



**Rutherford County Office Building
289 N. Main Street
Rutherfordton, NC 28139**

**Rutherford County
Board of Commissioners
Minutes of June 7, 2021**

**Monday, June 7, 2021
6:00 PM**

I. Call to Order

Chairman King called the June 7, 2021 meeting of the Rutherford County Board of Commissioners to order.

Present: Chairman Bryan King, Vice Chairman Alan Toney, Commissioner Michael Benfield, Commissioner David Hunt, and Commissioner Greg Lovelace.

A. Pledge of Allegiance

Mr. David Odom led in the Pledge of Allegiance.

B. Agenda Approval

Chairman King asked that the Board consider adding for discussion an additional item to the agenda which would be a Memorandum of Agreement between the State of North Carolina and local governments on proceeds relating to the settlement of the opioid litigation. This would be added following the Closed Session.

Commissioner Hunt moved to approve the agenda with the additional item included. Commissioner Benfield seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

II. Public Hearing and Public Information

A. ID 21- 2841 Public Hearing – Budget for Fiscal Year 2021-2022

At 6:05 P.M. Chairman King opened the public hearing to listen to comments regarding the recommended budget for Fiscal Year 2021-2022.

County Manager Steve Garrison reviewed the 2021-2022 recommended budget which had no increase in the tax rate and no fund balance appropriation. It included funds to chip away at the Capital Facilities Plan and the Information Technology Capital Software/Hard Plan priorities, funds to increase cybersecurity, and funds for a cost-of-living increase for County employees.

The total general fund budget was recommended at \$70,460,185, and the total budget for all funds was \$91,303,368. A 1.966% increase was recommended for the County budget, and a 2.6% increase was recommended for Rutherford County Schools and Isothermal Community College operations.

The budget for Rutherford County Schools included:

- Operations - \$15,810,376
- Capital - \$1,000,000
- 2.559% increase for current expense
- 3.7% total increase
- Total appropriation including debt service for capital outlay: \$22,804,348

The budget for Isothermal Community College included:

- Operations - \$2,593,991
- Capital - \$550,000
- 2.559% increase for current expense
- 3.787% total increase
- Total appropriation including debt service for capital outlay: \$3,631,504

County Manager Garrison spoke about the Solid Waste Enterprise Fund in the 2021-2022 Budget which had challenges that included:

- Revenues down, waste increasing
- Electronic, white goods, tires, and oil/filter recycling revenues from the State decreasing
- Critical capital facility and equipment repairs need to be addressed
- Opening a new permitted C&D cell

Recommendations included:

- Tipping fee for MSW increase from \$62 per ton to \$64 per ton
- Tipping fee for C&D waste increase from \$45 per ton to \$47 per ton
- Recycling fee – No change
- Household Availability Fee – No Change

Commissioner Hunt questioned whether the recommended revenues in the Solid Waste Enterprise Fund would be adequate to address the needs. County Manager Garrison said the increases would help to compensate the capital outlay projects. Also, Rutherford County attempts to maintain fees that are in line with surrounding counties.

No one else wished to speak

At 6:16 P.M. Chairman King declared the public hearing to be closed.

B. ID 21- 2842 Public Information Rutherford County Landfill

Chairman King welcomed Mr. David Odom of Odom Engineering to the Public Information Meeting. Mr. Odom presented information regarding the plans of the Rutherford County Solid Waste Department to change any cells at the Rutherford County landfill from municipal solid waste to construction and demolition waste. The future cells will be to the North and East of the existing landfill footprint, covering an additional 38 acres. The existing landfill entrance will be used for these future cells. The proposed construction and demolition cells will have a maximum final elevation of 1050 feet and a total capacity of approximately 2,281,000 cubic yards. All other operations at the landfill will remain unchanged by this.

The County had engaged McGill Associates Engineering to design and permit an expansion of the existing construction and demolition Landfill. The expansion areas proposed for the construction and demolition landfill cells were in areas previously included in the site study for the future municipal solid waste landfill.

At the March 1, 2021 meeting, the Board had voted to submit a Non-Renewal for Permit for the future municipal solid waste landfill as it would not be cost effective to design, permit, and operate a new municipal solid waste landfill at this location.

Currently, the County is in the process of permitting the second phase of the construction and demolition landfill. This phase will hold approximately 10 years of waste.

III. Public Comments

Mr. Michael Jennings spoke about domestic terrorism in the County. He proposed converting the courthouse into an orphanage for homeless children.

IV. Consent Agenda

Commissioner Lovelace moved to approve the Consent Agenda. Commissioner Hunt seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

Consent Agenda items approved were:

- A. ID 21-2838 Minutes of Commissioners' Special Meeting of May 3, 2021**
- B. ID 21- 2837 Minutes of Commissioners' Meeting of May 3, 2021**
- C. ID 21- 2839 Minutes of Commissioners' Special Meeting of May 17, 2021**
- D. ID 21-2840 Tax Refunds and Releases**
 - Refund amount totaling \$832.07
 - Releases greater than \$100 totaling \$12,100.35
 - Releases less than \$100 totaling \$153.85
 - (A copy of these tax refunds and releases is typed in the Minute Book.)

V. Commissioners/Appointments

A. ID 21- 2849 Voting Delegate to NCACC Annual Conference

The North Carolina Association of County Commissioners (NCACC) 114th Annual Conference will be held in August in New Hanover County. Each county will be entitled to one vote on items that come before the membership, including the election of the NCACC Second Vice President.

In order to facilitate the voting process, the NCACC requests that each county designate one voting delegate (*and also may assign one alternate voting delegate*) prior to the Annual Conference.

Commissioner Benfield moved to appoint Vice Chairman Toney as the Voting Delegate to the 2021 NCACC Annual Conference. Commissioner Lovelace seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

Vice Chairman Toney moved to appoint Commissioner Benfield as the Alternate Voting Delegate to the NCACC Annual Conference. Commissioner Hunt seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

A. ID 21-2846 Appointments to Rutherford County Boards and Commissions

A list of terms that would expire on June 30, 2021 on Rutherford County boards/commissions was presented. These positions had been advertised and applications had been accepted. The list indicated whether the person currently serving was willing to serve another term.

Vice Chairman Toney moved to re-appoint Mr. Steve Garrison to the Broad River Water Authority to a term ending June 30, 2024. Commissioner Hunt seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

Commissioner Benfield moved to appoint Ms. Susan Henson, Mr. Robert Hamilton, Sr., and Mr. Chivous Bradley to the Historic Preservation Commission to terms ending June 30, 2024. Commissioner Hunt seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

Commissioner Hunt moved to reappoint Ms. Joan King and Ms. Amy Jenkins to the Isothermal Community College Board of Trustees to terms ending June 30, 2025. Commissioner Lovelace seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

Commissioner Hunt moved to re-appoint Ms. Hazel Haynes to the Jury Commission to a term ending June 30, 2023. Vice Chairman Toney seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

Commissioner Lovelace moved to appoint Dr. Katie Varnadoe, Ms. Judith Toney, Ms. Suzanne Porter, Ms. Gail Hamby, Ms. Pat Keeter, Ms. Sarah Horne, Ms. Debra Conner, Mr. Steve Collins, Mr. Jeff Kerr, Mr. Joey Holland, Mr. Josh Williams, Mr. Shawn Humfrey, Mr. Carl Ummphelett, Mr. Ted Bell, Ms. Anna Kegley, Ms. Buffy Fountain, and Ms. Renee Smart to the Juvenile Crime Prevention Council to terms ending June 30, 2023. Commissioner Benfield seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

Commissioner Hunt moved to reappoint Ms. Bonnie Worcester and Mr. James Edwards to Library Board of Trustees to terms ending June 30, 2024. Vice Chairman Toney seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

Commissioner Lovelace moved to reappoint Mr. Ronnie Harrill, Mr. Tony Fowler, and Mr. John Bittle to the Planning Commission to terms ending June 30, 2024. Commissioner Benfield seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

Vice Chairman Toney moved to reappoint Commission Michael Benfield to the Rural Transportation Planning Organization to a term ending June 30, 2023. Commissioner Hunt seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

Commissioner Hunt moved to reappoint Mr. Jim Masek and Ms. Mary Jaeger-Gale and to appoint Dr. Margaret Annunziata to the Tourism Development Board to terms ending June 30, 2024. Commissioner Benfield seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

Commissioner Hunt moved to reappoint Ms. Suzanne Porter, Mr. Frankie Hamrick, and Ms. Susan Hall to the Transit Advisory Board to terms ending June 30, 2024. Commissioner Benfield seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

Commissioner Benfield moved to reappoint Mr. Clark Poole, Ms. Kathryn McMahon, Mr. Tim Mathis, Mr. David Herndon, and Mr. Terry Fountain to the Workforce Development Board to terms ending June 30, 2024. Commissioner Hunt seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

VI. Commissioner Reports

A. ID 21- 2848 Tourism Development Authority Report

Tourism Development Authority Director Don Cason provided a quarterly update of the activities of the TDA. Occupancy tax collection is up 50% to 60% as compared to 2019 which was prior to the COVID pandemic. The marketing budget along with other line items has been increased. Projects and Programs budget is up 70%. The fund balance at the end of the year will be approximately \$1,100,000.

Rutherford Bound serves as a planning document for the Rutherford County Tourism Development Authority and its partners pertaining to tourism-related capital infrastructure development. The TDA provides funding for projects by the towns with this funding being matched by the towns. Director Cason listed the projects that are currently underway and advised that the upcoming budget contains funding of \$150,000 for each town. Funds for enhancement of the Thermal Belt Rail Trail and trails in Lake Lure and Chimney Rock are also included in the budget but will not require matching funds.

Ms. Jenna Bailey provided an update on the Keep Rutherford County Beautiful Committee. Eight tons of trash were collected earlier in the year from all over Rutherford County.

VII. New Business

A. ID 21-2850 Budget Amendments

Finance Director Paula Roach presented budget amendments for the Board's consideration.

Commissioner Benfield moved to approve the budget amendments. Commissioner Hunt seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

Budget Amendments		
June 7, 2021		

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GENERAL FUND		
Courthouse - Building Improvements	\$ 31,500	
Fund Balance Appropriated - HVAC Plan		\$ 31,500
*Boiler replacement - additional funds needed (total project \$111k)		
Youth Detention	\$ 5,000	
Fund Balance Appropriated		\$ 5,000
*estimated funds to complete FY20-21		
Board of Elections - multiyear agreements - funds available within existing budget		
* letter opener, table top tabber for mailers, postage machine (copy of agreements attached)		
Sheriff - OT Salaries/Benefits	\$ 11,227	
Sheriff - DOJ/JAG Reimbursement		\$ 11,227
*reimbursement for assistance with Federal programs		
Sheriff - Equipment Purchased with Seizure Funds	\$ 7,392	
Sheriff Drug Seizure Funds		\$ 7,392
*unauthorized substance tax distribution		
Sheriff - Project Lifesaver	\$ 300	
Project Lifesaver Donations		\$ 300
*donations received		
Sheriff - Part-Time Reserves Salaries/Benefits	\$ 60	
Sheriff Donations		\$ 60
*donations received		
Sheriff - Equipment Purchased with Seizure Funds	\$ 53,944	
Federal Forfeited Funds		\$ 53,944
*forfeited funds received		
Sheriff - Professional Liability	\$ 5,000	
Detention - Professional Liability	\$ 1,188	
Building Inspections - Professional Liability	\$ 3,175	
NCACC Insurance Pool	\$ (9,363)	
*insurance deductibles		
Medical Examiners Fees	\$ 15,000	
Fund Balance Appropriated		\$ 15,000
*additional fees incurred		
Animal Control - Veterinary Services	\$ 7,777	
Animal Control Donations		\$ 1,825
Animal Control Vaccination/Other Fees		\$ 5,952
*donations/fees received		
Senior Games Program	\$ 1,555	
Senior Games Donations		\$ 1,555
*donations received		
Veterans - Purchases with Donations	\$ 600	

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Veterans Donations		\$ 600
*donations received		
Library - Postage	\$ 650	
Library - Digital Materials	\$ 4,000	
Library Passport Fees		\$ 4,650
*increased postage costs and demand for digital media e-books/e-audio		
DSS FUND		
Low Income Energy Assistance Program	\$ 66,649	
Low Income Energy Assistance Program		\$ 66,649
*additional funding allocation received		
AIRPORT FUND		
Building Repairs/Maintenance	\$ 7,862	
Insurance Proceeds		\$ 7,862
*lightning damage		
Airport - Fuel	\$ 50,000	
Fuel Sales		\$ 50,000
*increased sales		
VEHICLE REPLACEMENT PLAN		
Maintenance - Equipment	\$ 70,906	
Sale of County Property		\$ 70,906
*proceeds received sale of rollback; set aside for future equipment/replacement needs		
TRANSIT FUND		
Transit - Building Improvements	\$ 90,000	
Fund Balance Appropriated		\$ 90,000
*update kitchen/meeting room, conference room and offices		
COVID-19 FUND		
Airport - Operating Expenses	\$ 23,000	
Airport - CARES Funding		\$ 23,000
*additional CARES funds available for FQD		
AMERICAN RESCUE PLAN FUND		
American Rescue Plan Eligible Expenditures	\$ 13,019,597	
US Treasury - ARP Treasury's Coronavirus State and Local Fiscal Recovery Funds		\$ 13,019,597
*federal funds to be received over a two year period; funds can be used till December 2024		
<i>Due to GASB Statement No. 84 the following Trust Funds should now be budgeted. Estimated budgets are shown below:</i>		
DSS REPRESENTATIVE PAYEE FUND		

DSS Trust/Representative Payee Eligible Expenditures	\$ 550,000	
DSS Trust/Representative Payee Revenues		\$ 550,000
AGRICULTURAL DEPARTMENT ADVISORY COUNCIL FUND		
Cooperative Extension Program Expenditures	\$ 60,000	
Cooperative Extension Program Revenues		\$ 60,000
DETENTION CENTER COMMISSARY FUND		
Detention Commissary Expenditures	\$ 370,000	
Detention Commissary Program Revenues		\$ 370,000
CITIES - OTHER TAXING UNITS		
Cities - Distribution of Collected Funds (Ad Valorem/Other Fees)	\$ 15,500,000	
Cities - Collection of Taxes/Other Fees		\$ 15,500,000
DEED OF TRUST FEE		
Deed of Trust Fees (ROD Gen Fd Fees Payable to State)	\$ 13,000	
Deed of Trust Revenues		\$ 13,000

B. ID 21- 2847 Assistance Policy, Procurement and Disbursement Policy, and Service Agreement for Urgent Repair Program for 2021

Rutherford Housing Partnership Director Mel Ailiff told the Board that Rutherford County received \$100,000 from the NC Housing Finance Agency under the 2021 cycle of its Urgent Repair Program. These funds will be used for urgent housing repairs to assist very-low and low-income homeowners with special needs. She presented the Assistance Policy, the Procurement and Disbursement Policy, and the Service Agreement for the Urgent Repair Program for 2021 for the Board’s consideration and pointed out some minor changes to the Assistance Policy.

Commissioner Benfield moved to approve the Assistance Policy, the Procurement and Disbursement Policy, and the Service Agreement for the Urgent Repair Program for 2021. Commissioner Lovelace seconded the motion. The vote on the motion was:

- Ayes:** Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.
- Noes:** None.

C. ID 21-2844 Rutherford Railroad Development Corporation Bylaws

County Attorney Richard Williams told the Board that Rutherford Railroad Development Corporation (RRDC) and the Trail Partners (the County of Rutherford, the Town of Forest City, the Town of Ruth, the Town of Rutherfordton, and the Town of Spindale) entered into an Interlocal Agreement in 2017 for the management and maintenance of the Thermal Belt Rail Trail. It was anticipated at that time that there would be restructuring of the RRCD to allow the Trail Partners to control and manage the Thermal Belt Rail Trail. To accomplish this, the Trail Partners have each agreed

to join as new members of the RRDC. A resolution was included for the Board's consideration that would approve the Rutherford County Board of Commissioners becoming members of the RRDC and approve the newly reconstituted bylaws.

Vice Chairman Toney moved to approve the resolution. Commissioner Hunt seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

**RESOLUTION TO APPROVE RUTHERFORD COUNTY'S MEMBERSHIP IN
RUTHERFORD RAILROAD DEVELOPMENT CORPORATION AND PROPOSED
BYLAWS**

WHEREAS, Rutherford Railroad Development Corporation ("RRDC") is a North Carolina Nonprofit Corporation currently located at 230 Spindale Street, Spindale, North Carolina, 28160 which holds fee simple title to a rail corridor in Rutherford County being generally comprised of the railroad corridor between Alexander Mills and Gilkey, North Carolina, commonly referred to as the Gilkey Line and the railroad corridor between Forest City and Bostic, North Carolina, commonly referred to as the Bostic Spur, (collectively, the "Rail Corridor"); and

WHEREAS, the County of Rutherford, the Town of Forest City, the Town of Ruth, the Town of Rutherfordton, and the Town of Spindale (collectively referred to herein as the "Trail Partners") have each entered into a separate lease agreement with RRDC, for certain portions of the rail corridor which lie within their respective jurisdictions; and

WHEREAS, RRDC currently has only one Director, James Cowan, who has expressed his support for reconstituting RRDC to meet its current needs; and

WHEREAS, the Trail Partners built and currently maintain a twelve-foot-wide paved trail which traverses the entire 13.36 miles of the Gilkey Line from Forrest Hunt Elementary School to Gilkey (the "Thermal Belt Rail Trail"); and

WHEREAS, the Trail Partners and RRDC executed an Interlocal Agreement dated August 30, 2017 concerning management and maintenance of the TBRT for the ongoing benefit of the citizens of Rutherford County and its visitors. Said Interlocal Agreement anticipated the future restructuring of RRDC in such a way to allow the Trail Partners to control and manage the TBRT; and

WHEREAS, in order for the Trail Partners to be able to more effectively manage the Rail Corridor, including but not limited to the Thermal Belt Rail Trail, the Trail Partners have agreed for each Trail Partner to join as new Members of RRDC pursuant to the Amended and Restated Bylaws ("Bylaws") which are incorporated by reference as if fully set forth herein and are attached as Exhibit "A."

NOW THEREFORE BE IT RESOLVED, that the Rutherford County Board of Commissioners hereby agrees to join as a Member of Rutherford Railroad Development Corporation, approves the attached Bylaws, and authorizes the Chairman of the Board of Commissioners to execute same on behalf of Board.

Adopted this the 7th day of June 2021.

RES 21-013

D. ID 21- 2851 HUD HOME Consortium

County Manager Steve Garrison told the Board that Foothills Regional Commission (formerly Isothermal Planning and Development Commission) is working to create a regional housing consortium. The proposed consortium would consist of the four counties and 23 towns representing the Isothermal Region in western North Carolina.

A consortium can organize and govern themselves as they choose, however, they must designate one jurisdiction as the "lead entity" and must execute a legally binding consortium agreement that formally organizes the consortium. The lead entity retains primary responsibility for ensuring consortium compliance with all HOME Program rules and reporting to HUD. The lead entity must have the capacity to administer program requirements either directly or jointly with another entity. The lead entity in the proposed consortium would be McDowell County.

A joint cooperation agreement was presented for the Board's consideration.

Commissioner Lovelace moved to approve a joint cooperation agreement negotiated by County Manager and County Attorney and authorize the County Manager, Finance Officer, Clerk to the Board, and other County officials to sign and execute all documents in support of this action. Commissioner Hunt seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

VIII. Closed Session

A. ID 21- 2843 Closed Session – ATTORNEY CLIENT NCGS 143-318.11(a)(3)

Vice Chairman Toney moved to go into Closed Session for a discussion with the County Attorney. The County Manager and the Clerk to the Board would be included in the session. Commissioner Lovelace seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

7:13 P.M. - The Board went into Closed Session.

7:42 P.M. - The Board returned to Regular Session.

Memorandum of Agreement (MOA) Between the State of North Carolina and Local Governments on Proceeds Relating to the Settlement of Opioid Litigation

County Attorney Richard Williams told those present that the North Carolina Association of County Commissioners had created a committee on behalf of local government throughout North Carolina to work with Attorney General Josh Stein in the event that a settlement is reached in the national opioid litigation of which Rutherford County is a part. A Memorandum of Agreement would provide 15% of the funds to the state and 85% to local governments. A Resolution by the County of Rutherford Approving the Memorandum of Agreement (MOA) Between the State of North Carolina and Local Governments on Proceeds Relating to the Settlement of Opioid Litigation was provided for the Board's consideration.

Commissioner Hunt moved the adoption of the resolution. Commissioner Lovelace seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

**A RESOLUTION BY THE COUNTY OF RUTHERFORD
APPROVING THE MEMORANDUM OF AGREEMENT (MOA) BETWEEN THE
STATE OF NORTH CAROLINA AND LOCAL GOVERNMENTS ON PROCEEDS
RELATING TO THE SETTLEMENT OF OPIOID LITIGATION**

WHEREAS, as of 2019, the opioid epidemic had taken the lives of more than 16,500 North Carolinians, torn families apart, and ravaged communities from the mountains to the coast; and

WHEREAS, the COVID-19 pandemic has compounded the opioid crisis, increasing levels of drug misuse, addiction, and overdose death; and

WHEREAS, the Centers for Disease Control and Prevention estimates the total "economic burden" of prescription opioid misuse alone in the United States is \$78.5 billion a year, including the costs of healthcare, lost productivity, addiction treatment, and criminal justice involvement; and

WHEREAS, certain counties and municipalities in North Carolina joined with thousands of local governments across the country to file lawsuits against opioid manufacturers and pharmaceutical distribution companies and hold those companies accountable for their misconduct; and

WHEREAS, representatives of local North Carolina governments, the North Carolina Association of County Commissioners, and the North Carolina Department of Justice have negotiated and prepared a Memorandum of Agreement (MOA) to provide for the equitable distribution of any proceeds from a settlement of national opioid litigation to the State of North Carolina and to individual local governments; and

WHEREAS, Local Governments and the State of North Carolina anticipate a settlement in the national opioid litigation to be forthcoming; and

WHEREAS, it is anticipated that a settlement in the national opioid litigation with Johnson & Johnson, AmerisourceBergen, Cardinal Health, and McKesson will make available, to the counsel with whom Rutherford County has a direct contractual relationship, the opportunity to participate in a subdivision and common benefit attorneys' fee fund of approximately \$1.6 billion or more at the national level in exchange for waiver of the counsel's contingency fee agreements

with local governments including Rutherford County with respect to recoveries from those companies; and Rutherford County's approval of the MOA shall be conditional and revoked if, by August 1, 2021, such counsel files a written representation to the MDL Court that counsel does not intend to participate in the subdivision and common benefit attorney's fee fund; and

WHEREAS, by signing onto the MOA, the state and local governments maximize North Carolina's share of opioid settlement funds to ensure the needed resources reach communities, once a negotiation is finalized, as quickly, effectively, and directly as possible; and

WHEREAS, it is advantageous to all North Carolinians for local governments, including Rutherford County and its citizens, to sign onto the MOA and demonstrate solidarity in response to the opioid epidemic, and to maximize the share of opioid settlement funds received both in the state and this county to help abate the harm; and

WHEREAS, the MOA directs substantial resources over multiple years to local governments on the front lines of the opioid epidemic while ensuring that these resources are used in an effective way to address the crisis.

NOW, THEREFORE BE IT RESOLVED, Rutherford County hereby approves the Memorandum of Agreement Between the State of North Carolina and Local Governments on Proceeds Relating to the Settlement of Opioid Litigation, and any subsequent settlement funds that may come into North Carolina as a result of the opioid crisis. Furthermore, Rutherford County authorizes the County Manager (or County Attorney) take such measures as necessary to comply with the terms of the MOA and receive any settlement funds, including executing any documents related to the allocation of opioid settlement funds and settlement of lawsuits related to this matter. Be it further resolved copies of this resolution and the signed MOA be sent to opioiddocs@ncdoj.gov as well as forwarded to the North Carolina Association of County Commissioners at communications@ncacc.org.

Adopted this the 7th day of June 2021.

RES 21-014

X. Adjournment

At 7:45 P.M. Commissioner Benfield made a motion to adjourn. Commissioner Lovelace seconded the motion. The vote on the motion was:

Ayes: Commissioner King, Commissioner Toney, Commissioner Benfield, Commissioner Hunt and Commissioner Lovelace.

Noes: None

Chairman, Board of Commissioners

Vice Chairman, Board of Commissioners

ATTEST:

Clerk, Board of Commissioners