

RESOLUTION 16-10

RESOLUTION OF THE TOWN OF HOLDEN BEACH, NORTH CAROLINA, DIRECTING THE APPLICATION TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF SPECIAL OBLIGATION BONDS; REQUESTING LOCAL GOVERNMENT COMMISSION APPROVAL OF THE TOWN'S SPECIAL OBLIGATION BONDS; AND CERTAIN RELATED MATTERS

WHEREAS, the Board of Commissioners (the "*Board*") of the Town of Holden Beach, North Carolina (the "*Town*") hereby determines that it is necessary to provide beach nourishment for the purpose of beach erosion control and flood and hurricane protection works (the "*Project*");

WHEREAS, the Town has created a Municipal Service District (the "*MSD*"), in accordance with Article 23 of Chapter 160A of the North Carolina General Statutes, in which the Project will be located;

WHEREAS, the Board is considering the issuance of a special obligation bond (the "*2016 Bond*") in an aggregate principal amount not to exceed \$12,000,000 to finance the Project and pay the costs of issuing the 2016 Bond;

WHEREAS, the Town has retained (A) Parker Poe Adams & Bernstein LLP, as bond counsel for the 2016 Bond and (B) DEC Associates Inc., as financial advisor for the 2016 Bond;

WHEREAS, the Board wants the Town Manager (1) to file with the North Carolina Local Government Commission (the "*Commission*") an application for its approval of the 2016 Bond, on a form prescribed by the Commission, (2) to request in such application that the Commission approve (a) the negotiation of the sale of the 2016 Bond to a financial institution (the "*Purchaser*") to be determined by the Authorized Officers, as defined herein, through a private placement and (b) the financing team for the 2016 Bond, (3) to state in such application such facts and to attach thereto such exhibits in regard to the 2016 Bond and to the Town and its financial condition, as may be required by the Commission, and (4) to take all other action necessary for the issuance of the 2016 Bond.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE TOWN OF HOLDEN BEACH, NORTH CAROLINA, AS FOLLOWS:

Section 1. That the 2016 Bond is to be issued by the Town for the purpose of providing funds (1) to finance the costs of the Project and (2) to pay the costs of issuing the 2016 Bond, as set out fully in the documents attached to the Town's application to the Commission. The use of the proceeds of the 2016 Bond, as described, is necessary in order to provide for beach erosion control and flood and hurricane protection works in the MSD.

Section 2. That the Mayor and the Town Manager (the "*Authorized Officers*") are hereby authorized, directed and designated to file an application with the Commission for its approval of the issuance of the 2016 Bond and are hereby authorized to request bids from financial institutions for the purchase of the 2016 Bond.

Section 3. In addition to the bond counsel and the financial advisor, the Authorized Officers are each hereby authorized to retain the services of other professionals as they deem necessary and appropriate to complete the transactions contemplated by this Resolution.

Section 4. The Town Manager, with advice from the Town Attorney, bond counsel and the financial advisor, is hereby authorized, directed and designated to file an application with the North Carolina Local Government Commission for its approval of the issuance of the 2016 Bond.

Section 5. The Board finds and determines and asks the Commission to find and determine from the Town's application and supporting documentation:

- (a) that the issuance of the 2016 Bond is necessary or expedient;
- (b) that the not to exceed stated principal amount of the 2016 Bond will be sufficient but is not excessive, when added to other moneys available to the Town, for the proposed Project;
- (c) that the Town's debt management procedure and policies are good;
and
- (d) that the 2016 Bond can be marketed at a reasonable interest cost to the Town.

Section 6. The Mayor, the Town Manager, the Shoreline Protection & Recreation Manager, the Town Attorney and the Town Clerk are hereby authorized, individually and collectively, to do any and all other things necessary to complete the steps necessary for the issuance of the 2016 Bond.

Section 7. This Resolution is effective on the date of its adoption.

This the 22nd day of August, 2016.

J. Alan Holden, Mayor

ATTEST:

Heather Finnell, Town Clerk

STATE OF NORTH CAROLINA)
)
COUNTY OF BRUNSWICK) SS:

I, *Heather Finnell*, Town Clerk of the Town of Holden Beach, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of a resolution entitled “**RESOLUTION OF THE TOWN OF HOLDEN BEACH, NORTH CAROLINA, DIRECTING THE APPLICATION TO THE LOCAL GOVERNMENT COMMISSION FOR APPROVAL OF SPECIAL OBLIGATION BONDS; REQUESTING LOCAL GOVERNMENT COMMISSION APPROVAL OF THE TOWN’S SPECIAL OBLIGATION BONDS; AND CERTAIN RELATED MATTERS**” adopted by the Board of Commissioners of the Town of Holden Beach, North Carolina, at a meeting held on the 22nd day of August, 2016.

WITNESS my hand and the corporate seal of the Town of Holden Beach, North Carolina, this the 22nd day of August, 2016.

[Seal]

Heather Finnell
Town Clerk
Town of Holden Beach, North Carolina