

REQUEST FOR BOARD ACTION

HENDERSON COUNTY BOARD OF COMMISSIONERS

MEETING DATE: September 6, 2011

SUBJECT: Solid Waste Capital Improvements Project Financing

ATTACHMENTS: Financing Resolution – Solid Waste Capital Improvements Project
Reimbursement Resolution – SW Capital Improvements Project
BB&T Governmental Finance Group Proposal and Resolution

SUMMARY OF REQUEST:

The Board of Commissioners approved a funding plan for the Solid Waste Capital Improvements Project which included financing \$2 million of the \$3.95 million project budget. Staff is presenting the attached financing resolution drafted by bond counsel to start the installment contract financing process for this project. The resolution makes the necessary findings for issuing the debt and authorizes Staff to negotiate an installment financing contract and provide for certain other related matters including the filing of an application with the Local Government Commission (LGC) for approval.

The resolution also calls for a required public hearing on the proposed financing to be held at the Board's September 21, 2011 meeting date at 9:00 a.m. and directs Staff to cause a notice of the public hearing to be published in the local newspaper.

A reimbursement resolution drafted by bond counsel is also being presented by Staff to allow the County to reimburse itself for project expenditures incurred prior to closing on the \$2 million financing.

BB&T Governmental Finance Group submitted the most cost effective proposal to finance the \$2 million for this project. The terms include financing this amount over 15 years at an annual interest rate not to exceed 3.20 percent. The first annual debt service payment of \$197,333.33 will not be due until fiscal year 2013. The Board previously increased the solid waste tipping fee by \$3 per ton for the current fiscal year to cover project expenditures and the annual debt service requirements on the \$2 million financing. A resolution approving the financing terms is attached for the Board's consideration and approval.

BOARD ACTION REQUESTED:

Request that the Board approve the attached resolutions that will authorize the necessary actions to be taken by the Chairman and Staff for the proposed financing, to allow the County to reimburse itself for prior project expenditures from loan proceeds and to approve the \$2 million financing proposal submitted by BB&T Governmental Finance Group.

Suggested Motion:

I move the approval of the Resolution of the Board of Commissioners of the County of Henderson, North Carolina, authorizing the negotiation of an installment financing contract and providing for certain other related matters thereto which includes the setting of a public hearing on the proposed financing at the September 21st meeting at 9:00 a.m., the approval of the Resolution of the County of Henderson declaring its intent to reimburse itself for prior project expenditures incurred from loan proceeds and the approval of the financing proposal/terms from BB&T Governmental Finance Group.

EXTRACTS FROM MINUTES OF THE BOARD OF COMMISSIONERS

A regular meeting of the Board of Commissioners of the County of Henderson, North Carolina, was duly held on September 6, 2011 at 5:30 p.m. in the Commissioners' Meeting Room, Henderson County Historic Courthouse, 1 Historic Courthouse Square, Hendersonville, North Carolina. Chairman J. Michael Edney presiding.

The following members were present:

The following members were absent:

None

* * * * *

Commissioner _____ moved that the following resolution, copies of which having been made available to the Board of Commissioners, be adopted, by reading the title thereof (further reading waived without objection):

RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF HENDERSON, NORTH CAROLINA, AUTHORIZING THE NEGOTIATION OF AN INSTALLMENT FINANCING CONTRACT AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO

WHEREAS, the County of Henderson, North Carolina (the "County") is a validly existing political subdivision of the State of North Carolina, existing as such under and by virtue of the Constitution, statutes and laws of the State of North Carolina (the "State");

WHEREAS, the County has the power, pursuant to the General Statutes of North Carolina to (1) purchase real and personal property, (2) enter into installment purchase contracts in order to finance the purchase of real and personal property used, or to be used, for public purposes, and (3) grant a security interest in some or all of the property purchased to secure repayment of the purchase price;

WHEREAS, the Board hereby determines that it is in the best interest of the County to (1) enter into an Installment Financing Contract (the "Contract") with Branch Banking and Trust Company

(the "*Bank*") in order to pay the capital costs of construction of a new scalehouse (the "*Scalehouse*") and a new recycling convenience center, construction of road improvements (the "*Road Improvements*") related to an existing solid waste transfer station and the new recycling convenience center and acquisition of related equipment (the "*Equipment*") (collectively, the "*Project*"), (2) to enter into a deed of trust and security agreement (the "*Deed of Trust*") related to the County's fee simple interest in certain real property (the "*Site*") that will provide security for the County's obligations under the Contract and (3) to file a financing statement (the "*Financing Statement*") related to the Road Improvements and Equipment that will provide additional security for the County's obligations under the Contract;

WHEREAS, the County hereby determines that the acquisition of the Project is essential to the County's proper, efficient and economic operation and to the general health and welfare of its inhabitants; that the Project will provide an essential use and will permit the County to carry out public functions that it is authorized by law to perform; and that entering into the Contract and Deed of Trust and filing the Financing Statement is necessary and expedient for the County by virtue of the findings presented herein;

WHEREAS, the County hereby determines that the Contract allows the County to purchase the Project and take title thereto at a favorable interest rate currently available in the financial marketplace and on terms advantageous to the County;

WHEREAS, the County hereby determines that the estimated cost of financing the acquisition of the Project is an amount not to exceed \$2,000,000 and that such cost of the acquisition of the Project exceeds the amount that can be prudently raised from currently available appropriations, unappropriated fund balances and non-voted bonds that could be issued by the County in the current fiscal year pursuant to Article V, Section 4 of the Constitution of the State;

WHEREAS, although the cost of financing the acquisition of the Project pursuant to the Contract is expected to exceed the cost of financing the acquisition of the Project pursuant to a bond financing for the same undertaking, the County hereby determines that the cost of financing the Project pursuant to the Contract, the Deed of Trust and the Financing Statement and the obligations of the County thereunder are preferable to a general obligation bond financing or revenue bond financing for several reasons, including but not limited to the following: (1) the cost of a special election necessary to approve a general obligation bond financing, as required by the laws of the State, would result in the expenditure of significant funds; (2) the time required for a general obligation bond election would cause an unnecessary delay which would thereby decrease the financial benefits of acquiring and constructing the Project; and (3) no revenues are produced by the Project so as to permit a revenue bond financing;

WHEREAS, the County has determined and hereby determines that the estimated cost of financing the Project pursuant to the Contract reasonably compares with an estimate of similar costs under a bond financing for the same undertaking as a result of the findings delineated in the above preambles;

WHEREAS, the County does not anticipate a future property tax increase to pay installment payments falling due under the Contract;

WHEREAS, Parker Poe Adams & Bernstein LLP, as special counsel ("*Special Counsel*"), will render an opinion to the effect that entering into the Contract and the transactions contemplated thereby are authorized by law;

WHEREAS, no deficiency judgment may be rendered against the County in any action for its breach of the Contract, and the taxing power of the County is not and may not be pledged in any way directly or indirectly or contingently to secure any moneys due under the Contract;

WHEREAS, the County is not in default under any of its debt service obligations;

WHEREAS, the County's budget process and Annual Budget Ordinance are in compliance with the Local Government Budget and Fiscal Control Act, and external auditors have determined that the County has conformed with generally accepted accounting principles as applied to governmental units in preparing its Annual Budget ordinance;

WHEREAS, past audit reports of the County indicate that its debt management and contract obligation payment policies have been carried out in strict compliance with the law, and the County has not been censured by the North Carolina Local Government Commission (the "LGC"), external auditors or any other regulatory agencies in connection with such debt management and contract obligation payment policies;

WHEREAS, a public hearing on the Contract after publication of a notice with respect to such public hearing must be held and approval of the LGC with respect to entering the Contract must be received; and

WHEREAS, the County hereby determines that all findings, conclusions and determinations of the County in this Resolution are subject to modification or affirmation after all interested parties have been afforded the opportunity to present their comments at a public hearing regarding the execution and delivery of the Contract and the Deed of Trust, the filing of a Financing Statement and the Project to be financed.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE COUNTY OF HENDERSON, NORTH CAROLINA, AS FOLLOWS:

Section 1. ***Authorization to Negotiate the Contract.*** That the County Manager and the Finance Director, with advice from the County Attorney and Special Counsel, are hereby authorized and directed to proceed and negotiate on behalf of the County for the financing of the Project for a principal amount not to exceed \$2,000,000 under the Contract to be entered into in accordance with the provisions of Section 160A-20 of the General Statutes of North Carolina and to provide in connection with the Contract, as security for the County's obligations thereunder, the Financing Statement conveying a lien and interest in the Road Improvements and the Equipment and a Deed of Trust conveying a lien and interest in the Site, including the improvements thereon, as may be required by the entity, or its assigns, providing the funds to the County under the Contract.

Section 2. ***Application to LGC.*** That the Finance Director or his designee is hereby directed to file with the LGC an application for its approval of the Contract and all relevant transactions contemplated thereby on a form prescribed by the LGC and to state in such application such facts and to attach thereto such exhibits regarding the County and its financial condition as may be required by the LGC.

Section 3. ***Direction to Retain Special Counsel.*** That the County Manager and the Finance Director, with advice from the County Attorney, are hereby authorized and directed to retain the assistance of Parker Poe Adams & Bernstein LLP, Charlotte, North Carolina, as special counsel.

Section 4. **Public Hearing.** That a public hearing (the "*Public Hearing*") shall be conducted by the Board of Commissioners on September 21, 2011 at 9:00 a.m. in the Commissioners' Meeting Room, Henderson County Historic Courthouse, Hendersonville, North Carolina, concerning the Contract, the Deed of Trust, the proposed Project and any other transactions contemplated therein and associated therewith.

Section 5. **Notice of Public Hearing.** That the Clerk to the Board is hereby directed to cause a notice of the Public Hearing, in the form attached hereto as Exhibit A, to be published once in a qualified newspaper of general circulation within the County no fewer than 10 days prior to the Public Hearing.

Section 6. **Repealer.** That all motions, orders, resolutions and parts thereof in conflict herewith are hereby repealed.

Section 7. **Effective Date.** That this Resolution is effective on the date of its adoption.

On a motion made by Commissioner _____, the foregoing resolution entitled "**RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF HENDERSON, NORTH CAROLINA, AUTHORIZING THE NEGOTIATION OF AN INSTALLMENT FINANCING CONTRACT PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO**" was duly adopted by the following vote:

AYES:

NAYS:

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

I, TERESA WILSON, Clerk to the Board of Commissioners of the County of Henderson, North Carolina, *DO HEREBY CERTIFY* that the foregoing is a true and exact copy of a resolution entitled **“RESOLUTION OF THE BOARD OF COMMISSIONERS OF THE COUNTY OF HENDERSON, NORTH CAROLINA, AUTHORIZING THE NEGOTIATION OF AN INSTALLMENT FINANCING CONTRACT AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO”** adopted by the Board of Commissioners of the County of Henderson, North Carolina at a meeting held on the 6th day of September, 2011.

WITNESS my hand and the corporate seal of the County of Henderson, North Carolina, this the 6th day of September, 2011.

(SEAL)

Teresa Wilson
Clerk to the Board of Commissioners
County of Henderson, North Carolina

EXHIBIT A
NOTICE OF PUBLIC HEARING

At its September 6, 2011 meeting, the Board of Commissioners (the "*Board of Commissioners*") of the County of Henderson, North Carolina (the "*County*") adopted a resolution which:

1. Authorized the County to proceed to pay the capital costs of construction of a new scalehouse (the "*Scalehouse*") and a new recycling convenience center, construction of road improvements (the "*Road Improvements*") related to an existing solid waste transfer station and the new recycling convenience center and acquisition of related equipment (the "*Equipment*") (collectively, the "*Project*"), pursuant to an installment financing contract (the "*Contract*"), in a principal amount not to exceed \$2,000,000 under which the County will make certain installment payments, in order to make the Project available to the County;

2. Authorized the County to proceed to provide, in connection with the Contract, as grantor, a deed of trust and security agreement (the "*Deed of Trust*") under which the real property on which the Scalehouse will be located (the "*Site*"), as set forth below (the "*Mortgaged Property*"), will be mortgaged by the County to create a lien thereon for the benefit of the entity, or its assigns, providing the funds to the County under the Contract.

The Scalehouse will be located at the intersection of Stoney Mountain Road and Transfer Station Drive. The Mortgaged Property will be subject to the mortgage provided in the Deed of Trust. On payment by the County of all installment payments due under the Contract, the Deed of Trust and any lien created thereunder will terminate and the County's title to the Mortgaged Property will be unencumbered.

NOTICE IS HEREBY GIVEN, pursuant to Sections 160A-20 of the General Statutes of North Carolina, that on September 21, 2011 at 9:00 a.m. in the Commissioners' Meeting Room, Henderson County Historic Courthouse, 1 Historic Courthouse Square, Hendersonville, North Carolina, a public hearing will be conducted concerning the approval of the execution and delivery of the Contract and the County's acquisition of the Project. All interested parties are invited to present comments at the public hearing regarding the execution and delivery of the Contract and the Project to be financed thereby.

/s/ Teresa Wilson
Clerk to the Board of Commissioners
County of Henderson, North Carolina

Published: _____

Extract of Minutes of a regular meeting of the Board of Commissioners of the County of Henderson, North Carolina, was duly held on September 6, 2011 at 5:30 p.m. in the Commissioners' Meeting Room, Henderson County Historic Courthouse, 1 Historic Courthouse Square, Hendersonville, North Carolina. Chairman J. Michael Edney presiding.

* * *

The following members were present:

The following members were absent:

Also present:

* * *

Commissioner _____ moved that the following resolution (the "*Resolution*"), a copy of which was available with the Board and which was read by title:

RESOLUTION OF THE COUNTY OF HENDERSON, NORTH CAROLINA DECLARING THE INTENT OF THE COUNTY OF HENDERSON, NORTH CAROLINA TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE CONSTRUCTION OF A NEW SCALEHOUSE AND RECYCLING CENTER, ROAD IMPROVEMENTS RELATED THERETO AND THE ACQUISITION OF RELATED EQUIPMENT FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS TO BE EXECUTED AND DELIVERED IN CALENDAR YEAR 2011

WHEREAS, the Board of Commissioners of the County of Henderson, North Carolina ("*County*") has determined that it is in the best interests of County to finance the construction of a new scalehouse and a new recycling convenience center, construction of road improvements related to an existing solid waste transfer station and the new recycling convenience center and acquisition of related equipment (collectively, the "*Project*");

WHEREAS, the County presently intends, at one time or from time to time, to finance all or a portion of the costs of the Project with proceeds of tax-exempt obligations and reasonably expects to execute and deliver its tax-exempt obligations (the "*Obligations*") to finance, or to reimburse itself for, all or a portion of the costs of the Project; and

WHEREAS, the County desires to proceed with the Project and will incur and pay certain expenditures in connection with the Project prior to the date of execution and delivery of the Obligations (the "*Original Expenditures*"), such Original Expenditures to be paid for originally from a source other than the proceeds of the Obligations, and the County intends, and reasonably expects, to be reimbursed for such Original Expenditures from a portion of the proceeds of the Obligations to be executed and delivered at a date occurring after the dates of such Original Expenditures;

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

Section 1. **Official Declaration of Intent.** The County presently intends, and reasonably expects, to reimburse itself for the Original Expenditures incurred and paid by the County on or after the date occurring 60 days prior to the date of adoption of this Resolution from a portion of the proceeds of the

Obligations. The County reasonably expects to execute and deliver the Obligations to finance all or a portion of the costs of the Project and the maximum principal amount of Obligations expected to be executed and delivered by County to pay for all or a portion of the costs of the Project is \$2,000,000.

Section 2. ***Compliance with Regulations.*** The County adopts this Resolution as a declaration of official intent under Section 1.150-2 of the Treasury Regulations promulgated under Section 103 of the Internal Revenue Code of 1986, as amended, to evidence the County's intent to reimburse itself for the Original Expenditures from proceeds of the Obligations.

Section 3. ***Itemization of Capital Expenditures.*** The Finance Officer of the County, with advice from special counsel, is hereby authorized, directed and designated to act on behalf of the County in determining and itemizing all of the Original Expenditures incurred and paid by the County in connection with the Project during the period commencing on the date occurring 60 days prior to the date of adoption of this Resolution and ending on the date of execution and delivery of the Obligations.

Section 4. ***Effective Date.*** This Resolution is effective immediately on the date of its adoption.

On a motion by Commissioner _____, the foregoing resolution entitled **“RESOLUTION OF THE COUNTY OF HENDERSON, NORTH CAROLINA DECLARING THE INTENT OF THE COUNTY OF HENDERSON, NORTH CAROLINA TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE CONSTRUCTION OF A NEW SCALEHOUSE AND RECYCLING CENTER, ROAD IMPROVEMENTS RELATED THERETO AND THE ACQUISITION OF RELATED EQUIPMENT FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS TO BE EXECUTED AND DELIVERED IN CALENDAR YEAR 2011”** was duly adopted by the following vote:

AYES:

NAYS:

STATE OF NORTH CAROLINA)
)
COUNTY OF HENDERSON) ss:

I, *Teresa Wilson*, Clerk to the Board of Commissioners of the County of Henderson, North Carolina, ***DO HEREBY CERTIFY*** that the foregoing is a true and exact copy of a resolution entitled **“RESOLUTION OF THE COUNTY OF HENDERSON, NORTH CAROLINA DECLARING THE INTENT OF THE COUNTY OF HENDERSON, NORTH CAROLINA TO REIMBURSE ITSELF FOR CAPITAL EXPENDITURES INCURRED IN CONNECTION WITH THE CONSTRUCTION OF A NEW SCALEHOUSE AND RECYCLING CENTER, ROAD IMPROVEMENTS RELATED THERETO AND THE ACQUISITION OF RELATED EQUIPMENT FROM THE PROCEEDS OF CERTAIN TAX-EXEMPT OBLIGATIONS TO BE EXECUTED AND DELIVERED IN CALENDAR YEAR 2011”** adopted by the Board of Commissioners of the County of Henderson, North Carolina, at a meeting held on the 6th day of September, 2011.

WITNESS my hand and the corporate seal of the County of Henderson, North Carolina, this the ___ day of September, 2011.

Teresa Wilson
Clerk to the Board
County of Henderson, North Carolina

BB&T

Governmental Finance Group
5130 Parkway Plaza, Bldg 9
Charlotte, North Carolina 28217

August 29, 2011

J. Carey McLelland
Finance Director
Henderson County
113 North Main Street
Hendersonville, North Carolina 28792

Re: Henderson County 2011 Solid Waste Capital Improvements Financing Proposal

Dear Mr. McLelland:

Branch Banking and Trust Company ("BB&T") is pleased to offer this term sheet for the financing requested by the Henderson County ("County").

- (1) **Project:** Construction of capital improvements to the landfill.
- (2) **Amount To Be Financed:** \$ 2,000,000.00
- (3) **Interest Rates, Financing Terms and Corresponding Payments:**

<u>Term</u>	<u>Bank Qualified</u>
15 years	3.20% not to exceed

Payments shall be annual in arrears with level principal as requested. See the attached amortization schedule(s) for information on payments.

The financing proceeds shall be deposited on behalf of the County in a project fund account with Branch Banking & Trust. Earnings on the project fund shall accrue to the benefit of the County for use on Project costs or interest payments.

The interest rates stated above are valid for a closing not later than 67 days after today. Closing of the financing is contingent upon completing documentation acceptable to BB&T and upon the condition of the property acceptable to BB&T.

Remuneration for our legal review expenses and underwriting for this financing transaction shall be \$2,900.00 All applicable taxes, surveys, zoning, permits, costs of environmental studies, title insurance premiums, LGC approval fees, costs of counsel for the County and any other costs shall be the County's responsibility and separately payable by the County. The financing documents shall allow prepayment of the principal balance in whole without a prepayment premium after year seven.

The stated interest rates assume that the County expects to borrow less than \$10,000,000 in calendar year 2011 and that the County shall comply with IRS Code Sections 141, 148 and 149(e). BB&T reserves the right to terminate its interest in this bid or to negotiate a mutually acceptable rate if the financing is not qualified tax-exempt financing.

(4) Security:

This financing shall be secured by a first lien security interest on (a) all personal property acquired with financing proceeds, (b) all improvements to real estate that are constructed or improved with financing proceeds, and all associated real estate, and (c) all real estate acquired with financing proceeds.

(5) Financing Documents:

BB&T and its counsel shall prepare a Deed of Trust and all documentation for the County. We shall provide a sample of those documents to you should BB&T be the successful proposer.

* * * * *

BB&T appreciates the opportunity to make this financing proposal and requests to be notified within ten days of this proposal should BB&T be the successful proposer.

BB&T shall have the right to cancel this offer by notifying the County of its election to do so (whether or not this offer has previously been accepted by the County) if at any time prior to the closing there is a material adverse change in the County's financial condition, if we discover adverse circumstances of which we are currently unaware, if we are unable to agree on acceptable documentation with the County or if there is a change in law (or proposed change in law) that changes the economic effect of this financing to BB&T. We reserve the right to negotiate and/or terminate our interest in this transaction should we be the successful proposer.

Should we become the successful proposer, we have attached the form of a resolution that your governing board can use to award the financing to BB&T. If your board adopts this resolution, then BB&T shall not require any further board action prior to closing the transaction.

Please call me at (704) 954-1700 with your questions and comments. We look forward to hearing from you.

Sincerely,

BRANCH BANKING AND TRUST COMPANY



F. Louis Loyd III/BAS
Senior Vice President

Compound Period: Annual

Nominal Annual Rate: 3.200%

AMORTIZATION SCHEDULE - Normal Amortization, 360 Day Year

	Date	Payment	Interest	Principal	Balance
Loan	8/30/2011				2,000,000.00
2011 Totals		0.00	0.00	0.00	
1	8/30/2012	197,333.33	64,000.00	133,333.33	1,866,666.67
2012 Totals		197,333.33	64,000.00	133,333.33	
2	8/30/2013	193,066.66	59,733.33	133,333.33	1,733,333.34
2013 Totals		193,066.66	59,733.33	133,333.33	
3	8/30/2014	188,800.00	55,466.67	133,333.33	1,600,000.01
2014 Totals		188,800.00	55,466.67	133,333.33	
4	8/30/2015	184,533.33	51,200.00	133,333.33	1,466,666.68
2015 Totals		184,533.33	51,200.00	133,333.33	
5	8/30/2016	180,266.66	46,933.33	133,333.33	1,333,333.35
2016 Totals		180,266.66	46,933.33	133,333.33	
6	8/30/2017	176,000.00	42,666.67	133,333.33	1,200,000.02
2017 Totals		176,000.00	42,666.67	133,333.33	
7	8/30/2018	171,733.33	38,400.00	133,333.33	1,066,666.69
2018 Totals		171,733.33	38,400.00	133,333.33	
8	8/30/2019	167,466.66	34,133.33	133,333.33	933,333.36
2019 Totals		167,466.66	34,133.33	133,333.33	
9	8/30/2020	163,200.00	29,866.67	133,333.33	800,000.03
2020 Totals		163,200.00	29,866.67	133,333.33	
10	8/30/2021	158,933.33	25,600.00	133,333.33	666,666.70
2021 Totals		158,933.33	25,600.00	133,333.33	
11	8/30/2022	154,666.66	21,333.33	133,333.33	533,333.37
2022 Totals		154,666.66	21,333.33	133,333.33	
12	8/30/2023	150,400.00	17,066.67	133,333.33	400,000.04
2023 Totals		150,400.00	17,066.67	133,333.33	

13	8/30/2024	146,133.33	12,800.00	133,333.33	266,666.71
2024 Totals		146,133.33	12,800.00	133,333.33	
14	8/30/2025	141,866.66	8,533.33	133,333.33	133,333.38
2025 Totals		141,866.66	8,533.33	133,333.33	
15	8/30/2026	137,600.00	4,266.62	133,333.38	0.00
2026 Totals		137,600.00	4,266.62	133,333.38	
Grand Totals		2,511,999.95	511,999.95	2,000,000.00	

Resolution Approving Financing Terms

WHEREAS: The Henderson County ("County") has previously determined to undertake a project for the construction of capital improvements to the landfill (the "Project"), and the Finance Officer has now presented a proposal for the financing of such Project.

BE IT THEREFORE RESOLVED, as follows:

1. The County hereby determines to finance the Project through Branch Banking and Trust Company ("BB&T"), in accordance with the proposal dated August 29, 2011. The amount financed shall not exceed \$2,000,000.00, the annual interest rate (in the absence of default or change in tax status) shall not exceed 3.20%, and the financing term shall be 15 years from closing.

2. All financing contracts and all related documents for the closing of the financing (the "Financing Documents") shall be consistent with the foregoing terms. All officers and employees of the County are hereby authorized and directed to execute and deliver any Financing Documents, and to take all such further action as they may consider necessary or desirable, to carry out the financing of the Project as contemplated by the proposal and this resolution. The Financing Documents shall include a Financing Agreement and Deed of Trust and a Project Fund Agreement as BB&T may request.

3. The Finance Officer is hereby authorized and directed to hold executed copies of the Financing Documents until the conditions for the delivery of the Financing Documents have been completed to such officer's satisfaction. The Finance Officer is authorized to approve changes to any Financing Documents previously signed by County officers or employees, provided that such changes shall not substantially alter the intent of such documents or certificates from the intent expressed in the forms executed by such officers. The Financing Documents shall be in such final forms as the Finance Officer shall approve, with the Finance Officer's release of any Financing Document for delivery constituting conclusive evidence of such officer's final approval of the Document's final form.

4. The County shall not take or omit to take any action the taking or omission of which shall cause its interest payments on this financing to be includable in the gross income for federal income tax purposes of the registered owners of the interest payment obligations.

5. All prior actions of County officers in furtherance of the purposes of this resolution are hereby ratified, approved and confirmed. All other resolutions (or parts thereof) in conflict with this resolution are hereby repealed, to the extent of the conflict. This resolution shall take effect immediately.

Approved this _____ day of _____, 2011

(Clerk)

(Chairman of the Board)

SEAL