



RESOLUTION AUTHORIZING THE CONTINUED MERGER BETWEEN THE TOWN OF SUMMERFIELD AND THE GREENSBORO ALCOHOLIC BEVERAGE CONTROL BOARD

WHEREAS, there presently exists an Alcoholic Beverage Control system which serves the City of Greensboro, North Carolina that is governed by a Board of Alcoholic Control ABC Board as provided for in Chapter 291 of the 1951 North Carolina Session Laws, as amended.

WHEREAS, the Board and the governing bodies of the City of Greensboro and the Town of Summerfield ("Town") determined that it is in the public interest to continue to have a Consolidated System between The City of Greensboro ("Greensboro") and the Town as permitted by the merger provisions of Chapter 18B of the General Statutes of North Carolina; and

WHEREAS, the powers of the Board shall be those specified in Chapter 18B of the General Statutes of North Carolina as amended; and

WHEREAS, the Town as a municipality located within Guilford County desires to maintain ABC store(s) within the municipal limits of the Town and to continue to be a part of the Greensboro ABC System; and

WHEREAS, the Greensboro ABC Board and the Town will jointly examine the location and placement of any ABC Stores within the Town on property adjacent to Highway US 220 with appropriate vehicular access for the general site location to Highway US 220; however, the final decision as to placement location of such ABC Stores within the Town will be made by the Greensboro ABC Board. Any additional store locations will be reviewed and examined on a case by case basis by both parties.

WHEREAS, the Consolidated System of Greensboro and the Town will continue to generate greater revenues for each participating municipality (as well as Guilford County, which will share in the net proceeds of Greensboro and Summerfield) than would separate systems because

considerable savings are achieved through combined managerial, administrative, financial, warehousing, and law enforcement functions; and

WHEREAS, the Greensboro ABC system maintains separate records for each ABC store such that the gross revenues, expenses and net revenues for each store and the combined store(s) within the Town may be readily determined. The Greensboro ABC Board will retain 30% of the profits and the remaining amount will be distributed to the Town. All net profits derived from the Town's ABC store(s), after distributions required by state and federal law, are to be distributed on a quarterly basis to the governing body of the Town in which the store(s) generating such profit is located.

The Town ABC store(s) will continue to be a part of the Greensboro ABC system. The governing body of the Town shall appoint one (1) ex officio member to the Greensboro ABC Board to serve a three (3) year term as a non-voting member of such board. The appointee must be a resident of the Town, and must be known for his or her good character, ability, and business acumen, and may serve a maximum of two three-year terms. Alternatively, if the Mayor or any other member of the Town Council is appointed as the ex officio member then said membership shall run concurrently with their term of office, unless removed by action of the Town Council.

It is further agreed that the Greensboro ABC system will investigate and consider the enlargement of their governing board to provide for the appointment of a new regular member of their governing body to act as the Summerfield representative within one year of this agreement. Such investigation will include review of state and local statutes, and seeking any such approval authority needed to enact such a change. This agreement does not bind the Greensboro ABC system or the City of Greensboro to enacting such changes to create such new board seat, nor does it bind the Town to continue to remain a part of the Greensboro ABC system beyond the term of this Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE TOWN COUNCIL OF THE TOWN OF SUMMERFIELD:

1. That the continued operation of the Town's ABC System with the Greensboro ABC System as set out herein is hereby approved.
2. That upon like approval of this continuation by the Council of the City of Greensboro, the North Carolina Alcoholic Beverage Control Commission is hereby requested to approve said continuation under the terms and conditions set out above.
3. That either the Town of Summerfield or the Greensboro ABC Board may withdraw and terminate this agreement at the end of five (5) years or both parties may agree to extend the agreement upon mutual consent. At any other time, the agreement may be dissolved with the approval of the North Carolina Alcoholic Beverage Control Commission.
4. That in the event of termination and withdrawal from the agreement by either party, the Greensboro ABC Board shall appoint an independent Certified Public Accountant (CPA) or a CPA firm to conduct an audit of the financial records of the Consolidated System and make a determination as to those assets and/or liabilities which are attributed to the Greensboro Consolidated ABC Board and the Town of Summerfield, respectively.

Adopted on this the 14th day of December, 2010.



Mark E. Brown, Mayor

Attest: Valarie Halvorsen
Valarie Halvorsen, Town Clerk