

EXTRACTS FROM MINUTES OF CITY COUNCIL

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A Regular Meeting of the City Council of the City of Charlotte, North Carolina was duly held in the Meeting Chamber at the Charlotte-Mecklenburg Government Center in Charlotte, North Carolina, the regular place of meeting, at 7:00 p.m. on July 22, 2019:

Members Present:

Members Absent:

\* \* \* \* \*  
\* \* \*

Councilmember \_\_\_\_\_ introduced the following resolution, a summary of which had been provided to each Councilmember, copy of which was available with the City Clerk and which was read by title:

**RESOLUTION INTRODUCING AND ADOPTING THE BOND ORDER AUTHORIZING THE  
ISSUANCE OF WATER AND SEWER SYSTEM REFUNDING REVENUE BONDS OF THE  
CITY OF CHARLOTTE, NORTH CAROLINA IN THE AGGREGATE PRINCIPAL AMOUNT  
NOT TO EXCEED \$[PAR AMOUNT]**

**BOND ORDER**

**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.* (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 bonds and refunding revenue bonds of the City for the purposes as specified in the Act; and

**WHEREAS**, the City has previously issued Water and Sewer System Revenue Bonds under the terms of a General Trust Indenture dated as of November 1, 1996 (the “General Indenture”) between the City and First Union National Bank of North Carolina, the successor to which is U.S. Bank National Association, as trustee, (the “Trustee”);

**WHEREAS**, the City Council (the “City Council”) of the City has determined to issue Water and Sewer System Refunding Revenue Bonds, Series 2019 of the City (the “2019 Bonds”) in an aggregate principal amount not to exceed \$[Par Amount] under the General Trust Indenture and Series Indenture, Number 19 (the “Series Indenture”) between the City and the Trustee, to (1) refund the City’s outstanding Water and Sewer System Revenue Refunding Bonds, Series 2009 (the “2009 Bonds”), the proceeds of which were used to refinance costs of extensions, additions and capital improvements to, or the renewal and replacement of capital assets of, or purchasing and installing new equipment for the City’s water and sewer system, and (2) pay the costs of issuing the 2019 Bonds;

**WHEREAS**, the City and the LGC have arranged for the private sale without advertisement of the 2019 Bonds to BofA Securities, Inc. and Wells Fargo Bank, National Association (collectively, the

“Underwriters”), under the terms of a Bond Purchase Agreement (the “*Purchase Agreement*”) among the City, the LGC and the Underwriters, pursuant to which the City and the LGC will sell the 2019 Bonds to the Underwriters in accordance with the terms and conditions set forth therein;

**WHEREAS**, an application has been filed with the LGC requesting approval of the 2019 Bonds as required by the Act;

**NOW, THEREFORE, BE IT ORDERED** by the City Council of the City of Charlotte, North Carolina, as follows:

**Section 1.** In order to raise the money required to refund the 2009 Bonds and pay the costs of issuing the 2019 Bonds, in addition to any funds which may be made available for such purpose from any other source, the 2019 Bonds are hereby authorized and shall be issued pursuant to the Act.

**Section 2.** The aggregate principal amount of the 2019 Bonds authorized by this order shall not exceed \$[Par Amount]. The 2019 Bonds hereby authorized are special obligations of the City, secured by and paid solely from the proceeds thereof or from Net Revenues (as defined in the General Indenture).

**Section 3.** The issuance of the 2019 Bonds by the City, in substantially the form set forth in the Series Indenture, be and the same hereby is in all respects approved and confirmed. The form and content of the 2019 Bonds and the provisions of the Series Indenture with respect to the 2019 Bonds are approved and confirmed.

The principal of, premium, if any, and interest on the 2019 Bonds shall not be payable from the general funds of the City, nor shall they constitute a legal or equitable pledge, charge, lien or encumbrance upon any of its property or upon any of its income, receipts or revenues except the funds which are pledged under the General Indenture. Neither the credit nor the taxing power of the State of North Carolina or the City are pledged for the payment of the principal of, premium, if any, or interest on the 2019 Bonds, and no holder of the 2019 Bonds has the right to compel the exercise of the taxing power by the State of North Carolina or the City or the forfeiture of any of its property in connection with any default thereon.

**Section 4.** The 2019 Bonds shall be purchased by the Underwriters under the terms of the Purchase Agreement.

**Section 5.** The proceeds from the sale of the 2019 Bonds shall be deposited in accordance with the Series Indenture.

**Section 6.** If any one or more of the agreements or provisions herein contained shall be 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 shall for any reason whatsoever be held invalid, then such covenants, agreements or provisions shall be null and void and shall be deemed separable from the remaining agreements and provisions and shall in no way affect the validity of any of the other agreements and provisions hereof or of the 2019 Bonds authorized hereunder.

**Section 7.** 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 8.** This Bond Order shall take effect immediately on its adoption and pursuant to §159-88 of the General Statutes of North Carolina, as amended, need not be published or subjected to any procedural requirements governing the adoption of ordinances or resolutions by the City Council other than the procedures set out in the Act.

