

**HAYWOOD COUNTY AGRICULTURE
AND ACTIVITIES CENTER ASSOCIATION, INC.**

589 Raccoon Road, Suite 118

Waynesville, NC 28786

www.haywoodcountyfairgrounds.org

Tax ID No. 56-1944716

February 18th, 2010

Mr. Kirk Kirkpatrick, Chairman
Haywood County Board of Commissioners
215 N Main Street
Waynesville, NC 28786

Dear Mr. Chairman and Members of the Board:

This will confirm that, at its February 16th, 2010 board meeting, the Haywood County Agriculture and Activities Center Association Board of Directors approved the sale of all structures at the Haywood County Fairgrounds to the County of Haywood. This approval comes with the following understandings:

- 1.) The County intends to obtain a USDA loan sufficient to purchase the structures noted above, and to cover the cost of needed capital improvements at the Fairgrounds.
- 2.) Representatives of the Haywood County Agriculture and Activities Center Association and Haywood County will jointly approach First Citizens Bank to seek their cooperation in making the necessary financial arrangements to liquidate the existing indebtedness.
- 3.) The County Attorney will explore and advise both parties as to any legal issues which may need to be addressed including the status of past grants.
- 4.) Modification of the Articles of Incorporation and By-Laws will be made to assure legal and operational consistencies.

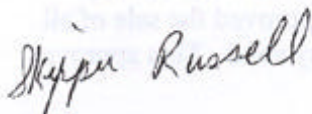
That a 7 member Governing Board would be created. This initial board will be appointed by the Haywood County Board of County Commissioners. Subsequent Board members will be appointed by County Commissioners following recommendations by the Governing Board. One member of the Governing Board will be a Haywood County Commissioner. The remaining appointments will be considered Members at Large.

The Governing Board may at its discretion, appoint an Advisory Board consisting of as many members as deemed appropriate. The revised By-Laws will address this issue in detail.

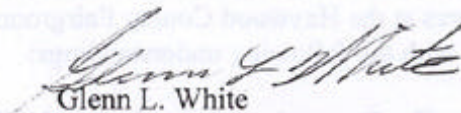
- 5.) The Governing Board will employ a full time Fairgrounds Manager following the establishment of a job description and a job search.

- 6.) It is anticipated that the County Maintenance Director and the Building and Grounds Committee Chairman of the Haywood County Agriculture and Activities Center Association will coordinate construction needs and schedules. A cost estimate will be determined and input from an architect currently under contract will be included.
- 7.) The Governing Board will be responsible for all activities at the Fairgrounds. Specific understandings and expectations will be articulated in a Management Agreement with Haywood County.
- 8.) It is recommended that the Governing Board be appointed by June 1st, 2010 and authorized to act on July 1st, 2010.
- 9.) It is anticipated that the sale transaction will be completed and a Management Agreement entered into by July 1st, 2010.

We look forward to working with the Board of Commissioners in order to complete this process which will be beneficial both to the County and to the Haywood County Agriculture and Activities Center Association.



Skipper Russell
Haywood County Agriculture &
Activities Center Association
President



Glenn L. White
Haywood County Agriculture &
Activities Center Association
Treasurer

