

Randolph County Commissioners

February 9, 2004 Special Meeting

The Randolph County Board of Commissioners met in special session at 4:00 p.m. in the Commissioners Meeting Room, County Office Building, 725 McDowell Road, Asheboro, NC. Commissioners Holmes, Mason, Frye, and Davis were present. Commissioner Kemp was absent. The purpose of this meeting was to hold a public hearing to consider whether the County should refinance some or all of the Certificates of Participation the County sold in 2000.

Chairman Holmes called on Steve Schemmel of Wachovia, Underwriter for the Refunding, to make a presentation.

Mr. Schemmel explained the process for the refunding being considered and stated that, with the current interest rates, the County could save approximately \$650,000 in interest on the 2000 Certificates of Participation through the proposed refinancing.

Chairman Holmes announced that this was the hour, day and place fixed for the public hearing for the purpose of considering whether the Board of Commissioners for the County should approve certain documents under which the County would obtain financing pursuant to Section 160A-20 of the North Carolina General Statutes, as amended, for the purpose of accomplishing the Refinancing hereinafter described and under which the County would secure the repayment by it of moneys advanced pursuant to such documents by granting a lien on all or a portion of the property subject to the Refinancings. The Refinancing is the refinancing of the County's obligations with respect to a portion of the outstanding Certificates of Participation (2000 Randolph County – Public Facilities Project) executed and delivered by the Randolph County Public Facilities Corporation. The notice of the public hearing was published in The Courier-Tribune on January 28, 2004.

Chairman Holmes opened the public hearing and stated that the Board would hear anyone who might wish to be heard on this matter. No one spoke. Chairman Holmes then asked the Clerk if she had received any written statement related to this matter. The Clerk replied that no written statement related to this matter had been received. The Chairman then closed the public hearing.

On motion of Frye, seconded by Davis, the Board unanimously adopted the following resolution:

RESOLUTION APPROVING AN INSTALLMENT FINANCING AUTHORIZED BY SECTION 160A-20 OF THE NORTH CAROLINA GENERAL STATUTES AND AUTHORIZING THE EXECUTION AND DELIVERY OF DOCUMENTS IN CONNECTION THEREWITH.

WHEREAS, the Board of Commissioners of the County duly conducted a public hearing on February 9, 2004 regarding an installment financing to accomplish the refinancing referred to below;

WHEREAS, the County and Randolph County Public Facilities Corporation (the "Corporation") previously entered into an Installment Financing Agreement dated as of March 1, 2000 (the "Installment Financing Agreement") for the purposes specified therein;

WHEREAS, the Corporation and First Union National Bank, now known as Wachovia Bank, National Association, as trustee (the "Trustee") entered into a Trust Agreement dated as of March 1, 2000 (the "Trust Agreement") pursuant to which the Corporation executed and delivered its Certificates of Participation (2000 Randolph County-Public Facilities Project) (the "2000 Certificates");

WHEREAS, the County previously conveyed certain property in connection with the 2000 Certificates pursuant to the Deed of Trust dated as of March 1, 2000 (the "Deed of Trust") to a deed of trust trustee for the benefit of the Corporation;

WHEREAS, in order to generate economic savings, the County wants to refinance its obligations with respect to a portion of the 2000 Certificates by having the Corporation execute and deliver Additional Certificates (as defined in the Trust Agreement);

WHEREAS, there have been available at this meeting drafts of the forms of the following:

- (1) A First Amendment to Installment Financing Agreement to be dated as of February 15, 2004 (the "First Amendment to Installment Financing Agreement"), between the County and the Corporation;
- (2) A First Supplemental Trust Agreement to be dated as of February 15, 2004 (the "First Supplemental Trust Agreement") between the Corporation and the Trustee;
- (3) An Escrow Deposit Agreement to be dated as of February 15, 2004 (the "Escrow Agreement") among the County, the Corporation and Wachovia Bank, National Association, as escrow agent (the "Escrow Agent");
- (4) A Modification of Deed of Trust (the "Deed of Trust Modification") among the County, the Corporation and the deed of trust trustee;
- (5) A Preliminary Official Statement (the "Preliminary Official Statement") relating to Refunding Certificates of Participation, Series 2004 evidencing proportionate undivided interests in revenues to be received by the Corporation under the Installment Financing Agreement (the "2004 Certificates");
- (6) A Contract of Purchase (the "Purchase Contract") between Wachovia Bank, National Association (the "Underwriter") and the Corporation, with the form of the Letter of Representation (the "Letter of Representation") from the County to the Underwriter.

WHEREAS, the Board of Commissioners of the County wants to approve the First Amendment to Installment Financing Agreement and related documents and the sale of the 2004 Certificates and to authorize other actions in connection therewith; and

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the County as follows:

1. *Each of the First Amendment to the Installment Financing Agreement, the Escrow Agreement, the Deed of Trust Modification and the Letter of Representation, in the form submitted to this meeting, is hereby approved, and the Chairman of the Board, the County Manager and Finance Officer and the Clerk to the Board are each hereby authorized and directed to execute and deliver each of those documents, on behalf of the County, with such changes, insertions or omissions as each may approve, the execution thereof by any of them to constitute conclusive evidence of such approval.*
2. *Each of the First Supplemental Trust Agreement and the Purchase Contract, in the form submitted to this meeting, is hereby approved in substantially such form, with such changes, insertions or omissions as appropriate.*
3. *Each of the Preliminary Official Statement and the final Official Statement in the form of the Preliminary Official Statement submitted to this meeting, is hereby approved, in substantially such form, with such changes, insertions and omissions as appropriate, and the use thereof in connection with the public offering and sale of the 2004 Certificates is hereby authorized. The Chairman of the Board and the County Manager and Finance Officer are each hereby authorized and directed to execute and deliver on behalf of the County, the final Official Statement in substantially such form, with such changes, insertions and omissions as each may approve, the execution thereof by any of them to constitute conclusive evidence of such approval.*
4. *The Chairman of the Board, the County Manager and Finance Officer, the Clerk to the Board and the County Attorney are each hereby authorized to take any and all such further action and to execute and deliver such other documents as may be necessary or advisable to carry out the intent of this Resolution and to effect the installment financing pursuant to the documentation therefor. Without limiting the generality of the foregoing, the County Manager and Finance Officer is authorized to approve all details of the financing, including without limitation, the amount advanced under the First Amendment to Installment Financing Agreement with respect to the 2004 Certificates, the annual principal payments under the Installment Financing Agreement, the term of the Installment Financing Agreement, the discount below or premium above the principal amount of the 2004 Certificates at which the 2004 Certificates are sold to the Underwriter, if any, and the insurer of the financing and the details related thereto. Execution of the First Amendment to Installment Financing Agreement*

by the Chairman of the Board or the County Manager and Finance Officer shall conclusively evidence approval of all such details of the financing.

5. *All actions of the County effectuating the proposed financing are hereby approved, ratified and authorized pursuant to and in accordance with the transactions contemplated by the documents referred to above.*

6. *This Resolution shall become effective immediately upon its adoption.*

Having no further business, the Board adjourned at 4:30 p.m.

J. Harold Holmes, Chairman

Darrell L. Frye

Robert O. Mason

Robert B. Davis

Alice D. Dawson, Clerk to the Board