

Town of Montreat
Board of Commissioners Meeting Agenda – Public Forum
April 11, 2019 – 6:30 p.m.
Walkup Building

I. Call to Order

- Welcome
- Moment of Silence

II. Agenda Adoption

III. Public Comments

IV. Adjournment

**Town of Montreat
Board of Commissioners
Town Council Meeting
April 11, 2019 – 7:00 p.m.
Walkup Building**

I. Call to Order

- Pledge of Allegiance
- Moment of Silence

II. Agenda Adoption

III. Public Hearing: Installment Financing

IV. Mayor's Communications

V. Consent Agenda

A. Meeting Minutes Adoption

- March 14, 2019, Joint Board of Commissioners/P&Z Meeting Minutes
- March 14, 2019, Public Forum Minutes
- March 14, 2019, Town Council Minutes
- Resolution 19-04-002 Designating April 27, 2019 as Arbor Day in Montreat

All items on the Consent Agenda are considered routine, to be enacted by one motion with the adoption of the agenda and without discussion. If a member of the governing body requests discussion of an item, it will be removed from the Consent Agenda and considered separately.

VI. Town Administrator's Communications

- Consent Agenda Review
- Other Items

VII. Administrative Reports

- Administration
- Planning and Zoning
- Police
- Public Works and Water
- Sanitation
- Streets

VIII. Public Comment

Public comments will be heard during this period for any and all items.

IX. Old Business

X. New Business

A. Budget Amendment #8

- **Suggested Motion:** Move to approve Budget Amendment #8 to appropriate new spending from General Fund reserves and transfer appropriations to the Capital Projects Fund for the construction of a town hall.

B. Resolution 19-04-001 Debt Resolution

- **Suggested Motion:** Move to approve Resolution 19-04-001 Authorizing the filing of an application for approval of a financing agreement authorized by North Carolina General Statute 160A-20

C. Finance Services Contract for Installment Financing

- **Suggested Motion:** Move to approve installment financing with BB&T in the amount of \$1,000,000 for a term of 15 years for the construction of a Town Hall to be executed by the Town Administer and Finance Officer contingent upon approval by the NC Local Government Commission.

D. Resolution 19-04-003 Authorizing Property Disposal

- **Suggested Motion:** Move to approve Resolution 19-04-003 Authorizing Property Disposal.

E. Greybeard Wall Contract Approval

- **Suggested Motion:** Move to rank the Statement of Qualifications from firms responding to RFQ 2019-003 in following order for purposes of Professional Services Bid evaluations: Rank 1, Civil Design Concepts, PA, score 95; Rank 2, McGill and Associates, score 93.
- **Suggested Motion:** Move to authorize the Mayor and Town Administrator to sign and execute contract #19-04-0001 Lower Greybeard Trail Bank Stabilization/Retaining Wall Design Services.

****Contract Pending****

I. Public Comment

Public comments will be heard during this period for any and all items.

II. Commissioner Communications

III. Meeting Dates

Good Friday: Friday, April 19, 2019
Town Offices Closed

Tree Board: Tuesday, April 23, 2019
Town Services Building
9:30 a.m.

Planning & Zoning Commission: Wednesday, April 24, 2019
Walkup Building
5:00 p.m.

Board of Adjustment: Thursday, April 25, 2019
Walkup Building
7:00 p.m.

Native Plant Sale: Saturday, April 27, 2019
Moore Center Field
9am – 2 pm

Montreat Landcare: Wednesday, May 1, 2019
Allen Building
Swannanoa Room
9:00 a.m.

IV. Adjournment

**Planning and Zoning Commission/Board of Commissioners Joint Meeting
Special Meeting Minutes
March 14, 2019**

Planning & Zoning Board members present: Chairman Bill Scheu
Bill Roberts
Mason Blake
Allen Crawford

Board of Commission members: Mayor Pro Tem Kent Otto
Commissioner Kitty Fouche
Commissioner Tom Widmer
Commissioner Alice Lentz
Commissioner Bill Gilliland

Board members absent: Mayor Tim Helms
Wade Burns
David Holcomb
Dan Dean
Sally Stansill

Town staff present: Adrienne Isenhower, Zoning Administrator
Alex Carmichael, Town Administrator
Angie Murphy, Town Clerk

Five members of the public were present. Mayor Pro Tem Otto called the meeting to order at 5:00 p.m., and led the group in a moment of silence.

Agenda Approval

Commissioner Fouche moved to adopt the agenda as presented. Commissioner Widmer seconded and the motion carried 5/0.

Old Business

There was no old business to discuss.

New Business

- A. Discussion of Planning & Zoning Commission Zoning Review: Chairman Bill Scheu started the meeting by asking the Council what their intent was with regards to the Zoning Review as well as the mood of the community towards development and restrictions. Mr. Scheu mentioned that at forthcoming meetings representatives from Montreat College, Mountain Retreat Association, realtors and contractors will be giving their input concerning development and

Planning and Zoning Commission/Board of Commissioners Joint Meeting
Special Meeting Minutes
March 14, 2019

restrictions in Montreat. Mayor Pro Tem Otto admitted that looking at the ordinances could be a daunting task. Commissioner Fouche has heard complaints about how restrictive the ordinances are to build in Montreat. She also feels that the ordinances may have been cut and pasted from a large city or town and may not even apply to Montreat. Commissioner Gilliland stated that the ordinances need to be reviewed and Council needs advisement on basically everything. Commissioner Gilliland mentioned that he thinks it is ludicrous that in the summer decibel readers are used outside of Anderson Auditorium to measure noise levels of the kids in worship. He thinks the noise ordinance does not make a lot of sense. Commissioner Gilliland would like to see some controlled development in Montreat and also felt we should adapt to the changing marketplace in western North Carolina. Commissioner Gilliland felt Montreators should recognize their heritage but look forward to the future. The environment has not always been welcoming to those who have moved in as new full time residents and that's something that is changing rapidly. Commissioner Fouche felt that there are three different rule sets: state, county and town. She would love to see these rule sets combined. Also if Montreat requires something different from the county, state or town it needs to be investigated further. She used the example of setback requirements in Black Mountain versus Montreat. Commissioner Lentz feels that knowing the why is important. Commissioner Widmer stated that he knocked on a lot of doors during the election period and the ordinance issue was something he heard a lot about from everyone. Commissioner Widmer stated that a lot of people talked about the restrictive nature of the building ordinances with regards to other places. Commissioner Widmer heard from contractors and sub-contractors how it is much easier to work in other communities than in Montreat. Commissioner Gilliland also mentioned that he has received several calls about lots in the ETJ that are unbuildable. Mr. Scheu mentioned a psychology he found in the 2008 Comprehensive Plan that development was not welcome. Based on what he's heard tonight he feels that is not the case anymore. Commissioner Fouche mentioned that it is the tendency of any town to want to keep development down but we need to grow the tax base and make it more welcoming. Commissioner Widmer commended Planning & Zoning for their process and likes their plans for upcoming weeks. Commissioner Gilliland felt that Zoning Administrator Adrienne Isenhower has a great perspective and can bring a lot to the table. Commissioner Lentz feels that the Comprehensive Plan of 2008 is still very relevant and a lot of good work went into its preparation. She complimented everyone who worked on that committee. Mason Blake felt that the Comp Plan needs some sprucing up but a professional is not necessary. Commissioner Fouche feels that the community would be open to change. Mayor Pro Tem Otto mentioned the call tonight was to bring a little clarity to their charge and he's heard words like "simplify" and knowing the "why" of why ordinances are in place. He jotted down a couple of ideas during an earlier conversation with Mrs. Isenhower and suggested taking the zoning ordinances in chunks and "research the why". He feels that this would be a possible first step.

Public Comment

Planning and Zoning Commission/Board of Commissioners Joint Meeting
Special Meeting Minutes
March 14, 2019

Dr. Paul Maurer of Montreat College thanked Planning & Zoning for their hard work. It is the College's belief that one question needs to be answered with respect to the college and that question is "does the Town want the College to succeed"? Dr. Maurer wants the Zoning Ordinance to reflect the answer to that question.

Adjournment

Commissioner Gilliland moved to adjourn the meeting. Commissioner Widmer seconded and the motion carried 5/0. The meeting was adjourned at 5:58 p.m.

Kent Otto, Mayor Pro Tem

Angie Murphy, Town Clerk

**Town of Montreat
Board of Commissioners
Public Forum Meeting Minutes
March 14, 2019 – 6:30 p.m.
Walkup Building**

Board members present: Mayor Pro Tem Kent Otto
Kitty Fouche
Bill Gilliland
Alice Lentz
Tom Widmer

Board members absent: Mayor Tim Helms

Town staff present: Adrienne Isenhower, Zoning Administrator
Alex Carmichael, Town Administrator
Angie Murphy, Town Clerk

Eleven members of the public were present. Mayor Pro Tem Otto called the meeting to order at 6:31 p.m., and led the group in a moment of silence.

Agenda Approval

Commissioner Gilliland moved to adopt the agenda as presented. Commissioner Lentz seconded and the motion carried 5/0.

Public Forum

Ms. Jean Norris of 192 Mississippi Road asked when traffic patterns on Assembly Drive would return to normal. Mayor Pro Tem Otto stated that with ongoing weather obstacles Public Work Crews are aiming to reopen the road on Monday, March 18th. Commissioner Fouche advised that a crosswalk is currently being constructed across Assembly Drive as well.

Mrs. Clary Phipps of 106 John Knox Road asked if there was a way to slow people down on the detour.

Ms. Sara Baughman of Montreat College advised that Montreat College students had been on Spring Break this week but will be coming back into Town on Sunday. Ms. Baughman advised that students had been made aware of the detour but she just wanted the public to know to anticipate a little more traffic. Also the Calvin Thielman Lecture Series will occur this Tuesday evening at Graham Chapel. The speaker is Jackie Hill-Perry who is young and very relevant to the Student Body. This event is free and is open to the public.

Mr. Emory Underwood of 120 John Knox Road mentioned that he entered Town at the same time as a school bus and Mountain Mobility and it was very hard to get everyone turned around. Mr.

Underwood suggested that police officers be on hand to help people navigate the detour.

Mrs. Clary Phipps of 106 John Knox Road mentioned seeing a Town of Montreat truck following the speed limit and how happy she was to see that happening.

Adjournment

Commissioner Gilliland moved to adjourn the meeting. Commissioner Lentz seconded and the motion carried 5/0. The meeting was adjourned at 6:40 p.m.

Kent Otto, Mayor Pro Tem

Angie Murphy, Town Clerk

**Town of Montreat
Board of Commissioners
Meeting Minutes
March 14, 2019 – 7:00 p.m.
Walkup Building**

Board members present: Mayor Pro Tem Otto
Commissioner Kitty Fouche
Commissioner Bill Gilliland
Commissioner Alice Lentz
Commissioner Tom Widmer

Board members absent: Mayor Tim Helms

Town staff present: Adrienne Isenhower, Zoning Administrator
Adrienne Fleury, Staff Accountant
Alex Carmichael, Town Administrator
Angie Murphy, Town Clerk
Barry Creasman, Public Works Director
Darlene Carrasquillo, Finance Officer
David Arrant, Chief of Police

Twenty members of the public were present. Mayor Pro Tem Otto called the meeting to order at 7:00 p.m., and led the group in the pledge of allegiance and a moment of silence.

Agenda Approval

Commissioner Widmer moved to amend the agenda with two items. The first item would be under New Business, Item J and would include a discussion of town hall fundraising overages with possible action. The second item would be amending the minutes from last month's public forum to correct a factual mistake. Commissioner Widmer would like the minutes to read "Commissioner Widmer stated that the Town of Montreat did not ask to make this change but was asked to consider their decision by the General Assembly." Mr. Carmichael asked, on behalf of Staff, to postpone the evening's Closed Session to the April meeting. Commissioner Gilliland moved to adopt the agenda as amended. Commissioner Fouche seconded and the motion carried 5/0.

Presentations and Reports

Jennifer Rice of Martin Starnes and Associates presented the 2018 CAFR. Mrs. Rice stated that a clean unmodified opinion was issued which is the type of opinion that is preferred. The report has been reviewed and approved by the LGC (Local Government Commission). The LGC has responded with a letter of items that the Town needs to address in future financial statements. Mrs. Rice reviewed the five classifications of Fund Balance. The available fund balance in 2018 is \$1,656,888 which is a decrease of \$156,660 from 2017. This is due to the transfers made into the Capital Projects Fund for the Town Hall and Public Works Building. The unassigned Fund Balance is

\$1,316,220. The Town of Montreat has a Fund Balance Policy where 35% of general expenditures must be set aside and not spent. This is to allow a minimum level of Fund Balance. The remaining Fund Balance is \$751,330. Revenues increased by \$30,000 due to ad valorem taxes and expenditures decreased by \$243,000 due to fewer expenditures in street paving projects. Revenues exceeded expenditures by \$364,740. Mrs. Rice reviewed the top three revenues. Ad valorem taxes, which are property taxes, increased by about 3% over the prior year. Other taxes and licenses increased by about 1% over the prior year. Mrs. Rice reviewed the top three expenditures. General government expenditures decreased by 11% from the prior year due to decreased wages in the current year. Transportation (streets) expenditures decreased by 20% due to two street projects that were completed in 2018 but funded in 2017. Public Safety expenditures decreased by 12% due to the change in inspections and zoning services. Mrs. Rice then reviewed the Water Fund. Audit findings this year were as follows: preparation of full accrual financial statements, significant audit adjustments and bank reconciliations not completed in a timely manner. The first two findings are repeat findings from 2017. After a brief question and answer period with the Commissioners Mrs. Rice wrapped up her presentation.

Commissioner Alice Lentz gave a lengthy presentation about her efforts to investigate the address issue and confusion between Montreat 28757 and Black Mountain 28711. Commissioner Lentz has been working on this issue since last August. She conducted document research and gathered pertinent pieces. Commissioner Lentz also spent a lot of time getting community input through one-on-one conversations and a survey that was distributed by the Town which elicited 101 responses from the public. Commissioner Lentz has identified two tracks for action. First, communication with USPS. Mayor Helms has already sent a letter to Philip Zimmerman, USPS Manager, Operations Programs Support, Mid-Carolinas District, to gain a better understanding of a fundamental data-related USPS issue regarding Montreat. Mr. Carmichael has already initiated follow-up with Mr. Zimmerman. It is believed that a positive response from the USPS district data operations associates could be the key to unlocking a process that could produce a cascade of needed changes over time. A possible second track would be coordinated communication through the Town of Montreat with Google and other service-providers. A resolution is being placed before the Commission tonight and it serves to update the 2009 resolution in acknowledging the importance of our USPS mail delivery through Post Office boxes at the Montreat Post Office and the resolution states the current situation of confusion about Montreat 28757 and Black Mountain 28711 in the context of continuing technological changes in mapping services. Commissioner Lentz stated that she will gladly remain involved in future conversations about the path forward.

Mayor's Communications

Mayor Pro Tem Otto stated that Staff had been hard at work replacing culverts on Assembly Drive and repaving the roadway. This weekend they are going to work on laying down a crosswalk and, weather permitting, the detour will be back open on Monday the 18th. Mayor Pro Tem Otto thanked everyone for their patience during the roadwork. Mayor Pro Tem Otto, Mayor Tim Helms and Alex Carmichael met with leaders from the Town of Black Mountain and the DOT last week. If

their plans and weather permits the DOT will have Montreat Road paved from the Montreat Gate down to the middle of Black Mountain by October 19, 2019.

Meeting Minutes Adoption

- February 13, 2019 Special Meeting Minutes
- February 14, 2019 Special Meeting Minutes
- February 14, 2019 Public Forum Minutes
- February 14, 2019 Town Council Minutes

Town Administrator's Communications

Mr. Carmichael wanted to do a quick Capital Projects Update. The table below recaps his report.

Town Hall	Under contract. Phase I preliminary designs, complete. Phase II, construction drawings and final budget, winding down. Phase III, construction expected to begin this summer.
Public Works Building	Site prepared. RFQ published on 3/4, closes on 3/29, informational meeting on 3/18
Texas Pedestrian Bridge	RFQ for design services closed on 2/11. Contract negotiations underway with Vaughn & Melton.
Texas Road Waterline	Expected completion day 3/21
Texas Rd and Calvin Trail Paving	Project awarded in the fall '18-expected completion in early spring
Frist Rd Paving	Project awarded in the fall '18-expected completion in early spring
Wells A & B Chlorine Retrofit	In process. Expected completion date 4/4
Well 6 Pump Conversion	In process. Expected completion date 3/21
Assembly Drive Culvert and Crosswalk	In process. Expected completion date 3/18
Tennessee Road Culvert and Catch Basin	In process. Expected completion date 3/21
South Carolina Terrace Parking Area	Engineer assessed – Expected completion date 4/4
Kentucky Road Culvert	Engineer assessed – Expected completion date 4/25
South Carolina Terrace Culvert	Engineer assessed – Expected completion date 4/11
Wyck Road Culvert	Engineer assessed – Expected completion date 4/18
Lower Greybeard Wall and Creek Stabilization	RFQ re-published on 2/28, closes on 3/20
Suwannee Mudslide	Engineer assessed – RFQ pending

Texas Road Extension Culvert and Barrel – 1	Engineer assessed – RFQ pending
Texas Road Wall and Bank Stabilization (Below Pool)	Engineer assessed – RFQ pending

Administrative Reports

- Administration – This report was given in written format.
- Planning & Zoning – This report was given in written format.
- Police – This report was given in written format.
- Public Works and Water – This report was given in written format.
- Sanitation – This report was given in written format.
- Streets – This report was given in written format.

Public Comment

Mr. Tom Frist of 98 Frist Road stated that since our budget shows a surplus the Town should consider investing in a new sound system. Mr. Frist announced that since these meetings are now being live-streamed the Town received at least two substantial donations to the Town Hall Fund. He applauded those who came up with the idea of live-streaming.

Mr. Bill Scheu and Mr. Tom Frist wanted to report on the enthusiasm and generosity of the Montreat Community with regards to “Montreatizing” Town Hall. Mr. Scheu stated the goal was \$50,000 and as of this morning the committed amount was \$78,175 with \$67,075 received in donations. Mr. Scheu extended his thanks to Town Clerk Angie Murphy for all her help in this process. Mr. Scheu and Mr. Frist have crafted a thank you note to be sent thanking everyone for the donations. This letter could also address the excess funds received. Mr. Scheu encouraged Council to make a decision regarding the excess funds this evening.

Old Business

There was no old business to discuss.

New Business

- A. Re-appointment of Hugh Alexander to the Audit Committee: Commissioner Gilliland moved to re-appoint Hugh Alexander to the Audit Committee for a term of two years to expire on January 31, 2021. Commissioner Fouche seconded and the motion carried 5/0.
- B. Appointment of Martha Chastain as an Alternate Member to the Board of Adjustment: Commissioner Fouche moved to appoint Martha Chastain as an Alternate Member to the Board

of Adjustment for a term of three years to expire January 31, 2022. Commissioner Lentz seconded and the motion carried 5/0.

- C. Appointment of Margaret Waterstradt as an Alternate Member to the Board of Adjustment: Commissioner Bill Gilliland moved to appoint Margaret Waterstradt as an Alternate Member to the Board of Adjustment for a term of three years to expire January 31, 2022. Commissioner Widmer seconded and the motion carried 5/0.
- D. Re-appointment of Philip Arnold to the Open Spaces Conservation Committee: Commissioner Widmer moved to re-appoint Philip Arnold to the Open Spaces Conservation Committee for a term of three years to expire on January 31, 2022. Commissioner Lentz seconded and the motion carried 5/0.
- E. Appointment of Robert Sulaski as a Regular Member to the Board of Adjustment: Commissioner Gilliland moved to appoint Robert Sulaski as a Regular Member to the Board of Adjustment for a term of three years to expire on January 31, 2022. Commissioner Lentz seconded and the motion carried 5/0.
- F. Re-appointment of AnnKelso Hewitt as a Regular Member to the Board of Adjustment: Commissioner Fouche moved to re-appoint AnnKelso Hewitt as a Regular Member to the Board of Adjustment for a term of three years to expire on January 31, 2022. Commissioner Widmer seconded and the motion carried 5/0.
- G. Resolution 18-03-001 Montreat Addressing Issue: Commissioner Widmer moved to graciously approve Resolution 18-03-001 Regarding Montreat Address Issues and Problems Resulting from Confusion Between Town of Montreat Zip Code (28757) and Town of Black Mountain Zip Code (28711). Commissioner Gilliland seconded and the motion carried 5/0.
- H. Call for Public Hearing: Mr. Carmichael stated that as the Town applies to the Local Government Commission (LGC) for debt it is necessary to hold a Public Hearing for any new debt that we may encumber. Before the contract is approved a Public Hearing must be held to fulfill statutory requirements. Commissioner Gilliland moved to call for a Public Hearing G.S. 160A-20 on April 11, 2019 for installment financing contract for the construction of Town Hall. Commissioner Lentz seconded and the motion carried 5/0.
- I. Schedule 2019 Annual Board Retreat: Mr. Carmichael sent out a survey to determine a date towards the end of March but to no avail. Mr. Carmichael stated that we are looking for 4-5 hour block of time during the first of April. It was determined that two options were given and Mr. Carmichael would check with the Mayor once he returns to Town. The choices were April 9th from 2:00 p.m. – 7:00 p.m. and April 11th from 12:00 p.m. – 5:00 p.m. with the 11th being the preferred choice.

- J. Discussion of Town Hall Fundraising Overage with Possible Action: Commissioner Widmer thanked Mr. Bill Scheu and Mr. Tom Frist for all their hard fundraising efforts. Commissioner Widmer advised that we have an overage of \$28,000 with donations still rolling in. In the original suggested plan from the architect a pocket park was included which morphed into a rain garden/storm water feature. In the original fundraising documents it was mentioned that any overages should go to the Texas Road Bridge. Commissioner Fouche felt it would be cleaner and easier to keep the funds for the rain garden/storm water feature. Commissioner Lentz would be inclined to allocate the money to the Town Hall park feature. Mayor Pro Tem Otto mentioned that he had spoken to the School of Government and Mr. Carmichael about the options for the overage and how important it is for the donors to know where their money is going. Mayor Pro Tem Otto felt it should be kept within the Town Hall. Mr. Carmichael advised that it will be a lengthy process and a budget amendment will be needed to move forward with adjusting for donor wishes no matter what the use of the money will be.

Public Comment

Mr. Brad Hestir of 192 Mississippi Road thought it was great to have so much public input on the rain garden/storm water feature. Mr. Hestir feels it should be divided on a proportionate ratio rather than going to the largest donors first.

Mr. Tom Frist of 98 Frist Road feels that everyone wants this project to succeed and proceed. Mr. Frist has not heard anyone say that they want their money back.

Commissioner Communications

Commissioner Lentz thanked everyone for being here this evening. Commissioner Lentz mentioned that on March 28th – March 31st at Blue Ridge Assembly a meeting of the Camino De Santiago will be held. There will be 300 people coming from all over the country and each participant will be given a yellow arrow pin. If you see anyone with the yellow arrow pin in Montreat you will know who they are. Welcome them!

Commissioner Fouche reminded everyone in attendance that it was March 14th (3.14) Pi Day and she encouraged everyone to go home and calculate the area or circumference of something in honor of Pi.

Commissioner Widmer thanked the Town of Montreat for rallying together and becoming stronger.

Meeting Dates

RFQ 2019-004 (Greybeard Wall) Pre-Submittal Meeting	Monday, March 18, 2019 Town Services Building
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**Board of Commissioners
Meeting Minutes
March 14, 2019**

Planning & Zoning Commission	Thursday, March 21, 2019 Walkup Building 5:00 p.m.
Montreat Tree Board	Tuesday, March 26, 2019 Town Service Building 9:30 a.m.
Board of Adjustment	Thursday, March 28, 2019 Walkup Building 7:00 p.m.
RFQ 2019-004 (Greybeard Wall) Bid Opening	Monday, April 1, 2019 Town Services Building 11:00 a.m.
Montreat Landcare	Wednesday, April 3, 2019 Allen Building Swannanoa Room 9:00 a.m.
April Town Council Meeting	Thursday, April 11, 2019 Walkup Building 7:00 p.m. Public Forum begins at 6:30 p.m.
Planning & Zoning Commission	Thursday, April 18, 2019 Walkup Building 7:00 p.m.
Good Friday	Friday, April 19, 2019 Town Offices Closed

Adjournment

Commissioner Gilliland moved to adjourn the meeting. Commissioner Lentz seconded and the motion carried 5/0. The meeting was adjourned at 8:36 p.m.

Kent Otto, Mayor Pro Tem

Angie Murphy, Town Clerk

**RESOLUTION #19-04-002 DESIGNATING APRIL 27, 2019
AS ARBOR DAY IN THE TOWN OF MONTREAT**

WHEREAS, in 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees; and

WHEREAS, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska; and

WHEREAS, Arbor Day is now celebrated throughout the nation and the world; and

WHEREAS, trees can reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce life-giving oxygen, and provide habitat for wildlife; and

WHEREAS, trees are a renewable resource giving us paper, wood for our homes and fuel for our fires; and

WHEREAS, trees in our town increase property values and beautify our community; and

WHEREAS, trees, wherever they are planted, are a source of joy and spiritual renewal;

NOW, THEREFORE, BE IT RESOLVED that the Town of Montreat Board of Commissioners hereby designates April 27, 2019 as Arbor Day in the Town of Montreat, and urges all citizens to celebrate Arbor Day and support efforts to protect our trees and woodlands.

READ, APPROVED AND ADOPTED, this the 11th day of April, 2019.

[SEAL]

Tim Helms, Mayor

ATTEST:



TOWN OF MONTREAT

P. O. Box 423, Montreat, NC 28757
Tel: (828) 669-8002 | Fax: (828) 669-3810
www.townofmontreat.org

I hereby certify that this is a true and correct copy of this Resolution, duly adopted by the Town of Montreat on the 11th day of April, 2019 as it appears of record in the official minutes.

Angie Murphy
Town Clerk

**ADMINISTRATIVE REPORTS:
ADMINISTRATION**

Town Administration report for the period of March 1 to March 28, 2019.

Monthly Statistics

Public Meetings	7
Inter-Organizational /Intergovernmental Meetings	1
Agendas Prepared	6
Minutes Transcribed	5
Resolutions Drafted	1
Public Records Requests Processed	1
Water Bills Processed	674
Leak Adjustments	20
New Water Accounts Established	1
Purchase Orders	63
Professional Development Hours	15
Sunshine List Messages	11
Website Posts	13
Social Media Posts	4
Code Red Alerts	3
Workers Compensation Claims	0

Upcoming Events and Schedule Changes

- Commission Retreat
-

Comments

- N/A
-

Staff Communications

- N/A
-



TOWN OF MONTREAT

P. O. Box 423, Montreat, NC 28757
Tel: (828) 669-8002 | Fax: (828) 669-3810
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ADMINISTRATIVE REPORTS: BUILDINGS AND INSPECTIONS

Buildings and Inspections report for the period of February 1 to February 28, 2019.

Monthly Statistics

Building Permits Issued	10
Pending Building Permits	2
Building Inspections Performed	31
Stop Work Order Issued	0
Defective Building Posted	0
Denied Building Permits	0
Fire Inspections Performed	0
Fire Re-Inspections Performed	0
Fire Permits Issued	0
Fuel Costs	92.78

Comments

-
-

Staff Communications

-
-



TOWN OF MONTREAT

P. O. Box 423, Montreat, NC 28757
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ADMINISTRATIVE REPORTS: POLICE DEPARTMENT

Police Department report for the period of March 1 to March 28, 2019.

Monthly Statistics

Patrol Mileage	2,345
Dispatched Calls	69
Officer-Initiated Calls	442
Fire Assistance Calls	1
EMS Assistance Calls	0
Motorist/Other Assistance Calls	66
Traffic Stops	19
Parking Issues	0
Burglar Alarm Responses	0
Fire Alarm Responses	1
Residential/Building Checks	14
Ordinance Violations	5
Law Enforcement Agency Assistance Calls	27
Animal Control Calls	0
Larcenies	0
Breaking & Entering Calls	0
Suspicious Person Investigations	7
Suspicious Vehicle Investigations	13
Disturbance Calls	15
Accident Responses	1
Auxiliary Hours Worked (Regular)	32
Auxiliary Hours Worked (Addittional)	32
Truck Turns at Gate	1
MPD Fuel Cost	530.04
Professional Development Hours	120
Town Service	423
MRA Service	222
College Service	27

Comments

-
-

Staff Communications

-
- The Department wrapped up all of the annual classroom requirements for state certification this month. This is the first time we have completed all of this prior to hectic summer activity.

**ADMINISTRATIVE REPORTS:
SANITATION**

Sanitation Department report for the period of March 1 to March 28, 2019.

Monthly Statistics

Curbside Trash Collected (tons)	23.46
Pay-As-You-Throw Trash Bags Collected	22
Curbside Recycling Collected (tons)	3.49
Pay-As-You-Throw Recycling Bags Collected	22
Cardboard Recycling Collected (tons)	0.88
Unique Curbside Sanitation Stops	1,161
Sanitation Diversion Rate	0.129499
Bagged Leaf Pickup	139
Bagged Leaf Pickup	139
Brush Pickup (cubic yards)	149.33
Hauling Fees	\$1,336.24
Tipping Fees	\$297.48
Dumpster Rental Fees	\$203.92
Sanitation Fuel	\$221.90
Contracted Employee Staff Hours	62

Upcoming Events and Schedule Changes

- N/A
-

Comments

- N/A
-

Staff Communications

- Please remember that bagged leaves are only picked up every other week between now and October.
- As always, please remember to tie your trash bags before setting them out for curbside pickup.



TOWN OF MONTREAT

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Tel: (828) 669-8002 | Fax: (828) 669-3810
www.townofmontreat.org

ADMINISTRATIVE REPORTS: STREETS

Streets Department report for the period of March 1 to March 28, 2019.

Monthly Statistics

Miles of Road Maintained	17.12
Miles of New Road Constructed	0
Public Trees Removed	1
Sand Applied to Roads (tons)	0
Ice Melt Applied to Roads (pounds)	0
Monthly Fuel Costs	300.14
Contracted Employee Staff Hours	0
Road Closures	3

Comments

- We are gaining ground on several of the projects from Storm Alberto. Thanks to the weather being decent.
-

Staff Communications

- 0
- 0
- Please keep a watchful eye out for contractors and our crew while road repairs are being made.



TOWN OF MONTREAT

P. O. Box 423, Montreat, NC 28757
Tel: (828) 669-8002 | Fax: (828) 669-3810
www.townofmontreat.org

ADMINISTRATIVE REPORTS: WATER AND PUBLIC WORKS

Water and Public Works report for the period of March 1 to March 28, 2019.

Monthly Statistics

Calls for Service	11
Water Leaks Repaired	0
New Water Lines Installed	1
Water Meters Read	674
Water Meter Replacements	0
Gallons of Water Produced	2,749,300
Monthly Fuel Cost	305.69
Hours Pumped (11 wells combined)	1,174

Upcoming Events and Schedule Changes

- N/A
-

Comments

- N/A
-

Staff Communications

- 0
- 0
- 0
-



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ZONING ADMINISTRATION

Zoning administration report for the period of March 1 to March 28, 2019.

Monthly Statistics

Approved Zoning Permits	\
Denied Zoning Permits	0
Pending Zoning Permits	2
Variance/Interpretation Granted	3
Conditional Use Permits Granted	0
Permit Extensions Granted	0
Sign Permits Issued	0
Notice of Violations	0

Comments

- N/A
-

Staff Communications

- N/A
-
-

0

**TOWN OF MONTREAT
FISCAL YEAR 2019
BUDGET AMENDMENT # 8**

Be it ordained by the Town of Montreat Board of Commissioners that the following amendment be made to the Budget Ordinance for the fiscal year ending June 30, 2019.

Department(s): Capital Projects Fund

Purpose: Appropriations of Funds for Town Hall Capital Project

Section 1. To amend the General Fund and Capital Projects Fund as follows:

Line Item	Account Number	Increase Change (DR)	Decrease Change (CR)	Amended Budget
UNAPPROPRIATED GENERAL FUND	10-00-2990-000		\$450,000.00	450,000.00
INTERFUND TRANSFER TO CAPITAL FUND FROM GENERAL FUND	10-00-5000-571	\$450,000.00		\$681,701.00
INTERFUND TRANSFER GENERAL FUND TO CAPITAL PROJECT FUND	13-00-3915-913		\$450,00.00	\$218,299.00
BUIDLINGS	13-00-5000-733	\$450,000.00		\$597,546.84

Section 2. I certify that the accounting records provide for this budget amendment, and that the revenue source(s) are available:



Deputy Finance Officer

4-4-2019

Date

Section 3. Copies of this amendment shall be delivered to the Budget/Finance Officer and Town Auditor for their direction.

Adopted this _____ day of _____, _____.

Recorded and filed:

Budget Officer/Town Administrator

Date

Town Clerk

Date

Prepared by and
return after recording to:

Branch Banking and Trust Company
Attention: Governmental Finance
5130 Parkway Plaza Boulevard
Charlotte, NC 28217

FINANCING AGREEMENT AND DEED OF TRUST

STATE OF NORTH CAROLINA)
)
COUNTY OF BUNCOMBE)

THIS FINANCING AGREEMENT AND DEED OF TRUST (this “Contract”) is dated as of May 10, 2019, and is granted by the **TOWN OF MONTREAT, NORTH CAROLINA**, a political subdivision of the State of North Carolina (the “Borrower”), to BB&T Collateral Service Corporation, a North Carolina business corporation (the “Deed of Trust Trustee”), for the benefit of **BRANCH BANKING AND TRUST COMPANY** (“BB&T”).

RECITALS:

The Borrower has the power, pursuant to Section 160A-20 of the North Carolina General Statutes, to enter into installment contracts to finance or refinance the purchase or improvement of real or personal property, and to secure its obligations under such contracts by security interests in all or a portion of the property purchased or improved. This Contract provides for BB&T to advance \$1,000,000 to the Borrower to enable the Borrower to finance the construction and equipping of a Town Hall facility and the construction of landscaping and sidewalk connections at the Town Hall site (the “Project”), and provides for securing the Borrower’s obligations under this Contract by creating certain security interests in favor of BB&T.

This Contract secures current advances of \$1,000,000. The current scheduled date for final

repayment is on or about May 10, 2034.

NOW, THEREFORE,

(1) in consideration of the execution and delivery of this Contract and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged;

(2) to secure the Borrower's performance of all its covenants under this Contract, including the repayment of amounts advanced and to be advanced, together with interest on all such advances as provided in this Contract or any amendments hereto, and all charges and expenses of collection (including court costs and reasonable attorneys' fees and expenses); and

(3) to charge the Mortgaged Property (as defined below) with such payment and performance,

the Borrower hereby sells, grants and conveys to the Deed of Trust Trustee, its heirs and assigns forever, in trust, with power of sale, the following (collectively, the "Mortgaged Property"):

(a) (i) the site of the Project, as more particularly described in Exhibit A, and (ii) all real property hereafter acquired by the Borrower in exchange for, or in consideration of the exchange of, or with the proceeds from any disposition of, all or any part of any property described in this subparagraph, and in all cases together with all easements, rights, liberties, rights-of-way and appurtenances belonging to any such property (collectively, the "Site");

(b) the construction of the Project and all other improvements and fixtures now or hereafter attached or appurtenant to or used in or on those improvements or the Site, including (i) all renewals and replacements thereof and all additions thereto, (ii) all articles in substitution thereof, (iii) all building materials for construction or repair of such improvements upon their delivery to the Site, and (iv) all proceeds of all the foregoing in whatever form resulting from the loss or disposition of the foregoing, including all proceeds of and unearned premiums for any insurance policies covering the Site and such improvements, proceeds of title insurance and payments related to the exercise of condemnation or eminent domain authority, and all judgments or settlements in lieu of any of the foregoing; and

(c) the moneys on deposit from time to time in the Project Fund, as provided in Section 2.02.

TO HAVE AND TO HOLD the Mortgaged Property with all privileges and appurtenances thereunto belonging thereto, to the Deed of Trust Trustee, its heirs and assigns forever, upon the trusts, terms and conditions and for the purposes set out below, in fee simple in trust;

SUBJECT, HOWEVER, to the Existing Encumbrances (as defined herein);

BUT THIS CONVEYANCE IS MADE UPON THIS SPECIAL TRUST: if the Required Payments (as defined herein) are paid in full in accordance with this Contract, and the Borrower shall comply with all of the terms, covenants and conditions of this Contract, this conveyance shall be null and void and shall be canceled of record at the Borrower's request and cost, and title shall revert as provided by law.

BUT IF, HOWEVER, THERE SHALL OCCUR AN EVENT OF DEFAULT UNDER THIS CONTRACT, then BB&T shall have the remedies provided for in this Contract, including directing the Deed of Trust Trustee to sell the Mortgaged Property under power of sale.

THE BORROWER COVENANTS AND AGREES with the Deed of Trust Trustee and BB&T (and their respective heirs, successors and assigns), in consideration of the foregoing, as follows:

ARTICLE I

DEFINITIONS; INTERPRETATION

1.01. Defined Terms. Unless the context clearly requires otherwise, capitalized terms used in this Contract and not otherwise defined shall have the following meanings:

"Act" means Section 160A-20 of the General Statutes of North Carolina, as amended.

"Additional Payments" means any of BB&T's reasonable and customary fees and expenses related to the transactions contemplated by this Contract, any of BB&T's expenses (including attorneys' fees) in prosecuting or defending any action or proceeding in connection with this Contract, any required license or permit fees, state and local sales and use or ownership taxes or property taxes which BB&T is required to pay as a result of this Contract, inspection and re-inspection fees, and any other amounts payable by the Borrower (or paid by BB&T on the Borrower's behalf) as a result of its covenants under this Contract (together with interest that may accrue on any of the above if the Borrower shall fail to pay the same, as set forth in this Contract).

"Amount Advanced" has the meaning assigned in Section 2.02.

"Bond Counsel Opinion" means a written opinion (in form and substance acceptable to BB&T) of an attorney or firm of attorneys chosen by the Borrower acceptable to BB&T.

"Borrower" means the Town of Montreat, North Carolina.

"Borrower Representative" means the Borrower's finance officer, investment officer or such other person or persons at the time designated, by a written certificate furnished to BB&T in the form of Exhibit D attached hereto and signed on the Borrower's behalf by the presiding officer of the Governing Board, to act on the Borrower's behalf for any purpose (or any specified purpose) under this Contract.

“Budget Officer” means the Borrower’s officer from time to time charged with preparing the Borrower’s draft budget as initially submitted to the Governing Board for its consideration.

“Business Day” means any day on which banks in the State are not by law authorized or required to remain closed.

“Closing Date” means the date on which this Contract is first executed and delivered by the parties.

“Code” means the Internal Revenue Code of 1986, as amended, including regulations, rulings and revenue procedures promulgated thereunder or under the Internal Revenue Code of 1954, as amended, as applicable to the Borrower’s obligations under this Contract and all proposed (including temporary) regulations which, if adopted in the form proposed, would apply to such obligations. Reference to any specific Code provision shall be deemed to include any successor provisions thereto.

“Construction Agreements” means any contracts with contractors related to the construction of the Project, and all amendments, revisions or modifications of such contracts, in all cases whether now existing or entered into later.

“Enforcement Limitation” means the provisions of the Act that provides that no deficiency judgment may be rendered against the Borrower in any action for breach of a contractual obligation incurred under the Act and that the taxing power of the Borrower is not and may not be pledged directly or indirectly to secure any moneys due under this Contract.

“Event of Default” means one or more events of default as defined in Section 9.01.

“Event of Nonappropriation” means any failure by the Governing Board to adopt, by the first day of any Fiscal Year, a budget for the Borrower that includes an appropriation for Required Payments, or the Governing Board’s amendment of the annual budget to remove an appropriation for Required Payments, in each case as contemplated by Section 3.05.

“Existing Encumbrances” means the encumbrances on the Site existing as of the date hereof.

“Finance Director” means the Finance Director of the Borrower.

“Fiscal Year” means the Borrower’s fiscal year beginning July 1, or such other fiscal year as the Borrower may later lawfully establish.

“Governing Board” means the Borrower’s governing board as from time to time constituted.

“Installment Payments” means the payments payable by the Borrower pursuant to Section 3.01.

“LGC” means the North Carolina Local Government Commission.

“Mortgaged Property” means the Mortgaged Property, as defined above.

“Net Proceeds,” when used with respect to any amounts derived from claims made on account of insurance coverages required under this Contract, any condemnation award arising out of the condemnation of all or any portion of the Mortgaged Property, payments on any bonds required by Section 6.03, any amounts recovered from any contractor on an action for default or breach, as described in Section 6.03, or any amounts received in lieu or in settlement of any of the foregoing, means the amount remaining after deducting from the gross proceeds thereof all expenses (including attorneys’ fees and costs) incurred in the collection of such proceeds, and after reimbursement to the Borrower or BB&T for amounts previously expended to remedy the event giving rise to such payment or proceeds.

“Payment Dates” means the dates indicated in Exhibit B.

“Permitted Encumbrances” means, as of any particular time, (a) the Existing Encumbrances, (b) liens for taxes and assessments not then delinquent, (c) this Contract, and (d) easements, rights-of-way and other such minor defects or restrictions as normally exist with respect to property of the same general character as the Mortgaged Property which will not impair the Borrower’s intended use of the Mortgaged Property.

“Plans and Specifications” means all plans and specifications for the Project prepared by architects, engineers and other consultants.

“Prime Rate” means the interest rate so denominated and set by BB&T (whether or not such bank, or any affiliate thereof, is at any time the beneficiary under this Contract) as its “Prime Rate,” as in effect from time to time.

“Project Costs” means all costs of the design, planning, constructing, acquiring, installing and equipping of the Project as determined in accordance with generally accepted accounting principles and that will not adversely affect the exclusion from gross income for federal income tax purposes of the designated interest component of Installment Payments payable by the Borrower under this Contract, including (a) sums required to reimburse the Borrower or its agents for advances made for any such costs, (b) interest during the construction process and for up to six months thereafter, and (c) all costs related to the financing of the Project through this Contract and all related transactions.

“Project Fund” has the meaning assigned in Section 2.02.

“Project” has the meaning assigned in the Recitals hereto.

“Required Payments” means Installment Payments and Additional Payments.

“Section 160A-20” means Section 160A-20 of the North Carolina General Statutes, as

amended, or any successor provision of law.

“State” means the State of North Carolina.

1.02. Interpretation. All references in this Contract to designated “Sections” and other subdivisions are to the designated sections and other subdivisions of this Contract. The words “hereof” and “hereunder” and other words of similar import refer to this Contract as a whole and not to any particular Section or other subdivision unless the context indicates otherwise. Words importing the singular number shall include the plural number and vice versa.

ARTICLE II

SECURITY PROVIDED BY THIS CONTRACT; ADVANCE; OBLIGATIONS OF THE BORROWER

2.01. Security for Payment and Performance. This Contract secures the Borrower’s payment, as and when the same shall become due and payable, of all Required Payments and the Borrower’s timely compliance with all terms, covenants and conditions of this Contract.

2.02. Advance. BB&T shall advance \$1,000,000 (the “Amount Advanced”) to the Borrower by making a deposit of \$994,100 (the Amount Advanced less a fee of \$5,900 to be paid directly by BB&T to its legal counsel) on the Closing Date to a Project Fund (the “Project Fund”) as provided in Article IV herein, and the Borrower hereby accepts the Amount Advanced from BB&T.

2.03. UCC Security Agreement. (a) This Contract is intended as and constitutes a security agreement pursuant to the UCC with respect to all moneys on deposit from time to time in the Project Fund. To secure the Required Payments, the Borrower hereby grants to BB&T a security interest in the moneys on deposit from time to time in the Project Fund.

(b) The Borrower shall allow BB&T to deliver and file, or cause to be filed, in such place or places as may be required by law, financing statements (including any continuation statements required by the UCC or determined by BB&T) in such form as BB&T may reasonably require to perfect and continue the security interest in the moneys on deposit from time to time in the Project Fund.

2.04. Borrower’s Limited Obligation. (a) THE PARTIES INTEND THAT THIS TRANSACTION COMPLY WITH SECTION 160A-20. NO PROVISION OF THIS CONTRACT SHALL BE CONSTRUED OR INTERPRETED AS CREATING A PLEDGE OF THE BORROWER’S FAITH AND CREDIT WITHIN THE MEANING OF ANY CONSTITUTIONAL DEBT LIMITATION. NO PROVISION OF THIS CONTRACT SHALL BE CONSTRUED OR INTERPRETED AS A DELEGATION OF GOVERNMENTAL POWERS OR AS AN IMPROPER DONATION OR A LENDING OF THE BORROWER’S CREDIT WITHIN THE MEANING OF THE STATE CONSTITUTION. NO DEFICIENCY JUDGMENT MAY BE RENDERED AGAINST THE BORROWER IN VIOLATION OF SECTION 160A-20. No provision of this Contract shall be construed to pledge or to create a lien on any class or source

of the Borrower's moneys (other than the funds held under this Contract), nor shall any provision of this Contract restrict the future issuance of any of the Borrower's bonds or obligations payable from any class or source of the Borrower's moneys (except to the extent this Contract restricts the incurrence of additional obligations secured by the Mortgaged Property). In the event of any conflict between this Section or Section 160A-20, and any other provision of this Contract, this Section and Section 160A-20 take precedence over any other provision of this Contract.

(b) Nothing in this Section is intended to impair or prohibit foreclosure on this Contract if the Required Payments are not paid when due or otherwise upon the occurrence of an Event of Default under this Contract, and in any such event BB&T may request the Deed of Trust Trustee to foreclose on the Mortgaged Property as provided in this Contract.

2.05. Borrower's Continuing Obligations. The Borrower shall remain liable for full performance of all its covenants under this Contract (subject to the limitations described in Section 2.04), including payment of all Required Payments, notwithstanding the occurrence of any event or circumstances whatsoever, including any of the following:

- (a) BB&T's waiver of any right granted or remedy available to it;
- (b) The forbearance or extension of time for payment or performance of any obligation under this Contract, whether granted to the Borrower, a subsequent owner of the Project or any other person;
- (c) The release of all or part of the Mortgaged Property or the release of any party who assumes all or any part of such performance;
- (d) Any act or omission by BB&T (but this provision does not relieve BB&T of any of its obligations under this Contract);
- (e) The sale of all or any part of the Mortgaged Property; or
- (f) Another party's assumption of the Borrower's obligations under this Contract.

2.06. Construction Mortgage. The security interest evidenced hereby is a "construction mortgage" within the meaning of Section 25-9-334 of the North Carolina General Statutes, as amended, or any successor provision.

ARTICLE III

BORROWER'S PAYMENT OBLIGATION AND RELATED MATTERS

3.01. Installment Payments. The Borrower shall repay the Amount Advanced by making Installment Payments to BB&T in lawful money of the United States at the times and in the amounts set forth in Exhibit B, except as otherwise provided in this Contract. As indicated in Exhibit B, the Installment Payments reflect the repayment of the Amount Advanced and include designated interest components.

3.02. Additional Payments. The Borrower shall pay all Additional Payments on a timely basis directly to the person or entity to which such Additional Payments are owed in lawful money of the United States.

3.03. Prepayment. The Borrower may prepay the outstanding principal component of the Amount Advanced, at its option, in whole but not in part, by paying (a) all Additional Payments then due and payable, (b) all interest accrued and unpaid to the prepayment date, and (c)(i) 101% of the outstanding principal amount if such prepayment is made before November 10, 2026, and (ii) 100% of the outstanding principal amount if such prepayment is made on or after November 10, 2026.

3.04. Late Payments. If the Borrower fails to pay any Installment Payment when due, the Borrower shall pay additional interest on the principal component of the late Installment Payment (as permitted by law) at an annual rate equal to the Prime Rate from the original due date.

3.05. Appropriations. (a) The Budget Officer shall include in the initial proposal for each of the Borrower's annual budgets the amount of all Installment Payments and estimated Additional Payments coming due during the Fiscal Year to which such budget applies. Notwithstanding that the Budget Officer includes such an appropriation for Required Payments in a proposed budget, the Governing Board may determine not to include such an appropriation in the Borrower's final budget for such Fiscal Year.

(b) The Finance Director shall deliver notification to BB&T within 15 days after the beginning of each Fiscal Year if an amount equal to the Installment Payments and estimated Additional Payments coming due during the next Fiscal Year has not been appropriated by the Borrower in such budget for such purposes. If such amount has not been so appropriated, the Finance Director shall send a copy of such notification to the LGC, to the attention of its Secretary, at 3200 Atlantic Avenue, Raleigh, NC 27604.

(c) The actions required of the Borrower and its officers pursuant to this Section shall be deemed to be and shall be construed to be in fulfillment of ministerial duties, and it shall be the duty of each and every Borrower official to take such action and do such things as are required by law in the performance of the official duty of such officials to enable the Borrower to carry out and perform the actions required pursuant to this Section and the remainder of this Contract to be carried out and performed by the Borrower.

(d) The Borrower reasonably believes that it can obtain funds sufficient to pay all Required Payments when due.

3.06. No Abatement. There shall be no abatement or reduction of the Required Payments for any reason, including, but not limited to, any defense, recoupment, setoff, counterclaim, or any claim (real or imaginary) arising out of or related to the Site or the Project, except as expressly provided in this Contract. The Borrower assumes and shall bear the entire risk of completion, loss and damage to the Site or the Project from any cause whatsoever. The Installment Payments shall be made in all events unless the Borrower's obligation to make Installment Payments is terminated

as otherwise provided in this Contract.

3.07. Interest Rate and Payment Adjustment. (a) “Rate Adjustment Event” means (i) any action by the Internal Revenue Service (including the delivery of a deficiency notice) or any other federal court or administrative body determining, or (ii) receipt by BB&T of an opinion of nationally recognized bond counsel to the effect, (A) that the interest component of Installment Payments, or any portion thereof, is includable in any beneficiary’s gross income for federal income tax purposes or (B) that the Borrower’s obligations under this Contract are not “qualified tax-exempt obligations” within the meaning of Code Section 265 (a “265 Event”).

(b) Upon any Rate Adjustment Event, (i) the unpaid principal portion of the Amount Advanced shall continue to be payable on dates and in amounts as set forth in Exhibit B, but (ii) the interest components of the Installment Payments shall be recalculated, at an interest rate equal to an annualized interest rate equal to the Prime Rate plus 2% (200 basis points), to the date (retroactively, if need be) determined pursuant to the Rate Adjustment Event to be the date interest first became includable in any beneficiary’s gross income for federal income tax purposes (or in the case of a 265 Event, retroactively to the Closing Date).

(c) The Borrower shall pay interest at such adjusted rate (subject to credit for interest previously paid) to each affected beneficiary, notwithstanding the fact that any particular beneficiary may not necessarily be a beneficiary under this Contract on the date of a Rate Adjustment Event. The Borrower shall additionally pay to all affected beneficiaries any interest, penalties or other charges assessed against or payable by such beneficiary and attributable to a Rate Adjustment Event notwithstanding the prior repayment of the entire Amount Advanced or any transfer to another beneficiary.

ARTICLE IV

PROJECT FUND

4.01. Project Fund. Pursuant to Section 2.02, on the Closing Date, BB&T shall deposit \$994,100 into the Project Fund, which shall be a special account of the Borrower at Branch Banking and Trust Company to be designated “2019-00002 Town of Montreat, North Carolina Project Fund”. The Project Fund shall be held separate and apart from all other funds or accounts of the Borrower. The Project Fund is the Borrower’s property, but the Borrower may withdraw amounts on deposit in the Project Fund only as provided herein and only for application from time to time to the payment of Project Costs or otherwise as permitted by Section 4.03 hereof. Pending such application, such amounts shall be subject to a lien and charge in favor of BB&T to secure the Borrower’s obligations hereunder.

4.02. Requisitions from Project Fund. The Borrower may withdraw funds from the Project Fund only after authorization from BB&T. BB&T shall authorize the disbursement of funds from the Project Fund only to the Borrower and only upon its receipt of one or more written requisitions in the form set forth in Exhibit C attached hereto signed by one of the designated Borrower Representatives. The Borrower shall submit its signed requisitions in pdf

format by electronic transmission at the email address contained in the requisition form.

Upon receipt of a requisition from the Borrower, BB&T shall undertake such review of the matters referred to in such requisition as it shall deem appropriate, and within seven (7) Business Days after such receipt shall notify the Borrower if it does not approve the requisition with the reasons for its disapproval. BB&T has no obligation to make a review and any review by BB&T is only for BB&T's benefit. BB&T shall not unreasonably withhold payment of any requisition.

4.03. Disposition of Project Fund Balance. (a) Promptly after the Project has been completed to the point that the Project is suitable for carrying out substantially all the purposes it is to serve for the Borrower, and the Borrower has withdrawn from the Project Fund all of the funds needed to complete the Project, the Borrower shall deliver to BB&T a written certificate of completion executed by a Borrower Representative stating that (i) the Project has been completed, (ii) there are no mechanic's or other liens against the Project for labor or materials furnished in connection with the Project, and (iii) no further funds will be requisitioned from the Project Fund to pay Project Costs. BB&T may then withdraw any balance remaining in the Project Fund (and not required to be retained to pay Project Costs incurred but not yet paid) and apply such amount as provided in subsection (d) of this Section.

(b) Upon the occurrence of an Event of Default, BB&T may withdraw any balance remaining in the Project Fund and apply such amount as provided in subsection (d) of this Section.

(c) If (i) more than three years have elapsed from the Closing Date or (ii) at least six months have elapsed from BB&T's most recent receipt of a requisition for Project Costs, then BB&T, upon 30 days' notice from BB&T to the Borrower, may withdraw any balance remaining in the Project Fund and apply such amount as provided in subsection (d) of this Section.

(d) BB&T may apply any amounts withdrawn from the Project Fund pursuant to this Section in the following order: (i) to the payment of any Additional Payments then due to BB&T under this Contract, (ii) to the payment of any interest accrued to the Project Fund disposition date that is then due and payable, (iii) to the payment of any principal amount then due and payable, (iv) to the prepayment of principal and accrued interest in accordance with the prepayment provisions of this Contract, and (v) to the payment of future Installment Payments in inverse order of maturity; provided, however, that (1) at the option of BB&T, BB&T may deliver funds held in the Project Fund to the Borrower to be applied to additional Project Costs or future debt service payments, and (2) in no event will BB&T apply any funds in the manner set forth herein if it is advised in an opinion of bond counsel provided by the Borrower that such a use of funds could adversely affect the exclusion from gross income for federal income tax purposes of the interest component of Installment Payments. Any prepayment pursuant to this Section shall not affect any other Borrower payment obligation hereunder. BB&T shall notify the Borrower of any withdrawal from the Project Fund made under this Section, and in the notice shall describe its application of the funds so withdrawn.

4.04. Investment. (a) The Borrower and BB&T agree that money in the Project Fund

will be continuously invested and reinvested in a public funds money rate savings account, as directed by BB&T, that meets the requirements of Section 159-30 of the General Statutes of North Carolina, as amended.

(b) From and after the date that is three years from the Closing Date, the Borrower and BB&T agree that money in the Project Fund will not be invested at a “yield,” as determined under the Code, in excess of the “yield” on the Borrower’s obligations under this Contract, unless the Borrower has supplied BB&T with an opinion of bond counsel to the effect that such investment will not adversely affect the exclusion from gross income for federal income tax purposes to which the interest components of Installment Payments would otherwise be entitled.

(c) Investment obligations acquired with money in the Project Fund shall be deemed at all times to be part of the Project Fund. The interest accruing thereon and any profit or loss realized upon the disposition or maturity of any such investment shall be credited to or charged against the Project Fund.

(d) All earnings on moneys in the Project Fund shall be used for Project Costs or otherwise applied in accordance with Section 4.03 hereof.

ARTICLE V

BORROWER’S COVENANTS, REPRESENTATIONS AND WARRANTIES

5.01. Warranties of Title. The Borrower covenants with the Deed of Trust Trustee and BB&T that the Borrower is seized of and has the right to convey the Mortgaged Property in fee simple, that the Mortgaged Property is free and clear of all liens and encumbrances other than the Permitted Encumbrances, that title to the Mortgaged Property is marketable, and that the Borrower will forever warrant and defend title to the Mortgaged Property against the claims of all persons.

5.02. Indemnification. To the extent permitted by law, the Borrower shall indemnify, protect and save the Deed of Trust Trustee, BB&T and its officers and directors, and the LGC’s members and employees, harmless from all liability, obligations, losses, claims, damages, actions, suits, proceedings, costs and expenses, including attorneys’ fees, arising out of, connected with, or resulting directly or indirectly from the Mortgaged Property or the transactions contemplated by this Contract, including without limitation the possession, condition, construction or use of the Project. The indemnification arising under this Section shall survive this Contract’s termination.

5.03. Covenant as to Tax Exemption. (a) The Borrower covenants that it will not take any action, or fail to take any action, if any such action or failure to take action would adversely affect the exclusion from gross income for federal income taxation purposes of the interest portion of the obligation created by this Contract under Section 103 of the Code. In particular, the Borrower covenants that it will not directly or indirectly use or permit the use of any proceeds of any fund created under this Contract, any funds of the Borrower or any property financed or refinanced with funds provided to the Borrower under this Contract, or otherwise take or omit to take any action, that would cause the obligation created by this Contract to be an “arbitrage

bond” within the meaning of Section 148(a) of the Code or a “private activity bond” under Section 141 of the Code. The Borrower will maintain books on which will be recorded (i) BB&T or (ii) any assignee of the Installment Payments due under this Contract, as the registered owner of such Installment Payments. To that end, the Borrower has executed the Use of Proceeds Certificate, dated as of the date hereof (the “Use of Proceeds Certificate”), and will comply with all requirements of Section 141 and Section 148 of the Code to the extent applicable.

(b) The Borrower hereby represents and warrants that its representations and warranties in the Use of Proceeds Certificate with respect to its investment and use of funds provided under this Contract, and its use of any property financed or refinanced with funds provided under this Contract, are true, correct and complete.

(c) Without limiting the generality of the foregoing, the Borrower agrees that there shall be paid from time to time all amounts required to be rebated to the United States of America pursuant to Section 148(f) of the Code and any temporary, proposed or final Treasury Regulations as may be applicable to the obligation created by this Contract from time to time. This covenant shall survive the termination of this Contract.

(d) Notwithstanding any provision of this Section, if the Borrower shall provide to BB&T a Bond Counsel Opinion to the effect that any action required under this Section or the Use of Proceeds Certificate is no longer required, or to the effect that some further action is required, to maintain the exclusion from gross income of the interest on the obligation created by this Contract pursuant to Section 103 of the Code, the Borrower and BB&T may rely conclusively on such opinion in complying with the provisions thereof.

(e) To the extent permitted by law, the Borrower hereby designates and authorizes BB&T and its employees as its agents and attorneys-in-fact of the Borrower for the purpose of preparing and filing with the IRS a form 8038-G (or other form required under Section 149(e) of the Code) with respect to this Contract.

(f) The Borrower acknowledges that its personnel must be familiar with the arbitrage rebate rules because the tax-exempt status of the interest on the Installment Payments depends upon continuing compliance with such rules. The Borrower therefore covenants to take all reasonable action to assure that Borrower personnel responsible for the investment of and accounting for financing proceeds comply with such rules.

(g) The Borrower represents that the aggregate face amount of all tax-exempt obligations issued by the Borrower during the current calendar year does not, and will not, exceed \$10,000,000. The Borrower also represents that it has designated each of the Installment Payments under this Contract as a “qualified tax-exempt obligation” for the purposes of the Code.

5.04. Validity of Organization and Acts. The Borrower is validly organized and existing under State law, has full power to enter into this Contract and has duly authorized and has obtained all required approvals and all other necessary acts required prior to the execution and delivery of

this Contract. This Contract is a valid, legal and binding obligation of the Borrower.

5.05. Maintenance of Existence. The Borrower shall maintain its existence, shall continue to be a local governmental unit of the State, validly organized and existing under State law, and shall not consolidate with or merge into another local governmental unit of the State, or permit one or more other local governmental units of the State to consolidate with or merge into it, unless the local governmental unit thereby resulting assumes the Borrower's obligations under this Contract.

5.06. Acquisition of Permits and Approvals. All permits, consents, approvals or authorizations of all governmental entities and regulatory bodies, and all filings and notices required on the Borrower's part to have been obtained or completed as of today in connection with the authorization, execution and delivery of this Contract, the consummation of the transactions contemplated hereby and the acquisition and construction of the Project have been obtained and are in full force and effect, and there is no reason why any future required permits, consents, approvals, authorizations or orders cannot be obtained as needed.

5.07. No Breach of Law or Contract. Neither the execution and delivery of this Contract nor the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Contract, (a) to the best of the Borrower's knowledge, constitutes a violation of any provision of law governing the Borrower or (b) results in a breach of the terms, conditions or provisions of any contract, agreement or instrument or order, rule or regulation to which the Borrower is a party or by which the Borrower is bound.

5.08. No Litigation. There is no litigation or any governmental administrative proceeding to which the Borrower (or any official thereof in an official capacity) is a party that is pending or, to the best of the Borrower's knowledge after reasonable investigation, threatened with respect to (a) the Borrower's organization or existence, (b) its authority to execute and deliver this Contract or to comply with the terms of this Contract, (c) the validity or enforceability of this Contract or the transactions contemplated hereby, (d) the title to office of any Governing Board member or any other Borrower officer, (e) any authority or proceedings relating to the Borrower's execution or delivery of this Contract, or (f) the undertaking of the transactions contemplated by this Contract.

5.09. No Current Default or Violation. (a) The Borrower is not in violation of any existing law, rule or regulation applicable to it, (b) the Borrower is not in default under any contract, other agreement, order, judgment, decree or other instrument or restriction of any kind to which the Borrower is a party or by which it is bound or to which any of its assets are subject, including this Contract, and (c) no event or condition has happened or existed, or is happening or existing, under the provisions of any such instrument, including this Contract, which constitutes or which, with notice or lapse of time, or both, would constitute an event of default hereunder or thereunder.

5.10. No Misrepresentation. No representation, covenant or warranty by the Borrower in this Contract is false or misleading in any material respect.

5.11. Environmental Warranties and Indemnification. (a) The Borrower warrants and represents to BB&T as follows:

(i) The Borrower has no knowledge of, and after reasonable inquiry no reason to believe (A) that any industrial use has been made of the Mortgaged Property, (B) that the Mortgaged Property has been used for the storage, treatment or disposal of chemicals or any wastes or materials that are classified by federal, State or local laws as hazardous or toxic substances, or (C) that any manufacturing, landfilling or chemical production has occurred on the Mortgaged Property.

(ii) The Mortgaged Property is in compliance with all federal, State and local environmental laws and regulations, including, but not limited to, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, Public Law No. 96-510, 94 Stat. 2767, 42 USC 9601 et seq., and the Superfund Amendments and Reauthorization Act of 1986, Public Law No. 99-499, 100 Stat. 1613.

(b) To the extent permitted by law, the Borrower shall indemnify and hold BB&T and the Deed of Trust Trustee harmless from and against (i) any and all damages, penalties, fines, claims, liens, suits, liabilities, costs (including clean-up costs), judgments and expenses (including attorneys', consultants' or experts' fees and expenses) of every kind and nature suffered by or asserted against the Deed of Trust Trustee or BB&T as a direct or indirect result of any warranty or representation made by the Borrower in subsection (a) above being false or untrue in any material respect, or (ii) any requirement under any law, regulation or ordinance, local, State or federal, which requires the elimination or removal of any hazardous materials, substances, wastes or other environmentally regulated substances by the Deed of Trust Trustee, BB&T or the Borrower or any transferee or assignee of the Deed of Trust Trustee, BB&T or the Borrower.

(c) The Borrower's obligations under this Section shall continue in full effect notwithstanding full payment of the Required Payments or foreclosure under this Contract or delivery of a deed in lieu of foreclosure.

5.12. Further Instruments. Upon BB&T's request, the Borrower shall execute, acknowledge and deliver such further instruments reasonably necessary or desired by BB&T to carry out more effectively the purposes of this Contract or any other document related to the transactions contemplated hereby, and to subject to the liens and security interests hereof and thereof all or any part of the Mortgaged Property intended to be given or conveyed hereunder or thereunder, whether now given or conveyed or acquired and conveyed subsequent to the date of this Contract.

5.13. BB&T's Advances for Performance of Borrower's Obligations. If the Borrower fails to perform any of its obligations under this Contract, BB&T is hereby authorized, but not obligated, to perform such obligation or cause it to be performed. All expenditures incurred by BB&T (including any advancement of funds for payment of taxes, insurance premiums or other costs of maintaining the Mortgaged Property, and any associated legal or other expenses), together with interest thereon at the Prime Rate, shall be secured as Additional Payments under this Contract. The Borrower promises to pay all such amounts to BB&T immediately upon demand.

5.14. Project Will Be Used and Useful. The acquisition and construction of the Project is

necessary and expedient for the Borrower, and will perform essential functions of the Borrower appropriate for units of local government. The Borrower has an immediate need for, and expects to make immediate use of, the Project, and does not expect such need or use to diminish in any material respect during the term of this Contract. The Project will not be used in any private business or put to any private business use.

5.15. Financial Information. (a) The Borrower shall send to BB&T a copy of the Borrower's audited financial statements for each Fiscal Year within 30 days of the Borrower's acceptance of such statements, but in any event within 270 days of the completion of such Fiscal Year.

(b) The Borrower shall furnish BB&T, at such reasonable times as BB&T shall request, all other financial information (including, without limitation, the Borrower's annual budget as submitted or approved) as BB&T may reasonably request. The Borrower shall permit BB&T or its agents and representatives to inspect the Borrower's books and records and make extracts therefrom.

5.16. Taxes and Other Governmental Charges. The Borrower shall pay, as Additional Payments, the full amount of all taxes, assessments and other governmental charges lawfully made by any governmental body during the term of this Contract. With respect to special assessments or other governmental charges which may be lawfully paid in installments over a period of years, the Borrower shall be obligated to provide for Additional Payments only for such installments as are required to be paid during the term of this Contract. The Borrower shall not allow any liens for taxes, assessments or governmental charges with respect to the Mortgaged Property or any portion thereof to become delinquent (including, without limitation, any taxes levied upon the Mortgaged Property or any portion thereof which, if not paid, will become a charge on any interest in the Mortgaged Property, including BB&T's interest, or the rentals and revenues derived therefrom or hereunder).

5.17. Borrower's Insurance. (a) From and after substantial completion of each principal portion of the Project, the Borrower shall, at its own expense, acquire, carry and maintain broad-form extended coverage property damage insurance with respect to all improvements in or on the Site or otherwise related to the Project in an amount equal to the estimated replacement cost of such improvements. Such property damage insurance shall include standard mortgagee coverage in favor of BB&T. The Borrower shall provide evidence of such coverage to BB&T, upon BB&T's request, promptly upon such substantial completion. Any Net Proceeds of the insurance required by this subsection (a) shall be payable as provided in Section 7.09.

(b) To the extent permitted by law, the Borrower shall, at its own expense, acquire, carry and maintain comprehensive general liability insurance in accordance with State statute or as customarily held by similar entities in the State.

(c) If the property (building) secured by this Contract has been determined to be in a "Special Flood Hazard" area, shown on a map published by the Federal Emergency Management Agency (FEMA), the Borrower, at its own expense, must maintain an adequate policy for flood insurance for the life of the loan in compliance with the Flood Disaster Protection Act of 1973

(Federal law). If at any time during the term of this Contract, such portion of the Mortgaged Property is classified by FEMA as being located in a special flood hazard area, flood insurance will be mandatory. Should BB&T become aware of such an event, federal law requires BB&T to notify the Borrower of the reclassification. If, within forty-five (45) days of receipt of notification from BB&T that any portion of the Mortgaged Property has been reclassified by the FEMA as being located in a special flood hazard area, the Borrower has not provided sufficient evidence of flood insurance, BB&T is mandated under federal law to purchase flood insurance on behalf of the Borrower, and any amounts so expended shall, subject to Section 3.05 and the Enforcement Limitation, immediately become debts of the Borrower, shall bear interest at the rate specified in this Contract, and payment thereof shall be secured by this Contract.

(d) The Borrower shall also maintain workers' compensation insurance issued by a responsible carrier authorized under State law to insure the Borrower against liability for compensation under applicable State law as in effect from time to time.

(e) All insurance shall be maintained with generally recognized responsible insurers in accordance with State law and may carry reasonable deductible or risk-retention amounts.

(f) No Borrower agent or employee shall have the power to adjust or settle any property damage loss greater than \$50,000 with respect to the Mortgaged Property, whether or not covered by insurance, without BB&T's prior written consent.

(g) BB&T shall not be responsible for the sufficiency or adequacy of any required insurance and shall be fully protected in accepting payment on account of such insurance or any adjustment, compromise or settlement of any loss agreed to by BB&T.

(h) Upon request by BB&T, the Borrower shall deliver to BB&T annually a certificate stating the property coverage required by this Contract is in effect, and stating the carrier, policy number and coverage amount.

ARTICLE VI

TERMS OF CONSTRUCTION

6.01. Construction; Changes. (a) The Borrower shall comply with the provisions of Article 8 of Chapter 143 of the North Carolina General Statutes and enter into the Construction Agreements. The Borrower shall cause the construction to be carried on continuously in accordance with the Plans and Specifications and all applicable State and local laws and regulations. The Borrower shall cause the Project to be constructed on the Site and shall insure (i) that the Project does not encroach upon nor overhang any easement or right-of-way and (ii) that the Project, when erected, will be wholly within any applicable building restriction lines, however established, and will not violate applicable use or other restrictions contained in prior conveyances or applicable protective covenants or restrictions. The Borrower shall cause all utility lines, septic systems and streets serving the Site to be completed in accordance with health department standards and other applicable regulations of any governmental agency having jurisdiction.

(b) The Borrower may approve changes to the Plans and Specifications and the Construction Agreements in its discretion except that the Borrower may not, without BB&T's consent, approve any changes which (i) result in the Project's use for purposes substantially different than essential services of the Borrower or (ii) which increase total estimated Project Costs beyond amounts previously identified and designated unless duly approved and funded through appropriations by the Governing Board.

6.02. Construction within Funds Available. The Borrower represents that, based upon its examination of the Site and of the Plans and Specifications, estimated construction and equipment costs provided by licensed architects and engineers and the Project's anticipated configuration, the Project can be constructed, acquired and equipped for a total price within the total amount of funds to be available therefore in the Project Fund, income anticipated to be derived from the investment thereof and other funds previously identified and designated for such purposes. If the total amount available for such purposes in the Project Fund shall be insufficient to pay the entire cost of constructing, acquiring and equipping the Project, the Borrower promises to pay any such excess costs, with no resulting reduction or offset in the amounts otherwise payable by the Borrower under this Contract.

6.03. Contractors' Performance and Payment Bonds. The Borrower shall require each contractor entering into a Construction Agreement to furnish a performance bond and a separate labor and material payment bond as required by Article 3, Chapter 44A of the North Carolina General Statutes.

Upon any material default by a contractor under any Construction Agreement, or upon any material breach of warranty with respect to any materials, workmanship or performance, the Borrower shall promptly proceed, either separately or in conjunction with others, to pursue diligently its remedies against such contractor or against the surety of any bond securing the performance of such Construction Agreement.

6.04. Contractors' General Public Liability and Property Damage Insurance. To the extent mandated by State and local requirements (and in the amounts required thereby), the Borrower shall require each contractor entering into a Construction Agreement to procure and maintain standard form (a) comprehensive general public liability and property damage insurance, at such contractor's own cost and expense, during the duration of such contractor's construction contract, and (b) comprehensive automobile liability insurance on owned, hired and non-owned vehicles. Such insurance shall provide protection from all claims for bodily injury, including death, property damage and contractual liability, products/completed operations, broad form property damage and XCU (explosive, collapse and underground damage), where applicable.

6.05. Contractors' Builder's Risk Completed Value Insurance. To the extent mandated by State and local requirements, the Borrower shall require each contractor entering into a Construction Agreement to purchase and maintain property insurance (builder's risk) upon all construction, acquisition, installation and equipping of the Project (excluding contractor's tools and equipment) at the site thereof at the full insurable value thereof, and the contractor shall purchase and maintain similar property insurance for portions of the work stored off the Site or in transit

when such portions of the work are to be included in an application for payment. The contractor shall be responsible for the payment of any deductible amounts associated with this insurance.

6.06. Contractors' Workers' Compensation Insurance. To the extent mandated by State and local requirements, the Borrower shall require each contractor entering into a Construction Agreement to procure and maintain workers' compensation insurance during the term of such Construction Agreement, covering his or her employees working thereunder. A certificate of insurance evidencing such coverage, in form acceptable to BB&T, shall be provided to the Borrower with respect to each contractor entering into a Construction Agreement. To the extent mandated by State and local requirements, each Construction Agreement shall also provide that each subcontractor of any contractor who is a party to such Construction Agreement shall be required to furnish similar workers' compensation insurance.

6.07. Disclaimer of Warranties. The Borrower agrees that BB&T has not designed the Project, that BB&T has not supplied any plans or specifications with respect thereto and that BB&T (a) is not a manufacturer of, nor a dealer in, any of the component parts of the Project or similar facilities, (b) has not made any recommendation, given any advice nor taken any other action with respect to (i) the choice of any supplier, vendor or designer of, or any other contractor with respect to, the Project or any component part thereof or any property or rights relating thereto, or (ii) any action taken or to be taken with respect to the Project or any component part thereof or any property or rights relating thereto at any stage of the acquisition, construction and equipping thereof, (c) has not at any time had physical possession of the Project or any component part thereof or made any inspection thereof or of any property or rights relating thereto, and (d) has not made any warranty or other representation, express or implied, that the Project or any component part thereof or any property or rights relating thereto (i) will not result in or cause injury or damage to persons or property, (ii) has been or will be properly designed, or will accomplish the results which the Borrower intends therefore, or (iii) is safe in any manner or respect.

BB&T MAKES NO EXPRESS OR IMPLIED WARRANTY OR REPRESENTATION OF ANY KIND WHATSOEVER WITH RESPECT TO THE PROJECT OR ANY COMPONENT PART THEREOF, INCLUDING BUT NOT LIMITED TO ANY WARRANTY OR REPRESENTATION WITH RESPECT TO THE MERCHANTABILITY OR THE FITNESS OR SUITABILITY THEREOF FOR ANY PURPOSE, and further including the design or condition thereof; the safety, quality or capacity thereof; compliance thereof with the requirements of any law, rule, specification or contract pertaining thereto; any latent defect; the Project's ability to perform any function; that the Amount Advanced will be sufficient to pay all costs of the acquisition, construction and equipping of the Project; or any other characteristic of the Project; it being agreed that the Borrower is to bear all risks relating to the Project, the completion thereof and the transactions contemplated hereby, and the Borrower hereby waives the benefits of any and all implied warranties and representations of BB&T.

The provisions of this Section shall survive the termination of this Contract.

6.08. Right of Entry and Inspection. BB&T and its representatives and agents shall have the right to enter upon the Site and inspect the Project from time to time during construction and after the completion of construction, and the Borrower shall cause any vendor, contractor or sub-

contractor to cooperate with BB&T and its representatives and agents during such inspections.

No right of inspection or approval granted in this Section shall be deemed to impose upon BB&T any duty or obligation whatsoever to undertake any inspection or to make any approval. No inspection made or approval given by BB&T shall be deemed to impose upon BB&T any duty or obligation whatsoever to identify or correct any defects in the Project or to notify any person with respect thereto, and no liability shall be imposed upon BB&T, and no warranties (either express or implied) are made by BB&T as to the quality or fitness of any improvement, any such inspection and approval being made solely for BB&T's benefit.

6.09. Conditional Assignment of Construction Documents. (a) The Borrower hereby sells, transfers, assigns and sets over unto BB&T, its successors and assigns, all of the Borrower's right, title and interest in and to (i) all Construction Agreements, (ii) the contracts pertaining to the Mortgaged Property with architects, engineers and similar professionals (the "Architects' Agreements"), and (iii) all plans, specifications and other drawings or documents prepared or to be prepared by such professionals and pertaining to the Mortgaged Property (the "Plans" and together with the Construction Agreements and the Architects' Agreements, the "Construction Documents"); in all cases to the fullest extent such transfer is not prohibited by the terms of the respective documents and instruments or any related contracts. Such assignment is made as additional security for the Borrower's performance of all its obligations under this Contract and other documents evidencing or securing the Borrower's obligations under this Contract.

(b) The Borrower covenants and agrees that it will (a) fulfill, perform and observe each and every material condition and covenant of the Borrower contained in the Construction Documents, (b) give immediate notice to BB&T of any material default by anyone under the Construction Documents, and (c) enforce the performance and observance of each and every material covenant and condition to be performed or observed by anyone under the Construction Documents.

(c) The Borrower covenants and agrees for itself that it will not, without BB&T's prior written consent, (a) modify or amend the terms of any of the Construction Documents, or (b) waive or release the performance of any material obligation to be performed by anyone under the terms of the Construction Documents.

(d) Unless and until the Borrower defaults in the performance or observance of any obligation under this Contract, the Borrower is entitled to enjoy and enforce all its rights under the Construction Documents.

(e) If the Borrower defaults in the performance or observance of any obligation under this Contract, then BB&T is entitled to have, use and copy the Plans and, after first having given written notice to the counterparty to any such agreement, shall be entitled from and after such notice to enjoy and enforce all the Borrower's rights under the Architects' Agreements and the Contractors' Agreements. BB&T shall then become bound to perform all the Borrower's obligations under the Architects' Agreements and the Contractors' Agreements that arise from and after the date of BB&T's notice to the counterparty. Unless and until BB&T gives such notice to any such counterparty, BB&T is not obligated to perform any obligations under the Architects' Agreements or the Contractors' Agreements.

(f) The Borrower warrants as follows: there is not any other assignment of any of its rights under any of the Construction Documents to any other person or party; it has done no act nor omitted to do any act that might prevent BB&T from exercising any of the rights, powers and privileges conferred by this Assignment; and, to the best of its knowledge, no default exists under the provisions of the Architects' Agreements or the Contractors' Agreements.

ARTICLE VII

CARE AND USE OF PROJECT

7.01. Compliance with Requirements. (a) The Borrower shall cause the Project to be designed and constructed in compliance with all applicable legal requirements, including subdivision, building and zoning regulations. The Borrower shall not initiate or acquiesce in a change in the Site's zoning classification, except with respect to any change that may be appropriate to conform the actual zoning to that appropriate for the use of the Project contemplated as of the Closing Date.

(b) The Borrower shall observe and comply promptly with all current and future requirements relating to the Mortgaged Property's use or condition imposed by (i) any judicial, governmental or regulatory body having jurisdiction over the Project or any portion thereof or (ii) any insurance company writing a policy covering the Project or any portion thereof, whether or not any such requirement shall necessitate structural changes or improvements or interfere with the use or enjoyment of the Mortgaged Property.

(c) The Borrower shall obtain and maintain in effect all licenses and permits required for the Project's operation.

(d) The Borrower shall in no event use the Mortgaged Property or any part thereof, nor allow the same to be used, for any unlawful purpose, or suffer any act to be done or any condition to exist with respect to the Mortgaged Property or any part thereof, nor any article to be brought thereon, which may be dangerous, unless safeguarded as required by law, or which may, in law, constitute a nuisance, public or private, or which may make void or voidable any insurance then in force with respect thereto.

7.02. Use and Operation. The Borrower shall use and operate the Project and related facilities for their intended public purposes, and for no other purpose unless required by law. The Borrower shall be solely responsible for the Project's operation, and shall not contract with any other person or entity for the Project's operation.

7.03. Maintenance and Repairs; Additions; Grant and Release of Easements. (a) The Borrower shall keep the Mortgaged Property in good order and repair (reasonable wear and tear excepted) and in good operating condition, shall not commit or permit any waste or any other thing to occur whereby the value or usefulness of the Mortgaged Property might be impaired, and shall make from time to time all necessary or appropriate repairs, replacements and renewals.

(b) The Borrower may, also at its own expense, make from time to time any additions, modifications or improvements to the Mortgaged Property that it may deem desirable for its governmental or proprietary purposes and that do not materially impair the effective use, nor materially decrease the value or substantially alter the intended use, of the Mortgaged Property. The Borrower shall do, or cause to be done, all such things as may be required by law in order fully to protect the security of and all BB&T's rights under this Contract.

(c) Any and all additions to or replacements of the Project and all parts thereof shall constitute accessions to the Project and shall be subject to all the terms and conditions of this Contract and included in the "Project" for the purposes of this Contract.

(d) Notwithstanding any other provisions of this Contract, at any time so long as there is no Event of Default, with the consent of BB&T, the Borrower may at any time or times release fixtures to be added to the Mortgaged Property from the security interest created hereby with or without consideration. BB&T agrees that it shall execute and deliver and will cause, request or direct the Deed of Trust Trustee to execute and deliver any instrument reasonably necessary or appropriate to release any such fixture but only upon receipt of (a) a copy of the instrument of release, (b) a written request of the Borrower requesting such instrument, and (c) a certificate executed by the Borrower that the release is not detrimental to the proper conduct of the operations of the Borrower at the Mortgaged Property and will not impair the effective use, nor decrease the value, of the Mortgaged Property.

(e) Notwithstanding any other provisions of this Contract, at any time so long as there is no Event of Default, with the consent of BB&T, the Borrower may at any time or times grant easements, licenses, rights of way and other rights and privileges in the nature of easements with respect to any part of the Mortgaged Property, and the Borrower may release existing interests, easements, licenses, rights of way and other rights or privileges with or without consideration. BB&T agrees that it shall execute and deliver any instrument reasonably necessary or appropriate to grant or release any such interest, easement, license, right of way or other right or privilege but only upon receipt of (a) a copy of the instrument of grant or release, (b) a written request of the Borrower requesting such instrument, and (c) a certificate executed by the Borrower that the grant or release is not detrimental to the proper conduct of the operations of the Borrower at the Mortgaged Property and will not impair the effective use, nor decrease the value, of the Mortgaged Property.

7.04. Utilities. The Borrower shall pay all charges for utility services furnished to or used on or in connection with the Site and the Project.

7.05. Risk of Loss. The Borrower shall bear all risk of loss to and condemnation of the Site and the Project.

7.06. Condemnation. (a) The Borrower shall immediately notify BB&T if any governmental authority shall institute, or shall notify the Borrower of any intent to institute, any action or proceeding for the taking of, or damages to, all or any part of the Mortgaged Property or any interest therein under the power of eminent domain, or if there shall be any damage to the

Mortgaged Property due to governmental action, but not resulting in a taking of any portion of the Mortgaged Property. The Borrower shall file and prosecute its claims for any such awards or payments in good faith and with due diligence and cause the same to be collected and paid over to BB&T, and to the extent permitted by law hereby irrevocably authorizes and empowers BB&T or the Deed of Trust Trustee, in the Borrower's name or otherwise, to collect and receipt for any such award or payment and to file and prosecute such claims. If the Borrower receives any Net Proceeds arising from any such action, the Borrower shall apply such Net Proceeds as provided in Section 7.09.

(b) If any of the real or personal property acquired or improved by the Borrower (in whole or in part) using any portion of the Amount Advanced consists of or is located on any real property acquired by the Borrower through the exercise of the power of eminent domain, or through the threat of the exercise of the power of eminent domain, then during the term of this Contract the Borrower may not transfer any interest in such real property to any entity other than a local governmental unit without BB&T's prior express written consent.

7.07. Title. Title to the Site and the Project and any and all additions, repairs, replacements or modifications thereto shall at all times be in the Borrower, subject to the lien of this Contract. Upon the Borrower's payment in full of all Required Payments, BB&T, at the Borrower's expense and request, shall cancel this Contract.

7.08. No Encumbrance, Mortgage or Pledge of Site or Project. (a) The Borrower shall not directly or indirectly create, incur, assume or suffer to exist any mortgage, pledge, lien (including mechanics' and materialmen's liens), charge, encumbrance or other claim in the nature of a lien on or with respect to the Mortgaged Property, except Permitted Encumbrances. The Borrower shall promptly, at its own expense, take such action as may be duly necessary to discharge any such mortgage, pledge, lien, charge, encumbrance or claim not excepted above which it shall have created, incurred or suffered to exist.

(b) The Borrower shall reimburse BB&T for any expense incurred by BB&T to discharge or remove any such mortgage, pledge, lien, security interest, encumbrance or claim, with interest thereon at the Prime Rate.

7.09. Damage and Destruction; Use of Net Proceeds. (a) The Borrower shall promptly notify BB&T if (i) the Mortgaged Property or any portion thereof is stolen or is destroyed or damaged by fire or other casualty, (ii) a material defect in the construction of the Project shall become apparent, or (iii) title to or the use of all or any portion of the Mortgaged Property shall be lost by reason of a defect in title. Each notice shall describe generally the nature and extent of such damage, destruction or taking.

(b) The Borrower shall apply Net Proceeds (i) to the prompt completion, repair or restoration of the Mortgaged Property (and pay any costs in excess of Net Proceeds, if necessary), or (ii) together with other available funds as may be necessary, to the prepayment of all outstanding Required Payments pursuant to Section 3.03. The Borrower shall promptly report to BB&T regarding the use of Net Proceeds.

(c) Any repair, restoration, modification, improvement or replacement paid for in whole or in part out of Net Proceeds shall be the Borrower's property and shall be part of the Project.

ARTICLE VIII

THE DEED OF TRUST TRUSTEE

8.01. Deed of Trust Trustee's Liability. The Deed of Trust Trustee shall suffer no liability by virtue of its acceptance of this trust except such as may be incurred as a result of the Deed of Trust Trustee's failure to account for the proceeds of any sale under this Contract.

8.02. Substitute Trustees. If the Deed of Trust Trustee, or any successor, shall die, become incapable of acting or renounce its trust, or if for any reason BB&T desires to replace the Deed of Trust Trustee, then BB&T shall have the unqualified right to appoint one or more substitute or successor Deed of Trust Trustees by instruments filed for registration in the office of the Register of Deeds where this Contract is recorded. Any such removal or appointment may be made at any time without notice, without specifying any reason therefor and without any court approval. Any such appointee shall become vested with title to the Mortgaged Property and with all rights, powers and duties conferred upon the Deed of Trust Trustee by this Contract in the same manner and to the same effect as though such Deed of Trust Trustee were named as the original Deed of Trust Trustee.

ARTICLE IX

DEFAULTS AND REMEDIES; FORECLOSURE

9.01. Events of Default. An "Event of Default" is any of the following:

- (a) The Borrower's failing to make any Installment Payment when due.
- (b) The occurrence of an Event of Nonappropriation.
- (c) The Borrower's breaching or failing to perform or observe any term, condition or covenant of this Contract on its part to be observed or performed, other than as provided in subsections (a) or (b) above, including payment of any Additional Payment, for a period of 15 days after written notice specifying such failure and requesting that it be remedied shall have been given to the Borrower by BB&T, unless BB&T shall agree in writing to an extension of such time prior to its expiration.
- (d) The institution of proceedings under any bankruptcy, insolvency, reorganization or similar law by or against the Borrower as a debtor, or the appointment of a receiver, custodian or similar officer for the Borrower or any of its property, and the failure of such proceedings or appointments to be vacated or fully stayed within 30 days after the institution or occurrence thereof.

(e) Any warranty, representation or statement made by the Borrower in this Contract is found to be incorrect or misleading in any material respect on the Closing Date (or, if later, on the date made).

(f) Any lien, charge or encumbrance (other than Permitted Encumbrances) prior to or affecting the validity of this Contract is found to exist, or proceedings are instituted against the Borrower to enforce any lien, charge or encumbrance against the Mortgaged Property and such lien, charge or encumbrance would be prior to the lien of this Contract.

(g) The Borrower's failing to pay when due any principal of or interest on any of its general obligation debt.

9.02. Remedies on Default. Upon the continuation of any Event of Default, BB&T may, without any further demand or notice, exercise any one or more of the following remedies:

(a) Declare the unpaid principal components of the Installment Payments immediately due and payable;

(b) Proceed by appropriate court action to enforce the Borrower's performance of the applicable covenants of this Contract or to recover for the breach thereof;

(c) Pay over any balance remaining in the Project Fund to be applied against outstanding Required Payments in any manner BB&T may reasonably deem appropriate; and

(d) Avail itself of all available remedies under this Contract, including execution and foreclosure as provided in Sections 9.03 and 9.04, and recovery of attorneys' fees and other expenses.

Notwithstanding any other provision of this Contract, the Borrower, the Deed of Trust Trustee and BB&T intend to comply with Section 160A-20. No deficiency judgment may be entered against the Borrower in violation of Section 160A-20.

9.03. Foreclosure; Sale under Power of Sale. (a) Right to foreclosure or sale. Upon the occurrence and continuation of an Event of Default, at BB&T's request, the Deed of Trust Trustee shall foreclose the Mortgaged Property by judicial proceedings or, at BB&T's option, the Deed of Trust Trustee shall sell (and is hereby empowered to sell) all or any part of the Mortgaged Property (and if in part, any such sale shall in no way adversely affect the lien created hereby against the remainder) at public sale to the last and highest bidder for cash (free of any equity of redemption, homestead, dower, curtesy or other exemption, all of which the Borrower expressly waives to the extent permitted by law) after compliance with applicable State laws relating to foreclosure sales under power of sale. The Deed of Trust Trustee shall, at BB&T's request, execute a proper deed or deeds to the successful purchaser at such sale.

(b) Bank's bid. BB&T may bid and become the purchaser at any sale under this Contract, and in lieu of paying cash therefor may make settlement for the purchase price by crediting against the Required Payments the proceeds of sale net of sale expenses, including the Deed of Trust

Trustee's commission, and after payment of such taxes and assessments as may be a lien on the Mortgaged Property superior to the lien of this Contract (unless the Mortgaged Property is sold subject to such liens and assessments, as provided by State law).

(c) Borrower's bid. The Borrower may bid for all or any part of the Mortgaged Property at any foreclosure sale; provided, however, that the price bid by the Borrower may not be less than an amount sufficient to provide for full payment of the Required Payments.

(d) Successful bidder's deposit. At any such sale the Deed of Trust Trustee may, at its option, require any successful bidder (other than BB&T) immediately to deposit with the Deed of Trust Trustee cash or a certified check in an amount equal to all or any part of the successful bid, and notice of any such requirement need not be included in the advertisement of the notice of such sale.

(e) Application of sale proceeds. The proceeds of any foreclosure sale shall be applied in the manner and in the order prescribed by State law, it being agreed that the expenses of any such sale shall include a commission to the Deed of Trust Trustee of five percent of the gross sales price for making such sale and for all services performed under this Contract. Any proceeds of any such sale remaining after the payment of all Required Payments and the prior application thereof in accordance with State law shall be paid to the Borrower.

9.04. Possession of Mortgaged Property. During the continuation of an Event of Default, the Borrower shall immediately lose the right to possess, use and enjoy the Mortgaged Property (but may remain in possession of the Mortgaged Property as a tenant at will of BB&T), and thereupon the Borrower (a) shall pay monthly in advance to BB&T a fair and reasonable rental value for the use and occupation of the Mortgaged Property (in an amount BB&T shall determine in its reasonable judgment), and (b) upon BB&T's demand, shall deliver possession of the Mortgaged Property to BB&T or, at BB&T's direction, to the purchaser of the Mortgaged Property at any judicial or foreclosure sale under this Contract.

In addition, upon the continuation of any Event of Default, BB&T, to the extent permitted by law, is hereby authorized to (i) take possession of the Mortgaged Property, with or without legal action, (ii) lease the Mortgaged Property, (iii) collect all rents and profits therefrom, with or without taking possession of the Mortgaged Property, and (iv) after deducting all costs of collection and administration expenses, apply the net rents and profits first to the payment of necessary maintenance and insurance costs, and then to the Borrower's account and in reduction of the Borrower's corresponding Required Payments in such fashion as BB&T shall reasonably deem appropriate. BB&T shall be liable to account only for rents and profits it actually receives.

9.05. Due on Sale Provision; Acceleration. BB&T may, at its option, require the immediate payment in full of the Required Payments and the Amount Advanced and all other sums secured by this Contract upon the sale, transfer, conveyance or encumbrance of all or any part of the Mortgaged Property, or any legal or beneficial interest in the Mortgaged Property, without BB&T's prior written consent. This option applies whether the sale, transfer, conveyance or encumbrance is voluntary, involuntary, by operation of law or otherwise, and includes (i) any creation of lien or encumbrance, whether or not subordinate to the lien created pursuant to this Contract, (ii) the

creation of any easement, right-of-way or similar interest other than such as would constitute a Permitted Encumbrance, or (iii) the grant of any leasehold or similar interest or any option to purchase, right of first refusal or similar interest.

9.06. No Remedy Exclusive; Delay Not Waiver. All remedies under this Contract are cumulative and may be exercised concurrently or separately. The exercise of any one remedy shall not be deemed an election of such remedy or preclude the exercise of any other remedy. If any Event of Default shall occur and thereafter be waived by the other parties, such waiver shall be limited to the particular breach so waived and shall not be deemed a waiver of any other breach under this Contract.

9.07. Payment of Costs and Attorney's Fees. If BB&T employs an attorney to assist in the enforcement or collection of Required Payments, or if the Deed of Trust Trustee or BB&T voluntarily or otherwise shall become a party or parties to any suit or legal proceeding (including a proceeding conducted under any state or federal bankruptcy or insolvency statute) to protect the Mortgaged Property, to protect the lien of this Contract, to enforce collection of the Required Payments or to enforce compliance by the Borrower with any of the provisions of this Contract, the Borrower agrees to pay reasonable attorneys' fees and all of the costs that may reasonably be incurred (whether or not any suit or proceeding is commenced), and such fees and costs (together with interest at the Prime Rate) shall be secured as Required Payments.

ARTICLE X

WIRE TRANSFER REQUIREMENTS

In order to prevent unauthorized or fraudulent wire transfers through cyberfraud and other means, BB&T and the Borrower hereby agree to the provisions of this Article X.

10.01. Wire Transfer Requirements. In the event a wire transfer is made by BB&T to disburse funds as contemplated by this Contract (a "Disbursement"), said wire transfer shall be delivered as directed in a written "Disbursement Authorization" provided to BB&T by a representative of the Borrower, subject to the terms and conditions set forth in this Article X. For the purposes of this Article, a representative of the Borrower shall include employees and elected and/or appointed officials of the Borrower, bond counsel, the Borrower's legal counsel, the LGC and the Borrower's financial advisor.

10.02. Verification Procedures. Prior to making any Disbursement pursuant to a Disbursement Authorization not delivered to BB&T in person by a representative of the Borrower, BB&T shall verify such Disbursement Authorization verbally via telephone communication with a representative of the Borrower. The Borrower shall ensure that a representative of the Borrower will provide such verification to BB&T. The Borrower shall not disclose, or allow to be disclosed, such BB&T verification procedures to any third party unless there is a legitimate business need to make such disclosure or such disclosure is required by law, and the Borrower accepts the risk of such third party knowledge of the security procedures. If the Borrower has reason to believe that a security procedure has been obtained by or disclosed to an

unauthorized person or learns of any unauthorized transfer or of any discrepancy in a transfer request, then the Borrower shall notify BB&T immediately.

10.03. Payee Identification. The Borrower is solely responsible for accurately identifying the wire transfer information contained in the Disbursement Authorization delivered to BB&T by a representative of the Borrower, including but not limited to the bank name and its ABA number, beneficiary's account name and account number and beneficiary's physical address, together with other information requested by BB&T (collectively, "Remittance Instructions"). If the Remittance Instructions describe a beneficiary inconsistently by name and account number, the Borrower acknowledges that BB&T may make payment on the basis of the account number alone, that BB&T is not obligated to detect such errors, and that the Borrower assumes the risk of any loss resulting therefrom.

10.04. Duty to Reconcile Written Confirmation. Upon request from a representative of the Borrower, BB&T shall use its best efforts to send a representative of the Borrower written confirmation of the Disbursement in the form of a reference number, beneficiary name and wire amount. A representative of the Borrower shall promptly review and reconcile the written confirmation of the Disbursement sent by BB&T, and shall report to BB&T in writing, promptly, but in no event later than ten Business Days after the date of such written confirmation, any unauthorized, erroneous, unreceived or improperly executed payment. BB&T and the Borrower agree that ten Business Days is a reasonable time for the detection and reporting to BB&T of such information. After that time, all items on the written confirmation will be considered correct and the Borrower will be precluded from recovering from BB&T if such wire transfer identified in the written confirmation was actually made by BB&T. For the avoidance of doubt, any such writings can be provided electronically.

10.05. Unauthorized Payments. Notwithstanding any other provision herein, if a Disbursement has been verified by a representative of the Borrower pursuant to Section 10.02, it shall be binding on the Borrower if BB&T acted in good faith in making such Disbursement.

10.06. Recordation. BB&T may record any telephone conversation between BB&T and a representative of the Borrower in order to reduce the risk of unauthorized or erroneous transfers. BB&T may retain such recordings for as long as BB&T may deem necessary.

10.07. Indemnification and Hold Harmless. If BB&T complies with the provisions of this Article X, the Borrower agrees that BB&T shall not be responsible for any communication or miscommunication by a representative of the Borrower, and the Borrower further agrees to indemnify, to the extent allowed by law, BB&T and hold BB&T harmless from and against any and all losses, claims, expenses, suits, costs or damages, demands or liabilities of whatever kind or nature, whether now existing or hereafter relating in any way to a wire transfer made pursuant to this Contract.

10.08. Applicable Law. All wire transfer orders are governed by Article 4A of the Uniform Commercial Code, except as any provisions thereof that may be and are modified by the terms hereof. If any part of the applicable wire transfer order involves the use of the Fedwire, the

rights and obligations of BB&T and the Borrower regarding that wire transfer order are governed by Regulation J of the Federal Reserve Board.

ARTICLE XI

MISCELLANEOUS

11.01. Notices. (a) Any communication required or permitted by this Contract must be in writing.

(b) Any communication under this Contract shall be sufficiently given and deemed given when delivered by hand or on the date shown on a certified mail receipt, or delivery receipt from a national commercial package delivery service, if addressed as follows:

(i) if to the Borrower, to the Town of Montreat, North Carolina, P.O. Box 423, Montreat, North Carolina, Attention: Alex Carmichael;

(ii) if to the Deed of Trust Trustee, to 5130 Parkway Plaza Boulevard, Charlotte, North Carolina 28217, Attention: Governmental Finance; or

(iii) if to BB&T, to 5130 Parkway Plaza Boulevard, Charlotte, North Carolina 28217, Attention: Governmental Finance.

(c) Any communication to the Deed of Trust Trustee shall also be sent to BB&T.

(d) Any addressee may designate additional or different addresses for communications by notice given under this Section to each of the others.

11.02. No Assignments by Borrower. The Borrower shall not sell or assign any interest in this Contract.

11.03. Assignments by BB&T. BB&T may, at any time and from time to time, assign all or any part of its interest in the Site, the Project or this Contract, including, without limitation, BB&T's rights to receive Required Payments. Any assignment made by BB&T or any subsequent assignee shall not purport to convey any greater interest or rights than those held by BB&T pursuant to this Contract.

The Borrower agrees that this Contract may become part of a pool of obligations at BB&T's or its assignee's option. BB&T or its assignees may assign or reassign all or any part of this Contract, including the assignment or reassignment of any partial interest through the use of certificates evidencing participation interests in this Contract. Any assignment by BB&T may be only to a bank, insurance company, or similar financial institution or any other entity approved by the LGC. Notwithstanding the foregoing, no assignment or reassignment of BB&T's interest in the Mortgaged Property or this Contract shall be effective unless and until the Borrower shall receive a duplicate original counterpart of the document by which such assignment or reassignment is made

disclosing the name and address of each such assignee.

The Borrower further agrees that BB&T's interest in this Contract may be assigned in whole or in part upon terms which provide in effect that the assignor or assignee will act as a collection and paying agent for any holders of certificates of participation in this Contract, provided the Borrower receives a copy of such agency contract and such collection and paying agent covenants and agrees to maintain for the full remaining term of this Contract a written record of each assignment and reassignment of such certificates of participation.

The Borrower agrees to execute any document reasonably required in connection with any assignment. Any assignor must provide notice of any assignment to the Borrower, and the Borrower shall keep a complete and accurate record of all assignments as required by the Code. After the giving of any such notice, the Borrower shall thereafter make all payments in accordance with the notice to the assignee named therein and shall, if so requested, acknowledge such assignment in writing, but such acknowledgment shall in no way be deemed necessary to make the assignment effective.

11.04. Amendments. No term or provision of this Contract may be amended, modified or waived without the prior written consent of the Borrower and BB&T.

11.05. No Marshalling. The Borrower hereby waives any and all rights to require marshalling of assets in connection with the exercise of any remedies provided in this Contract or as permitted by law.

11.06. Governing Law. The Borrower, BB&T and the Deed of Trust Trustee intend that State law shall govern this Contract.

11.07. Liability of Officers and Agents. No officer, agent or employee of the Borrower shall be subject to any personal liability or accountability by reason of the execution of this Contract or any other documents related to the transactions contemplated hereby. Such officers or agents shall be deemed to execute such documents in their official capacities only, and not in their individual capacities. This Section shall not relieve an officer, agent or employee of the Borrower from the performance of any official duty provided by law.

11.08. Covenants Running with the Land. All covenants contained in this Contract shall run with the real estate encumbered by this Contract.

11.09. Severability. If any provision of this Contract shall be determined to be unenforceable, that shall not affect any other provision of this Contract.

11.10. Non-Business Days. If the date for making any payment or the last day for performance of any act or the exercising of any right shall not be a Business Day, such payment shall be made or act performed or right exercised on or before the next preceding Business Day.

11.11. Entire Agreement. This Contract constitutes the Borrower's entire agreement with respect to the general subject matter covered hereby.

11.12. Binding Effect. Subject to the specific provisions of this Contract, and in particular Section 11.03, this Contract shall be binding upon and inure to the benefit of and be enforceable by the parties and their respective successors and assigns.

11.13 E-Verify. BB&T understands that “E-Verify” is a federal program operated by the United States Department of Homeland Security and other federal agencies, or any successor or equivalent program used to verify the work authorization of newly hired employees pursuant to federal law in accordance with Section 64-25(5) of the General Statutes of North Carolina, as amended. BB&T uses E-Verify to verify the work authorization of its employees in accordance with Section 64-26(a) of the General Statutes of North Carolina, as amended. BB&T will require that any subcontractor that it uses in connection with the transactions contemplated by this Contract certify to such subcontractor’s compliance with E-Verify.

The remainder of this page left blank intentionally; signature page follows.

IN WITNESS WHEREOF, the Borrower has caused this instrument to be executed as of the day and year first above written by duly authorized officers.

(SEAL)

ATTEST:

**TOWN OF MONTREAT,
NORTH CAROLINA**

By: _____

By: _____

Printed Name: _____

Printed Name: _____

Title: _____

Title: _____

* * * * *

**STATE OF NORTH CAROLINA;
COUNTY OF BUNCOMBE**

I, a Notary Public of such County and State, certify that _____ and _____ personally came before me this day and acknowledged that they are the _____ and _____, of the Town of Montreat, North Carolina, and that by authority duly given and as the act of the Town of Montreat, North Carolina, the foregoing instrument was signed in the Borrower's name by such _____, sealed with its corporate seal and attested by such _____.

WITNESS my hand and official stamp or seal, this ____ day of May, 2019.

[SEAL]

Notary Public

Notary's printed name: _____

My commission expires: _____

This instrument has been pre-audited in the manner required by The Local Government Budget and Fiscal Control Act.

By: _____
Finance Director
Town of Montreat, North Carolina

*[Financing Agreement and Deed of Trust from the Town of Montreat, North Carolina, for the benefit of
Branch Banking and Trust Company]*

**BRANCH BANKING AND
TRUST COMPANY**

By: _____

Printed Name: _____

Title: _____

This contract has been approved under the provisions of Article 8, Chapter 159 of the General Statutes of North Carolina.

Greg C. Gaskins
Secretary, North Carolina
Local Government Commission

By _____
Greg C. Gaskins or Designated Assistant

EXHIBIT A – SITE DESCRIPTION

EXHIBIT B – PAYMENT SCHEDULE

Bond Debt Service

Town of Montreat, NC Customer # 9933005078

Construction of a Town Hall Contract #00002

Dated

Date 5/10/2019

Delivery

Date 5/10/2019

Period Ending	Principal	Coupon	Interest	Debt Service	Annual Debt Service
5/10/2020	66,666.67	3.160%	31,600.00	98,266.67	
6/30/2020					98,266.67
5/10/2021	66,666.67	3.160%	29,493.33	96,160.00	
6/30/2021					96,160.00
5/10/2022	66,666.67	3.160%	27,386.67	94,053.34	
6/30/2022					94,053.34
5/10/2023	66,666.67	3.160%	25,280.00	91,946.67	
6/30/2023					91,946.67
5/10/2024	66,666.67	3.160%	23,173.33	89,840.00	
6/30/2024					89,840.00
5/10/2025	66,666.67	3.160%	21,066.67	87,733.34	
6/30/2025					87,733.34
5/10/2026	66,666.67	3.160%	18,960.00	85,626.67	
6/30/2026					85,626.67
5/10/2027	66,666.67	3.160%	16,853.33	83,520.00	
6/30/2027					83,520.00
5/10/2028	66,666.67	3.160%	14,746.67	81,413.34	
6/30/2028					81,413.34
5/10/2029	66,666.67	3.160%	12,640.00	79,306.67	
6/30/2029					79,306.67
5/10/2030	66,666.67	3.160%	10,533.33	77,200.00	
6/30/2030					77,200.00
5/10/2031	66,666.67	3.160%	8,426.67	75,093.34	
6/30/2031					75,093.34
5/10/2032	66,666.67	3.160%	6,320.00	72,986.67	
6/30/2032					72,986.67
5/10/2033	66,666.67	3.160%	4,213.33	70,880.00	
6/30/2033					70,880.00
5/10/2034	66,666.62	3.160%	2,106.67	68,773.29	
6/30/2034					68,773.29
1,000,000.00			252,799.99	1,252,799.99	1,252,799.99

EXHIBIT C – FORM OF PROJECT FUND REQUISITION

[TO BE PREPARED ON BORROWER’S LETTERHEAD FOR SUBMISSION]

PROJECT FUND REQUISITION

[Date] _____

Email requisitions to: GFProjectfunds@bbandt.com

Requisition Team

Branch Banking and Trust Company

Direct Dial: (252) 296-0452 or (252) 296-0653

RE: Request for disbursement of funds from the Project Fund related to Contract No. 9933005078-00002 with the Town of Montreat, North Carolina, dated May 10, 2019

To Whom It May Concern,

Pursuant to the terms and conditions of the Financing Agreement and Deed of Trust, dated as of May 10, 2019 (the “Contract”), between Town of Montreat, North Carolina (the “Borrower”) and Branch Banking and Trust Company, the Borrower requests the disbursement of funds from the Project Fund established under the Contract for the following Project Costs:

This is requisition number ____ from the Project Fund.

Disbursements will be to the Town of Montreat, North Carolina.

Amount: \$_____

Attach copies of applicable vendor invoices or spreadsheet of expenditures to requisition when submitting.

Project Description:

Location of Equipment/Project:

To receive funds via wire transfer please include:

ABA Routing Number:

Account Number:

Physical address of Borrower: Town of Montreat, North Carolina, P.O. Box 423, Montreat, North Carolina, Attention: Alex Carmichael

The Borrower makes this requisition pursuant to the following representations:

1. The Borrower has appropriated in its current fiscal year funds sufficient to pay the Installment Payments and estimated Additional Payments due in the current Fiscal Year.

2. The purpose of this disbursement is for partial payment of the cost of the Project provided for under the Contract referenced above.
3. The requested disbursement has not been subject to any previous requisition.
4. No notice of any lien, right to lien or attachment upon, or claim affecting the right to receive payment of, any of the moneys payable herein to any of the persons, firms or corporations named herein has been received, or if any notice of any such lien, attachment or claim has been received, such lien, attachment or claim has been released or discharged or will be released or discharged upon payment of this requisition.
5. This requisition contains no items representing payment on account of any percentage entitled to be retained on the date of this requisition.
6. No Event of Default is continuing under the Contract, and no event or condition is existing which, with notice or lapse of time or both, would become an Event of Default.
7. The Borrower shall allow BB&T to deliver and file, or cause to be filed, any Uniform Commercial Code financing statements with respect to the Project or portion of the Project that BB&T may request to evidence its security interest.
8. The Borrower has in place insurance on this portion of the Project that complies with the insurance provisions of the Contract.
9. Each amount requested for payment in this requisition either (a) represents a reimbursement to the Borrower for a Project Cost expenditure previously made, and such reimbursement complies with the provisions of the Code (generally, an issuer may reimburse a prior expenditure out of tax-exempt bond proceeds if (i) the issuer has declared its “official intent” to reimburse the expenditure no later than 60 days after the date the expenditure is paid *and* (ii) the expenditure is being reimbursed no later than the end of the permitted “reimbursement period” of at least 18 months, and at most 3 years, from the date the expenditure was paid), or (b) will be used by the Borrower promptly upon the receipt of funds from BB&T to make payments for Project Costs to third parties described in this requisition.

Capitalized terms used in this requisition have the meanings ascribed in the Contract.

Attached is evidence that the amounts shown in this requisition are properly payable at this time, such as bills, receipts, invoices, architects' payment certifications or other appropriate documents.

IF REQUEST IS FINAL REQUEST, CHECK HERE ☐.

TOWN OF MONTREAT, NORTH CAROLINA

By: _____

Printed Name: _____

Title: _____

EXHIBIT D – FORM OF CERTIFICATE
DESIGNATING BORROWER REPRESENTATIVES

In accordance with the terms of the Financing Agreement and Deed of Trust dated May 10, 2019 (the “Contract”) between the Town of Montreat, North Carolina (the “Borrower”) and Branch Banking and Trust Company (“BB&T”), the Borrower designates the following persons as Borrower Representatives authorized to sign requisitions to withdraw funds from the Project Fund account (as such terms are defined in the Contract):

Printed Name:

Signature:

The Borrower may designate additional Borrower Representatives to sign requisitions upon written notification to BB&T.

**TOWN OF MONTREAT,
NORTH CAROLINA**

Name:

Title:

RESOLUTION NUMBER 19-04-001

RESOLUTION AUTHORIZING THE FILING OF AN APPLICATION FOR APPROVAL OF A FINANCING AGREEMENT AUTHORIZED BY NORTH CAROLINA GENERAL STATUTE 160A-20

WHEREAS, the Town of Montreat, North Carolina desires to construct a Town Hall (the "Project") to better serve the citizens of Anywhere; and

WHEREAS, The Town of Montreat desires to finance the Project by the use of an installment contract authorized under North Carolina General Statute 160A, Article 3, Section 20; and

WHEREAS, findings of fact by this governing body must be presented to enable the North Carolina Local Government Commission to make its findings of fact set forth in North Carolina General Statute 159, Article 8, Section 151 prior to approval of the proposed contract;

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of Montreat, North Carolina, meeting in regular session on the 11th day of April 2019, make the following findings of fact:

1. The proposed contract is necessary or expedient because the current Town Services Building was constructed circa the 1960s and leased to the Town in the early 1980s. The Town Services Building is no longer adequate for the Administrative and Public safety needs of the Town for the following reasons: a lack of proper heating/air and electrical system; inadequate office space, meeting space, and storage; inadequate restrooms and safety features; incompliance with ADA requirements; inefficient design, and increased staffing levels; AND
2. The proposed contract is preferable to a bond issue for the same purpose because the Town does not have sufficient fund balance to appropriate to prudently fund this project without resort to financing; the project is not of a character that would generate a stream of revenues that could service the debt of a revenue bond; and the magnitude of financing required for this project is considerably smaller than what is normally customary, feasible, or economical for a general obligation bond issue; AND
3. The sums to fall due under the contract are adequate and not excessive for the proposed purpose because: 1) the Town seeks to finance only approximately 67% of the project, and 2) the project will provide adequate infrastructure to house most services to the Town, including administration, development services, and public safety; AND
4. The Town of Montreat's debt management procedures and policies are good because: 1) procedures and policies are specified and carried out in strict compliance with applicable laws 2) the soundness of the Town's debt management practices results in a debt ration based on the assessed value of property subject to taxation of .24%; and 3) the Town is not in default on any of its debts; AND
5. The proposed contract will not require an increase in taxes and is therefore not deemed to be excessive; AND
6. The attorney for the Town of Montreat has rendered an opinion that the proposed Project is authorized by law and is a purpose for which public funds may be expended pursuant to the Constitution and laws of North Carolina.

NOW, THEREFORE, BE IT FURTHER RESOLVED that the Town Administrator is hereby authorized to act on behalf of the Town of Montreat in filing an application with the North Carolina Local Government Commission for approval of the Project and the proposed financing contract and other actions not inconsistent with this resolution.

This resolution is effective upon its adoption this _____ day of _____, 20____.

The motion to adopt this resolution was made by [Commission/Alderman/Director]
_____, seconded by [Commissioner/Alderman/Director]
_____ and passed by a vote of _____ to _____.

[Mayor/Chairman]

ATTEST:

[Clerk/Secretary]

This is to certify that this is a true and accurate copy of Resolution No. _____ Adopted by the
Anywhere Board of [Commissioners/Aldermen/Directors] on the _____ day of
_____, 20____.

[Clerk/Secretary]

Date

RESOLUTION #19-04-003
**DECLARING CERTAIN ITEMS SURPLUS AND AUTHORIZING DISPOSAL BY
PRIVATE NEGOTIATION AND SALE**

WHEREAS, North Carolina General Statute 160A-266 and 160A-267 allows for a city to dispose of personal property belonging to the city by private negotiation and sale valued at less than thirty thousand dollars (\$30,000) for any one item or group of similar items; and

WHEREAS, the Town of Montreat Board of Commissioners have determined that the following property is surplus property and desire to sell or dispose of same:

2001 Jeep Cherokee 1J4FF48S21L574731 mileage 100,601
2009 Chevrolet Impala 2G1WS57M191296778 mileage 95,595

NOW, THEREFORE, BE IT RESOLVED by the Town of Montreat Board of Commissioners the following:

- (1) That the items listed above are declared surplus property; and
- (2) That the Board of Commissioners wishes to dispose of the property by private negotiation and sale; and
- (3) That the Town Administrator is authorized to dispose of the property by private negotiation and sale; and
- (4) That a report detailing the final negotiated price for the property be presented to the Board of Commissioners upon final sale; and
- (5) The clerk to the Board of Commissioners shall publish a notice summarizing this resolution, and no sale may be executed pursuant to this resolution until at least 10 days after the day the notice is published.

READ, APPROVED, AND ADOPTED, this the 11th day of April, 2019.

Tim Helms, Mayor

Alex Carmichael, Town Administrator

ATTEST:

I, hereby certify this is a true and correct copy of this Resolution, duly adopted by the Town of Montreat on the 11th day of April, 2019, as it appears of record in the official minutes.



Town of Montreat Lower Greybeard Trail Bank Stabilization / Retaining Wall

Letter of Interest

Submitted March 20th, 2019



Cover Letter

Civil Design Concepts
168 Patton Ave. Asheville, NC 28801

Lower Greybeard Trail
Bank Stabilization/Retaining Wall Project

Point of Contact
Jesse Gardner, P.E.
Partner / Director of Design
828-252-5388 (O)
828-216-8399 (C)
828-252-5365 (F)
jgardner@cdcgo.com

March 20th, 2019

Barry Creasman

Town of Montreat

P.O. Box 423

Montreat, NC 28757

Project Number 2019-003: Lower Greybeard Trail



Re: Statement of Qualifications – Town of Montreat Lower Greybeard Trail Project

Dear Mr. Creasman,

We appreciate the opportunity to provide you with our statement of qualifications for the Lower Greybeard Trail Project for the Town of Montreat.

As established professionals based in Asheville with a staff that includes twelve Professional Engineers licensed in North Carolina, we have the expertise, staffing, and availability to make any project a great success. We have a thorough understanding of the design and permitting process for all facets of civil engineering. The principals of Civil Design Concepts and the majority of our staff are all natives of Western North Carolina. We pride ourselves on the strong local relationships we have established with municipalities, utility providers as well as regional and state regulatory agencies.

In addition to the slope stabilization projects we have completed, we are also currently providing or have recently provided civil engineering services for, The City of Asheville, the Town of Black Mountain, UNC Asheville, Western Carolina University, and AB Tech Community College.

Civil Design Concepts prides itself on its reputation for excellent since the company's inception in 2000. If we are awarded the contract, we will apply our many years of knowledge and expertise to see the project through from start to finish.

The Town of Montreat should select us, not only for our expertise, but for the commitment that we have to seeing Western North Carolina grow. We believe in the work we do and our firm has a unique understanding of WNC. We realize that this project will require significant input from stakeholders. Our firm prides ourselves in our ability to work not just with municipalities but also with the communities that they serve.

We are committed to directly involving the company's principals, construction manager and registered professionals with every aspect of this project to ensure that it is handled with the utmost professionalism and sensitivity. We pride ourselves on being reliable, responsive, accurate, efficient, and we are confident that you would enjoy working with the Civil Design Concepts team. We look forward to the opportunity to meet with you and demonstrate how our experience in Western North Carolina could be an asset for the Town of Montreat. Should you have any questions in the meantime please do not hesitate to contact me.

Respectfully,

Jesse Gardner, P.E.

Civil Design Concepts, PA



Firm Profile

Civil Design Concepts, PA is a multi-disciplinary civil engineering consulting firm providing civil engineering design services throughout Western North Carolina. Our business started in 2000 and our firm consists of 32 associates including twelve professional engineers with over a century of combined experience. The principals and the majority of our staff members have lived and worked in Western North Carolina most of their lives, instilling a personal desire that development in the area have a positive impact on future generations.

With over 2,000 site development projects completed, we have supported billions of dollars in development in Western North Carolina, East Tennessee and Upstate South Carolina, Civil Design Concepts is widely considered the expert in the region. We are licensed in NC, SC, VA, TN and GA. Our team is composed of engineers, technical, and construction administration staff, with a broad range of experience in site planning, engineering, development and construction oversight. These diverse backgrounds allow us to take a strategic team approach to identifying solutions for the most complex issues.

The Western North Carolina region presents an often-challenging topography, and we strive to minimize impact on the land while maximizing the use and benefit of the property. Our experience in this area has enabled us to develop positive working relationships with local and state regulatory officials relationships upon which we pride our prompt, efficient and reliable service. Our company is based on ethical conduct, mutual trust, and teamwork, with a primary focus on achieving our clients' objectives. We strive to provide our clients with creative, cost-effective, and timely solutions.

Our services include civil engineering/planning and design services as well as City/Town and regional infrastructure planning, contract administration and construction observation. The following details some of the services we provide:

- Site Planning/Master Planning/ Feasibility Analysis
- Grading/Erosion Control
- Water and Wastewater Infrastructure Extensions/Systems
- Roadway Design
- Storm Water Collection, Detention/Retention Systems, Ponds
- Flood and Hydrology Studies/Environmental Studies/ Permitting
- On-Site Wastewater Systems

Construction Services

Civil Design Concepts, PA also offers an array of construction phase services including construction observation and inspections, construction administration, project management, and contract administration. Our Contract Administration services include the creation and complete administration of the construction contract including the review of applications for payment, controlling and executing change orders, and contract closeout. Proper contract administration manages the owner's and contractor's expectations, maintains construction costs, and is a key factor in a successful project.

The Project Management services provided to our clients are tailored to each project and the client's specific needs. These services can include the complete performance and/or coordination of services such as: master scheduling, maintaining the project record, design survey, geotechnical coordination, construction materials testing coordination, dry utility coordination, site compliance monitoring, and coordination of soil scientists. These services are offered to all municipal and private clientele in our region. We pride ourselves on the professional relationships that we have developed with owners, regulatory staff, and local contractors, which have streamlined our project execution and closeouts.

Office Locations

	Asheville Office	Waynesville Office
Physical Address:	168 Patton Avenue Asheville, NC 28801	52 Walnut Street - Suite 9 Waynesville, NC 28786
Telephone:	(828) 252-5388	(828) 452-4410
Fax:	(828) 252-5365	(828) 456-5455
Principal in Charge:	Christopher Eller, P.E. celler@cdcgo.com	Patrick Bradshaw, P.E. patrick@cdcgo.com
Website:	www.cdcgo.com	

Conflicts of Interest

There are no conflicts of interest that would preclude Civil Design Concepts in performing this work for the Town of Montreat.

Relevant Project Experience

City of Asheville

Old Toll Road

Civil Design Concepts worked closely with the City of Asheville and BLE Engineering on the Old Toll Road project. This project helped stabilize an embankment in which a previous wall with a creek underneath had failed.

Civil Design Concepts provided site design, erosion control plan, water design, stormwater design, construction administration services and Army Corps of Engineers permitting for this project. The design and construction of this project were completed 2016.



Reference

City of Asheville
Director of Public Works
Greg Shuler
161 S. Charlotte St.
Asheville, NC 28801
828-271-6146
gshuler@ashevillenc.gov

Town of Black Mountain

Pinnacle Drive Road Repair

Civil Design Concepts has worked closely with the Town of Black Mountain and BLE Engineering to stabilize a slope on Pinnacle Drive. To remediate the slope failure CDC stabilized the slope and implemented improved surface drainage on the road.

Civil Design Concepts provided site design, stormwater design, grading and erosion control plan for this project. The design for this project was started in 2016 with construction completed in 2016

Reference

Town of Black Mountain
Jamey Matthews
Public Works Director
304 Black Mountain Avenue
Black Mountain, NC 28711
828-419-9300 x 660
jamey.matthews@townofblackmountain.org





Jesse M. Gardner, P.E.
Partner/Director of Design

As Director of Design, Jesse is a detail oriented engineer focused on identifying creative and cost effective design solutions, while still meeting the project requirements. He has experience in projects that range from private urban infill projects to large municipal infrastructure projects.

Jesse is skilled in road design, utility infrastructure design, grading, storm water management, flood modeling/permitting, and water & sewer pumping stations.

Beginning his professional career in 2004 and joining Civil Design Concepts in 2005, Jesse brings design and regulatory experience to a variety of projects throughout Western North Carolina.

Education

Montreat College B.S. in Mathematics
NC State University Masters in Engineering

Experience

15 Years in the Industry
14 Years with Civil Design Concepts

Registrations

Registered Professional Engineer
North Carolina PE# 035687 (2009)

Recent Project Experience

WCU Noble Residence Hall
WCU Lot 73
Mayland Community College Observatory
NC State Veterans Nursing Home
UNCA Rhodes Hall
Montreat College Sports Complex
Carrier Park Lawn Bowling



AC Hotel - Asheville, NC



Montreat Sports Complex Montreat, NC



Rhoades Hall - UNC Asheville



Aloft Hotel - Downtown Asheville



Arby's - Patton Ave.



Asheville Middle School - Downtown Asheville



Jason Pass
Construction
Manager

Jason brings attention to detail in projects ranging from small local developments to complex multi-tier international design build installations, overseeing every aspect of the project from initial development through project completion.

In his current role as Construction Manager, Jason is adept at working with the design team and the client from project inception. Jason acts as a knowledgeable and resourceful team member for the benefit all vested parties. Drawing on his years of experience, Jason helps guide the project team in navigating complex rules, regulations, and ordinances. He prides himself in working with contractors and municipalities to ensure that projects meet deadlines, budget constraints and compliance requirements.

Education

Appalachian State University

Experience

- 17 Years in the Industry
- 14 Years with Civil Design Concepts

Recent Project Experience

- Stormwater Inspections
- Asheville Middle School
- WCU Noble Hall
- WCU STEM
- WCU Central Drive Improvements
- Fletcher Mixed Use

Sub-consultants

Jesse Jacobsen, P.E.
Geotechnical Engineer



Mr. Jacobson joined BLE in 2011 and is the branch manager for the Asheville, North Carolina office. He also serves as a senior engineer, project manager, and special inspector and has extensive experience in the subjects of retaining walls, slope stability analysis, shallow foundations, deep foundations, geotechnical laboratory testing, and geotechnical field-testing. He has worked in the public, private and academic sectors and has managed engineering teams, budgets, and served as the primary client contact for small to very large multi-faceted projects. Mr. Jacobson has served as the geotechnical engineering and construction testing services manager for some of the largest recent construction projects in Western North Carolina, including the 2003 and 2008 Harrah's Cherokee Casino expansions, the Sierra Nevada Brewery, the Cherokee Justice Center, the Southridge Shopping Center, and multiple Wal-Mart Shopping Centers. He has also published several technical papers from his regional experience.

Eric McAbee
Surveying



McAbee & Associates is a full-service surveying and land planning firm that has been serving Western North Carolina since 1989. We offer professional services ranging from boundary and topographical surveying to site design and layout. Specializing in residential subdivision design and construction layout services, we offer our clients professional service that is both prompt and accurate. Our knowledgeable staff can provide years of experience to make your land buying or land development project as seamless and trouble-free as possible.

Eric began his career in land surveying in 1993. Eric received his education from North Carolina State University where he majored in Civil Engineering - Construction Option. He spent 8 years in the field doing construction layout of site grading, building, bridge and highway projects. He received his NC surveying license in 1999, became Vice President in 2002 and President in 2009.



Asheville Office • 828.252.5388
168 Patton Avenue Asheville, NC 28801

Waynesville Office • 828.452.4410
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www.cdcgo.com

Civil Design Concepts (CDC)

Section	Subject Area	Possible Points	Barry Creasman	Darlene Carrasquillo	Alex Carmichael	Average
1	Point of Contact	5	5	5	5	5
2	Submitter Organization and Experience	40	40	35	35	36.66666667
3	Key Personnel	35	35	35	30	33.33333333
4	Clarifications and Addenda	10	10	10	10	10
5	Conflicts of Interest	10	10	10	10	10
	Total Points	100				95

CDC Score	95
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mcgill

Section	Subject Area	Possible Points	Barry Creasman	Darlene Carrasquillo	Alex Carmichael	Average
1	Point of Contact	5	5	5	5	5
2	Submitter Organization and Experience	40	35	30	34	33
3	Key Personnel	35	35	35	35	35
4	Clarifications and Addenda	10	10	10	10	10
5	Conflicts of Interest	10	10	10	10	10
	Total Points	100				93

mcgill Score	93
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Firm	Column1	Score
mcgill		93
Civil Design Concepts		95