CITY OF MONROE - GENERAL SERVICES COMMITTEE
CITY HALL CONFERENCE ROOM
300 W. CROWELL STREET, MONROE, NC 28112
Thursday, November 19, 2020 - 4:00 PM

AGENDA

www.monroenc.org

In order to comply with the need for social distancing and to limit mass gatherings in accordance with Executive Order 176, total attendance at the meeting will be limited to ten (10) people which includes the members of the Committee and City Staff. Once total attendance reaches ten (10), no additional persons will be allowed into the meeting room.

1. General Services Committee Meeting Minutes from October 15, 2020

2. Utility Fee Grant Program Update

3. Parks and Recreation Trust Fund Grant for Development of Belk Tonawanda Master Plan Phase I-B

4. Acceptance of Settlement Funds from GolfNow

5. Budget Amendment for Quonset Hangar Reactivation

6. Adopt Series Resolution to Refinance Combined Enterprise System Debt

Other Items

CITY OF MONROE
GENERAL SERVICES COMMITTEE MEETING
City Hall Conference Room
300 W. Crowell Street
Monroe, NC 28112
October 15, 2020 4:00 PM

MINUTES

Present: Committee Member Lynn Keziah (Chairman), Committee Member Mayor Pro Tem Marion Holloway, Committee Member Franco McGee, Committee Member Hayden Munn, Committee Member Gary Anderson

Absent: None

Staff: Larry Faison, City Manager; Brian Borne, Assistant City Manager; Lisa Strickland, Finance Director; Ashley Britt, Assistant City Attorney (by conference call); Lisa Stiwinter, Director of Planning & Development; Ashley Ivey, Accounting Manager; Hannah Parker, Accountant I

Visitor(s): None

The General Services Committee met in the City Hall Conference Room at 4:00 p.m. on October 15, 2020. A quorum was present. Chairman Keziah presided.

Item 1. General Services Committee Meeting Minutes from July 16, 2020.
Mayor Pro Tem Holloway moved to approve the Minutes of the General Services Committee Meeting of July 16, 2020.

Committee Member McGee seconded the motion, which unanimously passed with the following votes:

AYES: Chairman Keziah, Mayor Pro Tem Holloway, Committee Member McGee, Committee Member Munn, Committee Member Anderson

NAYS: None

Item 2. Demolition at 311 East Jefferson Street.
Assistant City Manager, Brian Borne presented to the Committee a request to consider a proposal to demolish former Community Shelter at 311 E. Jefferson, Parcel ID 09-231-246 and convert to public parking lot and potential future site for infill development.

On July 16 2019 (R-2019-41) City Council held a Public Hearing to designate the property eligible for economic development conditions to hold and later convey the property with conditions attached to encourage economic vitality, revitalization, foster community place, and eliminate slum and blight, per North Carolina General Statutes §158-7.1.

311 E. Jefferson, Parcel ID 09-231-246, formerly the Community Shelter, has been vacant since May/June 2019. Since vacant, the building has been a target for vandalism with windows and doors boarded due to break-ins. The facility is currently in need of roof replacement and has had water damage from broken pipes and would need mold eradication.

The development of the Monroe Science Center and the surrounding site improvements have transformed the Franklin Jefferson Gateway into Downtown and created a destination in Downtown Monroe. 311 E. Jefferson is strategically positioned enhance development of this corridor and provide needed public parking and potential future in-fill development that would complement the Downtown's eastern gateway of Franklin/Jefferson Streets.

Estimated costs associated with the demolition are:

Environmental Site Assessment (ESA) Phase 1	$ 4,200.00
Abatement/Underground Storage Tanks (USTs)	$35,000.00
Demolition	$35,000.00
Total	$74,200.00
10% Contingency	$ 7,420.00
Grand Total	$81,620.00

A Budget Ordinance, BO-2020-17, is needed to fund the $81,620.00 and included for your consideration.

Estimate for constructing a new public parking lot is $238,220.00. Funding of the construction would be proposed in the FY 2022 CIP budget process.

Staff requests General Services Committee recommend City Council approve BO-2020-17, To fund the ESA Phase 1 and demolition of 311 E. Jefferson, Parcel ID 09-231-246, to construct a public parking lot to benefit Downtown and the adjacent Science Center and potential future site for in-fill development.

Mayor Pro Tem Holloway asked if this was a Brownfield site. Brian Borne stated that the City had owned it and there was no information in the purchase agreement related to this.

Committee Member Munn asked if it was just the Community Shelter or if it was any other buildings. Brian Borne stated that it was just that site and no others.

Committee Member Anderson stated that he sees the building as an eye sore and since the City owns it, it would be in the best interest to demolish it.

Committee Member Anderson made a motion to recommend the approval of BO-2020-17 and forward to full Council.

Mayor Pro Tem Holloway seconded the motion, which unanimously passed with the following votes:

AYES: Chairman Keziah, Mayor Pro Tem Holloway, Committee Member McGee, Committee Member Munn, Committee Member Anderson

NAYS: None

Item 3. Cityview Budget Amendment.
Planning & Development Director, Lisa Stiwinter presented a request to consider a budget amendment in the amount of $103,975 for the City's permitting, plan review and inspections software.

City Council voted to award CityView as the permitting, plan review and inspections software vendor in the amount of $318,772 at their January 2018 meeting. CityView was the selected software vendor because it offered a Planning, Code Enforcement and Permitting module that would handle all permitting, plan review, inspections, and code violations for the Planning and Development Department. CityView was also selected due to its capability to integrate with Laserfiche Document Management (document storage), ESRI GIS (Geographic Information Systems-data mapping) and BlueBeam Revue (plan review software), which are all currently being utilized by the Planning and Development Department.

Funding for CityView software consisted of licensing, installation and maintenance. Maintenance fees for two prior years (FY 2019 and 2020) were inadvertently deducted from the installation purchase order which has created a shortage on the final payment to CityView. The money from the maintenance fees was returned to fund balance at the end of the prior fiscal years. This has created a budget shortfall in the amount of $64,075. Funding is also needed for two change orders. The first for $36,750 is needed to cover data conversion, code enforcement's minimum housing work flow and additional items for permitting including extra letters. The second in the amount of $3,150 is needed to cover workflow for permitting for kiosks, change of use and home daycares. A Budget Amendment in the amount of $103,975 is proposed to cover the total of these costs.

The General Services Committee is requested to consider the proposed budget amendment in the amount of $103,975 for the permitting, plan review and inspections software.

Committee Member McGee asked if this was separate from the financial software that was approved recently. Finance Director Lisa Strickland said that yes, this was separate from that.

Committee Member McGee made a motion to recommend the approval of the budget amendment and forward to full Council.

Mayor Pro Tem Holloway seconded the motion, which unanimously passed with the following votes:

AYES: Chairman Keziah, Mayor Pro Tem Holloway, Committee Member McGee, Committee Member Munn, Committee Member Anderson

NAYS: None

Other:

Finance Director, Lisa Strickland notified the Committee that since interest rates are so low, the City is working on refinancing some debt. The debt to be refinanced is made up of Revenue Bonds and a Water infrastructure loan. It is anticipated to save the General Fund approximately $83,000 per year and the Water and Sewer Fund approximately $12,000 per year. Chairman Keziah commended the Finance Director on her work on this.

Chairman Keziah asked a new City staff member to introduce herself. Hannah Parker, the City's new Accountant I in the Finance Department was introduced to the Committee and welcomed to the City.

There being no further business the meeting was adjourned at 4:11 p.m.

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Committee Chairman, Lynn Keziah

City of Monroe
Where Heartland Meets High Tech

STAFF REPORT

TO: General Services Committee

VIA: E.L. Faison, City Manager

DATE: November 19, 2020

FROM: Lisa Strickland, Finance Director

PREPARED BY: Dawn Whitesides, Customer Service Supervisor

SUBJECT: Utility Fee Grant Program Update

SUMMARY STATEMENT

Information is also being provided to the Committee to fulfill reporting requirements of the Utility Fee Waiver Program and Resolution R-2015-41. The goal of the Utility Fee Waiver program is to encourage homes to be built for people who are certified to be income eligible at the time of purchase and to ensure that the program is meeting City expectations.

REVIEW

The following chart represents a history of previous utility assistance provided and the current status of ownership.

Date	*Property address*	*Recipient:*	*Original Owner still reside in the property?*	*Utility Fee Waiver Amount*
7-8-15	2319 Hargette Rd	Habitat for Humanity	Yes	$7,404
7-8-15	2321 Hargette Rd	Habitat for Humanity	Yes	$7,598
9-6-15	2916 Secrest Short Cut Rd	Fredia Barbee	Yes	$3,339
10-27-15	438 East Village Dr Lot 17	Monroe UC CDC	Yes	$5,046
10-27-15	309 East Village Dr Lot 40	Monroe UC CDC	Yes	$5,046
3-15-16	2502 Saddlebred Way	St. Jude's	Fundraiser, home not built	$5,036

			for specific person.	
3-14-17	2310 Goldmine Rd	Habitat for Humanity	Yes	$7,140
3-14-17	3407 Ridgewood Ave	Habitat for Humanity	Yes	$7,140
12-19-17	433 East Village Dr	Monroe UC CDC	Yes	$5,036
12-19-17	427 East Village Dr	Monroe UC CDC	Yes	$5,036
12-19-17	503 East Village Dr	Monroe UC CDC	Yes	$5,036
4-12-18	1915 Bowie St	Habitat for Humanity	Yes	$7,140
4-12-18	1923 Bowie St	Habitat for Humanity	Yes	$7,140
8-30-18	506 East Village Dr	Monroe UC CDC	Yes	$5,184
9-12-18	500 Sunnybrook Dr	Kelly & Betty Leak	Yes	$3,720
10-5-18	406 S West St	Habitat for Humanity	Yes	$7,349
3-6-2019	350 East Village Dr	Monroe UC CDC	Yes	$5,184
3-6-19	344 East Village Dr	Monroe UC CDC	Yes	$5,184
5-9-19	1450 Citrus Dr	Habitat for Humanity	Yes	$5,184
5-9-19	1107 Sikes St	Habitat for Humanity	Yes	$7,349
7/21/20	217 E East Ave	Dorothy Gaither	Yes	$3,828

The Utility Fee Grant Program currently has a remaining balance of $26,172.

RECOMMENDATION

Staff presents this as an informational update only.

Attachment(s):

City of Monroe
Where Heartland Meets High Tech

STAFF REPORT

TO:	General Services
VIA:	E.L. Faison, City Manager
DATE:	November 19, 2020
FROM:	Tonya Edwards, Parks and Recreation Director
PREPARED BY:	Tonya Edwards, Parks and Recreation Director
SUBJECT:	Acceptance of N.C. Parks and Recreation Trust Fund Grant, and approval of a Budget Ordnance for the allocation of those funds.

SUMMARY STATEMENT

The City was awarded a NC Parks and Recreation Trust Fund Grant in the amount of $425,000 for Phase I-B of the Belk Tonawanda Park Expansion/Renovation project.

REVIEW

On October 22, 2020 the City was awarded a N.C. Parks and Recreation Trust Fund Grant in the amount of $425,000 in matching funds for Phase I-B of the Belk Tonawanda Park Expansion and Renovation project. This project will include the construction and installation of a splash pad, picnic shelter/restroom, paved walking trail, fitness station, and lawn games. On November 12, 2019 Council adopted a Resolution to allocate the $425,000 matching funds for this grant. Now that the grant has been awarded the additional funds in the amount of $425,000 need to be allocated and will be reimbursable as the elements of this project are completed. This grant has a required project completion date of October 31, 2023.

RECOMMENDATION

Staff recommends that the General Service Committee approve and forward to Council the acceptance of these grant funds, approve a Budget Ordinance in the amount of $425,000 for the allocation of this reimbursable funding, and authorize the Mayor to execute any and all required documents.

Attachment(s): BO-2020-18
N.C. Parks and Recreation Trust Fund Project Agreement

CAPITAL PROJECT BUDGET ORDINANCE
BELK TONAWANDA PARK PHASE IB
BO-2020-18

WHEREAS, the City desires to expand and renovate Belk Tonawanda Park to add a splash pad, fitness station, lawn games, accessible routes, an additional picnic shelter, and restroom, to better serve its Citizens; and

WHEREAS, the City has been awarded a NC Parks and Recreation Trust Fund (PARTF) grant in the amount of $425,000 on October 20, 2020 for the Belk Tonawanda Park – Phase IB project; and

WHEREAS, the City previously funded the required matching funds for this grant in the amount of $425,000 in the fiscal year 2021 budget; and

WHEREAS, the City would like to enter into the grant agreement to accept this funding and proceed with the project.

NOW, THEREFORE, BE IT ORDAINED that the City Council of the City of Monroe adds grant funding to the capital project budget for the project entitled "Belk Tonawanda Park – Phase IB", and appropriates the following revenues and expenses:

General Capital Project Fund:	
Revenue:	
Grant Revenue	$425,000
Expense:	
Project Costs	$425,000

Adopted this 1st day December, 2020.

Attest:

____
Bobby G. Kilgore, Mayor

____
Bridgette H. Robinson, City Clerk

STATE OF NORTH CAROLINA | CONTRACTOR'S FEDERAL I.D.

COUNTY OF WAKE | XXXX 01289

N.C. Parks and Recreation Trust Fund Project Agreement

Grantee: City of Monroe
Project Number: 2021 - 932

Project Title: Belk Tonawanda Park - Phase IB

Period Covered By This Agreement: 11/1/2020 to 10/31/2023

Project Scope (Description of Project): Development including picnic shelter/restroom, splash pad, fitness stations, lawn games, accessible routes, site preparation, utilities, contingency, and planning costs.

Project Costs:	PARTF Amount	$ 425,000
	Local Government Match	$ 425,000

Conditions

The North Carolina Department of Natural and Cultural Resources (hereinafter called the "Department") and City of Monroe (hereinafter referred to as "Grantee") agree to comply with the terms, promises, conditions, plans, specifications, estimates, procedures, project proposals, maps, and assurances described in the North Carolina Parks and Recreation Trust Fund (PARTF) administrative rules and grant application which are hereby by reference made a part of the PARTF grant contract and which are on file with the Division of Parks and Recreation. In addition, the Department and the Grantee agree to comply with the State of North Carolina's Terms and Conditions as listed in "Attachment A" to this contract.

Now, therefore, the parties hereto do mutually agree as follows:

Upon execution of this grant agreement, the Department hereby promises, in consideration of the promises by the Grantee herein, to obligate to the Grantee the grant amount shown above. The Grantee hereby promises to efficiently and effectively manage the funds in accordance with the approved budget, to promptly complete grant assisted activities described above in a diligent and professional manner within the project period, and to monitor and report work performance.

The parties to this contract agree and understand that the payment of the sums specified in this contract is dependent and contingent upon and subject to the appropriation, allocation and availability of funds for this purpose to the Department.

Section I. Eligible Project Costs and Fiscal Management

1. The PARTF grant amount must be matched on at least a dollar-for-dollar basis by the Grantee. To be eligible, project costs must be incurred during the contract period, be documented in the grant application, and described in the project scope of this agreement, and initiated and/or undertaken after execution of this agreement by the Grantee and the Department.

2. PARTF assistance for land acquisition will be based on the fair market value of real property or the sales price, whichever is less. Value must be based upon an independent appraisal by a licensed appraiser holding a general or residential certification from the North Carolina Appraisal Board. The Department shall review the appraisal as to content and valuation. Approval of appraised amounts rests with the Department. The Grantee agrees to begin development on PARTF acquired land within five (5) years of the date this contract is signed by the Department and Grantee in order to allow general public access and use.

3. Payment shall be made in accordance with the contract documents as described in the Scope of Work (Attachment B). Payment for work performed will be made upon receipt and approval of invoice(s) from the Grantee documenting the costs incurred in the performance of work under this contract. Invoices may be submitted to the Contract Administrator

quarterly. Final invoices must be received by the Department within forty-five (45) days after the end of the contract period or contract completion, whichever occurs first. Accounting records should be based on generally accepted local government accounting standards and principles. Records shall be retained for a period of five (5) years following project completion, except that records shall be retained beyond five (5) year period if audit findings have not been resolved. All accounting records and supporting documents will clearly show the number of the contract and PARTF project to which they are applicable. The State Auditor shall have access to persons and records as a result of all contracts and grants entered into by state agencies and or political subdivisions in accordance with General Statute 147-64.7.

4. The Grantee agrees to refund to the Department, subsequent to audit of the project's financial records, and costs disallowed or required to be refunded to the Department on account of audit exceptions.

Section II. Project Execution

1. The Grantee may not deviate from the scope of the project without approval of the Department. When one of the conditions in the contract changes, including but not limited to the project scope, a revised estimate of costs, a deletion or additions of items, or need to extend the contract period, the Grantee must submit in writing a request to the Department for approval.

2. The Grantee shall be considered to be an independent contractor and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. The Grantee represents that it has, or will secure at its own expense, all personnel required in performing the services under this agreement. Such employees shall not be employees of, or have any individual contractual relationship with the Department.

3. In the event the Grantee subcontracts for any or all of the services covered by the contract:

   a. The Grantee is not relieved of any of the duties and responsibilities provided in this contract;
   b. The subcontractor agrees to abide by the standards contained herein or to provide such information as to allow the Grantee to comply with these standards, and;
   c. The subcontractor agrees to allow state and federal authorized representatives access to any records pertinent to its role as a subcontractor.

4. In accordance with Executive Order 12549, Debarment and Suspension, 7 CFR Part 3017, Section 3017.510, the grantee agrees not to subcontract with any vendors debarred or suspended by the State of North Carolina and shall not knowingly enter into any lower tier covered transactions with a person or vendor who is debarred, suspended or declared ineligible.

5. The Grantee shall not substitute key personnel assigned to the performance of this contract without prior approval by the Department's Contract Administrator. Ms. Tonya Edwards is designated by the Grantee as key personnel for purposes of this contract. The Department designates, Ms. Jill Fusco, Grant Administrator, as the Contract Administrator for the contract.

Department Contract Administrator	Grantee Contract Administrator
NC Department of Natural and Cultural Resources Division of Parks and Recreation Attention: Ms. Jill Fusco, Contract Administrator 1615 Mail Service Center Raleigh, NC 27699-1615 Telephone 919-707-9362 Email: jill.fusco@ncparks.gov	City of Monroe Attention: Tonya Edwards PO Box 69 Monroe, NC 28111 Telephone: 704-282-4659 Email: tedwards@monroenc.org

6. The Grantee agrees to comply with all applicable federal, state and local statutory provisions governing purchasing, construction, land acquisition, fiscal management, equal employment opportunity and the environment including but not limited to the following:

   Local Government Budget and Fiscal Control Act (G.S. 159-7 to 159-42); Formal Contracts, Informal Contracts and Purchasing (including but not limited to G.S. 44A-26, G.S. 87-1 to 87.15.4, G.S. 133.1 to 133-40, G.S. 143-128 to

G.S.143-135; Uniform Relocation Assistance Act (G.S. 133-5 to 133-18); Conflict of Interest (G.S. 14-234); Contractors Must use E-Verify (G.S. 143-48.5); Americans With Disabilities Act of 1990 (P.L. 101-336) and ADA Accessibility Guidelines; N.C. State Building Code; and the North Carolina Environmental Policy Act (G.S. 113A-1 to G.S. 113A-12), and Sales Tax Refund (G.S. 105-164.14(c)).

7. The Grantee agrees it provides a drug-free workplace in accordance to the requirements of the Drug-Free Workplace Act of 1988 (43 CFR Part 12, Subpart D).

8. The Grantee agrees to permit periodic audits and site inspections by the Department to ensure work progress in accordance with the approved project, including a close-out inspection upon project completion. After project completion, the Grantee agrees to conduct grant contract compliance inspections at least once every five (5) years and to submit a Department provided inspection report to the Department.

9. The Grantee agrees land acquired with PARTF assistance shall be dedicated in perpetuity as a recreation site for the use and benefit of the public, the dedication will be recorded in the deed of said property and the property may not be converted to other than public recreation use without approval of the Department. The Grantee agrees to maintain and manage PARTF assisted development/ renovation projects for public recreation use for a minimum period of twenty-five (25) years after project completion.

10. The Grantee agrees to operate and maintain the project site so as to appear attractive and inviting to the public, kept in reasonably safe repair and condition, and open for public use at reasonable hours and times of the year, according to the type of facility and area.

11. The Grantee shall agree to place utility lines developed with PARTF assistance underground.

12. If the project site is rendered unusable for any reason whatsoever, the Grantee agrees to immediately notify the Department of said conditions and to make repairs, at its own expense, in order to restore use and enjoyment of the project by the public.

13. The Grantee agrees not to discriminate against any person on the basis of race, sex, color, national origin, age, residency or ability in the use of any property or facility acquired or developed pursuant to this agreement.

14. The Grantee certifies that it:

    (a) Has neither used nor will use any appropriated funds for payment to lobbyists;
    (b) Will disclose the name, address, payment details, and purposes of any agreement with lobbyists whom Grantee or its sub-tier contractor(s) or sub-grantee(s) will pay with profits or non-appropriated funds on or after December 22, 1989; and,
    (c) Will file quarterly updates about the use of lobbyists if material changes occur in their use.

Section III. Project Termination and Applicant Eligibility

1. The Grantee may unilaterally rescind this agreement at any time prior to the expenditure of funds on the project described in this contract.

2. If through any cause, the Grantee fails to fulfill in a timely and proper manner the obligations under this contract, the Department shall thereupon have the right to terminate this contract by giving written notice to the Grantee of such termination and specifying the reasons thereof. In that event, the Grantee shall be entitled to receive just and equitable compensation for any satisfactory work completed in an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of the Grantee covered by this contract.

3. Failure by the Grantee to comply with the provisions and conditions set forth in the formal application, PARTF administrative rules and this agreement shall result in the Department declaring the Grantee ineligible for further participation in PARTF, in addition to any other remedies provided by law, until such time as compliance has been obtained to the satisfaction of the Department.

Section IV. Attestation and Execution

N.C.G.S. §133-32 and Executive Order 24 prohibit the offer to, or acceptance by, any State Employee of any gift from anyone with a contract with the State, or from any person seeking to do business with the State. By execution of any response in this procurement, you (Contractor) attest, for your entire organization and its employees or agents, that you are not aware that any such gift has been offered, accepted, or promised by any employees of your organization.

In witness whereof, the Department and the Grantee have executed the Agreement in duplicate originals, one of which is retained by each of the parties.

City of Monroe	
Name of Grantee (Local Government)	Signature of Grantee (Chief Elected Official)
Typed or Printed Name of Official	Title of Official

(Notary Public Completes)

State of North Carolina

County of

On this ________ day of ____________________, 20___, ____

personally appeared before me the said named ____, to me known and known to me to be the person described in and who executed the foregoing instrument, and he (or she) acknowledged that he (or she) executed the same and being duly sworn by me, made oath that the statements in the foregoing instrument are true.

My commission expires: _________________, 20______.

Signature of Notary Public

(Seal Here)

North Carolina Department of Natural and Cultural Resources
Susi H. Hamilton, Secretary

By: ____

Department Head or Authorized Agent for Secretary Hamilton — Title

General Terms and Conditions
Governmental Entities
May 1, 2011

DEFINITIONS

Unless indicated otherwise from the context, the following terms shall have the following meanings in this Contract. All definitions are from 9 NCAC 3M.0102 unless otherwise noted. If the rule or statute that is the source of the definition is changed by the adopting authority, the change shall be incorporated herein.

(1) "Agency" (as used in the context of the definitions below) means and includes every public office, public officer or official (State or local, elected or appointed), institution, board, commission, bureau, council, department, authority or other unit of government of the State or of any county, unit, special district or other political sub-agency of government. For other purposes in this Contract, "Agency" means the entity identified as one of the parties hereto.

(2) "Audit" means an examination of records or financial accounts to verify their accuracy.

(3) "Certification of Compliance" means a report provided by the Agency to the Office of the State Auditor that states that the Grantee has met the reporting requirements established by this Subchapter and included a statement of certification by the Agency and copies of the submitted grantee reporting package.

(4) "Compliance Supplement" refers to the North Carolina State Compliance Supplement, maintained by the State and Local Government Finance Agency within the North Carolina Department of State Treasurer that has been developed in cooperation with agencies to assist the local auditor in identifying program compliance requirements and audit procedures for testing those requirements.

(5) "Contract" means a legal instrument that is used to reflect a relationship between the agency, grantee, and sub-grantee.

(6) "Fiscal Year" means the annual operating year of the non-State entity.

(7) "Financial Assistance" means assistance that non-State entities receive or administer in the form of grants, loans, loan guarantees, property (including donated surplus property), cooperative agreements, interest subsidies, insurance, food commodities, direct appropriations, and other assistance. Financial assistance does not include amounts received as reimbursement for services rendered to individuals for Medicare and Medicaid patient services.

(8) "Financial Statement" means a report providing financial statistics relative to a given part of an organization's operations or status.

(9) "Grant" means financial assistance provided by an agency, grantee, or sub-grantee to carry out activities whereby the grantor anticipates no programmatic involvement with the grantee or sub-grantee during the performance of the grant.

(10) "Grantee" has the meaning in G.S. 143-6.2(b): a non-State entity that receives a grant of State funds from a State agency, department, or institution but does not include any non-State entity subject to the audit and other reporting requirements of the Local Government Commission. For other purposes in this Contract, "Grantee" shall mean the entity identified as one of the parties hereto. For purposes of this contract, Grantee also includes other State agencies such as universities.

(11) "Grantor" means an entity that provides resources, generally financial, to another entity in order to achieve a specified goal or objective.

(12) "Non-State Entity" has the meaning in N.C.G.S. 143-6.2(a)(1): A firm, corporation, partnership, association, county, unit of local government, public authority, or any other person, organization, group, or governmental entity that is not a State agency, department, or institution.

(13) "Public Authority" has the meaning in N.C.G.S. 143-6.2(a)(3): A municipal corporation that is not a unit of local government or a local governmental authority, board, commission, council, or agency that (i) is not a municipal corporation and (ii) operates on an area, regional, or multiunit basis, and the budgeting and accounting systems of which are not fully a part of the budgeting and accounting systems of a unit of local government.

(14) "Single Audit" means an audit that includes an examination of an organization's financial statements, internal controls, and compliance with the requirements of Federal or State awards.

(15) "Special Appropriation" means a legislative act authorizing the expenditure of a designated amount of public funds for a specific purpose.

(16) "State Funds" means any funds appropriated by the North Carolina General Assembly or collected by the State of North Carolina. State funds include federal financial assistance received by the State and transferred or disbursed to non-State entities. Both Federal and State funds maintain their identity as they are sub-granted to other organizations. Pursuant to N.C.G.S. 143-6.2(b), the terms "State grant funds" and "State grants" do not include any payment made by the Medicaid program, the Teachers' and State Employees' Comprehensive Major Medical Plan, or other similar medical programs.

(17) "Sub-grantee" has the meaning in G.S. 143-6.2(b): a non-State entity that receives a grant of State funds from a grantee or from another sub-grantee but does not include any non-State entity subject to the audit and other reporting requirements of the Local Government Commission.

(18) "Unit of Local Government has the meaning in G.S. 143-6.2(a)(2): A municipal corporation that has the power to levy taxes, including a consolidated city-county as defined by G.S. 160B-2(1), and all boards, agencies, commissions, authorities, and institutions thereof that are not municipal corporations.

Relationships of the Parties

Independent Contractor: The Grantee is and shall be deemed to be an independent contractor in the performance of this Contract and as such shall be wholly responsible for the work to be performed and for the supervision of its employees. The Grantee represents that it has, or shall secure at its own expense, all personnel required in performing the services under this agreement. Such employees shall not be employees of, or have any individual contractual relationship with, the Agency.

Subcontracting: To subcontract work to be performed under this contract which involves the specialized skill or expertise of the Grantee or his employees, the Grantee first obtains prior approval of the Agency Contract Administrator. In the event the Grantee subcontracts for any or all of the services or activities covered by this contract: (a) the Grantee is not relieved of any of the duties and responsibilities provided in this contract; (b) the subcontractor agrees to abide by the standards contained herein or to provide such information as to allow the Grantee to comply with these standards, and; (c) the subcontractor agrees to allow state and federal authorized representatives access to any records pertinent to its role as a subcontractor.

Sub-grantees: The Grantee has the responsibility to ensure that all sub-grantees, if any, provide all information necessary to permit the Grantee to comply with the standards set forth in this Contract.

Assignment: The Grantee may not assign the Grantee's obligations or the Grantee's right to receive payment hereunder. However, upon Grantee's written request approved by the issuing purchasing authority, the Agency may:

(a) Forward the Grantee's payment check(s) directly to any person or entity designated by the Grantee, or
(b) Include any person or entity designated by Grantee as a joint payee on the Grantee's payment check(s).

Such approval and action does not obligate the State to anyone other than the Grantee and the Grantee remains responsible for fulfillment of all contract obligations.

Beneficiaries: Except as herein specifically provided otherwise, this Contract insures to the benefit of and is binding upon the parties hereto and their respective successors. It is expressly understood and agreed that the enforcement of the terms and conditions of this Contract, and all rights of action relating to such enforcement, are strictly reserved to the Agency and the named Grantee. Nothing contained in this document shall give or allow any claim or right of action whatsoever by any other third person. It is the express intention of the Agency and Grantee that any third person receiving services or benefits under this Contract is an incidental beneficiary only.

Indemnity

Indemnification: In the event of a claim against either party by a third party arising out of this contract, the party whose actions gave rise to the claim is responsible for the defense of the claim and any resulting liability, provided that a party may not waive the other party's sovereign immunity or similar defenses. The parties agree to consult with each other over the appropriate handling of a claim and, in the event they cannot agree, to consult with the Office of the Attorney General.

Default and Termination

Termination by Mutual Consent: Either party may terminate this agreement upon thirty (30) days notice in writing from the other party. In that event, all finished or unfinished documents and other materials, at the option of the Agency, shall be submitted to the Agency. If the contract is terminated as provided herein, the Grantee is paid in an amount which bears the same ratio to the total compensation as the services actually performed bear to the total services of the Grantee covered by this agreement; for costs of work performed by subcontractors for the Grantee provided that such subcontracts have been approved as provided herein; or for each full day of services performed where compensation is based on each full day of services performed, less payment of compensation previously made. The Grantee repays to the Agency any compensation the Grantee has received which is in excess of the payment to which he is entitled herein.

Termination for Cause: If, through any cause, the Grantee fails to fulfill in timely and proper manner the obligations under this agreement, the Agency thereupon has the right to terminate this contract by giving written notice to the Grantee of such termination and specifying the reason thereof and the effective date thereof. In that event, all finished or unfinished documents, data, studies, surveys, drawings, maps, models, photographs, and reports prepared by the Grantee , at the option of the Agency, be submitted to the Agency, and the Grantee is entitled to receive just and equitable compensation for any satisfactory work completed on such documents and other materials. The Grantee is not relieved of liability to the Agency for damages sustained by the Agency by virtue of any breach of this agreement, and the Agency may withhold payment to the Grantee for the purpose of set off until such time as the exact amount of damages due the Agency from such breach can be determined.

Waiver of Default: Waiver by the Agency of any default or breach in compliance with the terms of this Contract by the Grantee is not a waiver of any subsequent default or breach and is not a modification of the terms of this Contract unless stated to be such in writing, signed by an authorized representative of the Agency and the Grantee and attached to the contract.

Availability of Funds: The parties to this Contract agree and understand that the payment of the sums specified in this Contract is dependent and contingent upon and subject to the appropriation, allocation, and availability of funds for this purpose to the Agency.

Force Majeure: Neither party is in default of its obligations hereunder if and it is prevented from performing such obligations by any act of war, hostile foreign action, nuclear explosion, riot, strikes, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.

Survival of Promises: All promises, requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable federal or State statutes of limitation.

Intellectual Property Rights

Copyrights and Ownership of Deliverables: Any and all copyrights resulting from work under this agreement shall belong to the Grantee. The Grantee hereby grants to the North Carolina Department of Environment and Natural Resources a royalty-free, non-exclusive, paid-up license to use, publish and distribute results of work under this agreement for North Carolina State Government purposes only.

Compliance with Applicable Laws

Compliance with Laws: The Grantee understands and agrees that is subject to compliance with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and/or authority.

Equal Employment Opportunity: The Grantee understands and agrees that it is subject to compliance with all federal and State laws relating to equal employment opportunity.

Confidentiality

Confidentiality: As authorized by law, the Grantee keeps confidential any information, data, instruments, documents, studies or reports given to or prepared or assembled by the Grantee under this agreement and does not divulge or make them available to any individual or organization without the prior written approval of the Agency. The Grantee acknowledges that in receiving, storing, processing or otherwise dealing with any confidential information it will safeguard and not further disclose the information except as otherwise provided in this Contract or without the prior written approval of the Agency.

Oversight

Access to Persons and Records: The State Auditor and the using agency's internal auditors shall have access to persons and records as a result of all contracts or grants entered into by State agencies or political subdivisions in accordance with General Statute 147-64.7 and Session Law 2010-194, Section 21 (i.e., the State Auditors and internal auditors may audit the records of the contractor during the term of the contract to verify accounts and data affecting fees or performance). The Contractor shall retain all records for a period of three years following completion of the contract or until any audits begun during this period are completed and findings resolved, whichever is later.

Record Retention: The Grantee may not destroy, purge or dispose of records without the express written consent of the Agency. State basic records retention policy requires all grant records to be retained for a minimum of five years or until all audit exceptions have been resolved, whichever is longer. If the contract is subject to Federal policy and regulations, record retention may be longer than five years since records must be retained for a period of three years following submission of the final Federal Financial Status Report, if applicable, or three years following the submission of a revised final Federal Financial Status Report. Also, if any litigation, claim, negotiation, audit, disallowance action, or other action involving this Contract has started before expiration of the five-year retention period described above, the records must be retained until completion of the action and resolution of all issues which arise from it, or until the end of the regular five-year period described above, whichever is later.

Time Records: The Grantee will maintain records of the time and effort of each employee receiving compensation from this contract, in accordance with the appropriate OMB circular.

Miscellaneous

Choice of Law: The validity of this Contract and any of its terms or provisions, as well as the rights and duties of the parties to this Contract, are governed by the laws of North Carolina. The Grantee, by signing this Contract, agrees and submits, solely for matters concerning this Contract, to the exclusive jurisdiction of the courts of North Carolina and agrees, solely for such purpose, that the exclusive venue for any legal proceedings shall be Wake County, North Carolina. The place of this Contract and all transactions and agreements relating to it, and their situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract or tort, relating to the validity, construction, interpretation, and enforcement shall be determined.

Amendment: This Contract may not be amended orally or by performance. Any amendment must be made in written form and executed by duly authorized representatives of the Agency and the Grantee.

Severability: In the event that a court of competent jurisdiction holds that a provision or requirement of this Contract violates any applicable law, each such provision or requirement shall continue to be enforced to the extent it is not in violation of law or is not otherwise unenforceable and all other provisions and requirements of this Contract shall remain in full force and effect.

Headings: The Section and Paragraph headings in these General Terms and Conditions are not material parts of the agreement and should not be used to construe the meaning thereof.

Time of the Essence: Time is of the essence in the performance of this Contract.

Care of Property: The Grantee agrees that it is responsible for the proper custody and care of any State owned property furnished him for use in connection with the performance of his contract and will reimburse the State for its loss or damage.

Ownership of equipment purchased under this contract rests with the Agency. Upon approval of the Agency Contract Administrator, such equipment may be retained by the Grantee for the time the Grantee continues to provide services begun under this contract.

Travel Expenses: All travel, lodging, and subsistence costs are included in the contract total and no additional payments will be made in excess of the contract amount indicated in above. Contractor must adhere to the travel, lodging and subsistence rates established in the Budget Manual for the State of North Carolina.

Sales/Use Tax Refunds: If eligible, the Grantee and all sub-grantees shall: (a) ask the North Carolina Department of Revenue for a refund of all sales and use taxes paid by them in the performance of this Contract, pursuant to G.S. 105-164.14; and (b) exclude all refundable sales and use taxes from all reportable expenditures before the expenses are entered in their reimbursement reports.

Advertising: The Grantee may not use the award of this Contract as a part of any news release or commercial advertising.

Recycled Paper: The Grantee ensures that all publications produced as a result of this contract are printed double-sided on recycled paper.

Sovereign Immunity: The Agency does not waive its sovereign immunity by entering into this contract and fully retains all immunities and defenses provided by law with respect to any action based on this contract.

Gratuities, Kickbacks or Contingency Fee(s): The parties certify and warrant that no gratuities, kickbacks or contingency fee(s) are paid in connection with this contract, nor are any fees, commissions, gifts or other considerations made contingent upon the award of this contract.

Lobbying: The Grantee certifies that it (a) has neither used nor will use any appropriated funds for payments to lobbyist; (b) will disclose the name, address, payment details, and purpose of any agreement with lobbyists whom the Grantee or its sub-tier contractor(s) or sub-grantee(s) will pay with profits or non-appropriated funds on or after December 22 1989; and (c) will file quarterly updates about the use o lobbyists if material changes occur in their use.

By Executive Order 24, issued by Governor Perdue, and N.C. G.S.§ 133-32: It is unlawful for any vendor or contractor (i.e architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor supplier, or vendor), to make gifts or to give favors to any State employee of the Governor's Cabinet Agencies (i.e., Administration, Commerce, Correction, Crime Control and Public Safety, Cultural Resources, Environment and Natural Resources, Health and Human Services, Juvenile Justice and Delinquency Prevention, Revenue, Transportation, and the Office of the Governor). This prohibition covers those vendors and contractors who:

(1) have a contract with a governmental agency; or

(2) have performed under such a contract within the past year; or

(3) anticipates bidding on such a contract in the future.

For additional information regarding the specific requirements and exemptions, vendors and contractors are encouraged to review Executive Order 24 and G.S. Sec. 133-32.

Executive Order 24 also encouraged and invited other State Agencies to implement the requirements and prohibitions of the Executive Order to their agencies. Vendors and contractors should contact other State Agencies to determine if those agencies have adopted Executive Order 24."

Scope of Work

North Carolina Division of Parks and Recreation
Parks and Recreation Trust Fund – Grants Program for Local Governments

Grantee: City of Monroe

Title of Project: Belk Tonawanda Park - Phase IB

Project Number: 932

Contract Number: **2021-932**

Amount of Grant: $ 425,000

Amount of Match: $ 425,000

Contact Person for Project: Tonya Edwards

Title: Director of Parks and Recreation
City of Monroe

Address: PO Box 69
Monroe, NC 28111

Telephone: 704-282-4659
Contact email address: tedwards@monroenc.org

Scope of Project: Development including picnic shelter/restroom, splash pad, fitness stations, lawn games, accessible routes, site preparation, utilities, contingency, and planning costs.

Length of Project: 36 months (11/1/2020 – 10/31/2023)

Schedule for Reimbursements: Grantee may submit bills quarterly after a significant portion of work has been completed on the project element(s). Not more than 90% of the grant will be reimbursed until the grantee completes the project elements specified in the grant (refer to detailed budget submitted with grant application).

The City of Monroe grant application and support documentation are, by reference, part of the contract. The administrative rules of the N.C. Parks and Recreation Trust Fund are, by reference, a part of the contract.

City of Monroe
Where Heartland Meets High Tech

STAFF REPORT

TO: General Services Committee

VIA: E.L. Faison, City Manager

DATE: November 19, 2020

FROM: Tonya Edwards, Parks and Recreation Director

PREPARED BY: Tonya Edwards, Parks and Recreation Director

SUBJECT: Acceptance of Settlement funds from GolfNow

SUMMARY STATEMENT

Approval needed to accept settlement funds from GolfNow in the amount of $46,498 for unauthorized commission fees collected.

REVIEW

In September, 2020 staff at the Monroe Country Club discovered that unauthorized commission fees were being deducted from rounds of golf sold through our GolfNow online tee time reservation service. The Monroe Country Club contracts with GolfNow to provide our point of sale and tee time booking software for the golf course. Our current agreement provides GolfNow with two tee times per day to sell at their discretion in lieu of payment for this service. No additional commission fees are included in this agreement. In review of this issue, GolfNow found that our agreement was converted to a commission based service in May of 2017 in error. The unauthorized commission fees were deducted from various rounds sold from May, 2017 through September, 2020 and totaled $46,498. Our staff along with GolfNow account services staff have worked together to ensure that all funds collected in error during this period have been identified and accounted for. Council approval is needed for authorization to sign the settlement form and accept these funds.

RECOMMENDATION

Staff recommends that the General Services Committee approve and forward to Council for the acceptance of this GolfNow Refund/Settlement/Release agreement for these funds in the amount of $46,498 and authorize the City Manager to execute any and all required documents.

Attachment(s): GolfNow Refund/Settlement/Release Agreement

GOLFNOW Go. Play.

Refund / Settlement / Release

Course Name:	Monroe Country Club
Course Address:	1680 Pageland Highway, Monroe, NC 28112
Course Contact Name:	Nick Jacobi
Course Contact Email:	njacobi@monroenc.org

Refund / Settlement Amount:	$46,498.00 (the "Payment")

Description of Circumstances Requiring a Refund / Settlement:	In May 2017, GolfNow inadvertently began collecting commissions when Course did not have a commission deal. This was discovered in September 2020 and was turned off immediately.

Terms of Refund / Settlement: In exchange for the Payment, You and your organization hereby forever release and discharge GolfNow from any and all manner of actions, claims, demands, damages, losses, debts, liabilities, obligations, costs, expense, liens, claims for indemnity or contribution or causes of action of any kind or nature whatsoever, at law or in equity, whether based on tort, contract or any other theory of recovery, including without limitation court costs, expenses and attorneys' fees, which You and your organization had, now have, or may have in the future arising out of, relating to or otherwise concerning the events or circumstances necessitating the Payment as described above. These settlement conditions constitute the entire agreement between the parties with respect to the subject matter hereof and supersedes any previous or contemporaneous oral or written agreement between the parties regarding such subject matter.

Each party represents, warrants and covenants to the other that: (i) it has the full power and authority to enter into this settlement and to grant and convey the rights set forth herein; and (ii) all necessary approvals for the execution, delivery and performance of this settlement by it have been obtained, and this settlement has been duly executed and delivered by it and constitutes the legal and binding obligation of it enforceable in accordance with its terms.

Please acknowledge your acceptance of the terms and conditions of settlement outlined above by having an authorized officer execute in the signature block below and returning this letter to GolfNow at 7580 Golf Channel Drive, Orlando, Florida 32819, Attention: Legal Department.

ACKNOWLEDGED AND AGREED:

City of Monroe	GolfNow, LLC (Signature of a Senior Vice President Required)
By: ____________	By: [signature]
Name: ____________	Name: JERRAMY HAINLINE
Title: ____________	Title: SVP/GM
Date: ____________	Date: 11-13-20

STAFF REPORT

TO: Monroe Airport Commission

VIA: E.L. Faison, City Manager

DATE: November 16, 2020

FROM: Peter Cevallos, Airport Manager

SUBJECT: Budget Amendment – Quonset Hangar Re-activation and Leasing

SUMMARY STATEMENT

Staff is taking steps to re-activate the Quonset Hangar so the facility can be leased out: Aerowood Aviation will lease the entire office space for their flight school operation; the hangar area will be leased out for additional based aircraft. Re-activate the hangar will require a capital improvement budget of approximately $75,000 to repair roof leaks, and to refurbish the office space, make it leasable from the previous tenant. The requested budget amendment is required to accomplish the re-activation, with the necessary investment recouped within the first two years of lease revenue.

REVIEW

Staff is taking steps to re-activate the Quonset Hangar as that City-owned facility is being unutilized, and has the potential for additional revenue and a definitive need at the Airport. Aerowood Aviation continues to expand their flight school operation, their leased space in the main terminal is becoming inadequate to support the flight school operation. The Quonset Hangar offers the necessary office and classroom space where Aerowood can comfortably administer and operate their flight instruction. In addition, there is approximately 8,300 square feet of hangar area where additional based aircraft can be stored.

To re-activate the hangar, certain capital improvements are required: the roof has a number of leaks due to previous penetrations and holes that have developed, and the office space is not in the best condition since the previous tenant left. The office space will require repainting, new flooring, some bathroom fixtures refurbished or replaced, etc. To accomplish the re-activation, an outlay of approximately $75,000 has been budgeted, with the roof repairs estimated to be between $18,000 - $20,000, approximately $36,000 to re-furbish the inside of the facility, and the remaining funds to ensure the HVAC unit is serviced and operational.

Aerowood Aviation is interested in leasing the entire office space, which includes two stories and is approximately 3,217 square feet: per the fee schedule, the current rate is $5 per sq. ft., per year, which will generate an annual rent of $ 16,085; Aerowood will pay for the building's utilities. For the hangar area, Mr. Jeff Owens is interested in relocating three aircraft to the Airport for customers he manages: a turbo-prop King Air 200, a Falcon 10 corporate jet and a Baron small twin. The three aircraft will generate $ 18,540 in annual lease revenue, total value of all three is close to $2 million and it is expected the aircraft will purchase large quantities of fuel. With these three aircraft, there will a balance of space that will allow basing of additional aircraft, including any new Cirrus aircraft which Aerowood's customer have recently purchased.

RECOMMENDATION

With Airport Commission recommendation, staff is requesting the General Services Committee the action of requesting City Council

- Approve Budget Amendment 2020-31 to fund the reactivation of the Quonset Hangar, and
- Authorize the City Manager to execute all necessary documents so that it can be leased out.

Attachment(s):
BA-2020-31

CITY OF MONROE
BUDGET AMENDMENT – REACTIVATION OF QUONSET HANGAR
BA-2020-31

1. Amendment necessary to appropriate funds for the reactivation of the Quonset Hangar so that it can be leased.

General Fund:

Revenues:

Appropriation from Formally Assigned for Airport Grant Acceptance Fund Balance	$75,000

Expenses:

Transfer to Airport Fund	$75,000

Airport Fund:

Revenues:

Transfer from General Fund	$75,000

Expenses:

Airport Operations	$75,000

Adopted this 1st day of December 2020.

____
Bobby G. Kilgore, Mayor

Attest:

____
Bridgette H. Robinson, City Clerk

10-Nov-20

CITY OF MONROE
AIRPORT CAPITAL PROJECT -
QUONSET HANGAR

Sources and Uses of Funds		
Sources of Funds		
Annual Revenues		
Hangar Space: Aircraft #1 - King Air B200 Turboprop		
Annual Rent - $700/month	$	8,400
Property Tax (Acft value = ~ $850,000 X 0.6163/100)	$	5,239
Annual Fuel Revenue (Avg. 200 gals/fill-up @ $4.00/gal, est. 26 fill-ups)	$	20,800
Hangar Space: Aircraft #2 - Dassualt Falcon 10 Jet		
Annual Rent - $550/month	$	6,600
Property Tax (Acft value = ~ $350,000 X 0.6163/100)	$	2,157
Annual Fuel Revenue (Avg. 200 gals/fill-up @ $4.00/gal, est. 26 fill-ups)	$	20,800
Hangar Space: Aircraft #3 - Beechcraft Baron (sm twin)		
Annual Rent - $295/month	$	3,540
Property Tax (Acft value = ~ $450,000 X 0.6163/100)	$	2,773
Annual Fuel Revenue (Avg. 60.6 gals/fill-up @ $4.50/gal, est. 34 fill-ups)	$	9,272
Hangar Office Space - Aerowood Aviation		
Rent (3,177 sq. ft. @ $5/sf/yr)	$	15,885
Utilities (approximation based on expected use)	$	7,200
Total Annual Sources of Funds	**$**	**102,666**
Uses of Funds		
Reactivation Expenditures (not to exceed $75,000)		
Roof Leak repairs		$19,250
Office space clean-up, refurbishment		$35,000
HVAC Service		$7,500
Other		$13,250
Recurring Expenditures		
Utilities (reimbursement from Aerowood)	$	7,200
Total Annual Uses of Funds	**$**	**82,200**
Ending Balance	**$**	**20,466**

City of Monroe
Where Heartland Meets High Tech

STAFF REPORT

TO: General Services Committee

VIA: E.L. Faison, City Manager

DATE: November 19, 2020

FROM: Lisa Strickland, Finance Director

PREPARED BY: Lisa Strickland, Finance Director

SUBJECT: Adopt Series Resolution to Advance Refund the Combined Enterprise System Revenue Refunding Bonds, Series 2011 and a State Revolving Fund Loan

SUMMARY STATEMENT

Current Financial market conditions are favorable to advance refund the Combined Enterprise System Revenue Refunding Bonds, Series 2011 debt that was used to refinance system improvements for the water and sewer utilities and the airport and a State Revolving Fund Loan that was originally used in 2014 to fund the Stewart Creek Sewer Outfall. Staff would like to refinance this debt in order to take advantage of substantial debt service savings.

REVIEW

Staff has been reviewing opportunities to refinance bonds to take advantage of the current low interest rate market. The City has $6,435,000 in outstanding callable maturities from the Combined Enterprise System Revenue Refunding Bonds, Series 2011 financing that was issued to refinance system improvements for the water and sewer utilities and the airport. The City also has $6,735,446 outstanding from a State Revolving Fund Loan that was originally used in 2014 to fund the Stewart Creek Sewer Outfall. The LGC looks for a 3% Present Value Savings (PV) for refinancing activities. Based on bank bids that were received on October 29, 2020, the (PV) savings from refinance of this issue is $1,058,348 or 8.04%. This equates to an average of $127,574 per year in cash flow savings. The City has received proposals from seven financial institutions to purchase the Bonds. The bank that won the bid is Truist Bank (formerly SunTrust) with an interest rate of 0.920% for Series 2020A and a rate of 1.400% for Series 2020B.

Council previously adopted Resolution R-2020-65 to authorize the steps necessary to refinance the 2011 Combined Enterprise System Revenue Refunding Bonds and State Revolving Fund Loan including filing the LGC application and retaining the professionals deemed necessary to carry out this transaction. Staff has submitted an application to the LGC to be considered at their December 1, 2020 meeting. A series resolution must be adopted to authorize the issuance of $6,560,000 Combined Enterprise System Revenue Refunding Bonds, Series 2020A and $6,776,000 Combined Enterprise System Revenue Refunding Bond, Series 2020B to refinance the debt mentioned above. Closing costs will be deducted from the loan proceeds. The anticipated closing date is December 8, 2020. All financing documents are available for review in the office of the Finance Director.

RECOMMENDATION

General Services Committee is requested to recommend that City Council adopt the Series Resolution R-2020-69 to authorize the issuance of the Combined Enterprise System Revenue Refunding Bonds, Series 2020A and Series 2020B.

Attachment: Series Resolution R-2020-69

CITY OF MONROE, NORTH CAROLINA

SERIES RESOLUTION

Adopted December 1, 2020

City of Monroe, North Carolina
Combined Enterprise System Revenue Refunding Bonds,
Series 2020A and Series 2020B

TABLE OF CONTENTS

A SERIES RESOLUTION AUTHORIZING THE ISSUANCE OF $6,560,000 COMBINED ENTERPRISE SYSTEM REVENUE REFUNDING BOND, SERIES 2020A AND $6,776,000 COMBINED ENTERPRISE SYSTEM REVENUE REFUNDING BOND, SERIES 2020B OF THE CITY OF MONROE, NORTH CAROLINA TO REFINANCE THE COST OF CERTAIN IMPROVEMENTS TO THE CITY'S COMBINED ENTERPRISE SYSTEM

R-2020-69

WHEREAS, the City of Monroe, North Carolina (the "*City*") adopted an order on May 3, 1994, as supplemented and amended (collectively, the "*Order*"), which authorizes the City to issue bonds in accordance with Section 208 thereof;

WHEREAS, the Order provides that the City may issue Parity Indebtedness (as defined in the Order) for purposes of refinancing outstanding Indebtedness of the City and financing the costs of Additional Improvements to the Combined Enterprise System (each as defined in the Order);

WHEREAS, the City Council of the City has determined that the issuance of the bonds hereinafter referred to in order to refinance the Refunded 2011 Bonds and the 2014 State Revolving Fund Loan (as each are defined herein) for debt service savings will benefit and be in the best interests of the City;

BE IT RESOLVED by the City Council of the City of Monroe, North Carolina:

ARTICLE I
DEFINITIONS

Section 101. ***Meaning of Words and Terms.*** Unless otherwise required by the context, words and terms used herein which are defined in the Order shall have the meanings assigned to them therein, and the following words and terms shall have the following meanings:

"*Bond Registrar*" means Wells Fargo Bank, National Association, as designated by Section 201.

"*Bond Year*" means, with respect to the 2020A Bond, the period commencing on March 1 of any year and ending on the last day of each February of the following year, and, with respect to the 2020B Bond, the period commencing on May 1 of any year and ending on the last day of April of the following year.

"*Closing*" means the delivery of and payment for the 2020 Bonds.

"*Closing Date*" means the date of the Closing.

"*Interest Payment Date*" means, with respect to the 2020A Bond, March 1 or September 1, as the case may be, beginning March 1, 2021, and, with respect to the 2020B Bond, May 1 or November 1, as the case may be, beginning May 1, 2021.

"*Issuance, Sale and Closing Certificate*" means the certificate of the City Manager or the Finance Director filed pursuant to this Series Resolution with the Trustee at Closing setting forth certain details of the 2020 Bonds and other terms and provisions relating to the sale and issuance of the 2020 Bonds as provided for herein together with such other details, terms and provisions as the City Manager or the Finance Director may determine in order to effect and facilitate the Closing.

"*Refunded 2011 Bonds*" means the City's outstanding Combined Enterprise System Revenue Refunding Bonds, Series 2011 maturing on and after March 1, 2022.

"*Regular Record Date*" means the 15th day of the month preceding any Interest Payment Date, whether or not a Business Day.

"*Sinking Fund Requirement*" means, with respect to the Term Bonds and for any Bond Year, the principal amount fixed or computed for retirement by purchase or redemption on or prior to March 1, with respect to the 2020A Bond, or May 1, with respect to the 2020B Bond, of the following Bond Year.

The Sinking Fund Requirements for the Term Bonds are the respective principal amounts of such Term Bonds for retirement on each March 1 or May 1 as set forth in Section 301(e).

If during any Bond Year, the total principal amount of Term Bonds retired by purchase or redemption under the provisions of this Series Resolution is greater than the amount of the Sinking Fund Requirement for such Term Bonds, the subsequent Sinking Fund Requirements for such Term Bonds are to be reduced in such amount aggregating the amount of such excess as is specified in an Officer's Certificate filed with the Trustee before the next ensuing February 15 or April 15, as applicable.

"*Taxable Date*" means mean the first date upon which interest on a series of 2020 Bonds is included in the gross income of the Owner thereof for federal income tax purposes as a result of a Taxable Event.

"*Taxable Event*" means the occurrence after the Closing Date of a final decree or judgment of any Federal court or a final action by the Internal Revenue Service determining that interest paid or payable on all or a portion of a series of 2020 Bonds is or was includable in the gross income of the Owner of such series of 2020 Bonds for federal income tax purposes; provided, that no such decree, judgment or action will be considered final for this purpose, however, unless the City has been given written notice and, if it is so desired and legally allowed, has been afforded the opportunity to contest the same, either directly or in the name of the Owner of such series of 2020 Bonds and until the conclusion of any appellate review, if sought; and provided, further, that such Taxable Event is caused by the failure of the City to comply with any covenants or any document or certificate executed by the City in connection with the transactions contemplated by this Series Resolution which has the effect of causing the interest on a series of 2020 Bonds to be includable in the gross income of the Owner of such series of 2020 Bonds for federal income tax purposes and in no case by a change in law that causes the interest on a series of 2020 Bonds to be includable in the gross income of the Owner of such series of 2020 Bonds for federal income tax purposes.

"*Term Bonds*" means the 2020A Bond and the 2020B Bond, respectively.

"*2014 State Revolving Fund Loan*" means a State Revolving Fund Loan entered into by the City in 2014 to finance improvements to the Combined Enterprise System.

"*2020 Bonds*" means the Series 2020A Bond and the 2020B Bond.

"*2020A Bond*" means the City of Monroe, North Carolina Combined Enterprise System Revenue Refunding Bond, Series 2020A.

"*2020A Bond Purchaser*" means STI Institutional & Government, Inc., as the original purchaser of the 2020A Bond.

"*2020A Subaccount of the Costs of Issuance Account*" means the account with the Construction Fund created and so designated by Section 401.

"*2020A Subaccount of the Interest Account*" means the subaccount created and so designated by Section 401.

"*2020A Subaccount of the Redemption Account*" means the subaccount created and so designated by Section 401.

"*2020A Subaccount of the Sinking Fund Account*" means the subaccount created and so designated by Section 401.

"*2020B Bond*" means the City of Monroe, North Carolina Combined Enterprise System Revenue Refunding Bond, Series 2020B.

"*2020B Bond Purchaser*" means STI Institutional & Government, Inc., as the original purchaser of the 2020B Bond.

"*2020B Subaccount of the Costs of Issuance Account*" means the account with the Construction Fund created and so designated by Section 401.

"*2020B Subaccount of the Interest Account*" means the subaccount created and so designated by Section 401.

"*2020B Subaccount of the Redemption Account*" means the subaccount created and so designated by Section 401.

"*2020B Subaccount of the Sinking Fund Account*" means the subaccount created and so designated by Section 401.

Section 102. ***Rules of Construction***. Words of the masculine gender include correlative words of the feminine and neuter genders. Unless the context otherwise indicates, words used herein include the plural as well as the singular number.

References herein to particular articles or sections are references to articles or sections of this Series Resolution unless some other reference is indicated.

ARTICLE II
AUTHORIZATION, FORM, ISSUANCE, DELIVERY AND REGISTRATION OF 2020 BONDS

Section 201. ***Authorization and Purposes of 2020 Bonds***.

(a) The City is hereby authorized to issue $6,560,000 City of Monroe Combined Enterprise System Revenue Refunding Bond, Series 2020A and $6,776,000 City of Monroe Combined Enterprise System Revenue Refunding Bond, Series 2020B, to refinance the Refunded 2011 Bonds and the 2014 State Revolving Fund Loan and to pay certain costs and expenses incidental thereto.

(b) Wells Fargo Bank, National Association, is hereby confirmed as Trustee under the Order. Wells Fargo Bank, National Association, is hereby appointed Bond Registrar for the 2020 Bonds under this Series Resolution.

Section 202. ***Forms of 2020 Bonds.*** The definitive 2020A Bond is issuable in fully registered form in principal amount thereof, shall be lettered "RA-1" and the definitive 2020B Bond is issuable in fully registered form in principal amount thereof, shall be lettered "RB-1." The definitive 2020 Bonds shall be substantially in the forms set forth in Exhibit A attached hereto and made a part hereof, with such appropriate variations, omissions and insertions as are permitted or required by this Series Resolution.

Section 203. ***Details of 2020 Bonds.*** The Series 2020A Bond shall be dated the date of its delivery, shall bear interest until their payment at an interest rate of 0.92% per annum (calculated on the basis of a 360-day year consisting of twelve 30-day months), such interest to the maturity thereof being payable on March 1, 2021, and semiannually thereafter on each Interest Payment Date, as hereinafter provided. The Series 2020B Bond shall be dated the date of its delivery, shall bear interest until their payment at an interest rate of 1.40% per annum (calculated on the basis of a 360-day year consisting of twelve 30-day months), such interest to the maturity thereof being payable on May 1, 2021, and semiannually thereafter on each Interest Payment Date, as hereinafter provided.

The principal of, premium, if any, and interest on the 2020 Bonds are payable in any lawful coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. The 2020 Bonds will bear interest until its principal sum has been paid. Each 2020 Bond will bear interest (1) from the date of its initial issuance, if authenticated prior to the first Interest Payment Date, or (2) otherwise from the Interest Payment Date that is, or that immediately precedes, the date on which such 2020 Bond is authenticated (unless payment of interest is in default, in which case such 2020 Bond will bear interest from the date to which interest has been paid). The 2020 Bonds are payable at the designated corporate trust office of the Bond Registrar without the need for presentation and surrender of the 2020 Bonds; provided; however, presentation of the final payment at maturity or redemption in whole will be required at the designated corporate trust of the Bond Registrar; provided, however, if such 2020 Bond is lost, the Owner of such 2020 Bond will file with Bond Registrar evidence satisfactory to it of the destruction, loss or theft of such 2020 Bond and of the Owner's ownership thereof. Interest on the 2020 Bonds will be paid by the Bond Registrar by check or draft mailed on the Interest Payment Date to each Owner as its name and address appear on the registration books kept by the Bond Registrar at the close of business on the Regular Record Date. At the written request of an Owner, principal and interest may be payable by wire transfer at the address specified in writing by such Owner to the Bond Registrar by the Regular Record Date.

Section 204. ***Issuance of 2020 Bonds; Application of Proceeds***.

(a) The principal amount of the 2020 Bonds shall be in the amounts set forth in Section 201. The 2020A Bond is a Term Bond and shall mature (subject to redemption as hereinafter set forth) on March 1, 2028. The 2020B Bond is a Term Bond and shall mature (subject to redemption as hereinafter set forth) on May 1, 2034.

(b) The 2020 Bonds shall be executed substantially in the form and in the manner herein set forth and shall be deposited with the Bond Registrar for authentication, but before the 2020 Bonds shall be authenticated and delivered by the Bond Registrar, there shall be filed with the Trustee the following:

(i) a copy, certified by the City Clerk, of the Order and this Series Resolution;

(ii) a copy, certified by the Secretary or any Deputy Secretary of the Local Government Commission, of the order and resolutions of the Local Government Commission approving the issuance of and awarding the 2020 Bonds;

(iii) an opinion of the City Attorney to the effect that (1) this Series Resolution and the Order have each been duly and validly adopted and are each valid and binding on the City in accordance with their terms, (2) no provision of the Order or this Series Resolution results in or constitutes a default under any agreement, indenture or other instrument to which the City is a party or by which the City may be bound, and of which the City has knowledge, (3) the City's adoption of the Order and this Series Resolution and execution and issuance of the 2020 Bonds are not subject to any authorization, consent, approval or review of any governmental body, public officer or regulatory authority not theretofore obtained or effected, and (4) the form, terms, execution, issuance and delivery of the 2020 Bonds have been duly and validly authorized by the City; and

(iv) evidence of compliance with the appropriate provisions of Section 716 of the Order with respect to incurring Parity Indebtedness.

(c) When the documents mentioned in subsections (i) to (iv), inclusive, of subsection (b) have been filed with the Trustee, and when the 2020 Bonds have been executed and authenticated as required by this Series Resolution, the 2020A Bond shall be delivered to or on the order of the State Treasurer for redelivery to or on the order of the 2020A Bond Purchaser, but only on the deposit with the Trustee of the purchase price of the 2020A Bond and the 2020B Bond shall be delivered to or on the order of the State Treasurer for redelivery to or on the order of the 2020B Bond Purchaser, but only on the deposit with the Trustee of the purchase price of the 2020B Bond. The Trustee shall be entitled to rely on the resolutions mentioned in subsections (b)(i) and (ii) of this Section as to all matters stated therein.

(d) Simultaneously with the Closing and the deposit of the net proceeds of the 2020 Bonds with the Trustee, the Trustee shall apply, or cause to be applied, the net proceeds (including any original issue premium or discount) in the amounts set forth in the such amounts identified in the Issuance, Sale and Closing Certificate to be used on the Closing Date.

Section 205. ***Restrictions on Transfer***. The 2020 Bonds will be non-transferable, except to (1) a bank, insurance company, or similar financial institution, (2) any direct or indirect wholly-owned subsidiary of an Owner of a series of the 2020 Bonds (an "*Owner Affiliate*"), provided such Owner Affiliate agrees to transfer the 2020 Bonds to a permitted transferee under this paragraph before it ceases to be an Owner Affiliate if at the time it ceases to be an Owner Affiliate it would not qualify as a permitted transferee under this paragraph, (3) or any other entity approved by the LGC. In connection with any such transfer, the Owner of the 2020 Bonds shall notify the Trustee that the transfer is permitted pursuant to this Section 205. The Trustee and the Bond Registrar may require an opinion of counsel to the Owner that such transfer is permitted pursuant to this Section 205. The Trustee and the Bond Registrar shall be fully protected in relying on such notification and/or opinion delivered to it in accordance herewith. The Trustee and the Bond Registrar will have no obligation to pay any amounts due on the 2020 Bonds to anyone other than the Owner of the 2020 Bonds as shown on the registration books kept by the Bond Registrar.

ARTICLE III
REDEMPTION OF 2020 BONDS

Section 301. ***Redemption of 2020 Bonds.*** (a) The 2020 Bonds are subject to prior redemption as provided in this Article III and in Article III of the Order.

(b) *Optional Redemption.* The 2020A Bond is subject to redemption at the option of the City at 100% plus interest to date. Upon two Business Days' prior written notice to the Owner of the 2020A Bond, the City may redeem amounts owing under the 2020A Bond at any time and from time to time.

Such redemption notice shall specify the amount of the redemption which is to be applied. In the event of redemption prior to maturity, the City may be required to pay the Owner of the 2020A Bond an additional fee (a redemption charge) determined in the manner provided below, to compensate the Owner of the 2020A Bond for all losses, costs and expenses incurred in connection with such redemption.

The fee shall be equal to the present value of the difference between (1) the amount that would have been realized by the Owner of the 2020A Bond on the redeemed amount for the remaining term of the loan at the ICE Benchmark Administration ("*IBA*") rate for fixed-rate payers in U.S. Dollar interest rate swaps for a term corresponding to the term of the 2020A Bond, interpolated to the nearest month, if necessary, that was in effect three Business Days prior to the origination date of the 2020A Bond and (2) the amount that would be realized by the Owner of the 2020A Bond by reinvesting such redeemed funds for the remaining term of the loan at the IBA rate for fixed-rate payers in U.S. Dollar interest rate swaps, interpolated to the nearest month, that was in effect three Business Days prior to the loan repayment date; both discounted at the same interest rate utilized in determining the applicable amount in (2). Should the present value have no value or a negative value, the City may redeem with no additional fee. Should the IBA no longer release rates for fixed-rate payers in U.S. Dollar interest rate swaps, the Owner of the 2020A Bond may substitute the IBA index for rates for fixed-payers in U.S. Dollar interest rate swaps with another similar index as determined by the Owner of the 2020A Bond. The Owner of the 2020A Bond shall provide the City with a written statement explaining the calculation of the premium due, which statement shall, in absence of manifest error, be conclusive and binding.

(c) The 2020B Bond is subject to redemption at the option of the City at 100% plus interest to date. Upon two Business Days' prior written notice to the Owner of the 2020B Bond, the City may redeem amounts owing under the 2020B Bond at any time and from time to time. Such redemption notice shall specify the amount of the redemption which is to be applied. In the event of redemption prior to maturity, the City may be required to pay the Owner of the 2020B Bond an additional fee (a redemption charge) determined in the manner provided below, to compensate the Owner of the 2020B Bond for all losses, costs and expenses incurred in connection with such redemption.

The fee shall be equal to the present value of the difference between (1) the amount that would have been realized by the Owner of the 2020B Bond on the redeemed amount for the remaining term of the loan at the ICE Benchmark Administration ("*IBA*") rate for fixed-rate payers in U.S. Dollar interest rate swaps for a term corresponding to the term of the 2020B Bond, interpolated to the nearest month, if necessary, that was in effect three Business Days prior to the origination date of the 2020B Bond and (2) the amount that would be realized by the Owner of the 2020B Bond by reinvesting such redeemed funds for the remaining term of the loan at the IBA rate for fixed-rate payers in U.S. Dollar interest rate swaps, interpolated to the nearest month, that was in effect three Business Days prior to the loan repayment date; both discounted at the same interest rate utilized in determining the applicable amount in (2). Should the present value have no value or a negative value, the City may redeem with no additional fee. Should the IBA no longer release rates for fixed-rate payers in U.S. Dollar interest rate swaps, the Owner of the 2020B Bond may substitute the IBA index for rates for fixed-payers in U.S. Dollar interest rate swaps with another similar index as determined by the Owner of the 2020B Bond. The Owner of the 2020B Bond shall provide the City with a written statement explaining the calculation of the premium due, which statement shall, in absence of manifest error, be conclusive and binding.

(d) In the case of any partial redemption of a series of the 2020 Bond, the Owner of such 2020 Bond will select which mandatory redemption payment or payments under subsection (e) against which it will receive a credit.

(e) *Mandatory Sinking Fund Redemption.* The 2020A Bond is subject to mandatory sinking fund redemption from moneys deposited to the credit of the 2020A Subaccount of the Sinking Fund Account in an amount equal to the following Sinking Fund Requirement, at a redemption price equal to 100% of the principal amount of the 2020A Bond to be so redeemed plus interest accrued to the redemption date, in the amounts and on the dates as follows:

Redemption Date (March 1)	**Principal Amount**	**Redemption Date (March 1)**	**Principal Amount**
2022	$1,120,000	2026	$860,000
2023	1,130,000	2027	872,000
2024	848,000	2028*	874,000
2025	856,000		

*Maturity

The 2020B Bond is subject to mandatory sinking fund redemption from moneys deposited to the credit of the 2020B Subaccount of the Sinking Fund Account in an amount equal to the following Sinking Fund Requirement, at a redemption price equal to 100% of the principal amount of the 2020B Bond to be so redeemed plus interest accrued to the redemption date, in the amounts and on the dates as follows:

Redemption Date (May 1)	**Principal Amount**	**Redemption Date (May 1)**	**Principal Amount**
2021	$478,000	2028	$485,000
2022	507,000	2029	481,000
2023	503,000	2030	477,000
2024	500,000	2031	473,000
2025	496,000	2032	469,000
2026	492,000	2033	465,000
2027	489,000	2034*	461,000

*Maturity

The Bond Registrar will pay the mandatory redemption amounts as provided above to the respective Owners without the need for prior redemption notification. The respective Owners will record such payments on the respective 2020 Bond certificate.

Section 302. ***Reserved***

Section 303. ***Redemption Notice for 2020 Bonds**.* Notice of redemption under Sections 301(b) and (c) will be given by the Bond Registrar not less than two Business Days before the redemption date (1) to the LGC by Mail or electronic transmission, and (2) by registered or certified mail to the then-registered Owners of 2020 Bond to be redeemed at the last address shown on the registration books kept by the Bond Registrar (or by such other means as may be permitted by the Owners). Failure to provide such notice to the LGC will not affect the validity of any proceedings for such redemption.

Notwithstanding the foregoing, (1) if notice is given, the failure to receive an appropriate notice shall not affect the validity of the proceedings for such redemption and (2) the failure to give any such notice or any defect therein shall not affect the validity of the proceedings for the redemption of the 2020 Bonds or portions thereof with respect to which notice was correctly given.

Each such notice shall set forth the designation, the date and Series of the 2020 Bonds to be redeemed, the date fixed for redemption, the Redemption Price to be paid and the place or places where amounts due on such redemption must be payable. If any 2020 Bond is to be redeemed in part only, the notice of redemption shall state also that on or after the redemption date, on surrender of such 2020 Bonds, a new 2020 Bond in principal amount equal to the unredeemed portion of such 2020 Bond will be issued.

Any notice of redemption, except a notice of redemption in respect of a Sinking Fund Requirement, may state that the redemption to be effected is conditioned on the receipt by the Trustee or Bond Registrar on or prior to the redemption date of moneys sufficient to pay the principal of and premium, if any, and interest on the 2020 Bonds to be redeemed and that if such moneys are not so received such notice shall be of no force or effect and such 2020 Bonds shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay the principal of and premium, if any, and interest on such 2020 Bonds are not received by the Trustee or Bond Registrar on or prior to the redemption date, the redemption shall not be made and the Bond Registrar shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

ARTICLE IV
ACCOUNTS, SUBACCOUNTS, REVENUES AND FUNDS

Section 401. ***Establishment of Subaccounts and Account.*** The following Subaccounts and Account are hereby established:

(a) 2020A Subaccount of the Costs of Issuance Account;

(b) 2020A Subaccount of the Interest Account;

(c) 2020A Subaccount of the Redemption Account;

(d) 2020A Subaccount of the Sinking Fund Account;

(e) 2020B Subaccount of the Costs of Issuance Account;

(f) 2020B Subaccount of the Interest Account;

(g) 2020B Subaccount of the Redemption Account; and

(h) 2020B Subaccount of the Sinking Fund Account

The subaccounts mentioned above shall be established with and held by the Trustee pursuant to the Order and this Series Resolution.

Section 402. ***Revenues Received by the City.*** The City shall, subject to the provisions of the Order, deposit or cause to be deposited, from Net Revenues held in the Revenue Fund, with the Trustee the following amounts, and the Trustee shall apply such amounts to the various Accounts and subaccounts specified herein in the following manner and order:

(a) on or before the 25th day of the month preceding each March 1 and September 1, commencing March 1, 2021, into the 2020A Subaccount of the Interest Account, and on or before the 25^{th} day of the month preceding each May 1 and November 1, commencing May 1, 2021, in to the 2020B Subaccount of the Interest Account, such amounts as shall be sufficient to make full and timely payments of the interest payable on the 2020A Bond or 2020B Bond, as applicable, on the next ensuing Interest Payment Date;

(b) on or before the 25th day of the month preceding each March 1, commencing March 1, 2022 into the 2020A Subaccount of the Sinking Fund Account, and on or before the 25^{th} day of the month preceding each May 1, commencing May 1, 2021, into the 2020B Subaccount of the Sinking Fund Account, the amounts that are required to retire the Term Bonds to be called by mandatory redemption or to be paid at maturity on the next ensuing March 1 or May 1, respectively, in accordance with the Sinking Fund Requirement therefor.

In the month following a month in which the City shall have failed to make any deposit required by this Section 402, the City shall deposit, in addition to the amounts then due, but only from Net Revenues, an amount sufficient to cure any deficiency in deposit unless such deficiency shall have been cured.

Section 403. ***Application of Money in the 2020A Subaccount of the Sinking Fund Account and 2020B Subaccount of the Sinking Fund Account.*** Money held in the 2020A Subaccount of the Sinking Fund Account and 2020B Subaccount of the Sinking Fund Account shall be applied during each Bond Year to the retirement of Term Bonds then Outstanding as follows:

(a) The Trustee shall redeem on each mandatory sinking fund date the 2020A Bond then subject to redemption in a principal amount equal to the aggregate Sinking Fund Requirement for the 2020A Bond. If the amount available in the 2020A Subaccount of the Sinking Fund Account on such mandatory sinking fund date is not equal to the Sinking Fund Requirement for the 2020A Bond, the Trustee shall apply the amount available in the 2020A Subaccount of the Sinking Fund Account to the redemption of 2020A Bond then subject to redemption so as to exhaust, to the extent practicable, the amount available. On each redemption date the Trustee shall withdraw from the 2020A Subaccount of the Sinking Fund Account the amount required to pay the Redemption Price of the 2020A Bond subject to redemption. The amount of interest on the 2020A Bond subject to redemption shall be paid from the 2020A Subaccount of the Interest Account. If such date is the stated maturity date of the 2020A Bond, the Trustee shall on such maturity withdraw the amount required for paying the principal of the 2020A Bond when due and payable.

(b) The Trustee shall redeem on each mandatory sinking fund date the 2020B Bond then subject to redemption in a principal amount equal to the aggregate Sinking Fund Requirement for the 2020B Bond. If the amount available in the 2020B Subaccount of the Sinking Fund Account on such mandatory sinking fund date is not equal to the Sinking Fund Requirement for the 2020B Bond, the Trustee shall apply the amount available in the 2020B Subaccount of the Sinking Fund Account to the redemption of 2020B Bond then subject to redemption so as to exhaust, to the extent practicable, the amount available. On each redemption date the Trustee shall withdraw from the 2020B Subaccount of the Sinking Fund Account the amount required to pay the Redemption Price of the 2020B Bond subject to redemption. The amount of interest on the 2020B Bond subject to redemption shall be paid from the 2020B Subaccount of the Interest Account. If such date is the stated maturity date of the 2020B Bond, the Trustee shall on such maturity withdraw the amount required for paying the principal of the 2020B Bond when due and payable.

If on any date there is money in the 2020A Subaccount of the Sinking Fund Account or the 2020B Subaccount of the Sinking Fund Account, as applicable, and no Term Bonds are then Outstanding or if on any payment date money remains therein after the mandatory redemption of Term Bonds in accordance with the Sinking Fund Requirement therefor, the Trustee shall withdraw such money therefrom and shall apply the same as follows and in the following order: (a) deposit in the 2020A Subaccount of the Interest Account and the 2020B Subaccount of the Interest Account, the amounts, if any, required to be paid thereto in such month and (b) deposit all remaining amounts to the Revenue Fund.

On the retirement of any Term Bonds by redemption pursuant to the provisions of this Section, the Trustee shall file with the City a statement identifying such Term Bonds and setting forth the date of purchase or redemption, the amount of the purchase price or the Redemption Price of such Term Bonds, and the amount paid as interest thereon. The expenses incurred in connection with the redemption of any such Term Bonds shall be paid by the City from the Revenue Fund or from any other legally available moneys.

Section 404. ***Application of Money in the 2020A Subaccount of the Redemption Account and 2020B Subaccount of the Redemption Account.*** The Trustee shall apply money in the 2020A Subaccount of the Redemption Account or the 2020B Subaccount of the Redemption Account, as applicable, to the redemption of 2020 Bonds in accordance with the written instructions of the City.

The expenses incurred by the Trustee in connection with the purchase or redemption of any such 2020 Bonds shall be paid by the City from the Revenue Fund or from any other available moneys.

Section 405. ***Application of Money in the 2020A Subaccount of the Costs of Issuance Account and 2020B Subaccount of the Costs of Issuance Account.*** Money held in the applicable Subaccount of the Costs of Issuance Account shall be applied to pay the Costs of Issuance on the filing from time to time with the Trustee of a requisition signed by an authorized City representative in the form attached hereto as Exhibit B or such other form acceptable to the Trustee.

Section 406. ***Investment of Money.*** Money held for the credit of all Accounts and subaccounts established hereunder on deposit with the Trustee shall be continuously invested and reinvested by the Trustee in Investment Obligations to the extent practicable. Any such Investment Obligations shall mature not later than the respective dates when the money held for the credit of such subaccounts will be required for the purposes intended. No Investment Obligations in any such subaccount may mature beyond the latest maturity date of any 2020 Bonds Outstanding at the time such Investment Obligations are deposited.

Investment Obligations acquired with money in or credited to any Account or subaccount established hereunder shall be deemed at all times to be part of such Account or subaccount. Any loss realized on the disposition or maturity of such Investment Obligations shall be charged against such Account or subaccount. The interest accruing on any such Investment Obligations and any profit realized on the disposition or maturity of such Investment Obligations shall be credited to such Accounts or subaccounts as follows:

ACCOUNTS OR SUBACCOUNTS	**CREDITED TO**
2020A Subaccount of the Costs of Issuance Account of the Construction Fund	2020A Subaccount of the Costs of Issuance Account of the Construction Fund
2020A Subaccounts of the Interest Account and the Sinking Fund Account	2020A Subaccount of the Interest Account

ACCOUNTS OR SUBACCOUNTS	CREDITED TO
2020B Subaccount of the Costs of Issuance Account of the Construction Fund	2020B Subaccount of the Costs of Issuance Account of the Construction Fund
2020B Subaccounts of the Interest Account, and the Sinking Fund Account	2020B Subaccount of the Interest Account
All other Accounts and subaccounts	Revenue Fund

Any such interest accruing and any such profit realized shall be transferred on the receipt thereof by the City or the Trustee, as the case may be, pursuant to the provisions of the Order and this Series Resolution.

An Authorized Officer shall give to the Trustee written directions respecting the investment of any money required to be invested hereunder, subject, however, to the provisions of this Section 407, and the Trustee shall then invest such money as so directed. The Trustee may request in writing additional direction or authorization from the Authorized Officer with respect to the proposed investment of money. On receipt of such directions, the Trustee shall invest, subject to the provisions of this Section 407, such money in accordance with such directions.

The Trustee shall, acting in a commercially reasonable manner, sell at the best price obtainable or reduce to cash a sufficient amount of such Investment Obligations whenever it is necessary to do so in order to provide money to make any payment from any such subaccount.

Whenever a transfer of money between two or more of the subaccounts is permitted or required, such transfer may be made as a whole or value determined at the time of such transfer in accordance with Article VI of the Order, provided that the Investment Obligations transferred are those in which money of the receiving subaccount could be invested at the date of such transfer.

Section 407. ***Payment of Principal, Interest and Premium and Pledge of Net Revenues***. The City covenants that it will promptly pay the principal of and the interest on every 2020 Bond issued under the provisions of this Series Resolution at the places, on the dates and in the manner provided herein and in said 2020 Bonds, and any premium required for the retirement of said 2020 Bonds by purchase or redemption, according to the true intent and meaning thereof. The City further covenants that it will faithfully perform at all times all of its covenants, undertakings and agreements contained in this Series Resolution and the Order, or in any 2020 Bond executed, authenticated and delivered hereunder or in any proceedings of the City pertaining thereto. The City represents and covenants that it is duly authorized under the Constitution and laws of the State to issue the 2020 Bonds and to pledge the Net Revenues in the manner and to the extent herein and in the Order and the Series Resolution set forth; that all action on its part for the issuance of the 2020 Bonds has been duly and effectively taken; that such 2020 Bonds in the hands of the Owners thereof are and will be valid and binding special obligations of the City payable according to their terms.

Section 408. ***Tax Covenant.*** (a) The City 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 of interest paid on the 2020 Bonds from gross income of the Owners thereof for federal income tax purposes.

(b) In the event of a Taxable Event with respect to a series of 2020 Bonds, the interest rate payable on such series of 2020 Bonds, from and after the Taxable Date, shall be adjusted to preserve the Owner's after-tax economic yield with respect to the interest on such series of 2020 Bonds, taking into account any interest expense deductions lost by the Owner plus an amount equal to any interest, penalties on overdue interest and additions to tax (as referred to in Subchapter A of Chapter 68 of the Code) owed by the Owner as a result of the occurrence of a Taxable Event with respect to such series of 2020 Bonds. In the event of a Taxable Event, the Owner shall promptly provide the City and the Trustee with prior written notice of the interest rate to be applied to such series of 2020 Bonds and the methodology of determining such interest rate.

ARTICLE V
THE TRUSTEE

Section 501. ***Confirmation of Duties by Trustee.*** The Trustee shall confirm its acceptance of the duties and obligations imposed on it by this Series Resolution by delivery to the City of its written confirmation thereof.

ARTICLE VI
SUPPLEMENTAL SERIES RESOLUTIONS

Section 601. ***Modification of Series Resolutions without Consent of Owners***. The City may, from time to time and at any time, adopt such resolutions supplemental hereto (which supplemental resolution shall thereafter form a part hereof) as shall be substantially consistent with the terms and provisions of this Series Resolution and, in the opinion of the Trustee, who may rely on a written opinion of legal counsel, shall not materially and adversely affect the interest of the Owners:

(a) to cure any ambiguity or formal defect or omission, to correct or supplement any provision herein that may be inconsistent with any other provision herein, to make any other provisions with respect to matters or questions arising under this Series Resolution or to modify, alter, amend, add to or rescind, in any particular, any of the terms or provisions contained in this Series Resolution, or

(b) to grant or to confer on the Trustee for the benefit of the Owners any additional rights, remedies, powers, authority or security that may lawfully be granted to or conferred on the Owners or the Trustee, or

(c) to add to the covenants and agreements of the City in this Series Resolution other covenants and agreements thereafter to be observed by the City or to surrender any right or power herein reserved to or conferred on the City, or

(d) to permit the qualification of this Series Resolution under any federal statute now or hereafter in effect or under any state Blue Sky law, and, in connection therewith, if the City so determines, to add to this Series Resolution or any supplemental Series Resolution such other terms, conditions and provisions as may be permitted or required by such federal statute or Blue Sky law, or

(e) to adopt such other resolutions supplemental hereto as shall not materially and adversely affect the interest of the Owners.

Section 602. ***Modification of Series Resolution with Consent of Owners.*** Subject to the terms and provisions contained in this Section, and not otherwise, the Owners of not less than a majority in aggregate principal amount of the 2020 Bonds then Outstanding that will be affected, as defined in Section 603, by a proposed supplemental series resolution shall have the right, from time to time, anything contained in this Series Resolution to the contrary notwithstanding, to consent to and approve the adoption by the City and the acceptance by the Trustee of such series resolution supplemental hereto as shall be deemed necessary or desirable by the City for the purpose of modifying, altering, amending, adding to or rescinding, in any particular, any of the terms or provisions contained in this Series Resolution or in any supplemental series resolution; provided, however, that nothing herein contained shall permit, or be construed as permitting (a) an extension of the maturity of the principal of or the interest on any 2020 Bond, (b) a reduction in the principal amount of any 2020 Bond or the redemption premium or the rate of interest thereon, or (c) the creation of a pledge of Net Revenues other than the lien and pledge created by the Order or this Series Resolution, or (d) a preference or priority of any 2020 Bond over any other 2020 Bond, or (e) a reduction in the aggregate principal amount of 2020 Bonds required for consent to such supplemental series resolution. Nothing herein contained, however, shall be construed as making necessary the approval by the Owners of the adoption and acceptance of any supplemental series resolution as authorized in Section 601.

The Trustee shall, at the expense of the City, such expense to be paid from the Revenue Fund or from any other available moneys, cause notice of the proposed adoption of such supplemental series resolution to be mailed, postage prepaid, to the Local Government Commission and all Owners. Such notice shall briefly set forth the nature of the proposed supplemental series resolution and shall state that copies thereof are on file at the principal office of the Trustee for inspection by all Owners. The Trustee shall not, however, be subject to any liability to any Owner by reason of its failure to mail the notice required by this Section, and any such failure shall not affect the validity of such supplemental series resolution when approved and consented to as provided in this Section.

Whenever, at any time within one year after the date of the mailing of such notice (or such longer period designated by the City), the City shall deliver to the Trustee an instrument or instruments in writing purporting to be executed by the Owners of not less than a majority in aggregate principal amount of 2020 Bonds then Outstanding that are affected, as defined in Section 603, by a proposed supplemental series resolution, which instrument or instruments shall refer to the proposed supplemental series resolution described in such notice and shall specifically consent to and approve the adoption thereof in substantially the form of the copy thereof referred to in such notice, then, but not otherwise, the City may adopt such supplemental series resolution in substantially such form, without liability or responsibility to any Owner, whether or not such Owner shall have consented thereto.

If the Owners of not less than a majority in aggregate principal amount of the 2020 Bonds Outstanding at the time of the adoption of such supplemental series resolution and that are affected, as defined in Section 603, by a proposed supplemental series resolution have consented to and approved the adoption thereof as herein provided, to the extent permitted by law, no Owner shall have any right to object to the adoption of such supplemental series resolution, to object to any of the terms and provisions contained therein or the operation thereof, to question the propriety of the adoption thereof, or enjoin or restrain the City from adopting the same or from taking any action pursuant to the provisions thereof.

On the adoption of any supplemental series resolution pursuant to the provisions of this Section or Section 601, this Series Resolution shall be and be deemed to be modified and amended in accordance therewith, and the respective rights, duties and obligations under this Series Resolution of the City, the Trustee and all Owners shall thereafter be determined, exercised and enforced in all respects pursuant to the provisions of this Series Resolution as so modified and amended.

Section 603. ***2020 Bonds Affected.*** For purposes of this Series Resolution, 2020 Bonds shall be deemed to be "affected" by a supplemental series resolution if the same adversely affects or diminishes the rights of Owners against the City or the rights of the Owners in the security for such 2020 Bonds. The Trustee may in its discretion determine whether any 2020 Bonds would be affected by any supplemental series resolution and any such determination is conclusive on the Owners of all 2020 Bonds, whether theretofore or thereafter authenticated and delivered hereunder. The Trustee shall not be liable for any such determination made in good faith.

Section 604. ***Exclusion of 2020 Bonds.*** 2020 Bonds owned or held by or for the account of the City shall not be deemed Outstanding Bonds for the purpose of any consent or other action or any calculation of Outstanding 2020 Bonds provided for in this Article, and the City as Owner of such 2020 Bonds shall not be entitled to consent or take any other action provided for in this Article. At the time of any consent or other action taken under this Article, the City shall furnish the Trustee an Officer's Certificate on which the Trustee may rely, describing all 2020 Bonds so to be excluded.

Section 605. ***Responsibilities of Trustee and City under this Article.*** The Trustee and the City shall be entitled to exercise their discretion in determining whether or not any proposed supplemental series resolution or any term or provision therein contained is desirable, after considering the purposes of such instrument, the needs of the City, the rights and interests of the Owners, and the rights, obligations and interests of the Trustee. The Trustee shall be entitled to receive, and shall be fully protected in relying on, the opinion of counsel approved by it, who may be bond counsel for the City, as conclusive evidence that any such proposed supplemental series resolution does or does not comply with the provisions of this Series Resolution, and that it is or is not proper for it, under the provisions of this Article, to accept such supplemental series resolution.

ARTICLE VII
DEFEASANCE

Section 701. ***Release of Series Resolution.*** When

(a) the 2020 Bonds secured hereby have become due and payable in accordance with their terms or otherwise as provided in this Series Resolution, and the whole amount of the principal and the interest and premium, if any, so due and payable on all 2020 Bonds are paid, and

(b) if the 2020 Bonds have not become due and payable in accordance with their terms, the Trustee or the Bond Registrar shall hold, sufficient (i) money or (ii) Defeasance Obligations or a combination of (i) and (ii) of this clause (b), the principal of and the interest on which, when due and payable, will provide sufficient money to pay the principal of, and the interest and redemption premium, if any, on all 2020 Bonds then Outstanding to the maturity date or dates of such 2020 Bonds or to the date or dates specified for the redemption thereof, as verified by an independent certified public accountant or other nationally recognized arbitrage rebate consultant acceptable to the Trustee, and

(c) if 2020 Bonds are to be called for redemption, irrevocable instructions to call the 2020 Bonds for redemption have been given by the City to the Trustee, and

(d) sufficient funds have also been provided or provision made for paying all other obligations payable hereunder by the City,

then and in that case the right, title and interest of the Trustee in the Funds, Accounts and subaccounts mentioned in this Series Resolution shall then cease, determine and become void and, on being furnished with an opinion, in form and substance satisfactory to the Trustee, of counsel approved by the Trustee, to the effect that all conditions precedent to the release of this Series Resolution have been satisfied, the City shall repeal and cancel this Series Resolution and shall execute such documents to evidence such cancellation as may be required by such counsel and the Trustee shall turn over to the City any surplus in, and all balances remaining in, all Funds, Accounts and subaccounts other than money held for the redemption or payment of 2020 Bonds. Otherwise, this Series Resolution shall be, continue and remain in full force and effect; provided, that, in the event Defeasance Obligations shall be deposited with and held by the Trustee or the Bond Registrar as hereinabove provided, (i) in addition to the requirements set forth in Article III, the Trustee, within 30 days after such Defeasance Obligations shall have been deposited with it, shall cause a notice signed by the Trustee to be mailed, postage prepaid (or as long as the 2020 Bonds are in book-entry form, in such other manner as may be permitted under the rules and procedures of the Owner), to all Owners of 2020 Bonds, setting forth (a) the date or dates, if any, designated for the redemption of the 2020 Bonds, (b) a description of the Defeasance Obligations so held by it, and (c) that this Series Resolution has been repealed and canceled in accordance with the provisions of this Section, and (ii) (a) the Trustee shall nevertheless retain such rights, powers and privileges under the Order and this Series Resolution as may be necessary and convenient in respect of the 2020 Bonds for the payment of the principal, interest and any premium for which such Defeasance Obligations have been deposited and (b) the Bond Registrar shall retain such rights, powers and privileges under the Order and this Series Resolution as may be necessary and convenient for the registration, transfer and exchange of 2020 Bonds; provided, however, that failure to mail such notice to any Owner or to the Owners or any defect in such notice so mailed shall not affect the validity of the proceedings for the repeal and cancellation of this Series Resolution. Any 2020 Bonds meeting the requirements of this section may be considered defeased and no longer Outstanding under the Order and this Series Resolution.

All money and Defeasance Obligations held by the Trustee (or the Bond Registrar) pursuant to this Section shall be held in trust and applied to the payment, when due, of the obligations payable therewith.

ARTICLE VIII
MISCELLANEOUS PROVISIONS

Section 801. ***State Law Governs.*** This Series Resolution is adopted with the intent that the laws of the State govern its construction.

Section 802. ***Headings.*** Any heading preceding the text of the several articles or sections hereof, and any table of contents or marginal notes appended to copies hereof, are solely for convenience of reference and do not constitute a part of this Series Resolution nor affect its meaning, construction or effect.

Section 803. ***Application to Local Government Commission.*** The City hereby confirms its request to the Local Government Commission to sell the 2020 Bonds at private sale and without advertisement in accordance with the provisions of Section 159-123 of the General Statutes of North Carolina, as amended, at such price as the Local Government Commission determines to be in the best interest of the City and as provided in the City's application.

Section 804. ***Authorization for Other Acts.*** (d) The officers of the City and the agents and employees of the City and the officers and agents of the Trustee are hereby authorized and directed to do all acts and things required of them by the provisions of the 2020 Bonds, the Order and the Purchase Agreement for the full, punctual and complete performance of the terms, covenants, provisions and agreements of the same and also to do all acts and things required of them by the provisions of this Series Resolution. The Mayor, the City Manager, the Assistant City Manager, the Finance Director and the City Clerk, and any of them, or their deputies, are further authorized and directed (without limitation except as may be expressly set forth herein) to take such action and to execute and deliver any such documents, deeds, certificates, undertakings, agreements or other instruments as they, with the advice of counsel, may deem necessary and appropriate to effect the transactions contemplated by the Order and this Series Resolution.

(f) From the adoption of this Series Resolution until the date of the first issuance of 2020 Bonds hereunder, the City Manager or the Finance Director are hereby authorized, empowered and directed to make any changes, modifications, additions or deletions to this Resolution as to them seem necessary, desirable or appropriate to implement the intent of this Resolution. Such changes, modifications, additions or deletions to this Resolution shall be set forth in the Issuance, Sale and Closing Certificate on the date of issuance of the 2020 Bonds hereunder. Such execution of Issuance, Sale and Closing Certificate constitutes conclusive evidence of the City Council's approval thereof.

Section 805. ***Manner of Giving Notice.*** All notices, demands and requests to be given to or made under this Series Resolution by the City, the Local Government Commission, the Trustee or the Bond Registrar shall be given or made in writing and shall be deemed to be properly given or made if sent by United States registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

(a) As to the City —

City of Monroe
P.O. Box 69
Monroe, North Carolina 28111
Attention: City Manager

(b) As to the Trustee or Bond Registrar —

Wells Fargo Bank, National Association
225 Water Street, Suite 410
Jacksonville, Florida 32202
Attention: Corporate Trust Department

(c) As to the Local Government Commission —

North Carolina Local Government Commission
3200 Atlantic Avenue
Raleigh, North Carolina 27604
Attention: Secretary

Section 806. ***Payment of Indebtedness from Revenues.*** As permitted by Section 504 of the Order, the City may pay from amounts withdrawn from the Revenue Fund the debt service, when due, on any Indebtedness and any installment or lease purchase contract not already required to be paid under Section 504 of the Order, prior to the deposits required by subsections (d) and (e) of Section 504 of the Order, but only after the making of the deposits required by subsections (a), (b) and (c) of Section 504 of the Order.

Section 807. ***Financial Statements and Budget***.

(a) The City will furnish to the Owners of the 2020 Bonds current audited financial statements in reasonable detail, with supporting schedules (the "*Audit*"), as soon as practicable after the County's acceptance thereof and in any case within 270 days after the end of each Fiscal Year, which may be in electronic .PDF format. In the event the Audit is filed on the MSRB's "EMMA" website, to satisfy this requirement the City may email a link to the posted Audit to the Owners of the 2020 Bonds within such 270-day period. In the event that the Audit is not available within 270 days of end of a Fiscal Year, the City will furnish unaudited financial statements to the Owners of the 2020 Bonds in the manner described in this paragraph within such period, and will then supply the Audit immediately upon the availability thereof.

(b) The City will furnish to the Owners of the 2020 Bonds a copy of its annual budget within thirty (30) days of adoption of the same.

Section 808. ***Series Resolution Effective.*** This Series Resolution is effective on the Closing, except that the provisions of Sections 803 and 804 are effective immediately.

EXHIBIT A

FORM OF 2020A BOND

THIS BOND, EXCEPT FOR PERMITTED TRANSFERS, IS NON-TRANSFERABLE

CITY OF MONROE, NORTH CAROLINA
COMBINED ENTERPRISE SYSTEM REVENUE REFUNDING BOND
SERIES 2020A

No. RA-1 **$6,560,000**

INTEREST RATE	DATED DATE	MATURITY DATE
0.92%	**December 8, 2020**	**March 1, 2028**

REGISTERED OWNER:

PRINCIPAL AMOUNT: **SIX MILLION FIVE HUNDRED SIXTY THOUSAND DOLLARS**

THE CITY OF MONROE, NORTH CAROLINA (the "*City*"), a municipal corporation of the State of North Carolina, for value received, hereby promises to pay, solely from the sources and in the manner hereinafter provided, to the registered owner hereof named above, on the maturity date set forth above (or earlier as hereinafter referred to), at the designated corporate trust office of the Bond Registrar (the "*Bond Registrar*") currently Wells Fargo Bank, Jacksonville, Florida, the principal sum set forth above. The City also promises to pay, solely from said sources, interest thereon (1) from the date of initial issuance, if authenticated prior to the first Interest Payment Date (as defined in the Series Resolution hereinafter mentioned), or (2) otherwise from the Interest Payment Date that is, or that immediately precedes, the date on which this Bond is authenticated (unless payment of interest is in default, in which case such Bond will bear interest from the date to which interest has been paid), payable on March 1, 2021 and semi-annually thereafter on March 1 and September 1 of each year at the rate per annum set forth above (calculated on the basis of a 360-day year consisting of twelve 30-day months), as may be adjusted in accordance with the Series Resolution, until the principal sum hereof is paid. The interest so payable and punctually paid or duly provided for, on any Interest Payment Date, will be paid to the person in whose name this Bond is registered at the close of business on the Regular Record Date (as defined in the Series Resolution) for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Owner (as defined in the Order hereinafter mentioned) on such Regular Record Date, and may be paid to the person in whose name this Bond is registered at the close of business on a Special Record Date (as defined in the Order) for the payment of such defaulted interest to be fixed by the Trustee hereinafter mentioned, notice whereof being given to the Owners not less than 10 days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Bonds of this Series may be listed and on such notice as may be required by such exchange, or as more fully provided in the Order. The principal of, premium, if any, and interest on this Bond is payable in any lawful coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. This Bond is payable at the designated corporate trust office of the Bond Registrar without the need for presentation and surrender of this Bond; provided; however, presentation of the final payment at maturity or redemption in whole will be required at the designated corporate trust of the Bond Registrar; provided, however, if such Bond is lost, the Owner of such Bond will file with Bond Registrar evidence satisfactory to it of the destruction, loss or theft of such Bond and of the Owner's ownership thereof. Interest on the this Bond will be paid by the

Bond Registrar by check or draft mailed on the Interest Payment Date to the Owner as its name and address appear on the registration books kept by the Bond Registrar at the close of business on the Regular Record Date. At the written request of an Owner, principal and interest may be payable by wire transfer at the address specified in writing by such Owner to the Bond Registrar by the Regular Record Date.

This Bond is one of a duly authorized series of revenue bonds of the City, designated "City of Monroe Combined Enterprise System Revenue Refunding Bond, Series 2020A" (the "*Bond*"), issued under and pursuant to the Constitution and laws of the State of North Carolina, including the Act as defined in a bond order duly adopted by the City on May 3, 1994, as supplemented and amended (collectively, the "*Order*"), pursuant to which Wells Fargo Bank, National Association, Jacksonville, Florida, is serving as Trustee, and a series resolution (the "*Series Resolution*") duly adopted by the City on December 1, 2020. The Bonds are being issued for the purpose of providing funds for (i) refunding certain outstanding indebtedness and (ii) paying certain costs and expenses incidental to the issuance of the Bond.

The Bonds are special obligations of the City secured by a pledge, charge and lien on Net Revenues, as defined in the Order. The City is not obligated to pay the principal of or the interest on the Bonds except, as provided in the Order, from Net Revenues, or certain other moneys made available therefor under the Order, and neither the faith and credit nor the taxing power of the State of North Carolina or any political subdivision thereof is pledged to the payment of the principal of and the interest on the Bonds. The Order provides for the issuance from time to time under the conditions, limitations and restrictions therein set forth of additional revenue bonds and permits the incurrence of Parity Debt (as defined in the Order) secured pari passu as to the pledge of Net Revenues with the Bonds and other Parity Indebtedness heretofore or hereafter issued or incurred under the Order, subject to the City's right hereafter to determine by resolution not to treat Other General Obligation Indebtedness as Parity Indebtedness.

THE BOND WILL BE NON-TRANSFERABLE, EXCEPT TO (1) A BANK, INSURANCE COMPANY, OR SIMILAR FINANCIAL INSTITUTION, (2) ANY DIRECT OR INDIRECT WHOLLY-OWNED SUBSIDIARY OF THE OWNER OF THE BOND (AN "*OWNER AFFILIATE*"), PROVIDED SUCH OWNER AFFILIATE AGREES TO TRANSFER THE BOND TO A PERMITTED TRANSFEREE UNDER THIS PARAGRAPH BEFORE IT CEASES TO BE AN OWNER AFFILIATE IF AT THE TIME IT CEASES TO BE AN OWNER AFFILIATE IT WOULD NOT QUALIFY AS A PERMITTED TRANSFEREE UNDER THIS PARAGRAPH, (3) OR ANY OTHER ENTITY APPROVED BY THE NORTH CAROLINA LOCAL GOVERNMENT COMMISSION. THE TRUSTEE AND THE BOND REGISTRAR WILL HAVE NO OBLIGATION TO PAY ANY AMOUNTS DUE ON THE BOND TO ANYONE OTHER THAN THE OWNER OF THE BOND AS SHOWN ON THE REGISTRATION BOOKS KEPT BY THE BOND REGISTRAR.

The Order provides for the creation of a special fund designated "City of Monroe Combined Enterprise System Bond Fund" (the "*Bond Fund*"). Pursuant to the Series Resolution, special subaccounts have been created within the Bond Fund with respect to the Bonds (the "*Subaccounts*"), which Subaccounts are pledged and charged with the payment of the principal of and the interest on all Bonds issued pursuant to the provisions of the Series Resolution. The Series Resolution also provides for the deposit of Net Revenues to the credit of the Subaccounts to the extent and in the manner provided in the Order.

In certain events, the City will be authorized to deliver replacement Bonds in the form of fully-registered certificates in exchange for the outstanding Bonds as provided in the Series Resolution.

At the principal corporate trust office of the Bond Registrar, in the manner and subject to the conditions provided in the Order, the Bond may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of authorized denominations and bearing interest at the same rate.

The Bond Registrar shall keep at its designated corporate trust office books for the registration of transfer of the Bond. The transfer of this Bond may be registered only on such books and as otherwise provided in the Order on the surrender hereof to the Bond Registrar together with an assignment duly executed by the registered owner hereof or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. On any such registration of transfer, the Bond Registrar shall deliver in exchange for this Bond a new Bond or Bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the unredeemed principal amount of this Bond, of the same maturity and bearing interest at the same rate.

The Bond is subject to redemption at the option of the City at a price of par plus accrued interest. Upon two Business Days' prior written notice to the Owner of the Bond, the City may redeem amounts owing under the Bond at any time and from time to time. Such redemption notice shall specify the amount of the redemption which is to be applied. In the event of redemption, the City may be required to pay the Owner of the Bond an additional fee (a redemption charge) determined in the manner provided below, to compensate the Owner of the Bond for all losses, costs and expenses incurred in connection with such redemption.

The fee shall be equal to the present value of the difference between (1) the amount that would have been realized by the Owner of the Bond on the redeemed amount for the remaining term of the loan at the ICE Benchmark Administration ("*IBA*") rate for fixed-rate payers in U.S. Dollar interest rate swaps for a term corresponding to the term of the Bond, interpolated to the nearest month, if necessary, that was in effect three Business Days prior to the origination date of the Bond and (2 the amount that would be realized by the Owner of the Bond by reinvesting such redeemed funds for the remaining term of the loan at the IBA rate for fixed-rate payers in U.S. Dollar interest rate swaps, interpolated to the nearest month, that was in effect three Business Days prior to the loan repayment date; both discounted at the same interest rate utilized in determining the applicable amount in (2). Should the present value have no value or a negative value, the City may redeem with no additional fee. Should the IBA no longer release rates for fixed-rate payers in U.S. Dollar interest rate swaps, the Owner of the Bond may substitute the IBA index for rates for fixed-payers in U.S. Dollar interest rate swaps with another similar index as determined by the Owner of the Bond. The Owner of the 2020A Bond shall provide the City with a written statement explaining the calculation of the premium due, which statement shall, in absence of manifest error, be conclusive and binding.

This Bond is subject to mandatory sinking fund redemption from moneys deposited to the credit of the 2020A Subaccount of the Sinking Fund Account in an amount equal to the following Sinking Fund Requirement, at a redemption price equal to 100% of the principal amount to be so redeemed plus interest accrued to the redemption date, in the amounts and on the dates as follows:

REDEMPTION DATE (MARCH 1)	PRINCIPAL AMOUNT	REDEMPTION DATE (MARCH 1)	PRINCIPAL AMOUNT
2022	$1,120,000	2026	$860,000
2023	1,130,000	2027	872,000
2024	848,000	2028*	874,000
2025	856,000		

*Maturity

Notice of optional redemption will be given by the Bond Registrar not less than 2 Business Days before the redemption date (1) to the LGC by Mail or electronic transmission, and (2) by registered or certified mail to the then-registered Owners of the Bond to be redeemed at the last address shown on the registration books kept by the Bond Registrar (or by such other means as may be permitted by the Owners). Failure to provide such notice to the LGC will not affect the validity of any proceedings for such redemption.

Notwithstanding the foregoing, (1) if notice is given, the failure to receive an appropriate notice shall not affect the validity of the proceedings for such redemption and (2) the failure to give any such notice or any defect therein shall not affect the validity of the proceedings for the redemption of the Bonds or portions thereof with respect to which notice was correctly given.

Any notice of redemption may state that the redemption to be effected is conditioned on the receipt by the Trustee or Bond Registrar on or prior to the redemption date of moneys sufficient to pay the principal of and premium, if any, and interest on this Bond to be redeemed and that if such moneys are not so received such notice shall be of no force or effect and such Bond shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay the principal of and premium, if any, and interest on such Bond are not received by the Trustee or Bond Registrar on or prior to the redemption date, the redemption shall not be made and the Bond Registrar shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

The Owner of this Bond shall have no right to enforce the provisions of the Order or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Order, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Order and the Series Resolution.

Modifications or alterations of the Order and the Series Resolution or any order or series resolution supplemental thereto may be made only to the extent and in the circumstances permitted by the Order or the Series Resolution, as the case may be.

This Bond, notwithstanding the provisions for registration of transfer stated herein and contained in the Order and the Series Resolution, at all times shall be, and shall be understood to be, an investment security within the meaning of and for all the purposes of Article 8 of the Uniform Commercial Code of North Carolina.

All acts, conditions and things required to happen, exist and be performed precedent to and in the issuance of this Bond and the adoption of the Order and the Series Resolution have happened, exist and have been performed as so required.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Order or the Series Resolution until it shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Order or the Series Resolution, as the case may be.

IN WITNESS WHEREOF, the City, by resolution duly passed by its City Council, has caused this Bond to bear the facsimile signatures of the Mayor and the City Clerk of said City and its corporate seal to be imprinted hereon, all as of the 8th day of December, 2020.

____
Mayor, City of Monroe

____
City Clerk, City of Monroe

(SEAL)

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within bond has been approved under the provisions of The State and Local Government Revenue Bond Act of North Carolina.

____
Secretary, Local Government Commission

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _______________

This Bond is a Bond of the Series designated therein and issued under the provisions of the within mentioned Order and Series Resolution.

WELLS FARGO BANK, NATIONAL ASSOCIATION,
Bond Registrar

By: ____
Authorized Signatory

[FORM OF ASSIGNMENT]

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

____

(Please print or typewrite Name and Address,
including Zip Code, and Federal Taxpayer Identification or
Social Security Number of Assignee)

____

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

____

Attorney to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _______________

Signature guaranteed by:

____

NOTICE: Signature must be guaranteed by a Participant in the Securities Transfer Agent Medallion Program ("*Stamp*") or similar program.

____

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration, enlargement or any change whatever.

FORM OF 2020B BOND

THIS BOND, EXCEPT FOR PERMITTED TRANSFERS, IS NON-TRANSFERABLE

CITY OF MONROE, NORTH CAROLINA
COMBINED ENTERPRISE SYSTEM REVENUE REFUNDING BOND
SERIES 2020B

No. RB-1 **$6,776,000**

INTEREST RATE	DATED DATE	MATURITY DATE
1.40%	**December 8, 2020**	**May 1, 2034**

REGISTERED OWNER:

PRINCIPAL AMOUNT: **SIX MILLION SEVEN HUNDRED SEVENTY-SIX THOUSAND DOLLARS**

THE CITY OF MONROE, NORTH CAROLINA (the "*City*"), a municipal corporation of the State of North Carolina, for value received, hereby promises to pay, solely from the sources and in the manner hereinafter provided, to the registered owner hereof named above, on the maturity date set forth above (or earlier as hereinafter referred to), at the designated corporate trust office of the Bond Registrar (the "*Bond Registrar*"), Wells Fargo Bank, National Association, Jacksonville, Florida, the principal sum set forth above. The City also promises to pay, solely from said sources, interest thereon (1) from the date of initial issuance, if authenticated prior to the first Interest Payment Date (as defined in the Series Resolution hereinafter mentioned), or (2) otherwise from the Interest Payment Date that is, or that immediately precedes, the date on which this Bond is authenticated (unless payment of interest is in default, in which case such Bond will bear interest from the date to which interest has been paid), payable on May 1, 2021 and semi-annually thereafter on May 1 and November 1 of each year at the rate per annum set forth above (calculated on the basis of a 360-day year consisting of twelve 30-day months), as may be adjusted in accordance with the Series Resolution, until the principal sum hereof is paid. The interest so payable and punctually paid or duly provided for, on any Interest Payment Date, will be paid to the person in whose name this Bond is registered at the close of business on the Regular Record Date (as defined in the Series Resolution) for such interest, which shall be the 15th day (whether or not a business day) of the calendar month next preceding such Interest Payment Date. Any such interest not so punctually paid or duly provided for shall forthwith cease to be payable to the Owner (as defined in the Order hereinafter mentioned) on such Regular Record Date, and may be paid to the person in whose name this Bond is registered at the close of business on a Special Record Date (as defined in the Order) for the payment of such defaulted interest to be fixed by the Trustee hereinafter mentioned, notice whereof being given to the Owners not less than 10 days prior to such Special Record Date, or may be paid at any time in any other lawful manner not inconsistent with the requirements of any securities exchange on which the Bonds of this Series may be listed and on such notice as may be required by such exchange, or as more fully provided in the Order. The principal of, premium, if any, and interest on this Bond is are payable in any lawful coin or currency of the United States of America which on the respective dates of payment thereof is legal tender for the payment of public and private debts. This Bond are payable at the designated corporate trust office of the Bond Registrar without the need for presentation and surrender of this Bond; provided; however, presentation of the final payment at maturity or redemption in whole will be required at the designated corporate trust of the Bond Registrar; provided, however, if such Bond is lost, the Owner of such Bond will file with Bond Registrar evidence satisfactory to it of the destruction, loss or theft of such Bond and of the Owner's ownership thereof. Interest on the this Bond will be paid by the Bond Registrar by check or draft mailed on the Interest Payment Date to the Owner as its name and address appear on the registration books kept by the Bond Registrar at the close of business on the Regular Record Date. At the written request of an Owner, principal and interest may be payable by wire transfer at the address specified in writing by such Owner to the Bond Registrar by the Regular Record Date.

This Bond is one of a duly authorized series of revenue bonds of the City, designated "City of Monroe Combined Enterprise System Revenue Refunding Bond, Series 2020B" (the "*Bond*"), issued under and pursuant to the Constitution and laws of the State of North Carolina, including the Act as defined in a bond order duly adopted by the City on May 3, 1994, as supplemented and amended (collectively, the "*Order*"), pursuant to which Wells Fargo Bank, National Association, Jacksonville, Florida, is serving as Trustee, and a series resolution (the "*Series Resolution*") duly adopted by the City on December 1, 2020. The Bonds are being issued for the purpose of providing funds for (i) refunding certain outstanding indebtedness and (ii) paying certain costs and expenses incidental to the issuance of the Bond.

The Bonds are special obligations of the City secured by a pledge, charge and lien on Net Revenues, as defined in the Order. The City is not obligated to pay the principal of or the interest on the Bonds except, as provided in the Order, from Net Revenues, or certain other moneys made available therefor under the Order, and neither the faith and credit nor the taxing power of the State of North Carolina or any political subdivision thereof is pledged to the payment of the principal of and the interest on the Bonds. The Order provides for the issuance from time to time under the conditions, limitations and restrictions therein set forth of additional revenue bonds and permits the incurrence of Parity Debt (as defined in the Order) secured pari passu as to the pledge of Net Revenues with the Bonds and other Parity Indebtedness heretofore or hereafter issued or incurred under the Order, subject to the City's right hereafter to determine by resolution not to treat Other General Obligation Indebtedness as Parity Indebtedness.

THE BOND WILL BE NON-TRANSFERABLE, EXCEPT TO (1) A BANK, INSURANCE COMPANY, OR SIMILAR FINANCIAL INSTITUTION, (2) ANY DIRECT OR INDIRECT WHOLLY-OWNED SUBSIDIARY OF THE OWNER OF THE BOND (AN "*OWNER AFFILIATE*"), PROVIDED SUCH OWNER AFFILIATE AGREES TO TRANSFER THE BOND TO A PERMITTED TRANSFEREE UNDER THIS PARAGRAPH BEFORE IT CEASES TO BE AN OWNER AFFILIATE IF AT THE TIME IT CEASES TO BE AN OWNER AFFILIATE IT WOULD NOT QUALIFY AS A PERMITTED TRANSFEREE UNDER THIS PARAGRAPH, (3) OR ANY OTHER ENTITY APPROVED BY THE NORTH CAROLINA LOCAL GOVERNMENT COMMISSION. THE TRUSTEE AND THE BOND REGISTRAR WILL HAVE NO OBLIGATION TO PAY ANY AMOUNTS DUE ON THE BOND TO ANYONE OTHER THAN THE OWNER OF THE BOND AS SHOWN ON THE REGISTRATION BOOKS KEPT BY THE BOND REGISTRAR.

The Order provides for the creation of a special fund designated "City of Monroe Combined Enterprise System Bond Fund" (the "*Bond Fund*"). Pursuant to the Series Resolution, special subaccounts have been created within the Bond Fund with respect to the Bonds (the "*Subaccounts*"), which Subaccounts are pledged and charged with the payment of the principal of and the interest on all Bonds issued pursuant to the provisions of the Series Resolution. The Series Resolution also provides for the deposit of Net Revenues to the credit of the Subaccounts to the extent and in the manner provided in the Order.

In certain events, the City will be authorized to deliver replacement Bonds in the form of fully-registered certificates in exchange for the outstanding Bonds as provided in the Series Resolution.

At the principal corporate trust office of the Bond Registrar, in the manner and subject to the conditions provided in the Order, the Bond may be exchanged for an equal aggregate principal amount of Bonds of the same maturity, of authorized denominations and bearing interest at the same rate.

The Bond Registrar shall keep at its designated corporate trust office books for the registration of transfer of the Bond. The transfer of this Bond may be registered only on such books and as otherwise provided in the Order on the surrender hereof to the Bond Registrar together with an assignment duly executed by the registered owner hereof or his attorney or legal representative in such form as shall be satisfactory to the Bond Registrar. On any such registration of transfer, the Bond Registrar shall deliver in exchange for this Bond a new Bond or Bonds, registered in the name of the transferee, of authorized denominations, in an aggregate principal amount equal to the unredeemed principal amount of this Bond, of the same maturity and bearing interest at the same rate.

The Bond is subject to redemption at the option of the City at a price of par plus accrued interest. Upon two Business Days' prior written notice to Owner of the Bond, the City may redeem amounts owing under the Bond at any time and from time to time. Such redemption notice shall specify the amount of the redemption which is to be applied. In the event of redemption, the City may be required to pay the Owner of the Bond an additional fee (a redemption charge) determined in the manner provided below, to compensate the Owner of the Bond for all losses, costs and expenses incurred in connection with such redemption.

The fee shall be equal to the present value of the difference between (1) the amount that would have been realized by the Owner of the Bond on the redeemed amount for the remaining term of the loan at the ICE Benchmark Administration ("*IBA*") rate for fixed-rate payers in U.S. Dollar interest rate swaps for a term corresponding to the term of the Bond, interpolated to the nearest month, if necessary, that was in effect three Business Days prior to the origination date of the Bond and (2) the amount that would be realized by the Owner of the Bond by reinvesting such redeemed funds for the remaining term of the loan at the IBA rate for fixed-rate payers in U.S. Dollar interest rate swaps, interpolated to the nearest month, that was in effect three Business Days prior to the loan repayment date; both discounted at the same interest rate utilized in determining the applicable amount in (2). Should the present value have no value or a negative value, the City may redeem with no additional fee. Should the IBA no longer release rates for fixed-rate payers in U.S. Dollar interest rate swaps, the Owner of the Bond may substitute the IBA index for rates for fixed-payers in U.S. Dollar interest rate swaps with another similar index as determined by the Owner of the Bond. The Owner of the Bond shall provide the City with a written statement explaining the calculation of the premium due, which statement shall, in absence of manifest error, be conclusive and binding.

This Bond is subject to mandatory sinking fund redemption from moneys deposited to the credit of the 2020B Subaccount of the Sinking Fund Account in an amount equal to the following Sinking Fund Requirement, at a redemption price equal to 100% of the principal amount to be so redeemed plus interest accrued to the redemption date, in the amounts and on the dates as follows:

Redemption Date (May 1)	Principal Amount	Redemption Date (May 1)	Principal Amount
2021	$478,000	2028	$485,000
2022	507,000	2029	481,000
2023	503,000	2030	477,000
2024	500,000	2031	473,000
2025	496,000	2032	469,000
2026	492,000	2033	465,000
2027	489,000	2034*	461,000

*Maturity

Notice of optional redemption will be given by the Bond Registrar not less than 2 Business Days before the redemption date (1) to the LGC by Mail or electronic transmission, and (2) by registered or certified mail to the then-registered Owners of Bond to be redeemed at the last address shown on the registration books kept by the Bond Registrar (or by such other means as may be permitted by the Owners). Failure to provide such notice to the LGC will not affect the validity of any proceedings for such redemption.

Notwithstanding the foregoing, (1) if notice is given, the failure to receive an appropriate notice shall not affect the validity of the proceedings for such redemption and (2) the failure to give any such notice or any defect therein shall not affect the validity of the proceedings for the redemption of the 2020 Bonds or portions thereof with respect to which notice was correctly given.

Any notice of redemption may state that the redemption to be effected is conditioned on the receipt by the Trustee or Bond Registrar on or prior to the redemption date of moneys sufficient to pay the principal of and premium, if any, and interest on this Bond to be redeemed and that if such moneys are not so received such notice shall be of no force or effect and such Bond shall not be required to be redeemed. In the event that such notice contains such a condition and moneys sufficient to pay the principal of and premium, if any, and interest on such Bond are not received by the Trustee or Bond Registrar on or prior to the redemption date, the redemption shall not be made and the Bond Registrar shall within a reasonable time thereafter give notice, in the manner in which the notice of redemption was given, that such moneys were not so received.

The Owner of this Bond shall have no right to enforce the provisions of the Order or to institute action to enforce the covenants therein, or to take any action with respect to any event of default under the Order, or to institute, appear in or defend any suit or other proceeding with respect thereto, except as provided in the Order and the Series Resolution.

Modifications or alterations of the Order and the Series Resolution or any order or series resolution supplemental thereto may be made only to the extent and in the circumstances permitted by the Order or the Series Resolution, as the case may be.

This Bond, notwithstanding the provisions for registration of transfer stated herein and contained in the Order and the Series Resolution, at all times shall be, and shall be understood to be, an investment security within the meaning of and for all the purposes of Article 8 of the Uniform Commercial Code of North Carolina.

All acts, conditions and things required to happen, exist and be performed precedent to and in the issuance of this Bond and the adoption of the Order and the Series Resolution have happened, exist and have been performed as so required.

This Bond shall not be valid or become obligatory for any purpose or be entitled to any benefit or security under the Order or the Series Resolution until it shall have been authenticated by the execution by the Bond Registrar of the certificate of authentication endorsed hereon.

Capitalized terms not otherwise defined herein shall have the meanings ascribed to them in the Order or the Series Resolution, as the case may be.

IN WITNESS WHEREOF, the City, by resolution duly passed by its City Council, has caused this Bond to bear the facsimile signatures of the Mayor and the City Clerk of said City and its corporate seal to be imprinted hereon, all as of the 8th day of December, 2020.

Mayor, City of Monroe

City Clerk, City of Monroe

(SEAL)

CERTIFICATE OF LOCAL GOVERNMENT COMMISSION

The issuance of the within bond has been approved under the provisions of The State and Local Government Revenue Bond Act of North Carolina.

____
Secretary, Local Government Commission

CERTIFICATE OF AUTHENTICATION

Date of Authentication: ______________

This Bond is a Bond of the Series designated therein and issued under the provisions of the within mentioned Order and Series Resolution.

WELLS FARGO BANK, NATIONAL ASSOCIATION,
Bond Registrar

By: ____
Authorized Signatory

[FORM OF ASSIGNMENT]

ASSIGNMENT

FOR VALUE RECEIVED the undersigned hereby sells, assigns and transfers unto

____

(Please print or typewrite Name and Address,
including Zip Code, and Federal Taxpayer Identification or
Social Security Number of Assignee)

____

the within Bond and all rights thereunder, and hereby irrevocably constitutes and appoints

____

Attorney to register the transfer of the within Bond on the books kept for registration thereof, with full power of substitution in the premises.

Dated: _______________

Signature guaranteed by:

____

NOTICE: Signature must be guaranteed by a Participant in the Securities Transfer Agent Medallion Program ("*Stamp*") or similar program.

____

NOTICE: The signature to this assignment must correspond with the name as it appears on the face of the within Bond in every particular, without alteration, enlargement or any change whatever.

EXHIBIT B
[FORM OF REQUISITION]

Wells Fargo Bank, National Association
225 Water Street, Suite 410
Jacksonville, Florida 32202
Attention: Corporate Trust Division

Re: Disbursement from the 2020[A][B]Subaccount of the Costs of Issuance Account of the Construction Fund (the "*2020[A][B] Costs of Issuance Subaccount*") relating to the City of Monroe, North Carolina Combined Enterprise System Revenue Bonds, Series 2020

Requisition No: ________

Dear _____________:

Pursuant to Section 405 of the Series Resolution adopted on December 1, 2020 by the City Council of the City of Monroe, North Carolina (the "*Series Resolution*"), we hereby request you, as trustee under the Series Resolution, to disburse from the 2020[A][B] Costs of Issuance Subaccount as follows:

1. The amount to be disbursed is $___________________. Such amount represents an obligation that has been incurred by the City, is presently due and payable and is a proper charge against the Construction Fund that has not been paid.

2. The name and address of the person, firm or corporation to whom the disbursement should be made is as follows:

____
____
____
____
____

3. The purpose of the disbursement is to _________________________________.

4. This requisition contains no item representing payment on account of any retainage to which the City is entitled at the date hereof.

DATED this ___day of _____________, _____.

CITY OF MONROE, NORTH CAROLINA

By: ____
Title: ____