

The Board of Commissioners for the County of Wake, North Carolina met in a regular meeting in the Board Room of the Wake County Justice Center, Room 2700, 301 South McDowell Street in Raleigh, North Carolina, the regular place of meeting, at 2:00 p.m. on April 15, 2019.

Present: _____

Absent: _____

Also present: Scott Warren, County Attorney; Denise Hogan, Clerk to the Board; Emily Lucas, Chief Financial Officer; Todd Taylor, Debt Manager; _____

* * * * *

_____ introduced the following resolution, copies of which had been distributed to each Commissioner:

RESOLUTION MAKING CERTAIN FINDINGS AND DETERMINATIONS REGARDING THE PROPOSED ISSUANCE OF LIMITED OBLIGATION BONDS TO REFINANCE A PORTION OF THE COUNTY'S OBLIGATIONS UNDER INSTALLMENT FINANCING AGREEMENTS PROVIDING FOR THE FINANCING OF THE CONSTRUCTION AND EQUIPPING OF CERTAIN PUBLIC SCHOOL AND COMMUNITY COLLEGE FACILITIES AND TO FINANCE ADDITIONAL PUBLIC SCHOOL IMPROVEMENTS; CALLING A PUBLIC HEARING; AND REQUESTING THE LOCAL GOVERNMENT COMMISSION TO APPROVE THE FINANCING ARRANGEMENT

WHEREAS, in order to provide financing for additional new public school facilities and for renovation, rehabilitation and improvement of existing school facilities in Wake County, North Carolina (the "County"), and to provide financing for new community college facilities and renovation, rehabilitation and improvement of existing community college facilities in the County, the County entered into a plan of finance under which the County entered into (i) an Installment Financing Agreement, dated as of February 1, 2017, with Wells Fargo Bank, National Association, which was amended and restated by the Amended and Restated Installment Financing Agreement, dated as of February 1, 2018, between the County and Wells Fargo Bank, National Association, and (ii) a separate Installment Financing Agreement, dated as of August 1, 2018, with Bank of America, N.A. (the original Installment Financing Agreement with Wells Fargo Bank, National Association, as amended and restated, and the Installment Financing Agreement with Bank of America, N.A. are herein referred to collectively as the "Agreements");

WHEREAS, the Agreements were entered into by the County pursuant to the authority granted to the County by North Carolina General Statutes Section 160A-20 (the “Act”);

WHEREAS, under the plan of finance the obligations of the County under the Agreements will be refinanced from time to time by Limited Obligation Bonds issued pursuant to the Act, and secured by deeds of trust entered into under the authority of the Act;

WHEREAS, in order to secure the payment obligations of the County to the respective lenders in connection with the plan of finance, the Board of Education for the Wake County Public School System conveyed to the County the sites of Willow Springs High School, Apex High School, Barton Pond Elementary School, Parkside Elementary School, East Wake Middle School and Fuquay-Varina High School, public schools being constructed or improved with funds financed under the plan of finance, and the County will grant a Deed of Trust on such sites (and the improvements located thereon, including the schools located or to be located thereon) to secure the County’s obligations under the Agreements;

WHEREAS, on June 28, 2018 the County issued its Limited Obligation Bonds, Series 2018A (the “Series 2018A Bonds”) in the principal amount of \$155,290,000 for the purpose of refinancing amounts previously drawn under the Agreements and financing additional public school improvements, such Series 2018A Bonds issued under a Trust Agreement, dated as of June 1, 2018 (the “Trust Agreement”), between the County and U.S. Bank National Association, as trustee (the “Trustee”) and a First Supplemental Trust Agreement thereunder;

WHEREAS, the Trust Agreement provides that additional Limited Obligation Bonds may be issued thereunder, which additional Limited Obligation Bonds will be secured on a parity with all other Bonds previously or thereafter issued under the Trust Agreement;

WHEREAS, in connection with the issuance of the Series 2018A Bonds, the County executed and delivered to the Trustee a Deed of Trust on Apex High School, which secures the payment of the Bonds issued under the Trust Agreement;

WHEREAS, the Board has determined that in addition to refinancing the existing obligations under the Agreement, the Board will consider financing additional public school and community college improvements with proceeds of the Limited Obligation Bonds;

WHEREAS, the Board has determined to consider whether to proceed at this time with a new Limited Obligation Bond financing (the “Series 2019 Bonds”) under the Trust Agreement in an amount not to exceed \$240,000,000 for the purpose of refinancing outstanding amounts drawn under the Agreements and also to finance additional public school improvements;

WHEREAS, in connection with the issuance of the Series 2019 Bonds the County intends to deliver to the Trustee a new Deed of Trust on the sites of Willow Spring High School and Parkside Elementary School to further secure the Bonds issued under the Trust Agreement;

WHEREAS, in accordance with Section 160A-20(g) of the Act, the County is required to hold a public hearing on the proposed issuance of the Series 2019 Bonds; and

WHEREAS, certain findings by the Board must be made in support of the County's application to the North Carolina Local Government Commission for approval of the proposed Series 2019 Bonds;

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners (the "Board") for the County as follows:

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

(a) The proposed Series 2019 Bond issue is necessary or expedient because it is part of a comprehensive plan of finance of needed improvements to the public school facilities and community college facilities within the County.

(b) The proposed Series 2019 Bond issue is preferable to a general obligation bond issue because (i) the County does not have the constitutional authority to issue non-voted general obligation bonds pursuant to Article V, Section 4 of the North Carolina Constitution for the purposes described above without an election; (ii) funds are required to be available to continue the on-going plan of finance for the school and community college improvements being financed under the Agreements (then refinanced by a bond issue) and the time for when an election regarding the issuance of voted general obligation bonds may be conducted make refinancing the obligations under the Agreements with voted general obligation bonds impractical; and (iii) existing circumstances require that funds be available to commence construction and installation of the additional school improvements to be financed as soon as practicable, and the time for when an election regarding the issuance of voted general obligation bonds make refinancing the obligations under the Agreements would significantly delay the commencement of such construction and installation.

(c) The sums to fall due with respect to the Series 2019 Bonds are adequate and not excessive for the proposed purpose.

(d) The County's debt management procedures and policies are good because all debt management practices have been made in accordance with State law.

(e) The increases in taxes, if any, necessary to meet the sums to fall due with respect to the Series 2019 Bonds will not be excessive.

(f) The County is not in default in any of its debt service obligations.

Section 2. The Board hereby authorizes and approves the filing of an application with the Local Government Commission of North Carolina for approval of the Series 2019 Bonds in an amount not to exceed \$240,000,000 and requests the Local Government Commission to approve the issuance of the Series 2019 Bonds as described above.

Section 3. The Board hereby fixes 5:00 p.m. on June 3, 2019 in the Commissioners' Meeting Room in the Wake County Justice Center located at 301 South McDowell Street in Raleigh, North Carolina, Room 2700 as the hour, day and place for a public hearing on (a) the proposed Series 2019 Bond issue, and (b) the new Deed of Trust on the sites of Willow Spring

High School and Parkside Elementary School to secure the Bonds issued under the Trust Agreement.

Section 4. The Board hereby directs the Clerk to said Board to publish notice of such public hearing once in The News and Observer not later than the 10th day before said date.

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

Upon motion of Commissioner _____, seconded by Commissioner _____, the foregoing resolution was adopted by the following vote:

Ayes: _____

Noes: _____

* * * * *

I, Denise Hogan, Clerk to the Board of Commissioners for the County of Wake, North Carolina, DO HEREBY CERTIFY that the foregoing is a true copy of such much of the proceedings of said Board, at a regular meeting held on April 15, 2019, as it relates in any way to the passage of the foregoing resolution and that said proceedings are recorded in the minutes of said Board.

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

WITNESS my hand and official seal of said County this 15th day of April, 2019.

Clerk to the Board of Commissioners

[SEAL]