

CARTERET COUNTY-BEAUFORT AIRPORT AUTHORITY MINUTES

Special Called Meeting

September 8, 2021

Airport Administration Building

Members Present:

Jon Brearey, Scott Evans, John Floyd, Tom Higgins, WF Parker and Chairman Pat Joyce were present. Absent was member Robert Coles. A quorum was established. Others present were Jesse Vinson, Airport Manager, and members of the public.

Call to Order:

Chairman Joyce called the meeting to order at 6:00 p.m. and led the meeting attendees in the Pledge of Allegiance.

Approval of Agenda:

The agenda was reviewed. *Resolved, Tom Higgins made a motion to approve the agenda as presented, while Jon Brearey seconded the motion.* The motion was unanimously carried.

Public Hearing:

The Airport Manager reported to the Board that notice of a public hearing to receive public comments on the proposed execution and delivery by the Authority of an installment financing with the County of Carteret, North Carolina to finance the acquisition and construction of new and replacement airplane hangars at the Carteret County-Beaufort Airport was published on August 29, 2021 in the Carteret News Times stating that the Board would hold a public hearing thereon on September 8, 2021 at 6:00 p.m., or as soon thereafter as practicable.

The Chairman then announced that the Board would hear anyone who wished to be heard on the questions of the installment financing and the project to be financed thereby.

The Airport Manager reported to the Board that he has received no written comments from the public.

The following people spoke at the public hearing: No one from the public attended the public hearing.

Board member John Floyd moved that the public hearing be closed. The motion was seconded by Board member Jon Brearey and was unanimously adopted.

Adoption of Resolution Authorizing Installment Financing with Carteret County

Resolved, Board member Jon Brearey moved to approve the resolution as provided. The motion was seconded by Board member Tom Higgins and was unanimously adopted.

Hearing no further discussion, John Floyd made a motion to adjourn, while Jon Brearey seconded the motion. The motion was unanimously carried.

Respectfully Submitted,

Jesse Vinson

Interim Airport Manager / Secretary to the Board

Minutes prepared by:
Kristen Sanner

**RESOLUTION OF THE BOARD OF THE CARTERET COUNTY-BEAUFORT AIRPORT
AUTHORITY AUTHORIZING AN INSTALLMENT FINANCING AND PROVIDING FOR
CERTAIN OTHER RELATED MATTERS THERETO**

WHEREAS, the Carteret County-Beaufort Airport Authority (the "*Authority*") is a body corporate and politic existing as such under and by virtue of the Constitution, statutes and laws of the State of North Carolina (the "*State*");

WHEREAS, the Authority has the power pursuant to the Section 160A-20 of the General Statutes of North Carolina, as a local airport authority that was created pursuant to a local act of the General Assembly, to (1) enter into installment contracts in order to finance the purchase of real and personal property and the construction or repair of fixtures or improvements on real property used, or to be used, for public purposes, and (2) grant a security interest in some or all of the property financed to secure repayment of the purchase price;

WHEREAS, the Board of the Authority hereby determines that it is in the best interest of the Authority to (a) enter into an installment financing (the "*Installment Financing*") with the County of Carteret, North Carolina (the "*County*") in order to finance the acquisition and construction of new and replacement airplane hangars at the Carteret County-Beaufort Airport (the "*Project*") and (b) to grant a security interest in some or all of the Project to the County to secure the Authority's obligations with respect to the Installment Financing;

WHEREAS, the Board of the Authority hereby determines that the Project is essential to the Authority's proper, efficient and economic operation and to the general health and welfare of the inhabitants of the Authority's service area; that the Project will provide an essential use and will permit the Authority to carry out public functions that it is authorized by law to perform; and that entering into the Installment Financing is necessary and expedient for the Authority by virtue of the findings presented herein;

WHEREAS, the Board of the Authority hereby determines that the Installment Financing allows the Authority to purchase the Project and take title thereto at a favorable interest rate and upon terms advantageous to the Authority;

WHEREAS, the Board of the Authority hereby determines that the estimated cost of financing the Project, together with other available funds of the Authority, is an amount not to exceed \$2,000,000 and that such cost of the Project exceeds the amount that can be prudently raised from currently available appropriations, unappropriated fund balances in the current fiscal year or other available sources;

WHEREAS, the Board of the Authority hereby determines that the cost of financing the Project pursuant to the Installment Financing and the obligations of the Authority thereunder are preferable to a general obligation bond financing or revenue bond financing for several reasons, including but not limited to the following: (1) the cost of a special election necessary to approve a general obligation bond financing, as required by the laws of the State, would result in the expenditure of significant funds; (2) the time required for a general obligation bond election would cause an unnecessary delay which would thereby decrease the financial benefits of acquiring the Project; and (3) insufficient revenues are produced by the Project so as to permit a revenue bond financing;

WHEREAS, the Board of the Authority has determined and hereby determines that the estimated cost of financing the Project pursuant to the Installment Financing reasonably compares with an estimate

of similar costs under a bond financing for the same undertaking as a result of the findings delineated in the above preambles;

WHEREAS, the Authority anticipates that proceeds of an Economic Development Administration grant and other available funding sources of Authority will be sufficient to repay the Installment Financing and does not anticipate requesting the County or any other local government unit to assess a future property tax increase to pay installment payments falling due with respect to the Installment Financing;

WHEREAS, the sums to fall due under the Installment Financing will be adequate but not excessive for its proposed purpose;

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

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

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

WHEREAS, the Board of the Authority conducted a public hearing with respect to the Project on September 8, 2021, to receive public comments on the Installment Financing and accepted written comments from the public;

WHEREAS, the Authority has filed an application with the Local Government Commission of North Carolina (the "LGC") for approval of the LGC with respect to the Authority entering into the Installment Financing in an aggregate principal amount of \$2,000,000;

WHEREAS, there has been made available to the Board the form of the documentation related to the Installment Financing which the Authority proposes to enter into and deliver to effectuate the proposed financing and

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF THE CARTERET COUNTY-BEAUFORT AIRPORT AUTHORITY, AS FOLLOWS:

Section 1. ***Authorization to Negotiate, Execute and Deliver the Instruments.*** That the Board hereby approves the Installment Financing for the Project. The amount advanced by the County to the Authority under the Installment Financing will be a principal amount of \$2,000,000, such amount to be repaid by the Authority without interest from the proceeds of the expected Economic Development Administration grant for the Project as provided in documentation for the Installment Financing. The Chairman of the Board, the Airport Manager and the Finance Officer of the Authority, or their respective designees (the "*Authorized Officers*"), are authorized, empowered and directed to execute and deliver the necessary documentation for the Installment Financing for and on behalf of the Authority. The execution and delivery of the Instruments by the Authorized Officers constitutes conclusive evidence of the Authority's approval of any and all such deviations in such documentation described to the Board. The Authorized Officers are each hereby authorized, empowered and directed to do any and all other acts and

to execute any and all other documents, which they, in their discretion, deem necessary and appropriate to consummate the transactions contemplated by this Resolution or as they deem necessary or appropriate to implement and carry out the intent and purposes of this Resolution and to take all other actions that they deem necessary to administer the Installment Financing and the Project in a manner consistent with the intent of this Resolution and the Instruments. Any and all acts of the Authorized Officers may be done individually or collectively.

Section 2. ***Application to LGC.*** That the submission of the application to the LGC for the Installment Financing is hereby ratified and approved. The Airport Manager and the Finance Officer of the Authority may retain the assistance of any professionals they deem necessary to complete the Installment Financing.

Section 3. ***Severability.*** If any section, phrase or provision of this Resolution is for any reason declared invalid, such declaration will not affect the validity of the remainder of the sections, phrases or provisions of this Resolution.

Section 4. ***Repealer.*** All motions, orders, resolutions and parts thereof in conflict herewith are hereby repealed.

Section 5. ***Effective Date.*** This Resolution is effective on the date of its adoption.

PASSED, ADOPTED AND APPROVED this 8th day of September, 2021.


STATE OF NORTH CAROLINA

COUNTY OF CARTERET

SS:

I, JESE VINSON, Secretary of the Board of the Carteret County-Beaufort Airport Authority, **DO HEREBY CERTIFY** that the foregoing is a true and exact copy of a resolution titled **"RESOLUTION OF THE BOARD OF THE CARTERET COUNTY-BEAUFORT AIRPORT AUTHORITY AUTHORIZING AN INSTALLMENT FINANCING AND PROVIDING FOR CERTAIN OTHER RELATED MATTERS THERETO"** adopted by the Board of the Carteret County-Beaufort Airport Authority in a special session convened on the 8th day of September, 2021, as recorded in the minutes of the Board of the Carteret County-Beaufort Airport Authority.

WITNESS my hand this the 8 day of SEPTEMBER, 2021.


Secretary of the Board
Carteret County-Beaufort Airport Authority

EXTRACTS FROM MINUTES

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A Special Meeting of the Board of the Carteret County-Beaufort Airport Authority was duly held at 180 Airport Road, Beaufort, North Carolina 28516, the regular place of meeting, at 6:00 p.m. on September 8, 2021:

Members Present:

Jon Brearey, Scott Evans, John Floyd, Tom Higgins, WF Parker, Patrick Joyce

Members Absent:

Dr. Bob Coles

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The Airport Manager reported to the Board that notice of a public hearing to receive public comments on the proposed execution and delivery by the Authority of an installment financing with the County of Carteret, North Carolina to finance the acquisition and construction of new and replacement airplane hangars at the Carteret County-Beaufort Airport was published on August 29, 2021 in the Carteret News Times stating that the Board would hold a public hearing thereon on September 8, 2021 at 6:00 p.m., or as soon thereafter as practicable.

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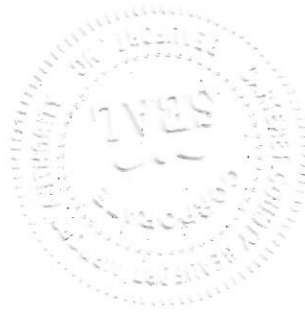
The following people spoke at the public hearing: No one spoke at the public hearing.

Board member John Floyd moved that the public hearing be closed. The motion was seconded by Board member Jon Brearey and was unanimously adopted.

STATE OF NORTH CAROLINA

COUNTY OF CARTERET

SS:



I, JESSE VINSON, Secretary of the Board of the Carteret County-Beaufort Airport Authority, **DO HEREBY CERTIFY** that the foregoing is a true and exact copy of the extract of minutes for the holding of a public hearing concerning the approval of the execution and delivery of an installment financing by the Board of the Carteret County-Beaufort Airport Authority, at a special meeting held on the 8th day of September, 2021.

WITNESS my hand this the 8th day of SEPTEMBER, 2021.


Secretary of the Board
Carteret County-Beaufort Airport Authority