

A regular meeting of the Carrboro Board of Aldermen was held on June 2, 1987 at 7:30 p.m. in the Town Hall Board Room.

Present and presiding:

Mayor	James V. Porto, Jr.
Aldermen	Randy Marshall
	Tom Gurganus
	Hilliard Caldwell
	John Boone
	Judith Wegner
	Zona Norwood
Town Manager	Robert W. Morgan
Town Clerk	Sarah C. Williamson
Town Attorney	Michael B. Brough

APPROVAL OF MINUTES OF PREVIOUS MEETING

MOTION WAS MADE BY JOHN BOONE AND SECONDED BY HILLIARD CALDWELL THAT THE MINUTES OF MAY 26, 1987 BE APPROVED. VOTE: AFFIRMATIVE ALL

CHARGE ISSUED TO NEW BOARD APPOINTEE

The Town Clerk issued a "charge" to Charles Weaver, a recent appointee to the Human Services Commission.

RESOLUTION ADOPTING EL MENSZIA, EGYPT AS A SISTER CITY

The following resolution was introduced by Alderman Tom Gurganus and duly seconded by Alderman Randy Marshall.

A RESOLUTION ADOPTING EL MENSZIA, EGYPT AS A SISTER CITY
Resolution No. 38/86-87

WHEREAS, the Town of Carrboro recognizes the advantages of sharing information about municipal issues with different municipalities; and

WHEREAS, the Town of Carrboro recognizes that the Village of El Menshia, Egypt faces municipal issues similar to Carrboro; and

WHEREAS, the Town of Carrboro desires to share its municipal experiences with El Menshia; and

WHEREAS, Carrboro desires to broaden its view of municipal experiences from the experiences of El Menshia.

NOW, THEREFORE, THE BOARD OF ALDERMEN OF THE TOWN OF CARRBORO RESOLVES:

Section 1. The Town of Carrboro, North Carolina wishes to invite El Menshia to be a sister city with Carrboro to exchange letters of greeting, to share information about municipal concerns, and to establish a climate of respect and good will between the two municipalities.

Section 2. This resolution shall become effective upon adoption.

The foregoing resolution having been submitted to a vote, received the following vote and was duly adopted this 2nd day of June, 1987:

Ayes: Randy Marshall, Tom Gurganus, Hilliard Caldwell, John Boone, James V. Porto, Jr., Judith Wegner, Zona Norwood

Noes: None

Absent or Excused: None

Mayor Porto presented Mr. Hai El Gohary with a scrapbook of the Town of Carrboro along with a copy of the foregoing resolution.

CONGESTION IN DOWNTOWN AREA

Alderman Caldwell stated that he had received many phone calls from citizens complaining about the congestion in the downtown area caused by the realignment of intersections and requested a status report on those improvements..

Mr. Morgan informed the Board that Lee Paving Company has targeted June 8th at the date to complete the radius improvements in the central business district.

REQUEST FOR FUNDS/COMMUNITY PENALTIES PROGRAM

Ms. Pat Devine, Assistant District Attorney, requested the Board's consideration in funding \$1,000 towards Orange County's Community Penalties Program. Ms. Devine stated that this program had been awarded \$30,000 from the state and they were seeking matching funds in the amount of \$3,000 from the local governments in Orange County.

It was the consensus of the Board to consider this request at its budget worksession on June 19th.

REQUEST TO SET PUBLIC HEARING/NORTHERN CONNECTOR ROADS WEST OF COBBLESTONE

At its worksession of May 26, 1987, the Board of Aldermen requested that a public hearing be set to hear comments on the Connector Roads Plan west of Cobblestone. The administration recommended that the Board of Aldermen set a public hearing for June 23, 1987.

MOTION WAS MADE BY JOHN BOONE AND SECONDED BY HILLIARD CALDWELL THAT A PUBLIC HEARING BE SET FOR JUNE 23, 1987 AND THAT MAP "B" BE CONSIDERED. VOTE: AFFIRMATIVE ALL

FINAL PLAT APPROVAL/FAIROAKS

Roy Williford, Planning Director, stated that the Westminster Company had requested final plat approval for Fair Oaks, Phase I located on Hillsborough Road. The Board of Aldermen granted a conditional use permit for this development on March 25, 1985 and conditional use permit amendments on May 7, 1985 and May 26, 1987.

Mr. Williford stated that the administration recommended approval of the final plat with the following conditions:

- 1) That the applicant inform each buyer, prior to closing, of the proposed schedule for completion of all incomplete site improvements.
- 2) That performance security be provided to cover incomplete items within this phase of the development prior to recording the plat.

MOTION WAS MADE BY JOHN BOONE AND SECONDED BY HILLIARD CALDWELL THAT FINAL PLAT APPROVAL BE GRANTED, SUBJECT TO THE TWO CONDITIONS RECOMMENDED BY THE ADMINISTRATION. VOTE: AFFIRMATIVE ALL

RESOLUTION AUTHORIZING SALE OF BONDS

Don Casper, Assistant Town Manager/Finance Director stated that the town's bond attorney, the Local Government Commission, and the town staff have been in the process of making arrangements to sell \$1 million in general obligation bonds associated with the 1984 Street and Bikeway Projects. Mr. Casper stated that the bond attorney was requesting the Board of Aldermen adopt a resolution authorizing the issuance and sale of these bonds.

The following resolution was discussed and its title was read:

RESOLUTION AUTHORIZING THE ISSUANCE AND SALE OF
\$1,000,000 STREET AND BIKEWAY BONDS OF THE TOWN OF
CARRBORO, PURSUANT TO A BOND ORDER HERETOFORE APPROVED
AND PROVIDING FOR THE FORM, DETAILS AND PAYMENT THEREOF
Resolution No. 39/86-87

WHEREAS, the Bond Order hereinafter described was authorized and adopted by the Board of Aldermen of The Town of Carrboro (the Board) on September 5, 1984, and approved by a majority of the qualified voters of The Town of Carrboro (the Town) at an election held on November 6, 1984; and

WHEREAS, the Board desires to provide for the issuance of \$1,000,000 of the bonds, to refund \$850,000 in anticipation notes previously issued and other related expenses as authorized by said Bond Order.

NOW, THEREFORE, the Board of Aldermen of The Town of Carrboro meeting in regular session at Carrboro, North Carolina, on June 2, 1987, do the following:

BE IT RESOLVED BY THE BOARD OF ALDERMEN OF THE TOWN OF CARRBORO:

1. The Town shall issue its general obligation bonds in an aggregate principal amount of \$1,000,000 pursuant to and in accordance with the Bond Order entitled:

"BOND ORDER AUTHORIZING THE ISSUANCE OF GENERAL
OBLIGATION CAPITAL IMPROVEMENTS BONDS (1984 STREET
AND BIKEWAYS PROJECTS) OF THE TOWN OF CARRBORO
FOR THE PURPOSE OF FINANCING, IN PART, THE
ACQUISITION OF RIGHTS-OF-WAY AND DOING WIDENING,
PAVING, LANDSCAPING AND CURB AND GUTTER WORK
IN CONNECTION WITH PAVING AND REPAVING CERTAIN
STREETS AND CREATING CERTAIN BIKEWAYS AND SIDEWALKS,
CUL-DE-SACS AND DRAINAGE IMPROVEMENTS ADJACENT TO
STREETS IN THE TOWN OF CARRBORO"

2. The bonds shall be designated "\$1,000,000 Street and Bikeways Bonds," and shall be dated June 1, 1987. The bonds shall mature in annual installments on June 1 in years and amounts as follows:

<u>YEAR</u>	<u>AMOUNT</u>	<u>YEAR</u>	<u>AMOUNT</u>
1989	\$60,000	1998	\$60,000
1990	\$60,000	1999	\$60,000
1991	\$60,000	2000	\$60,000
1992	\$60,000	2001	\$60,000
1993	\$60,000	2002	\$60,000
1994	\$60,000	2003	\$60,000
1995	\$60,000	2004	\$60,000
1996	\$60,000	2005	\$40,000

Each bond shall bear interest at such rate as shall be determined by the Mayor and the LGC, as hereinafter defined, at the time of sale, provided no interest rate on any bond shall exceed ten percent (10%), payable semiannually on June 1 and December 1, beginning on December 1, 1987.

Initially, one bond certificate for each maturity will be issued to The Depository Trust Company, New York, New York (DTC), and immobilized in its custody. So long as DTC is securities depository for the bonds, a book entry system will be employed, evidencing ownership of the bonds in principal amounts of \$5,000 or multiples thereof, with transfers of ownership affected on the records of DTC and its participants pursuant to rules and procedures established by DTC and its participants. Interest on the bonds will be payable in clearing house funds to DTC or its nominee as registered owner of the bonds. Transfer of principal and interest payments to participants of DTC will be the responsibility of DTC; transfer of principal and interest payments to beneficial owners by participants of DTC will be the responsibility of such participants and other nominees of beneficial owners. The Town will not be responsible or liable for maintaining, supervising or reviewing the records maintained by DTC, its participants or persons acting through such participants.

In the event that (a) DTC determines not to continue to act as securities depository for the bonds or (b) the Finance Director for the Town determines that continuation of the book entry system of evidence and transfer of ownership of the bonds would adversely affect the interests of the beneficial owners of the bonds, the Town will discontinue the book entry system with DTC. If the Town fails to identify another qualified securities depository to replace DTC, the Town will authenticate and deliver replacement bonds in the form of fully registered certificates, and registration of transfer of the bonds will be permitted as described in paragraph 7.

3. The bonds maturing prior to June 1, 1998, will not be subject to redemption prior to maturity. The bonds maturing on or after June 1, 1998, will be subject to redemption prior to maturity, at the option of the Town, from any moneys that may be made available for such purpose, either in whole on any date not earlier than June 1, 1997 or in part (in multiples of \$5,000) in inverse order of their maturities on any interest payment date not earlier than June 1, 1997, at the principal amount of bonds to be redeemed together with interest accrued thereon to the date fixed for redemption, plus a redemption premium of $1/2$ of 1% of the principal amount of each bond to be redeemed for each calendar year or part thereof between the redemption date and the maturity date of such bond to be redeemed, such premium not to exceed 2% of such principal amount. If less than all of the bonds of any one maturity shall be called for redemption, the particular bonds or portions of bonds to be redeemed shall be selected by lot so long as DTC is the securities depository for the bonds and otherwise, in such manner as the Town may determine.

Notice of redemption shall be given by first class mail, postage prepaid, to DTC or its nominee as the registered owner of the bonds. Such notice shall be mailed not more than 60 nor less than 45 days prior to the date fixed for redemption. The Town will not be responsible for mailing notices of redemption to anyone other than DTC or its nominee unless no qualified securities depository is the registered owner of the bonds. If no qualified securities depository is the registered owner of the bonds, notice of redemption will be mailed to the registered owners not less than 30 days prior to the date fixed for redemption.

4. The bonds shall be signed by the manual or facsimile signature of the Mayor of the Town, shall be countersigned by

the manual or facsimile signature of the Clerk to the Town and a manual or facsimile of the Town's seal shall be printed or affixed thereon. No bond shall be valid until it has been endorsed by the manual or facsimile signature of the authorized representative of the North Carolina Local Government Commission (the LGC).

5. The bonds shall be in substantially the following form, the terms and requirements of which are incorporated herein by reference:

(See Town Clerk's file of this meeting for the form of the bonds.)

6. The full faith and credit and taxing power of the Town are hereby irrevocably pledged for the payment of principal of and interest on the bonds. Unless other funds are lawfully available and appropriated for timely payment of the bonds, the Board shall levy and collect taxes and raise other revenues for payment of the principal of and interest on the bonds, as the same become due and payable.

7. The Town shall maintain registration books for the registration of bonds. If no qualified securities depository is the registered owner of the bonds, upon surrender of any bonds at the office of the Town, together with an assignment duly executed by the registered owner or his duly authorized attorney or legal representative in such form as shall be satisfactory to the Town, the Town shall execute and shall authenticate and deliver in exchange, a new bond or bonds having an equal aggregate principal amount, in authorized denominations, of the same form and maturity, bearing interest at the same rate, and registered in names as requested by the then registered owner or his duly authorized attorney or legal representative. Any such exchange shall be at the expense of the Town, except that the Town may charge the person requesting such exchange the amount of any tax or other governmental charge required to be paid with respect thereto.

The Town shall treat the registered owner as the person exclusively entitled to payment of principal and interest and the exercise of all other rights and powers of the owner, except that interest payments shall be made to the person shown as owner on the registration books on the twentieth day of the month preceding each interest payment date.

8. The LGC is hereby requested to sell said \$1,000,000 Street and Bikeway Bonds.

9. The distribution by the LGC of the Official Statement dated May 22, 1987, is hereby approved. The Mayor and the Town Manager, in collaboration with the LGC, may approve such completions, omissions, insertions and changes in the Official Statement not inconsistent with this resolution as are necessary to complete the Official Statement.

10. The Board covenants on behalf of the Town that so long as any of the installments of principal or interest on the bonds are outstanding and unpaid the Town shall not take or omit to take any action the taking or omission of which will cause the bonds to be "arbitrage bonds" within the meaning of Section 103(c) of the Internal Revenue Code of 1986, as amended (the Code) or otherwise cause interest on the bonds to be includible in the gross income of the registered owners thereof.

11. The Mayor and the Town Clerk are hereby authorized and directed to take all proper steps to have the bonds prepared and, when they shall have been duly sold by the LGC, to execute the bonds and to deliver the bonds to the State Treasurer of North Carolina for delivery to the purchaser or purchasers to whom they may be sold by the LGC.

12. All other actions of officers of the Town in conformity with the purposes and intent of this resolution and in

furtherance of the issuance and sale of the bonds are hereby approved and confirmed.

13. Such officers of the Town as may be requested are hereby authorized and directed to execute appropriate closing papers including a certificate setting forth the expected use and investment of the proceeds of the bonds in order to show that such expected use and investment will not violate the provisions of Section 103(c) of the Code and regulations issued pursuant thereto applicable to "arbitrage bonds." Such papers and certificates shall be in such form as may be requested by bond counsel for the Town.

14. This resolution, in particular Sections 2, 3, 5 and 7 hereof, constitutes a system of registration for the bonds pursuant to NCGS 159E-4.

15. The bonds are hereby designated as "qualified tax-exempt obligations" for purposes of Section 265(b)(3) of the Code and this Board hereby covenants to comply with the provisions of such section.

16. All resolutions or parts of resolutions in conflict herewith are hereby repealed.

17. This resolution shall take effect immediately.

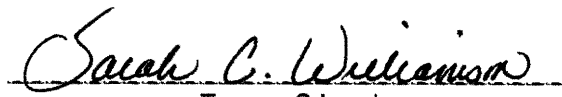
Alderman Boone moved the passage of the foregoing resolution and Aldermen Judith Wegner seconded the motion, and the resolution was passed by the following vote:

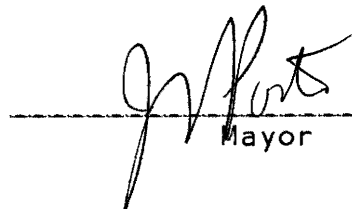
Yeas: Randy Marshall, Tom Gurganus, Hilliard Caldwell, James V. Porto, Jr., John Boone, Judith Wegner, Zona Norwood

Nays: None

Not Voting: None

There being no further business, the meeting was adjourned.


Town Clerk


Mayor