

STATE OF NORTH CAROLINA

INTERLOCAL AGREEMENT

COUNTY OF RUTHERFORD

THIS AGREEMENT, made this _____ day of _____, 2024, by and between the RUTHERFORD COUNTY BOARD OF EDUCATION, a local educational agency and body politic and corporate of the State of North Carolina (hereinafter sometimes referred to as the "Board of Education" or "Board,") and the COUNTY OF RUTHERFORD, a body politic and corporate of the State of North Carolina (the "County," and collectively the "Parties"):

WITNESSETH:

WHEREAS, G.S § 160A-460, *et seq.* authorizes interlocal cooperation between units of local government in the joint exercise of powers as provided therein;

WHEREAS, G.S. § 115C-518 provides that boards of education are authorized to declare real property no longer desirable or necessary for school purposes and therefore surplus, and to then offer the same to the board of county commissioners for the county in which the property is located for acquisition at a fair market value or upon such other terms as the boards shall agree;

WHEREAS, pursuant to a resolution approved by the Board at its regular meeting of June 4, 2024, the Board has duly declared surplus a portion of the Old R-S Central Middle School property, consisting of the land and improvements shown on Exhibit A attached hereto and made a part hereof, consisting of approximately 2.3 acres, being a portion of Rutherford County Parcel # 1656865, and which includes the entirety of a building commonly referred to as the "Sixth Grade Building" and also the entirety of a building formerly used as the cafeteria for the Old R-S Middle School, (hereinafter the "Property"); and

WHEREAS, the Board of Education offered the Property to the Rutherford County Board of Commissioners, the County has agreed to buy and the Board has agreed to sell the same to the County, and the Parties desire to commemorate their agreement as set forth herein (this "Agreement");

NOW THEREFORE, for good and valuable consideration each to the other paid, and in further consideration of the promises contained in this Agreement, the Parties hereto agree as follows:

- I. The County agrees:
 - A. To purchase the Property as shown on Exhibit A, the same to be ascertained by survey to be obtained in the County's discretion and at its expense, for the sum of Two Million Dollars (\$2,000,000) (hereinafter the "Purchase Price").
 - B. To perform at its sole expense such examination of the Property as it shall deem necessary or advisable, including without limitation environmental, geological, and/or geotechnical testing.

- C. To engage the County Attorney or such other legal counsel as the County Attorney shall designate to perform a title examination of the Property and certify title to the same. Any defects uncovered by the title examination shall be disclosed to the Board in writing.
- D. To receive the Property as-is. The Parties acknowledge that conditions requiring maintenance, repair, reconstruction, etc., may exist on the Property generally.

II. The Board of Education agrees:

- A. To provide the County with such deeds, plats, maps, building plans, and evidence of its title to the Property as it possesses.
- B. To make the Property available during reasonable business hours to permit the County to make inspections of the Property.
- C. That there are no leases for the Property or tenants in possession of the Property, that the Board's title to the Property is otherwise unencumbered, and that, upon reasonable inquiry and belief, the Board is vested with good and marketable title to the Property and is legally enabled to convey the same to the County.
- D. To represent and warrant that the Board of Education has complied with any and all federal, state and local statutes, laws, rules and regulations relative to the transfer of the Property.
- E. In the event that any title defects are discovered, to use best efforts to remedy the same within a reasonable amount of time.
- F. To convey the Property to the County by general warranty deed, upon receipt of the purchase price.

III. Both Parties agree:

- A. That in the event that the County, in its discretion, concludes that the Property is unsuitable for its intended uses (such reasons to be communicated to the Board in writing), or in the event that title defects cannot be remedied such that the Board can convey good and marketable title to the Property, then and in that event, the County shall have the option to terminate this Agreement in whole or in part.
- B. The closing of this transaction, to include delivery by the Board of deed and other documents as provided herein to County, delivery by County of the Purchase Price to the Board, and execution of a settlement statement by both parties settling the expenses for the transaction as set forth herein, shall occur on or before

_____, 2024 (hereinafter the “Closing”). The parties may agree to delay the Closing upon written amendment to this Agreement.

- C. That each Party will bear the expenses of its side of the transaction as are customary for real estate transactions in the State of North Carolina. This shall specifically include the Board being responsible for paying for preparation of a deed and all other documents necessary to perform Seller’s obligations under this Agreement and excise tax (revenue stamps), and County being responsible for paying for recording costs, the costs of any title search, title insurance, and the cost of any inspections or investigations undertaken by County under this Agreement.
- D. That their respective presiding and executive officers, being the Chairman of the Board of Commissioners and County Manager and the Board’s Chair and Superintendent respectively, are hereby authorized and appointed to execute such documents as they deem convenient or necessary to carry out the intent of this Agreement, including, without limitation, deeds and settlement statements.

IV. Miscellaneous.

- A. This Agreement shall be interpreted pursuant to North Carolina law.
- B. The terms of this Agreement are severable; in the event any provisions of this Agreement are deemed invalid or illegal by a court of competent jurisdiction, the other remaining provisions of the Agreement shall remain valid and enforceable.
- C. This Agreement may be executed in multiple duplicates, each of which shall be considered an original.
- D. All representations, warranties, covenants and agreements made by the Parties shall survive the closing and delivery of the deed. The Board shall, without further consideration, execute, acknowledge and deliver to the County such other documents and instruments, and take such other action as the County may reasonably request or as may be necessary to more effectively transfer to the Property to the County in accordance with this Agreement.

[Signature page to follow]

IN WITNESS WHEREOF, the Rutherford County Board of Education and the County of Rutherford have caused this Agreement to be executed in duplicate originals all as of the date and year first above written.

**RUTHERFORD COUNTY BOARD OF
EDUCATION**

By: _____
Phillip Morrow
Chairman

ATTEST:

David M. Sutton, Ed.D.
Ex Officio Secretary to the Board Education

COUNTY OF RUTHERFORD

By: _____
Bryan King
Chairman

ATTEST:

Hazel Haynes
Clerk to the Board of Commissioners

This instrument has been preaudited in the manner required by the Local Government Budget and Fiscal Control Act.

Paula Roach
County Finance Officer