

**NORTH CAROLINA DEPARTMENT OF STATE TREASURER
LOCAL GOVERNMENT COMMISSION
MINUTES
JULY 13, 2021**

The meeting was called to order at 1:30 p.m. by Chair Dale R. Folwell on the above date. The meeting was conducted in person and by use of simultaneous communication by GoToWebinar™ due to the COVID 19 pandemic. Members present in person were: Chair Folwell; State Auditor Beth Wood; Secretary of State Elaine Marshall; Tenisha Jacobs, Designee for Secretary of Revenue Ronald Penny; Joshua Bass; and Scott Padgett. Members present virtually were: Viola Harris, Edward Munn, and Mike Philbeck.

Members Absent: None.

A quorum was present for the entire meeting.

Other participants present in person: Sharon Edmundson, Tim Romocki, Susan McCullen, Lewis Andrews, Debbie Tomasko, Ben Garner, Timothy Melton, William Toole, Vic D'Amato, and Cindy Aiken.

Other DST staff present virtually: Jennifer Wimmer.

Others attending virtually: Holden Beach Town Manager David Hewitt and Finance Director Christy Ferguson.

Chair Folwell asked those present if they had any actual, potential, or the appearance of a conflict of interest regarding the matters on the agenda. There were no conflicts reported.

Mr. Bass made a motion to approve the minutes of the June 1, 2021 regular meeting, the June 7 and June 14, 2021 budget hearings, the June 22, 2021 special meeting, and the June 22, 2021 emergency meeting. Ms. Harris seconded the motion and the minutes were approved by unanimous vote of 9-0.

Mr. Bass made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF CALDWELL FOR THE FINANCING OF AN ANIMAL SHELTER THROUGH AN INSTALLMENT FINANCING CONTRACT PURSUANT TO G.S. §160A-20

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, as amended, the County of Caldwell, North Carolina (the “*County*”) has determined that it is in the best interests of the County to enter into an installment financing contract (the “*Contract*”) with Truist Bank (the “*Bank*”) in order to (1) finance the costs of constructing a new animal shelter (the “*Project*”) and (2) pay certain costs related to the execution and delivery of the Contract;

WHEREAS, the principal amount to be advanced by the Bank to the County under the Contract will not exceed \$3,700,000;

WHEREAS, the County will repay the advance of the Contract in annual payments of interest and principal at an interest rate not to exceed 1.99% per annum;

WHEREAS, the final maturity date of the Contract may not extend beyond 2036;

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, the County has made proper application to the Local Government Commission of North Carolina (the “*Commission*”) for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with Section 159-149 of the General Statutes of North Carolina, as amended; and

WHEREAS, the Commission, pursuant to Section 159-151 of the General Statutes of North Carolina, as amended, upon information and evidence received, finds and determines as follows:

- (1) the Contract is necessary and expedient for the County;
- (2) the Contract, under the circumstances, is preferable to a bond issue by the County for the same purposes;
- (3) the sums to fall due under the Contract are adequate and not excessive for its proposed purposes;
- (4) the County’s debt management procedures and policies are good;
- (5) the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive; and
- (6) the County is not in default in any of its debt service obligations.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application for approval of the Contract and planned financing of the Project is hereby approved under the provisions of Section 160A-20 of the General Statutes, as amended, Article 8 of Chapter 159 of the General Statutes, as amended, and relevant resolutions of the Commission.”

Mr. Padgett seconded the motion and the foregoing was adopted by vote of 8-1 (Auditor Wood voted No). Finance Director Tony Helton attended virtually to speak and answer Members’ questions.

Mr. Bass made a motion to approve the following resolution:

“RESOLUTION APPROVING THE FINANCING TEAM FOR THE COUNTY OF CALDWELL, NORTH CAROLINA INSTALLMENT FINANCING CONTRACT PURSUANT TO G.S. §160A-20

WHEREAS, the County of Caldwell, North Carolina (the “*County*”) has requested that the Local Government Commission of North Carolina (the “*Commission*”) approve its selection of the following financing team members for the above-referenced installment financing contract:

- | | |
|--------------------|------------------------------------|
| Special Counsel: | - Parker Poe Adams & Bernstein LLP |
| Bank: | - Truist Bank |
| Bank’s Counsel: | - Pope Flynn, LLC |
| Financial Advisor: | - First Tryon Advisors |

WHEREAS, based on the information and evidence received by the Commission, the Commission is of the opinion that the County’s request should be approved.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above-referenced financing team is hereby approved for the above-referenced installment financing contract.”

Mr. Padgett seconded the motion and the foregoing was adopted by vote of 8-1 (Auditor Wood voted No). Finance Director Tony Helton attended virtually to speak and answer Members’ questions.

Mr. Padgett made a motion to adopt a resolution concerning the Town of Louisburg’s application for a State Revolving Fund Loan under G.S. 159G-22 for replacing parts of the Town’s wastewater system.

Mr. Philbeck seconded the motion, but the motion was defeated by a vote of 4-5 (Voting Yes: Padgett, Philbeck, Munn and Chair Folwell. Voting No: Wood, Marshall, Jacobs, Harris, Bass). Town Administrator Jonathan Franklin attended virtually to speak and answer Members’ questions.

Secretary Marshall made a motion that the following resolution:

“RESOLUTION APPROVING THE FINANCING REQUEST OF THE TOWN OF PILOT MOUNTAIN, NORTH CAROLINA. THE PROJECT INCLUDES THE REPLACEMENT OF APPROXIMATELY 1,550 LF OF EXISTING WATERLINE WITH NEW 6-INCH DIAMETER WATERLINE AND INSTALLATION OF THREE (3) NEW FIRE HYDRANT ASSEMBLIES; THREE (3) 6-INCH DIAMETER VALVE BOXES ; AND ASSOCIATED APPURTENANCES ALONG SIMMONS STREET AND SUNSET DRIVE.

WHEREAS, the Town of Pilot Mountain, North Carolina (the “Town”) has determined that it is necessary and expedient as it replaces existing waterlines over 40 years - old; and

WHEREAS, the Town of Pilot Mountain filed an application with the North Carolina Government Commission (the Commission) for approval of a water revolving Loan in the amount not exceed \$189,898 with the term of twenty (20) years at the rate established under this program for respective loan, State or Federal, is not to exceed 4%; and

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for the approval of a water revolving loan for the Town is hereby approved.”

Mr. Bass seconded the motion and the foregoing was adopted by unanimous vote. Mayor Evan Cockerham and Town Manager/Finance Officer Michael Boaz attended virtually to speak and answer Members’ questions.

Secretary Marshall made a motion to adopt the following resolution:

RESOLUTION APPROVING THE REQUEST OF TOWN OF PILOT MOUNTAIN FOR AN INCREASE OF ADDITIONAL FUNDS ON A STATE REVOLVING LOAN.

WHEREAS, Town of Pilot Mountain (the “Town) requests an increase of \$1,445,000 for a total loan of \$3,395,000. The original loan was approved by the Local Government Commission on August 6, 2019 for \$1,950,000 to connect with Mt. Airy’s water system; and

WHEREAS, the loan is for the construction of approximately 33,000 LF of 12” water line connecting the two systems, including master meter valves, hydrants and related appurtenances. Note: A construction of an interconnect with the City of Mount Airy will allow the 12” water main to connect the Town of Pilot Mountain’s water system with Mount Airy’s water system. The town will close its water treatment plant which is in need of serious repairs; and

WHEREAS, the increase is due to construction bids coming in higher than expected due to an increasing cost environment; and

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the request by the Town mentioned above is hereby approved.”

Mr. Bass seconded the motion and the foregoing was adopted by unanimous vote. Mayor Evan Cockerham and Town Manager/Finance Officer Michael Boaz attended virtually to speak and answer Members’ questions.

Secretary Marshall made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE FINANCING REQUEST OF THE TOWN OF PILOT MOUNTAIN, NORTH CAROLINA. THE PROJECT WILL REPLACE AGED AND FAILING EQUIPMENT AT THE TOWN’S WASTEWATER TREATMENT PLANT AND LIFT STATIONS TO IMPROVE THE RELIABILTY OF THE SYSTEM.

WHEREAS, the Town of Pilot Mountain, North Carolina (the “Town”) has determined that it is necessary and expedient as it replace components in excess of 20 years old; and

WHEREAS, the Town of Pilot Mountain filed an application with the North Carolina Government Commission (the Commission) for approval of a sewer revolving Loan in the amount not exceed \$850,000 with the term of twenty (20) years at the rate established under this program for respective loan, State or Federal, is not to exceed 4%; and

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for the approval of a sewer revolving loan for the Town is hereby approved.”

Mr. Bass seconded the motion and the foregoing was adopted by unanimous vote. Mayor Evan Cockerham and Town Manager/Finance Officer Michael Boaz attended virtually to speak and answer Members’ questions.

Mr. Padgett made a motion to adopt the following resolution:

RESOLUTION APPROVING THE FINANCING TEAM FOR THE COUNTY OF SURRY, NORTH CAROLINA LIMITED OBLIGATION BONDS, SERIES 2021

WHEREAS, the County of Surry, North Carolina (the “County”) has requested that the North Carolina Local Government Commission (the “Commission”) approve its selection of the following financing team members in connection with the issuance by the County of its Limited Obligation Bonds, Series 2021:

Bond Counsel:	Womble Bond Dickinson (US) LLP
Underwriter:	PNC Capital Markets LLC
Underwriter’s Counsel:	Parker Poe Adams & Bernstein LLP
Financial Advisor:	DEC Associates, Inc.
Trustee:	U.S. Bank National Association

WHEREAS, based upon the information and evidence received by the Commission, the Commission is of the opinion that the request by the County should be approved.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the above financing team is hereby approved.

Mr. Bass seconded the motion and the foregoing was adopted by unanimous vote. Finance Officer Rhonda Nixon, County Manager Chris Knopf and Assistant County Manager Sandra Snow attended virtually.

Thereupon, Mr. Padgett made a motion to adopt the following resolution:

RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF SURRY, NORTH CAROLINA FOR THE FINANCING OF VARIOUS CAPITAL PROJECTS FOR SAID COUNTY PURSUANT TO AN INSTALLMENT FINANCING BY SAID COUNTY THROUGH THE ISSUANCE OF LIMITED OBLIGATION BONDS AND THE EXECUTION AND DELIVERY OF A MASTER TRUST AGREEMENT, A FIRST SUPPLEMENTAL TRUST AGREEMENT AND A DEED OF TRUST IN CONNECTION THEREWITH

WHEREAS, the County of Surry, North Carolina (the "County") has determined that a need exists to finance the costs of (a) acquiring, constructing and equipping a new detention facility, 911 communications center, Magistrate's Office and related facilities for the County (collectively, the "Detention Facility Project") and (b) acquiring, constructing and equipping a new gymnasium and renovating, upfitting and improving an existing gymnasium to be used by Elkin Middle School and Elkin High School (collectively, the "School Gymnasium Project" and, together with the Detention Facility Project, the "Project");

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, as amended, the County has made proper application to the North Carolina Local Government Commission (the "Commission") for approval of the proposed financing of the Project;

WHEREAS, the County proposes to finance the Project through the issuance of its County of Surry, North Carolina Limited Obligation Bonds, Series 2021 (the "Series 2021 Bonds") in accordance with Section 160A-20, as amended, of the General Statutes of North Carolina (the "Act");

WHEREAS, the County has filed with the application to the Commission drafts of the following documents relating to the proposed financing:

(a) Master Trust Agreement, to be dated as of August 1, 2021 (the "Master Trust Agreement"), between the County and U.S. Bank National Association, as trustee (the "Trustee");

(b) First Supplemental Trust Agreement, to be dated as of August 1, 2021 (the "First Supplemental Trust Agreement"), between the County and the Trustee, including the form of the Series 2021 Bonds set forth as Exhibit A thereto;

(c) Deed of Trust, to be dated as of August 1, 2021 (the "Deed of Trust"), from the County to the Deed of Trust trustee named therein for the benefit of the Trustee and its successors and assigns;

(d) Bond Purchase Agreement, to be dated the date of delivery thereof (the "Bond Purchase Agreement), between the County and PNC Capital Markets LLC (the "Underwriter"); and

(e) Preliminary Official Statement, to be dated the date of delivery thereof (the “Preliminary Official Statement”), relating to the offering and sale of the Series 2021 Bonds.

WHEREAS, the Series 2021 Bonds, together with corresponding obligations under the Master Trust Agreement, the First Supplemental Trust Agreement and the Deed of Trust relating thereto, shall constitute installment contracts or contracts within the meaning of the Act entered into by the County for the purpose of financing the Project;

WHEREAS, in order to secure its obligations with respect to the Series 2021 Bonds under the Master Trust Agreement and the First Supplemental Trust Agreement, the County will execute and deliver the Deed of Trust granting a first lien of record on the site of the Detention Facility Project constituting a portion of Project, together with all improvements and fixtures located and to be located thereon;

WHEREAS, the County proposes to sell the Series 2021 Bonds to the Underwriter pursuant to the Bond Purchase Agreement;

WHEREAS, the Series 2021 Bonds will be offered and sold to the public pursuant to the Preliminary Official Statement and a final Official Statement relating to the offering and sale of the Series 2021 Bonds;

WHEREAS, the principal amount of the Series 2021 Bonds shall not exceed \$51,000,000;

WHEREAS, the Series 2021 Bonds shall have a final maturity not to exceed October 1, 2041;

WHEREAS, the effective interest rate of the Series 2021 Bonds shall not exceed 2.90% per annum; and

WHEREAS, based upon the information and evidence received in connection with such application, it is hereby found and determined by the Commission that:

- (a) the proposed Series 2021 Bonds are necessary and expedient for the County;
- (b) the financing of the Project through the issuance of the Series 2021 Bonds, under the circumstances, is preferable to a general obligation bond issue for the same purpose;
- (c) the sums to fall due on the Series 2021 Bonds are adequate and not excessive for the proposed purposes thereof;
- (d) the County’s debt management procedures and policies are good;
- (e) the increase in taxes, if any, necessary to meet the sums to fall due with respect to the Series 2021 Bonds will not be excessive; and
- (f) the County is not in default in any of its debt service obligations.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application of the County for approval of the Master Trust Agreement, the First Supplemental Trust Agreement, the Deed of Trust and the proposed issuance of the Series 2021 Bonds pursuant thereto is hereby approved under the provisions of the Act subject to the conditions set forth in this resolution. The Series 2021 Bonds may be sold to the Underwriter pursuant to the terms of the Bond Purchase Agreement subject to the conditions set forth in this resolution.

Mr. Bass seconded the motion and the foregoing was adopted by unanimous vote. Finance Officer Rhonda Nixon, County Manager Chris Knopf and Assistant County Manager Sandra Snow attended virtually.

Mr. Bass made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE FINANCING APPLICATION OF THE VILLAGE OF BALD HEAD ISLAND, NORTH CAROLINA. THIS PROJECT IS FOR THE RENOVATION OF THE VILLAGE’S CONTRACTOR SERVICES YARD THAT WILL INCLUDE THE CONSTRUCTION OF A 17 UNIT STORAGE BUILDING, INSTALLATION OF FUEL PUMPS, AND PARKING SPACES. THE NEW BUILDING WILL ALSO HAVE OFFICES FOR THE VILLAGE’S CONTRACTOR SERVICES AND DEVELOPMENT SERVICES DEPARTMENT G.S. §159-148

WHEREAS, the Bald Head Island, North Carolina (the “Village”) has determined that it is necessary and expedient because it will improve the availability of maintenance contractors for the benefit of island residents and property owners; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the Village intends to finance the Project through an Installment Purchase Contract (the “Contract”) between First Bank (the “Bank”) whereby the Bank shall advance moneys to the Village, and the Village, subject to its right of nonappropriation, shall repay the advance with interest in installments; and

WHEREAS, the principal amount of the Contract shall not exceed \$1,680,000 with quarterly payments for a term of fifteen (15) years at an approval rate of 1.99%; and

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, the County has made proper application to the North Carolina Local Government Commission (the “Commission”) for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with G.S. 159-148; and

WHEREAS, the Commission, pursuant to G.S. 159-151, upon information and evidence received, finds and determines as follows:

- (i) that the Contract is necessary and expedient for the Village;
- (ii) that the Contract, under the circumstances, is preferable to a bond issue for the same purpose;
- (iii) that the sums to fall due under the Contract are adequate and not excessive for its proposed purpose;
- (iv) that the Village debt management procedures and policies are good;
- (v) that the Village’s is not in default in any of its debt service obligations;

- (vi) that the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the Agreement and is hereby approved under the provisions of Section 160A-20 of the General Statutes of North Carolina and relevant resolutions of the Commission.”

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to adopt the following resolution:

RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF CAMDEN, NORTH CAROLINA FOR THE FINANCING OF A NEW PUBLIC LIBRARY COMPLEX FOR SAID COUNTY THROUGH AN INSTALLMENT FINANCING AGREEMENT PURSUANT TO G.S. § 160A-20

WHEREAS, the County of Camden, North Carolina (the “County”) has determined that it is necessary and expedient to pay the costs of acquiring, constructing and equipping a new public library complex for the County (the “Project”); and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the County intends to finance the Project pursuant to an Installment Financing Agreement (the “Agreement”) between the County and Truist Bank (the “Lender”), whereby the Lender shall advance moneys to the County, and the County, subject to its right of nonappropriation, shall repay the advancement with interest in installments; and

WHEREAS, the aggregate principal amount of the Agreement shall not exceed \$4,633,000 with annual principal payments and semiannual interest payments with a term of approximately fifteen (15) years (final maturity not to exceed June 1, 2036) at a rate of 2.25% per annum (subject to adjustment as provided in the Agreement).

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, the County has made proper application to the North Carolina Local Government Commission (the “Commission”) for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with Section 159-149 of the General Statutes of North Carolina; and

WHEREAS, the Commission, pursuant to Section 159-151 of the General Statutes of North Carolina, upon information and evidence received, finds and determines as follows:

- (i) that the Agreement is necessary and expedient for the County;
- (ii) that the Agreement, under the circumstances, is preferable to a bond issue for the same purpose;
- (iii) that the sums to fall due under the Agreement are adequate and not excessive for its proposed purpose;
- (iv) that the County’s debt management procedures and policies are good;

(v) that the County is not in default in any of its debt service obligations;

(vi) that the increase in taxes, if any, necessary to meet the sums to fall due under the Agreement will not be excessive.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the Agreement and the financing contemplated thereby is hereby approved under the provisions of Section 160A-20 of the General Statutes of North Carolina and relevant resolutions of the Commission.

Auditor Wood seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Bass made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE FINANCING TEAM FOR TOWN OF CHAPEL HILL LIMITED OBLIGATION BONDS”

WHEREAS, the Town of Chapel Hill (the “Town”) has requested that the North Carolina Local Government Commission (the “Commission”) approve its selection of the following financing team members for the upcoming delivery of its Limited Obligation Bonds, Series 2021 (the “Bonds”):

Bond Counsel:	Sanford Holshouser LLP
Underwriters:	Robert W. Baird & Co. Incorporated (senior manager) Wells Fargo Securities, Inc. (co-manager)
Underwriters’ Counsel:	Womble Bond Dickinson LLP (US)
Financial Advisor:	Davenport & Company LLC
Trustee:	U.S. Bank National Association

WHEREAS, based upon the information and evidence received by the Commission, it is of the opinion that the Town’s request should be approved;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above financing team is hereby approved for the Bonds.”

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Mr. Bass made the motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF CHAPEL HILL TO FINANCE THE ACQUISITION, CONSTRUCTION AND EQUIPPING OF VARIOUS PUBLIC IMPROVEMENTS, TO REFINANCE EXISTING OBLIGATIONS AND TO PAY FINANCING COSTS THROUGH AN INSTALLMENT FINANCING AGREEMENT PURSUANT TO G.S. 160A-20.

WHEREAS, the Town of Chapel Hill (the “Town”) has determined that it is necessary and expedient for the Town to finance the acquisition, construction and equipping of various public improvements, to refinance existing obligations and to pay financing costs; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes, the Town intends to enter into a Trust Agreement dated on or about August 1, 2021, with U.S. Bank National Association, as trustee (the “Trustee”), pursuant to which the Town will issue limited obligation bonds (the “Bonds”), the Trustee will advance moneys to the Town for the purpose of carrying out the projects, and the Town, subject to its right of nonappropriation, will repay the advance in installments, with interest; and

WHEREAS, each of the Bonds will constitute an installment contract within the meaning of Section 160A-20; and

WHEREAS, Robert W. Baird & Co. Incorporated, as senior manager, and Wells Fargo Securities, Inc., as co-manager (the “Underwriters”), will underwrite the public sale of the Bonds, and the Underwriters will advance the proceeds of the sale of the Bonds to the Town to accomplish the financing; and

WHEREAS, the total principal amount financed will not exceed \$59,200,000; and

WHEREAS, the maturity of the installment payments to be made by the Town will not extend beyond December 31, 2041, and the true interest cost of the Town’s obligations will not exceed (1) 2.75% on bonds issued as tax-exempt obligations and (2) 3.137% on bonds issued as taxable obligations; and

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, the Town has made proper application to the North Carolina Local Government Commission (the “Commission”) for approval of the proposed financing; and

WHEREAS, the Commission, pursuant to G.S. 159-151, upon information and evidence received, finds and determines as follows:

(i) that the Town’s execution and delivery of the installment contracts represented by the Bonds (the “Contracts”) is necessary and expedient for the Town;

(ii) that the Contracts, under the circumstances, are preferable to a general obligation bond issue for the same purposes;

(iii) that the sums to fall due under the Contracts are adequate and not excessive for the proposed purposes;

(iv) that the Town’s debt management procedures and policies are good;

(v) that the Town is not in default in any of its debt service obligations; and

(vi) that the increase in taxes, if any, necessary to meet the sums to fall due under the Contracts will not be excessive;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission, (1) that the application for approval of the Contracts and financing are approved under the provisions of G.S. §160A-20 and relevant resolutions of the Commission, and (2) that the Secretary of the Commission, or any Designated Assistant, is authorized to execute and deliver appropriate documents to evidence the Commission's approval and otherwise to carry out the financing contemplated by this approval."

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to adopt the following resolution:

"RESOLUTION APPROVING THE APPLICATION OF THE COUNTY OF CHATHAM FOR THE FINANCING AND REFINANCING OF CERTAIN GOVERNMENTAL FACILITIES THROUGH AN AMENDMENT TO AN INSTALLMENT FINANCING CONTRACT PURSUANT TO G.S. § 160A-20

WHEREAS, under Section 160A-20 of the General Statutes, the County of Chatham, North Carolina (the "*County*") has previously entered into an Installment Financing Contract dated as of January 1, 2013 (the "*2013 Contract*"), between the Chatham County Public Facilities Corporation (the "*Corporation*") and the County; and

WHEREAS, the Corporation previously executed and delivered its Limited Obligation Bonds (County of Chatham, North Carolina), Series 2013, Evidencing Proportionate Undivided Interests in Rights to Receive Certain Revenues under the Contract in the aggregate principal amount of \$15,495,000 (the "*2013 Bonds*"), under the Indenture of Trust dated as of January 1, 2013 (the "*2013 Indenture*") between the Corporation and Regions Bank, as trustee (the "*Trustee*"); and

WHEREAS, the County has determined that it is in the County's best interest to enter into (1) an amendment to the 2013 Contract (the "*First Amendment*" and collectively with the 2013 Contract, the "*Contract*") between the County and Corporation in order to (a) pay the capital costs of the acquisition, equipping and furnishing of improvements to public school facilities and the County's Emergency Operations Center (collectively, the "*2021 Project*"), (b) refinance a portion of the 2013 Bonds and (c) pay certain costs related thereto; and

WHEREAS, the County intends to enter into the First Amendment whereby the Corporation will advance moneys to the County for the purposes outlined herein, subject to its right of nonappropriation and will repay the advancement with interest in installments; and

WHEREAS, the Corporation will enter into a Supplemental Indenture, Number 1 dated as of August 1, 2021 (the "*First Supplement*" and together with the 2013 Indenture, the "*Indenture*") between the Corporation and the Trustee, pursuant to which the Corporation will execute and deliver its Limited Obligation Bonds, Series 2021A (the "*2021A Bonds*") and its Taxable Limited Obligation Refunding Bonds, Series 2021B (the "*2021B Bonds*" and together with the 2021A Bonds, the "*Bonds*"); and

WHEREAS, the Bonds are to be underwritten by BofA Securities, Inc. and PNC Capital Markets LLC (the "*Underwriters*"), and the proceeds from the sale of the Bonds will be remitted by the Underwriters to the County to fund the advances by the Corporation to the County under the First Amendment; and

WHEREAS, the aggregate principal amount of 2021A Bonds shall not exceed \$38,650,000 and the aggregate principal amount of 2021B Bonds shall not exceed \$9,600,000; and

WHEREAS, the maturity of the installment payments with respect to the 2021A Bonds shall not extend beyond 2041 and the maturity of the installment payments with respect to the 2021B Bonds shall not extend beyond 2032; and

WHEREAS, the effective interest rate of the 2021A Bonds shall not exceed 3.06% and the effective interest rate of the 2021B Bonds shall not exceed 3.10%; and

WHEREAS, pursuant to Article 8 of Chapter 159 of the General Statutes, the County and the Corporation have made proper application to the Local Government Commission (the "*Commission*") for approval of the proposed financing; and

WHEREAS, pursuant to Section 159-151 of the General Statutes and upon information and evidence received, the Commission finds and determines that:

- i) the Contract is necessary and expedient for the County;
- ii) the Contract, under the circumstances, is preferable to a bond issue by the County for the same purposes;
- iii) the sums to fall due under the Contract are adequate and not excessive for the Contract's proposed purposes;
- iv) the County's debt management procedures and policies are good;
- v) the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive; and
- vi) the County is not in default in any of its debt service obligations.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the First Amendment, the Bonds and the planned financing are hereby approved under the provisions of Section 160A-20, Article 8 of Chapter 159 of the General Statutes and relevant resolutions of the Commission."

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to approve the following resolution:

"RESOLUTION APPROVING THE FINANCING TEAM FOR CHATHAM COUNTY LIMITED OBLIGATION BONDS, SERIES 2021A AND TAXABLE LIMITED OBLIGATION REFUNDING BONDS, SERIES 2021B

WHEREAS, the County of Chatham, North Carolina (the "*County*") has requested that the North Carolina Local Government Commission approve its selection of the following financing team members for the referenced limited obligation bonds:

Bond Counsel: - Parker Poe Adams & Bernstein LLP
Underwriters: - BofA Securities, Inc. and PNC Capital Markets LLC
Underwriters' Counsel: - Moore & Van Allen PLLC
Financial Advisor: - DEC Associates, Inc.
Trustee/Escrow Agent: - Regions Bank

WHEREAS, based on the information and evidence received by the Local Government Commission, the Local Government Commission is of the opinion that the request by the County and the Corporation should be approved.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the above financing team is hereby approved for the referenced limited obligation bond financing.

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE FINANCING APPLICATION OF THE TOWN OF CRAMERTON, NORTH CAROLINA. THIS FINANCING IS FOR A PROJECT TO REPAIR AND RESURFACE TOWN STREETS PER G.S. §160A-20

WHEREAS, the Town of Cramerton, North Carolina (the “Town”) has determined that it is necessary and expedient because it will make needed street repairs in accordance with a road condition survey and engineer’s recommendations; and

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina, the Town intends to finance the Project through an Installment Purchase Contract (the “Contract”) between Truist Bank (the “Bank”) whereby the Bank shall advance moneys to the Town, and the Town, subject to its right of nonappropriation, shall repay the advance with interest in installments; and

WHEREAS, the principal amount of the Contract shall not exceed \$1,550,000 with annual payments for a term of seven (7) years at an approval rate of 1.44%; and

WHEREAS, pursuant to Article 8, Chapter 159 of the General Statutes of North Carolina, the Town has made proper application to the North Carolina Local Government Commission (the "Commission") for approval of the proposed financing; and

WHEREAS, the Secretary of the Commission has determined that the unit has complied with G.S. 159-148; and

WHEREAS, the Commission, pursuant to G.S. 159-151, upon information and evidence received, finds and determines as follows:

- (i) that the Contract is necessary and expedient for the Town;
- (ii) that the Contract, under the circumstances, is preferable to a bond issue for the same purpose;

- (iii) that the sums to fall due under the Contract are adequate and not excessive for its proposed purpose;
- (iv) that the Town's debt management procedures and policies are good;
- (v) that the Town is not in default in any of its debt service obligations;
- (vi) that the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the Agreement and is hereby approved under the provisions of Section 160A-20, Article 8 of Chapter 159 of the General Statutes of North Carolina and relevant resolutions of the Commission.”

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE CITY OF MONROE FOR THE FINANCING OF CERTAIN GOVERNMENTAL FACILITIES THROUGH AN INSTALLMENT FINANCING CONTRACT PURSUANT TO G.S. § 160A-20

WHEREAS, the City of Monroe, North Carolina (the “City”) has determined that it is in the best interests of the City to enter into an installment financing contract with the Monroe Public Financing Corporation, a North Carolina nonprofit corporation (the “Corporation”), in order to (1) finance the capital costs of construction, equipping and furnishing of a new police headquarters and a new senior center (collectively, the “*Projects*”); and (2) pay the costs related to the execution and delivery of the Contract (as defined below);

WHEREAS, pursuant to Section 160A-20 of the General Statutes of North Carolina (the “General Statutes”), the City intends to finance the Projects through an Installment Financing Contract dated as of August 1, 2021 (the “Contract”) between the City and the Corporation, whereby the Corporation will advance moneys to the City for the purpose of financing the Projects and the City, subject to its right of nonappropriation, will repay the advancement with interest in installments; and

WHEREAS, the Corporation will enter into an Indenture of Trust dated as of August 1, 2021 between the Corporation and U.S. Bank National Association, as trustee (the “Trustee”), pursuant to which the Corporation will execute and deliver its Limited Obligation Bonds, Series 2021 (the “Bonds”); and

WHEREAS, the Bonds are to be underwritten by Wells Fargo Bank, National Association (the “Underwriter”), and the proceeds from the sale of the Bonds will be remitted by the Underwriter to the City to fund the advances by the Corporation to the City under the Contract; and

WHEREAS, the aggregate principal amount of the Bonds shall not exceed \$16,750,000; and

WHEREAS, the maturity of the installment payments under the Contract shall not extend beyond December 31, 2041; and

WHEREAS, the effective interest cost with respect to the Bonds shall not exceed 3.25%; and

WHEREAS, pursuant to Article 8 of Chapter 159 of the General Statutes, the City and the Corporation have made proper application to the Local Government Commission (the "Commission") for approval of the proposed financing; and

WHEREAS, pursuant to Section 159-151 of the General Statutes and upon information and evidence received, the Commission finds and determines that:

- (i) the Contract is necessary and expedient for the City;
- (ii) the Contract, under the circumstances, is preferable to a bond issue by the City for the same purposes;
- (iii) the sums to fall due under the Contract are adequate and not excessive for the Contract's proposed purposes;
- (iv) the City's debt management procedures and policies are good;
- (v) the increase in taxes, if any, necessary to meet the sums to fall due under the Contract will not be excessive; and
- (vi) the City is not in default in any of its debt service obligations.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for approval of the Contract, the Bonds and the planned financing are hereby approved under the provisions of Section 160A-20, Article 8 of Chapter 159 of the General Statutes and relevant resolutions of the Commission."

Auditor Wood seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Bass made a motion to approve the following resolution:

“RESOLUTION APPROVING THE FINANCING TEAM FOR THE CITY OF MONROE’S LIMITED OBLIGATION BONDS, SERIES 2021”

WHEREAS, the City of Monroe, North Carolina (the "City") has requested that the North Carolina Local Government Commission approve its selection of the following financing team members for the above-referenced bonds:

- Special Counsel: - Parker Poe Adams & Bernstein LLP
- Underwriter: - Wells Fargo Bank, National Association
- Underwriter's Counsel: - Womble Bond Dickinson (US) LLP
- Trustee: - U.S. Bank National Association (DTC)
- Financial Advisor: - First Tryon Advisors

WHEREAS, based on the information and evidence received by the Local Government Commission, the Local Government Commission is of the opinion that the request by the City should be approved.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the above-referenced financing team is hereby approved for the execution and delivery of the above-referenced bonds.”

Auditor Wood seconded the motion and the foregoing resolution was adopted by unanimous vote.

Mr. Bass made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF APEX, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED \$42,000,000 GENERAL OBLIGATION BONDS”

WHEREAS, the Town of Apex, North Carolina (the “Town”) has applied to the North Carolina Local Government Commission (the “Commission”) and requested the Commission’s approval of the issuance of not exceeding \$42,000,000 Streets and Sidewalks General Obligation Bonds of the Town; and

WHEREAS, based upon the information and evidence received in connection with such application, it is determined and found by the Commission:

- (i) that said bonds are necessary and expedient;
- (ii) that the proposed amount of said bonds is adequate and not excessive for the proposed purpose thereof;
- (iii) that the debt management procedures and policies of the Town are good and reasonable assurances have been given that its debt will henceforth be managed in strict compliance with law;
- (iv) that the increase in taxes, if any, necessary to service said bonds will not be excessive; and
- (v) that said bonds can be marketed at reasonable rates of interest;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application of the Town of Apex for approval of the issuance of not to exceed \$42,000,000 for the Town of Apex Streets and Sidewalks General Obligation Bonds is hereby approved.

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0. Then, Mr. Bass made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE FINANCING TEAM FOR NOT TO EXCEED \$42,000,000 TOWN OF APEX NORTH CAROLINA GENERAL OBLIGATION BONDS”

WHEREAS, the Town of Apex (the “Town”) has proposed to engage the services of Womble Bond Dickinson (US) LLP as Bond Counsel in connection with the issuance and sale of its General

Obligation Bonds and has requested that the North Carolina Local Government Commission (the "Commission") approves its proposed financing team; and

WHEREAS, based upon the information and evidence received in connection with such request, the Commission is of the opinion that the request of the Town should be approved;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the financing team proposed by the Town is hereby approved.

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to adopt the following resolution:

"RESOLUTION APPROVING THE FINANCING TEAM FOR TOWN OF FAIRMONT, NORTH CAROLINA GENERAL OBLIGATION BOND TO BE ISSUED IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$2,200,000"

WHEREAS, the Town of Fairmont, North Carolina (the "Town") has requested that the North Carolina Local Government Commission (the "Commission") approve their selection of the following financing team members for the upcoming issuance of its General Obligation Refunding Bond, Series 2021 (the "Bond"):

Bond Counsel: McGuireWoods LLP

Purchaser: Truist Bank

Purchaser's Counsel: Pope Flynn, LLC

WHEREAS, based upon the information and evidence received by the Commission, the Commission is of the opinion that the Town's request should be approved;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the above financing team is hereby approved for the issuance of the Bond.

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0. Then, Mr. Bass made a motion to adopt the following resolution:

"RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF FAIRMONT, NORTH CAROLINA FOR THE ISSUANCE OF ITS GENERAL OBLIGATION REFUNDING BOND IN THE PRINCIPAL AMOUNT NOT TO EXCEED \$2,200,000"

WHEREAS, the Town of Fairmont, North Carolina (the "Town") has applied to the North Carolina Local Government Commission (the "Commission"), pursuant to the Local Government Bond Act, as amended, for approval of the issuance by the Town of its General Obligation Refunding Bond, Series 2021 (the "Bond") in the principal amount of not to exceed \$2,200,000 for the purpose of refunding the Town's General Obligation Waste Water Bonds, Series 2002A and 2002B; and

WHEREAS, the Town has furnished to the Commission the Bond Order and a Bond Resolution adopted by the Board of Commissioners of the Town on June 15, 2021, authorizing the Town to issue the Bond and authorizing the form and the terms of the Bond described below; and

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application of the Town of Fairmont, North Carolina for approval of the proposed Bond in a principal amount not to exceed \$2,200,000 for the purposes set forth is hereby approved pursuant to the Local Government Bond Act, as amended.

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to approve the following resolution:

“RESOLUTION APPROVING THE FINANCING TEAM FOR THE CITY OF DURHAM, NORTH CAROLINA UTILITY SYSTEM REVENUE REFUNDING BONDS, SERIES 2021

WHEREAS, the City of Durham, North Carolina (the “City”) has requested that the Local Government Commission of North Carolina (the “Commission”) approve its selection of the following financing team members for the upcoming Utility System Revenue Refunding Bond issue:

Underwriters:	PNC Capital Markets LLC Loop Capital Markets LLC BofA Securities, Inc.
Bond Counsel:	Parker Poe Adams & Bernstein LLP
Underwriters’ Counsel:	McGuireWoods LLP
Disclosure Counsel:	Moore & Van Allen, PLLC
Financial Advisor:	First Tryon Advisors
Feasibility Consultant:	Raftelis Financial Consultants, Inc.
Trustee:	U.S. Bank National Association

WHEREAS, based upon the information and evidence received by the Commission, it is the opinion of the Commission that the City’s request should be approved.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above-referenced financing team is hereby approved for the City’s upcoming Utility System Revenue Refunding Bonds, Series 2021.

Auditor Wood seconded the motion and the foregoing resolution was adopted by unanimous vote 9-0.

Mr. Bass made a motion to approve the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE CITY OF DURHAM, NORTH CAROLINA FOR THE ISSUANCE OF NOT TO EXCEED \$263,000,000 UTILITY SYSTEM REVENUE REFUNDING BONDS

WHEREAS, the City of Durham, North Carolina (the “City”) has applied to the Local Government Commission of North Carolina (the “Commission”), pursuant to the State and Local Government Revenue Bond Act, as amended, for approval of the issuance of not to exceed \$263,000,000 aggregate principal amount of Utility System Revenue Refunding Bonds, Series 2021 (the “Bonds”) of the City of Durham, North Carolina to (1) refund the City’s Utility System Revenue Bond Anticipation Note, Series 2019 (the “2019 Note”), the proceeds of which were used to finance the costs of extensions, additions, and capital improvements to, or the acquisition, renewal or replacement of capital assets of, or purchasing and installing new equipment for the Utility System in accordance with the City’s adopted capital improvement plan for the fiscal years ending June 30, 2019 through June 30, 2024, and (2) pay the costs of issuing the Bonds;

WHEREAS, the City has furnished to the Commission the forms of the following:

(1) a Bond Order adopted by the City Council of the City (the “*City Council*”) on December 5, 1994, as amended and restated by (a) the Amended and Restated Bond Order adopted by the City Council on May 16, 2011, (b) a Supplemental Resolution adopted by the City Council on August 1, 2016, and (c) the Amended and Restated Bond Order adopted by the City Council on June 3, 2019

(2) a Series Resolution adopted by the City Council on June 21, 2021 authorizing the issuance of the Bonds in an amount not to exceed \$263,000,000 to provide funds for the purposes described above;

(3) a Preliminary Official Statement with respect to the Bonds; and

(4) a Bond Purchase Agreement (the “*Purchase Agreement*”) among the Commission, the City and PNC Capital Markets LLC, on its own behalf and as representative of BofA Securities, Inc. and Loop Capital Markets LLC (collectively, the “*Underwriters*”), pursuant to which the Commission will sell the Bonds on behalf of the City to the Underwriters in accordance with the terms and conditions set forth therein.

WHEREAS, based upon the information and evidence received in connection with such application, the Commission hereby determines and finds as follows:

- (i) the proposed revenue bond issue is necessary and expedient;
- (ii) the amount proposed is adequate and not excessive for the proposed purpose of the issue;
- (iii) the proposed refunding of the 2019 Note is feasible;
- (iv) the City’s debt management procedures and policies are good; and
- (v) the proposed revenue bonds can be marketed at reasonable interest cost to the City.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application of the City for approval of the proposed Bonds in an amount not to exceed \$263,000,000 for the purposes set forth is hereby approved pursuant to the State and Local Government Revenue Bond Act, as amended.”

Auditor Wood seconded the motion and the foregoing resolution was adopted by unanimous vote of 9-0..

Mr. Bass made a motion to approve the following resolution:

“RESOLUTION CONCERNING THE PRIVATE SALE OF THE CITY OF DURHAM, NORTH CAROLINA UTILITY SYSTEM REVENUE REFUNDING BONDS

WHEREAS, Article 7 of Chapter 159 of the General Statutes of North Carolina, as amended, authorizes the Local Government Commission of North Carolina (the “*Commission*”) to sell revenue bonds at private sale without advertisement to any purchasers thereof at such prices as the Commission determines to be in the best interest of the issuing unit, subject to the approval of the governing board of the issuing unit; and

WHEREAS, the City of Durham, North Carolina (the “City”) has applied to the Commission, pursuant to the State and Local Government Revenue Bond Act, as amended, for approval of the issuance of not to exceed \$263,000,000 aggregate principal amount of Utility System Revenue Refunding Bonds, Series 2021 (the “Bonds”) of the City of Durham, North Carolina, to (1) refund the City’s Utility System Revenue Bond Anticipation Note, Series 2019 (the “2019 Note”), the proceeds of which were used to finance the costs of extensions, additions, and capital improvements to, or the acquisition, renewal or replacement of capital assets of, or purchasing and installing new equipment for the Utility System in accordance with the City’s adopted capital improvement plan for the fiscal years ending June 30, 2019 through June 30, 2024, and (2) pay the costs of issuing the Bonds;

WHEREAS, PNC Capital Markets LLC, on its own behalf and as representative of BofA Securities, Inc. and Loop Capital Markets LLC (collectively, the “Underwriters”), has offered to purchase the Bonds from the Commission on the terms and conditions set forth below and in the form of the Bond Purchase Agreement to be dated on or about July 28, 2021 (the “Purchase Agreement”) among the Commission, the City and the Underwriters;

WHEREAS, the Commission has received a copy of a Preliminary Official Statement with respect to the Bonds (the “Official Statement”);

WHEREAS, the City has requested the Commission to sell the Bonds at private sale without advertisement in accordance with Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina;

WHEREAS, the Commission desires to approve the request of the City that it sell the Bonds at private sale without advertisement; and

WHEREAS, the Commission desires to accept the offer of the Underwriters to purchase the Bonds substantially in the form of the Purchase Agreement and upon the terms and conditions set forth below;

NOW, THEREFORE, BE IT RESOLVED by the Commission:

Section 1. The sale of the Bonds to the Underwriters at private sale without advertisement pursuant to the executed Purchase Agreement and a Series Resolution adopted by the City Council of the City on June 21, 2021 authorizing the issuance of the Bonds (the “Series Resolution”) is hereby approved, such sale being subject to the approval of the Designated Assistant (as defined below) and satisfaction of the conditions set forth below.

Section 2. The aggregate principal amount of the Bonds will not exceed \$263,000,000. The purchase price for the Bonds will be approved by the Designated Assistant on the date of the sale of the Bonds and set forth in the Purchase Agreement.

Section 3. The Bonds will bear interest at an effective interest cost not to exceed 4.00%, as determined by the Commission.

Section 4. No maturity of the Bonds will exceed August 1, 2051.

Section 5. The Commission hereby determines that the sale of the Bonds in the manner and for the price as provided in this resolution is in the best interest of the City, provided that such sale is approved by the City.

Section 6. The Secretary of the Commission, or any Deputy Secretary is hereby appointed the “Designated Assistant” for the purpose of this resolution, and the Designated Assistant is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Purchase Agreement, including details of the Bonds, as shall be satisfactory to him or her, to approve the forms of other documents relating to the Bonds, to execute and deliver the Purchase Agreement and such other documents on behalf of the Commission and to provide for the execution and delivery of the Bonds in accordance with the Bond Order, the Series Resolution and the Purchase Agreement.

Section 7. The Official Statement relating to the Bonds, substantially in the form furnished to the Commission, with such insertions and changes therein as may be approved by the Designated Assistant, and the use thereof in connection with the public offering and sale of the

Bonds, is hereby approved and authorized. The Designated Assistant is hereby authorized and directed to deliver on behalf of the Commission the final Official Statement in such form.

Section 8. This Resolution is effective immediately on its passage.”

Auditor Wood seconded the motion and the foregoing resolution was adopted by unanimous vote of 9-

0.

Mr. Bass made a motion to approve the following action:

**RESOLUTION APPROVING HOUSING AUTHORITY OF THE CITY OF DURHAM
MULTIFAMILY HOUSING REVENUE BONDS (JJ HENDERSON SENIORS),
SERIES 2021A AND SERIES 2021B IN AN AGGREGATE PRINCIPAL AMOUNT UP
TO \$9,000,000 (THE “BONDS”) AND THE FINANCING TEAM THEREFOR**

WHEREAS, the Housing Authority for the City of Durham, North Carolina (the “Authority”) has decided to issue its Multifamily Housing Revenue Bonds (JJ Henderson Seniors), Series 2021A (the “2021A Bonds”) and its Multifamily Housing Revenue Bonds (JJ Henderson Seniors), Series 2021B (the “2021B Bonds,” and together with the 2021A Bonds, the “Bonds”) to finance the ground leasing, construction and equipping by JJ Henderson Seniors, LLC, a North Carolina limited liability company or a related or affiliated entity (the “Borrower”), of a low income multifamily residential rental facility to be known as JJ Henderson Seniors, consisting of 80 units, in the City of Durham, North Carolina (the “Development”); and

WHEREAS, in order to finance the Development, the Authority proposes to issue the Bonds in an aggregate principal amount of not to exceed \$9,000,000, pursuant to the Housing Authorities Law, Article 1 of Chapter 157 of the North Carolina General Statutes, as amended (the “Act”); and

WHEREAS, the Bonds have to be approved by the North Carolina Local Government Commission (the “Commission”), for which approval the Commission may consider the criteria set forth in North Carolina General Statutes Section 159-153, and the Authority has applied to the Commission for such approval; and

WHEREAS, based upon the information and evidence received in connection with such application, including resolutions adopted by the Board of Commissioners of the Authority on March 24, 2021, it is hereby determined and found by the Commission:

- (a) that such proposed bond issue is necessary or expedient;
- (b) that the proposed amount of the bond issue is adequate and not excessive for the proposed purposes thereof;
- (c) that the Borrower has demonstrated that it is financially responsible and capable of fulfilling its obligations with respect to the Bonds and the Development;
- (d) that the Authority’s debt management procedures and policies are good and that it is not in material default with respect to any of its debt service obligations; and
- (e) the proposed date and manner of sale of the Bonds will not have an adverse effect upon any scheduled or anticipated sale of any obligations by the State of North Carolina or any political subdivision thereof or any agency of either of them; and

WHEREAS, the Authority has requested that the Commission approve its selection of the following financing team members for the upcoming issuance of the Bonds:

Bond Counsel:	McGuireWoods LLP
Issuer's Counsel:	The Banks Law Firm, P.A.
Borrower:	JJ Henderson Seniors, LLC
Borrower's Counsel:	Blanco Tackabery & Matamoros, P.A.
Developers:	Laurel Street Residential, LLC Development Ventures Incorporated
Purchaser:	Cedar Rapids Bank and Trust Company
Purchaser's Counsel:	Winthrop & Weinstine, P.A.
Tax Credit Investor:	Red Stone Equity Partners, LLC
Investor's Counsel:	Applegate & Thorne-Thomsen, P.C.

WHEREAS, based upon the information and evidence received by the Commission, it is the opinion of the Commission that the request by the Authority be approved; and

WHEREAS, there have been presented to the Commission forms of the following documents (the "Documents") to be used in connection with the issuance of the Bonds:

(a) Bond Financing Agreement, among the Authority, the Borrower and Cedar Rapids Bank and Trust Company, as purchaser, providing for the issuance of the Bonds, together with the form of the Bonds and the form of the promissory note of the Borrower attached thereto; and

(b) Regulatory Agreement and Declaration of Restrictive Covenants, from the Borrower for the benefit of the Authority.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission:

Section 1. The sale of the Bonds pursuant to the Documents in substantially the forms furnished to the Commission is hereby approved, such sale being subject to the satisfaction of the conditions set forth in the Documents and herein.

Section 2. It is hereby determined, with the approval of the Authority and the Borrower that the Bonds shall be issued in an aggregate principal amount not to exceed \$9,000,000, shall initially bear interest at a tax-exempt rate, such rate not to exceed 12.0% per annum, and shall have a final maturity not later than December 31, 2061.

Section 3. The Secretary of the Commission, or any Deputy Secretary, is hereby appointed the designated representative of the Commission for the purposes of this resolution and such designated representative is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Documents, including details of the Bonds, as shall be satisfactory to him or her, and to approve the forms of other documents relating to the Bonds.

Section 4. The financing team set forth above is hereby approved.

Section 5. This resolution shall be effective immediately upon its passage.

Auditor Wood seconded the motion and the foregoing resolution was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE FINANCING TEAM FOR THE TOWN OF FUQUAY-VARINA, NORTH CAROLINA COMBINED UTILITIES REVENUE BOND, SERIES 2021

WHEREAS, the Town of Fuquay-Varina, North Carolina (the “*Town*”) has requested that the Local Government Commission of North Carolina (the “*Commission*”) approve its selection of the following financing team members for the issuance of the Town’s Combined Utilities Revenue Bond:

Lender:	Fidelity Bank
Bond Counsel:	Sanford Holshouser LLP
Lenders’ Counsel:	Ward and Smith, PA
Financial Advisor	Davenport and
Company, Inc. Trustee/Registrar/Escrow Agent	U.S.
Bank National Association	

WHEREAS, based upon the information and evidence received by the Commission, it is the opinion of the Commission that the Town’s request should be approved.

NOW, THEREFORE, BE IT RESOLVED by the Commission the above-referenced financing team is hereby approved for the Town’s upcoming Combined Utility Revenue Bond issue.

Auditor Wood seconded the motion and the foregoing resolution was adopted by unanimous vote of 9-0..

Mr. Bass made a motion to approve the following resolution:

“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF FUQUAY-VARINA, NORTH CAROLINA FOR THE ISSUANCE OF A COMBINED UTILITIES REVENUE BOND

WHEREAS, the Town of Fuquay-Varina, North Carolina (the “*Town*”) has applied to the Local Government Commission of North Carolina (the “*Commission*”), pursuant to the State and Local Government Revenue Bond Act, as amended, for approval of the issuance of not to exceed \$17,400,000 aggregate principal amount of a tax-exempt Combined Utilities Revenue Bond, Series 2021 (the “*2021 Bond*”) of the Town of Fuquay-Varina, North Carolina, for the purpose of providing funds to (1) refund the Town’s 2007 DEQ Sanitary Sewer Loan (the “*2007 Loan*”), 2010 General Obligation Water and Sewer Bonds (the “*2010 Bonds*”), the 2013 Installment Purchase Contract (the “*2013 Contract*”) , and the 2016 Combined Enterprise System Revenue Bond (the “*2016 Bond*”), the proceeds of which were used to finance the costs of various improvements to the Town’s enterprise systems and (2) pay the costs of issuing the 2021 Bond (as defined below) ;

WHEREAS, the Town has furnished to the Commission the forms of the following:

(a) Bond Order and Series Resolution adopted by the Town Council of the Town (the "*Town Council*") on June 22, 2021 authorizing the issuance of the 2021 Bond in an amount not to exceed \$17,400,000 to provide funds to refund the 2007 Loan, the 2010 Bonds, the 2013 Contract and the 2016 Bonds, together the "Refunded Obligations", and to pay the costs of issuing the 2021 Bond and authorizing the form and the terms of each of the documents set forth below;

(b) the Second Supplemental Trust Agreement dated as of July 1, 2021 (the "*Second Supplemental*") between the Town and U.S. Bank National Association, as trustee (the "*Trustee*");

WHEREAS, based upon the information and evidence received in connection with such application, it is hereby determined and found by the Commission:

- (i) the proposed revenue bond issue is necessary and expedient;
- (ii) the amount proposed is adequate and not excessive for the proposed purpose of the issuance;
- (iii) the proposed refundings of the Refunded Obligations are feasible;
- (iv) the Town's debt management procedures and policies are good; and
- (v) the proposed tax-exempt revenue bond can be marketed at a reasonable interest cost to the Town.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the application of the Town for approval of the proposed 2021 Bond in an amount not to exceed \$17,400,000 for the purposes set forth is hereby approved pursuant to the State and Local Government Revenue Bond Act, as amended."

Auditor Wood seconded the motion and the foregoing resolution was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to approve the following resolution:

"RESOLUTION CONCERNING THE PRIVATE SALE OF THE TOWN OF FUQUAY-VARINA, NORTH CAROLINA COMBINED UTILITIES REVENUE BOND

WHEREAS, the Town of Fuquay-Varina, North Carolina (the “*Town*”) has applied to the Local Government Commission of North Carolina (the “*Commission*”), pursuant to the State and Local Government Revenue Bond Act, as amended, for approval of the issuance of not to exceed \$17,400,000 aggregate principal amount of a Combined Utilities Revenue Bond, Series 2021 (the “*2021 Bond*”) of the Town, for the purpose of providing funds to (1) refund the Town’s 2007 DEQ Sanitary Sewer Loan (the “*2007 Loan*”), 2010 General Obligation Water and Sewer Bonds (the “*2010 Bonds*”), the 2013 Installment Purchase Contract (the “*2013 Contract*”) , and the 2016 Combined Enterprise System Revenue Bond (the “*2016 Bond*”), the proceeds of which were used to finance the costs of various improvements to the Town’s enterprise systems and (2) pay the costs of issuing the 2021 Bond (as defined below) (as defined below);

WHEREAS, Fidelity Bank (the “*Lender*”) has offered to purchase the 2021 Bond from the Commission upon the terms and conditions set forth below and in the form of the Bond to be dated on or about July 1, 2021 (the “*Bond*”) among the Commission, the Town and the Lender;

WHEREAS, the Town has requested the Commission to sell the 2021 Bond at private sale without advertisement in accordance with Article 7, as amended, of Chapter 159 of the General Statutes of North Carolina;

WHEREAS, the Commission desires to approve the request of the Town that it sell the 2021 Bond at private sale without advertisement;

WHEREAS, the Commission desires to accept the offer of the Lender to purchase the 2021 Bond substantially in the form of the Second Supplemental (as defined below) and upon the terms and conditions set forth below; and

NOW, THEREFORE, BE IT RESOLVED by the Commission:

Section 1. The sale of the 2021 Bond to the Lender at private sale without advertisement pursuant to the Second Supplemental Trust Agreement dated as of July 1, 2021 (the “*Second Supplemental*”) between the Town and U.S. Bank National Association, as trustee, substantially in the form furnished to the Commission is hereby approved, such sale being subject to the approval of the Secretary of the Commission or a designated assistant of the Commission (the “*Designated Assistant*”) and satisfaction of the conditions set forth below.

Section 2. The aggregate principal amount of the 2021 Bond shall not exceed an aggregate principal amount of \$17,400,000. The purchase price for the 2021 Bond shall be approved by the Designated Assistant on the date of the sale of the 2021 Bond.

Section 3. The 2021 Bond shall bear interest at an effective interest cost not to exceed 2.20%, as determined by the Commission.

Section 4. No maturity of the 2021 Bond will exceed 2041.

Section 5. The Commission hereby determines that the sale of the 2021 Bond the manner and for the price as provided in this resolution is in the best interest of the Town, provided that such sale shall be approved by the Town.

Section 6. The Secretary of the Commission, or any Deputy Secretary is hereby appointed the Designated Assistant of the Commission for the purpose of this resolution, and the Designated Assistant is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Bond including details of the 2021 Bond, as shall be satisfactory to him or her, to approve the forms of other documents relating to the 2021 Bond, and to provide for the execution and delivery of the 2021 Bond in accordance with the Bond Order, the Series Resolution and the Second Supplemental.

Section 7. This Resolution shall be effective immediately upon its passage.”

Auditor Wood seconded the motion and the foregoing resolution was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to approve the following action:

RESOLUTION APPROVING HOUSING AUTHORITY OF THE CITY OF HIGH POINT MULTIFAMILY HOUSING REVENUE BONDS (LEGACY RIDGE), SERIES 2021 IN AN AMOUNT UP TO \$11,000,000 (THE “BONDS”) AND THE FINANCING TEAM THEREFOR

WHEREAS, the Housing Authority for the City of High Point, North Carolina (the “Authority”) has decided to issue its Multifamily Housing Revenue Bonds (Legacy Ridge), Series 2021 (the “Bonds”) to finance the ground leasing, construction and equipping by Daniel Brooks Phase I, LLC, a North Carolina limited liability company or a related or affiliated entity (the “Borrower”), of a low income multifamily residential rental facility to be known as Legacy Ridge, consisting of 100 units, in the City of High Point, North Carolina (the “Development”); and

WHEREAS, in order to finance the Development, the Authority proposes to issue the Bonds in an aggregate principal amount of not to exceed \$11,000,000, pursuant to the Housing Authorities Law, Article 1 of Chapter 157 of the North Carolina General Statutes, as amended (the “Act”); and

WHEREAS, the Bonds have to be approved by the North Carolina Local Government Commission (the “Commission”), for which approval the Commission may consider the criteria set forth in North Carolina General Statutes Section 159-153, and the Authority has applied to the Commission for such approval; and

WHEREAS, based upon the information and evidence received in connection with such application, including resolutions adopted by the Board of Commissioners of the Authority on June 9, 2021, it is hereby determined and found by the Commission:

- (a) that such proposed bond issue is necessary or expedient;
- (b) that the proposed amount of the bond issue is adequate and not excessive for the proposed purposes thereof;
- (c) that the Borrower has demonstrated that it is financially responsible and capable of fulfilling its obligations with respect to the Bonds and the Development;

(d) that the Authority's debt management procedures and policies are good and that it is not in material default with respect to any of its debt service obligations; and

(e) the proposed date and manner of sale of the Bonds will not have an adverse effect upon any scheduled or anticipated sale of any obligations by the State of North Carolina or any political subdivision thereof or any agency of either of them; and

WHEREAS, the Authority has requested that the Commission approve its selection of the following financing team members for the upcoming issuance of the Bonds:

Bond Counsel:	McGuireWoods LLP
Issuer's Counsel:	Blanco Tackabery & Matamoros, P.A.
Borrower:	Daniel Brooks Phase I, LLC
Borrower's Counsel:	Blanco Tackabery & Matamoros, P.A.
Developers:	Laurel Street Residential, LLC
Purchaser:	Cedar Rapids Bank and Trust Company
Purchaser's Counsel:	Winthrop & Weinstine, P.A.
Tax Credit Investor:	Red Stone Equity-Fund 84 Limited Partnership
Investor's Counsel:	Applegate & Thorne-Thomsen, P.C.

WHEREAS, based upon the information and evidence received by the Commission, it is the opinion of the Commission that the request by the Authority be approved; and

WHEREAS, there have been presented to the Commission forms of the following documents (the "Documents") to be used in connection with the issuance of the Bonds:

(a) Bond Financing Agreement, among the Authority, the Borrower and Cedar Rapids Bank and Trust Company, as purchaser, providing for the issuance of the Bonds, together with the form of the Bonds and the form of the promissory note of the Borrower attached thereto; and

(b) Regulatory Agreement and Declaration of Restrictive Covenants, from the Borrower for the benefit of the Authority.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission:

Section 1. The sale of the Bonds pursuant to the Documents in substantially the forms furnished to the Commission is hereby approved, such sale being subject to the satisfaction of the conditions set forth in the Documents and herein.

Section 2. It is hereby determined, with the approval of the Authority and the Borrower that the Bonds shall be issued in an aggregate principal amount not to exceed

\$11,000,000, shall initially bear interest at a tax-exempt rate, such rate not to exceed 12.0% per annum, and shall have a final maturity not later than December 31, 2061.

Section 3. The Secretary of the Commission, or any Deputy Secretary, is hereby appointed the designated representative of the Commission for the purposes of this resolution and such designated representative is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Documents, including details of the Bonds, as shall be satisfactory to him or her, and to approve the forms of other documents relating to the Bonds.

Section 4. The financing team set forth above is hereby approved.

Section 5. This resolution shall be effective immediately upon its passage.

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to adopt the following resolution:

RESOLUTION CONCERNING THE SALE OF MULTIFAMILY HOUSING REVENUE BONDS OF THE NORTH CAROLINA HOUSING FINANCE AGENCY IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$8,000,000

BE IT RESOLVED by the Local Government Commission of North Carolina (the "Commission"):

Section 1. The Commission does hereby find and determine that the North Carolina Housing Finance Agency (the "Agency") has advised the Commission that it desires to issue revenue bonds for the purpose of (a) financing the acquisition, construction, improvement, equipping and furnishing of a multifamily residential project consisting of approximately 70 units located at 2228 Kay Drive in Smithfield, North Carolina and (b) paying certain fees and expenses incurred in connection with the issuance and sale of the Bonds (hereinafter defined). The facilities to be financed with the proceeds of the Bonds are to be owned by Johnson Court Housing Partners, LP (the "Borrower") and managed by Vitus Development IV, LLC, Seattle, Washington, or an affiliate thereof.

Section 2. In connection with the authorization and issuance of the Bonds as hereinafter provided, the Agency has furnished to the Commission on the date hereof the following documents.

(1) Trust Indenture (the "Indenture"), between the Agency and The Bank of New York Mellon Trust Company, N.A., as trustee (the "Trustee"), providing for the issuance of the "Multifamily Housing Revenue Bonds (Johnson Court Housing Partners, LP), Series 2021" (the "Bonds"), including the form of the Bonds attached thereto;

(2) Loan Agreement, between the Agency and the Borrower, including the form of the Note to be executed by the Borrower, with respect to the Bonds;

(3) Bond Purchase Agreement (the "Bond Purchase Agreement"), among Colliers Securities LLC (the "Underwriter"), the Agency, the Commission and the Borrower, relating to the Bonds;

(4) Remarketing Agreement (the “Remarketing Agreement”), among the Agency, Collier Securities LLC, as remarketing agent, and the Borrower;

(5) Preliminary Official Statement of the Agency, to be used by the Underwriter in connection with the underwriting and offering of the Bonds; and

(6) Land Use Restriction Agreement, among the Agency, the Borrower and the Trustee, relating to the Bonds.

Section 3. The Agency has requested approval of its selection of the following financing team members for the upcoming issuance of the Bonds:

Bond Counsel:	Womble Bond Dickinson (US) LLP
Trustee/Paying Agent:	The Bank of New York Mellon Trust Company, N.A.
Underwriter/Remarketing Agent:	Colliers Securities LLC
Underwriter’s Counsel:	Norris George & Ostrow PLLC
Financial Advisor:	Caine Mitter & Associates Incorporated
Borrower’s Counsel:	Winthrop & Weinstine, P.A.
Trustee’s Counsel:	Moore & Van Allen PLLC

Section 4. The sale of the Bonds in an aggregate principal amount not to exceed \$8,000,000 at a private sale pursuant to the executed Bond Purchase Agreement, which shall reflect the issuance of the Bonds herein approved is hereby approved.

Section 5. The purchase price for the Bonds shall not be less than 98% of the aggregate principal amount of the Bonds, plus accrued interest, if any, to the date of delivery of the Bonds, or such greater price as may be set forth in the Bond Purchase Agreement.

Section 6. The Bonds shall mature no later than forty-eight months after the issuance date of the Bonds, and shall be in the principal amounts and bear interest at the rate or rates from the date thereof, all as may be set forth in the Bond Purchase Agreement and Indenture, provided that the Bonds shall initially bear interest at a fixed rate, such fixed rate not to exceed 2.00% per annum.

Section 7. The Commission does hereby determine that the sale of the Bonds in the manner and for the prices as provided in this resolution is in the best interest of the Agency and best effectuates the purposes of Chapter 122A of the General Statutes of North Carolina, as amended.

Section 8. The Secretary of the Commission shall have the power to appoint such Designated Assistants for the purposes of this resolution as the Secretary shall deem necessary in order to carry out the purposes of this resolution.

Section 9. The issuance of the Bonds is hereby approved subject to the terms and conditions set forth in this resolution.

Section 10. This resolution shall be effective immediately upon its passage.

Upon motion of Mr. Bass seconded by Auditor Wood, the foregoing resolution entitled “RESOLUTION CONCERNING THE SALE OF MULTIFAMILY HOUSING REVENUE BONDS OF THE NORTH CAROLINA HOUSING FINANCE AGENCY IN AN AGGREGATE PRINCIPAL AMOUNT OF NOT EXCEEDING \$8,000,000” was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to approve the following resolution:

“RESOLUTION APPROVING THE FINANCING TEAM FOR THE NORTH CAROLINA MEDICAL CARE COMMISSION RETIREMENT FACILITIES FIRST MORTGAGE REVENUE BONDS (ARBOR ACRES UNITED METHODIST RETIREMENT COMMUNITY PROJECT), SERIES 2021A.

WHEREAS, the North Carolina Medical Care Commission (the “Medical Care Commission”) has requested that the North Carolina Local Government Commission (the “Commission”) approve their selection of the following financing team members for the upcoming Arbor Acres United Methodist Retirement Community, Inc. bond issue:

Bond Counsel:	Robinson, Bradshaw & Hinson, P.A.
Purchaser:	BB&T Community Holdings Co.
Purchaser Counsel:	Moore & Van Allen, PLLC
Borrower’s Counsel:	Womble Bond Dickinson (US), LLP
Bond Trustee/Master Trustee:	Truist Bank
Placement Agent:	B.C. Ziegler & Company
Auditor:	Dixon Hughes Goodman LLP
Financial Advisor:	Ascension Capital Enterprises, LLC
Swap Advisor:	KPM Financial, LLC

WHEREAS, based upon the information and evidence received by the Commission, it is the opinion of the Commission that the request by the Medical Care Commission should be approved.

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission (the “Commission”):

Section 1. The above financing team is hereby approved for the North Carolina Medical Care Commission’s proposed Retirement Facilities First Mortgage Revenue Bonds (Arbor Acres United Methodist Retirement Community Project), Series 2021A.

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to approve the following resolution:

“RESOLUTION APPROVING THE ISSUANCE AND SALE OF THE NORTH CAROLINA MEDICAL CARE COMMISSION RETIREMENT FACILITIES FIRST MORTGAGE REVENUE BONDS (ARBOR ACRES UNITED METHODIST RETIREMENT COMMUNITY PROJECT), SERIES 2021A, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$65,000,000

WHEREAS, the North Carolina Medical Care Commission (the “Medical Care Commission”), pursuant to the provisions of the Health Care Facilities Finance Act, the same being Chapter 131A of the General Statutes of North Carolina, as amended, proposes to authorize the issuance of its Retirement Facilities First Mortgage Revenue Bonds (Arbor Acres United Methodist Retirement Community Project), Series 2021A (the “Bonds”), to be issued pursuant to a trust agreement, to be dated as of July 1, 2021 or any date thereafter (the “Trust Agreement”), by and between the Medical Care Commission and Truist Bank, as bond trustee, in an aggregate principal amount not to exceed \$65,000,000 for the purpose of providing funds to Arbor Acres United Methodist Retirement Community, Inc. (the “Corporation”) to be used to (1) finance the expansion and renovation of the Corporation’s continuing care retirement center located at 1240 Arbor Road, Winston-Salem, North Carolina (the “Community”), including, but not limited to, constructing and equipping approximately 56 new independent living apartments in multiple buildings with enclosed parking for such buildings and other related improvements (the “2021 Project”); (2) refund certain taxable indebtedness that was used to pay a portion of costs of the 2021 Project and the renovation and expansion of the Community’s skilled nursing and memory care facilities and independent living common spaces, including dining facilities (the “Prior Project,” and together with the 2021 Project, the “Project”); (3) pay interest accruing on the new money portion of the Bonds during the construction of the 2021 Project; and (4) pay certain expenses incurred in connection with the authorization and issuance of the Bonds by the Medical Care Commission.; and

WHEREAS, there has been submitted at this meeting a form of Contract of Purchase, to be dated on or about July 21, 2021 (the “Purchase Agreement”), between the Local Government Commission of North Carolina (the “Commission”) and BB&T Community Holdings Co. (the “Purchaser”) and approved by the Medical Care Commission and the Corporation, pursuant to which the Purchaser will purchase the Bonds; and

WHEREAS, in addition to the Purchase Agreement and the Trust Agreement, there has been furnished to the Commission copies of the following documents:

(a) a Loan Agreement, dated as of July 1, 2021 (the “Loan Agreement”), between the Medical Care Commission and the Corporation;

(b) a Supplemental Indenture for Obligation No. 13, dated as of July 1, 2021 (“Supplement No. 13”), between the Corporation and Truist Bank, as master trustee (in such capacity, the “Master Trustee”) under the Master Trust Indenture, dated as of March 1, 2002 (as amended and supplemented, the “Master Indenture”), between the Corporation and the Master Trustee (formerly known as Branch Banking and Trust Company);

(c) Obligation No. 13, to be dated the date of delivery of the Bonds (“Obligation No. 13”), from the Corporation to the Medical Care Commission;

(d) a Supplemental Indenture for Obligation No. 14, dated as of July 1, 2021 (“Supplement No. 14” and together with Supplement No. 13, the “Supplemental Indentures”), between the Corporation and the Master Trustee;

(e) Obligation No. 14, to be dated the date of delivery of the Bonds (“Obligation No. 14” and together with Obligation No. 13, the “Obligations”), from the Corporation to the Purchaser;

(f) Seventh Amendment to Deed of Trust, dated as of July 1, 2021 (the “Seventh Amendment to Deed of Trust”), between the Corporation and the Master Trustee, amending and supplementing the Deed of Trust, dated as of March 1, 2002, from the Corporation to the deed of trust trustee named therein for the benefit of the Master Trustee; and

(g) a Continuing Covenants Agreement, dated as of July 1, 2021 (the “Covenant Agreement”), between the Corporation and the Purchaser, all as part of the application from the Medical Care Commission to the Commission requesting approval of the proposed issuance; and

WHEREAS, the Commission has found and determined based upon the information and evidence it has received, that the proposed financing will effectuate the purposes of Chapter 131A of the General Statutes of North Carolina as amended;

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission:

Section 1. The issuance of the Bonds by the Medical Care Commission as provided in the Trust Agreement is hereby approved.

Section 2. The Bonds are hereby awarded to the Purchaser pursuant to the provisions of Section 131A-11 of the General Statutes of North Carolina, as amended, and in accordance with the Purchase Agreement, subject to the approval of the Medical Care Commission and the Corporation. The Commission hereby determines that such award and sale of the Bonds at 100% of the principal amount thereof and a principal amount not to exceed \$65,000,000 are in the best interests of the Medical Care Commission and the Corporation. The Bonds shall bear interest at an initial interest rate not to exceed 6.0% per annum and thereafter at rates determined in accordance with the Trust Agreement and shall have a final maturity not later than January 1, 2052.

Section 3. The Bonds shall be issued in accordance with and pursuant to the terms and conditions of the Trust Agreement and the Purchase Agreement. Subject to the limitations in Section 2 of this resolution, the Purchase Agreement is hereby approved, and the Secretary or any Deputy Secretary of the Commission is hereby appointed the Designated Assistant of the Commission for the purpose of this resolution, and the Designated Assistant is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Purchase Agreement, including details of the Bonds, as shall be satisfactory to him or her, to approve the forms of other documents relating to the Bonds, and to execute and deliver the Purchase Agreement and such other documents on behalf of the Commission.

Section 4. This resolution shall take effect immediately upon its passage.”

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to adopt the following resolution:

RESOLUTION APPROVING THE FINANCING TEAM FOR THE TAXABLE NORTH CAROLINA MEDICAL CARE COMMISSION RETIREMENT FACILITIES REVENUE REFUNDING BONDS (ALDERSGATE), SERIES 2021A (THE “TAXABLE BONDS”), THE TAX-EXEMPT NORTH CAROLINA MEDICAL CARE COMMISSION RETIREMENT FACILITIES REVENUE REFUNDING BONDS (ALDERSGATE), SERIES 2021B (THE “2021B BONDS”), AND A SUBSEQUENT SERIES OF FUTURE TAX-EXEMPT BONDS ENTITLED THE TAX-EXEMPT NORTH CAROLINA MEDICAL CARE COMMISSION RETIREMENT FACILITIES REVENUE REFUNDING BONDS (ALDERSGATE), SERIES 20__ (THE “FUTURE TAX-EXEMPT BONDS”) TO REFUND THE TAXABLE BONDS

WHEREAS, the North Carolina Medical Care Commission (the “Medical Care Commission”) has requested that the Local Government Commission of North Carolina (the “Commission”) approve the following financing team members for the upcoming issuance by the Medical Care Commission of its Taxable Bonds, 2021B Bonds, and Future Tax-Exempt Bonds (collectively, the “Bonds”):

Bond Counsel:	Parker Poe Adams & Bernstein LLP
Banks:	Truist Bank and STI Institutional & Government, Inc.
Banks’ Counsel:	Moore & Van Allen, PLLC
Borrower’s Counsel:	Parker Poe Adams & Bernstein LLP
Bond Trustee/Master Trustee/ Escrow Agent:	The Bank of New York Mellon Trust Company, N.A.
Trustee’s Counsel:	Nexsen Pruet, LLC
Financial Advisor:	Pearl Creek Advisors, LLC
Verification Agent:	Causey Demgen & Moore P.C.
Placement Agent:	HJ Sims & Co. Inc.
Swap Advisor:	KPM Financial, LLC

WHEREAS, based upon the information and evidence received by the Commission, it is of the opinion of the Commission that the request by the Medical Care Commission should be approved.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above financing team is hereby approved for the Bonds.

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to approve the following resolution:

RESOLUTION APPROVING THE ISSUANCE OF, AND AWARDING TO THE PURCHASERS OF, THE TAXABLE NORTH CAROLINA MEDICAL CARE COMMISSION RETIREMENT FACILITIES REVENUE REFUNDING BONDS (ALDERSGATE), SERIES 2021A (THE “TAXABLE BONDS”) IN AN AGGREGATE

PRINCIPAL AMOUNT NOT TO EXCEED \$31,500,000, THE TAX-EXEMPT NORTH CAROLINA MEDICAL CARE COMMISSION RETIREMENT FACILITIES REVENUE REFUNDING BONDS (ALDRSGATE), SERIES 2021B (THE “2021B BONDS”) IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$17,250,000, AND A SUBSEQUENT SERIES OF FUTURE TAX-EXEMPT BONDS ENTITLED THE TAX-EXEMPT NORTH CAROLINA MEDICAL CARE COMMISSION RETIREMENT FACILITIES REVENUE REFUNDING BONDS (ALDRSGATE), SERIES 20__ (THE “FUTURE TAX-EXEMPT BONDS”) TO REFUND THE TAXABLE BONDS IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED THE THEN-OUTSTANDING PRINCIPAL AMOUNT OF THE TAXABLE BONDS

WHEREAS, the North Carolina Medical Care Commission (the “Medical Care Commission”), pursuant to the provisions of the Health Care Facilities Finance Act, the same being Chapter 131A of the General Statutes of North Carolina, as amended (the “Act”), proposes to authorize the issuance of its Taxable North Carolina Medical Care Commission Retirement Facilities Revenue Refunding Bonds (Aldersgate), Series 2021A (the “Taxable Bonds”) in an aggregate principal amount not to exceed \$31,500,000 and Tax-Exempt North Carolina Medical Care Commission Retirement Facilities Revenue Refunding Bonds (Aldersgate), Series 2021B (the “2021B Bonds”) in an aggregate principal amount not to exceed \$17,250,000, each to be issued pursuant to a Trust Agreement, to be dated as of July 1, 2021 (the “Trust Agreement”), between the Medical Care Commission and The Bank of New York Mellon Trust Company, N.A., as trustee, for the purpose of providing funds, together with other available funds, to (a) refund the North Carolina Medical Care Commission Retirement Facilities First Mortgage Revenue Refunding Bonds (Aldersgate), Series 2013 (the “Refunded 2013 Bonds”), (b) refund the North Carolina Medical Care Commission Retirement Facilities First Mortgage Revenue Bonds (Aldersgate), Series 2017B (the “Refunded 2017 Bonds” and together with the Refunded 2013 Bonds, the “Refunded Bonds”), (c) pay a swap termination payment with respect to a hedging instrument for the Refunded 2017 Bonds, and (d) pay certain expenses incurred in connection with the authorization, sale and issuance of the Taxable Bonds, the 2021B Bonds and, if and when issued, the Future Tax-Exempt Bonds (hereinafter defined); and

WHEREAS, pursuant to the plan of finance, the Medical Care Commission also proposes to provide for the future sale and issuance by the Medical Care Commission of a subsequent issue of tax-exempt bonds entitled the Tax-Exempt North Carolina Medical Care Commission Retirement Facilities Revenue Refunding Bonds (Aldersgate), Series 20__ (the “Future Tax-Exempt Bonds” and, together with the Taxable Bonds and the 2021B Bonds, the “Bonds”) in an aggregate principal amount equal to the outstanding principal amount of the Taxable Bonds at the time of issuance of the Future Tax-Exempt Bonds for the purpose of refunding and redeeming the Taxable Bonds; and

WHEREAS, the proceeds of the Bonds will be loaned to Aldersgate United Methodist Retirement Community, Inc. (the “Corporation”) pursuant to a Loan Agreement, to be dated as of July 1, 2021 (the “Loan Agreement”), among the Medical Care Commission and the Corporation; and

WHEREAS, there has been submitted at this meeting proposed drafts of (a) a Contract of Purchase, to be dated as of the date of delivery thereof (the “Contract of Purchase”), between the Local Government Commission of North Carolina (the “Commission”), Truist Bank (“Truist”), and STI Institutional & Government, Inc. (“STING” and together with Truist, the “Banks”), and approved by the Medical Care Commission and the Corporation, whereby the Banks will offer to purchase the Taxable Bonds and the 2021B Bonds upon the terms and conditions set forth therein and in the Trust Agreement, and (b) a Forward Purchase Option Agreement, to be dated as of the date of delivery thereof (the “Forward Purchase Agreement”), between the Commission and STING, and approved by the Medical Care Commission and the Corporation, whereby STING will offer to purchase the

Future Tax-Exempt Bonds upon the terms and conditions set forth therein and in the Trust Agreement; and

WHEREAS, the Commission desires to approve the sale and issuance of the Bonds and accept such offers when made and approve the Contract of Purchase and the Forward Purchase Agreement; and

WHEREAS, there has been furnished to the Commission proposed drafts or executed copies, as applicable, of the following documents:

- a) Trust Agreement;
- b) Loan Agreement;
- c) Contract of Purchase;
- d) Forward Purchase Agreement;
- e) Master Trust Indenture, dated as of October 1, 2013 (as amended or supplemented from time to time in accordance with its terms, the "Master Indenture"), between the Corporation, and The Bank of New York Mellon Trust Company, N.A., as master trustee (the "Master Trustee");
- f) Deed of Trust, dated as of October 1, 2013 2013, as previously amended and as further amended by the Sixth Amendment to Deed of Trust, to be dated as of July 1, 2021 (the "Deed of Trust Amendment"), each from the Corporation to the deed of trust trustee named therein for the benefit of the Master Trustee;
- g) Supplemental Indenture for Obligation No. 11, to be dated as of July 1, 2021, between the Corporation and the Master Trustee;
- h) Obligation No. 11, to be dated the date of delivery thereof, from the Corporation to the Medical Care Commission;
- i) Supplemental Indenture for Obligation No. 12, to be dated as of July 1, 2021, between the Corporation and the Master Trustee;
- j) Obligation No. 12, to be dated the date of delivery thereof, from the Corporation to the Banks;
- k) the Escrow Deposit Agreement, to be dated as of July 1, 2021, among the Medical Care Commission, the Corporation and The Bank of New York Mellon Trust Company, N.A., as escrow agent, relating to the refunding and redemption of the Refunded Bonds; and
- l) the Continuing Covenant Agreement, to be dated as of July 1, 2021, among the Corporation and the Banks;

all as part of the application from the Medical Care Commission to the Commission requesting approval of the proposed issuance of the Bonds; and

WHEREAS, the Commission has found and determined based upon the information and evidence it has received that the proposed refunding transaction will effectuate the purposes of the Act;

NOW, THEREFORE, BE IT RESOLVED by the Commission as follows:

Section 1. The issuance of the Bonds by the Medical Care Commission as provided in the Trust Agreement is hereby approved.

Section 2. The Taxable Bonds are hereby awarded to Truist Bank and the 2021B Bonds are hereby awarded to STING pursuant to the provisions of Section 131A-11 of the General Statutes of North Carolina, as amended, and in accordance with the Contract of Purchase, subject to the approval of the Medical Care Commission and the Corporation. The Commission hereby determines that such award and sale of the Taxable Bonds with an initial interest rate of not to exceed 6% per annum, a final maturity not beyond June 1, 2035 and a principal amount not to exceed \$31,500,000 and the 2021B Bonds with an initial interest rate of not to exceed 6% per annum, a final maturity not beyond June 1, 2044 and a

principal amount not to exceed \$17,250,000, are in the best interests of the Medical Care Commission and the Corporation and are hereby approved.

Section 3. The Future Tax-Exempt Bonds, when and if issued pursuant to the Trust Agreement, are hereby awarded to the STING pursuant to the provisions of Section 131A-11 of the General Statutes of North Carolina, as amended, and in accordance with the Forward Purchase Agreement, subject to the approval of the Medical Care Commission and the Corporation. The Commission hereby determines that such award and sale of the Future Tax-Exempt Bonds with a final maturity not beyond June 1, 2035 and a principal amount not to exceed the outstanding principal amount of the Taxable Bonds at the time of issuance of the Future Tax-Exempt Bonds, are in the best interests of the Medical Care Commission and the Corporation and are hereby approved.

Section 4. The Taxable Bonds and the 2021B Bonds shall be issued in accordance with and pursuant to the terms and conditions of the Trust Agreement and the Contract of Purchase. Subject to the limitations in Section 2 of this resolution, the Contract of Purchase is hereby approved, and the Secretary or any Deputy Secretary of the Commission is hereby appointed the Designated Assistant of the Commission for the purpose of this resolution, and the Designated Assistant is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Contract of Purchase, including details of the Taxable Bonds and 2021B Bonds, as shall be satisfactory to the Designated Assistant, to approve the forms of other documents relating to the Taxable Bonds and the 2021B Bonds, and to execute and deliver the Contract of Purchase and such other documents that are required to be executed and delivered by the Commission on behalf of the Commission.

Section 5. The Future Tax-Exempt Bonds shall be issued in accordance with and pursuant to the terms and conditions of the Trust Agreement and the Forward Purchase Agreement. Subject to the limitations in Section 3 of this resolution, the Forward Purchase Agreement is hereby approved, and the Secretary or any Deputy Secretary of the Commission is hereby appointed the Designated Assistant of the Commission for the purpose of this resolution, and the Designated Assistant is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Forward Purchase Agreement, including details of the Future Tax-Exempt Bonds, as shall be satisfactory to the Designated Assistant, to approve the forms of other documents relating to the Future Tax-Exempt Bonds, and to execute and deliver the Forward Purchase Agreement and such other documents that are required to be executed and delivered by the Commission on behalf of the Commission.

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

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to adopt the following resolution:

RESOLUTION APPROVING THE FINANCING TEAM FOR THE NORTH CAROLINA CAPITAL FACILITIES FINANCE AGENCY EDUCATIONAL FACILITIES REVENUE REFUNDING BONDS (CAMPBELL UNIVERSITY), SERIES 2021A AND NORTH CAROLINA CAPITAL FACILITIES FINANCE AGENCY TAXABLE EDUCATIONAL FACILITIES REVENUE REFUNDING BONDS (CAMPBELL UNIVERSITY), SERIES 2021B

WHEREAS, the North Carolina Capital Facilities Finance Agency (the "Agency") has requested that the Local Government Commission of North Carolina (the "Commission") approve the following financing team members for the upcoming issuance by the Agency of

its North Carolina Capital Facilities Finance Agency Educational Facilities Revenue Refunding Bonds (Campbell University), Series 2021A and North Carolina Capital Facilities Finance Agency Taxable Educational Facilities Revenue Refunding Bonds (Campbell University), Series 2021B (collectively, the “Bonds”):

Bond Counsel:	Womble Bond Dickinson (US) LLP
Underwriters:	J.P. Morgan Securities LLC (Senior Manager) and PNC Capital Markets LLC (Co-Manager)
Underwriters’ Counsel:	McGuire Woods LLP
University Counsel:	Parker Poe Adams & Bernstein LLP
Bond Trustee:	The Bank of New York Mellon Trust Company, N.A.
Financial Advisor:	First Tryon Advisors

WHEREAS, based upon the information and evidence received by the Commission, it is of the opinion of the Commission that the request by the Agency should be approved.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above financing team is hereby approved for the Bonds.

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to approve the following resolution:

RESOLUTION APPROVING THE SALE AND ISSUANCE OF, AND AWARDING TO THE UNDERWRITERS OF, THE NORTH CAROLINA CAPITAL FACILITIES FINANCE AGENCY EDUCATIONAL FACILITIES REVENUE REFUNDING BONDS (CAMPBELL UNIVERSITY), SERIES 2021A AND NORTH CAROLINA CAPITAL FACILITIES FINANCE AGENCY TAXABLE EDUCATIONAL FACILITIES REVENUE REFUNDING BONDS (CAMPBELL UNIVERSITY), SERIES 2021B IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$85,000,000

WHEREAS, the North Carolina Capital Facilities Finance Agency (the “Agency”), pursuant to the provisions of the Private Capital Facilities Finance Act, Article 2 of Chapter 159D of the General Statutes of North Carolina, as amended (the “Act”), proposes to authorize the issuance of its North Carolina Capital Facilities Finance Agency Educational Facilities Revenue Refunding Bonds (Campbell University), Series 2021A (the “Series 2021A Bonds”) and North Carolina Capital Facilities Finance Agency Taxable Educational Facilities Revenue Refunding Bonds (Campbell University), Series 2021B (the “Series 2021B Bonds”) and, together with the Series 2021A Bonds, the “Bonds”) pursuant to a Trust Agreement, to be dated as of August 1, 2021 (the “Trust Agreement”), between the Agency and The Bank of New York Mellon Trust Company, N.A., as trustee, in an aggregate principal amount not to exceed \$85,000,000 for the purpose of providing funds, together with other available funds, to (a) refund the outstanding (i) North Carolina Capital Facilities Finance Agency Educational Facilities Revenue Refunding Bond (Campbell University), Series 2014, dated July 10, 2014 (the “2014 Bond”), the proceeds of which were used to refund certain outstanding bonds of the Agency previously issued to finance and refinance various capital projects for the Campbell University (the “University”) and (ii) North Carolina Capital Facilities Finance Agency Educational Facilities Revenue Refunding Bond (Campbell University), Series 2015, dated October 20, 2015 (the “2015 Bond”), the proceeds of which were used to finance various capital projects for the University, (b) pay to Branch Banking and Trust Company (now Truist Bank) (the “Swap Counterparty”) the amounts necessary to terminate (i) an interest rate swap agreement between University and the Swap Counterpart, as evidenced by an ISDA Master Agreement and Schedule, each dated as of June 29, 2005, as supplemented and amended, together with the related swap confirmation,

dated July 10, 2014 (collectively, the “2014 Swap Agreement”), relating to the 2014 Bond and (ii) an interest rate swap agreement between the University and the Swap Counterparty as evidenced by an ISDA Master Agreement and Schedule, each dated as of June 29, 2005, as supplemented and amended, together with the related swap confirmation, dated December 1, 2015 (collectively, the “2015 Swap Agreement”), relating to the 2015 Bond, (c) refinance (i) a Loan Agreement, dated as of October 17, 2018 (the “2018 Loan”), among the University, Campbell University Foundation, Inc. (the “Foundation”) and Branch Banking and Trust Company (now Truist Bank), the proceeds of which were used to finance certain costs of a new student union building located on the University’s main campus and (ii) a Business Loan Agreement, dated as of April 3, 2020 (the “2020 Loan”), between the University and First-Citizens Bank & Trust Company, the proceeds of which were used to refinance certain costs of various capital projects for the University and (d) pay the fees and expenses incurred in connection with the authorization, sale and issuance of the Bonds; and

WHEREAS, the Bonds are expected to be publicly offered with a tax-exempt and taxable series and to bear interest at fixed interest rates to maturity; and

WHEREAS, the proceeds of the Bonds will be loaned to the University pursuant to a Loan Agreement, to be dated as of August 1, 2021 (the “Loan Agreement”), between the Agency and the University; and

WHEREAS, there has been submitted at this meeting a proposed draft of a Bond Purchase Agreement, to be dated as of the date of delivery thereof (the “Bond Purchase Agreement”), whereby J.P. Morgan Securities LLC and PNC Capital Markets LLC (collectively, the “Underwriters”) will offer to purchase the Bonds on the terms and conditions set forth therein and in the Trust Agreement, and the Local Government Commission of North Carolina (the “Commission”) desires to approve the issuance of the Bonds and then accept such offer when made and approve the Bond Purchase Agreement; and

WHEREAS, there has been furnished to the Commission proposed drafts of the following documents:

(a) Trust Agreement, together with the form of the Bonds attached thereto as Exhibit A;

(b) Loan Agreement, together with a Promissory Note of the University, to be dated as of the date of delivery thereof (the “Note”), attached thereto as Exhibit A;

(c) Bond Purchase Agreement; and

(d) Preliminary Official Statement of the Commission, to be dated as of the date of delivery thereof (the “Preliminary Official Statement”), relating to the offering and sale of the Bonds by the Underwriters; and

all as part of the application from the University to the Commission requesting approval of the proposed issuance of the Bonds; and

WHEREAS, the Commission has found and determined based upon the information and evidence it has received that the proposed financing will effectuate the purposes of the Act;

NOW, THEREFORE, BE IT RESOLVED by the Commission as follows:

Section 1. The issuance of the Bonds by the Agency as provided in the Trust Agreement is hereby approved.

Section 2. The Bonds are hereby awarded to the Underwriters pursuant to the provisions of Section 131A-11 of the General Statutes of North Carolina, as amended, and in accordance with the Bond Purchase Agreement, subject to the approval of the Agency and

the University. The Commission hereby determines that such award and sale of the Bonds at rates that will provide a true interest cost not to exceed 6.00% (all measures being defined as determined by the Commission), a final maturity not beyond October 1, 2036 and an aggregate principal amount not to exceed \$85,000,000 are in the best interests of the Agency and the University and are hereby approved.

Section 3. The distribution by the Underwriters of the Preliminary Official Statement, in substantially the form submitted to the Commission, in connection with the offering and sale of the Bonds is hereby authorized and approved, and the distribution by the Underwriters of a final Official Statement, in substantially the form of the Preliminary Official Statement, with such changes as are necessary or appropriate to reflect the final terms of the Bonds, together with any supplements or updates thereto prepared in anticipation of the closing for the Bonds, upon approval by the Agency, in connection with the offering and sale of the Bonds is hereby authorized and approved.

Section 4. The Bonds shall be issued in accordance with and pursuant to the terms and conditions of the Trust Agreement and the Bond Purchase Agreement. Subject to the limitations in Section 2 of this resolution, the Bond Purchase Agreement is hereby approved, and the Secretary or any Deputy Secretary of the Commission are each hereby appointed as a Designated Assistant of the Commission for the purpose of this resolution, and each Designated Assistant is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the Bond Purchase Agreement, including details of the final terms of the Bonds, as shall be satisfactory to the Designated Assistant, to approve the forms of any other documents relating to the Bonds, and to execute and deliver the Bond Purchase Agreement and such other documents that are required to be executed and delivered by the Commission on behalf of the Commission relating to the Bonds.

Section 5. This resolution shall take effect immediately upon its adoption.

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to approve the following resolution:

“RESOLUTION APPROVING THE FINANCING TEAM FOR THE TOWN OF HOLDEN BEACH, NORTH CAROLINA NOT TO EXCEED \$27,700,000 VARIABLE RATE SPECIAL OBLIGATION BOND (FEMA GRANTS PROJECT), SERIES 2021

WHEREAS, the Town of Holden Beach, North Carolina (the “*Town*”) has requested that the Local Government Commission of North Carolina (the “*Commission*”) approve the Town’s selection of the following financing team members for the upcoming issuance of its Variable Rate Special Obligation Bond (FEMA Grants Project), Series 2021 (the “*2021 Bond*”):

Bond Counsel:	Parker Poe Adams & Bernstein LLP
Purchaser:	PNC Bank, National Association
Lender’s Counsel:	McGuireWoods LLP
Financial Advisor:	DEC Associates, Inc.

WHEREAS, based on the information and evidence received by the Commission, the Commission is of the opinion that the Town’s request should be approved;

NOW, THEREFORE, BE IT RESOLVED by the Commission that the above financing team is hereby approved for the issuance of the 2021 Bond.

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to approve the following:

“RESOLUTION APPROVING THE APPLICATION OF THE TOWN OF HOLDEN BEACH, NORTH CAROLINA NOT TO EXCEED \$27,700,000 VARIABLE RATE SPECIAL OBLIGATION BOND (FEMA GRANTS PROJECT), SERIES 2021

WHEREAS, the Town of Holden Beach, North Carolina (the “*Town*”) has applied to the Local Government Commission of North Carolina (the “*Commission*”), pursuant to Article 7A of Chapter 159 of the General Statutes of North Carolina (the “*Act*”), for approval of the issuance by the Town of its Variable Rate Special Obligation Bond (FEMA Grants Project), Series 2021 (the “*2021 Bond*”) in an aggregate principal amount not to exceed \$27,700,000 to pay the costs of constructing certain beach erosion control and flood and hurricane protection works in the Town (the “*FEMA Grants Project*”) and issuing the 2021 Bond; and

WHEREAS, the Town has furnished to the Commission the Bond Order and the Issuance Resolution, each adopted by the Board of Commissioners of the Town on June 15, 2021, authorizing the issuance of the 2021 Bond in an amount not to exceed \$46,000,000 to finance the FEMA Grants Project;

WHEREAS, based upon the information and evidence received in connection with such application, it is hereby determined and found by the Commission:

- (a) that such proposed 2021 Bond is necessary and expedient;
- (b) that the proposed amount of such proposed 2021 Bond is adequate and not excessive for the proposed purposes thereof;
- (c) that the proposed FEMA Grants Project is feasible;
- (d) that the Town’s debt management procedures and policies are good;
- (e) that the increase in taxes, if any, necessary to service the proposed 2021 Bond will not be excessive; and
- (f) that the proposed 2021 Bond can be marketed at a reasonable interest cost to the Town.

NOW, THEREFORE, BE IT RESOLVED by the Commission that the Town’s application for approval of the proposed 2021 Bond in an aggregate principal amount not to exceed \$27,700,000 for the purposes set forth above is hereby approved pursuant to the Act.

Auditor Wood seconded the motion and the foregoing resolution was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to approve the following:

“RESOLUTION CONCERNING THE PRIVATE SALE OF THE TOWN OF HOLDEN BEACH, NORTH CAROLINA NOT TO EXCEED \$27,700,000 VARIABLE RATE SPECIAL OBLIGATION BOND (FEMA GRANTS PROJECT), SERIES 2021

WHEREAS, Article 7A of Chapter 159 of the General Statutes of North Carolina (the “*Act*”) authorizes the Local Government Commission of North Carolina (the “*Commission*”) to sell special obligation bonds at private sale without advertisement to any purchasers thereof at such prices as the Commission determines to be in the best interest of the issuing unit, subject to the approval of the governing board of the issuing unit or one or more persons designated by resolution of such governing board to approve such prices; and

WHEREAS, the Town of Holden Beach, North Carolina (the “*Town*”) has applied to the Local Government Commission of North Carolina (the “*Commission*”), pursuant to the Act, for approval of the issuance by the Town of its Variable Rate Special Obligation Bond (FEMA Grants Project), Series 2021 (the “*2021 Bond*”) in an aggregate principal amount not to exceed \$27,700,000 to pay the costs of constructing certain beach erosion control and flood and hurricane protection works in the Town (the “*FEMA Grants Project*”) and issuing the 2021 Bond; and

WHEREAS, PNC Bank, National Association (the “*Purchaser*”) has offered to purchase the 2021 Bond from the Commission on the terms and conditions set forth below and the terms of a Bond Purchase Agreement, to be dated on or about July 16, 2021 (the “*BPA*”), between the Commission and the Purchaser and approved by the Town;

WHEREAS, the Town has requested the Commission to sell the 2021 Bond at private sale without advertisement in accordance with the Act;

WHEREAS, the Commission desires to approve the request of the Town that it sell the 2021 Bond at private sale without advertisement; and

WHEREAS, the Commission desires to accept the offer of the Purchaser to purchase the 2021 Bond on the terms and conditions set forth below and the BPA.

NOW, THEREFORE, BE IT RESOLVED by the Commission:

Section 1. The sale of the 2021 Bond to the Purchaser at private sale without advertisement pursuant to the Bond Order and Issuance Resolution, each adopted by the Board of Commissioners of the Town on June 15, 2021, is hereby approved, such sale being subject to the approval of the Secretary of the Commission or a designated assistant of the Commission (the “*Designated Assistant*”) and satisfaction of the conditions set forth below.

Section 2. The aggregate principal amount of the 2021 Bond may not exceed \$27,700,000. The purchase price for the 2021 Bond shall be 100% of the principal amount thereof.

Section 3. The 2021 Bond will initially bear interest at a rate of 1.64% per annum and, if the Town’s option to renew the 2021 Bond is exercised, will reset on the renewal date, at an interest rate not to exceed 12%.

Section 4. The maturity of the 2021 Bond may not exceed December 31, 2024.

Section 5. The Commission hereby determines that the sale of the 2021 Bond in the manner and for the price as provided in this resolution is in the best interest of the Town, provided that such sale is approved by the Town.

Section 6. The Secretary of the Commission, or any Deputy Secretary is hereby appointed the Designated Assistant of the Commission for the purpose of this resolution, and the Designated Assistant is hereby authorized and directed, within the terms and conditions of this resolution, to approve such changes to the 2021 Bond, as shall be satisfactory to him or her, to approve the forms of other documents relating to the 2021 Bond, to execute and deliver such other documents on behalf of the Commission and to provide for the execution and delivery of the 2021 Bond in accordance with the Bond Order, the Issuance Resolution and such other documents to be delivered in connection therewith.

Section 7. This Resolution shall be effective immediately upon its passage.”

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Mr. Bass made a motion to adopt the following resolution:

“RESOLUTION APPROVING THE FINANCING REQUEST OF THE CITY OF LAURINBURG, NORTH CAROLINA. THE PROPOSED PROJECT INCLUDES INSTALLING ONE MECHANICALLY CLEANED SCREEN, ONE TRASH RACK, ONE GRIT COLLECTOR, ONE 18” PARSHALL FLUME, AND ONE PUMP STATION CONNECTING TO BOTH THE EQUALIZATION BASIN AND THE MAIN WWTP. THE PROJECT ALSO INCLUDES ELECTRICAL AND SYSTEM CONTROL IMPROVEMENTS, APPROXIMATELY 700LF OF 20” FORCE MAIN, 175 LF OF 6” GRAVITY RETURN PIPE, AND 250 LF OF 36” GRAVITY SANITARY SEWER.

WHEREAS, the City of Laurinburg, North Carolina (the “City”) has determined that it is necessary and expedient to reduce the likelihood of damage to the facility by increasing the wall and slab thickness of each facility; and the project will enable the Leith Creek WWTP to adapt to natural disasters by providing connections for bypass pumping outside of the pump station building; and

WHEREAS, the City of Laurinburg filed an application with the North Carolina Government Commission (the Commission) for approval of a revolving Loan in the amount not exceed \$7,060,000 with the term of twenty (20) years at the rate established under this program for respective loan, State or Federal, is not to exceed 4%; and

NOW, THEREFORE, BE IT RESOLVED by the North Carolina Local Government Commission that the application for the approval of a sewer revolving loan for the City is hereby approved.”

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

MISCELLANEOUS – ACTION ITEMS:

Mr. Bass made the motion to a adopt the following resolution:

The Town of Cramerton and the following fire departments have requested approval of an annexation payment schedule developed in accordance with G.S. 160A-31.1

Whereby the city will make a lump sum payment for the Town's proportionate share of outstanding debt as follows:

<u>Volunteer Fire Department</u>	<u>Effective Annexation Date</u>	<u>Payment Period</u>	<u>Reimbursement</u>
New Hope VFD	1/26/2021	2021	\$1,204
New Hope VFD	12/13/2018	2021	\$1,582
New Hope VFD	8/20/2020	2021	\$2,894
Community Fire Dept.	11/21/2019	2021	\$381

Auditor Wood seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

MISCELLANEOUS – NON-ACTION ITEMS:

The city of Greenville has negotiated a rate modification with Truist Bank (BB&T) to its existing, privately held, tax exempt, installment purchase contract: 4/21/2021 (modification date)

Original Date	Original Amount	New Amount	Previous Rate	New Rate	Interest Savings	Maturity Date
5/15/2014	\$4,997,546	\$2,839,698	3.50%	2.50%	\$114,468	6/1/2029
1/13/2015	4,200,000	3,805,000	3.25%	2.25%	134,396	6/1/2027

The County of Johnston, Industrial Facilities and Pollution Control Financing Authority's Recovery Zone Facility Bonds (Automatic Rolls of North Carolina Project) Series 2010 (currently outstanding in the amount of \$10,887,606.81) were converted from a variable rate of interest to a fixed rate of interest pursuant to the terms of the Trust Indenture pursuant to which the fixed-rate Bonds were issued June 1, 2021. The Bonds will be held by STI Institutional and Government, Inc. (an affiliate of Truist Bank), and will bear interest at a fixed rate 2.38% until the maturity date of June 1, 2036, which is within the parameters originally approved by the LGC in October 2010. The Bonds were issued in 2010 in the amount of \$32,510,000.

The county of Pasquotank has negotiated a rate modification with Branch Banking Truist Company to its existing, directly held, tax exempt, Water System Revenue Bond, Series 2009 6/25/2021 (modification date)

Original Date	Original Amount	New Amount	Previous Rate	New Rate	Interest Savings	Maturity Date
9/15/2009	\$16,500,000	\$8,457,331	2.99%	2.02%	\$444,918	9/15/2029

Secretary Marshall desired to make a motion regarding the Bald Head Island Transportation Authority application. Chair Folwell declared that the motion would be considered later during the meeting.

Auditor Wood made a motion to enter a closed session pursuant to General Statute 143-318.11(a)(3) to discuss a legal matter that is not yet the subject of any existing lawsuit, and pursuant to G.S. 143-318.11(a)(1) to discuss a matter made confidential by G.S. 132-1.4. Secretary Marshall seconded the motion which was adopted by unanimous vote. The members went into closed session at 2:46 p.m. Auditor Wood left the closed session at 3:29 p.m. No official action was taken during the closed session.

At 3:51 p.m., the members returned to open session. Auditor Wood rejoined the open session as a virtual participant.

Mr. Padgett made a motion to adopt the following:

1) a capital project ordinance for the Town of Kingstown, (**SEE EXHIBIT 1: KINGSTOWN ORDINANCE**);

2) a resolution appointing a Finance Officer for the Town of Pikeville, (**SEE EXHIBIT 2: PIKEVILLE FINANCE OFFICER RESOLUTION**);

3) a Viable Utility Reserve resolution for the Town of Pikeville, (**SEE EXHIBIT 3: PIKEVILLE VUR RESOLUTION**);

Secretary Marshall seconded the motion and the foregoing was adopted by unanimous vote of 9-0.

Ms. Harris left the meeting at 4:17 p.m. Auditor Wood left the meeting at 4:36 p.m.

Mr. Padgett made a motion to adopt the following resolutions:

SEE EXHIBITS 4, 5, 6 and 7: 4 VUR RESOLUTIONS: EDUCATION COMPONENT, APPLICATION SCORING CRITERIA, VUR FUNDS FOR NON-DISTRESSED UNITS, AND 15 GRANT REQUESTS

Ms. Jacobs seconded the motion and the foregoing were adopted by unanimous vote of 7-0 (Auditor Wood and Ms. Harris were absent). Vic D'Amato of the Department of Environmental Quality attended in person to answer members' questions.

Secretary Marshall made the following motion: that the LGC consider in the month of August, and prior to the expiration of Village of Bald Head Island's waiver of its right of first refusal to purchase the ferry system, the applications of the Bald Head Island Transportation Authority and the Village of Bald Head Island for the acquisition of the Bald Head Island ferry system, contingent upon the receipt of the new appraisal requested by the LGC, completed applications by the two entities, and staff recommendation.

Mr. Bass seconded the motion.

Mr. Munn left the meeting at 5:09 p.m. Ms. Harris returned to the meeting at 5:14 p.m.

After a lengthy discussion by the members, Chair Folwell made the following substitute motion: that as soon as the appraisal is available, it will be shared with the Board*, along with a timeline of when the Bald Head Island ferry acquisition applications will be considered. *(Secretary's Note: Board would be the LGC members)

Mr. Philbeck seconded the substitute motion which passed by a vote of 4-3 (Voting Yes: Harris, Padgett, Philbeck and Folwell. Voting No: Marshall, Jacobs, and Bass. Auditor Wood and Mr. Munn were absent.)

The substitute motion having passed, no vote was taken on Secretary Marshall's original motion.

Mr. Padgett made a motion to adjourn the meeting in honor of the hard-working and dedicated staff of the LGC. Ms. Jacobs seconded the motion which passed by unanimous vote of 7-0 (Auditor Wood and Ms. Harris were absent). The meeting adjourned at 5:43 p.m.

The next regularly scheduled meeting of the North Carolina Local Government Commission will be held on August 3, 2021 at 1:30 p.m.

* * * * *

I, Sharon Edmundson, Secretary of the North Carolina Local Government Commission, CERTIFY that the foregoing is a true and correct extract from minutes of a meeting of the North Carolina Local Government Commission duly called and held on July 13, 2021 and sets forth so much of said minutes as in any way relates to the introduction, consideration and passage of the resolutions herein set forth.

WITNESS my hand at Raleigh, this 13th day of July 2021.

Sharon Edmundson, Secretary of the
Local Government Commission of North Carolina



LOCAL GOVERNMENT COMMISSION
STATE AND LOCAL GOVERNMENT FINANCE DIVISION
SHARON EDMUNDSON, DEPUTY TREASURER

**Capital Project Ordinance – Macedonia Church Road Gravity Sewer
Project
Kingstown**

Section 1: The project authorized is the replacement of sewer lines.

Section 2: The officers of this unit are hereby directed to proceed with the capital project within the terms of the grant documents, and the budget contained herein.

Section 3: The following amounts are appropriated for the project:

Engineering fees	\$ 25,000
Sewer repairs	137,000
Total appropriations	<u>\$ 162,000</u>

Section 4: The following revenues are anticipated to be available to complete this project:

USDA Grant	\$ 114,000
Loan	48,000
Total estimated revenues	<u>\$ 162,000</u>

Section 5: The Finance Officer is hereby directed to maintain within the Capital Project Fund sufficient specific detailed accounting records to satisfy the requirements of the grantor agency and the grant agreements.

Section 6: The Finance Officer is directed to report, on a monthly basis, on the financial status of each project element in Section 3 and on the total grant revenues received or claimed.

Section 7: Copies of this capital project ordinance shall be furnished to the governing board and the finance officer for their use in carrying out this project.

Adopted this 13th day of July 2021



A handwritten signature in blue ink that reads "Dale R. Folwell, CPA".

RESOLUTION TO APPOINT A FINANCE OFFICER AND ACCOUNT
SIGNATORY FOR THE TOWN OF PIKEVILLE

WHEREAS, the Local Government Commission (the Commission) impounded the books and assumed full control of all financial affairs of the Town of Pikeville (the "Town") pursuant to Section 159-181(c) of the North Carolina General Statutes (N.C.G.S.) and, acting pursuant to N.C.G.S. 159-24, the Commission desires to appoint and/or designate a finance officer for the Town; and

WHEREAS, the Commission desires to discharge Susan McCullen from her duties as Finance Officer and appoint and designate a replacement Finance Officer and add a new Account Signatory for the Town;

NOW THEREFORE, the Commission

- 1) appoints Eric Faust as Finance Officer for receiving and depositing funds, approving purchase orders and contracts, maintaining accounting records, pre-auditing obligations and disbursing funds; and
- 2) appoints Eric Faust as Account Signatory with the authority to execute signature cards for the existing Town bank accounts and countersign disbursements; and
- 3) assigns to Eric Faust, as Finance Officer, the authority to appoint additional Account Signatories, pursuant to N.C.G.S. 159-25(b) and 159-25(a)(7); and
- 4) retains Susan McCullen as Account Signatory with the authority to execute signature cards for the existing Town bank accounts and countersign disbursements; and
- 5) retains Michael Milam as Deputy Finance Officer for receiving and depositing funds, approving purchase orders and contracts, maintaining accounting records, pre-auditing obligations and disbursing funds; and as Account Signatory with the authority to execute signature cards for the existing Town bank accounts and countersign disbursements; and
- 6) retains the designation of Southern Bank as the Town's official depositories; and
- 7) Terminates Sharon Edmundson as Account Signatory.

Resolution Appointing Finance Officer
Town of Pikeville
July 13, 2021

I, Sharon G. Edmundson, Secretary of the North Carolina Local Government Commission, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the resolution adopted by the North Carolina Local Government Commission at its meeting held on July 13, 2021.

WITNESS my hand this 13th day of July 2021.

Sharon G. Edmundson, Secretary
North Carolina Local Government Commission



A handwritten signature in blue ink that reads "Dale R. Folwell, CPA".

RESOLUTION TO COMPLETE REQUIREMENTS OF A
DISTRESSED UNIT AS DEFINED IN
NORTH CAROLINA GENERAL STATUTES §159G-45(b)

WHEREAS, Session Law 2020-79 was signed on July 1, 2020 to improve viability of the water and wastewater systems of certain units of local government; the Viability Reserve was established in the Water Infrastructure Fund to be used for grants to include the study of rates, asset inventory and assessment and/or merger and regionalization options; the State Water Infrastructure Authority and the Local Government Commission have developed criteria to assess local government units and identify distressed units, and

WHEREAS, The Town of Pikeville has been designated as a distressed unit and intends to conduct a (state whether an Asset Assessment Study, Rate Study and/or Merger/Regionalization Feasibility evaluation), and

WHEREAS, The Town of Pikeville has need for state grant assistance for the project;

NOW THEREFORE BE IT RESOLVED, BY THE NORTH CAROLINA LOCAL GOVERNMENT COMMISSION, ACTING AS GOVERNING BOARD FOR FINANCIAL MATTERS FOR THE TOWN OF PIKEVILLE PURSUANT TO NORTH CAROLINA GENERAL STATUTES §159-181(C):

That Town of Pikeville, the **Applicant**, will complete the viable utility requirements in §159G-45(b) by:

- (1) Conducting an asset assessment and rate study. (Recently completed asset assessment or rate studies may be sufficient to meet this requirement.)
- (2) Participating in a training and educational program.
- (3) Developing a short-term and long-term action plan considering all of the following:
 - a. Infrastructure repair, maintenance, and management.
 - b. Continuing education of the governing board and system operating staff.
 - c. Long-term financial management plan.

That the **Applicant** will work with other units of government in conducting the asset assessment and rate studies including Eureka, Fremont, Mt. Olive, Wayne County and Goldsboro.

Resolution Agreeing to Complete VUR Requirements
Town of Pikeville
July 13, 2021

That the **Applicant** will provide adequate access to staff, documents, equipment, and other resources pertinent to complete the project, and upon completion of the project provide good faith effort to implement the short-term and long-term plan to achieve viable utility infrastructure measures.

That Eric Faust, Finance Officer, the **Authorized Official**, and successors so titled, is hereby authorized to execute and file an application on behalf of the **Applicant** with the State of North Carolina for a grant to aid in the completion of the project described above.

That the **Authorized Official**, and successors so titled, is hereby authorized and directed to furnish such information as the appropriate state agency may request in connection with such application or the project; to make the assurances as contained above; and to execute such other documents as may be required in connection with the application.

That the **Applicant** has substantially complied or will substantially comply with all federal, state, and local laws, rules, regulations, and ordinances applicable to the project and to Federal and State grants pertaining thereto.

Adopted this 13th of July 2021 at Raleigh, North Carolina.

Sharon Edmundson
Secretary, Local Government Commission



NORTH CAROLINA
DEPARTMENT OF STATE TREASURER

STATE TREASURER OF NORTH CAROLINA
DALE R. FOLWELL, CPA

A handwritten signature in blue ink that reads "Dale R. Folwell, CPA".

STATE AND LOCAL GOVERNMENT FINANCE DIVISION
AND THE LOCAL GOVERNMENT COMMISSION

SHARON EDMUNDSON
DEPUTY TREASURER

RESOLUTION APPROVING THE EDUCATION COMPONENT REQUIRED
OF DISTRESSED LOCAL GOVERNMENTS PURSUANT TO NORTH CAROLINA
SESSION LAW 2020-79

WHEREAS, the North Carolina General Assembly enacted Session Law 2020-79, entitled in part “AN ACT TO IMPROVE THE VIABILITY OF THE WATER AND WASTEWATER SYSTEMS OF CERTAIN UNITS OF LOCAL GOVERNMENT . . . ; TO CREATE AND PROVIDE FUNDING FOR THE VIABLE UTILITY RESERVE TO PROVIDE GRANT MONEY FOR LOCAL GOVERNMENT UNITS, . . .” (the “Act”); and

WHEREAS, Session Law 2020-79 Section 1.(k) modifies NCGS 159G-45 by requiring that any local government unit (LGU) identified as distressed by the State Water Infrastructure Authority (the “Authority”) and the Local Government Commission (the “Commission”) participate in initial training and education for elected officials and utility staff [G.S. 159G-45(b)(2)]; and

WHEREAS, the staff of the Division of Water Infrastructure (the “Division”) and the staff of the Commission recommend that initial education, entitled “Utility Management Best Practices: First Steps for the Viable Utility Program (UMBP)” be utilized to fulfill the education requirements of the Viable Utility (VU) program; that the education consist of a set of four modules: Utility Management Basics, Infrastructure Best Practices, Organizational Best Practices, and Financial Best Practices; that the Utility Management Basics module cover the basics of utility management (e.g., water and wastewater treatment processes, the value of water, and the definition of a viable utility); that the remaining three modules address each of the best management practice areas from DEQ’s Statewide Water and Wastewater Infrastructure Master Plan; and that this education contain first steps that LGUs can undertake soon after training to begin making changes within their water and / or wastewater utilities; and

WHEREAS, the staff of the Division and the staff of the Commission recommend that the UMBP may be delivered in two formats: (1) in-person, where the in-person training will be offered regionally to minimize travel by attendees and will be provided by Division staff and resource agencies at no cost to LGUs, and (2) via on-demand, online training as one component of the Advanced Municipal Leadership (AML) training that the NC League of Municipalities (NCLM) offers to its local elected officials, at a cost to be determined by the NCLM.

NOW THEREFORE, BE IT RESOLVED by the Commission, pursuant to its authority recited herein, that:

1. the Commission approves the scope of the initial education as described above, with four modules (Utility Management Basics, Infrastructure Best Practices, Organizational Best Practices, and Financial Best Practices) serving as a basis for the training; and
2. the Commission approves the method of education delivery via in-person on a regional basis or via the online AML training offered by the NCLM.
3. this Resolution shall become effective upon the effective date of the adoption by the Authority of Resolution numbers 1 and 2 above (substituting the name of the Authority in place of the Commission).

I, Sharon G. Edmundson, Secretary of the North Carolina Local Government Commission, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the Resolution adopted by the North Carolina Local Government Commission at its meeting held on July 13, 2021.

WITNESS my hand this 13th day of July 2021.

Sharon G. Edmundson, Secretary
North Carolina Local Government Commission



A handwritten signature in blue ink that reads "Dale R. Folwell, CPA".

RESOLUTION ADOPTING EVALUATION CRITERIA FOR
VIABLE UTILITY RESERVE STUDY GRANT APPLICATIONS
PURSUANT TO NORTH CAROLINA SESSION LAW 2020-79

WHEREAS, the North Carolina General Assembly enacted Session Law 2020-79, entitled in part “AN ACT TO IMPROVE THE VIABILITY OF THE WATER AND WASTEWATER SYSTEMS OF CERTAIN UNITS OF LOCAL GOVERNMENT . . . ; TO CREATE AND PROVIDE FUNDING FOR THE VIABLE UTILITY RESERVE TO PROVIDE GRANT MONEY FOR LOCAL GOVERNMENT UNITS, . . .” (the “Act”); and

WHEREAS, the Act amended Chapter 159G of the General Statutes (“G.S.”) by adding a new Section 159G-35(c) requiring the Local Government Commission (the “Commission”) and the State Water Infrastructure Authority (the “Authority”) to develop evaluation criteria for grants from the Viable Utility Reserve and use the criteria to review applications and award grants; and

WHEREAS, the staff of the North Carolina Department of Environmental Quality’s Division of Water Infrastructure (the “Division”) has proposed two categories (Category 1 and Category 2) for grant prioritization for study grants; and

WHEREAS, “Category 1” is proposed as the highest priority, comprising units designated as distressed due to their financial affairs being under the control of the Commission, as well as units designated as distressed and working with distressed units under the financial control of the Commission; and

WHEREAS, the Authority approved Category 1 at its April 14, 2021 meeting; and

WHEREAS, “Category 2” is proposed to comprise all other LGUs identified as distressed; LGUs in Category 2 would apply under a competitive process for study grant funding, would be subject to prioritization outlined in Table 1 shown on the attached EXHIBIT 1, and whose grant applications would be considered when there are remaining funds in the VUR after meeting all needs in Category 1;

NOW THEREFORE, BE IT RESOLVED by the Commission, pursuant to its authority recited herein, that:

1. the Commission approve the proposed VUR Priority Rating System for Category 1 study grants as described above; and

2. the Commission approve the proposed VUR Priority Rating System for Category 2 study grants as proposed in the attached EXHIBIT 1; and
3. Resolution number 1 shall become effective upon adoption by the Commission; and
4. Resolution number 2 shall become effective upon the effective date of the adoption by the Authority of Resolution number 2 (substituting the name of the Authority in place of the Commission).

I, Sharon G. Edmundson, Secretary of the North Carolina Local Government Commission, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the Resolution adopted by the North Carolina Local Government Commission at its meeting held on July 13, 2021.

WITNESS my hand this 13th day of July 2021.

Sharon G. Edmundson, Secretary
North Carolina Local Government Commission

EXHIBIT 1: DISTRESSED UNITS CATEGORY 2

Distressed LGU assessment scores would be placed into groups of point ranges shown in Table 1. The funding would be prioritized first for the subgroup with assessment scores of 13 or more points, and then to the subgroup with 11-12 points, followed by the subgroup with 8-10 points until funding is exhausted or all applicant needs are funded within the subgroup. If funding is limited and not all LGUs in the subgroup can be funded, priority would be further distinguished by prioritizing:

1. Revenue Outlook: 15 points
2. Moratorium: 15 points
3. Service Population <1,000: 10 points
4. Ability to address multiple distressed units: 5 points

Assessment Evaluation Score Point Ranges	# Units	# Rev Outlook	#Moratorium	#<1,000 population
>13	18	12	6	7
11-12	38	10	6	20
8 (single provider) – 10	51	9	3	19

Local government units must be willing to commit to the viable utility (VU) process: attend initial board education/training; develop short- and long-term action plans for infrastructure repair, maintenance and management; and develop a long-term financial plan that facilitates the provision of reliable water and/or wastewater services.



A handwritten signature in blue ink that reads "Dale R. Folwell, CPA".

**RESOLUTION APPROVING USE OF VIABLE UTILITY RESERVE FUNDS FOR
NON-DISTRESSED LOCAL GOVERNMENT UNITS INCLUDED IN A
REGIONALIZATION SOLUTION**

WHEREAS, the North Carolina General Assembly enacted Session Law 2020-79, entitled in part “AN ACT TO IMPROVE THE VIABILITY OF THE WATER AND WASTEWATER SYSTEMS OF CERTAIN UNITS OF LOCAL GOVERNMENT . . . ; TO CREATE AND PROVIDE FUNDING FOR THE VIABLE UTILITY RESERVE TO PROVIDE GRANT MONEY FOR LOCAL GOVERNMENT UNITS, . . .” (the “Act”); and

WHEREAS, the Act amended Chapter 159G of the General Statutes (“G.S.”) by adding a new Section 159G-34.5 authorizing the Department of Environmental Quality to make grants from the Viable Utility Reserve (VUR) for, among other purposes, (1) asset inventory and assessment (AIA) and rate studies to inventory the existing public water or wastewater system, or both, document the condition of the inventoried infrastructure, and conduct a rate study to determine a rate structure sufficient to prevent the local government unit from becoming a distressed unit, and (2) merger/regionalization feasibility (MRF) studies to determine the feasibility of consolidating the management of multiple water or wastewater systems into a single operation or to provide regional treatment or water supply and the best way of carrying out the consolidation or regionalization; and

WHEREAS, several regional partnerships involving distressed and non-distressed LGUs have begun coordinating on study grant applications and would benefit from access to VUR funds for the purposes and intent of VUR legislation including regionalization solutions for distressed local governments; and

WHEREAS, staff of the Division of Water Infrastructure (the “Division”) of the North Carolina Department of Environmental Quality and staff of the Local Government Commission (the “Commission”) propose that VUR funds be made available to non-distressed units for the purpose of AIAs, rate studies, and/or MRF studies involving solutions for designated distressed units pursuant to the requirements outlined in the attached Table 1;

NOW THEREFORE, BE IT RESOLVED by the Commission, pursuant to its authority recited herein, that:

1. the Commission approves use of VUR funds for non-distressed units for the purpose of AIAs, rate studies, and/or MRF studies involving solutions for designated distressed units pursuant to the

specific requirements outlined in the attached Table 2; and

2. this Resolution shall become effective upon the effective date of the adoption by the State Water Infrastructure Authority (the "Authority") of Resolution number 1 above (substituting the name of the Authority in place of the Commission).

I, Sharon G. Edmundson, Secretary of the North Carolina Local Government Commission, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the Resolution adopted by the North Carolina Local Government Commission at its meeting held on July 13, 2021.

WITNESS my hand this 13th day of July 2021.

Sharon G. Edmundson, Secretary
North Carolina Local Government Commission

Table 1. Requirements for Use of VUR Funding for Non-Distressed Units
Non-distressed and distressed LGUs agree in principle to work together on assessing the feasibility of a merger and/or regionalization effort. Justification must be provided showing that such partnerships are reasonable.
All participating LGUs requesting funding must submit a binding resolution by their LGU clearly indicating their commitment to work with the specific LGUs in their partnership (the non-distressed LGUs most importantly) and indicating their commitment to fulfilling all of the VUR statute requirements for education / training and planning if study grant funding is awarded.
All partners requesting AIA and Rate Study funding must submit a separate grant application, including a description of what utility planning and management steps have been completed and what steps are planned, including a schedule.
All study funding applications provided by non-distressed LGUs must include participation in an MRF study conducted first or simultaneously with AIA and /or rate studies specific to the impacts of the distressed LGU(s) on the non-distressed LGU applying for funding. Asset inventory and assessment and / or rate studies shall be for the specific purpose of generating data needed for the MRF. One MRF grant would be awarded to one of the LGUs in the regional partnership rather than individual grant awards to each LGU to ensure alternatives are evaluated in a coordinated manner.



A handwritten signature in blue ink that reads "Dale R. Folwell, CPA".

RESOLUTION APPROVING 15 VIABLE UTILITY RESERVE GRANT APPLICATIONS

WHEREAS, the North Carolina General Assembly enacted Session Law 2020-79, entitled in part “AN ACT TO IMPROVE THE VIABILITY OF THE WATER AND WASTEWATER SYSTEMS OF CERTAIN UNITS OF LOCAL GOVERNMENT . . . ; TO CREATE AND PROVIDE FUNDING FOR THE VIABLE UTILITY RESERVE TO PROVIDE GRANT MONEY FOR LOCAL GOVERNMENT UNITS, . . .” (the “Act”); and

WHEREAS, the Act amended Chapter 159G of the General Statutes (“G.S.”), establishing the Viable Utility Reserve to be used for grants to local government units for specified purposes; and

WHEREAS, the Local Government Commission (the “Commission”) and the State Water Infrastructure Authority (the “Authority”) have developed evaluation criteria for grants from the Viable Utility Reserve to review applications and award grants; and

WHEREAS, the local government units (“LGUs”) in Tables 1, 2, and 3 below are all included in either (1) “Category 1” of grant scoring prioritization, having been identified as distressed due to their financial affairs being under the control of the Commission or are distressed LGUs working with these highest priority LGUs; or (2) are non-distressed units included in a regionalization solution that includes an LGU identified as distressed due to its financial affairs being under control of the Commission; and

WHEREAS, the LGUs in Tables 1, 2, and 3 below have submitted resolutions indicating they are committed to completing the viable utility (VU) program requirements: studies; education/training; short- and long-term planning for maintenance, repair, and replacement; and long-term financial management, and that they are working with the other distressed LGUs in their county, including the LGU(s) currently under LGC fiscal control, and that they will provide adequate access to staff, documents, equipment, and other resources pertinent to complete the studies; and

NOW THEREFORE, BE IT RESOLVED by the Commission, pursuant to its authority recited herein, that:

1. the Commission approve the maximum funding amounts for the Category 1 LGUs and their regional partners’ VUR study grant applications listed in Tables 1, 2, and 3; and
2. this Resolution shall become effective upon the effective date of the adoption by the Authority of Resolution number 1 above (substituting the name of the Authority in place of the Commission).

RESOLUTION APPROVING VUR GRANTS
JULY 13, 2021
PAGE 2

I, Sharon G. Edmundson, Secretary of the North Carolina Local Government Commission, DO HEREBY CERTIFY that the foregoing is a true and correct copy of the Resolution adopted by the North Carolina Local Government Commission at its meeting held on July 13, 2021.

WITNESS my hand this 13th day of July 2021.

Sharon G. Edmundson, Secretary
North Carolina Local Government Commission

Table 1. VUR Study Grant Applications Received with Resolutions of Support Martin County Based Partnership						
LGU	Utility Type	Distressed Criteria	Assessment Points	County	Study Type	Request
Martin County	DW	D3	8	Martin	AIA DW	\$150,000
Everetts	BOTH	D3	12	Martin	AIA DW	\$150,000
Hamilton	BOTH	D3	9	Martin	AIA DW	\$150,000
Jamesville	BOTH	ND	6	Martin	AIA DW AIA WW	\$150,000 \$150,000
Parmele	BOTH	D3	10	Martin	AIA DW	\$150,000
Robersonville	BOTH	D1	7	Martin	AIA for DW/WW	\$ 50,000
Williamston	BOTH	D3	11	Martin	AIA	\$150,000
Martin County Partnership TOTAL						\$1,100,000

ND = Not Designated; D1 = Distressed Criterion 1; D3 = Distressed Criterion 3;

DW = Drinking Water; WW = Wastewater; AIA = Asset Inventory and Assessment; MRF = Merger and Regionalization Feasibility

(continued next page)

Table 2. VUR Study Grant Applications Received with Resolutions of Support Cleveland County Based Partnership						
Fallston	BOTH	ND	8	Cleveland	AIA DW AIA WW	\$150,000 \$150,000
Lawndale	BOTH	D3	9	Cleveland	AIA DW AIA WW	\$150,000 \$150,000
Polkville	WW	D3	11	Cleveland	AIA WW	\$150,000
Cleveland County Partnership TOTAL						\$750,000

Table 3. VUR Study Grant Applications Received with Resolutions of Support Wayne County Based Partnership						
Wayne County	WW	ND	6	Wayne	AIA WW	\$150,000
Eureka	WW	D1	6	Wayne	AIA WW	\$150,000
Fremont	BOTH	D3	17	Wayne	AIA DW AIA WW	\$150,000 \$150,000
Goldsboro	BOTH	ND	9	Wayne	AIA DW AIA WW	\$150,000 \$150,000
Pikeville	BOTH	D3	19	Wayne	AIA DW AIA WW	\$150,000 \$150,000
Wayne County Partnership TOTAL						\$1,200,000

ND = Not Designated; D1 = Distressed Criterion 1; D3 = Distressed Criterion 3;

DW = Drinking Water; WW = Wastewater; AIA = Asset Inventory and Assessment; MRF = Merger and Regionalization Feasibility

Local Government Commission

July 13, 2021 meeting

MISCELLANEOUS NON-ACTION AGENDA ITEM

Statement of Economic Interest evaluations of members pursuant to the Ethics Act § 138A-15(c)

In the following packet are new and updated Statement of Economic Interest (SEI) evaluations issued by the State Ethics Commission. These are being provided for Commission members' review and for recording in the meeting minutes pursuant to the requirements of the State Government Ethics Act. Members are encouraged to review the updated evaluations to inform and remind them of the identified actual or potential conflicts of interest.

The SEI Evaluations for the following are being provided for review:

- William (Bill) Toole (Secretary of State designee)



STATE ETHICS COMMISSION

POST OFFICE BOX 27685

RALEIGH, NC 27611

PHONE: 919-814-3600

Via Email

May 27, 2021

The Honorable Elaine F. Marshall
North Carolina Secretary of State
2 South Salisbury Street
Raleigh, North Carolina 27601

**Re: Evaluation of Statement of Economic Interest
Mr. William W. Toole – Local Government Commission**

Dear Secretary Marshall:

Our office has received **Mr. William W. Toole's** 2021 Statement of Economic Interest as your designee to serve on the **Local Government Commission**. We have reviewed it for actual and potential conflicts of interest pursuant to Chapter 138A of the North Carolina General Statutes ("N.C.G.S."), also known as the State Government Ethics Act (the "Act").

Compliance with the Act and avoidance of conflicts of interest in the performance of public duties are the responsibilities of every covered person, regardless of this letter's contents. This letter, meanwhile, is not meant to impugn the integrity of the covered person in any way. This letter is required by N.C.G.S. § 138A-28(a) and is designed to educate the covered person as to potential issues that could merit particular attention. Advice on compliance with the Act is available to certain public servants and legislative employees under N.C.G.S. § 138A-13.

We did not find an actual conflict of interest or the likelihood for a conflict of interest.

The Local Government Commission ("LGC") is authorized to issue rules and regulations governing procedures for the receipt, deposit, investment, transfer, and disbursement of money and other assets by local governments and other public authorities, including public hospitals, including rules establishing the standards for financial auditing and reporting and mutual fund investments. LGC also reviews the internal control procedures utilized by local governments and implements modifications to prevent mishandling of public monies, approves local government bonds and project development financing debt instruments, sells bonds issued by local governments, and approves financing agreements between local governments and other entities. LGC is authorized to impound the books and records of any public authority or unit of local government and assume full control of its financial affairs under specific circumstances.

The Act establishes ethical standards for certain public servants, and prohibits public servants from: (1) using their positions for their financial benefit or for the benefit of their extended family or business, N.C.G.S. § 138A-31; and (2) participating in official actions from which they or certain associated persons might receive a reasonably foreseeable financial benefit, N.C.G.S. § 138A-36(a). The Act also requires public servants to take appropriate steps to remove themselves from proceedings in which their impartiality might reasonably be questioned due to a familial, personal, or financial relationship with a participant in those proceedings. N.C.G.S. § 138A-36(c).

In addition to the conflicts standards noted above, the Act prohibits public servants from accepting gifts from (1) a lobbyist or lobbyist principal, (2) a person or entity that is seeking to do business with the public servant's agency, is regulated or controlled by that agency, or has financial interests that might be affected by their official actions, or (3) anyone in return for being influenced in the discharge of their official responsibilities. N.C.G.S. § 138A-32. Exceptions to the gifts restrictions are set out in N.C.G.S. § 138A-32(e).

When this letter cites an actual or potential conflict of interest under N.C.G.S. § 138A-24(e), the conflict must be recorded in the minutes of the applicable board and brought to the membership's attention by the board's chair as often as necessary to remind all members of the conflict and to help ensure compliance with the Act. N.C.G.S. § 138A-15(c).

Finally, the Act mandates that all public servants attend an ethics and lobbying education presentation. N.C.G.S. § 138A-14. Please review the attached document for additional information concerning this requirement.

Please contact our office if you have any questions concerning our evaluation or the ethical standards governing public servants under the Act.

Sincerely,

A handwritten signature in cursive script that reads "Mary Roerden".

Mary Roerden, SEI Unit
State Ethics Commission

cc: William W. Toole
Laura Rowe, Ethics Liaison for the Office of the State Treasurer

Attachment: Ethics Education Guide