

EXTRACTS FROM MINUTES OF THE BOARD

A regular meeting of the Board of Commissioners of the County of Buncombe, North Carolina, was duly held on September 15, 2020 at 5:00 p.m. in the Commission Chambers, 200 College Street, Suite 326, Asheville, North Carolina. Chairman Brownie Newman presiding.

The following members were present:

The following members were absent:

* * * * *

Commissioner _____ moved that the following resolution, copies of which having been made available to the Board, be adopted:

**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF
BUNCOMBE, NORTH CAROLINA, APPROVING AN AMENDMENT TO AN INSTALLMENT
FINANCING AGREEMENT AND THE DELIVERY THEREOF AND PROVIDING FOR
CERTAIN OTHER RELATED MATTERS**

WHEREAS, the County of Buncombe, North Carolina (the “*County*”) is a validly existing political subdivision of the State of North Carolina (the “*State*”), existing as such under and by virtue of the Constitution, statutes and laws of the State;

WHEREAS, the County has the power, pursuant to the General Statutes of North Carolina to (1) purchase real and personal property, (2) enter into installment financing contracts in order to finance the purchase of real and personal property used, or to be used, for public purposes, and (3) finance the construction of fixtures or improvements on real property by contracts that create in the fixtures or improvements and in the real property on which such fixtures or improvements are located a security interest to secure repayment of moneys advanced or made available for such construction;

WHEREAS, the County and the Buncombe Financing Corporation (the “*Corporation*”) have previously entered into the an Installment Financing Contract dated as of December 1, 2010 (the “*2010 Contract*”), as amended by Amendment Number One to the 2010 Contract dated as of July 1, 2012 (the “*First Amendment*”); Amendment Number Two to the 2010 Contract dated as of February 15, 2014 (the “*Second Amendment*”); and Amendment Number Three to the 2010 Contract dated as of April 1, 2020 (the “*Third Amendment*,” and together with the 2010 Contract, the First Amendment, the Second Amendment and the Fourth Amendment (defined herein), the “*Contract*”) for the purposes outlined therein;

WHEREAS, the Corporation has previously executed and delivered (1) (a) Limited Obligation Bonds (County of Buncombe, North Carolina), Series 2010A, Evidencing Proportionate Undivided Interests in Rights to Receive Certain Revenues under the Contract in the aggregate principal amount of \$31,500,000, (b) Taxable Limited Obligation Bonds (County of Buncombe, North Carolina Build America Bonds), Series 2010B, Evidencing Proportionate Undivided Interests in Rights to Receive Certain Revenues under the Contract in the aggregate principal amount of \$20,420,000, and (c) Taxable Limited Obligation Bonds (County of Buncombe, North Carolina Qualified Zone Academy Bonds), Series 2010C, Evidencing Proportionate Undivided Interests in Rights to Receive Certain Revenues under the Contract in the aggregate principal amount of \$3,800,000, all under an Indenture of Trust dated as of December 1, 2010 (the “*2010 Indenture*”) between the Corporation and U.S. Bank National Association, the successor to which is Regions Bank (the “*Trustee*”), as trustee; (2) Limited Obligation Bonds, Series 2012A, Evidencing Proportionate Undivided Interests in Rights to Receive Certain Revenues Pursuant To the Contract (as amended) in the aggregate principal amount of \$75,365,000, under Supplemental Indenture Number 1 dated as of July 1, 2012 (the “*First Supplement*”) to the 2010 Indenture; (3) (a) Limited Obligation Bonds, Series 2014A, Evidencing Proportionate Undivided Interests in Rights to Receive Certain Revenues Pursuant To the Contract (as amended) in the aggregate principal amount of \$151,590,000 and (b) Taxable Limited Obligation Bonds, Series 2014B, Evidencing Proportionate Undivided Interests in Rights to Receive Certain Revenues Pursuant To the Contract (as amended) in the aggregate principal amount of \$28,725,000, both under Supplemental Indenture Number 2 dated as of February 15, 2014 (the “*Second Supplement*”) to the 2010 Indenture; and (4) (a) Limited Obligation Bonds, Series 2020A, Evidencing Proportionate Undivided Interests in Rights to Receive Certain Revenues Pursuant to the Contract (as amended) in the aggregate principal amount of \$56,495,000 and (b) Taxable Limited Obligation Bonds, Series 2020B, Evidencing Proportionate Undivided Interests in Rights to Receive Certain Revenues Pursuant to the Contract (as amended) in the aggregate principal amount of \$32,235,000, both under Supplemental Indenture Number 3 dated as of April 1, 2020 (the “*Third Supplement*”) to the 2010 Indenture;

WHEREAS, to secure its obligations under the 2010 Contract, as amended, the County executed and delivered a deed of trust granting a security interest in the County Courthouse (as defined in the 2010 Contract), including the site on which it is located, a Notice of Extension granting a security interest in the Courts Building (as defined in the First Amendment), including the site on which it is located, and a Second Notice of Extension granting a security interest in Asheville Middle School and the Allied Health Building on the campus of Asheville-Buncombe Technical Community College (together with the County Courthouse, the County Courts Building and Asheville Middle School, the “*Mortgaged Property*”), including the respective sites on which they are located (as defined in the Second Amendment and collectively, the “*Deed of Trust*”);

WHEREAS, the County hereby determines that it would be in the best interest of the County to enter into Amendment Number Four to the 2010 Contract (the “*Fourth Amendment*”) between the County and the Corporation in order to pay the capital costs of the acquisition and installation of solar panel equipment as part of the implementation of the County’s 100% Renewable Energy Plan (the “*2020C Project*”);

WHEREAS, the Corporation will issue its Limited Obligation Bond (County of Buncombe, North Carolina), Series 2020C (the “*2020C Bond*”) in an aggregate principal amount not to exceed \$10,800,000, evidencing proportionate undivided interests in rights to receive certain Revenues (as defined in the 2010 Contract) pursuant to the Contract, in order to finance the 2020C Project;

WHEREAS, there have been described to the Board the forms of the following documents (collectively, the “*Instruments*”), which the Board proposes to approve, enter into and deliver, as applicable, to effectuate the proposed installment financing:

- (1) the Fourth Amendment; and
- (2) a Supplemental Indenture, Number 4 dated as of October 1, 2020 (the “*Fourth Supplement*”) between the Corporation and Regions Bank, as trustee, supplementing the 2010 Indenture;

WHEREAS, it appears that each of the Instruments is in an appropriate form and is an appropriate instrument for the purposes intended;

WHEREAS, the Board conducted a public hearing on September 1, 2020 to receive public comment on the proposed Fourth Amendment and the project to be financed thereby and approval of the LGC with respect to entering into the Fourth Amendment must be received;

WHEREAS, the County has filed an application to the LGC for approval of the Fourth Amendment;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF BUNCOMBE, NORTH CAROLINA, AS FOLLOWS:

Section 1. Authorization to Execute the Fourth Amendment. The County hereby approves the financing of the 2020C Project in accordance with the terms of the Fourth Amendment, which will be a valid, legal and binding obligation of the County in accordance with its terms. The form and content of the Fourth Amendment are hereby in all respects authorized, approved and confirmed, and the Chairman, the Clerk and the County Manager and their respective designees are hereby authorized, empowered and

directed, individually and collectively, to execute and deliver the Fourth Amendment, including necessary counterparts, in substantially the form and content presented to the Board, but with such changes, modifications, additions or deletions therein as they deem necessary, desirable or appropriate, their execution thereof to constitute conclusive evidence of the County's approval of any and all changes, modifications, additions or deletions therein from the form and content of the Fourth Amendment presented to the Board. From and after the execution and delivery of the Fourth Amendment, the Chairman, the Clerk, the County Manager and the Finance Director of the County are hereby authorized, empowered and directed, individually and collectively, to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Fourth Amendment as executed.

Section 2. County Representative. The Chairman, the County Manager and the Finance Director of the County are hereby designated as the County's representative to act on behalf of the County in connection with the transactions contemplated by the Instruments, and the Chairman, the County Manager and the Finance Director are authorized to proceed with the financing of the 2020C Project in accordance with the Instruments and to seek opinions as a matter of law from the Senior Staff Attorney, which the Senior Staff Attorney is authorized to furnish on behalf of the County, and opinions of law from such other attorneys for all documents contemplated hereby as required by law. The County's representative and/or designee or designees are in all respects authorized on behalf of the County to supply all information pertaining to the County as may be required. The County's representatives or their respective designees are hereby authorized, empowered and directed, individually and collectively, to do any and all other acts and to execute any and all other documents, which they, in their discretion, deem necessary and appropriate to consummate the transactions contemplated by the Instruments or as they deem necessary or appropriate to implement and carry out the intent and purposes of this Resolution.

Section 3. Severability. If any section, phrase or provision of this Resolution is for any reason declared to be invalid, such declaration will not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

Section 4. Repealer. All motions, orders, resolutions and parts thereof, in conflict herewith are hereby repealed.

Section 5. Effective Date. This Resolution is effective on the date of its adoption.

STATE OF NORTH CAROLINA)
)
COUNTY OF BUNCOMBE) ss:

I, *Lamar Joyner*, Clerk to the Board of Commissioners of the County of Buncombe, North Carolina ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of a resolution entitled “**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF BUNCOMBE, NORTH CAROLINA, APPROVING AN AMENDMENT TO AN INSTALLMENT FINANCING AGREEMENT AND THE DELIVERY THEREOF AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS**” adopted by the Board of Commissioners of the County of Buncombe, North Carolina, at a meeting held on September 15, 2020.

WITNESS my hand and the corporate seal of the County of Buncombe, North Carolina, this the ___ day of September, 2020.

Lamar Joyner
Clerk to the Board
County of Buncombe, North Carolina