



RESOLUTION 2024-20

RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PINEVILLE, NORTH CAROLINA, APPROVING AN INSTALLMENT FINANCING CONTRACT AND DELIVERY THEREOF AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS

WHEREAS, the Town of Pineville, North Carolina (the “*Town*”) is a municipal corporation of the State of North Carolina (the “*State*”), validly existing under the Constitution, statutes and laws of the State;

WHEREAS, the Town has the power, pursuant to the General Statutes of North Carolina to (1) enter into installment contracts in order to purchase, or finance or refinance the purchase of, real or personal property and to finance or refinance the construction or repair of fixtures or improvements on real property and (2) create a security interest in some or all of the property financed or refinanced to secure repayment of the purchase price;

WHEREAS, the Town Council of the Town (the “*Town Council*”) has previously held a public hearing and approved a resolution on October 8, 2024 regarding (1) an installment financing in an amount not to exceed \$16,500,000 to pay the costs of constructing, equipping and furnishing a new fire station to be located on North Polk Street in the Town (the “*Project*”) and (2) the selection of Webster Bank, National Association to serve as the lender for the installment financing (the “*Bank*”);

WHEREAS, based on the bids for the Project and total expected costs of the Project, the Town Council has determined that it is in the best interest of the Town to receive an advance of funds in an aggregate principal amount not to exceed \$16,500,000 under an installment financing contract (the “*Contract*”) with the Bank in order to pay (1) the costs of the Project and (2) the costs related to execution and delivery of the Contract;

WHEREAS, the obligation of the Town to make Installment Payments under the Contract is a limited obligation of the Town payable solely from currently budgeted appropriations of the Town and does not constitute a pledge of the faith and credit of the Town within the meaning of any constitutional debt limitation;

WHEREAS, in order to provide security for the Town’s obligations under the Contract, the Town will grant to the Bank a security interest under a deed of trust, security agreement and fixture filing (the “*Deed of Trust*”) in the Town’s fee simple interest in the site of the Project, together with all improvements and fixtures located thereon (collectively, the “*Mortgaged Property*”);

WHEREAS, the Town has submitted an application to the Local Government Commission of North Carolina (the “LGC”) to consider and approve the Contract as described above and expects to be on the LGC’s agenda at its December 3, 2024, meeting;

WHEREAS, there has been made available to the Town Council the form of the Contract and the Deed of Trust, which the Town proposes to approve, enter into and deliver, as applicable, to effectuate the proposed financing;

WHEREAS, it appears that each of the Contract and the Deed of Trust (collectively, the “Instruments”) is in appropriate form and is an appropriate instrument for the purposes intended;

NOW, THEREFORE, BE IT RESOLVED by the Town Council of the Town of Pineville, North Carolina, as follows:

Section 1. ***Approval, Authorization and Execution of Instruments.*** The Town Council hereby approves the financing of the Project in accordance with the terms of the Instruments, which will be valid, legal and binding obligations of the Town in accordance with their respective terms. The Town Council hereby approves the amount to be advanced by the Bank to the Town pursuant to the Contract in an aggregate principal amount not to exceed \$16,500,000 at an interest rate not to exceed 3.79% per annum, such amount to be repaid by the Town to the Bank as provided in the Contract. The term of the Contract will not exceed October 1, 2044. The form, terms and content of the Instruments are in all respects authorized, approved and confirmed, and the Mayor, the Town Manager and the Finance Director, and their respective designees (the “*Authorized Officers*”), individually or collectively, are authorized, empowered and directed to execute and deliver the Instruments for and on behalf of the Town, including necessary counterparts, in substantially the forms presented to the Town Council, but with such changes, modifications, additions or deletions therein as shall to them seem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of their approval of any and all such changes, modifications, additions or deletions, and that from and after the execution and delivery of the Instruments, each of 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 Instruments as executed.

Section 2. ***Further Actions.*** Each of the Authorized Officers are hereby designated as the Town’s representatives to act on behalf of the Town in connection with the transactions contemplated by the Instruments, and each of the Authorized Officers are authorized and directed to proceed with the financing of the Project in accordance with the terms of the Instruments and to seek opinions on matters of law from the Town Attorney, which the Town Attorney is authorized to furnish on behalf of the Town, and opinions of law from such other attorneys for all documents contemplated hereby as required by law. Each of the Authorized Officers are hereby authorized to designate one or more employees of the Town to take all actions which each of the Authorized Officers are authorized to perform under this Resolution, and each of the Authorized Officers, including their designees, are in all respects authorized on behalf of the Town to supply all information pertaining to the transactions contemplated by the Instruments. Each of the Authorized Officers and the Town Clerk are authorized to execute and deliver for and on behalf of the Town any and all additional certificates, documents, opinions or other papers and perform all other acts as may be required by the Instruments or as they may deem necessary or appropriate in order to

implement and carry out the intent and purposes of this Resolution. Any and all acts of the Authorized Officers may be done individually or collectively.

Section 3. **Related Actions.** All acts and doings of officers, employees and agents of the Town, whether taken prior to, on, or after the date of this Resolution, that are in conformity with and in furtherance of the purposes and intents of this Resolution as described above shall be, and the same hereby are, in all respects ratified, approved and confirmed.

Section 4. **Repealer.** All motions, orders, resolutions, ordinances and parts thereof, in conflict herewith are hereby repealed.

Section 5. **Severability.** If any section, phrase or provision of this Resolution is for any reason declared to be invalid, such declaration will not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

Section 6. **Effective Date.** This Resolution is effective on the date of its adoption.

Adopted this 12th day of November 2024.

David Phillips, Mayor

Lisa Snyder, Town Clerk
Town of Pineville NC

(SEAL)

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 resolution entitled “RESOLUTION OF THE TOWN COUNCIL OF THE TOWN OF PINEVILLE, NORTH CAROLINA, APPROVING AN INSTALLMENT FINANCING CONTRACT AND DELIVERY THEREOF AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS” adopted by the Town Council of the Town of Pineville, North Carolina, at a meeting held on the 12th day of November, 2024.

VOTE: 4 AYES, 0 NAYS

WITNESS my hand and the corporate seal of the Town of Pineville, North Carolina, this the 12th day of November 2024.

(SEAL)

Lisa Snyder
Town Clerk
Town of Pineville, North Carolina