

RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA DIRECTING THE APPLICATION TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF A WATER AND SEWER SYSTEM REVENUE BONDS AND CERTAIN RELATED MATTERS

WHEREAS, the City Council (the “*City Council*”) of the City of Hendersonville, North Carolina (the “*City*”) is authorized by The State and Local Government Revenue Bond Act, General Statutes of North Carolina, Section 159-80 *et seq.* (the “*Act*”), to issue, subject to the approval of the Local Government Commission of North Carolina (the “*LGC*”), at one time or from time to time, revenue bonds of the City for the purposes as specified in the Act; and;

WHEREAS, the City Council is considering the issuance of not to exceed \$[11,500,000] Water and Sewer System Revenue Bonds, Series 2025 (the “*2025 Bonds*”) to (1) finance improvements to the City’s water and sewer system, including, without limitation (a) the replacement, improvement and maintenance of water and sewer mains, pipes and pump stations, (b) the expansion and improvement of its Water Treatment Facility to provide additional capacity to its residents and businesses, (c) the construction of the Wastewater Treatment Biosolids Thermal Dryer, (d) improvements to a water intake scour system, (e) payments to the North Carolina Department of Transportation related to improvements to Highland Lake Road of certain city-owned water and sewer lines completed by the North Carolina Department of Transportation and (f) the acquisition of a CCTV inspection truck (collectively, the “*2025 Projects*”) and (2) to pay the costs of issuing the 2025 Bonds; and

WHEREAS, the 2025 Bonds would be issued under the General Trust Indenture dated as of December 1, 2019 between the City and The Bank of New York Mellon Trust Company, N.A., as trustee, (the “*Trustee*”) and a series indenture between the City and the Trustee;

WHEREAS, the City Council wants to approve the retention of the financing team for the 2025 Bonds, including (1) Parker Poe Adams & Bernstein LLP, as bond counsel; (2) First Tryon Advisors, as financial advisor; (3) The Bank of New York Mellon Trust Company, N.A., as trustee, paying agent and registrar for the 2025 Bonds; (4) Robert W. Baird & Co., Incorporated, as underwriter of the 2025 Bonds (the “*Underwriter*”), and (5) Stantec Inc., as feasibility consultant (collectively, the “*Financing Team*”); and

WHEREAS, the City Council wants the Finance Director of the City to file with the LGC an application for its approval of the 2025 Bonds, on a form prescribed by the LGC, and (1) request in such application that the LGC approve (a) the negotiation of the sale of the 2025 Bonds to the Underwriter and (b) the City’s use of the Financing Team and (2) state in such application such facts and to attach thereto such exhibits in regard to the 2025 Bonds and to the City and its financial condition, as may be required by the LGC, and to take all other action necessary to the issuance of the 2025 Bonds;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA, AS FOLLOWS:

Section 1. The 2025 Bonds are to be issued by the City for the purpose of providing funds to (1) pay the costs of the 2025 Projects and (2) to pay the costs of issuing the 2025 Bonds. The use of the proceeds of the 2025 Bonds is necessary to meet the needs of the users of the City’s water and sewer system and to assure that the City’s water and sewer system remain in full compliance with all state and federal requirements for the provision of water and sewer services.

Section 2. The City Manager, the Assistant City Manager and the Finance Director, with advice from the City's financial advisor and bond counsel, is hereby authorized, directed and designated to file an application with the LGC for its approval of the issuance of the 2025 Bonds.

Section 3. The Financing Team is hereby approved in connection with the issuance by the City of the 2025 Bonds, and the City Manager, the Assistant City Manager and the Finance Director, are each hereby authorized to retain other professionals as may be necessary and appropriate to carry out the intentions of the City Council as set forth in this Resolution.

Section 4. The City Council finds and determines and asks the LGC to find and determine from the City's application and supporting documentation:

- (a) that the issuance of the 2025 Bonds is necessary or expedient;
- (b) that the not to exceed stated principal amount of the 2025 Bonds will be sufficient but is not excessive, when added to other money available to the City's water and sewer system, to finance the 2025 Projects;
- (c) that the City's water and sewer system as now constituted, and as it will be constituted after the completion of the 2025 Projects, is feasible;
- (d) that the City's debt management procedure and policies are good; and
- (e) that the 2025 Bonds can be marketed at a reasonable interest cost to the City.

Section 5. The City Council requests that the LGC sell the 2025 Bonds at private sale without advertisement to the Underwriter at such prices as the LGC determines to be in the best interest of the City, but at a true interest cost not exceeding [6.00] %.

Section 6. That the Mayor, the City Manager, the Assistant City Manager, the City Attorney, the Finance Director and the City Clerk, including anyone serving as such in an interim capacity, and their respective designees (the "*Authorized Officers*"), are each hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to complete the steps necessary for the issuance of the 2025 Bonds. All acts and doings of the Authorized Officers that are in conformity with the purposes and intents of this Resolution and in the furtherance of the issuance of the 2025 Bonds shall be, and the same hereby are, in all respects approved and confirmed. Any provision in this Resolution that authorizes more than one officer of the City to take certain actions shall be read to permit such officers to take the authorized actions either individually or collectively.

Section 7. All resolutions or parts thereof of the City Council in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

Section 8. This Resolution is effective on its adoption.

Adopted by the City Council of the City of Hendersonville, North Carolina on this 1st day of May 2025.

Attest:

Barbara G. Volk, Mayor, City of Hendersonville

Jill Murray, City Clerk

Approved as to form:

Angela S. Beeker, City Attorney

STATE OF NORTH CAROLINA)
) SS:
CITY OF HENDERSONVILLE)

I, *Jill Murray*, City Clerk of the City of Hendersonville, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of a resolution titled “**RESOLUTION OF THE CITY COUNCIL OF THE CITY OF HENDERSONVILLE, NORTH CAROLINA DIRECTING THE APPLICATION TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF A WATER AND SEWER SYSTEM REVENUE BONDS AND CERTAIN RELATED MATTERS**” adopted by the City Council of the City of Hendersonville, North Carolina in a regular meeting convened on the 28th day of May, 2025, as recorded in the minutes of the City Council of the City of Hendersonville, North Carolina.

WITNESS my hand and the seal of the City of Hendersonville, North Carolina, this the ____ day of _____, 2025.

(SEAL)

Jill Murray
City Clerk
City of Hendersonville, North Carolina