

**A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF CHARLOTTE, NORTH CAROLINA, FOR THE APPROVAL, EXECUTION AND DELIVERY OF CITY OF CHARLOTTE, NORTH CAROLINA WATER AND SEWER SYSTEM REVENUE BOND ANTICIPATION NOTE, SERIES 2024**

**WHEREAS**, the City of Charlotte, North Carolina (the “*City*”) is authorized by The State and Local Government Revenue Bond Act, General Statutes of North Carolina, Section 159-80 *et seq.*, as amended (the “*Act*”), to issue, subject to the approval of the Local Government Commission of North Carolina (the “*LGC*”), at one time or from time to time, revenue bond anticipation notes of the City for the purposes specified in the Act;

**WHEREAS**, the City has previously issued Water and Sewer System Revenue Bonds under the terms of the Amended and Restated General Trust Indenture dated as of September 24, 2020 (the “*General Indenture*”) between the City and U.S. Bank National Association, the successor to which is U.S. Bank Trust Company, National Association, as trustee (the “*Trustee*”) to finance the capital costs of improvements to the water and sanitary sewer systems of the City (the “*Water and Sewer System*”);

**WHEREAS**, the City Council of the City (the “*City Council*”) has determined that it is in the best interest of the City to issue its Water and Sewer System Revenue Bond Anticipation Note, Series 2024 (the “*Bond Anticipation Note*”) in an aggregate principal amount not to exceed \$500,000,000 to finance the capital costs of extensions, additions and capital improvements to, or the acquisition, renewal or replacement of capital assets of, or purchasing and installing new equipment for the Water and Sewer System (the “*Projects*”);

**WHEREAS**, the City will issue the Bond Anticipation Note under the General Indenture and a Series Indenture, Number 25 (the “*Series Indenture*”) between the City and the Trustee;

**WHEREAS**, Bank of America, N.A. (the “*Lender*”), will purchase the Bond Anticipation Note and provide the City with the funding for the Projects on a draw-down basis under the terms of the Series Indenture and a Note Purchase and Advance Agreement (the “*Purchase Agreement*”) among the City, the Lender and the LGC;

**WHEREAS**, the City Council has considered and recognized that variable interest rate debt instruments may subject the City to the risk of higher interest rates in the future;

**WHEREAS**, the City Council believes that a draw-down program as contemplated in the Series Indenture and the Purchase Agreement is superior to a fixed rate financing because it will lower the City’s overall cost of capital; and

**WHEREAS**, copies of the Series Indenture and the Purchase Agreement have been filed with the City and are available for review by the City Council;

**NOW THEREFORE, THE CITY COUNCIL OF THE CITY OF CHARLOTTE, NORTH CAROLINA DOES RESOLVE AS FOLLOWS:**

**Section 1.** The Bond Anticipation Note is hereby authorized and will be issued, pursuant to the Act, by the City for the purpose of providing funds to (1) finance the costs of the Projects and (2) pay the costs of issuing the Bond Anticipation Note.

**Section 2.** The City's issuance of the Bond Anticipation Note in the principal amount not to exceed \$500,000,000, in substantially the form and content set forth in the Series Indenture, subject to appropriate insertions and revisions in order to comply with the provisions of the General Indenture and the Series Indenture, is hereby in all respects approved and confirmed, and the provisions of the General Indenture and the Series Indenture with respect to the Bond Anticipation Note (including without limitation the maturities and rate setting mechanisms) are in all respects approved and confirmed and are incorporated herein by reference.

**Section 3.** The form and content of the Series Indenture and the exhibits thereto are in all respects approved and confirmed. The Mayor, the City Manager, the Chief Financial Officer, the City Treasurer, the City Debt Manager, the City Clerk, the Deputy City Clerk and their respective designees (the "*Authorized Officers*"), are authorized, empowered and directed to execute and deliver the Series Indenture for and on behalf of the City, including necessary counterparts, in substantially the form and content presented to the City, but with such changes, modifications, additions or deletions therein as to them seem necessary, desirable or appropriate. Execution by the Authorized Officers of the Series Indenture will constitute conclusive evidence of the City's approval of any and all such changes, modifications, additions or deletions therein from the form and content of the Series Indenture presented to the City Council. From and after the execution and delivery of the Series Indenture, the Authorized Officers, are hereby authorized, empowered and directed 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 Series Indenture as executed.

**Section 4.** The Bond Anticipation Note shall be sold to the Lender pursuant to the terms of the Purchase Agreement. The form and content of the Purchase Agreement are in all respects approved and confirmed. The Authorized Officers are hereby authorized, empowered and directed to execute and deliver the Purchase Agreement for and on behalf of the City, including necessary counterparts, in substantially the form and content presented to the City, but with such changes, modifications, additions or deletions therein as to them seem necessary, desirable or appropriate. Execution by the Authorized Officers of the Purchase Agreement will constitute conclusive evidence of the City's approval of any and all such changes, modifications, additions or deletions therein from the form and content of the Purchase Agreement presented to the City Council. From and after the execution and delivery of the Purchase Agreement, the Authorized Officers are hereby authorized, empowered and directed 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 Purchase Agreement as executed.

**Section 5.** The City Manager, Chief Financial Officer of the City and the City Treasurer are each hereby authorized to execute a no-arbitrage certificate in order to comply with Section 148 of the Internal Revenue Code of 1986, as amended, and the applicable regulations promulgated thereunder.

**Section 6.** No stipulation, obligation or agreement herein contained or contained in the Bond Anticipation Note, the General Indenture, the Series Indenture, the Purchase Agreement or any other instrument related to the issuance of the Bond Anticipation Note is deemed to be a stipulation, obligation or agreement of any officer, agent or employee of the City in his or her individual capacity, and no such officer, agent or employee will be personally liable on the Bond Anticipation Note or be subject to personal liability or accountability by reason of the issuance thereof.

**Section 7.** The Authorized Officers are hereby authorized, empowered and directed to do any and all other acts and to execute any and all other documents, which they, in their discretion, deem necessary and appropriate in order to consummate the transactions contemplated by (1) this Resolution, (2) the General Indenture, (3) the Series Indenture and (4) the Purchase Agreement; except that the Authorized Officers are not authorized or empowered to do anything or execute any document which is in contravention, in any way, of (a) the specific provisions of this Resolution, (b) the specific provisions of the General Indenture, (c) the specific provisions of the Series Indenture, (d) the specific provisions of the Purchase Agreement, (e) any agreement to which the City is bound, (f) any rule or regulation of the City or (g) any applicable law, statute, ordinance, rule or regulation of the United States of America or the State of North Carolina.

**Section 8.** All acts and doings of the Authorized Officers previously taken and required to be taken in the future that are in conformity with the purposes and intents of this Resolution, the furtherance of the issuance of the Bond Anticipation Note, the execution, delivery and performance of the Series Indenture and the Purchase Agreement described herein are hereby in all respects ratified, approved and confirmed. Any provision in this Resolution that authorizes more than one officer of the City to take certain actions shall be read to permit such officers to take the authorized actions either individually or collectively.

**Section 9.** If any one or more of the agreements or provisions herein contained is held contrary to any express provision of law or contrary to the policy of express law, though not expressly prohibited, or against public policy, or for any reason whatsoever is held invalid, then such covenants, agreements or provisions are null and void and will be deemed separable from the remaining agreements and provisions and in no way affect the validity of any of the other agreements and provisions hereof or of the Bond Anticipation Note authorized hereunder.

**Section 10.** All resolutions or parts thereof of the City Council in conflict with the provisions herein contained are, to the extent of such conflict, hereby superseded and repealed.

**Section 11.** This Resolution is effective on its adoption.

Adopted: May 13, 2024.