



## TOWN COUNCIL AGENDA ITEM

**MEETING DATE: August 21, 2025**

Agenda Title/Category:	Bond Order (Approving Resolution) for Revenue Bond Debt Issuance			
Staff Contact/Presenter:	Christopher Tucker, Finance Director			
Meets Strategic Initiative or Approved Plan:	Yes	No	If yes, list:	N/A
Background:	<p>The Town desires to issue revenue bond debt of \$7.25M to fund the components and construction of Delivery 4 (New Substation).</p> <p>Davenport issued a Request for Financing Proposals to banking institutions last month and received the results June 19.</p> <p>Council chose Truist’s 15yr 4.29% proposal at the July 8 Regular Session. The LGC approved our financing proposal at their August 5 meeting.</p>			
Discussion:	The Bond Order (Approving Resolution) is the important final step before closing and confirms all commitments / covenants / authorizing parties of the bonds through General and Series Trust Indentures.			
Fiscal impact:	Significant impact to future debt service commitments of the Electric Fund.			
Attachments:	Bond Order			
Recommended Motion to be made by Council:	Approve as presented			

**BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$8,000,000  
TOWN OF PINEVILLE, NORTH CAROLINA ELECTRIC SYSTEM REVENUE BOND;  
AUTHORIZING THE APPROVAL, EXECUTION AND DELIVERY OF VARIOUS  
DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF THE BOND; PROVIDING  
FOR THE ISSUANCE OF THE BOND; AND PROVIDING FOR CERTAIN OTHER  
MATTERS IN CONNECTION WITH THE ISSUANCE AND DELIVERY OF THE BOND**

*WHEREAS*, the Town Council (the “*Town Council*”) of the Town of Pineville, North Carolina (the “*Town*”) 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 Town for the purposes as specified in the Act; and

*WHEREAS*, the Town has determined to issue its Electric System Revenue Bond, Series 2025 (the “*2025 Bond*”) in an aggregate principal amount not to exceed \$8,000,000 to provide funds to (1) finance the construction of a new electric substation (the “*2025 Project*”) and (2) to pay the costs of issuing the 2025 Bond;

*WHEREAS*, the Town has determined to enter into a General Trust Indenture to be dated on or about August 1, 2025 (the “*General Indenture*”) between the Town and Truist Bank, as trustee (the “*Trustee*”), authorizing the issuance of revenue bonds thereunder for the purpose of financing and refinancing the cost of improvements to the Town’s electric system;

*WHEREAS*, the Town will issue the 2025 Bond under the General Indenture and Series Indenture, Number 1 to be dated on or about August 1, 2025 (the “*Series Indenture*”) between the Town and the Trustee;

*WHEREAS*, the Town has filed with the LGC an application for the approval and private sale without advertisement of the 2025 Bond in accordance with Section 159-85 of the General Statutes of North Carolina, as amended;

*WHEREAS*, the Town and the LGC have arranged for the issuance of the 2025 Bond to Truist Commercial Equity, Inc. (the “*Lender*”);

*WHEREAS*, a draft of the forms of the General Indenture and the Series Indenture are on file with the Town and are available to the Town Council;

*NOW THEREFORE, BE IT ORDERED BY THE TOWN COUNCIL OF THE TOWN OF PINEVILLE, NORTH CAROLINA:*

**Section 1.** The 2025 Bond is hereby authorized and will be issued pursuant to the Act, the General Indenture and the Series Indenture to raise the money required, in addition to any funds which may be made available for such purpose from any other source, to (1) finance the 2025 Project and (2) pay the costs of issuing the 2025 Bond. The 2025 Project is necessary to meet the needs of the users of the Town’s electric system.

**Section 2.** The aggregate principal amount of the 2025 Bond authorized by this order will not exceed \$8,000,000 and the interest rate on the 2025 Bond will not initially exceed 4.29%

per annum (which rate may be adjusted in accordance with the Series Indenture). The 2025 Bond hereby authorized will be a special obligation of the Town, secured by and paid solely from the proceeds thereof or from revenues, income, receipts and other money received or accrued by or on behalf of the Town from or in connection with the operation of the Town's electric system.

**Section 3.** The Town requests that the 2025 Bond be sold at a private sale without advertisement to the Lender at such price as the LGC determines to be in the best interest of the Town and as provided in the Town's application to the LGC. The Town Council approves the sale of the 2025 Bond to the Lender on the terms provided in the term sheet provided by the Lender and as provided in the Series Indenture. The Authorized Officers (as defined below), are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to consummate the issuance of the 2025 Bond.

**Section 4.** The Town's issuance of the 2025 Bond, in substantially the form to be provided in the Series Indenture, is hereby in all respects approved and confirmed. The provisions of the General Indenture and the Series Indenture with respect to the 2025 Bond are hereby approved and confirmed and are incorporated herein by reference. The proceeds from the issuance of the 2025 Bond will be deposited in accordance with the Series Indenture. The principal of, premium, if any, and interest on the 2025 Bond will not be payable from the general funds of the Town, nor will the 2025 Bond constitute a legal or equitable pledge, charge, lien or encumbrance on any of the Town's property or on any of its income, receipts or revenues except the funds which are pledged under the General Indenture. Neither the credit nor the taxing power of the State of North Carolina (the "*State*") or the Town is pledged for the payment of the principal of, premium, if any, or interest on the 2025 Bond, and no holder of the 2025 Bond has the right to compel the exercise of the taxing power by the State or the Town or the forfeiture of any of its property in connection with any default thereon.

**Section 5.** The form and content of the General Indenture and the Series Indenture, including the exhibits thereto, are hereby in all respects approved and confirmed. The Mayor, the Town Manager, the Finance Director and the Town Clerk, or their respective designees (collectively, the "*Authorized Officers*"), are hereby authorized, empowered and directed to execute and deliver the General Indenture, the Series Indenture and the 2025 Bond for and on behalf of the Town, including necessary counterparts, in substantially the form and content presented to the Town, but with such changes, modifications, additions or deletions therein as they may deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the Town Council's approval of any and all such changes, modifications, additions or deletions therein. From and after the execution and delivery of the General Indenture and the Series Indenture, the Authorized Officers are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the General Indenture and the Series Indenture as executed. The Trustee is hereby appointed as Registrar and Paying Agent under the Series Indenture.

**Section 6.** The Town Manager and the Finance Director are each hereby authorized to execute a tax certificate to comply with Section 148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder.

**Section 7.** If any one or more of the covenants, agreements or provisions contained in this Bond Order is held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or is for any reason whatsoever held invalid, then such covenants, agreements or provisions will be null and void and will be deemed separable from the remaining agreements and provisions and will in no way affect the validity of any of the other agreements and provisions of this Bond Order or of the 2025 Bond authorized hereunder.

**Section 8.** No stipulation, obligation or agreement contained in this Bond Order or contained in the 2025 Bond, the General Indenture, the Series Indenture or any other instrument related to the issuance of the 2025 Bond is a stipulation, obligation or agreement of any officer, agent or employee of the Town in his or her individual capacity, and no such officer, agent or employee is personally liable on the 2025 Bond or subject to personal liability or accountability by reason of the issuance thereof.

**Section 9.** The Authorized Officers are hereby authorized, empowered and directed to do any and all other acts and to execute any and all other documents which they, in their discretion, deem necessary and appropriate to consummate the transactions contemplated by this Bond Order, the General Indenture or the Series Indenture; except that none of the above is hereby authorized or empowered to do anything or execute any document which is in contravention, in any way, of (a) the specific provisions of this Bond Order, (b) the specific provisions of the General Indenture or the Series Indenture, (c) any agreement to which the Town is bound, (d) any rule or regulation of the Town or (e) any applicable law, statute, ordinance, rule or regulation of the United States of America or the State.

**Section 10.** The Authorized Officers are hereby authorized, empowered and directed to prepare and furnish, when the 2025 Bond is issued, certified copies of all the proceedings and records of the Town Council relating to the 2025 Bond, and such other affidavits, certificates and documents as may be required to show the facts relating to the legality and marketability of the 2025 Bond as such facts appear on the books and records in such party's custody and control or as otherwise known to them; and all such certified copies, certificates, affidavits and documents, including any heretofore furnished, constitute representations of the Town as to the truth of all statements contained therein.

From and after the execution and delivery of the documents hereinabove authorized, the Authorized Officers, or their respective designees, are hereby authorized, empowered, and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of said documents as executed or required by the Lender, and are further authorized to take any and all further actions to execute and deliver any and all other documents as may be necessary in the issuance and on-going administration of the 2025 Bond.

**Section 11.** All acts and doings of the Authorized Officers that are in conformity with the purposes and intent of this Bond Order and in the furtherance of the issuance of the 2025 Bond and the execution, delivery and performance of the 2025 Bond, the General Indenture and the Series Indenture are hereby in all respects approved and confirmed. Any provision in this Bond Order that authorizes more than one Authorized Officer to take certain actions will apply

to the respective designees of the Authorized Officers, including any person serving in an interim capacity, and will be read to permit such persons to take the authorized actions either individually or collectively.

***Section 12.*** All resolutions or parts thereof of the Town Council in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

***Section 13.*** This Bond Order is effective immediately on its adoption and, pursuant to Section 159-88 of the General Statutes of North Carolina, as amended, need not be published or subjected to any procedural requirements governing the adoption of ordinances or resolutions by the Town Council other than the procedures set out in the Act.

Adopted this 21st day of August, 2025.

STATE OF NORTH CAROLINA            )  
  )  
TOWN OF PINEVILLE                )        SS:

I, *Lisa Snyder*, Town Clerk of the Town of Pineville, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of a bond order entitled “**BOND ORDER AUTHORIZING THE ISSUANCE OF NOT TO EXCEED \$8,000,000 TOWN OF PINEVILLE, NORTH CAROLINA ELECTRIC SYSTEM REVENUE BOND; AUTHORIZING THE APPROVAL, EXECUTION AND DELIVERY OF VARIOUS DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF THE BOND; PROVIDING FOR THE ISSUANCE OF THE BOND; AND PROVIDING FOR CERTAIN OTHER MATTERS IN CONNECTION WITH THE ISSUANCE AND DELIVERY OF THE BOND**” duly adopted by the Town Council of the Town of Pineville, North Carolina at a meeting held on the 21st day of August, 2025.

***WITNESS*** my hand and the corporate seal of the Town of Pineville, North Carolina, this the \_\_\_\_ day of August, 2025.

(SEAL)

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Lisa Snyder  
Town Clerk  
Town of Pineville, North Carolina