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 6:30 p.m. on April 26, 2021:

Members Present:

Members Absent:

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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 ADOPTING THE BOND ORDER AUTHORIZING THE ISSUANCE OF WATER AND SEWER SYSTEM REVENUE BOND ANTICIPATION NOTE OF THE CITY OF CHARLOTTE, NORTH CAROLINA IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $250,000,000

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; and

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 U.S. Bank National Association, as successor trustee, (the *"Trustee"*), which amends and restates the General Trust Indenture dated as of November 1, 1996 between the City and 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 has determined that it is in the best interest of the City to issue its Water and Sewer System Revenue Bond Anticipation Note, Series 2021 (the *"Bond Anticipation Note"*) in an aggregate principal amount not to exceed $250,000,000 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 21 (the *"Series Indenture"*) between the City and the Trustee; and

WHEREAS, the City and the LGC have arranged for Wells Fargo Bank, National Association, or a wholly owned subsidiary thereof (the *"Lender"*) to purchase the Bond Anticipation Note and advance

the funds to finance the Projects under the terms of a Note Purchase and Advance Agreement (the *"Purchase Agreement"*); and

WHEREAS, an application has been filed with the LGC requesting approval of the Bond Anticipation Note 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. The Bond Anticipation Note is authorized and will be issued pursuant to and under the Act and this bond order (this *"Bond Order"*) in order to raise the money required to finance the Projects, in addition to any funds which may be made available for such purpose from any other source.

Section 2. The aggregate principal amount of the Bond Anticipation Note authorized by this Bond Order will not exceed $250,000,000. The Bond Anticipation Note hereby authorized will be a special obligation of the City, secured by and paid solely from the proceeds thereof or from revenues, income, receipts and other money received or accrued by or on behalf of the City from or in connection with the operation of the City's Water and Sewer System, as more specifically provided in the General Indenture and the Series Indenture. The principal of, premium, if any, and interest on the Bond Anticipation Note will not be payable from the general funds of the City, nor will 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 Bond Anticipation Note, and no holder of the Bond Anticipation Note 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 3. The form and content of the Bond Anticipation Note and the provisions of the Series Indenture and the Purchase Agreement with respect to the Bond Anticipation Note (including without limitation the maturities and rate setting mechanisms) will be approved and confirmed in a separate resolution of the City Council.

Section 4. The Bond Anticipation Note will be purchased by the Lender under the terms of the Purchase Agreement and the proceeds from the sale of the Bond Anticipation Note will be deposited in accordance with the Series Indenture.

Section 5. 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 is for any reason whatsoever held invalid, then such covenants, agreements or provisions are null and void and 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 6. 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 7. This Bond Order will 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.

STATE OF NORTH CAROLINA)
) ss:
CITY OF CHARLOTTE)

I, STEPHANIE C. KELLY, the City Clerk of the City of Charlotte, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of a resolution entitled "**RESOLUTION ADOPTING THE BOND ORDER AUTHORIZING THE ISSUANCE OF WATER AND SEWER SYSTEM REVENUE BOND ANTICIPATION NOTE OF THE CITY OF CHARLOTTE, NORTH CAROLINA IN THE AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $250,000,000**" adopted by the City Council of the City of Charlotte, North Carolina, at a meeting held on the 26th day of April, 2021, the reference having been made in Minute Book _____, and recorded in full in Resolution Book _____, Page(s) _____.

WITNESS my hand and the corporate seal of the City of Charlotte, North Carolina, this the ___ day of _____, 2021.

_____Stephanie C. Kelly
City Clerk
City of Charlotte, North Carolina