

The City Council of the City of Fayetteville, North Carolina met in a regular meeting in the City Council Chambers of the City Hall located at 433 Hay Street in Fayetteville, North Carolina, the regular place of meeting, at 7:00 p.m. on June 25, 2018.

Present: Mayor Mitch Colvin, presiding, and Council Members Jensen, Culliton, Waddell, Haire, Dawkins, Crisp, Wright, Mohn, and Arp

Absent: Council Members N/A

Also Present: Douglas Hewett, City Manager, Karen McDonald, City Attorney_____

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Mayor Colvin introduced the following resolution, the title of which was read and a copy of which had been distributed to each Council Member:

RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT FINANCING AGREEMENT, A SECURITY AGREEMENT AND RELATED DOCUMENTS IN CONNECTION WITH THE FINANCING OF VARIOUS VEHICLES AND EQUIPMENT FOR THE CITY OF FAYETTEVILLE, NORTH CAROLINA

BE IT RESOLVED by the City Council (the “City Council”) of the City of Fayetteville, North Carolina (the “City”) as follows:

Section 1. The City Council does hereby find and determine as follows:

(a) There exists in the City a need to finance the cost of various vehicles and other equipment to be used by the City for governmental or proprietary purposes (the “Equipment”).

(b) The City has determined that the most efficient manner of financing the Equipment will be through the entering of an Installment Financing Agreement (the “Agreement”) with Bank of America, N.A. (the “Lender”) pursuant Section 160A-20 of the General Statutes of

North Carolina, as amended. Pursuant to the Agreement, the Lender will advance moneys to the City in an amount sufficient, together with any other available funds of the City, to pay the costs of financing the Equipment and the financing costs relating thereto, and the City will repay the advancement in installments, with interest (the "Installment Payments").

(c) In order to secure its obligations under the Agreement, the City will execute and deliver a Security Agreement, dated as of the date of delivery thereof (the "Security Agreement"), granting a security interest in the Equipment.

(d) There has been presented to the City Council at this meeting drafts of the Agreement and the Security Agreement.

Section 2. In order to provide for the financing of the Equipment, the City is hereby authorized to enter into the Agreement and receive an advancement pursuant thereto in the principal amount not to exceed \$4,898,812. The City shall repay the advancement in installments due in the amounts and at the times set forth in the Agreement. The payments of the installment payments shall be designated as principal and interest as provided in the Agreement.

Section 3. The City Council hereby approves the Agreement and the Security Agreement in substantially the forms presented at this meeting. The Mayor, the City Manager and the Acting Chief Financial Officer of the City are each hereby authorized to execute and deliver on behalf of the City said documents in substantially the forms presented at this meeting, containing such modifications as the person executing such documents shall approve, such execution to be conclusive evidence of approval by the City Council of any such changes. The City Clerk or any Deputy or Assistant City Clerk of the City is hereby authorized and directed to affix the official seal of the City to said documents and to attest the same.

Section 4. No deficiency judgment may be rendered against the City in any action for breach of any contractual obligation authorized pursuant to this resolution, and the taxing power of the City is not and may not be pledged directly or indirectly to secure any moneys due under any contract herein authorized.

Section 5. The Mayor, the City Manager, the Acting Chief Financial Officer, and the City Clerk of the City, and any other officers, agents and employees of the City, are hereby authorized and directed to execute and deliver such closing certificates, opinions and other items of evidence as shall be deemed necessary to consummate the transactions described above.

Section 6. The City hereby represents that it reasonably expects that it, all subordinate entities thereof and all issuers issuing obligations on behalf of the City will not issue in the aggregate more than \$10,000,000 of tax-exempt obligations (not counting certain current refunding obligations and private-activity bonds except for qualified 501(c)(3) bonds, as defined in the Internal Revenue Code of 1986, as amended (the “Code”)) during calendar year 2018. In addition, the City hereby designates each of the installment payments under the Agreement as a “qualified tax-exempt obligation” for the purposes of the Code.

Section 7. This resolution shall take effect immediately upon its adoption.

Upon motion of Council Member Mohn, seconded by Council Member Haire, the foregoing resolution entitled “RESOLUTION AUTHORIZING THE EXECUTION AND DELIVERY OF AN INSTALLMENT FINANCING AGREEMENT, A SECURITY AGREEMENT AND RELATED DOCUMENTS IN CONNECTION WITH THE FINANCING OF VARIOUS VEHICLES AND EQUIPMENT FOR THE CITY OF FAYETTEVILLE, NORTH CAROLINA” was adopted by the following vote:

Ayes: Colvin, Jensen, Culliton, Waddell, Haire, Dawkins, Crisp, Wright, Mohn, and Arp

Noes: N/A

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I, Pamela Megill, City Clerk of the City of Fayetteville, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of the City Council of said City at a regular meeting held on June 25, 2018, as it relates in any way to the adoption of the foregoing resolution and that said proceedings are to be recorded in the minutes of said City Council.

I DO HEREBY FURTHER CERTIFY that proper notice of such regular meeting was given as required by North Carolina law.

WITNESS my hand and the official seal of said City this 25th day of June, 2018.

City Clerk

[SEAL]