

A regular meeting of the Board of Commissioners for the County of Durham, North Carolina, was held in the County Commissioners' Meeting Room on the 2nd Floor of the Durham County Government Administrative Complex at 200 East Main Street, in Durham, North Carolina, the regular place of meeting, at 7:00 P.M., on June 25, 2018.

Present: Chairman Wendy Jacobs, presiding, and Commissioners: _____

_____.

Absent: _____.

* * * * *

Commissioner _____ introduced the following resolution, a copy of which had been made available to each Commissioner:

RESOLUTION MAKING CERTAIN DETERMINATIONS CONCERNING A PROPOSED INSTALLMENT FINANCING AGREEMENT TO FINANCE AND REFINANCE A PORTION OF THE COST OF VARIOUS PROJECTS AND PROVIDING FOR CERTAIN RELATED MATTERS.

WHEREAS, the County of Durham, North Carolina (the "County") previously entered into an Installment Financing Contract dated March 30, 2017 with PNC Bank, National Association and used the proceeds thereof to finance a portion of the cost of (a) reconstructing and renovating the Judicial Building of the County, (b) reconstructing and renovating the Judicial Annex of the County, (c) reconstructing and renovating certain facilities used by Durham County Emergency Medical Services and (d) constructing and otherwise accomplishing five projects relating to the redevelopment of Park Center in the Research Triangle Park (collectively the "2017 Project"); and

WHEREAS, the County has determined to finance a portion of the cost of (a) reconstructing and renovating the County's existing Detention Center POD, (b) reconstructing

and renovating a portion of the County's existing Administrative Building II, (c) constructing of Emergency Communications Center in the new Police Headquarters, (d) acquiring, replacing and installing emergency radio communication equipment (e) acquiring, replacing and installing the Detention Center Elevators and (f) acquiring firefighting vehicles and other equipment (collectively, the "2018 Project" and together with the 2017 Project, the "Project"); and

WHEREAS, the County is considering entering into an installment financing agreement and certain related documents pursuant to G.S. §160A-20, as amended, for the purpose of providing funds in an amount not to exceed \$60,000,000, with other available funds, for the financing and refinancing of the Project, and it is necessary to provide for certain related matters at this time;

NOW, THEREFORE, BE IT DETERMINED AND RESOLVED by the Board of Commissioners for the County, as follows:

Section 1. The Board of Commissioners for the County (the "Board") hereby finds and determines in connection with such proposed agreement that (a) the proceeds of such proposed agreement will be used to finance a portion of the cost of financing and refinancing the Project to meet an urgent need for additional and improved public facilities and equipment constituting the Project to serve the residents of the County and, accordingly, such proposed agreement is necessary or expedient for the County, (b) such proposed agreement, under current circumstances, is preferable to a bond issue of the County for financing and refinancing the same purpose because there is not adequate time to hold a bond referendum, (c) the sums estimated to fall due under such proposed agreement are adequate and not excessive for its proposed purpose because they are based upon construction bids received by the County with respect to portions of the Project or the County's best estimate of the cost of portions of the Project, (d) the County's

debt management procedures and policies are good and its debt will continue to be managed in strict compliance with the law, (e) any increase in taxes necessary to meet the sums estimated to fall due under such proposed agreement will not be excessive because the County does not expect that it will be necessary to increase taxes by more than two and one-half cents (2.5¢) per one hundred dollars (\$100) of the appraised value of property subject to taxation by the County in order to provide funds to pay such sums and (f) the County is not in default regarding any of its debt service obligations.

Section 2. The Chief Financial Officer of the County or her designee is hereby authorized to call a public hearing on such proposed agreement and to publish a notice of such public hearing in the The Herald Sun, in accordance with the provisions of G.S. §160A-20.

Section 3. The County Manager, the Chief Financial Officer and the County Attorney of the County are each hereby designated as a representative of the County to file an application for approval of such proposed agreement with the Local Government Commission of North Carolina and are authorized to take such other actions as may be advisable in connection with the negotiation of such proposed agreement and the development of the related financing; and all other actions heretofore taken by any of such officers or any other officer of the County relating to such matter on behalf of the County are hereby approved, ratified and confirmed.

Section 4. The Board hereby requests the Local Government Commission of North Carolina to approve such proposed agreement under Article 8 of Chapter 159 of the General Statutes of North Carolina, as amended.

Section 5. The Board hereby confirms the selection of the following professionals to be on the financing team for such proposed agreement:

Special Counsel

Robinson Bradshaw & Hinson, P.A.

Financial Advisor

DEC Associates, Inc.

Underwriters

PNC Capital Markets LLC; and
Merrill Lynch, Pierce, Fenner & Smith
Incorporated

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

Upon consideration of the foregoing resolution and motion duly made and seconded, the foregoing resolution was passed by the following vote:

Ayes: Commissioners _____

_____.

Noes: _____.

* * * * *

The Chairman of the Board of Commissioners for the County of Durham, North Carolina (the “County”) announced that this was the hour, day and place fixed for the public hearing for the purpose of considering whether the Board of Commissioners for the County should approve a proposed installment financing agreement and certain related documents pursuant to G.S. §160A-20, as amended, for the purpose of providing funds in an amount not to exceed \$60,000,000, with other available funds, for (a) refinancing a portion of the County’s obligations pursuant to an Installment Financing Contract dated March 30, 2017 with PNC Bank, National Association, the proceeds of which were used to finance a portion of the cost of (i) reconstructing and renovating the Judicial Building of the County, (ii) reconstructing and renovating the Judicial Annex of the County, (iii) reconstructing and renovating certain facilities used by Durham County Emergency Medical Services and (iv) constructing and otherwise accomplishing five projects relating to the redevelopment of Park Center in the Research Triangle Park (collectively the “2017 Project”) and (b) financing a portion of the cost of (i)

reconstructing and renovating the County's existing Detention Center POD, (ii) constructing Emergency Communications Center in the new Police Headquarters, (iii) acquiring, replacing and installing emergency radio communication equipment, (iv) acquiring, replacing and installing the Detention Center Elevators and (v) acquiring firefighting vehicles and other equipment (collectively, the "2018 Project" and together with the 2017 Project, the "Project"). The County would secure the repayment of the proposed financing by granting a security interest in a portion of the Project and certain related property.

The County Manager and the Chief Financial Officer of the County then described the Project as currently proposed and the current plan of the County to finance and refinance a portion of the cost of the Project.

Notice of this public hearing was published in The Herald Sun not less than 10 days before the date of this public hearing.

The Chairman of the Board of Commissioners for the County (the "Board") then announced that the Board would immediately hear anyone who might wish to be heard on such matters.

No one appeared, either in person or by attorney, to be heard on such matters and the Clerk to the Board announced that no written statement relating to such matters had been received.

NOTE: One or more of the following clauses may be added after the last sentence on the preceding page:

except _____, residing at _____, who appeared in person and stated _____.

except _____, Esq., who stated that he represented _____, residing at _____, who wishes to state _____.

except _____, who presented a statement signed by _____ persons, which statement was read and ordered spread upon the minutes, and is as follows: [If any written statement is presented it should be inserted in full in the minutes at this point, including names of signers, if such insertion is practicable].

All of the foregoing statements were duly considered by the Board.

[Remove this page from the proceedings prior to their certification.]

Thereupon, the Chairman of the Board announced that the public hearing was closed.

* * * * *

I, Terri Lea Hugie, Clerk to the Board of Commissioners for the County of Durham, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of so much of the proceedings of said Board at a regular meeting held on June 25, 2018 as relates in any way to the matters described therein and that said proceedings are recorded in Minute Book ____ of the minutes of said Board, beginning on page ____ and ending on page ____.

I HEREBY FURTHER CERTIFY that notice of said meeting was duly given in accordance with G.S. §143-318.12.

WITNESS my hand and the corporate seal of said County, this ____ day of June 2018.

Clerk to the Board of Commissioners