countered by saying that he believed the bond amount should be kept as low as possible.

Commissioner Rushing said that he agreed with Commissioner Pressley regarding the \$10 million in landbanking. He stated that after listening to comments of the citizens who spoke tonight during the informal comments and talking with some citizens in the County over the past couple of months, the voters of Union County are very concerned regarding the size of the school bond. He said that the costs of the schools are reflected not at the 30 percent proposed cost of construction but are reflected at the current rate of school construction. Commissioner Rushing said he thought the 30 percent cost reduction was a reality, and suggested that the Board consider an even lower amount for the bond referendum than proposed by Commissioner Pressley. He stated that the delay of the sewer plant in northern Union County and the moratorium would push back the build time for many houses. He said that these factors are extending the need for the opening dates for the schools, and if the next Board of Commissioners chooses not to build that plant, it could change all of the future needs.

Commissioner Rushing offered that the Board should come to a good compromise tonight on the bonds for the citizens. He suggested that the Board agree on a bond amount that the Board is comfortable with and the voters can be comfortable with approving. He said that he thought that number should be much lower than \$174,500,000. He further said that the Board should give the Board of Education the challenge to meet the 30-percent reduction in school construction.

Vice Chairman Sexton commented that he found it interesting that during the budget process when the bond referendum was discussed, there was support by the Commissioners for a bond referendum of \$254,500,000 and then when the \$10,000,000 for landbanking was added, the amount of the bond increased to \$264,500,000. He said that since that amount is now \$184,500,000, he did not believe the amount could get low enough to gain the support of all four of the Commissioners present tonight.

Following further discussion, the Chairman called for a vote on the substitute motion by Vice Chairman Sexton. The substitute motion failed by a vote of two to two. Chairman Lane and Vice Chairman Sexton voted in favor of the substitute motion. Commissioners Pressley and Rushing voted against the substitute motion.

Chairman Lane stated that the bonds are necessary and the schools have to be built. He said that the \$80,000,000 in installment financing was approved tonight because the Board realizes that the schools have to be constructed. He stated that he traveled to Lincolnton and saw the schools that they have constructed. Further, he stated that he has spoken with Don Hughes with the Union County Schools, and there can probably be some cost savings from school construction in Union County, but there are some aspects of the Lincolnton schools that need to be adapted for Union County Schools. Chairman Lane said that as much as he wanted to include dollars for landbanking, he was going to vote for the original motion by Commissioner Pressley.

Jeff Crook, Staff Attorney, stated as a point of clarification, that it is important that the bond documents be in proper order. He noted that when the \$10,000,000 was added for landbanking, the language was changed to reflect purchase and acquisition of land or rights of way "for current or future use." He said that the additional language was included to reflect the landbanking. Mr. Crook asked Commissioner Pressley if his motion included removal of that language in all places where it appears. Commissioner Pressley stated that was correct.

Vice Chairman Sexton said that he thought it was sad that four Commissioners would be making this decision tonight. He stated that he was going to oppose the motion, because it was not what was approved when a full board was present. He said that he supported the entire amount. He stated that he would like to have the opportunity to defer this action until a full board could be present.

Chairman Lane pointed out that the decision was time sensitive, and recognized Kai Nelson to address this point.

Mr. Nelson stated that the date that ballots must be made available for absentee voters was September 18, 2006. He explained that all 100 counties in the State of North Carolina would have to have their ballots available at that time, and there are four printers nationwide who are on the approved list. Mr. Nelson noted that there is serious concern on the part of the Board of Elections over its ability to get the ballot in its final form to the printer to include this particular question along with all other counties in the state in

sufficient time to have those ballots available by September 18, 2006. He said that the Board of Elections is expecting a certified resolution from the Board of Commissioners tomorrow setting a special bond referendum, which is consistent with the schedule that the Board adopted previously.

Commissioner Pressley stated that he wanted to make it clear for the record that the \$174,500,000 was the amount stated when there was a unanimous vote by the Board of Commissioners without the landbanking. He said the direction during the work session was for the County Manager and Finance Director to bring a recommendation to the Board for a bond referendum in the amount of \$254,500,000. Further, he said that the three to two vote occurred when the landbanking was included.

Commissioner Rushing stated that at any time the Board of Commissioners could appropriate more money for the schools if the Board sees that it is necessary. He said that he felt that the benefit of that would be getting support for the bonds from the whole county. He further said that he would like to have the bond passed with overwhelming numbers to show the children that the County is behind them and the schools will be constructed but at a reasonable cost to show the taxpayers who might not have children, that the County is also looking after their money. He asked that Commissioner Pressley reconsider his motion. Commissioner Rushing suggested that the bond amount could be reduced to even less than the \$174,500,000 and said that he thought the amount of the bond could be reduced to \$154,500,000 and then challenge the schools to save money in the construction of the schools.

At approximately 8:20 p.m., Vice Chairman Sexton requested that the Board take a five-minute recess, which was agreed to by Chairman Lane.

Chairman Lane reconvened the meeting at approximately 8:25 p.m. and stated that he had decided not to support the original motion by Commissioner Pressley.

He called for a vote on the original motion which failed by a vote of one to three. Commissioner Pressley voted in favor of the motion. Chairman Lane, Vice Chairman Sexton, and Commissioner Rushing voted against the motion. Commissioner Stone was not present.

The Chairman announced that the Board would meet again on this matter at a later date.

Commissioner Pressley asked the Chairman to clarify what he had meant by the matter would be put off to a later date. The Chairman responded that the Board would have to vote on this issue again sometime in the future. Commissioner Pressley asked if there would not be a bond referendum in November.

Mr. Nelson responded that was his understanding. He stated that the Board's financial policy requires bond referendums to occur in general election years.

Vice Chairman Sexton called for a point of order.

Chairman Lane sought the advice of Jeff Crook, Senior Staff Attorney, as to whether the Chairman could announce that he would be calling a special meeting. Mr. Crook responded that the Chairman could call for a special meeting on 48 hours' notice or suggested that tonight's meeting could be recessed upon a majority vote of the board.

Vice Chairman Sexton again called for a point of order stating that a procedural motion has precedent. He stated that Agenda Item #8 was before the Board, and the vote had been taken on Item #7.

Chairman Lane announced that a special meeting would be called in the immediate future regarding this matter.

Commissioner Rushing questioned what had just taken place by the Board's not having passed a vote on the bonds.

Vice Chairman Sexton reiterated his call for a point of order and stated that Item #8 was before the Board and that Item #7 had been finished. Commissioner Rushing's question was not answered, and the Chairman reiterated that the point of order was correct.

TAX CHARGE TO TAX ADMINISTRATOR FOR FY 2006-2007:

John Petoskey, Tax Administrator, explained that the Order of Collection is the authority of the Tax Administrator to collect property taxes, and more importantly, it is the authority to enforce collections for people who do not pay their taxes and perfects the lien on the property which enables foreclosure and other enforcement remedies.

Following the explanation by Mr. Petoskey, Vice Chairman Sexton moved to adopt the Order of Collection Tax Charge to the Tax Administrator. The motion was passed by a vote of four to zero. Chairman Lane, Vice Chairman Sexton, Commissioner Pressley, and Commissioner Rushing voted in favor of the motion. Commissioner Stone was not present.

**ORDER OF COLLECTION
TAX CHARGE FOR FISCAL YEAR 2006 – 2007**

STATE OF NORTH CAROLINA
COUNTY OF UNION

TO: John C. Petoskey, Tax Administrator for the County of Union

You are hereby authorized, empowered, and commanded to collect the taxes set forth in the 2006 tax records as filed in the Office of Tax Administrator, and in the tax receipts delivered to the Tax Administrator's Office in August 2006, in the amounts and from the taxpayers likewise therein set forth. Such taxes are hereby declared to be first lien on all real property of the respective taxpayers in Union County, Hemby Bridge Fire Protection District, Stallings Volunteer Fire Protection District, Springs Fire District, Waxhaw Fire District, and Wesley Chapel Fire District. You are further authorized, empowered, and commanded to collect the 2006 taxes charged and assessed as provided for by law for adjustments, changes, and additions to the tax records and tax receipts delivered to you which are made in accordance with law.

This Order shall be a full and sufficient authority to direct, require, and enable you to levy on and sell any real or personal property and attach wages and/or other funds of such taxpayers, for and on account thereof, in accordance with the law.

The Tax Charge will be adjusted monthly according to releases, discoveries, and motor vehicle billings.

Witness my hand and official seal this 14th day of August 2006.

S/Roger Lane, Chairman

Union County Board of Commissioner

Attest:

S/Lynn G. West, County Clerk

Accepted:

S/John C. Petoskey, Tax Administrator

TAX CHARGE

Union County	\$ 90,410,779.14
Late List Penalty	\$ 97,817.96
Hemby Bridge Fire Tax District	\$ 645,312.75
Late List Penalty	\$ 441.28
Stallings Tax District	\$ 604,194.61
Late List Penalty	\$ 617.21
Wesley Chapel Tax District	\$ 491,854.46
Late List Penalty	\$ 118.35
Waxhaw Fire Tax District	\$ 361,827.45
Late List Penalty	\$ 207.22
Springs Fire Tax District	\$ 197,397.50
Late List Penalty	\$ 180.16
Fire Fees	\$ 1,164,095.51
TOTAL	\$ 93,974,843.60

PUBLIC WORKS' UTILITY MASTER AND CAPITAL PLANS:

Christie Putnam, Public Works Director, stated that in accordance with the Board's direction, the proposed Capital Improvement Plan (CIP) for water and sewer has been modified to exclude any projects associated with the northern wastewater treatment facility. She reviewed the remaining wastewater projects on the CIP. She noted that the dark gray shading indicates the projects that have been deleted, omitted, or delayed until December. She asked that the Board consider approving the remaining projects tonight.

The following written documentation was provided to the Board in the agenda packets:

WASTEWATER PROJECTS													
				Project Costs to Date	1 2006-07	2 2007-08	3 2008-09	4 2009-10	5 2010-11	CIP Sub-Total	6-10 2012-2016	CIP Total (10-Year)	
Priority**	Project Title												
SEWER PROJECTS													

1	Phosphorus Removal at 12 Mile WWTP	-	1,575,500	-	-	-	-	1,575,500	-	1,575,500
2	Crooked Creek WWTP Influent Piping Improvements	-	356,500	-	-	-	-	356,500	-	356,500
3	East Union County Improvements	50,000	2,101,000	1,425,000	830,000	-	-	4,406,000	-	4,406,000
4										
5-A										
5-B										
6-A										
6-B										
6-C										
7	Blythe Creek Branch 1 Sewer	-	538,550	-	-	-	-	538,550	-	538,550
8	Wysacky Sewer	-	249,900	-	-	-	-	249,900	-	249,900
9	Marshville Flow Monitoring Station & Pipe Rehabilitation	-	158,890	-	-	-	-	158,890	-	158,890
10	Clear Creek Trunk Sewer and Package Plant	10,800	1,821,275	1,574,475	-	-	-	3,406,550	-	3,406,550
11										
12	12 Mile Creek WWTP Beneficial Reuse	164,735	105,000	1,485,265	1,350,000	-	-	3,105,000	-	3,105,000
13	Expand Operations Center	-	47,000	672,000	-	-	-	719,000	-	719,000
14	Miscellaneous Sewer Rehabilitation	-	115,000	115,000	115,000	115,000	115,000	575,000	625,000	1,200,000
15	East Fork 12 Mile Creek Parallel Trunk Sewer	-	-	-	2,498,500	-	-	2,498,500	-	2,498,500
16										
17	12 Mile WWTP Odor Control	-	132,000	1,893,780	-	-	-	2,025,780	-	2,025,780
18	Future 12 Mile Creek WWTP Expansion to 9 MGD	-	175,000	175,000	7,700,000	7,700,000	7,700,000	23,450,000	-	23,450,000
19	Sewer Master Plan Update	-	-	-	200,000	-	-	200,000	400,000	600,000
20	Meadows MHP Sewer Improvements	34,610	277,890	-	-	-	-	312,500	-	312,500
21	Western Union School Sewer	20,683	281,817	-	-	-	-	302,500	-	302,500
Public Works Sewer Subtotal		280,828	7,935,322	7,340,520	12,693,500	7,815,000	7,815,000	43,880,170	1,025,000	44,905,170
* Light shading in the Priority column indicates projects that were included in the 2006-2010 Capital Improvement Plan.										
** Dark shading in the Priority column indicates projects that have been removed from the 2007-2011 Capital Improvement Plan.										

FINANCIAL SUMMARY											
WATER AND WASTEWATER CAPITAL PROJECTS											
			Project Costs to Date	1	2	3	4	5	CIP	6-10	CIP Total
Priority**	Project Title		2006-07	2007-08	2008-09	2009-10	2010-11	Sub-Total	2012-2016	(10-Year)	
2006 -2011 Public Works Capital Improve Plan Total			1,318,717	19,551,589	28,128,304	38,549,500	28,204,000	42,075,750	157,827,860	6,468,750	164,296,610
Projects Currently Under Construction and/or Partially Funded											
	SCADA System Improvements		620,167	180,333							
	Master Plan Update (Water)		125,227	14,350							
	Expand 12 Mile WWTP to 6MGD		3,863,673	14,088,393	4,696,131						
	Hunley Creek WWTP Off-Line		1,424,617	292,629							
	Sewer Mapping and Hydraulic Model		307,173	351,774							
	Update Sewer Master Plan & Modeling		150,127	126,825							
	Automated Meter Read		3,432,630	2,276,327							
	NC 218 / Goose Creek Crossing		5,824	194,506							
	Watkins Road Pump Station		2,464,157	234,518							
	Secret Shortcut/IT Road Water Main Connect		670,590	2,384,825							
	Contributed Capital		14,801	10,199							
	IBT Permitting		27,578	100,643							
	Connect Diversion Force Main		43,280	29,502							
Total Under Construction			13,149,844	20,284,822	4,696,131	-	-	-	38,130,798	-	38,130,798
Projects Previously Completed (Final Pymts Due)			41,243,038	108,302	-	-	-	-	41,351,340	-	41,351,340
Public Works Capital Improvement Totals			55,711,599	39,944,714	32,824,435	38,549,500	28,204,000	42,075,750	237,309,998	6,468,750	243,778,748

		1	2	3	4	5	CIP	6-10	CIP Total
	To Date	2006-07	2007-08	2008-09	2009-10	2010-11	Sub-Total	2012-2016	(10-Year)
Carry Forward from Prior Year(s)							-	(397,372)	-
Transfer from Operating Fund		20,900,000	15,581,311	16,165,610	16,569,750	16,118,296	125,440,790	-	125,440,790
Other Revenue: Grants and Contrib Capital		2,525,724	200,000	200,000	200,000	200,000	5,475,739	-	5,475,739
State Revolving Loan Financing		15,000,000	-	-	-	-	15,000,000	-	15,000,000
Revenue Bonds		-	27,000,000	-	36,500,000	-	90,996,097	-	90,996,097
Total Sources		38,425,724	42,781,311	16,365,610	53,269,750	16,318,296	236,912,626	-	236,912,626
Available / (Needed)		12,521,346	22,478,222	294,332	25,360,082	(397,372)	(397,372)	(6,866,122)	(6,866,122)

Chairman Lane moved a) approval of the Water and Sewer Master Plans excluding the northern treatment facility pending further review in December 2006; and b) approval of Water and Sewer CIP excluding any sewer projects related to the North Union County Wastewater Treatment Option.

In response to a question by Commissioner Rushing as to whether or not there would be water projects deleted from the CIP since the projects related to the northern treatment facility were being deleted from the sewer CIP, Ms. Putnam stated that there would be no changes on the water CIP. She explained that the first year identified projects approved were all in the western section of the County except for the Anson County treatment project, which is necessary in order to meet regulatory requirements, and infrastructure re-enforcements to serve existing customers as well as existing permitted projects that are expected to come online regardless of whether or not there would be a sewer facility in the northern part of the County.

Vice Chairman Sexton stated that he would be voting against the motion. He said that the motion was against what the experts had recommended. He stated that the Board had made a decision on the northern treatment plant approximately two and a half years ago, and the plant was going where it needed to be built for the entire betterment of Union County. He said that his vote tonight would be consistent with what he has supported for four years and not what any future Board of Commissioners might do.

Chairman Lane responded that he had requested that this item be presented in the manner in which it was done tonight, because he believed these projects need to be completed to alleviate the problems that citizens are having now. He said that he did

not want to penalize those citizens who could be getting water and sewer now even though he wanted the northern plant constructed as soon as possible.

Following the discussion, the motion failed by a vote of two to two. Chairman Lane and Commissioner Pressley voted in favor of the motion. Vice Chairman Sexton and Commissioner Rushing voted against the motion. Commissioner Stone was not present.

PUBLIC WORKS DEPARTMENT:

a. Goose Creek Memorandum of Understanding

Commissioner Pressley moved to authorize the Chairman to execute the Memorandum of Understanding addressing impacts in the Goose Creek area.

He said that the Memorandum of Understanding has been approved by the Towns of Stallings, Indian Trail, Fairview and Hemby Bridge.

Commissioner Rushing stated that it was his understanding that the Memorandum of Understanding affects the whole county. Ms. Putnam stated that the Memorandum of Understanding did not affect the entire county but only the Goose Creek and Duck Creek basins. She briefly reviewed the basic understandings included in the Memorandum.

Commissioner Rushing read language from Paragraph 2 on Page 3 of the Memorandum as follows: "2. At a minimum, the Local Governments agree to make best efforts to adopt land use ordinances that include the following: (1) maintain and establish a thirty-five (35) foot native forested buffer along all perennial and intermittent streams in the watershed and (2) prohibit any fill within the 100-year floodplain jurisdiction-wide." He questioned if the jurisdiction were Union County.

Ms. Putnam stated that fill within the 100-year floodplain has been prevented already with the floodplain ordinance.

Commissioner Rushing asked if the buffers were countywide. Ms. Putnam stated that there are countywide buffers in the proposed Stormwater Ordinance that are greater than what are proposed in the Memorandum of Understanding. Commissioner Rushing asked what the benefits are to the County to sign the Memorandum of Understanding. Ms. Putnam responded that the main point of the Memorandum of Understanding is to show the County's support of the towns. Further, she said that the towns have adopted the Memorandum of Understanding knowing that it is not close to what the County has proposed. She explained that 35 feet

is a typical buffer all over the state and is an already implemented buffer in a number of places and deals with sediment and nutrient levels that are loaded into the stream.

Commissioner Rushing offered as a friendly amendment to modify the language in Paragraph 2 of Page 3 to change "jurisdiction-wide" to "Goose Creek and Duck Creek Watershed." Ms. Putnam stated that she did not know how that change would affect the other parties who have approved the Memorandum of Understanding.

Commissioner Pressley stated that he had interpreted the Memorandum of Understanding to be for the areas of the Goose Creek and Duck Creek Basins.

Ms. Putnam emphasized that the Memorandum of Understanding calls for a minimum of 35-foot buffers; however, the Federal Highway Commission is still looking to Union County to implement the 200 and 100 foot buffers on perennial and intermittent streams.

Commissioner Pressley said that he would agree to the amendment striking out "fill within the 100-year floodplain jurisdiction-wide."

Vice Chairman Sexton commented that he thought it was fool hearted for the Board of Commissioners to make changes to a Memorandum of Understanding that has been adopted by the towns that are participating in it. He asked for a legal opinion from Mr. Crook, Senior Staff Attorney.

Ms. Putnam stated that all of the town councils have approved the Memorandum of Understanding for signature.

Mr. Crook said that in order to have an understanding of the parties, the language should be consistent by all who have adopted it.

Commissioner Rushing stated that the towns might not be aware that the Memorandum of Understanding affects their whole municipalities and not just the areas in the watershed.

The County Manager asked Ms. Putnam if this item were time sensitive, and she responded that it was not.

Chairman Lane offered a substitute motion to defer action on this item until the September 5, 2006, meeting. The substitute motion failed by a vote of two to two. Chairman Lane and Vice Chairman Sexton voted in favor of the substitute motion, and Commissioners Pressley and Rushing voted against the substitute motion. Commissioner Stone was not present.

The Chairman then called for a vote on the original motion as amended.

Following further discussion, the amended motion failed by a vote of two to two. Commissioner Pressley and Commissioner Rushing voted in favor of the motion. Chairman Lane and Vice Chairman Sexton voted against the motion. Commissioner Stone was not present.

STAFF UPDATE REGARDING DISCUSSIONS WITH LEGAL COUNSEL ON ENVIRONMENTAL ISSUES:

Christie Putnam, Public Works Director, briefed the Board regarding her meeting with attorney Craig Bromby on August 2, 2006. She stated that they had reviewed the extensive amount of information that she has collected regarding these issues over the past five years. She said that Mr. Bromby had taken the information with him to review with his associates, and by the end of this week, he is to send her a list of further information that he believes is necessary.

Ms. Putnam listed the issues that had been discussed with Mr. Bromby during their meeting. Vice Chairman Sexton specifically asked if the I-485 interchange study that was completed in 1999 had been discussed with Mr. Bromby. Ms. Putnam responded that she had not discussed that study with the attorney, and Vice Chairman Sexton stressed that the study should be discussed with Mr. Bromby. Vice Chairman Sexton stated that he had a copy of that study and offered to provide it to Ms. Putnam. He asked that the Board also be provided with a follow-up of the results from this week's meeting with Mr. Bromby.

In response to a question by Commissioner Rushing, Ms Putnam briefed the Board regarding her discussions with Mr. Bromby in connection with the proposed regional sewer plant.

BRIEFING REGARDING ANIMAL SHELTER CONSTRUCTION PROGRESS (This item was added to the agenda):

Pat Beekman, Homeland Security Director, updated the Board on the progress of the construction of the new animal shelter. He stated that construction of the new shelter is slated to be completed by October 1, 2006, with the substantial completion date to be September 18, 2006.

Vice Chairman Sexton asked Mr. Beekman if the contract contained any incentive for completing the shelter on time. Mr. Beekman responded that he had reviewed the contract today, and he did not see any incentives in the contract on the completion date. He noted that there had been some delays in the construction with the most significant delay being a two-month weather delay in putting in the footers because of rain. He stated that there was also some erosion control delay at the beginning of the project that shifted the completion date from June 1 to July 22. Mr. Beekman stated since meeting with the contractor in April and revisions were made in the timeline based on the delays, completion of the shelter is slightly ahead of schedule. He also stated that there had been a 15-day delay with the brick masons, but he was not able to address the specifics on that delay.

Vice Chairman Sexton asked if there were any other incentives available to help the general contractor complete the shelter as expeditiously as possible. Mr. Beekman responded that he would look into whether there would be an opportunity to provide incentives.

PUBLIC WORKS DEPARTMENT (This Item was Moved from the Consent Agenda to the Regular Agenda at the Request of Commissioner Pressley):

- a. ***Add Assistant Director, Engineering, Pay Grade 81, to the County's Pay Plan and Classification System (No Additional County Funds or Positions Requested)***

Commissioner Pressley questioned if this request resulted in an additional position in the Public Works Department.

Ms. Putnam explained that the change in position title as requested better describes the current operations of the department. She stated that the Assistant Director of Engineering would report directly to her as do the other Assistant Directors. She said that there would be a reclassification of a current staff member associated with this request, but it would not result in a vacant position.

Following the explanation, Commissioner Pressley moved approval of the request by the Public Works Department to add an Assistant Director, Engineering, Pay Grade 81, to the County's Pay Plan and Classification System, (No Additional County Funds or Positions Requested.) The motion was passed by a vote of four to zero. Chairman Lane, Vice Chairman Sexton, Commissioner Pressley and Commissioner Rushing voted in favor of the motion. Commissioner Stone was not present.

ANNOUNCEMENT OF VACANCIES ON BOARDS AND COMMITTEES:

- a. ***Union County Adult Care Home Community Advisory Committee***

Chairman Lane announced there would be two vacancies on the Union County Adult Care Home Community Advisory Committee as of September 2006.

APPOINTMENTS TO BOARDS AND COMMITTEES:

a. Nursing Home Advisory Committee

Chairman Lane shared that Ms. Wanda Wiggins has served on this committee for 12 years and has asked not to be reappointed. He expressed appreciation to Ms. Wiggins for her service over the past 12 years.

He stated one application was received for this committee, Ms. Catherine Fenyves.

b. Agricultural Advisory Board

Chairman Lane stated there are three vacancies on this committee, and three applications were received: Gerald Mangum, Steve Haigler, and Brian Norton.

Commissioner Pressley nominated in block the following persons:

- a. Nursing Home Advisory Committee: Catherine Fenyves.
- b. Gerald Mangum, Steve Haigler, and Brian Norton.

With there being no other nominations, Ms. Fenyves, Mr. Mangum, Steve Haigler, and Brian Norton were elected by acclamation to serve on the respective committees.

MANAGER'S COMMENTS:

There were no comments by the Manager.

COMMISSIONERS' COMMENTS:

Vice Chairman Sexton stated that there had been a lot accomplished tonight, but unfortunately there were several tie votes that would require the Board's attention at a later date. He said that sometimes no decision is better than a bad decision. He stated that he

thought if the Board turns its back on the children in the County and does not do the best that can be done every day, it would be letting the entire County down. He said that he would be doing the best job that he could until the end of November.

Commissioner Rushing reminded everyone that Cane Creek Park has a group camping area. He said that it is a great place to camp in a tent.

He encouraged the Board to work together. He said that he wanted the bond referendum to pass but wanted it to be a good, solid vote for the construction that the County can afford.

Commissioner Pressley addressed the bond issues. He said that tonight was the first time the Board had seen the \$184,500 bond amount. He stated that at any time the Board of Education could come before the Board with a request for dollars for landbanking. He said that there had been a chance tonight to have a four to zero vote on the bonds. He said that when land for future schools had been identified, he would be the first one to vote for landbanking.

VOTING DELEGATE FOR NORTH CAROLINA ASSOCIATION OF COUNTY COMMISSIONERS' ANNUAL CONFERENCE (from Consent Agenda):

Chairman Lane said that he would be agreeable to serve as the voting delegate for the County at the North Carolina Association of County Commissioners' Annual Conference. By consensus, the Board agreed for Chairman Lane to serve as the voting delegate to the conference.

COMMISSIONERS' COMMENTS (Continued):

Chairman Lane commented on the revised rankings of the school systems in the State and said that Union County Public Schools are doing very well. He said that there have been great strides on the adequate yearly progress for the schools.

He referred to the Quarterly Construction Update from the schools and said that much of the school construction that is occurring in the County is very similar to what Lincolnton has done. Chairman Lane stated that Don Hughes of the Union County Schools gave him a detailed briefing on the differences between what Union County is doing and what Lincolnton is doing.

He shared that Union County is number one in the State in its growth of the Hispanic population with an 83 percent increase in a five-year period.

Chairman Lane offered congratulations to Gary Thomas, Director of Emergency Communications for the County, for receiving a Presidential Award from the Association of Public Safety Communications Officials for his work on developing a fire safety/communications training course which will be taught to emergency communicators in the United States and internationally.

He announced that the Union County Veterans Service Office and the Veterans Council of Union County are seeking the names of female veterans in Union County to recognize at the Veterans Day Ceremony.

Chairman Lane stated that at his request, a computer program is being developed to allow the County and especially the schools to access the true number of homes coming on line and the number of school children associated with these homes. He said that there are 18,000 to 20,000 homes that are yet to be built that are already permitted.

At the request of the Chairman, the Manager briefed the Board regarding the computer program which had been requested.

Mr. Shalati stated that this matter had been discussed during the staff meeting with the stakeholders dealing with planning issues in connection with the Adequate Public Facilities Ordinance. He said that it was known as the Union County Real Estate Data Integration Project, and the purpose of the project was to develop a method of overseeing the entire real estate process from development through construction and taxation. He stated that currently there is no common data base for the real estate process.

He said that the common database would be shared with all concerned departments. Mr. Shalati said there are representatives on the project team from Public Works, Environmental Health, GIS, Inspections Department, Planning Department, Tax Administrator's Office, Register of Deeds, and the schools. He stated that the team is making good progress on the project.

SUSPENSION OF RULES OF PROCEDURE TO DISCUSS POSTING MINUTES OF THE BOARD OF COMMISSIONERS' MEETINGS ON THE COUNTY'S WEBSITE:

Commissioner Rushing stated that he had been asked by several people about having the minutes of the Board of Commissioners' meetings posted on the website.

The Manager suggested that Lynn West, Clerk to the Board, offer comments addressing Commissioner Rushing's request.

Mrs. West stated that she thought that the Information Systems Department should be consulted to learn what needs to be done in order for the minutes to be posted on the website.

Commissioner Rushing moved to suspend the Board's Rules of Procedure. The motion was passed by a vote of three to one. Chairman Lane, and Commissioners Pressley and Rushing voted in favor of the motion. Vice Chairman Sexton voted against the motion. Commissioner Stone was not present.

Commissioner Rushing then moved to direct staff to bring recommendations to the Board at the September 5, 2006, meeting on the best way of posting the minutes on the website and to begin with the past year archiving the minutes by month.

Vice Chairman Sexton stated that he thought it would be appropriate to not suspend the rules tonight but to give direction to staff to bring recommendations to the Board at the September 5th meeting which would include the input from Information Systems.

Commissioner Rushing repeated his motion was to direct staff to proceed with posting minutes of the Board of Commissioners on the County's website, if possible.

Vice Chairman Sexton offered a friendly amendment to the motion to direct staff to bring recommendations to the Board regarding this matter as an agenda item at the September 5th meeting. He stated that the input of Information Systems' is vital to this project.

Commissioner Rushing amended his motion to direct staff to place the last year's minutes on the website as soon as possible and to ask Information Systems to present to the Board at the September 5, 2006, meeting a method of placing future minutes on the website, including the time required to do so.

The motion as amended was passed by a vote of four to zero. Chairman Lane, Vice Chairman Sexton, and Commissioners Pressley and Rushing voted in favor of the motion. Commissioner Stone was not present.

CLOSED SESSION:

Chairman Lane moved that the Board go into closed session to consult with an attorney in order to preserve the attorney-client privilege pursuant to G.S. § 143-318.11(a)(3) and to give instructions to an attorney concerning the handling or settlement of the following judicial actions: **Union County vs. Elton W. Hardy and wife, Gail S. Hardy**. The motion was passed by a vote of four to zero. Chairman Lane, Vice Chairman Sexton, Commissioner Pressley and Commissioner Rushing voted in favor of the motion. Commissioner Stone was not present.

The Board members moved to the Conference Room on the ninth floor of the Union County Government Center where the Chairman convened the closed session.

At the conclusion of the closed session, Chairman Lane moved to adjourn the closed session. The motion was passed by a vote of four to zero. Chairman Lane, Vice Chairman Sexton, and Commissioners Pressley and Rushing voted in favor of the motion. Commissioner Stone was not present.

The Board members moved to the Board Room, ninth floor of the Government Center.

SETTLEMENT OF A CLAIM:

Chairman Lane reconvened the regular meeting and moved to approve the settlement in the matter of **Union County vs. Elton W. Hardy and wife, Gail S. Hardy** in the amount of \$2,034. The motion was passed by a vote of four to zero. Chairman Lane, Vice Chairman Sexton, and Commissioners Pressley and Rushing voted in favor of the motion. Commissioner Stone was not present.

With there being no further comments or discussion, at approximately 9:26 p.m., Chairman Lane moved to adjourn the regular meeting. The motion was passed by a vote of four to zero. Chairman Lane, Vice Chairman Sexton, and Commissioners Pressley and Rushing voted in favor of the motion. Commissioner Stone was not present.