

RES-2026-071

The Town Council of the Town of Apex, North Carolina met in a regular meeting in the Council Chambers of the Town Hall located at 73 Hunter Street in Apex, North Carolina, the regular place of meeting, at 6:00 p.m. on August 25, 2026.

Present: Mayor Jacques K. Gilbert, presiding, and Council Members

Zegerman, Reese, Mu, Gray

Mahaffey,

Absent: Council Members

none

Also Present:

members of staff & the public

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Zegerman introduced the following resolution, the title of which was read and a copy of which had been distributed to each Council Member:

RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING THE PROPOSED ISSUANCE OF LIMITED OBLIGATION BONDS FOR THE FINANCING OF VARIOUS CAPITAL IMPROVEMENTS FOR THE TOWN OF APEX, NORTH CAROLINA; CALLING A PUBLIC HEARING; AND REQUESTING THE LOCAL GOVERNMENT COMMISSION TO APPROVE THE FINANCING ARRANGEMENT

BE IT RESOLVED by the Town Council (the "Town Council") of the Town of Apex, North Carolina (the "Town") as follows:

Section 1. The Town Council does hereby find and determine as follows:

(a) The Town is considering financing the costs of (i) acquiring, constructing, renovating and equipping improvements to Town Hall and the Tunstall House, (ii) various streets and sidewalk improvements, including, but not limited to, Salem Street streetscaping, and (iii) acquiring property for a future Public Safety Station (collectively, the "Project"). The Project is essential to the Town's proper, efficient and economic operation and to the general health and welfare of its inhabitants.

(b) The Town proposes to enter into a Master Trust Agreement (the "Master Trust Agreement") and a First Supplemental Trust Agreement (the "First Supplemental Trust Agreement" and, together with the Master Trust Agreement, the "Trust Agreement"), each between the Town and U.S. Bank Trust Company, National Association, as trustee (the "Trustee"), pursuant to which the Town will issue limited obligation bonds thereunder in an aggregate principal amount not to exceed \$16,000,000 (the "Bonds") to provide funds, together

with any other available funds, to pay (i) the costs of the Project and (ii) the fees and expenses incurred in connection with the sale and issuance of the Bonds.

(c) In order to secure its obligations with respect to the Bonds and the Trust Agreement, the Town will execute and deliver a Deed of Trust (the "Deed of Trust") for the benefit of the Trustee granting a lien on all or a portion of the Project, together with all improvements and fixtures located or to be located thereon, subject to certain permitted encumbrances.

(d) It is in the best interest of the Town to enter into the Trust Agreement and to issue the Bonds pursuant thereto in that such plan of finance will result in the financing of the Project in an efficient and cost effective manner for the Town.

(e) Issuing the Bonds pursuant to the Trust Agreement is preferable to a general obligation bond and revenue bond issue in that (i) the Town does not have sufficient constitutional authority to issue non-voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution because the Town has not retired a sufficient amount of general obligation debt in the preceding fiscal year to issue a sufficient amount of general obligation bonds for the financing of the Project; (ii) the nature of the financing does not allow for the issuance of revenue bonds to finance the Project; (iii) the costs of financing the Project exceed the amount to be prudently provided from currently available appropriations and unappropriated fund balances; (iv) the circumstances existing require that funds be available to finance the Project as soon as practicable and the time required for holding an election for the issuance of voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution and the Local Government Bond Act will delay the commencement of the Project by several months; and (v) there can be no assurances that the issuance of general obligation bonds to finance the Project would be approved by the voters and the current interest rate environment dictates the financing of the Project be accomplished in a timely and expedient manner.

(f) Based upon information provided to the Town Council, the costs of the financing described above are reasonably comparable to the costs associated with other alternative means of financing and are acceptable to the Town Council.

(g) Counsel to the Town will render an opinion to the effect that the proposed undertaking as described above is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of the State of North Carolina.

(h) The debt management policies of the Town have been carried out in strict compliance with law, and the Town is not in default under any obligation for repayment of borrowed money.

(i) No ad valorem tax rate increase is currently expected to be necessary to pay principal of and interest on the Bonds.

Section 2. The Town Council hereby authorizes and approves the filing of an application with the Local Government Commission for approval of the Bonds and the Trust Agreement and

requests the Local Government Commission to approve the Bonds and the Trust Agreement and the proposed financing in connection therewith.

Section 3. The Town Council hereby fixes 6:00 p.m. on September 22, 2026 in the Council Chambers of the Town Hall located at 73 Hunter Street in Apex, North Carolina, as the hour, day and place for the public hearing on the proposed plan of finance.

Section 4. The Town Council hereby directs the Town Clerk to publish notice of such public hearing once in The News and Observer not later than the 10th day before said date.

Section 5. The following financing team members are hereby approved by the Town in connection with the proposed financing:

Bond Counsel:	Womble Bond Dickinson (US) LLP
Underwriter:	Hilltop Securities, Inc.
Underwriter's Counsel:	Pope Flynn, LLC
Trustee:	U.S. Bank Trust Company, National Association
Municipal Advisor:	DEC Associates Inc.

Section 6. This resolution shall take effect immediately upon its adoption.

Upon motion of Council Member Zegerman, seconded by Council Member Gray, the foregoing resolution was adopted by the following vote:

Ayes: Zegerman, Gray, Mu, Reese, Mahaffey

Noes: none

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Zegerman introduced the following resolution the title of which was read and copies of which had been previously distributed to each Council Member:

RESOLUTION DESIGNATING THE FINANCE DIRECTOR OF THE TOWN OF APEX, NORTH CAROLINA TO DECLARE OFFICIAL INTENT TO REIMBURSE EXPENDITURES UNDER UNITED STATES

DEPARTMENT OF TREASURY REGULATIONS ON BEHALF OF SAID TOWN

BE IT RESOLVED, by the Town Council (the "Town Council") of the Town of Apex, North Carolina (the "Town") as follows:

Section 1. It is hereby found, determined and declared by the Town Council of the Town as follows:

(a) Section 1.150-2 of the United States Department of Treasury Regulations (the "Regulations") prescribes specific procedures which will be applicable to certain bonds or notes issued by the Town including, without limitation, a requirement that the Town declare its official intent to reimburse certain expenditures with proceeds of debt to be incurred by the Town prior to, or within sixty (60) days of, payment of the expenditures to be reimbursed.

(b) The Regulations expressly permit the statement of official intent to be declared by any person designated by the Town to declare official intent on behalf of the Town.

(c) The Town Council of the Town believes that it is in the best interest of the Town to designate the Finance Director of the Town to declare official intent on behalf of the Town for such purposes.

Section 2. As permitted by the Regulations, the Finance Director of the Town, now or hereafter serving in such capacity, is designated by the Town Council of the Town to declare the official intent on behalf of the Town to reimburse any and all expenditures with the proceeds of debt to be incurred by the Town.

Section 3. This resolution shall take effect upon its passage.

Upon motion of Council Member Zegerman, seconded by Council Member Gray, the foregoing resolution entitled "RESOLUTION DESIGNATING THE FINANCE DIRECTOR OF THE TOWN OF APEX, NORTH CAROLINA TO DECLARE OFFICIAL INTENT TO REIMBURSE EXPENDITURES UNDER UNITED STATES DEPARTMENT OF TREASURY REGULATIONS ON BEHALF OF SAID TOWN" was adopted by the following vote:

Ayes: Zegerman, Gray, Mahaffey, Mu, & Reese

Noes: none

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I, Allen Coleman, CMC, NCCCC, Town Clerk of the Town of Apex, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of the Town

Council of said Town at a regular meeting held on August 25, 2026, as relates in any way to the adoption of the foregoing resolutions regarding the proposed issuance of limited obligation bonds by said Town, the calling of a public hearing thereon and to declare the official intent of said Town to reimburse expenditures under United States Department of Treasury regulations on behalf of said Town and that said proceedings are recorded in the minutes of said Town Council.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said Town this 25th day of August, 2026.

[SEAL]




Town Clerk