

**EXTRACT FROM MINUTES OF THE TOWN COUNCIL OF
THE TOWN OF PINEVILLE, NORTH CAROLINA**

The Town Council of the Town of Pineville, North Carolina, met in regular session at the Hut Meeting Facility in Pineville, North Carolina, the regular place of meeting, at [6:30] p.m., on Tuesday, November 10, 2020, with Jack Edwards, Mayor, presiding. The following Councilmen were:

PRESENT: _____

ABSENT: _____

ALSO PRESENT: _____

* * * * *

RESOLUTION NO. 2020-06

**RESOLUTION RELATING TO INSTALLMENT CONTRACT FINANCING OF
PUBLIC PROJECTS IN AN AGGREGATE PRINCIPAL AMOUNT OF UP TO
\$21,000,000 AND CALLING THE REQUIRED PUBLIC HEARING THEREON**

WHEREAS, the Town Council desires to undertake a proposed plan of financing in an aggregate principal amount of up to \$21,000,000, which plan would involve the entry by the Town into an installment financing contract with a third party pursuant to North Carolina General Statutes §160A-20, as amended, the proceeds of which would be used to pay all or a portion of the costs of (a) the acquisition, architectural, engineering, surveying, soil testing, bond issuance, construction, installation and equipping of (i) a new Town Hall and (ii) a new library (collectively, the "Projects"), (b) parking infrastructure for the Projects, (c) telephone and internet infrastructure for the Projects, including, without limitation, relocation of telephone and/or internet lines and related costs, (d) road infrastructure improvements, (e) the acquisition of any necessary rights-of-way and easements related to each of the foregoing and (f) various real and personal property improvements related to each of the foregoing, and under said installment financing contract the Town would secure the repayment by the Town of the moneys advanced pursuant to such

installment financing contract by granting a security interest in and lien on all or some portion of the Projects and/or all or some portion of the real property upon which the Projects are located;

WHEREAS, North Carolina General Statutes §160A-20, as amended, requires that the Town Council must hold a public hearing concerning the installment financing contract and the transactions contemplated thereby and associated therewith, with notice of said public hearing to be published once at least 10 days before the date of the public hearing;

NOW, THEREFORE, BE IT RESOLVED by the Town Council, as follows:

Section 1. The Town Council hereby finds and confirms that (i) the Projects and the financing thereof by an installment financing contract are necessary and expedient for the Town; (ii) financing of the Projects by an installment financing contract, under the circumstances, is preferable to a bond issue by the Town; (iii) the sums to fall due under installment financing contract are adequate and not excessive for their proposed purpose; (iv) the Town's debt management procedures and policies are good and its debt will continue to be managed in strict compliance with law; (v) the increase in taxes, if any, necessary to meet the sums to fall due under the installment financing contract will not be excessive; and (vi) the Town is not in default regarding any of its debt service obligations.

Section 2. As required by §160A-20 of the North Carolina General Statutes, as amended, a public hearing shall be held by the Town Council on December 8, 2020 at [6:30] p.m., or as soon thereafter as practicable, in the Hut Meeting Facility in Pineville, North Carolina, concerning the proposed execution of the installment financing contract and related documents, the proposed financing of the Projects and any other transactions associated therewith. The Town Clerk is directed to cause a notice of such public hearing, substantially in the form attached hereto as Exhibit A, to be published once in a qualified newspaper of general circulation within the Town not less than 10 days prior to said public hearing.

Section 3. The appropriate officers of the Town are hereby authorized and directed to do any and all things necessary, appropriate or convenient to effectuate the foregoing and the proposed plan of financing, including, without limitation, filing an application with the North Carolina Local Government Commission seeking approval of the plan of financing or any component thereof, the publication of any required notices related thereto, consideration and

negotiation of the terms of the proposed plan of financing or any component thereof and the relevant legal documentation and the discretionary exercise of any interest rate locking agreement(s) offered by a third party proposing to provide financing for all or any portion of the plan of finance.

Section 4. This Resolution shall become effective immediately upon its adoption.

Thereupon, upon motion of Council Member _____, seconded by Council Member _____, the foregoing resolution entitled "RESOLUTION RELATING TO INSTALLMENT CONTRACT FINANCING OF PUBLIC PROJECTS IN AN AGGREGATE PRINCIPAL AMOUNT OF UP TO \$21,000,000 AND CALLING THE REQUIRED PUBLIC HEARING THEREON" was adopted and passed by the following vote:

AYES: _____

NOES: _____

* * * * *

I, Barbara Monticello, Clerk to the Town Council for the Town of Pineville, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of said Town Council at a regular meeting held on November 10, 2020, as relates in any way to (i) a proposed plan of financing for the public projects described in said resolution, utilizing an installment financing contract under North Carolina General Statutes §160A-20 with a third party, (ii) the call of a public hearing related to such proposed plan of financing and (iii) the resolution hereinabove set forth, and that said proceedings are recorded in Minute Book No. ___ of the minutes of said Town Council, beginning at page ___ and ending at page ___.

I DO HEREBY FURTHER CERTIFY that the schedule of regular meetings of said Town Council has been on file in my office pursuant to North Carolina General Statutes §143-318.12 as of a date not less than seven (7) days before said meeting.

WITNESS my hand and the corporate seal of said Town, this 10th day of November, 2020.

Clerk to the Town Council
for the Town of Pineville, North Carolina

[SEAL]

NOTICE OF PUBLIC HEARING

NOTICE IS HEREBY GIVEN that the Town Council (the “Town Council”) of the Town of Pineville, North Carolina (the “Town”), will conduct a public hearing on December 8, 2020 concerning the execution and delivery of an installment financing contract with a third party (the “Contract”) to finance all or a portion of the costs of (a) the acquisition, architectural, engineering, surveying, soil testing, bond issuance, construction, installation and equipping of (i) a new Town Hall and (ii) a new library (collectively, the “Projects”), (b) parking infrastructure for the Projects, (c) telephone and internet infrastructure for the Projects, including, without limitation, relocation of telephone and/or internet lines and related costs, (d) road infrastructure improvements, (e) the acquisition of any necessary rights-of-way and easements related to each of the foregoing and (f) various real and personal property improvements related to each of the foregoing.

The plan of financing for the Projects involves the entry by the Town into an installment financing contract with a third party who will provide the Town with up to \$21,000,000 pursuant to the terms of said installment financing contract, which amounts will be applied by the Town to provide financing for all or a portion of the costs of the Projects. The Town’s obligations to the third party supplying financing are authorized by North Carolina General Statutes Section 160A-20 and will be secured by a lien upon or security interest in all or some portion of the Projects and/or in all or some portion of the real property on which the Projects are located.

The obligations of the Town under the Contract will not be deemed to be a pledge of the faith and credit of the Town within the meaning of any constitutional debt limitation and the Contract will not directly or indirectly or contingently obligate the Town to make any payments beyond those appropriated in the sole discretion of the Town for any fiscal year in which the Contract is in effect. No deficiency judgment may be rendered against the Town in any action for breach of the Contract and the taxing power of the Town is not and may not be pledged directly or indirectly or contingently to secure any moneys due under the Contract.

PLEASE TAKE NOTICE THAT THE TOWN COUNCIL WILL HOLD A PUBLIC HEARING CONCERNING THE PLAN OF FINANCING AT [6:30] P.M., OR AS SOON THEREAFTER AS THE HEARING CAN BE HELD, ON TUESDAY, DECEMBER 8, 2020, AT THE HUT MEETING FACILITY IN PINEVILLE, NORTH CAROLINA, AT WHICH ANY PERSON MAY BE HEARD CONCERNING THE PLAN OF FINANCING. ANY PERSON WISHING TO COMMENT IN WRITING ON THE PLAN OF FINANCING MAY DO SO BY DELIVERING SUCH COMMENTS TO THE UNDERSIGNED AT 200 DOVER STREET, PINEVILLE, NORTH CAROLINA, 28134, WITHIN 5 DAYS FROM THE DATE OF PUBLICATION OF THIS NOTICE.

Barbara Monticello
Clerk to the Town Council
for the Town of Pineville, North Carolina