

DRAFT

12/15/09

MINUTES

cc: BOC
Steve
Selena
Russ,
Christy

**STATE OF NORTH CAROLINA
COUNTY OF HENDERSON**

**BOARD OF COMMISSIONERS
DECEMBER 7, 2009**

The Henderson County Board of Commissioners met for a regularly scheduled meeting at 5:30 p.m. in the Commissioners' Meeting Room of the Historic Courthouse on Main Street, Hendersonville.

Those present were: Commissioner Bill Moyer, Commissioner Charlie Messer, Commissioner Larry Young, Commissioner Chuck McGrady, Commissioner Mark Williams, County Manager Steve Wyatt, Assistant County Manager Selena Coffey, Attorney Russell Burrell, and Clerk to the Board Teresa L. Wilson.

Also present were: Finance Director Carey McLelland, Planning Director Anthony Starr, Engineer Marcus Jones, Tax Assessor/Collector Stan Duncan, Research/Budget Analyst Amy Brantley, PIO Christy DeStefano, Associate County Attorney Sarah Zambon, Captain Greg Cochran, Solid Waste Manager Will Sager, Transportation Planner Hope Bleecker and David Pearce as security.

CALL TO ORDER/WELCOME

Teresa Wilson, Clerk, called the meeting to order and welcomed all in attendance.

PLEDGE OF ALLEGIANCE

The Pledge of Allegiance to the American Flag was led by Lauren Worley, President of the Hawks 4-H Club.

INVOCATION

County Manager Steve Wyatt gave the invocation.

ELECTION OF CHAIRMAN

Teresa Wilson stated this was the annual organization meeting and the first item is the election of a Chairman. She opened the floor to nominations.

Commissioner Messer nominated Bill Moyer as the Chairman. *Commissioner Messer made the motion to close nominations and appoint Bill Moyer as Chairman. All voted in favor and the motion carried.*

ELECTION OF VICE-CHAIRMAN

The meeting was turned over to Chairman Moyer and he opened the floor for nominations for the Vice-Chairman.

Commissioner Messer nominated Mark Williams as the Vice-Chairman. *Chairman Moyer made the motion to close nominations and appoint Mark Williams as Vice-Chairman. All voted in favor and the motion carried.*

INFORMAL PUBLIC COMMENTS

There was none.

UPDATE OF EVENTS

Chairman Moyer provided information in regards to a number of events that he felt required comment.

- Wednesday, December 2 – The Woodcrafters group held their annual toy presentation at the Opportunity House at 9:00 a.m. They do an incredible job of building by hand, wooden toys which

DATE APPROVED:

are distributed to the needy children in our community. Ten groups received toys this year including the Sheriff's Department.

- Friday, December 4 – The Toasty Toes group held their tree lighting at 4:00 p.m. The group knits and crochets scarves, hat, booties, etc. for the soldiers in the military on the front and has been doing so for eight (8) years absorbing the expense of shipping themselves. Letters received from the soldiers were shared during the event.
- Friday, December 4 – The Hospice Tree of Lights was held Friday evening in front of the Historic Courthouse.
- Saturday, December 5 – The Hendersonville Christmas parade was held in the snow at 10:30 a.m.
- Saturday, December 5 – Etowah - Horse Shoe held the dedication of their new substation out on Turnpike Road. This is their first substation and all of the work done and materials used came out of Henderson County.
- Monday, December 7 – This day at 11:00 a.m. a Pearl Harbor Commemorative Ceremony was held in the courtroom of the Historic Courthouse. The Veterans have a program where they ask all the children in all of the High Schools to write essays as to what is the meaning of Pearl Harbor in order to keep alive the spirit and significance of some of these events that are so important in our history. The winner was Samit B. Patel from North Henderson High School and he read his essay during the ceremony. County Manager Steve Wyatt noted that the Pearl Harbor ceremony was produced on video and will be aired on HCTV Channel 11.

DISCUSSION/ADJUSTMENT OF AGENDA

Commissioner Williams made the motion to adopt the agenda as presented. All voted in favor and the motion carried.

CONSENT AGENDA

Commissioner Messer made the motion to adopt the consent agenda as presented. All voted in favor and the motion carried.

Consent Agenda consisted of the following:

Minutes

Draft minutes were presented for board review and approval of the following meetings(s):

November 18, 2009 – Regularly Scheduled Meeting

Tax Collector's Report

Deputy Tax Collector Carol McCraw had presented the Tax Collector's Report to the Commissioners dated November 30, 2009 for information only. No action was required.

Financial Report/Cash Balance Report – October 2009

Provided for the Board's review and approval were the October 2009 Financial Report and Cash Balance Report.

The Following are explanations for departments with higher budget to actual percentages for the month of October.

Dues/Non-Profit Contributions – second quarter FY2010 non-profit contributions paid
 Fire Marshal – worker's compensation premium/fire district(s) contracts and annual communications maintenance contract for fire services
 Rescue Squad – first and second quarter FY2010 non-profit contribution/vehicle fuel and maint.
 HOME Program – payments to Housing Assistance Corp. for Homebuyer's Assistance Program to be reimbursed from the City of Asheville

The Emergency 911 Communications Fund YTD deficit of \$77,344 is from the expenditure of funds in October for the scheduled replacement of Computer-aided Dispatch (CAD) servers in the 911 Center due to age. This technology equipment replacement was budgeted in FY2010 and is paid entirely from 911 telephone surcharge funds.

The YTD deficit in the CDBG – The Warm Company Project Grant Fund is due to the timing difference between the expenditure of grant funds and subsequent reimbursement from the state.

The YTD deficit of \$2,995 in the Edneyville Park Project is equipment purchased for the new community center that has been requested from and will be reimbursed from the State PARTF Grant.

The ongoing YTD deficits reported in the Public School System Repair Projects and the North High/Apple Valley HVAC Water Pipe Repair Project will be reimbursed from the State PARTF Grant.

The YTD deficit in the Solid Waste Landfill Fund is due to expenditures for the hauling contract and approved capital outlay equipment purchases running ahead of revenue collections through October.

The YTD deficit in the Cane Creek Water & Sewer District Fund is temporary and due to expenditures, including a quarterly loan payment, running slightly ahead of revenues through October.

Suggested Motion:

I move that the Board of Commissioners approves the October 2009 County Financial Report and Cash Balance Report as presented.

Henderson County Public Schools Financial Reports – October 2009

Provided were the Henderson County Public Schools October 2009 Financial Reports for the Board's information.

Staff requested that the Board consider approving the School System's October 2009 Financial Reports as presented.

Suggested Motion:

I move that the Board of Commissioners approves the October 2009 Henderson County Public Schools Financial Reports as presented.

Resolution Providing for Final Approval of the Terms and Documents for the Qualified School Construction Bonds (QSCBs) School Improvements Financing

A resolution was presented for the Board's review provided by Branch Banking and Trust Company (BB&T) that provides for final Board approval of the terms and documents in substantially final form for the Qualified School Construction Bond (QSCB) installment contract financing. The draft documents, which have been reviewed by the County's Bond Counsel, include an Installment Financing Agreement and a Project Completion/Agency Agreement. A copy of the resolution is attached hereto and incorporated as part of the minutes.

The amount included in the draft documents to be financed by the County is \$4,270,400 at a not to exceed annual rate of 1.87 percent for a term of 10 years. These are the same terms approved by the Board after the close of the public hearing held on November 18, 2009.

Suggested Motion:

I move the approval of the Resolution Providing Final Approval of the Terms and Documents for the Qualified School Construction Bond School Improvements Financing.

Resolution – Recovery Zone Bonds

Recovery Zone Economic Development Bonds (RZEDBs) and Recovery Zone Facility Bonds (RZFBs) were created by the American Recovery and Reinvestment Act (ARRA) as financing vehicles for state and local governments. A copy of the resolution is hereby attached and incorporated as part of the minutes.

Henderson County has been authorized to issue \$3,925,000 in Recovery Zone Economic Development Bonds by December 31, 2010 to finance projects that are for qualified economic development purposes. The projects can include capital expenditures paid or incurred with respect to property in a recovery zone and expenditures for public infrastructure and construction of public facilities. These bonds have a 45 percent interest payment subsidy to the issuer of the bonds. Our bonds counsel has indicated that the County projects we have outstanding would qualify for this type of bond financing.

Also, \$5,888,000 in Recovery Zone Facility Bonds may be issued by the County to loan proceeds of tax-exempt bonds to private business by the end of 2010. Eligible RZFB projects include construction, reconstruction or renovation projects such as industrial or manufacturing facilities; distribution or warehouse facilities; shopping centers or other retail facilities; restaurants; hotels and office buildings all within a designated recovery zone. These bonds would be issued by our Industrial Facilities and Pollution Control Financing Authority.

Staff presented to the Board a resolution prepared by our bond counsel to secure the County's allocations for both bond types for possible issuance in 2010. Several County projects including renovation of the former health department building, the community college campus-wide facility repairs and renovations and a new law enforcement center qualify for Recovery Zone Economic Development Bonds. Mr. Andrew Tate with the Partnership for Economic Development has identified one or more private businesses that may make use of the Recovery Zone Facility Bonds.

The County is required to file a Notice of Intent with the N. C. Department of Commerce to secure the authorized bond allotments by December 15, 2009.

Suggested Motion:

I move approval of the Resolution Authorizing Projects to Utilize Recovery Zone Economic Development Bonds and Recovery Zone Facility Bonds and authorize the Finance Director to file a Notice of Intent to issue Recovery Zone Bonds with the N. C. Department of Commerce.

Surplus Vehicles and Equipment

A resolution was provided for the Board's consideration declaring the list of vehicles and equipment presented and no longer used by the County as surplus property. The resolution also authorizes staff to advertise the surplus property for sale by electronic public auction at www.govdeals.com after the required advertisement of the sale. A copy of the resolution is hereby attached and incorporated as part of the minutes.

Suggested Motion:

I move that the Board approves the resolution provided declaring the list of vehicles and equipment presented as surplus and authorized Staff to sell the surplus property via electronic public auction using GovDeals auction services.

Sewer Line Extension – Warm Company

The City of Hendersonville has requested that the County comment on the proposed sewer line extension for the Warm Company. The proposed sewer line is 1,475 linear feet. The Board of Commissioners authorized this project through authorization of the 2008 Warm Company Economic Development Grant

(CDBG 08-C-1848). The projects' location with the Urban Services area is consistent with the Henderson County 2020 Comprehensive Plan. A City of Hendersonville Project Summary Sheet, with backup documents and County Review Sheet with Staff comments, was provided for Board review and action.

Suggested Motion:

I move that the Board approves the Warm Company sewer line extension and directs Staff to convey the County's comments to the City of Hendersonville.

Immigrations and Customs Enforcement (ICE) Update

Sheriff Rick Davis had provided the Board with an update on the Immigrations and Customs Enforcement (ICE) Program.

Review of Public Officials' Bond

Pursuant to NCGS 58-72-20 and the Board's Rules of Procedure, after the Chairman and Vice-Chairman have been elected, the next order of business at this organizational meeting of the Board is the annual review and approval of the bonds for county public officials. The following are the county officials required to be bonded and the current bond amounts:

<u>PUBLIC OFFICIAL</u>	<u>BOND AMOUNT</u>	<u>BOND COMPANY</u>
Richard W. Davis, Sheriff (No new bond needed)	\$25,000	Fidelity and Deposit Co.
Nedra Whitlock Moles, Register of Deeds (No new bond needed)	\$50,000	Fidelity and Deposit Co.
Stan Duncan, Tax Collector	\$1,000,000	Fidelity and Deposit Co.
Lee King, Deputy Tax Collector	\$250,000	Fidelity and Deposit Co.
J. Carey McLelland, Finance Director	\$200,000	Fidelity and Deposit Co.

The County Attorney has reviewed the previous year's bonds and reports to the Board that they appear to be valid and in order.

Suggested Motion:

I move that the Board approves the public officials' bonds as proposed.

NOMINATIONS

Notification of Vacancies

The Board was notified of the following vacancies which will appear on the next agenda for nominations:

1. Nursing/Adult Care Home Community Advisory Committee – 1 vac.

Nominations

Chairman Moyer noted that positions where Commissioners terms were expiring will be handled during the January 4, 2010 regular meeting.

1. CJPP (Criminal Justice Partnership Program) – 8 vac.

Commissioner Young nominated for reappointment Amy Brantley for position #2, Cheryl Modlin for position #9, Randy Eggen for position #10 and Dienette Butler for position #14. *Chairman Moyer made the motion to accept the reappointments by acclamation. All voted in favor and the motion carried.*

2. Dana Community Plan Advisory Committee – 1 vac.

Commissioner Williams noted that no additional applications have been received. Commissioner McGrady nominated James Gedwellas for appointment to position #2. *Chairman Moyer made the motion to accept the appointment of James Gedwellas to position #2 by acclamation. All voted in favor and the*

motion carried.

3. Downtown Hendersonville Inc. – 2 vac.

Commissioner Young nominated Brandon Yelverton for appointment to position #1. *Chairman Moyer made the motion to accept the appointment of Brandon Yelverton to position #1 by acclamation. All voted in favor and the motion carried.*

4. Henderson County Historic Courthouse Corp., dba Heritage Museum Board – 2 vac.

Commissioner McGrady nominated Melody Heltman for reappointment to position #10. *Chairman Moyer made the motion to reappoint Melody Heltman to position #10 by acclamation. All voted in favor and the motion carried.*

5. Henderson County Zoning Board of Adjustment – 1 vac.

Commissioner McGrady nominated James Phelps for reappointment to position #2 and A. Hunter Marks for appointment to position #3. *Chairman Moyer made the motion to reappointment James Phelps to position #2 and appointment of A. Hunter Marks to position #3 by acclamation. All voted in favor and the motion carried.*

6. Hendersonville Planning Board – 1 vac.

Commissioner Young nominated James Robertson for reappointment to position #2. *Chairman Moyer made the motion to accept the reappointment of James Robertson to position #2 by acclamation. All voted in favor and the motion carried.*

7. Historic Resources Commission – 1 vac.

There were no nominations at this time so this item was rolled to the next meeting.

8. Home and Community Care Block Grant Advisory Committee – 4 vac.

Commissioner McGrady nominated Calvin Titus for reappointment to position #6 and Michael Murdock for reappointment to position #10. *Chairman Moyer made the motion to accept the reappointments of Calvin Titus and Michael Murdock by acclamation. All voted in favor and the motion carried.*

9. Juvenile Crime Prevention Council – 9 vac.

There were no nominations at this time so this item was rolled to the next meeting.

10. Laurel Park Zoning Board of Adjustment – 1 vac.

Commissioner McGrady nominated Steve Braznell for reappointment to position #1. *Chairman Moyer made the motion to accept the reappointment of Steve Braznell by acclamation. All voted in favor and the motion carried.*

11. Nursing/Adult Care Home Community Advisory Committee – 1 vac.

Commissioner McGrady nominated Patricia Stanley for reappointment to position #14. *Chairman Moyer made the motion to accept the reappointment of Patricia Stanley to position #14 by acclamation. All voted in favor and the motion carried.*

12. Senior Volunteer Services Advisory Council – 3 vac.

There were no nominations at this time so this item was rolled to the next meeting.

13. Solid Waste Advisory Committee – 1 vac.

Commissioner McGrady nominated Deborah Hicks for appointment to position #6. *Chairman Moyer made the motion to appoint Deborah Hicks to position #6 by acclamation. All voted in favor and the motion carried.*

14. Travel & Tourism Committee & Chair Appointment – 4 vac.

Commissioner Young nominated for reappointment Dale Bartlett for position #2, Phyllis Rogers for position #3, and for appointment Lee Yudin for position #1. *Chairman Moyer made the motion to accept the reappointments of Dale Bartlett and Phyllis Rogers and the appointment of Lee Yudin to position #1 by acclamation. All voted in favor and the motion carried. Commissioner Young made the motion to appoint Dale Bartlett as Chairman of the Travel & Tourism Committee. All voted in favor and the motion carried.*

MAINTENANCE OF EFFORT FUNDING PRIORTIES

County Manager Steve Wyatt explained when the State implemented mental health reform, one of the things that was mandated is that the counties contribute financially to the operation of local mental health programs, the State required what is called a “Maintenance of Effort”. This is a minimum investment of county funds to the equivalent level of what was being done at that time.

Henderson County’s FY 2010 budget included \$528,612 for the provision of mental health services within the County. Staff had sent out funding availability notices and grant applications to local providers in August, and received those requests back in September. The amount requested totaled \$793,250 – a difference between requests and available funding of \$264,638. In the past we have received input from the Western Highlands CEO Arthur Carder about making recommendations on those funds.

To assist in determining how to balance the requests from providers with the available funding, and to provide the best possible service to our citizens, the Board is requested to discuss the priorities for the available mental health funding. Some examples and points of discussion would be to determine if the Board wishes to use the funds for services such as: program evaluation, preventative services, educational and family services, pharmacology, psychiatric rehabilitation, inmate screening services, substance abuse, domestic violence, parenting skills, behavior management, vocational training, etc.

Chairman Moyer stated these are challenging times and in the past money has been held back for crisis. He felt it was important to continue again this year. In order to make a decision, the Board and staff will look at the following criteria:

1. Situation of agency at this time/ how critical the need
2. What the money is being used for
3. What have the tangible results been in the past

Commissioner McGrady stated there had been an exchange of memorandum in regards to free clinics and psychiatric meds. This is a program where the Board in the past has funded the provision of medications associated with psychiatric work in Henderson County. He recommended putting a safety net on this one service so that come January we don’t find ourselves with the program shut down.

Chairman Moyer stated he receives a number of calls regularly with the same situation and did not feel that the Board should start budgeting with each request. By holding back funds for critical times some of the situations can be helped.

Free Clinics

Steve Wyatt had received an email from Judith Long with the Free Clinics which voices the concerns of timing with the potential of shortage of funds for medications.

Discussion followed in regards to the amount allocated for medication in the previous year and the estimate of costs for this year. Ms. Long stated two programs are funded through the MOE; the psychiatric clinic, and the pharmaceuticals that are available to anyone in Henderson County that meets the income guidelines. Of the original allocation of \$125,000, \$45,000 went to the clinic side and

\$80,000 was allocated to pharmaceuticals. There were carryover funds from prior contracts with another agency. \$15,000 is left at this time which usually carries from 2-4 weeks. Ms. Long explained that the new Astra-Seneca program offers Seroquel free which revises their request from \$150,000 to \$80,000.

Chairman Moyer stated if the \$15,000 will carry the Free Clinics until the January meeting, it makes sense to advance allocate \$15,000 to them recognizing that it would come off of their allotment.

Commissioner McGrady made the motion that the Board authorizes the County Manager to spend up to \$15,000 from their advanced allocation for this amount if they determine it is necessary to continue the program. All voted in favor and the motion carried.

BLUE RIDGE COMMUNITY HEALTH SERVICES – NC RURAL CENTER GRANT PROPOSAL

Blue Ridge Community Health Services (BRCHS) has approached Henderson County regarding a grant opportunity for their new medical building. The Rural Health Care Initiative, through the NC Rural Center, is designed to spur economic activity and job creation by assisting in the construction and expansion of health care facilities. Grants of up to \$480,000 may be awarded for the construction and/or renovation of rural health care facilities. At least one new job should locate in the project building for every \$12,000 in grant funds. BRCHS proposes to create 17 new health center jobs, which projects to a request of \$204,000 amounts to \$6,120.

To apply for funding, BRCHS must partner with Henderson County, which would submit the application. Additionally, Henderson County would have to commit to provide a cash or in-kind match equal to 3% of the grant award. 3% of \$204,000 amounts to \$6,120.

If awarded, the funds would be granted to Henderson County. The County would loan the funds to BRCHS in the form of a deferred, forgivable loan. The loan would be secured with a loan performance agreement and promissory note signed by BRCHS.

Jennifer Henderson, CEO and Milton Butterworth, Director of Community Relations, were present to present their proposal and funding request to the Board. Ms. Henderson explained this is \$7.4 million project. They are required to build a new building as the current building was vacated in July due to structural deficiencies, health and fire risks. Operations were moved to the Pediatric building, and Peds operations were moved to temporary donated building. Repairs to bring the existing facility to fully functioning status would equal or exceed the cost of new construction. Without completion of the proposed facility, the Blue Ridge Family Practice, the primary source of affordable health care for the low income and uninsured in the region, will essentially be homeless and unable to continue its operation.

Since February 2009, BRCHS has seen 3,747 new patients and 2,780 new uninsured patients. Of patients served in 2008, 2,045 were uninsured children and 6,691 were uninsured adults. Nearly 70% of BRCHS patients are uninsured. Ms. Henderson has applied for a grant and expects approximately \$5 million to come from the stimulus dollars. Of the six hundred (600) applicants, no one has had a response to date. If BRCHS does not receive the \$5 million, they will scale down the building to a much smaller building. Either way they will need to raise, within the community, about \$2 million to make this happen.

Capacity is expected to increase by 4,600 patients annually. This will create 17 new health center jobs and 104 new construction jobs. Construction phase projects will add \$3.7 million in income to the area. On-going operations will add approximately \$1.2 million in income to the county annually.

The NC Rural Center Rural Health Care Initiative is designed to spur economic activity and job creation by assisting in the construction and expansion of health care facilities. Grants may be awarded for the construction and/or renovation of rural health center facilities at \$12,000 per new job created. BRCHS

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proposed to create 17 new health center jobs, which projects to a request of \$204,000. A unit of local government must apply for these funds. If awarded, funds will be granted to the unit of local government. They will then loan the funds to the health care entity in the form of a forgivable loan. Loans will be forgiven after job creation goals have been met and verified. The unit of local government must commit to provide a cash or in-kind match equal to at least 3% of the award (in this case - \$6,120). Ms. Henderson requests that Henderson County partner with Blue Ridge Community Health Services to submit the Rural Health Care initiative grant application and to commit or in-kind match equal to 3% of the award. Of the additional \$2 million they need to raise, this will give them a \$200,000 toward the project.

County Manager Steve Wyatt provided clarification. This is an outside agency coming and asking the Board for a grant of \$6,120 as a match to apply for part of the recovery funds. Other projects have been County initiated, and County sponsored. Mr. Wyatt questioned if this was conceptually something the Board is interest in entertaining and if this is a project the Board would be willing to look at partnering with. Mr. Wyatt stated this is a forgivable loan and the money comes through the County. He questioned if the benchmark targets are not met as far as job creation, who is on the hook?

Ms. Henderson responded they must return the money to the County. She believes there is a loan document which states if criteria are not met the funds must be returned.

Milton Butterworth read the language contained within the guidance. "The loan will be secured with a loan performance agreement and promissory note signed by either the health care entity or property owner in this case."

Chairman Moyer was concerned about the Board starting to provide matches to non-profit, non-governmental entities. He felt there are many very worthy non-profits that could also use matching funds. He was also concerned about criteria not being met and the money having to be returned, and didn't think they would have any funds left to pay back to the County.

Ms. Henderson responded that the funds are restricted and cannot be used for anything else but for what it was intended and not part of the operations.

Mr. Butterworth noted there is a two-year timeframe in order to create all of the jobs. It is an 18 month time-frame for the construction of the facility. The grant is due December 14, 2009 and would have to go out by Friday, December 11, 2009. The award date is February 24, 2010.

Further discussion followed concerning the timing and need for a decision. Commissioner McGrady suggested moving forward with the grant application and get assurances or the Board could always pull back from the loan.

Ms. Henderson stated if they are awarded the grant, discussion can be made as to what is included in the promissory note.

Commissioner McGrady made the motion that the Board approves seeking a grant from the Rural Center as outlined in the agenda packet.

Ms. Henderson noted that the funds do not have to be released until the jobs are created. They have secured bank financing for the building and the county can hold the \$202,000 or \$204,000 dollars until the jobs are created.

All voted in favor and the motion carried.

ENGINEERING AGREEMENT WITH MCGILL & ASSOCIATES, REVISED SOLID WASTE CAPITAL IMPROVEMENTS

Engineer Marcus Jones stated with the approval of McGill & Associates as the most qualified responding Engineer for the subject project during the November 2, 2009 Board Meeting, Engineering staff has negotiated an agreement with McGill & Associates. During the November 18, 2009 Board Meeting, the Board directed the Manager to further negotiate the agreement regarding fee amount. Again, the scope of services is to perform the permitting, design, bidding and construction administration for the proposed Capital Improvements approved in the recent Feasibility Study. The fee for this scope has been further reduced to a lump sum fee of \$464,810 from \$518,850 as proposed on November 18th (10.4% reduction). This proposed fee represents a reduction on top of the reduction included in the proposed agreement from November 18th which amounted to \$88,600. The total fee reduction from McGill's original proposal is \$142,640 or 23.5%. The following table details the negotiations:

<i>Scope</i>	<i>Original Proposal</i>	<i>Nov. 18th Proposal</i>	<i>Dec. 7th Proposal</i>
Pre-Construction	\$374,850	\$354,850	\$320,360
Construction Admin.	\$232,600	\$164,000	\$144,450
Totals	\$607,450	\$518,850	\$464,810

As discussed on November 18th, the funding for this agreement was included in this year's Solid Waste Enterprise Fund budget. However, the budgeted amount was only for permitting, design and bidding of the first year's improvements which were estimated at \$3.2 million. The agreement presented above includes the improvements for the entire plan. This strategy will put us in a position to take advantage of favorable construction bids due to the economy and the economies of scale received from a large project. Should the savings not be realized, portions of the project can be removed from the construction contract as needed and funded at a later date. The construction estimate for the improvements included in this agreement is \$4,504,000.

Year 1:

New Entrance Facility	\$1,146,000
Relocate Convenience Center	\$974,600
Recycle Transfer Area	\$99,800
Recycling Processing Facility	\$976,700

Year 3:

C&D Processing Area	\$167,100
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Year 6:

Composting Area	\$270,100
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Year 10:

Wood Waste – White Goods Area	<u>\$869,700</u>
	\$4,504,000

Due to the possibility of changing the scope of the construction project based on the bid amounts received, executing only the pre-construction portion of the agreement with McGill at this time would avoid having to adjust the agreement after bidding. The Construction Administration portion of the agreement could be executed with the Construction Contract. However, the amount should be no more than what they currently propose at \$144,450. This would make the current agreement for pre-construction agreement \$320,360. This amount is budgeted in the FY2010 Solid Waste Enterprise Fund budget.

Commissioner Williams questioned how the figure jumped from the original \$3.2 estimate up to \$4.5 million.

Mr. Jones explained that originally the \$3.2 represented year 1 of the capital improvement program which is the new entrance facility, relocation of the convenience center, recycle transfer area and the recycling processing facility. Projects in the further years included construction and demolition processing area in year 3, composting area in year 6, and wood waste – white goods area in year 10. He proposes that we

move forward with the design of the entire program then bid it out during the favorable construction prices that we have been getting.

Chairman Moyer stated that the County Manger has gone back and renegotiated the costs and feels this is reasonable. Chairman Moyer feels this is the time to move forward.

Commissioner Messer made the motion that the Board authorizes the County Engineer to execute the proposed agreement for \$320,360 with McGill & Associates to perform the pre-construction engineering for the proposed Solid Waste Capital Improvements. All voted in favor and the motion carried.

HENDERSON COUNTY ENERGY MANAGEMENT PROGRAM GRANT APPLICATION FOR ENERGY EFFICIENCY AND CONSERVATION BLOCK GRANTS: GENERAL INNOVATION FUND PROGRAMS

Engineer Marcus Jones stated the U.S. Department of Energy (U.S. DOE) has released a Funding Opportunity Announcement (FOA) for Energy Efficiency Programs. This FOA is part of the American Recovery and Reinvestment Act (ARRA) and was issued on October 19, 2009.

The proposed program requests approximately \$1.75 million dollars from the U.S. DOE, with no matching funds, to establish an Energy Management Program for Henderson County for three years. This program would incorporate building assessments and audits, energy tracking databases, public outreach, and building improvements into its operations. Additionally, to oversee this program, a grant-funded position of Energy Coordinator would be created. The Energy Coordinator's tasks would include assisting participating municipalities, schools, and non-profits in building audits and the creation of energy tracking databases.

This program would also utilize grant money for a solar thermal project on the 1995 Courthouse to operate the boiler and chiller. This project could be partnered with the project for a solar thermal water heating system on the detention center. The cost of this project is estimated to be \$850,000.

The \$1.75 million dollars would be used as follows:

Project	Cost
Energy Coordinator	\$ 60,000 X 3 years = \$180,000
Low Cost Energy Efficiency Opportunities	\$300,000
Community Revolving Loan Fund	\$420,000
Solar Thermal Project (1995 Courthouse)	\$850,000
Total	\$1,750,000

The Low Cost Energy Efficiency Opportunities budget would be used for low energy cost improvements such as installing energy efficient lighting, aerators on sinks, insulation in buildings, and weatherization. This fund would be made available to the County and the municipalities partnering with the grant opportunity. The Community Revolving Loan Fund would be used for energy efficiency improvements for low or fixed income housing or other non-profit or businesses working with low or fixed income housing. Payment schedules on this loan would be based on the borrower's ability to pay.

The Energy Management Program and the position of Energy Coordinator would be sustainable past the three year grant funding period. With a current annual energy budget of approximately \$500,000, conservative estimates indicate that the energy saving would be substantially greater than the Coordinator's salary, especially with the installation of the solar thermal system at the 1995 Courthouse. The money saved would be used to continue funding of the Energy

Coordinator position and Energy Management Program. The application is due December 14 and work is in progress to finalize the applicant and associated cost estimates.

Goals:

- To support activities that move beyond traditional public awareness campaigns, demonstration projects, and other “one-time” initiatives.
- To stimulate investments which can fundamentally and permanently transform energy markets to make energy efficiency and renewable energy the options of first choice.
- To seed programs that can continue beyond the grant funding and time period by incorporating a viable strategy for program sustainability into their overall plan.

County Manager Steve Wyatt requested clarification in regards to solar thermal project at the 1995 courthouse and inquired if this included water for the detention facility or HVAC.

Mr. Jones responded this is for HVAC.

Commissioner Young made the motion that the Board approves the ARRA grant application from the U.S. Department of Energy for the Henderson County Energy Management Program. All voted in favor and the motion carried.

PROPOSED INTAKE ON THE FRENCH BROAD RIVER AND EXPANDED WATER SUPPLY WATERSHED BOUNDARY

Commissioner Williams stated for some time the Board has been evaluating the issue of expansion with watersheds as it pertains to adding an intake at the French Broad. Some of the bigger issues have been the mapping with inaccuracies and changes have been made. As a result a lesser portion of property near the intake would be impacted.

Planning Director Anthony Starr stated the N.C. Department of Environment and Natural Resources (DENR) Division of Water Quality (DWQ) is considering a proposed surface water intake for the City of Hendersonville on the French Broad River north (downstream) of the confluence of Mills River. The intake would provide raw water to the Hendersonville Water Treatment Facility.

DWQ stated that the proposed intake requires an expansion of the existing WS-III Balance of Watershed and Critical Area. Planning Staff worked with the City of Hendersonville and McGill and Associates (the City's Project Engineering Firm) to determine the validity of these new boundaries based on requirements set by NCDENR Public Water Supply Section (See Attachment 1 and Attachment 2).

In addition, DWQ also discovered that the existing WS-III and WS-IV boundaries are incorrect. This requires an amendment to the County's official Water Supply Watershed Boundary Map to address inconsistencies with the State's corrected watershed boundary. Staff anticipates moving forward with these amendments to the County Water Supply Watershed Boundary Map upon approval by the State for the new raw water intake and necessary boundaries for the watershed classification areas.

Staff requests the Board's support to send a letter to DWQ to request that the State accept the engineer's determination that the WS-III boundary does not require expansion on the west side of the French Broad to accommodate the City's new intake as reflected in the attached map. A small addition (26 acres) on the east side of the River would be required.

If the Board supports the proposed intake on the French Broad River by the City of Hendersonville, a resolution of support, to be passed at a future meeting, is required for the State to proceed with Hendersonville's request. Staff plans to provide the Board with a presentation about the City's plans for

December 7, 2009

13

the new intake at the Board's January meeting if desired by the Board. Planning Staff could prepare a resolution of support by the County for consideration at that future meeting.

Commissioner Williams asked if the area would be Watershed Classification III or IV.

Mr. Starr responded he was waiting on confirmation from the State, some papers say III and others IV.

City of Hendersonville's Utilities Director Lee Smith stated they are comfortable with the Board sending the resolution.

After further discussion, Commissioner Williams made the motion that the Board directs the Planning Director to send a letter to DWQ to request that the State accept the engineer's determination that the boundary does not need to be expanded on the west side of the French Broad to accommodate the City's new raw water intake on the French Broad. All voted in favor and the motion carried.

With respect to the intake, Chairman Moyer noted that the City has been working diligently on this in case of a drought situation.

PRESENTATION REGARDING IMPROVEMENTS TO HAYWOOD ROAD (NC 191)

Chairman Moyer stated that Commissioner McGrady requested this item be placed on the agenda. Chairman Moyer is concerned as to where this is going and whether there should be a presentation. There has been a lot of activity on this issue and a lot of discussion with respect to alternatives.

Commissioner McGrady is a liaison to the Transportation Advisory Committee (TAC) and feels that the Advisory Committee is looking at the 191 issue as three projects. The only reason for the presentation is the TAC does not want to proceed down this path without making sure that the three jurisdictions (Henderson County, the City of Hendersonville, and Mills River) are all aware of what is being discussed. This same presentation is scheduled to be on the Hendersonville agenda and Mills River agenda in upcoming meetings. The only advantage of this meeting is that it is televised. No action is needed.

After lengthy discussion, Chairman Moyer made the motion that the Board not proceed with the presentation. The motion failed 2-3 with Commissioners Williams, McGrady and Young voting nay.

Chair of the TAC Jim Crafton presented a power-point presentation which is hereby attached and incorporated as part of the minutes.

The Henderson County Board of Commissioners has scheduled a presentation on Haywood Road (NC Highway 191) between the boundaries of Highway 25 in Hendersonville and Highway 280 in Mills River. The purpose of the presentation is to review conceptual improvements and to provide input to staff on how to move forward.

Several weeks ago the Henderson County Transportation Advisory Committee (TAC) requested that staff provide background data and possible alternative sections to an existing NCDOT widening concept for Haywood Road. At that meeting, the TAC reviewed a similar presentation and discussed how to move the project up the NCDOT funding list (called the State Transportation Improvement Program). Major road projects, like NC191, take many years of planning and discussion prior to starting construction. It was recognized that until a local agreement for the design and scope of the project is attained, NCDOT will not move forward with the improvements. The TAC discussed a process that could lead to development of a consensus between three local governments, which represent the public interest and property owners of the potential project area.

One key point of discussion among the TAC was that the new road design does not need to be a "one size

fits all” concept (as was suggested a few years ago). In fact, 3 or 4 segments of the road may have different cross-section designs to meet different needs. In an effort to move the discussion forward, the TAC decided to consult with the three local governments (Henderson County, City of Hendersonville, and Town of Mills River) for input on how to move forward with the project. According to the NCDOT, further plans to improve NC Highway 191 will remain unfunded in the State Transportation Improvement Program unless the local governments support the project.

It should be noted that planning for improvements to NC 191 must include the traffic needs extending to the year 2030. Even if a consensus is reached at the local level, 10-20 years could pass before construction would begin (if that soon). TAC Chairman Jim Crafton, Transportation Planner Hope Bleecker and Planning Director Anthony Starr presented the information and were available to answer questions.

Commissioner Williams suggested looking at things in a broad sense and focus attention on the high priorities.

STAFF REPORTS

County Attorney’s Report

There was nothing further at this time.

County Manager’s Report

There was nothing further at this time.

IMPORTANT DATES

Chairman Moyer reminded everyone that the mid-month meeting for December had been cancelled and a budget workshop has been scheduled for January 20, 2010 at 8:00 a.m. There have been a couple of requests for grant applications with deadlines and staff will be pulling these items together and they will be discussed during the budget workshop. Chairman Moyer requested that the County Manager get information together so the Commissioners can study in advance and discuss at the workshop all funds being placed into outside agencies.

Commissioner Williams requested an update listing of debt servicing with schedules and balances.

2010 Proposed Schedule of Regular Meeting Dates

Chairman Moyer made the motion that the Board approves the 2010 Proposed Schedule of Regular Meeting Dates as presented. All voted in favor and the motion carried

Set Public Hearing on 2008 Community Development Block Grant Application

Commissioner Messer made the motion that the Board schedules a public hearing for the 2008 SSH CDBHG grant for Monday, January 4, 2010 at 7:00 p.m. All voted in favor and the motion carried

CANE CREEK WATER & SEWER DISTRICT - no business

CLOSED SESSION- none

ADJOURN

There being no further business Commissioner Young made the motion to adjourn at 7:50 p.m. All voted in favor and the motion carried.

ATTEST:

Teresa L. Wilson, Clerk to the Board

William L. Moyer, Chairman

HENDERSON COUNTY BOARD OF COMMISSIONERS

1 Historic Courthouse Square, Suite #1
Hendersonville, NC 28792
Phone (828) 697-4808 • Fax (828) 698-4443
TDD: (828) 697-4580
www.hendersoncountync.org

BILL MOYER
Chairman
CHARLIE MESSER
Vice-Chairman

CHUCK MCGRADY
MARK WILLIAMS
LARRY YOUNG

RESOLUTION DECLARING PERSONAL PROPERTY AS SURPLUS AND AUTHORIZING THE SALE OF SURPLUS PROPERTY BY ELECTRONIC PUBLIC AUCTION

WHEREAS, Henderson County owns vehicles and equipment itemized on the attached Exhibit B, hereinafter referred to as “surplus property”, that is either obsolete or no longer needed for any governmental use by the County; and

WHEREAS, the Henderson County Board of Commissioners is desirous of declaring the vehicles and equipment as surplus and selling at a public auction as authorized by NCGS 160A-270; and

WHEREAS, it is the intent of the County to sell said surplus vehicles and equipment by electronic public auction at www.govdeals.com;

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

1. The vehicles and equipment itemized on the attached Exhibit B is hereby declared to be surplus property.
2. The Finance Director is hereby authorized to sell by electronic auction at www.govdeals.com the surplus property described above to the highest bidder.
3. All surplus property will be sold “as is”, all sales final, cash, certified check or money order only. Henderson County makes no express or implied warranties of merchantability of any surplus property, or part thereof, or its fitness for any particular purpose regardless of any oral statements that may be made concerning the surplus property or any part thereof.
4. A notice summarizing this Resolution and the sale of the surplus property by electronic public auction shall be advertised by the Finance Director on the County’s website at www.hendersoncountync.org at least ten (10) days prior to the public auction.

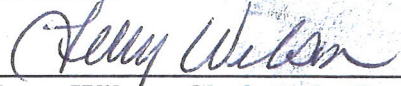
Adopted this the 7th day December, 2009.

HENDERSON COUNTY BOARD OF COMMISSIONERS

BY: 

William L. Moyer, Chairman

ATTEST:


Terry Wilson, Clerk to the Board

[OFFICIAL SEAL]

EXHIBIT B

List of Surplus Vehicles

Year / Make / Model	VIN #	County Asset
1982 CHEVROLET C-30	2GBHK34W5C1120712	13670
1997 FORD TAURUS	1FALP52U7VA284269	10537
1995 FORD E-250	1FTFE24H1THA15698	6094

List of Surplus Equipment

Quantity	Description
5	Vehicle partitions
1	Brushguard/pushbar for Dodge Durango
1	K-9 Cage for Dodge Durango

A regular meeting of the Board of Commissioners of the County of Henderson, North Carolina, was duly held on December 7, 2009 at 5:30 p.m. in the Commissioners' Meeting Room, Henderson County Historic Courthouse, 1 Historic Courthouse Square, Hendersonville, North Carolina. Chairman Bill Moyer presiding.

* * *

The following members were present: William L. Moyer, Chairman
Mark Williams, Vice Chairman
Chuck McGrady
Charlie Messer
Larry Young

The following members were absent: None

* * *

Commissioner McGrady moved that the following resolution (the "*Resolution*"), a copy of which was available with the Board and which was read by title:

**RESOLUTION AUTHORIZING PROJECTS TO UTILIZE
RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS
AND RECOVERY ZONE FACILITY BONDS**

WHEREAS, Recovery Zone Economic Development Bonds (RZEDBs) were created by the American Recovery and Reinvestment Act (ARRA) as a financing vehicle for state and local governments to use to finance certain economic development projects in recovery zones created by state and local governments; and

WHEREAS, a state or local government may designate a recovery zone in any area (a) having significant poverty, unemployment, rate of home foreclosures or general distress, (b) any area designated by the issuer as economically distressed because of the closure or realignment of a military installation pursuant to the Defense Base Closure and Realignment Act of 1990, and (c) any area for which a designation as an empowerment zone or renewal community is in effect; and

WHEREAS, ARRA authorized \$10 billion of RZEDBs, which may be issued before January 1, 2011, of which, \$3,925,000 may be issued by the County of Henderson, North Carolina (the "County"); and

WHEREAS, RZEDBs must be used to finance qualified economic development purposes, which ARRA defines as "expenditures for purposes of promoting development of other economic activity in a recovery zone" and includes capital expenditures paid or incurred with respect to property in the zone and expenditures for public infrastructure and construction of public facilities; and

WHEREAS, Recovery Zone Facility Bonds (RZFBs) were also created by ARRA to authorize state and local governments to loan proceeds of tax-exempt bonds to private businesses; and

WHEREAS, ARRA authorized \$15 billion of RZFBs, which may be issued before January 1, 2011, of which, \$5,888,000 may be issued on behalf of the County; and

WHEREAS, eligible projects for the use of these RZFB include construction, reconstruction or renovation projects such as industrial or manufacturing facilities; distribution or warehouse facilities; shopping centers or other retail facilities; restaurants; hotels and office buildings all within a designated recovery zone; and

WHEREAS, eligible projects for both the RZEDBs and RZFBs must be identified by December 15, 2009 and bonds issued by April 15, 2010, or be on the agenda for the Local Government Commission's May 2010 meeting; otherwise, the bond allocation will be deemed waived to the State, which will reallocate the authority to other projects that can meet the established deadlines; and

WHEREAS, the County expects to issue installment financing obligations during calendar year 2010 (the "2010 RZED Bonds") to finance the capital costs of constructing, renovating or repairing various County facilities, including school and community college facilities (the "2010 RZEDB Projects") and plans to use all of its allocation of RZEDBs for such financing.

WHEREAS, the County expects to issue industrial development revenue bonds during calendar year 2010 (the "2010 RZF Bonds") to finance construction of or improvements to industrial and

manufacturing facilities (the "2010 RZFB Projects") and plans to use all of its allocation of RZFBs for such financing.

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

Section 1. That the Board of Commissioners of the County hereby authorizes the 2010 RZEDB Projects as being eligible for RZEDBs and designates the 2010 RZED Bonds as RZEDBs.

Section 2. That the Board of Commissioners of the County hereby authorizes the 2010 RZFB Projects as being eligible for RZFBs and designates the 2010 RZF Bonds as RZFBs.

Section 3. That the Board of Commissioners of the County hereby finds that the entire County is experiencing significant unemployment and general distress and, therefore, establishes the designated recovery zone to be coterminous with the boundaries of the County.

Section 4. That this Resolution is effective on the date of its adoption.

On motion of Commissioner McGrady, the foregoing resolution entitled "**RESOLUTION AUTHORIZING PROJECTS TO UTILIZE RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS AND RECOVERY ZONE FACILITY BONDS**" was duly adopted by the following vote:

AYES: William L. Moyer, Chairman
Mark Williams, Vice Chairman
Chuck McGrady
Charlie Messer
Larry Young

NAYS: None

STATE OF NORTH CAROLINA)
)
COUNTY OF HENDERSON) ss:

I, *Teresa Wilson*, Clerk to the Board of Commissioners of the County of Henderson, North Carolina, **DO HEREBY CERTIFY** that the foregoing is a true and exact copy of a resolution entitled “**RESOLUTION AUTHORIZING PROJECTS TO UTILIZE RECOVERY ZONE ECONOMIC DEVELOPMENT BONDS AND RECOVER ZONE FACILITY BONDS**” adopted by the Board of Commissioners of the County of Henderson, North Carolina, at a meeting held on the 7th day of December, 2009.

WITNESS my hand and the corporate seal of the County of Henderson, North Carolina, this the 8th day of December, 2009.



Teresa Wilson

Teresa Wilson
Clerk to the Board
County of Henderson, North Carolina

HENDERSON COUNTY TAX DEPARTMENT

Collector's Office
200 North Grove Street
Suite 66
Hendersonville, NC 28792

Phone: 828/697-5595

Fax: 828/698-6153

www.hendersoncountync.org/tc/

Stan C. Duncan
Tax Collector & County Assessor

Sandy Allison
Administrative Assistant II

November 30, 2009

Henderson County Board of Commissioners
1 Historic Courthouse Square; Suite 1
Hendersonville, NC 28792

Re: Tax Collector's Report to Commissioners – 12/07/09 Meeting

Please find outlined below collections information through November 27th for the 2009 bills mailed out on August 5th, as well as registered motor vehicle bills. As a point of reference, we also have included collections information as of the same date last year.

Annual Bills G01 Only:

2009 Total Charge: \$57,010,709.24
Payments & Releases: 27,388,187.59
Unpaid Taxes: 29,622,521.65
Percentage collected: 48.04%
(through 11/27/09)

2008 Total Charge: \$55,821,715.37
Payments & Releases: 26,352,745.84
Unpaid Taxes: 29,468,969.53
Percentage Collected: 47.21%
(through 11/27/08)

Motor Vehicle Bills G01 Only:

2009 Total Charge: \$2,176,033.07
Payments & Releases: 1,649,286.02
Unpaid Taxes: 526,747.05
Percentage collected: 75.79%
(through 11/27/09)

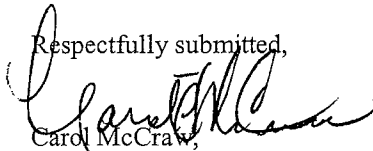
2008 Total Charge: \$2,638,333.64
Payments & Releases: 1,739,301.30
Unpaid Taxes: 899,032.34
Percentage collected: 65.92%
(through 11/27/08)

Fire Districts All Bills

2009 Total Charge: \$6,380,260.38
Payments & Releases: 3,245,979.29
Unpaid Taxes: 3,134,281.09
Percentage collected: 52.70%
(through 11/27/09)

2008 Total Charge: \$6,351,332.95
Payments & Releases: 3,121,562.69
Unpaid Taxes: 3,229,770.26
Percentage collected: 51.09%
(through 11/27/08)

Respectfully submitted,



Carol McCraw,
Deputy Tax Collector

Stan C. Duncan,
Tax Collector

Resolution Providing Final Approval of Terms and Documents for QSCB School Improvements Financing

WHEREAS:

Henderson County, North Carolina (the "County") has previously determined to carry out various school improvements, including construction, repair and renovation projects at (a) Apple Valley Middle School, (b) Balfour Education Center, (c) Dana Elementary School, (d) East Henderson High School, (e) Hendersonville Elementary School, (f) North Henderson High School, (g) Rugby Middle School and (h) West Henderson High School (collectively, the "Project").

The County has also stated an intent to finance project costs by the use of an installment financing, as authorized under Section 160A-20 of the North Carolina General Statutes, that qualifies as a "qualified school construction bond" (a "QSCB").

The Finance Officer has obtained for the County a proposal from Branch Banking and Trust Company ("BB&T) to provide the QSCB installment financing to the County.

The Finance Officer has made available to this Board the draft agreements listed on Exhibit A (the "Agreements"), which relate to the County's carrying out the QSCB financing plan.

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

1. *Determination To Proceed with Financing* – The County confirms its plans to undertake and finance the Project. The County confirms its determination to accept a proposal from BB&T dated November 2, 2009, as modified on November 4, 2009, to provide Project financing. The County elects the 10-year financing option provided for in the proposal.

Under the financing plan, BB&T will make funds available to the County for use on Project costs. The County will repay the amount advanced over time. As part of the financing plan, the Henderson County School Board will convey Hendersonville Elementary School to the County, so that the transferred school can provide collateral for the financing. The County will grant to BB&T a mortgage-type interest in the school to secure the County's repayment obligation.

2. *Approval of Agreements; Direction To Execute Documents* -- The Board approves the forms of the Agreements submitted to this meeting. The Board authorizes and directs the Board's Chairman and the County Manager, or either of them, to execute and deliver the Agreements in their final forms. The Agreements in their respective final

forms must be in substantially the forms presented, with such changes as the Chairman or the County Manager may approve, and with any appropriate modifications to reflect the requirements of the QSCB program. The Agreements in final form, however, must be consistent with the financing plan described in this resolution and must provide (a) for the amount financed by the County not to exceed \$4,270,400, (b) for an annual interest rate not to exceed 1.87% (in the absence of a default or a change in tax status), and (c) for a financing term not to extend beyond December 31, 2019.

In addition, the Board's Chairman and the County Manager, or either of them, are authorized and directed to approve, execute and deliver any further documents and agreements they deem desirable for carrying out the purposes and intents of this resolution. It is the Board's understanding that the financing documents may include (a) a lease agreement, providing for the School Board to continue to use the transferred school property during the term of the financing, and (b) an agreement under which the School Board will carry out the planned school improvements on the County's behalf.

The execution and delivery of any document by an authorized officer will be conclusive evidence of his approval of the final form of such document.

3. Authorization to County Manager and Finance Officer To Complete Closing – The County Manager, the Finance Officer and all other County officers and employees are authorized and directed to take all proper steps to complete the financing in cooperation with BB&T and in accordance with the terms of this resolution.

The Board authorizes and directs the Finance Officer to enter into an agreement with BB&T to formalize the County's commitment to complete the financing with BB&T and thereby establish a "sale date" for the transaction for the purpose of determining the tax credit rate to be applicable to the transaction for BB&T.

The Board authorizes and directs the Finance Officer to hold executed copies of all financing documents authorized or permitted by this resolution in escrow on the County's behalf until the conditions for their delivery have been completed to such officer's satisfaction, and thereupon to release the executed copies of such documents for delivery to the appropriate persons or organizations.

Without limiting the generality of the foregoing, the Board specifically authorizes the Finance Officer to approve changes to any Documents, agreements or certifications previously signed by County officers or employees, provided that such changes do not conflict with this resolution or substantially alter the intent from that expressed in the form originally signed. The Finance Officer's authorization of the release of any such document for delivery will constitute conclusive evidence of such officer's approval of any such changes.

4. **Resolutions As To Tax Matters** -- The County will not take or omit to take any action the taking or omission of which will cause its obligations to pay principal and interest (the "Obligations") to be "arbitrage bonds," within the meaning of Section 148 of the United States Internal Revenue Code of 1986, as amended, including the applicable Treasury regulations (the "Code").

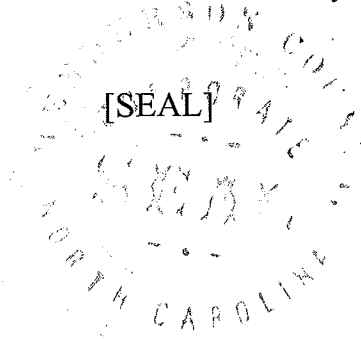
5. **Designation as a QSCB** -- The County designates the Obligations as "qualified school construction bonds" for the purposes of, and within the meaning of, Code Section 54F and related Code provisions. The County and BB&T intend that the financing will qualify as a QSCB.

6. **Miscellaneous Provisions** -- All County officers and employees are authorized and directed to take all such further action as they may consider necessary or desirable in furtherance of the purposes of this resolution. All such prior actions of County officers and employees are ratified, approved and confirmed. Upon the absence, unavailability or refusal to act of the County Manager, the Board's Chairman or the Finance Officer, any other of such officers may assume any responsibility or carry out any function assigned in this resolution. All other Board proceedings, or parts thereof, in conflict with this resolution are repealed, to the extent of the conflict. This resolution takes effect immediately.

* * * * *

I certify that the foregoing resolution (which includes the attached Exhibit A) was duly adopted at a meeting of the Board of Commissioners of Henderson County, North Carolina, duly called and held on December 7, 2009, and that a quorum was present and acting throughout such meeting. Such resolution remains in full effect as of today.

Dated this 8th day of December, 2009.

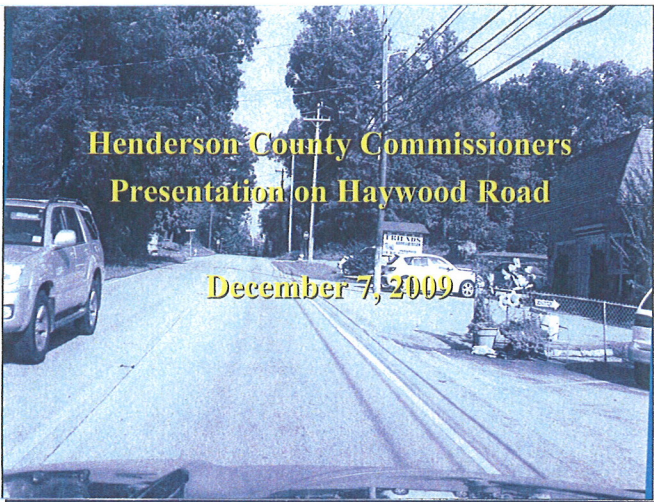


Teresa L. Wilson
Clerk, Board of Commissioners
Henderson County, North Carolina

Exhibit A -- Draft Agreements

(a) A draft dated November 30, 2009, of a Financing Agreement and Deed of Trust to be dated on or about December 10, 2009 (the "Financing Contract"), from the County for the benefit of BB&T, providing for the advance of funds to the County for the County's undertaking of the Project, documenting the terms and conditions of the County's promise and obligation to repay the amount provided by the bank, and providing for a security interest in the Hendersonville Elementary School property to secure the County's repayment obligation.

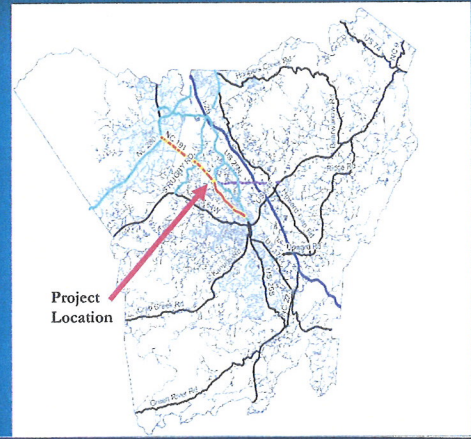
(b) A draft dated November 30, 2009, of a Project Fund Agreement to be dated on or about December 10, 2009, between the County and BB&T, providing for the custody of financing proceeds pending their application to Project costs.



Background

- Comprehensive Transportation Plan recommended a
 - 4-Lane Concept (Mountain Road- 280)
 - 3-Lane (US25 Business to Mountain Road)
- NCDOT Preliminary Scoping in 2005
- NCDOT abandoned the project because of public concerns over a 4-Lane Divided Highway with a 120' Right-of-Way Section

Location and Surrounding Street Network

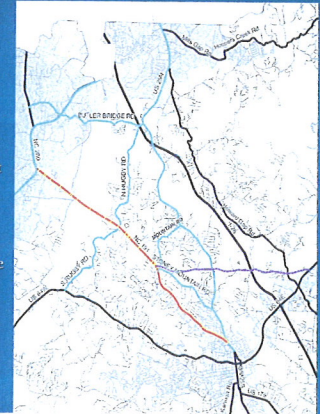


Location and Surrounding Street Network

NC 191 functions as Collector for Residential, Schools, and Commercial Land Uses

Alternative connections between Hendersonville and Mills River exist (via 280 and I-26 or Butler Bridge Rd. to Hwy 25)

Future Balfour Parkway will increase traffic between Mountain Rd and 280



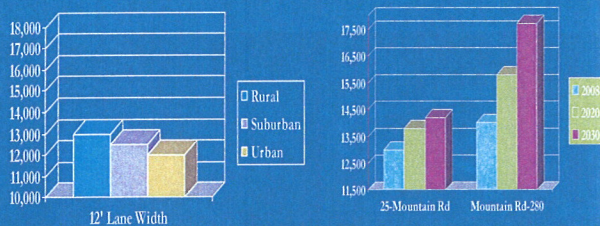
NC 191 Average Annual Daily Traffic existing counts

Segment	1999 AADT	2005 AADT	2008 AADT
191 between US 25- Blythe Street	12,000	13,400	12,000
191 slightly north of intersection of Mountain RD and 191	12,000	14,400	13,000
191 Near North Section of Mills River	10,000	11,000	10,000

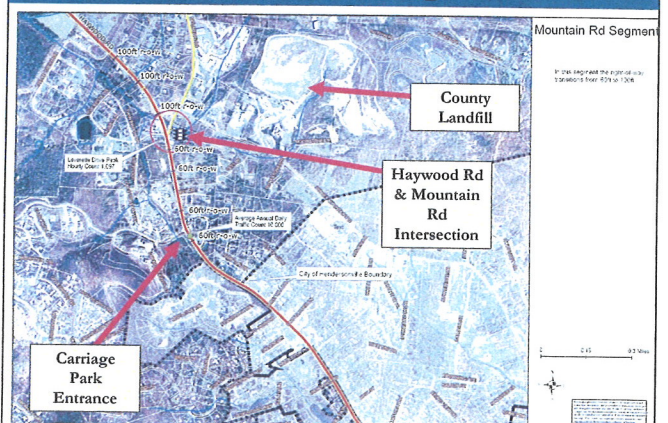
Asheville Hwy. to Blythe Street



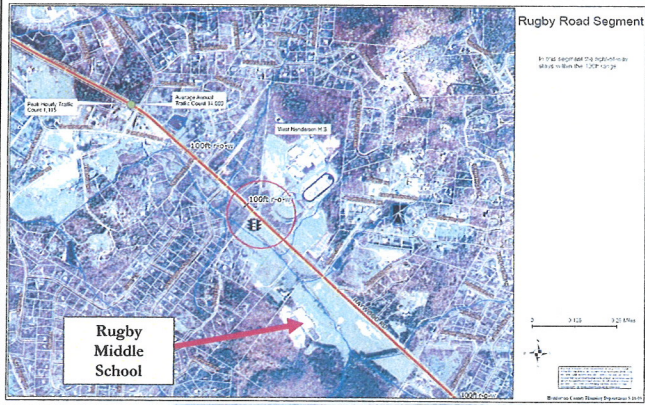
Estimated Daily Capacity Levels for Two Lane Roads with 12' Lanes (Level of Service D) versus Estimated 20-Year Growth Rate to 2030 (6%)



Mountain Rd Segment



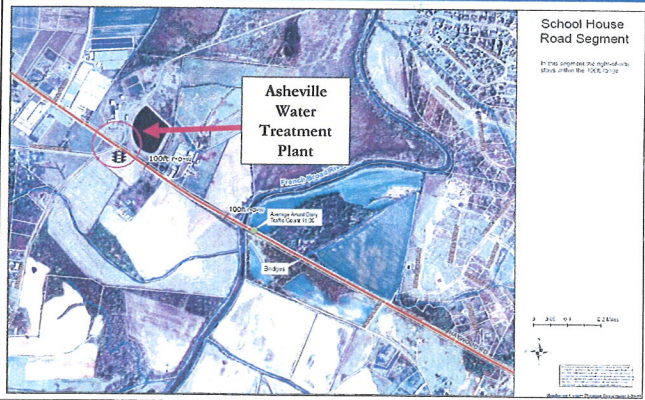
Rugby Road Segment



NC 191 & 280 Intersection Segment



School House Road Segment



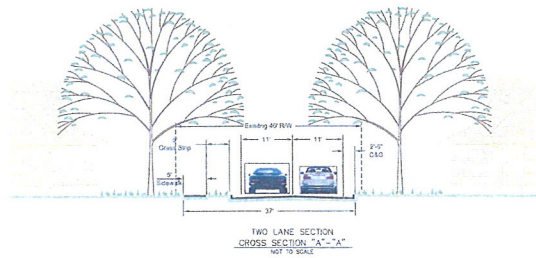
Comprehensive Transportation Plan 2030 Forecast

	Existing Capacity VPD	2005 ADT	Necessary 2030 MAB Model Capacity
US 25 Business-Mountain	13,200	13,400	15,200 (3 lane)
Mountain Road to 280	16,700	14,400	31,700 (4-lane) (assumes Balfour Connector)

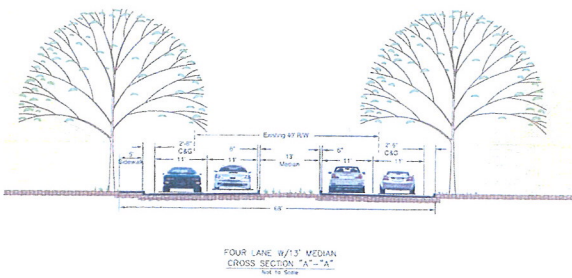
Lakeland, Fla. Moves 21,000 vpd 60' ROW



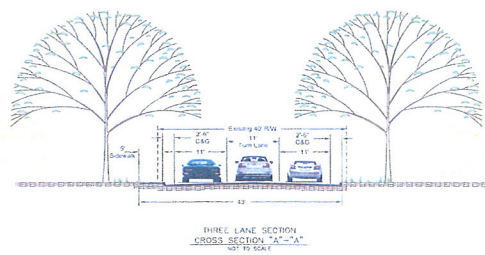
Option: Maintain 2 Lane with 3 lane Intersection Improvements through Blythe Street in areas of compressed ROW



4 Lane Divided Median for Mountain Road-280 (may require 12' lanes and additional border beyond curb on outside sections)



Example of TWLTL in Constrained Areas or 3 Lane Divided Median Section for wider Sections of 191 Beyond Blythe Street (43' ROW)



4 Lane Divided Median Greensboro, NC
Daily Count is 18,000 LOS C



What Next?

- 1) TAC Committee /Local Government Opinions
- 2) Consensus among local governments
- 3) If directed, NCDOT Discussion
- 4) Study in context of Balfour Parkway
- 5) Prepare Updated Traffic Model
- 6) Preliminary Design Options through Feasibility Study Process
- 7) Public Opinion
- 8) Adjust & Finalize Concept