

CAROLINA BEACH

Regular Town Council Minutes
Tuesday, September 10, 2019 @ 6:30 PM
Council Chambers
1121 N. Lake Park Boulevard
Carolina Beach, NC 28428

ASSEMBLY

The Town of Carolina Beach Regular Town Council was held on Tuesday, September 10, 2019 at 6:30 PM at Council Chambers.

PRESENT: Mayor Joe Benson, Mayor Pro Tem Tom Bridges, Council Member LeAnn Pierce, Council Member Steve Shuttleworth, and Council Member JoDan Garza

ABSENT:

ALSO PRESENT: Interim Town Manager Ed Parvin, Finance Director Debbie Hall, Town Clerk Kim Ward, and Town Attorney Noel Fox

1. MEETING CALLED TO ORDER WITH INVOCATION GIVEN BY REVEREND SHAWN BLACKWELDER WITH ST. PAUL'S UMC FOLLOWED BY THE PLEDGE OF ALLEGIANCE

2. ADOPT THE AGENDA

ACTION: Motion to adopt the agenda.

Motion: Joe Benson

Vote: UNANIMOUS

3. CONSENT AGENDA

- a. Set a public hearing for October 8, 2019 to consider a Text Amendment, to allow for Business Planned Unit Developments in the Neighborhood Business (NB) district. Applicant: Ralph Roof
- b. Set a public hearing for October 8, 2019 to consider a Conditional Use Permit, for a 2 unit Planned Unit Development located at 504 Keys Ln. Applicant: The Pioneer Group NC Inc
- c. Set a public hearing for October 8, 2019 to consider a Conditional Use Permit, for a 36 unit condo building located at 402 N. Lake Park Blvd. Applicant: Pelican Point CB LLC
- d. Set a Public Hearing for October 8, 2019 to Consider a Text Amendment: to amend Chapter 40 article III and XVIII to address allowed uses in the Conservation District. Applicant: Town of Carolina Beach
- e. Budget Amendments & Transfers
- f. Approve purchase of a Vactor Truck for \$409,827 at 1.995% interest with Sun Trust Equipment Finance & Leasing Corporation.

g. Approval of Minutes from August 13, 20, 27, and September 3, 2019.

h. **ACTION:** Motion to approve the consent agenda.

Motion: Joe Benson

Vote: UNANIMOUS

4. SPECIAL PRESENTATIONS

a. Camp Counselor Recognition

Parks and Rec Director Eric Jelinski recognized the youth camp counselors for their hard work and dedication.

b. September-October Special Events

Brenda Butler presented the events for September and October, 2019.

Council Member Garza asked if the Town was aware of the Tech-Wave event that was taking place on Freeman Park this weekend.

Ms. Butler said that it was not a Town event and she was not aware of it.

Mr. Parvin added that the Town did not sponsor this event nor was he aware of it.

c. Manager's Update

Interim Manager Ed Parvin gave an update on the following topics:

Hurricane Dorian:

Declared State of Emergency on Tuesday at 5:00 p.m.

Bridge closed at 7:00 p.m. on Thursday and reopened Friday morning at 9:00 a.m.

All assessments were complete by 9:00 a.m. Thursday.

Freeman Park reopened on Saturday at 7:00 a.m.

The Mooring Field reopened on Sunday.

All Town facilities opened on Monday at 8:00 a.m.

There will be an after action staff meeting on September 19th.

September 12, 2019 Planning and Zoning Meeting Agenda:

Conditional Use Permit: for a 36 unit condo building located at 402 N. Lake Park Blvd.

Applicant: Pelican Point CB LLC

Conditional Use Permit: for a 2 unit Planned Unit Development located at 504 Keys Ln.

Applicant: The Pioneer Group NC Inc

Text Amendment: to amend Chapter 40 article III and XVIII to address allowed uses in the Conservation District. Applicant: Town of Carolina Beach

Text Amendment: to allow for Business Planned Unit Developments in the Neighborhood Business (NB) district. Applicant: Ralph Roof

September 16, 2019 TRC Agenda:

CUP- 406 Harper Ave. two unit detached Planned Unit Development

CUP -1012 S. Lake Park Blvd. Planned Unit Development for two detached businesses.

CUP - 401 Marina St. Carolina Beach Marina and Yacht club expansion.

Text Amendment – to consider installing additional stop signs in the Seagrove Community.

There will be a Clarendon Avenue Multi-Use Path Workshop on September 19, 2019 5:30-7:00 p.m.

There will be a meeting with FEMA on September 19th to discuss the Town Marina.

September 24th Town Council Workshop:

Employee Recognition

Town Marina Improvement Recommendations

MOTSU:

Well testing is scheduled for September 16th and 17th.

Lake Dredge permits are still in place.

The timeline is to be determined based on the State's response.

Town Hall is reconstructing the front lobby in the Billing and Planning Department. This will start in the next couple of weeks.

Ocean Rescue Building Timeline:

September 23, 2019 Demolition of the Hamlet Avenue Restrooms

October 8, 2019 Town Council awards contract

November 11, 2019 Begin work

April 30, 2020 Completion of project

Council Member Pierce mentioned that the lifeguard station could be reimbursed by ROT funds.

5. PUBLIC COMMENT

- a. Lynn Barbee 933 Sea Ridge Lane commended staff for a job well done during Hurricane Dorian and recognized their families for weathering the storm without them.

Tom Savarese 101 Lighthouse Drive said that when the tree limbs were trimmed on Saint Joseph Street it caused them to grow westward into his yard and the Town needs to come cut the trees that are hanging over his property.

6. PUBLIC HEARINGS

- a. Text Amendment – Consider amending Article IX. - Development Standards For Particular Uses, Mixed use commercial-residential regulations to review the commercial sq. ft. requirement when located in a V-floodzone. Applicant: Jeff Stokley

Jeremy Hardison presented the request for the amendment.

Mayor Benson made a motion to open public hearing. Motion carried unanimously.

Steve Nemier (applicant) said that he is asking for the amendment because there is property that he would like to develop across from Stoked on the Water.

Mayor Benson made a motion to close the public hearing. Motion carried unanimously.

ACTION: Motion to adopt Ordinance 19-1122 amending Chapter 40, Article IX, Section 261(s) - Mixed use commercial-residential regulations to review the commercial square footage requirement when located in a V-floodzone. The amendment is in accordance with provisions of North Carolina General Statute. It is consistent with the goals and objectives of the adopted Land Use Plan and other long range plans and in the public interest.

Motion: Steve Shuttleworth

Vote: UNANIMOUS

- b. Conditional Use Permit Modification for a roof top bar expansion - Hurricane Alleys - 5 Boardwalk
Applicant: JLM PARTNERSHIP LLC

Mayor Benson: The next item on the agenda is a public hearing to consider a Conditional Use Permit Application. All individuals intending to testify must come forward and be sworn in by the Town Clerk.

The following were sworn in by the Town Clerk:

David Cole, applicant

Ned Barnes, applicant's attorney

Jeremy Hardison, Planning Director

Attorney Fox: Mayor, Council and Members of the Town that are in attendance, this is a quasi-judicial matter which means that this hearing is an evidentiary hearing, much like a court hearing. Council must follow specific procedures that are required by state law in making its decision tonight. Specifically, Council's discretion is limited and must base its decision on competent, relevant, and substantial evidence in the record. If you are a witness, you need to focus on the facts and standards, not personal preference or opinion. If you intend to testify, please do not offer unsupported opinions or speculation. The Council cannot consider that testimony. Please limit your testimony to relevant, competent, substantial and material evidence. Before we begin, does any member of Council have any partiality to disclose or recusal to offer?

Mayor Benson: No

Ms. Fox: Does any board member have an ex parte' or communications to disclose?

Council: No

Jeremy Hardison:

The applicant for this Conditional Use Permit is David Cole with JLM Partnership, LLC. It is located at 5 Boardwalk. It is zoned Central Business district in the AE flood zone. The use is a bar since 2014. The building is 1,700 square feet. It serves alcohol and food. It has an existing second story deck and patio service area. The proposal is for a roof top bar and seating over the existing building. The hours for operation will be 11:00 a.m. until 2:00 a.m. This existing floor plan on the bottom floor will remain the same with the exception of adding a staircase leading to the rooftop bar. There is no expansion of the foot print of the building. They will have added seating and a bar on the west side of the building. In 2012 a survey was conducted and it was discovered that the sidewalk in front of the building was on the owner's property. The Town historically maintained this sidewalk. Council at that time requested a 5 foot easement from the previous owner who was not interested in granting the easement. One of the recommendations from staff is to require that 5 foot easement prior to approving any building permits being issued. This would be a public access easement. The application and plans submitted meets the specific stands. There is only pedestrian access to the property. In March of 2012, the applicant agreed to dedicate an access easement to the Town in front of the deck. Tables will be situated as to not block the ingress and egress. There is no vehicular access to the property. Central Business District parking is waived. Refuse collection agency is handled by the the boardwalk business area. A sign permit must be obtained for any new signs located on the property. The structure was built in 1953 and covered the majority of the lot. It meets the four general conditions as laid out in the Land Use Plan. It promotes commercial businesses.

Before you is a motion that meets the seven specific standards and the four general conditions. That the location and character of the use if developed according to the plan as submitted and approved will be in harmony with the area in which it is to be located and in general conformity with the Town Land Use Plan and policies. The Town would like to put a condition on this permit to have a 5' access easement given to the Town.

MPT Bridges: Is there not a way to just move the sidewalk east, out of his property?

Mr. Hardison: There are some CAMA requirements on paving. The CAMA line is about a foot off of where it is now. The majority of the sidewalk is on his property.

Mayor Benson: At this time I would like for the applicant to come and present.

Attorney Fox: I want to clarify that the applicant is Hurricane Alley's LLC and the property owner is JLM Partnership, LLC.

Attorney Ned Barnes: Ned Barnes, 814 Carolina Beach Avenue North. This establishment has been in business since 2014. The Island has grown with residents and we get more business every year. This roof top would be the first place people would want to go during fireworks nights. This would enhance the boardwalk area and allow visitors to enjoy the boardwalk area. I don't want to be redundant and repeat everything Jeremy stated. It meets the seven specific standards and the four general conditions as required. It passed unanimous by Planning and Zoning. There was quite a bit

of discussion at the Planning and Zoning meeting and the consensus was that there was no need for the 5' easement. It would be detrimental to him to cut off that access for patrons that are coming to his business and he has no intent on doing so. I'll address any questions you have and I'll have the applicant come up for questions.

Council Member Pierce: So you're saying that the applicant does not want to grant the easement that was with the original CUP?

Attorney Barnes: That would be his preference. He was not the owner in 2012. Historically, this sidewalk has remained open for all of these years. He has no plans to block it. He would have no problem if the Town wanted to expand the sidewalk.

David Cole 205 Greenville Avenue: It goes back to 2011 when the building was boarded up. It came up when I wanted to build the deck. That's when the Town found out that they did not own that property. It was a big surprise to the Town. The Mayor at the time wanted to take the property. That didn't go over too good. In 2012, I wanted to switch the CUP because of alcohol sales. You are limited with so little space. I have no outside space. I tried to have corn hole games on the grass and I was cited for that. Everything I have done down there has been pretty much harassed. I've never done anything to stop anyone from using that area. I did yell at the guys on the Gators a while back because they were going too fast and there were kids running around. By me agreeing to grant access to the Town has cost me revenue. I could have had tables out there. It's my property, not the Town's. We worked it out where I would set the deck back 3 feet in case they needed a truck down there.

Mayor Benson: I'll retract my hypothetical because it's your property and if you decide sometime down the road that you want patio seating on the sidewalk itself, it would be no different than Buzz's Roost or Smoke House.

Mr. Cole: I try to keep the tables under the deck for shade but it's my property and I allow everybody else to use it. I maintain that sidewalk because the guys that come around with the blowers, blow the sand up under my door and it blows into my building. I'd rather them not do it. I'll take care of it.

Council Member Pierce: I get that that's your property and there are some hokey lines down there because we have old maps. We appreciate the partnership that you guys have had with the Town. We would just ask that you continue to have that and we could have pedestrian access as much as possible.

Mr. Cole: I have no plans of blocking it. There's another property adjacent to mine that the City thinks is their property and it's not. That's for the City to hire a surveyor to find out what's yours and what's not.

Council Member Shuttleworth: We did, and they told us it's not!

Mr. Cole: In 2011/2012 this building was boarded up and there were 2 homeless people living in it. It's ocean front property. I took my little bit of life savings and bought that building and turned it

into a little restaurant. I took a chance. People want to see the ocean. You cannot see the ocean from the businesses on the boardwalk. That's why I'm wanting to go up.

Mayor Benson: Any other witnesses?

Mayor Benson made a motion to open the public hearing. Motion carried unanimously.

Mayor Benson made a motion to close the public hearing. Motion carried unanimously.

Council Member Shuttleworth: I would like to make a motion to approve it. David has done a tremendous job turning that place around. I understand staff's desire to have an easement but I also like Tom's idea of moving the sidewalk east. Generally an easement comes with an agreement and a purchase.

ACTION: Recommend approval of the Conditional Use Permit modification – For the addition/expansion of the rooftop deck to include additional seating and a bar at Hurricane Alleys and it meets the specific standards and general conditions. That the location and character of the use if developed according to the plan as submitted and approved will be in harmony with the area in which it is to be located and in general conformity with the town Land Use Plan and policies.

The project is located in the Commercial 2 district area of the Land Use Plan. The proposed project is consistent with the 2007 Land Use Plan. The desired Future Land Use of the Commercial 2 area includes tourist and family-oriented retail and services, with other considerably less vehicle-dependent commercial businesses such as offices, commercial lodgings, restaurants, and entertainment.

Motion: Steve Shuttleworth

Vote: UNANIMOUS

c. Approval of Financing Property Purchase

Debbie Hall presented the request for approval for financing a property purchase at 3 Carolina Beach Avenue South.

Mr. Parvin stated that the purpose for the property could be for storage of ocean rescue and parks and recreation equipment, public bathrooms, storage of security equipment or reconstruction for open space.

Mayor Benson made a motion to open the public hearing. Motion carried unanimously.

No one from the public spoke.

Mayor Benson made a motion to close the public hearing. Motion carried unanimously.

Mayor Benson mentioned that the Town really needs to move the ocean rescue equipment out of the leased space and end the lease.

ACTION: Motion to approve Resolution of Necessary Findings 19-2207, Reimbursement Resolution 19-2208 and Resolution Approving Financing Terms 19-2210.

Motion: Steve Shuttleworth

Vote: UNANIMOUS

7. ITEMS OF BUSINESS

a. Business and Economic Development Ad-hoc Committee Appointments

The following seven applicants were appointed to the Business and Economic Development Committee:

Ethan Crouch, Kristen Dunn, Paul Levy, Maureen Lewis, Greg Reynolds, Danny Tangredi, Jason Wooten

Council discussed possibly expanding to a 9 member committee or two alternates because there was such an interest in this committee. The committee will hold their kick-off meeting in September and discuss those options.

8. NON-AGENDA ITEMS

a. MPT Bridges commended staff on a job well done during Hurricane Dorian.

Council Member Shuttleworth asked for a status on the golf cart parking issue.

Mr. Parvin said he is meeting with Lanier tomorrow to start implementing plans.

Council Member Shuttleworth asked if the Town could get with CAMA about renewing the permit to use the beach rake.

Council Member Shuttleworth would like staff to ask Kevin Murphy about expanding the beach mats.

Council Member Shuttleworth commended the Parks and Rec Department stating that department has totally turned around the last four years and that Eric Jelinski is doing a tremendous job.

Council Member Shuttleworth asked about planting trees on the other side of the bridge. Mr. Parvin will follow up.

Mayor Benson asked staff to keep the public informed about the progress of Ryder Lewis Park.

Mayor Benson mentioned meeting with Corps regarding the wetland area that Mr. Freeman is wanting to dig out with his own funds.

Mayor Benson mentioned Census 2020. He has been attending meetings about this project.

Mayor Benson said that he spoke with Dave Connely, the Corps Public Affairs Director to promote

what the dunes did and the value of beach nourishment as it pertained to Hurricane Dorian.

9. CLOSED SESSION

- a. Closed Session to Discuss a Personnel, Attorney Client, and Real Estate Matter

ACTION: Motion to go into closed session to discuss a personnel, attorney/client and real estate matter in accordance to NCGS 143-318.11(a)(3)(5) and(6).

The property being discussed is 316 Cape Fear Boulevard.

The matter being discussed is 19CVS2999 Stier Construction v Town of Carolina Beach

Vote: UNANIMOUS

10. ADJOURNMENT

- a. **Mayor Benson made a motion to return to open session stating that no action was taken during closed session. Motion carried unanimously.**

ACTION: Motion to adjourn at 9 p.m.

Motion: Joe Benson

Vote: UNANIMOUS

Adopted at a regular meeting on October 8, 2019.

Recorded by Kimberlee Ward, Town Clerk



ORDINANCE NO. 19-1122

CHAPTER 40, ARTICLE IX, SECTION 40-261 - DEVELOPMENT STANDARDS FOR PARTICULAR USES

(r) *Mixed use commercial-residential.* The purpose of the mixed use commercial-residential development is to accommodate mixed use buildings that preserve and limit the ground floor or first habitable floor to commercial uses with either commercial and/or residential uses allowed above. Development is encouraged that exhibits physical design characteristics that include storefronts oriented to pedestrian movement with a decreased reliance on vehicles.

(1) The first habitable floor shall be limited to:

- a. A commercial building and use.
- b. In a VE flood zone the commercial use shall occupy at least 25 percent of the building footprint.
- c. In AE or X zones the commercial use shall occupy at least 50 percent of the building footprint.

(2) Mixed use commercial-residential developments located in the CBD shall have the building's front facade and at least one ingress/egress located adjacent to a public right-of-way.

Adopted this 10th day of September, 2019.

Joseph Benson, Mayor



Attest: Kimberlee Ward
Kimberlee Ward, Town Clerk



RESOLUTION NO. 19-2207

RESOLUTION OF NECESSARY FINDINGS

RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION FOR APPROVAL OF A FINANCING AGREEMENT AUTHORIZED BY NORTH CAROLINA GENERAL STATUTE 160A-20

WHEREAS, the Town of Carolina Beach, North Carolina ("Town") desires to purchase property for (1) temporary lifeguard storage, (2) housing of critical safety and security infrastructure, (3) management of tourism and recreational activities, and (4) future open space; and

WHEREAS, the Town plans to demolish and reconstruct the town owned public bathroom to add office, training and storage space for Ocean Rescue (the "Project") to better serve the citizens of the Town of Carolina Beach; and

WHEREAS, The Town of Carolina Beach desires to finance the Project by the use of an installment contract financing authorized under North Carolina General Statute 160A, Article 3, Section 20; and

WHEREAS, findings of fact by this governing body must be presented to enable the North Carolina Local Government Commission to make its findings of fact set forth in North Carolina General Statute 159, Article 8, Section 151 prior to approval of the proposed installment contract financing;

NOW, THEREFORE, BE IT RESOLVED that the Town Council of the Town of Carolina Beach, North Carolina, meeting in regular session on the 10th day of September 2019, make the following findings of fact:

1. The Town makes a preliminary determination to finance approximately [Amount] to pay capital costs related to the acquisition of **3 Carolina Beach Avenue South, Carolina Beach** and to pay the costs related to demolish and reconstruct the town owned public bathroom to add office, training and storage space for Ocean Rescue to better serve the citizens and visitors of the Town of Carolina Beach.
2. The proposed installment contract financing contract is necessary or expedient to improve health and public safety by the moving the Ocean Rescue staff and equipment closer to the municipal beach strand and provide housing for security equipment.
2. The proposed contract is preferable to a bond issue for the same purpose because general obligation bond authorization could not be obtained in a timely manner and would not permit the alternative financing structures and repayment provisions available in the proposed negotiated installment contract financing.
3. The sums to fall due under the contract are adequate and not excessive for the proposed purpose because we have proposals in hand which detail the project costs.
4. The Town of Carolina Beach's debt management procedures and policies are sound because we have annual audits prepared and are reviewed by the Local Government Commission.



Resolution No. 19-2208

RESOLUTION OF THE TOWN OF CAROLINA BEACH, NORTH CAROLINA DECLARING ITS INTENTION TO REIMBURSE ITSELF FROM THE PROCEEDS OF INSTALLMENT FINANCING IN CONNECTION WITH THE PURCHASE OF 3 CAROLINA BEACH AVENUE SOUTH AND DEMOLITION AND RECONSTRUCTION OF PUBLIC BATHROOMS AT 102 HAMLET AVENUE

WHEREAS, The Town of Carolina Beach, North Carolina ("Town") is a political subdivision organized and existing under the laws of the State of North Carolina; and

WHEREAS, The Town has paid or will pay certain expenditures (the "Expenditures") in connection with the acquisition of **3 Carolina Beach Avenue South, Carolina Beach** and to pay the costs related to demolish and reconstruct the town owned public bathroom located at 102 Hamlet Avenue to add office, training and storage space for Ocean Rescue to better serve the citizens and visitors of the Town of Carolina Beach ("Project"); and

WHEREAS, The Town Council adopted Resolution No. 19-2207 authorizing the Town Finance Director to act on behalf of the Town of Carolina Beach in filing an application with the North Carolina Local Government Commission for approval of the Project; and

WHEREAS, The Finance Director has described to the Board the desirability of adopting a resolution as provided under federal tax law to facilitate the unit's using installment contract financing proceeds to restore the Town's funds when the Town makes capital expenditures prior to closing on financing.

BE IT THEREFORE RESOLVED by the Town of Carolina Beach, a follows:

1. The Project shall include the purchase of property located 3 Carolina Beach Avenue South and demolition and reconstruction of public bathrooms at 102 Hamlet Avenue to include adding office, training and storage space for Ocean Rescue.
2. Any Funds having been advanced or which may be advanced from the General Fund or Capital Project Fund for the project costs are intended to be reimbursed from the installment contract financing proceeds
3. The adoption of this resolution is intended as a declaration of the unit's official intent to reimburse project expenditures from installment contract financing proceeds.

Date: 9.10.2019

Mayor: 
Joe Benson

Attest: Kimberlee Ward
Clerk, Kimberlee Ward





Resolution No.19-2210

Resolution Approving Financing Terms

WHEREAS: The Town of Carolina Beach, NC ("Town") has previously determined to undertake a project for the financing of the purchase and reconstruction of various properties, and the Finance Officer has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

1. The Town hereby determines to finance the Project through Branch Banking and Trust Company ("BB&T"), in accordance with the proposal dated September 4, 2019. The amount financed shall not exceed \$1,200,000.00 the annual interest rate (in the absence of default or change in tax status) shall not exceed 2.38%, and the financing term shall not exceed fifteen (15) years from closing.
2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the Town are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution.
3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by Town officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.
4. The Town shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The Town hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of Internal Revenue Code Section 265(b)(3).
5. The Town intends that the adoption of this resolution will be a declaration of the Town's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the BB&T financing described above. The Town intends that funds that have been advanced, or that may be advanced, from the Town's general fund or any other Town fund related to the project, for project costs may be reimbursed from the financing proceeds.
6. All prior actions of Town officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this 10th day of September, 2019

By: Kimberly Inland

Title: Town Clerk

(Clerk)

By: 

Title: Mayor

(Mayor)





Resolution #19-2212

Resolution Approving Financing Terms

WHEREAS: The Town of Carolina Beach ("Town") has previously determined to undertake a project for a Vac Con Dual Engine Combination Truck (Vactor Truck), (the "Project"), and the Finance Officer has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

1. The Town hereby determines to finance the Project through SunTrust Equipment Finance & Leasing Corporation (SunTrust), in accordance with the proposal dated September 4, 2019. The amount financed shall not exceed \$409,827, the annual interest rate (in the absence of default or change in tax status) shall not exceed 1.995%, and the financing term shall not exceed five (5) years from closing.

2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the Town are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution. The Financing Documents shall include a Financing Agreement and Deed of Trust and a Project Fund Agreement as SunTrust may request.

3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by Town officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.

4. The Town shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations. The Town hereby designates its obligations to make principal and interest payments under the Financing Documents as "qualified tax-exempt obligations" for the purpose of internal Revenue Code Section 265(b) (3).

5. The Town intends that the adoption of this resolution will be a declaration of the Town's official intent to reimburse expenditures for the project that is to be financed from the proceeds of the SunTrust financing described above. The Town intends that funds that have been advanced, or that may be advanced, from the Town's utility fund, or any other Town fund related to the project, for project costs may be reimbursed from the financing proceeds.

6. All prior actions of Town officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this 10th day of September, 2019.

By: Kimberle Wood
(Clerk)

By: [Signature]
(Mayor)



SEAL